Overview and Scrutiny Panel  
26th August 2015

Value for Money Review – Environmental Services Contract

SYNOPSIS
To note and comment on the Value for Money Review Report.

1. Introduction
A Value for Money (VFM) Review of the Environmental Services Contract was agreed to be carried out by the Strategic Partnership Board (SPB) in May 2014.

The SPB was set up as part of revised governance arrangements which commenced in July 2012 following Full Council agreement to extend the Kier contract in October 2011. The membership of the SPB consists of the Leader, Lead Member for the Environment, Opposition Member, Chief Executive, Head of Service, Two Kier Senior Managers and a Community Representative. The Board are to meet quarterly and their functions to include; monitoring performance and customer satisfaction, discussing service improvement issues and agreeing Best Value Reviews of the Service(s) and setting and amending strategies to meet corporate objectives.

2. Relevant Background Details
What is Value for money (VFM)? - VFM centres on the three E’s (Economy, Efficiency and Effectiveness) and uses the principals of challenging what we do and comparison with others. It is important that the service challenges what it does and asks how we can do it better (and even if it should do it at all)

Why is VFM important? – VFM is a key part of the national agenda of ensuring that services deliver what is required and at an acceptable price. With cuts in public services high on the government’s agenda we need to ensure that we are offering VFM and if savings can be made then this will go towards helping Corby Borough Council overcome its future financial challenges.

3. Extent of Review
The May 2014 SPB meeting agreed the key priorities, scope, membership, and methodology and timetable for VFM review.

It was agreed that the key priorities of the VFM Review should be to;

- Deliver improved performance, and
- Deliver increased customer satisfaction

Members therefore agreed that the VFM Review should focus on services which were;

- Poorest performing, and
- Services with lowest customer satisfaction

These priorities and data held on performance and customer satisfaction informed what services were in scope for the review, as follows;

- Food Waste Collections
- Missed Bin Collections
- Trade Waste
- Street Cleansing
- Fly Tipping, and
- Grass Cutting
The review team included the following membership: Head of Service, Street Scene Manager, Kier Business Manager, Kier Services Manager, Lead Member and the report author and audit facilitator a consultant auditor from Welland Audit Consortium.

The methodology to be used would be as standard for similar other VFM reviews i.e.

- Challenge
- Compare, and
- Consult

To address the key question – does the service deliver VFM?

Discussions took place with members of OSP regarding extending the scope of the VFM review at its meeting on 10 September 2015 to cover any additional areas of concern, which did lead to the inclusion of shrub bed maintenance within the review scope. It was also agreed that an OSP Focus Group would be held as part of the review and that the review outcome report would be reported back to OSP when complete.

A stakeholder workshop session was held with members of OSP on 15th December 2014 to discuss the areas in scope for the review, what potential improvements could be made and seek feedback on proposed solutions, the outcomes of which helped inform the actions proposed in the final draft outcome report.

The final draft outcome report was agreed with the consultant auditor in April 2014 and was reported to the commissioning Kier Contract SPB on 11th June 2014 who agreed that the report would form part of the ongoing Improvement Plan.

4. Issues to be taken into account:-

Policy Priorities

The authority seeks to ensure that we provide value for money by using our resources economically, efficiently and effectively.

Financial

Environmental Services (Street Scene) account for a significant part of the Council’s overall budget i.e. circa £3M and also provide a considerable level of external income to the council. VFM reviews are important as they will inform the future budgeting process and service planning process.

Legal

The Local Government Act 1999 requires the Council to secure best value for money through continuous improvement.

Performance Information

Environmental Services (Street Scene) have a number of Performance Indicators (e.g. NI 191 Residual Waste per Household, N1 192 Percentage of Household Waste sent for reuse, recycling and composting) etc and are also members of the Association of Public Service Excellence (APSE) Performance Networks grouping for benchmarking purposes.

Best Value

Best Value centres on the four C’s (Challenge, Compare, Compete and Consult). VFM centres on the three E’s (Economy, Efficiency and Effectiveness) but draws against the Challenge and Compare parts of Best Value. It is important that the service challenges what it does and asks how can we do it better (and even if it should do it at all). To do this it must compare with others to help arrive at a conclusion as to whether VFM has been achieved or needs to improve.

Human Rights

There are no direct issues in relation to these areas arising directly in this report but any potential future service changes informed by any review may have implications and these would need to be evaluated before any changes were made.
5. **Conclusion**

A Value for Money Review of the Environmental Services Contract has been carried out with the key priorities, scope, membership, and methodology of the Review being agreed by the Kier Contract SPB. Members of OSP had an opportunity to input into the scope of the review and participated in a Stakeholder Workshop Session on 15th December 2015. The draft VFM review outcome report was reported to the Kier Contract SPB on 11th June 2015 and it was agreed that the report would form part of the ongoing Improvement Plan.

6. **Recommendation**

Members note and comment on the Value for Money Review Report (attached at Appendix A).

**Appendices**

A - Value for Money Review of Environmental Services Contract

**Officer to Contact**

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Value for Money Review
of
Environmental Services Contract
between
Corby Borough Council and Kier Limited

Draft Report
by
Jonathan Nulty, Senior Consultant
January 2015
VFM Review of Environmental Services Contract

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Executive Summary

This report outlines the findings of the Value for Money review of the Environmental Services Contract between the Council and Kier Limited. The key focus was quality of service delivery and compliance with the contract and its performance standards. Additional work has been done to look at areas for improvement and issues to consider in any future procurement of these services.

Areas selected by management and elected Members to look at were:

- Food waste
- Missed collections (across all waste & recycling collections)
- Trade waste
- Street cleansing
- Fly-Tipping and
- Grass cutting

Shrubs / Beds maintenance was added as an additional area to look at as a result of concerns raised through initial discussions with stakeholders.

Value for money judgements were made based on performance levels, compliance with contract, stakeholder views and comparisons with others.

The main conclusions are as follows:

<table>
<thead>
<tr>
<th>Service</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Waste Collection</td>
<td>Significant changes needed to be cost-effective</td>
</tr>
<tr>
<td>Missed Collections</td>
<td>Some changes to improve quality</td>
</tr>
<tr>
<td>Trade Waste</td>
<td>Minor changes to improve service offerings, but still major opportunities being missed</td>
</tr>
<tr>
<td>Street Cleansing</td>
<td>Redirection of resource inputs to be more effective</td>
</tr>
<tr>
<td>Fly-Tipping</td>
<td>Number of incidents need to reduce and response times need to improve (look at reporting criteria)</td>
</tr>
<tr>
<td>Grass Cutting</td>
<td>Major performance issues now being addressed</td>
</tr>
<tr>
<td>Shrubs &amp; Bed Maintenance</td>
<td>Lack of attention now being rectified</td>
</tr>
</tbody>
</table>
[Flytipping seems to be a case of over-reporting when compared to others - just one bag of waste can be a trigger]

This shows that action needs to be taken in nearly all the areas examined within this review in order to improve service quality, delivery and performance standards. In some areas, performance is falling short of contractual standards and obligations.

At this late stage in the life of the contract, continued focus is required on the day to day delivery of quality services from both the contractor and client perspective.

Where effective incentives and penalties exist within the contract arrangements, these should be used to their full extent.

Whilst this is an output-focused contract, and the onus is on the contractor to manage inputs, their fleet, plant & equipment and relationships with their workforce, the primary aim for the client is to ensure that service delivery to the residents, businesses and visitors in Corby is maintained. This can mean taking a less adversarial client / contractor relationship and working more on joint solutions and partnership approaches.

The review has also highlighted several factors affecting the value-for-money of the contract which lie outside of the contractor's control, such as:

- participation in collection schemes by residents
- fly-tipping and
- littering

The Council should work on these areas and look to the contractor for support and ideas from best practice elsewhere in address the issues.

To summarise, the key themes for improvement and/or action are:

- Increased engagement with residents, businesses and community groups
- Full use of contract measures
- Better performance management
- Delivery on promises (by the contractor)
- Improved communications

These conclusions and the value-for-money judgements, coupled with areas for improvement that have been identified by stakeholders, client teams and the contractors themselves, have lead to the development of a high level action plan (see the next section).
## Action Plan

All of the areas for improvement and ideas outlined in each of the service area sections of this report can be combined to produce a high-level action plan to take forward in these closing stages of the Kier contract. Some actions are more for the long-term and should be incorporated into the specifications for future contracts. The actions timescales and responsible roles are still to be agreed and prioritised.

<table>
<thead>
<tr>
<th>Ref</th>
<th>Action</th>
<th>Deliverables</th>
<th>Benefits</th>
<th>Timescales</th>
<th>Responsibility</th>
<th>Links</th>
</tr>
</thead>
<tbody>
<tr>
<td>FW1</td>
<td>Ensure that all food waste collection rounds have a slave bin of different colour to other bins</td>
<td>• New slave bins for all rounds</td>
<td>• Makes clear that food waste will not be put in with residual waste</td>
<td>30 Apr 2015</td>
<td>Street Scene Manager</td>
<td></td>
</tr>
<tr>
<td>FW2</td>
<td>Develop business case for issuing food bin liners to all residents who receive the service</td>
<td>• Business Case for service change</td>
<td>• Increased participation rates for food waste</td>
<td>31 July 2015</td>
<td>Street Scene Manager</td>
<td>FW3</td>
</tr>
<tr>
<td>FW3</td>
<td>Ensure results from Wrap studies are fed into planning for education campaigns</td>
<td>• Case study documents from Wrap • Action plan for improvements</td>
<td>• Increased participation rates for food waste • Increased food waste tonnages</td>
<td>30 June 2015</td>
<td>Street Scene Manager</td>
<td>FW2</td>
</tr>
<tr>
<td>FW4</td>
<td>Run education campaign for residents receiving the food waste service to encourage use of the scheme</td>
<td>• Education campaign across media channels (online, workshops, leaflets)</td>
<td>• Increased participation rates for food waste • Increased food waste tonnages</td>
<td>31 Oct 2015</td>
<td>Street Scene Manager</td>
<td></td>
</tr>
<tr>
<td>FW5</td>
<td>Develop business case for issuing smaller residual waste bins to all residents</td>
<td>• Business Case for service change covering: o investment o likely diversion o payback periods o phasing of implementation</td>
<td>• Encourage diversion to recycling and food waste • Increased participation rates for food waste • Increased food</td>
<td>30 Sept 2015</td>
<td>Head of Planning &amp; Environmental Services</td>
<td></td>
</tr>
<tr>
<td>Task</td>
<td>Description</td>
<td>KPIs</td>
<td>Target Date</td>
<td>Responsible Party</td>
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<td>FW6</td>
<td>Develop options appraisal for food waste collection (including cessation of service) - as part of drawing up specification for new contract</td>
<td>• Prioritised options for the future of this service, including cost impacts and impact on recycling performance&lt;br&gt;• Increased participation rates&lt;br&gt;• Increase tonnages</td>
<td>31 Dec 2015</td>
<td>Head of Planning &amp; Environmental Services</td>
<td></td>
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</tr>
<tr>
<td>MC1</td>
<td>Ensure that Kier implement and share KierWays management information system (or an equivalent solution)</td>
<td>• System implementation&lt;br&gt;• Access to system by Corby BC&lt;br&gt;• Better information and reporting&lt;br&gt;• Increased productivity and efficiency</td>
<td>30 June 2015</td>
<td>Head of Planning &amp; Environmental Services</td>
<td></td>
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</tr>
<tr>
<td>TW1</td>
<td>Develop business case for offering a commercial waste recycling service (and a food waste collection service)</td>
<td>• Business case&lt;br&gt;• Improved service offering to customer&lt;br&gt;• Increased recycling tonnages</td>
<td>31 July 2015</td>
<td>Street Scene Manager</td>
<td></td>
<td></td>
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<tr>
<td>TW2</td>
<td>Ensure that KierWays system is implemented for trade waste rounds and access by Council is available (or an equivalent solution)</td>
<td>• Access to KierWays reports an information&lt;br&gt;• Better performance management</td>
<td>30 June 2015</td>
<td>Head of Planning &amp; Environmental Services</td>
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<tr>
<td>TW3</td>
<td>Issue guidance on waste minimisation to trade waste customers</td>
<td>• Guidance available across media channels (online and leaflets)&lt;br&gt;• Reduced waste tonnages&lt;br&gt;• Improved efficiency on collections</td>
<td>30 June 2015</td>
<td>Street Scene Manager</td>
<td></td>
<td></td>
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<tr>
<td>TW4</td>
<td>Work with contractor on moving away from volume-based charges to a regime of weight-based charges</td>
<td>• A new, fairer charging regime for customers&lt;br&gt;• Improved customer satisfaction and equitable treatment&lt;br&gt;• Better links to costs of service (e.g. LFT)</td>
<td>31 Aug 2015</td>
<td>Street Scene Manager</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TW5</td>
<td>Guidance issued to waste</td>
<td>• Staff who are instructed in&lt;br&gt;• Increased</td>
<td>31 May 2015</td>
<td>Street Scene</td>
<td></td>
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</tr>
</tbody>
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</table>
|   | enforcement officers on encouraging take up of Council waste collection services by businesses | promoting a collection service to those businesses being inspected | customer base  
- More efficient collection rounds  
- Income generation |   |
| SC1 | Hold joint training session for client and contractor staff on NI195 cleanliness standards | Joint training session | Mutual understanding of expectations and standards for street cleansing  
Better performance | 31 May 2015  
Street Scene Manager |
| SC2 | Hold planning session with Kier on allocation of resources for street cleansing programmes | Meeting where ideas and plans are developed for a revised cleansing programme | Resources better directed to problem areas  
Improved performance | 31 May 2015  
Head of Planning & Environmental Services |
| FT1 | Review triggers for reporting and refine reporting regime | New procedures for reporting fly-tips | Better quality data for benchmarking and analysis | 30 June 2015  
Street Scene Manager |
| FT2 | Review response time triggers for defaults within contract | Clear guidance (to contractor) on obligations, response times for fly-tipping and potential default penalties | Improved response to fly-tip incidents | 31 May 2015  
Head of Planning & Environmental Services |
| FT3 | Develop campaign to promote collaboration on bulky waste | Guidance on how to collaborate for bulky waste collection | Reduced fly-tipping / side waste  
Improved community relations | 30 Jun 2015  
Street Scene Manager |
| GC1 | Agree changes to rectification process (to allow cutting to take priority over rectifications) | Contract clause changes to reflect agreed processes | Avoids cumulative delays to cutting programme | 30 June 2015  
Head of Planning & Environmental Services |
| GC2 | Meet with Kier to discuss changing | Clarity on planned approach to | Better use of | 31 May 2015  
Head of Planning & |
<table>
<thead>
<tr>
<th>Actions</th>
<th>Details</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>GC3</td>
<td>Establish a forum for community groups to engage with grounds maintenance workforce</td>
<td>Improved performance, Reduced complaints, Better mutual understanding</td>
</tr>
<tr>
<td>SM1</td>
<td>Establish procedure for liaison between client and contractor to discuss planned shrub maintenance</td>
<td>Improved performance, Better use of resources, Better mutual understanding, Reduced rectifications issued</td>
</tr>
<tr>
<td>SM2</td>
<td>See Action GC3</td>
<td>Improved performance, Better use of resources</td>
</tr>
</tbody>
</table>
Introduction

This is the report of the Value for Money Review of the Environmental Services Contract between Corby Borough Council and Kier Limited. Welland Internal Audit Consortium commissioned Greenbiro Ltd to carry out this review as a management consultancy assignment. The fieldwork was completed from October 2014 to December 2014, and focused on performance in the year 2013-14 and the 2014-15 year to date.

The Environmental Services Contract started in 2004 and in 2011, a Deed of Variation was agreed with cost saving measures and some service changes. The contract runs to December 2016, with a possible extension to 2018.

It is an integrated Environmental Services contract and covers all waste and recycling collections (including commercial waste), environmental cleansing and grounds maintenance.

Undertaking a value-for-money review is a key clause of the Deed of Variation - to ensure that Corby as a client is getting the best value from the contract and the services Kier are contracted to deliver. With under two years remaining on the contract, this review can also be used in decision-making for the extension of the contract, or the development of procurement of the next contract(s).

The key driver within the review was not to look for major service changes, nor significant cost savings. It was to establish whether Kier, as contractor, was meeting its service obligations and performance levels within the contract, and if not, what could be done to address this. The other key aim is to develop ideas to drive improvements to services and quality.

Methodology for the Review

This Value-for-Money (VfM) review followed an established process, involving:

- Current performance and costs
- Challenge - identifying key issues and drivers
- Comparisons with others
- Customer experience and stakeholder views
- Assessing processes for monitoring and reporting
- Developing ideas on areas for improvement.

At the outset, key service areas within the contract were selected by management and elected Members for the review to focus on:

- Food waste collection
- Missed collections
- Trade waste collection
- Street cleansing
Detailed interviews have taken place with key staff on both the client and contractor sides, and a workshop session was run with involvement from elected Members and representatives of residents and other bodies. Documentation - including the Deed of Variation on the Contract, performance management information and sample reports - have been reviewed, analysed and critiqued.

Because Environmental Services are provided through a contract, that still has at least 18 months to run, other common elements such as collaboration and competition have been deemed to be outside the review. This report does, however, outline some areas that should be considered in the longer term and could influence future procurement or contracts.

**The format of the Review report**

Each service area has its own section, and within this, there are common headings:

- **Introduction / Context** This describes the service area and summarises key issues
- **Current performance** This outlines KPIs (where applicable), rectifications, defaults and any major issues in performance
- **Views of client** This details issues highlighted in interviews with the client team
- **Views of contractor** This puts forward the contractor view (from interviews)
- **Views of stakeholders** These are the views raised at the workshop session or through reported issues
- **Comparisons with others** Looking at APSE benchmarking, data from WasteDataFlow and other available sources, the service performance is assessed against suitable comparator authorities
- **Value for Money judgement** Based on the above, this is an assessment of VfM for the service area (Green / Amber / Red)
- **Areas for improvement** This outlines ideas, both for the short-term and long-term, on how the service can improve, drawn out from interviews, the workshop session, best practice and the experience of the report author

There is also a "conclusions" section looking at all the service areas, together with a high-level action plan for the Council to take forward, in conjunction with its contractors.
Food Waste Collection

Introduction / Context

In Corby, food waste participation rates are lower than the average for those local authorities in England & Wales who have a separate food waste collection, as are collection tonnages per household (an average food waste tonnage of 38.6kg per household per year, compared to 53.4kg per household per year for 2012).

To a fair extent, issues such as participation and collected tonnages are beyond the control of both the contractor and the Council. It is the resident who decides whether to take part in food waste collection and what proportion of their waste is placed in the food bins. There are, however, some ways in which these issues can be addressed:

- Through education and awareness campaigns
- Making the service easier (or less "messy") to use
- Improve the quality (or perception of quality) of the service

Current performance

The current system for food waste collection is as follows:

- Residents are issued with a food waste bin and a kitchen caddie, but no liners
- Collection takes place weekly at the kerbside - residents are to place their bins out alongside their wheeled bins
- Food waste is collected and deposited in side-pods on board the waste collection vehicles. This is done by emptying food waste bins into a "slave" wheeled bin and the slave bin is taken to the vehicle
- Any food waste bins with significant levels of contamination (i.e. non-food waste) are left at the kerbside and tagged to alert the resident of the issue
- Food waste is taken to a nearby facility for reprocessing

Leaflets (multi-language) are issued that covers all environmental services, functions and advice (plus calendars)

Crew checks and round checks are carried out by Kier supervisors – they have daily targets and per week targets. Supervisors may also go out and see crews on specific issues. There are also "toolbox talks" – out on the rounds or back at the depot

Council officers regularly meet with the Kier management team. Gang sheets through daily – damages, missed bins – by email.

Operations seem to work effectively, with a graph showing missed food waste collections below:
This is a very small proportion of the total number of food waste collections (96,830 per month) and is to be commended. The contractor reports that contamination levels are not an issue.

Participation rates, however, are lower than had been planned for the service and tonnages are also lower than expected.

**Views of Stakeholders**

Stakeholder views are that the current system is not easy to take part in, for several reasons:

- Effort and thought is required to use a separate bin for food waste and ensure that there is no contamination
- The responsibility for liners for kitchen caddies and food waste bins lies with the resident - this is additional expense for them, and without liners, food waste can be messy and/or smell
- There is a perception that some food waste is not actually recycled and that food waste has been seen being placed with residual waste in collection vehicles - this could put people off taking part if they think the waste is not being recycled.
- There is an issue that some food waste bins have been damaged due to improper care and attention from collection crews - the bins are quite fragile
Views of Officers (Client)

Streetscene officers (3.5 FTEs) monitor the contract. Specified issues are monitored on a weekly basis (a checklist to be ticked). Operations are a part of that.

One key problem area is Kier staff being observed placing food waste into a slave bin and then placed in residual container on a vehicle rather than the dedicated side pod - this is currently being investigated. Normally when operations are being observed, no problems are identified for about 99% of the time.

There needs to be an educational route around the use of a slave bin – there could be a different coloured slave bin to avoid confusion and misperception. Financial penalties are being applied where there is evidence for a breach of operational procedures.

Wrap (Waste Resources Action Programme) are working with the Council in undertaking a study looking at usage and giving out liners. This study has recently been completed and further funding bids have been submitted to DCLG. There were three targeted areas (which are the worst performing ones). The study looked at both tonnages and participation ("put-out") rates. The key findings have been that food bin liners should be issued to residents, as well as stickers placed on residual waste bins reminding people to use the Food Waste service.

Resources are limited – the operational team leader of the client team is also classed as the Council's educational resource, as well as having responsibility for operational monitoring.

Council officers meet regularly with the Kier management team. Gang sheets are sent through daily – detailing any damages, missed bins, etc. – by email.

Supertracker software is in use (telematics) on Kier contracts – the future aim is for Corby to use the same software and have access. The management information system used by Kier – KierWays – should be available to share information, but this has not been implemented yet.

Views of Contractor

There are no operational performance indicators, other than those specified in the contract. Gang sheets are sent through to Council (scanned). KierWays used by operations and it is being improved for functionality. Comparisons are made with other Kier contracts with local authorities, including the neighbouring East Northamptonshire Council, but there are different demographics, so it is harder to learn lessons and draw out commonalities.

Kier have also stated that they have done some analysis on food waste, via a third party.

There is a perception among some residents that food waste is not being recycled properly, but this could be due to the fact that a wheeled bin similar to the ones used for residual waste is used to collate food waste to put in the side pod on the vehicle.

To increase the use of the scheme (both tonnages and participation rates), there are a number of potential actions:
• decrease the size/capacity of the residual waste bin (currently 240l - the same as the one for recycling)
• issue food bin liners to residents
• Restrict the number of bins per household – an "amnesty campaign" could be organised, and tighter criteria applied for approving additional bins (or introduce payment for additional bins)

Comparisons with others

For APSE performance, Corby is one of the lower performers on food waste collection for both tonnages collected and participation rates.

When comparing Corby's performance with other England authorities that offer a food waste collection service, it is clear that tonnages fall well below the average.

Value for Money Judgement
Based on comparisons with other authorities, stakeholder views and current performance, the Food waste collection service is not providing good value-for-money.

The costs of providing the service are not being balanced by recycling performance and participation in the scheme. This is when compared to what can be potentially achieved through increased participation and tonnages collected.

However, the service's failings cannot be entirely blamed on the contractor - it is an issue that needs resident participation to succeed, and this will be as a result of education and awareness... a role which sits with the Council under current arrangements.

With the contract with Kier only having another year to run, it is impractical to give serious consideration to either stopping the service or combining food waste collection with green waste in the short-term.

Also, food waste is a difficult area to assess, because this is the primary area where waste minimisation benefits occur. Food waste tonnages could reduce as people become more aware of what they are throwing away and make efforts to reduce their food waste. This will be seen as an overall reduction in waste and so should be welcomed, especially for any waste that is still landfilled, since there will be a reduction in costs through gate fees and landfill tax.

**Areas for Improvement**

Discussions with Council officers, stakeholders and managers from Kier have highlighted several activities that could improve the service, its performance and hence, value-for-money. There are some ideas that can be implemented in the shorter-term and others that will need to incorporated as part of specifications of the next Waste & Recycling contract (i.e. post 2016).

**Issue food bin liners to residents**

This would involve the issue of rolls of biodegradable bin liners to residents on a quarterly / annual basis. Liners would be issued to all residents who are in possession of food waste bins and caddies. This should encourage more people to participate more regularly and increase the amount of waste collected.

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
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| • Using liners is a cleaner method for using food waste bins  
• Opportunity to use liner rolls as a medium for communicating Council information, including waste education and awareness messages | • Additional upfront revenue costs for supply of liners  
• Risk that benefits (i.e. increased participation / tonnages) may not be realised  
• WRAP study indicated that messages on liner rolls were not taken in |
**Increase education / awareness about food waste**

The Council would undertake (possibly in conjunction with Kier as contractor) campaigns to increase awareness of the environmental and financial benefits of food waste recycling. It would be a combination of waste minimisation and making use of the food waste collection services. These could be based on successful campaigns developed by Wrap with other local authorities.

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
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<tbody>
<tr>
<td>• Encourages increased use of the food waste service</td>
<td>• Waste minimisation could further affect the viability of the food waste service</td>
</tr>
<tr>
<td>• Increased diversion of food waste from the residual waste stream (with</td>
<td>• Resource implications (staff and costs)</td>
</tr>
<tr>
<td>associated cost savings)</td>
<td>• Risk that benefits (i.e. increased participation / tonnages) may not be realised</td>
</tr>
</tbody>
</table>

**Issuing smaller wheeled bins to residents**

Instead of the 240l wheeled bins that residents currently have for residual waste, these would be replaced by smaller (say 130l) wheeled bins. This would encourage people to divert their food waste and their dry recycling to the other receptacles rather than the residual waste bin.

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Increased diversion from residual waste to food waste stream</td>
<td>• Significant capital investment (capital resources still constrained for Corby)</td>
</tr>
<tr>
<td>• No changes needed to bin-lifts on collection vehicles</td>
<td>• Residents may be faced with insufficient capacity for their waste - potentially leading to side waste, fly-tipping and littering</td>
</tr>
<tr>
<td>• Less obstruction when bins left out for collection</td>
<td>• Risk that benefits (i.e. increased participation / tonnages) may not be realised</td>
</tr>
<tr>
<td>• Reduced weight / size - easier handling for crews</td>
<td></td>
</tr>
</tbody>
</table>

**Introduce mixed Food & Green Waste collections**

With this idea, residents would have one bin to place food waste and green waste (and cardboard) in. This would be collected and sent to an AD (Anaerobic Digestion) processing plant, since feedstock for AD is often a mix of food and green compostable waste. A single, combined gate fee would be paid for the waste delivered, rather than the separate gate fees paid now. There would be a larger receptacle for residents and the process would not be as messy as the current food-only collection service.

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Single collection for green and food waste</td>
<td>• Capital investment in new bins (where green waste bins have not been issued)</td>
</tr>
<tr>
<td>• Easier process - could lead</td>
<td></td>
</tr>
</tbody>
</table>
### Positive Aspects
- to increased participation
- Receptacles less fragile, so less damage / replacements
- No need for side-pod on collection vehicles

### Negative Aspects
- Dangers of getting proportions of green waste to food waste wrong in the mix of feedstock for Anaerobic Digestion (or other processing)
- Loss of recycling credits on food waste tonnage

---

### Cessation of the Food Waste Service

Given Corby’s current performance on food waste (in terms of tonnage per participating household and participation rates), it may be more cost-effective in the longer term to stop the food waste collection service and return to the situation where food was either home-composted, or placed in with residual waste. Other authorities in the area (e.g. Harborough DC) have taken this decision in recent years. This could also be beneficial for Energy-from-Waste (EfW) solutions, where the residual waste feedstock (i.e. the waste going in to the power plant) needs a higher calorific value. Northamptonshire’s plans for EfW are ongoing, with an EfW plant proposed in Corby.

This would be a longer-term proposal and would not (could not) be implemented within the life of the current contract.

### Positive Aspects
- Contract/revenue savings on waste collection
- Calorific value in residual waste suitable for EfW
- Easier for residents (less mess, less thought)

### Negative Aspects
- Loss of recycling credits
- Could be ongoing capital charges from initial investment in food waste collection systems
Missed Collections

Introduction / Context

The number and proportion of missed collections for any aspect of waste collection are recorded and monitored by the Council. Any assisted collections that have been missed are also included in these figures. Whilst Corby has a relatively low level of missed collections, it is still an issue for some residents and cause for complaints.

Current performance

The current system for missed collections is as follows:

- Residents contact the Council to report a missed collection
- This is passed on to the operational crews to rectify within 24 hours
- Any missed collections that are not rectified and collected within 24 hours are counted as defaults under the current contract
- Crews have lists of those properties with assisted collections (those that are not placed at the kerbside) - these are to be kept up to date

Moving from a period of third quartile performance for missed collections in 2012-13 (as per APSE data), the levels of missed collections have been lower than the average for similar local authorities over the last two years. However, recently there has been an increase in the number of missed collections. For 2013-14, the average rate was 15 missed collections per 100,000, but this has increased to an average of 22 for the year 2014-15 (so far).

Views of Stakeholders
Stakeholder views are that performance on missed collections was acceptable until recent months. There have been delays in implementing assisted collections for some residents. There is criticism of the failure of the contractor to successfully implement the KierWays system to allow online management information instead of paper-based systems. It is Members' view that without this system, the contractor is not meeting its contractual obligations.

Access to collections/bins is sometimes an issue - this could be width of collection vehicles, parked cars or roadworks.

Views of Officers (Client)

Collection crews have a lot of agency workers at present and the workforce is currently "working to rule". Within this period of flux, a lot of missed bins tend to be pull-outs / assisted collections where crews are unaware – this may be an issue with supervision. The lift sheets for assisted collections are notified to Kier by the Council when calls are received. It is then the responsibility of Kier's operational management to inform the crews. There is also another "critical" list which is issued to Kier and then to the crews.

The view of the client team is that Kier still have cultural issues to work through with the change in operational management and their relationship with the workforce.

The quality of data on missed collections could be improved and recorded using sub-sets/categories. This can be used to focus resources

It is accepted that roadworks can cause an issue in terms of access to collections. Communication with Northamptonshire County Council regarding planned roadworks could be improved, but the contractor could also carry out better planning for dealing with such issues (e.g. smaller vehicles, collection/pull out on foot to designated collection points).

Views of Contractor

The non-performance of the on-board management information systems (Kier-way) has been accepted as an issue, although they maintain that paper-based systems (lists of assisted collections and details of missed collections) are working effectively. One issue highlighted by operational managers is that assisted collection lists are not updated for those collections that are no longer required, so some residents are receiving an assisted collection who do not need it, and this can affect productivity and efficiency of the collection rounds.

There is also an issue with access to some roads and properties, due to parked vehicles or highways works. Better communication is needed between the Council (as client), the contractor (Kier) and the highways authority (Northamptonshire CC)
Comparisons with others

For APSE performance (looking at data for 2012-13), Corby was a low performer with a higher than average rate of missed collections for that period. However, as recent internal performance indicators show, this performance has improved markedly.

Clearly, with the issues currently being encountered, performance will be affected and future periods could see Corby struggle to achieve a higher ranking.

Value for Money Judgement

Based on comparisons with other authorities, stakeholder views and current performance, the procedures and operations for dealing with missed bin collections are not delivering effective value-for-money, but overall service quality is not being significantly affected. With a focus on improved communications and more effective use of technology, VfM can be improved.

Areas for Improvement

Discussions with Council officers, stakeholders and managers from Kier have highlighted several actions that bring about improvement in the service.

Full implementation of the KierWays system

Clearly this is an outstanding commitment from the contractor and every effort should be made to implement the system and ensure that the Council has access to it (or at the very least, its report outputs)

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Will improve speed and quality of management information, leading to fewer errors and better performance</td>
<td>• May take time to achieve compatibility and implementation</td>
</tr>
<tr>
<td></td>
<td>• Actual performance on missed collections may not improve, even with online management information</td>
</tr>
</tbody>
</table>
Trade Waste

Introduction / Context

The Council provides a commercial waste collection to businesses who sign up with the Council. This is a useful income generation stream.

Current performance

The current system for commercial waste collection is as follows:

- Businesses take out a contract with the Council for waste collection, with agreed volumes (and hence receptacles) and frequency of collection.
- Kier operate the collection as per the business’ contract
- Any missed collections are reported to the Council and Kier is then notified
- No recycling collections are offered to businesses at present - only residual waste

There are no specific performance indicators produced for commercial waste collection, but management information is sent to the Council as client from Kier. The collections form part of Kier supervisory regime and the Council's inspection regime.

The market share for the Council is relatively low (21.74% in 2012-13).

Views of Stakeholders

Stakeholder views are that local businesses who receive waste collection from the Council are satisfied with the service that is provided. Some firms would like recycling collections, where this is possible, and it was the view of those interviewed that waste minimisation guidance would be beneficial from both an environmental and a financial perspective.

There are some issues with the hire and replacement of bins/receptacles and some community organisations have had delays in collections.

Elected Members would be keen to persuade businesses to provide source-separated recyclable materials for collections where this is possible.

Views of Officers (Client)

Management of the operation is an issue, but steps have been taken to review the process – with data to be placed on the KierWays system (when operational) or an equivalent solution. This would give instant management information.

There has been recent activity, with sending out new bins to customers and education of customers on operations – trying to reduce security and blockage issues, and ensuring customers know what can or cannot be placed in containers.
The waste collected from operations is sent to a "Dirty" Materials-Recycling Facility (MRF) to extract as much value out of the waste stream as possible.

Officers think that separate food waste collection (for restaurants, etc.) could be an opportunity and there could be scope for a "trouble-shooter" round for any issues and opportunities. The Council prides itself on being effective on enforcing Duty of Care, and there could be opportunities in linking waste enforcement with the commercial waste operations.

One key issue to be addressed is the fact that although the costs of waste collection and disposal are based on weight, the charges to businesses are based on volume (i.e. the size of bin). This can lead to customers with high volume (e.g. plastics) having to pay more than customers with high weight (e.g. food waste) - even though the costs of disposal are the other way round. Admittedly, without equipment to weigh waste containers individually, this could be problematic to implement.

Views of Contractor

Comments from the contractor side mirror those of the client, with key points of:

- improved management information (using KierWays)
- looking to offer recycling services
- waste minimisation education campaigns and
- expansion of the commercial waste portfolio, making use of links with waste enforcement

Comparisons with others

Since there are no specific performance indicators for commercial waste collection - other than market share - it is harder to make comparisons with other authorities. However, some similar authorities do offer commercial recycling services, food waste collection services and waste minimisation guidance. These organisations also have a dedicated resource to develop the commercial waste portfolio. Some other authorities have sold their commercial waste portfolio - either to their contractors or to other private sector providers.

Value for Money Judgement

Based on the views and information above, the commercial waste collection service is providing value-for-money, but there is still scope to markedly improve VfM - through increased income generation, better service quality and environmental outcomes.
Areas for Improvement

Discussions with Council officers, stakeholders and managers from Kier have highlighted the following changes to the current service offering that could yield service improvement.

Offering more services to businesses

This would involve a recycling collection for businesses (this could be co-mingled, but would more likely be source-segregated or just paper & cardboard), and a food waste collection service for catering establishments (including schools).

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Increased recycling for municipal waste</td>
<td>• Logistics of additional collections</td>
</tr>
<tr>
<td>• Better service offerings to customers</td>
<td>• Cost of additional rounds / collections</td>
</tr>
<tr>
<td>• More appealing to new customers</td>
<td></td>
</tr>
</tbody>
</table>

Waste Minimisation guidance for businesses

This would involve active engagement with customers to help them with strategies to reduce their overall waste production. This can include training, events and printed/online guidance.

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Better service quality / relationship with customers</td>
<td>• Could lead to reduced income to the Council (lower tonnages, less collections)</td>
</tr>
<tr>
<td>• Reduced tonnages (in municipal waste)</td>
<td>• Resourcing the education campaigns</td>
</tr>
<tr>
<td>• Reduced side waste / larger container issues</td>
<td></td>
</tr>
<tr>
<td>• Saving money for business customers</td>
<td></td>
</tr>
</tbody>
</table>

Improve links between waste enforcement and trade waste collection

When waste enforcement officers visit premises and recommend a trade waste collection, there could be promotion of the Council's services. Other approaches are to make use of advertising and promotion opportunities offered by business rates annual bills (sent to every business in the Borough) or to allocate a dedicated resource to building up the Council's customer base.

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Promoting Council services</td>
<td>• Could be seen as &quot;toutting for business&quot;</td>
</tr>
<tr>
<td>• Additional income generation</td>
<td>• Could lead to increased collection costs due to stepped overheads (vehicles and rounds)</td>
</tr>
<tr>
<td>• Developing relationships</td>
<td></td>
</tr>
<tr>
<td>• No delays in business setting up trade waste collection</td>
<td></td>
</tr>
<tr>
<td>(reduced enforcement)</td>
<td></td>
</tr>
</tbody>
</table>
**Improve management information systems**

This would involve the implementation of the KierWays system.

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Better service quality / relationship with customers</td>
<td>• Already issues and delays around the KierWays system</td>
</tr>
<tr>
<td>• Increase operational efficiency through better performance management</td>
<td></td>
</tr>
</tbody>
</table>
Street Cleansing

Introduction / Context

This covers street sweeping, cleansing campaigns, provision of litter bins and regular inspection of streets. With an essentially urban area, and a high level of high-density housing, there are accepted littering and street cleanliness issues.

Current performance

The current system for street cleansing is as follows:

- The Borough has a developed schedule of cleansing, with appropriate frequencies and equipment / resources applied
- The contractor supervises cleansing and will inspect to ensure that streets (and other agreed areas) are of sufficient standard (NI 195 grade B or above)
- The client team also carries out inspections to ensure standards and will issue rectifications and/or defaults where performance is insufficient

The graph below shows how many inspections by the client team resulted in rectifications for street cleansing from April 2013 to July 2014. As can be seen, there have been periods where standards have not been met in a high number of cases.
Views of Stakeholders

Stakeholder views are that this service area is a key issue that needs addressing. Again, fault does not solely sit with the contractor - there is a societal problem that needs resolving as well. There is a lack of engagement from residents and the community in relation to cleansing and littering, but some actions that could be looked at include:

- Education campaigns on littering
- Rescinding (or reviewing) the current policy on issuing Penalty Charge Notices (PCNs) to minors
- Provision (by the contractor) of litter picking kits to volunteer groups
- Sharing best practice from elsewhere - particularly other Kier contracts

Kier’s efforts on street cleansing are appreciated, but it is felt that attention to detail could be better. There is a view that the management team at Kier seem more focused on rectifying contract obligations rather than community assistance - this is akin to treating the symptoms without focusing on the cause.

There is also a minor issue in the confusion between "leaf litter" and "detritus" (as covered under the Environmental Protection Act 1990 - EPA). There is a scheduled programme for the clearance of leaves, but clearly the contractor cannot be held responsible for leaf-fall in between these programmed times.

Views of Officers (Client)

The effectiveness of "blitz" campaigns and tougher enforcement do not seem to have yielded the desired results, but efforts will continue. More litter bins could be sited, but this is not felt to be a critical issue from a client perspective.

There have been several publicity and education campaigns in recent years - with varying success.

For this team, the key issue is that a smarter approach is needed from Kier - improved management of inputs and directing resources away from those streets/areas which are not an issue to that are failing to meet standards. Monitoring data should be being used to reschedule/re-programme cleansing regimes. This would also include better coordination and programming of cleansing of grass verges to coincide with any Traffic Regulation Orders put in place for grass cutting.

Views of Contractor

As part of the latest restructure of management within the contract, operations for cleansing are being reviewed to allow better use of resources. Their view is that increased numbers of litterbins, sited in the right places, would be beneficial to street cleansing.
For enforcement, the contractors feel that Corby officers are stretched with a number of priorities that can impact on litter enforcement.

There is also the view that joint training of client and contractor staff on street cleansing inspections and standards would be really helpful, so that both sides had a joint appreciation of what is expected and how inspections are carried out.

Comparisons with others

For APSE performance, the national average for England on the number of streets with cleansing standards below Grade B has settled around the 6 to 7% mark over the last few years. Comparing Corby's performance to this shows that there is an issue in this service area.

Value for Money Judgement

Based on comparisons with others, stakeholder views and current performance, the street cleansing service is clearly not providing good value-for-money. Significant improvement is required in the service quality and where necessary, defaults and financial penalties available through the contract with Kier should be used to redress this failure.

Areas for Improvement

Discussions with Council officers, stakeholders and managers from Kier have highlighted

Joint training of client and contractor staff

This would mean that contractor staff would also attend any briefings or training given on inspections for street cleansing.

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Economies of scale in the costs of training</td>
<td>• There may be a clash of views, expectations and of culture</td>
</tr>
<tr>
<td>• Ensures that everyone has same information and expectations</td>
<td></td>
</tr>
</tbody>
</table>

VFM Review - Kier Contract  Jan 2015  27
Redirecting resource inputs to areas where there are failing standards

This would involve rescheduling cleansing programmes and frequencies of street cleansing.

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Areas that require more attention will be prioritised over those that do not (as highlighted by inspections)</td>
<td>• Perception from public that some areas may be &quot;ignored&quot;</td>
</tr>
<tr>
<td>• More visible presence of cleansing staff - could act as a deterrent to littering</td>
<td>• Areas may be &quot;patchy&quot; in terms of standards, meaning some efficiencies are lost through logistics/travel</td>
</tr>
</tbody>
</table>
Fly-Tips

Introduction / Context

Reports of fly-tips and the improper dumping of waste materials on public/ Council-owned land are responded to by the Council through their contractors.

Current performance

The current system for responding to fly-tips is as follows:

- Council made aware of a fly-tip incident through residents reporting it (or through inspection by Council staff)
- Threshold for reporting as a fly-tip is a single bag of waste
- Contractor notified of incident
- Timescales to clear the fly-tip are set down as per the contract
- Investigation to identify people responsible and action taken where possible

Views of Stakeholders

Stakeholder views are that the contractor is slow to respond to incidents of fly-tipping and not always effective in their clearance. More default notices (as per the contract) should be issued since this would give Kier a financial incentive to take action sooner. It is felt that there may be fly-tipping as an impact of bulky waste charges and from reduced opening times for Household Waste & Recycling Centres (the "tip").

There could be scope to address these issues, through:

- having incentives (a reward) for reporting fly-tipping
- promoting a collaborative approach to bulky waste collections - where households link up to make best use of a collection (and split the cost between them)
- better liaison with retailers on appliance take-back schemes

Views of Officers (Client)

The client team have pursued cases and used covert investigations and work with the waste enforcement group (as well as working with the Environment Agency and local HWRCs).

There is a known problem area of Kingswood, but other issues are rural areas, or garage compounds. The Council is working with land-owners on this issue, and has run skip campaigns where householders can tip their excess/bulky waste, but fly-tipping still occurs.

The Council is soon to look at the regulation of waste and excess waste (making use of section 46), as well as introducing Fixed Penalty Notices for fly-tippers. Waste Carriers can be an issue too – the Council is working with trading standards to get cameras out in the local area.
The low threshold for what constitutes fly-tipping for reporting to the Council is also an issue.

**Views of Contractor**

No comments made in relation to this issue.

**Comparisons with others**

WasteDataFlow captures data from all Waste Collection Authorities on the incidence of flytipping. Looking at a calculated indicator of the number of incidents reported per 1,000 population, comparisons between authorities can be made - as shown in the graph below:

![Fly-tip incidents reported per 1,000 population (Oct 2013 to Dec 2013)](image_url)

From this sample - including councils in Northamptonshire, Cambridgeshire, Leicestershire and some other Midland authorities, Corby is by far the worst performer. As mentioned above, this is likely to be connected to the low threshold for reporting - other authorities may have a higher threshold (i.e. more related to bulky waste and commercial waste).

**Value for Money Judgement**

Based on comparisons with other authorities, stakeholder views and current performance, the occurrence of fly-tips is much above the average for a local authority. Responding to
these incidents, however, could improve and thus provide better value-for-money. Of course, reducing the number of fly-tips would improve VfM even further.

**Areas for Improvement**

Discussions with Council officers, stakeholders and managers from Kier have highlighted some actions that would result in service improvements.

**Review of reporting thresholds for reporting fly-tipping**

Other authorities should be contacted to compare what is classed as a fly-tipping for reporting purposes. Changes could then be implemented to the current reporting regime.

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>• More accurate and meaningful comparisons of performance and data</td>
<td>• Does not solve the issue of waste being dumped on the streets - it is solely a reclassification</td>
</tr>
<tr>
<td>• Focuses contractor (and client) efforts on <strong>actual</strong> fly-tipping</td>
<td></td>
</tr>
</tbody>
</table>

**Review of default notice triggers for response times (within contract)**

This would involve ensuring that the powers within the contract are exercised to their full extent and giving financial redress if response times for fly-tips are not met.

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Reduction in contract payments if response times not met</td>
<td>• Could impact on client/contractor relationship</td>
</tr>
<tr>
<td>• Incentive for contractor to meet targets</td>
<td>• Could be arguments / arbitration over the issue of default notices</td>
</tr>
</tbody>
</table>

**Review the charging regime for bulky waste collection (and promote collaboration)**

This would involve ensuring that higher prices for bulky waste collection is not encouraging fly-tipping. There could also be promotional work to encourage householders to jointly arrange bulky waste collections, bringing down the costs for each householder.

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>• More affordable collections lead to reduced fly-tipping</td>
<td>• Storage capacity may be an issue if one household is arranging bulky collection for several others</td>
</tr>
<tr>
<td>• Additional income generation for the Council</td>
<td></td>
</tr>
<tr>
<td>• Encourages community engagement</td>
<td></td>
</tr>
</tbody>
</table>
Grass Cutting

Introduction / Context

The service includes grass cutting for parks, sports fields, open spaces, housing estate areas and grass verges.

Current performance

The current system for grass cutting is as follows:

- There is a seasonal, scheduled programme of cutting across the Borough
- Frequencies are determined by the contractor in order to meet the outcome requirements of the contract
- Changes to Traffic Management (in relation to Health & Safety) have meant that some operations have been delayed and/or taken longer than planned

Views of Stakeholders

Stakeholder views are that Summer 2014 was a poor performance period. Communal open spaces (that have service charges as part of housing rent) have not been kept up to standard and some drying areas in Council housing have had issues with weeds and weed control. Communications between Kier, Housing and Environmental Services staff could be much better. Service restrictions should be issued on open space areas wherever there is the opportunity to do so - this means that developers can be approached if there are issues where reinstatement of open spaces by the developer is needed.

Views of Officers (Client)

For the 2014 season, there were a high level of rectifications being dealt with by the grounds maintenance crews which were running flat out on a 14-day cycle – this allowed no slack or spare crew personnel to keep up with demand. Subcontractors were used to catch up on the programme, but officers were not happy with operations and quality.

There was also an issue with the grounds maintenance plant and equipment, with numerous mower break-downs and delays. The workshops were poorly resourced with no fitter for these repairs and no effective winter maintenance programme in place. This has been rectified for 2015 and there is now a dedicated GM fitter in the workshops.

Traffic Management has been a crucial issue - with a change in Kier's Health & Safety procedures, this process is more complex than before and sub-contractors are regularly used.

There have been high levels of complaints from residents (see above) and there were communications issues with the previous management teams... this is still having a knock-on effect with some cultural issues.
The Council are continuing to inspect and monitor the quality of work done in grounds maintenance, and issuing rectifications where appropriate.

There is a pervading view that the contractor should look at rescheduling and "rebalancing" the rounds for cutting, so that all areas receive the same number of cuts per year and that adjacent areas are cut on the same rounds (akin to a "single pass" approach).

**Views of Contractor**

Joint training of client and contractor staff on mobile traffic systems and cutting regimes would ensure that everyone understands the processes and expectations can be managed.

It would be useful to change the rectification regime to allow "regular" cuts to take place before dealing with rectifications - this can allow the cutting programme to continue without delays.

A review of operations is underway to look at “single pass” approaches (where grass cutting, beds maintenance and other GM work take place at the same time - as well as litter picking)

**Comparisons with others**

Direct comparisons with other local authorities are harder because not many Councils still operate multi-functional contracts encompassing waste and grounds maintenance functions. There are also no common or consistent standards for the number of cuts per year, etc.

There could be some assessment of how contracts perform in other authorities by looking at the number or rate of rectifications/defaults issued to contractors, but there are some commercial sensitivities around this.

For customer satisfaction, the available data shows that residents have expressed satisfaction rates of 82% (in 2013-14) - which would place Corby in the top quartile (based on APSE 2012-13 summary data). The data for 2014-15 is not available at this point in time, due to delays in carrying out the survey.

**Value for Money Judgement**

Based on comparisons with other authorities, stakeholder views and current performance, the service is still recovering from a prolonged period of below-par performance. However, moves are being made to significantly improve the services delivered.
Areas for Improvement

Discussions with Council officers, stakeholders and managers from Kier have highlighted several areas where improvements could be made.

**Review operational rounds**

This would involve full rescheduling of rounds and procedures to allow better use of resources input.

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Efficiencies should lead to targets and standards being met</td>
<td></td>
</tr>
<tr>
<td>• Improves public perception (all aspects in an area carried out at the same time)</td>
<td>• Cultural and operational changes for workforce</td>
</tr>
</tbody>
</table>

**Effective engagement with stakeholders, community and residents**

This would take the form of developing relationships with residents groups and community groups so there is a mutual understanding of processes, needs and issues.

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Gain support and understanding for operational processes</td>
<td></td>
</tr>
<tr>
<td>• Improved communication channels</td>
<td></td>
</tr>
<tr>
<td>• Issues highlighted and rectified more effectively</td>
<td>• Could become “talking shop”</td>
</tr>
<tr>
<td></td>
<td>• Some stakeholders could make unreasonable demands and relationship could flounder</td>
</tr>
<tr>
<td></td>
<td>• Conflict between contract requirements and stakeholder wishes</td>
</tr>
</tbody>
</table>

**Change to rectification process**

This would be a change to allow regular cutting to take place before being required to deal with rectifications (avoiding cumulative delays and further rectifications)

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Will stop cycle of cumulative delays on cutting</td>
<td></td>
</tr>
<tr>
<td>• Less adversarial relationship between client and contractor</td>
<td>• Could be delays in carrying out rectifications - impact on residents and perceptions</td>
</tr>
</tbody>
</table>
Shrubs / Beds Maintenance

Introduction / Context

As part of the Grounds Maintenance element of the contract, there are programmes of regular, scheduled maintenance throughout the year in relation to shrubs, borders and planting beds within public and Council-owned open spaces.

Current performance

As with grass cutting, the 2014 season was a period of sub-standard performance. Works which should have been carried out were not and rectifications were issued, which had a knock-on effect on planned work.

Since the change in operational management, more thorough, suitable works have been carried out. Some of this has been quite radical, with a lot of cutting back and clearance, to allow proper growth and development of areas.

Views of Stakeholders

Stakeholder views are that in 2014 many areas with shrubs and planting were very poorly maintained and allowed to become overgrown and in some cases, neglected. Works that have taken place in recent months have been more encouraging and are needed to compensate the lack of attention in previous years. Community groups would welcome the opportunity to be more involved in planting schemes and maintenance. There could also be a chance to learn more about horticulture.

Views of Officers (Client)

The client view is that 2015 will be a period where the contractor will need to "catch up" development of the shrub maintenance aspect of the contract to achieve the required standard. Local horticultural knowledge among the operational crews is either not there or has not been demonstrated over the last few years.

If there is knowledge, then this should be nurtured and shared amongst the workforce and a robust plan of cutting back, pruning, clearance and replanting should be carried out to rectify the situation at the end of the last season where beds and shrubbed areas were well below expected standards.

The new operational management team have been given some breathing space to change the culture and the operational approach itself, but by the 2015 season, it is expected that the contractors should perform, or the cycle of rectifications and default notices being issued will continue.
Views of Contractor

It is hoped that the performance issues of the 2014 season will not overshadow the efforts of the new team to carry out major work on shrubbed areas. A "single pass" approach is being planned, so that these kinds of works will take place at the same time as grass cutting and other contractual tasks. They feel that there is a lot of knowledge and experience within the crews and this will be encouraged more in the future.

Comparisons with others

As with grass cutting, the nature of open spaces and the planting schemes within them means that there is little consistency between local authorities, making comparisons harder.

Results from customer satisfaction surveys show that residents expressed satisfaction rates of over 75% in 2013-14, but levels were dropping. No data is available for 2014-15 at this point in time.

Value for Money Judgement

Based on comparisons with other authorities, stakeholder views and performance, the Shrub Maintenance service could provide better value-for-money, in terms of meeting contractual standards and making open spaces attractive, safe and easy to use. Whether the aims of the contractor to improve performance will be achieved remains to be seen, when the inspections for the 2015 season start.

Areas for Improvement

Discussions with Council officers, stakeholders and managers from Kier have highlighted

**Effective engagement with stakeholders, community and residents**

This would take the form of developing relationships with residents groups and community groups so there is a mutual understanding of processes, needs and issues.

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Gain support and understanding for operational processes</td>
<td>• Could become “talking shop”</td>
</tr>
<tr>
<td>• Improved communication channels</td>
<td>• Some stakeholders could make unreasonable demands and relationship could flounder</td>
</tr>
<tr>
<td>• Issues highlighted and</td>
<td>• Conflict between contract requirements and stakeholder</td>
</tr>
</tbody>
</table>
Increased liaison between client and contractor on plans for shrubbed areas

This would involve much closer discussions about what works will take place in the relevant areas prior to any works taking place.

<table>
<thead>
<tr>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Develop mutual understanding of what is expected / required</td>
<td>- Resources are limited to enable this to happen</td>
</tr>
<tr>
<td>- Highlights any issues before the rectification stages are reached</td>
<td></td>
</tr>
<tr>
<td>- Should lead to less rectifications and better productivity</td>
<td></td>
</tr>
</tbody>
</table>
Conclusions

For the areas of the Environmental Services Contract that this review has looked at, the Value-for-Money judgements have been as follows:

<table>
<thead>
<tr>
<th>Service Area</th>
<th>Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Waste Collection</td>
<td>Significant changes needed to be cost-effective</td>
</tr>
<tr>
<td>Missed Collections</td>
<td>Some changes to improve quality</td>
</tr>
<tr>
<td>Trade Waste</td>
<td>Minor changes to improve service offerings - opportunities being missed</td>
</tr>
<tr>
<td>Street Cleansing</td>
<td>Redirection of resource inputs to be more effective</td>
</tr>
<tr>
<td>Fly-Tipping</td>
<td>Number of incidents need to reduce and response times need to improve; reporting thresholds need looking at</td>
</tr>
<tr>
<td>Grass Cutting</td>
<td>Major performance issues now being addressed</td>
</tr>
<tr>
<td>Shrubs &amp; Bed Maintenance</td>
<td>Lack of attention now being rectified</td>
</tr>
</tbody>
</table>

Overall, this is not a satisfactory position and active management of the contract and its effective performance is required. The changes in operational management at Kier should bring about service and (hopefully) cultural improvement, but there are other measures that can be implemented to address the identified issues.

The current “working to rule” approach of the Kier workforce and other cultural pressures have not been explicitly discussed in this report. It will have a serious impact on the service delivery, quality of service and, ultimately, value-for-money. As this is an outsourced service and certainly not an inputs-based contract, the onus for rectifying the situation sits firmly with the management of Kier.

What the Council needs to do, in its client role, is make sure that despite these problems, Kier is still fully delivering on its obligations under the contract. What it also needs to be mindful of is that in the longer term, even if Kier do not win any subsequent contracts for Environmental Services, TUPE will apply and the workforce (actually delivering services on the ground) will be the same people.

It is a difficult period in the life of the contract, with the potential for the current contract to end in 2016. Although it is tempting from a client perspective to look ahead to future procurement, and revised contracts and specifications, it is important to remember that the priority must remain ensuring good quality service delivery to the residents of Corby on a day to day basis.

There are several themes which cross several of the individual service areas:

- **Increased engagement** - Residents (and visitors) need to take pride in their environment and community and take responsibility through better awareness of
issues, how schemes work (e.g. food waste) and what the benefits are

- **Use of contract measures**
  - Tougher enforcement of penalties (and incentives) that exist within the current contract to ensure that the contractor fulfils their obligations for effective and quality service delivery

- **Better performance management**
  - The KierWays system needs to be fully implemented and shared so that the Council can have timely access to relevant management information across the services. Lack of progress on this issue is seen as a major failing on the part of the contractor

- **Delivering on promises**
  - Many of the suggested improvements by Kier will need to be realised if performance is to actually improve. One example is the KierWays information system, promised and agreed since 2011 - but which has yet to materialise. The client may need to be much tougher on ensuring that the contractor delivers on its promises and obligations

- **Improved communication**
  - A key element of service improvement will be improved relationships between the client team and the contractors and better communication. This will include open and honest sharing of information and a joint ambition to improve services for the people of Corby.

This review has shown that there are a significant number of areas where services can improve, but this should be considered against a backdrop of a wider satisfaction with environmental services provided by the Council and its contractors. By implementing and achieving the points in the action plan outlined in the next section, the Council can make these services even better.

Greenbiro Ltd would like to take this opportunity to thank all the people that contributed to this review for their time, views and input.
Glossary

Anaerobic Digestion (AD) - Process for converting food and green (biological) waste into energy and a compost-like product using bacterial activity

Default - An action (or lack of action) that leads to a financial penalty, as laid down in the contract

Feedstock - Waste that acts as fuel for an energy-producing process (e.g. AD or Energy from Waste)

Gang sheet - Documentation used by operational crews to highlight issues and actions required

HWRC - Household Waste & Recycling Centre (formerly known as Civic Amenity sites or "the tip")

Put-out / Participation - The number of residents who put their bins out for collection, as a proportion of all those issued with bins for a particular waste collection service (e.g. Food Waste)

Rectification - A notice from the client team to the contractor indicating that service levels (or a particular action) has not met the required standards and needs redoing / putting right / improving

Telematics - IT software that captures data from vehicles and equipment to give management information on movements, timings and location

TUPE - Transfer of Undertakings (Protection of Employment) Regulations 1981. This gives protection to terms and conditions of workers transferred across from one contracted organisation to another (or from a public body to a contractor).

Wrap - Waste Resources Action Programme, a government advisory body looking at increasing recycling and waste minimisation, as well as efficiency in waste management