

Report to:	TOURISM, ECONOMY AND RESOURCES SCRUTINY COMMITTEE
Relevant Officer:	John Blackledge, Director of Community and Environmental Services
Date of Meeting	10 September 2015

WASTE SERVICES AND STREET CLEANSING PERFORMANCE REPORT

1.0 Purpose of the report:

1.1 The purpose of this report is to provide a basis for the Scrutiny Committee to review the services in relation to delivery with an emphasis on headline data, statistics and performance indicators. It will provide a brief outline of the various elements of the services and highlight any current or anticipated issues.

2.0 Recommendation:

2.1 To scrutinise the performance of the services and identify any matters for further scrutiny.

3.0 Reasons for recommendation:

3.1 To ensure effective scrutiny of the Waste and Street Cleansing services.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

Request Internal Audit to programme in to the annual work plan.
Refer to external audit.

4.0 Council Priority:

4.1 The relevant Council Priority is:

- Deliver quality services through a professional, well-rewarded and motivated workforce

5.0 Report Information

5.1 SCOPE OF THE REPORT

Waste Services (*Waste*) and Street Cleansing (*Cleansing*) are two of the Council's main, high-visibility frontline service areas responsible for delivering a broad range of specialist services to the public.

The scope of this report includes all functional service areas within Waste and Cleansing.

WASTE - including:

- Domestic Waste (incorporating the Refuse and Recycling Collection Contract)
- Household Waste Recycling Centre (HWRC), including the Re-use Shop
- Trade (or business) Waste
- Waste Disposal Contract (Lancashire Waste Partnership with Lancashire County Council (LCC))
- Third Sector Partnerships including Rover (mobile recycling unit), Bulky Matters (bulky items collection), the Re-New Workshop (electrical repair and refurbishment), Domestic Recycling Collections (paper/card) and Wheeled Bin Management.

CLEANSING – including:

- Street Sweeping
- NEAT (Neighbourhood Environmental Action Team) incorporating Enforcement & Fly tipping
- Street Litter Bins
- Beach Cleaning
- Weed Spraying
- Graffiti Removal
- Gully Cleaning

5.2 BUDGET INFORMATION

Waste and Cleansing represent a significant proportion of annual council spend. The combined budgets for the two services are in the region of £18m with the Waste budget currently at c£15m and Cleansing at c£3m.

5.3 **What is going well?**

Waste Services

5.3.1 **The Rover Service**

The Rover service is a mobile recycling unit servicing those residents with no access to a car, which in some of the inner wards is over 50% of the households.

Rover won the Letsrecycle.com National Award for Excellence in Waste Management and Recycling, in Liverpool in March of this year.

In the year 2014/15 Rover exceeded all expectations. It collected 44,183 items totaling 132.5 tonnes of material that was recycled from 7,624 resident visits.

The service was developed and funded over an 18 month period with funding secured via the Waste Disposal Contract with LCC.

Rover is now tendered out to a third sector partner, Helping Hand, who delivers the service on behalf of the Council at a cost of £40k per annum. Rover plays an important role in local, closed-loop recycling and strengthening links in to the Re-use Shop and the Re-New Workshop.

5.3.2 **Household Waste Recycling Centre**

Recycling rate for the Household Waste Recycling Centre (HWRC) continues to be maintained at 70%, which is the second highest of all the HWRC's within the Lancashire Waste Partnership.

The different types of materials being recycled has also been maintained at 30 separate waste streams.

The site Re-use shop has been re-housed in a second hand larger unit which doubled the previous floor space and is a more professional looking enterprise. The shops performance has improved over last year and is now selling refurbished white goods and computers from the Renew workshop, which is also now fully operational.

The site has recently re-tendered the skip transportation contract with the aim of making further savings, forecast to be in the region of £40k.

5.3.3 **Bulky Matters**

Bulky Matters is the Council's bulky item collection service in partnership with a third sector partner, Furniture Matters.

The bulky waste service continues to perform to target and increasing amounts of collected furniture are going back out to those in need across the town through partnership working with the Social Fund.

The service has expanded to cover Wyre through a cost sharing agreement with Wyre Borough Council. The cost of delivering the service is £125k, with £14k met by Wyre BC, £20k income and £56k collection charges, the net cost to the council is £35k per annum.

So far this year the service has made 1090 collections and 207 Social Fund deliveries. Total items collected year to date stands at 5,184 items which comprises 388 items being re-used, 2,365 items recycled with 71 tons to landfill achieving a combine recycling rate of 55%.

5.3.4 **Seagull-Proof Sacks**

Seagull-proof sacks – this is pilot scheme aimed at keeping the streets cleaner which is being trialed in those areas receiving weekly black bag collection. Initial feedback indicates this is being positively received by residents and our collection contractor, Veolia.

5.3.5 **Domestic Euro Containers**

Domestic Euro Containers – this is another scheme which is also aimed at problematic areas either on a black sack collection or where domestic recycling bins are performing poorly. Again, this has had a positive effect on keeping the areas clean and tidy, reducing fly tipping, and been well received by residents. Currently the service is exploring the next phase of roll-out.

Street Cleansing

5.3.6 Street Cleansing has successfully re-organised operationally to offer greater resilience to weekend demand particular to the town centre, promenade, beach and tourism “hot spots”. The impact of the budget cuts has been limited to reducing the frequency for cleaning residential streets to a targeted four-weekly cycle and evening operational hours in the town centre and promenade being limited to 6pm on summer weekends and to 4pm all other days of the week. The service team is flexible, multi skilled and adapts well to change. Despite the cuts to budgets the town centre and promenade are maintained to a high standard and cleaning to the outskirts of the business centre and holiday areas continue to see daily or alternate daily attention.

5.3.7 The service’s ability to react and respond to tourism events has always been proactive and flexible reducing the negative press about unsightly litter, which is often taken out of context. A good example this year would be the Air Show with 100,000 spectators concentrated on the beach and promenade between South and North Piers. The flexibility of deploying all resources to this area the following morning returning the areas to a high standard of

cleanliness by 9am is something which the service should be proud of.

- 5.3.8 Litter bin provision across the borough is continuously reviewed and attempts to standardise litter bin type has been successful. Larger capacity litter bins dominate the promenade with access to a litter bin at every entrance steps to the beach between Cocker Square and the Sandcastle Waterpark and within approximately 50 meters or less along the promenade eastern side. These large capacity bins are serviced by mechanical bin lifting vehicles and only require a single service per day during the majority of the year. Additional service intervals for special events or periods of peak summer holidays are reactively instigated as required.
- 5.3.9 Town centre provision of smaller litter bins has been necessary to allow for sweepers to easily service using traditional hand carts removing the need for heavy vehicles to enter the shopping precincts. There will be occasions where demand outweighs our ability to service but this is infrequent, however the early evening and night time economy can result in numerous bins overflowing due to resources finishing at no later than 6pm.
- 5.3.10 Neighbourhood shopping parades are cleaned on a daily or alternate day frequency depending on the size and footfall in the area. The frequency determines the level of litter migrating to residential streets, which is then cause for complaint. All shops have sufficient litter bin provision and where possible larger capacity litter bins will be installed as funding and replacement provision allows.
- 5.3.11 The reduction in cleansing frequencies to residential streets has had an obvious impact on general cleanliness but not one which has created a windfall of complaints. Supervisors within the service are aware of all the arterial routes throughout the borough and react to obvious issues which are easily remedied. The arterial route continues to be cleaned by a large mechanical sweeper on a fortnightly basis and responsible for highlighting issues during the normal cleansing operation.
- 5.3.12 Departmental restructuring has allowed closer integration between Waste Services and Street Cleansing Services to look at shared responsibility to improve waste collection systems and frequencies. There are several new initiatives which are currently being considered in readiness for consultation with stakeholders.

5.4 **What isn't going well and why?**

Waste Services

5.4.1 **Recycling**

The recycling rate is the amount of waste the Council recycles each year and acts as an important benchmark for performance.

In the last financial year (2014/2015) we collected 52,000 tonnes of waste and recycling from

the kerbside of which 34.1% was in the blue and green lidded bins and brown sacks. This is the material that is sent for recycling and composting at the waste treatment facility in Thornton.

The total amount of waste and recycling collected and disposed of by the authority in 2014/2015 was 71,500 tonnes (slightly down from the previous year), and this includes waste from other sources like the HWRC, Street Cleansing, trade waste, parks, etc. All these different waste types go towards calculating the overall borough recycling rate.

The previous year (2013/2014) saw Blackpool break through the 40% recycling rate threshold for the first time, as one of the main KPI's for Domestic Waste, the service aims to maintain or improve on this year on year.

Unfortunately, early indications are that our overall recycling rate for 2014/2015 will be in the region of 39.9%, a reduction of 1.2% from the previous year. This can be attributed to an increase in total waste arising, a reduction in recycling at the kerbside and also fewer resources on the ground in terms of waste liaison officers.

A study is being undertaken to look at how we can improve the quality and increase the quantity of recyclable material in the blue bins. Also, closer working with Communications to develop targeted campaigns to raise awareness of what can and cannot be recycled.

5.4.2 **Disposal of Waste**

In partnership with Lancashire County Council for the long-term disposal/treatment of waste, the Waste Disposal contract represents one of the Council's largest contracts at c£11m per annum. As a result of this, in a spirit of continuous improvement, we are always looking at ways of releasing efficiency savings year on year.

The termination of the contract with Global Renewables Limited (GRL) and the transfer of responsibilities for operating the waste recycling facilities to an operating company owned by Lancashire County Council and Blackpool Council were reported to the Executive on 21 July 2014, including anticipated financial and performance benefits to the Council. Governance arrangements have been developed along with a Memorandum of Understanding clarifying the Council's involvement in decisions with Lancashire County Council.

Unfortunately, although having realised some savings in the financial re-modeling of this contract, it has resulted in the loss of the government's waste-credits grant (Private Finance Initiative credits) in the region of £800k per annum. This has been met for 2015/2016 from the Waste PFI reserve, however Blackpool and Lancashire County Councils are taking this to judicial review.

Currently we are looking very closely at the waste processing operations of both the Thornton and Farrington (Leyland) plants with a view to increasing the amount of material

that is successfully diverted away from landfill, along with other efficiencies to increase performance and reduce the overall cost of the contract to the council.

Recycling market fluctuations and a change in legislation in relation to the Waste Electrical and Electronic Equipment (WEEE regulations) has resulted in a forecasted reduction in income of c£55k. The rising cost of disposal of many of the waste streams is also adding to that pressure and work is being carried out with Procurement to mitigate this as far as possible.

Street Cleansing

- 5.4.3 Refuse collection within the town has always impacted on the Street Cleansing service. This is particularly problematic where Houses of Multiple Occupation and high density housing areas present their domestic waste for collection in alleyways and service roads.
- 5.4.4 The Neighbourhood Environmental Action Team (NEAT) are responsible for investigating incidents of fly tipping, which are predominately waste put out for collection on none collections days and/or bulky waste such as white goods and furniture simply abandoned in the alleyways. The culture to dump waste has increased over recent years for a variety of reasons, which includes the cost of waste disposal, "cowboy" disposal collectors, no transport to take bulky items and white goods to the Household Waste Recycling Centre, a lack of suitable storage for waste in Houses of Multiple Occupation. Those areas where refuse collection remains on bagged collection service have the greatest impact on the cleanliness of streets. Scavenging from the bags by cats, dogs, and seagulls impact on a daily basis on the service's resources to react to migrating litter and contents of domestic waste.
- 5.4.5 The treatment of weeds throughout the borough is another area which effects the perception of cleanliness. Weed treatment is carried out with the use of quad bike spraying equipment with treatments carried out three times a year commencing as early as March and April. Second treatments will commence in June through to July with a final treatment to be carried out in September. The operation is wholly governed by the weather as environmental controls are strict to prevent unnecessary damage to the environment and health and safety issues for the employees. It is not possible to spray where average wind speeds exceed four miles per hour, to prevent drifting of the chemical and following treatments a window of six hours of dry weather is necessary for the chemical to be absorbed by the plant. Poor weather conditions this year have frustrated our ability to carry out the second treatment resulting in heavy weed growth around the borough. In addition the level of parked vehicles including those overriding the pavement cause inconsistent treatments street by street.

5.5 What are the barriers to improvement?

The refuse collection contract is the Council's domestic household kerbside collection service delivered by Veolia Environmental Services. It is a substantial contract and accounts for c£3.6m of the Council's budget. A substantial amount of work has been carried out by the

management team over the last four years to reduce the overall cost of this contract, which was in the region of £4.5m in 2010.

As this contract runs until 2019, there are restrictions on opportunities to make major changes to the way that household waste is collected in Blackpool. Work will begin on procuring a new contract in 2017 with a view to making further significant savings as well as making it easier for residents to recycle and increasing the recycling rate.

Reducing budgets will put pressure on service areas to maintain service targets and standards with diminishing resources. If service levels are to change then the balance will be to manage our residents' expectations and what we can realistically and consistently achieve. Staff in waste and street cleansing are committed to continuous improvement, however after three years of reductions morale is a concern and we are actively engaged in ensuring standards remain high and that all staff are engaged in the change management process.

5.6 PERFORMANCE

In which areas are we performing well?

The Household Waste Recycling Centre Re-use shop function is still growing enterprise with an income target for this year of £80k. Prior to the shop much of this material would have been sent to landfill so the benefit of the shop is of a twofold nature, income generation and landfill diversion. The Re-use shop generated income of £55k in 2013/2014, £75k in 2014/2015 with a target of £80k in 2015/2016. The Re-use shop also makes an annual contribution to the Mayor's charity of £10k.

The Commercial Waste service continues to operate at optimum levels and efficiency, firmly established as the largest local provider in the area with 3,154 customers, equating to a market share of between 48% to 50% (based on c.6000 active businesses in the town), including over 300 customers in Wyre (business rates data).

The service is delivered in-house and yields consistently good returns year on year, contributing in the region of £130k per annum to comprehensive spending review savings.

5.7 **How do we compare with other authorities in terms of benchmarking?**

The Council's Waste Service is an active member of the Association of Public Service Excellence (APSE). Through this association we subscribe to APSE's Performance Networks benchmarking group. This group allows us to compare and benchmark ourselves with other authorities or 'family groups' (in terms of demographics, deprivation indices, etc.).

The number of performance indicators produced is vast and far-ranging, attached to this document is an extract for illustration purposes. In essence, benchmarked against other authorities, Blackpool Council's Waste Services is a good performer (within its constraints)

however in the spirit of continuous improvement we are always looking at how to do things better and more cost effectively.

Our recycling rate is now at the national average and it ought to be noted that the highest performing Council can count on 30% of their overall rate coming from garden waste. Garden waste only contributes 12.5% of Blackpool's overall recycling rate, which reflects the low number of gardens in the Blackpool housing profile, but highlights that in all other areas of waste collected we outperform most districts in Lancashire.

The Household Waste Recycling Centre is in the upper quartile of national performance, waste disposal the highest proportion of overall site costs at 35% compared to 27% last year. This highlights the market trends of increasing costs of disposal.

5.8 **What are our priorities in terms of improving performance this year?**

- Major litter campaign with Keep Britain Tidy
- Consideration of the integration of Street Cleansing and Domestic Services
- In conjunction with Lancashire County Council, review Thornton and Farrington waste processing operations
- Review of domestic kerbside recycling rounds in terms of participation and utilisation efficiency
- Review of our third sector working partnerships and capacity to deliver additional services (i.e. Rover)
- Review of the recycling off-take contracts at the Household Waste Recycling Centre
- Review of the haulage/skip transport contract within the Household Waste Recycling Centre
- Review of commercial waste customer base and service development
- Review of the kerbside textile collection service
- Review of on-street recycling facilities
- Review of subscription based green waste collections
- Review of Euro Bin provision and seagull sack pilot
- Consideration of Channel Shift initiatives.

5.9 **FINANCE**

The 2015/2016 revised budgets for Waste and Street Cleansing are shown in more detail in the table below:

SERVICE	BUDGET
Tower Commercial Waste	(651,763)
Bristol Ave Hwrc	404,806
Bulky Waste Collection Service	67,130
Pfi	10,964,071

Regular Collections	4,151,852
Bin Purchase	52,739
Helping Hands	51,971
Waste Disposal	260,935
Waste Communications & Promotion	11,031
TOTAL WASTE BUDGET	15,312,772
Street Cleansing	2,543,498
LEAF	335,155
Winter Maintenance	114,812
Pest Control	17,605
TOTAL STREET CLEANSING BUDGET	3,011,070
TOTAL COMBINED WASTE AND CLEANSING BUDGET	18,323,842

5.10 CROSS DEPARTMENTAL WORKING

The service interacts with every department across the organisation due to the fact it has to service the waste and recycling requirements of each and every person and department. This leads to closer working relationships with key people in delivering our objectives, in key areas such as Communications and Marketing, PR, Print Services and Business Support. As the waste contracts are of a substantial size and value it also means the service works very closely with Finance, Legal Services and Procurement.

Closer integration of Waste with Street Cleansing has allowed more coordinated approach to cleaning the town.

5.11 ENGAGEMENT AND COMMUNICATION

5.11.1 **How we communicate the good work we are doing to residents.**

- Direct communications via the Council's website, Your Blackpool and mail shots to residents.
- Utilise the bin wagons with positive messages on waste disposal and recycling allied to national campaigns.
- Regular conversations with residents through the Household Waste Recycling Centre and the Rover service also provide valuable feedback. Use is made of our Waste Liaison officer to deal with residents and members of the public face to face. We also undertake a varied array of internal and external advertising campaigns.

5.11.2 How do we know that the services we provide are making an impact and are valued by residents?

The annual Household Waste Satisfaction Survey, piloted by Ipsos MORI, is carried out across the town with around 40% coming back. The results showed that broadly the Waste Service remains positively viewed, but overall satisfaction is down at the Household Waste Recycling Centre reflecting the site being closed on a Thursday and reduced opening hours the rest of the week.

The questionnaire results highlighted a number of areas where residents want to see change in the mediums we use to communicate, namely increased use of leaflets.

Questionnaires from residents utilising the ROVER service and the Household Waste Recycling Centre also informs our decision making and helps to drive future strategy.

Does the information submitted include any exempt information? No

List of Appendices:

Appendix 10a - Household Waste and Recycling Public Satisfaction Survey 2014

Appendix 10b - APSE Performance Network PI Standings Report 2013/14

6.0 Legal considerations:

6.1 None

7.0 Human Resources considerations:

7.1 N/A

8.0 Equalities considerations:

8.1 N/A

9.0 Financial considerations:

9.1 The pressures noted in the report including back-dated VAT and recycling income are included in the 2015/16 forecast outturn for Waste. The forecast loss of Waste PFI Grant has been covered by the specific Waste PFI Reserve.

10.0 Risk management considerations:

10.1 N/A

11.0 Ethical considerations:

11.1 N/A

12.0 Internal/ External Consultation undertaken:

12.1 None

13.0 Background papers:

13.1 None