

Update on new recycling and refuse contract

Edited version of the confidential report considered by the Community Services Committee on the 22nd June 2021 – Minute 40 of that meeting refers

Report of: Executive Head of Communities

Purpose: For information

Publication status: Open

Wards affected: All

Executive summary:

This report is being brought to Committee to update Members on the new waste contract with Biffa, which started on 5th April 2021, and to highlight some of the issues faced at the start of the contract which led to missed collections for some residents in the district.

The successful tender for the new contract, identified that several changes were required to make the service more efficient. These included a separate food waste collection for most residents and the introduction of a new waste Customer Relationship Management (CRM) system. Owing to these changes, some residents had a variation to their current waste collection schedule, for example, a change in their collection day.

During the first few weeks of the new contract, several issues occurred that resulted in a greater than average number of missed collections. There were problems with the new vehicles - Biffa staff needed to acclimatise to new routes, and the new CRM system was not communicating properly which resulted in a lack of real-time information. Crews also faced excess waste post Easter.

To address these issues, Biffa put on extra vehicles and crews at their own cost. These additional resources will be in place until collections have settled down. Whilst there are still some ongoing issues, particularly in relation to assisted collections and food waste, Biffa are now achieving a much higher completion rate and we are moving towards business as usual.

This report supports the Council's priority of: Building a better Council / Becoming a greener, more sustainable District

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Recommendation to Committee:

That the Committee notes the update report on the waste contract and the lessons learnt from the start of the new waste contract.

Reason for recommendation:

The operational problems experienced at the start of the contract affected many households throughout the District and were discussed by Members at Full Council on 22 April 2021. Members requested that a report was prepared for this Committee outlining the key issues faced, how they were resolved and what lessons the Council could learn from the experience.

Introduction and background

1. At the Community Services Committee meeting on 10th March 2020, following an extensive procurement exercise, Members agreed to award an eight-year recycling and refuse contract to the preferred bidder Biffa with a commencement date of 4th October 2020.
2. As a result of the Covid-19 pandemic, several vehicle manufacturers temporarily closed which meant in a delay in the delivery of a new fleet of vehicles. As a result, an extension to the existing contract was arranged and a new contract start of 5th April 2021 was agreed.
3. The new contract introduced several changes to make the waste collection service more efficient. This included most properties having their food waste collected by a separate vehicle. Because of this change, a large number of properties throughout the district had a change to their existing collection schedule. This was either a change in the day of collection or a switch between recycling / waste collections.
4. To make the future service more efficient, a new waste Customer Relationship Management (CRM) system, Whitespace, was introduced in all the vehicles as part of the new contract. Compared to the previous CRM system, known as Springboard, Whitespace has additional functionality including:
 - Automatically re-allocating work between vehicles which would have previously relied on Biffa management making individual calls to different vehicles. As this is now done via the CRM system, if there is a subsequent missed collection, reasons for non-collection can be recorded. This was not the case previously.
 - Where blocked access is encountered during the day then, as above, under the new system it can be re-allocated to one of the narrow crews, depending on available capacity. Again, this is now visible on the system and can be recorded. Previously all blocked access was shifted automatically to the following Saturday.

- The Council gets access to greater information and it is easier to track missed collections than with the previous system.
 - Issues can be reported and monitored through Whitespace. For example, crew behaviour can be logged and reports of similar incidents over a period can be reviewed. Previously this was done via email on an individual basis.
5. Under the new contract, Biffa will carry out 115,000 collections per week (including textiles and batteries), from 38,500 properties. There are 20 vehicles (including spares and supervisor vans) and 41 collection staff, 5 pool collection staff and 4 management staff working on the contract. This excludes the current additional resources being provided at Biffa's own cost.

Commencement of the contract

6. The new contract commenced on 5th April 2021. Included in Appendix A are the statistics for the first nine weeks of the contract. The statistics show the percentage of the rounds that were completed, the number of blocked access roads needing to be collected the following Saturday and the number of households missed. Note that there are some gaps in statistics for the first couple of weeks due to problems with the Whitespace CRM system.
7. Prior to the new contract start date, fortnightly mobilisation meetings were held with Biffa and with the internal Council project team. A mobilisation plan was in place and risks from the risk register were regularly reviewed. Ongoing post mobilisation meetings are still taking place to resolve outstanding issues.
8. Outlined in the sections below are the key issues faced at the start of the contract.

Biffa Staff

9. Biffa have retained previous staff from the old contract and have additional temporary staff operating the support vehicles. There was concern at Full Council that Biffa had dismissed the previous staff and had recruited all new staff, but this is not the case.

10. Biffa reorganised the rounds due to the new logistics of the contract and so some staff were allocated to completely new routes to them. In addition, there are new food collection rounds that collect from twice as many properties as those collecting refuse and recycling. The food waste drivers had to acclimatise themselves to completely new areas of the district.
11. The changes had particularly a negative impact in areas of the district which are more bespoke and rely on local knowledge. Examples include off shot tracks / roads off the main road where new crews did not realise there were properties and assisted collections.

New vehicles

12. At the start of the contract Biffa experienced some technical problems with the new vehicles including the sensors at the rear of the vehicles. which prevented the vehicle carrying out further work as the sensors automatically shut off the bin lifts. These sensors are for the protection of the crews and the vehicles and could not be overridden.
13. These technical issues contributed to delays in completing the work in the first few weeks. Vehicle breakdowns unfortunately do happen so there will always be an element of disruption even in business as usual times.
14. All staff were inducted on how to use the new vehicles and the bin lifts were tested before the start of the contract to ensure compatibility with the wheeled bins currently in use throughout the District.

Technology and IT Systems

15. As part of the new contract, the waste customer relationship management (CRM) system changed from Springboard to Whitespace. The new Whitespace CRM system has infinitely more capability than the previous one, although it will take some time to get it bedded in. The Whitespace system is one of a handful of waste CRM systems available on the market and is used by Biffa in several of their newer contracts.

16. As part of the bid evaluation the Council received a demonstration of the Whitespace system. The Council's technical consultant from Wood Plc, who has had experience of the system from both implementing it as a Contractor as well as a Client, said that they were comfortable with the proposed CRM system and that it met Tandridge's needs.
17. In the final stage of testing Whitespace was tested in what is known as User Acceptance Testing environment. The UAT mimics the "real world" and was required as there was significant data transferring between the Council's Salesforce system and Whitespace. A total of 59 test scenarios were carried out on these interactions and any errors investigated. This stage of testing spanned a total of 39 days, with 25 days spent executing tests, before being passed fit for purpose.
18. This UAT testing stage was preceded by a substantial system testing period during which a large number (500+) unique test cases were executed, these covered all aspects of the council system and the integration with the Biffa Whitespace system. It should be noted that exhaustive testing of every combination of data input, scenario, precondition etc is impossible.
19. To transition from UAT to the live environment Biffa loaded the round data into the operational version of Whitespace. During the first couple of weeks of the new service it became apparent that the load had not worked correctly with properties missing services, incorrect collection frequencies and errors in the assisted collections. These issues were resolved by Biffa when they were identified though this did take some time. The danger when applying a fix is that it has a knock-on consequence and unfortunately a fix made to the assisted collections reset the food waste collection schedules which had been amended a number of times to balance the work out.

New rounds

20. Biffa used specialist routing software to model the new routes based on the information provided in the contract specification. All new routes were signed off at a Biffa operational level and then Council Officers reviewed the data to ensure that there were the correct number of properties and that the flats had the correct services allocated to them.

21. Biffa struggled with capacity at the start of the contract, specifically in relation to the collection of food waste. This was heightened as the contract started after the long Easter weekend which was one of the first weekends when Covid rules had been relaxed. To deal with managing capacity, Biffa put on additional support vehicles at their own cost.

Communication

22. Due to the problems with Whitespace, Biffa and the Council could not have access to real time information for the first few weeks of the contract and so it was very difficult to provide residents with timely information.
23. Biffa had to manually create completion reports which were sometimes received late in the day depending on the problems they had communicating with the on-board computers. There was the added issue of the availability of Council Officers to analyse the end of day report before passing it on.
24. Due to the mismatch in the working patterns it did mean that even if a Council Officer picked up the completion report late in the day there were no other Officers available to update the website and send out a waste newsletter to residents.
25. Depending on when the Council receives an update report from Biffa, this situation still exists although it not as key as with the initial stages of the contract due to the number of roads not being completed. It was also experienced with the old contract and is something that is being reviewed.
26. In terms of communicating with residents, a great deal of work was carried out before the start of the contract to update residents of the changes in the service. This included bin hangers for all residents, a leaflet sent to every resident in the district with their council tax letter, articles in the Tandridge magazine which was delivered to every household and a social media campaign. Very few, if any, complaints were received from residents about not knowing that the changes were taking place.

Council Capacity

27. Biffa had extra management resources from neighbouring Councils to deal with issues arising in the first few weeks of the new contract, but given the additional problems faced, they struggled with capacity to deal with enquiries. The Council also struggled with capacity to answer questions from residents and Members. There was no budget allocated for additional temporary staff to deal with enquiries as it was not anticipated that there would be as many missed collections. A core group of Officers worked significant additional hours pre and post roll out.

28. Training on how to report through Salesforce into Whitespace was provided to Customer Services team as well as the Locality team in advance of the start of the contract. Due to competing priorities the take up of the training by Customer Services was limited which had a knock-on impact when reporting under the new systems.
29. In addition, the recruitment for the additional Officer to manage the bulky waste collections was delayed due to reasons outside the Council's control. At the start of the new contract this additional work had to be undertaken by the Localities team and this pressure still exists.
30. General limited resources also had a negative impact on managing the first few weeks of the contract.

Covid-19 implications

31. The mobilisation of the new contract took place during highly unusual circumstances. In normal circumstances the Biffa mobilisation team would have been working directly with Council officers and been co located in the same offices. This is a more dynamic way of working through issues and looking at how to fix them quickly. The general challenges of remote of working and virtual meetings had a detrimental impact on the start of the new contract.

Missed collections

32. With just over 6 million scheduled collections a year (including textiles and batteries) there will naturally be missed collections due to the volume of work. At a 99.9% completion rate that would equate to 115 genuine missed collections per week. At the start of the contract the number of misses were far higher than this and this unfortunately does happen when there are significant service changes.
33. In terms of assisted missed collections this is a very bespoke service and does rely on local knowledge of the crews. With the food waste crews covering double the amount of properties to collect from there has been a loss of knowledge.
34. Most calls received by customer services, and those reported online, relate to missed bin collections. A key advantage of the new contract is that cameras have been installed on all vehicles which can be reviewed by both the Council and Biffa.

35. In the case of a genuine missed bin collection, under the new contract a missed bin needs to be reported within 48 hours of the scheduled collection and Biffa will return to collect the missed bin within 24 hours of receiving the notification.

Lessons learnt

36. There are a number of lessons that the Council has learned through the mobilisation of the new waste contract. These include:
- Have a dedicated Council mobilisation team as opposed to Officers carrying out their normal duties in addition to the mobilisation of a new contract / new IT system etc.
 - Ensuring that temporary additional support is made available at key times to respond to enquiries.
 - Consider the timings of the start of a new contract in respect of bank holidays and other events taking place.
 - Where possible, locate the project team together with the supplier so that issues can be addressed immediately. This has already happened with the Northgate project and would have happened with this project if we were not observing government restrictions.
 - Ensure that Officers are given enough time to have training on new systems. The Council needs to prioritise such training and put in procedures to allow it to happen.

Consultation

No consultations were undertaken as part of this report.

Key implications

Comments of the Chief Finance Officer

From the lessons learned comments it is noted that when building any future project plans to ensure that there are resources and funds set aside to ensure the project has enough resource to deliver it to time and to budget.

Comments of the Head of Legal Services

The Council is under a general Duty of Best Value (pursuant to Section 3 of the Local Government Act 1999) to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness." Under the Duty of Best Value, therefore, authorities should consider overall value, including economic, environmental and social value, when reviewing service provision. Due to the new waste service provision falling below the standard expected by residents, the Council was required to monitor the service, ensuring compliance with what was contractually agreed, and thus representing good value to residents. This report details how the Council has monitored the various issues encountered at the start of the service, the reasons for these failings, and the remedial action that has been taken and will continue to be taken. The provision of statistics is particularly useful in demonstrating how the level of service has evolved since the start of the Contract. The new vehicles, increased service capacity and CRM software allowing for more efficient collection of data in relation to missed collections/complaints of behaviour, will no doubt represent better value to residents in time, but Officers should be vigilant in monitoring the performance of this Contract to ensure that service continues to improve.

There are no data protection implications relevant for discussion under the GDPR.

Equality

There are no proposals within the report that would affect equality.

Climate change

There are no significant environmental / sustainability implications associated with this report. All environmental impacts associated with the new waste contract have already been reported to Committee.

Appendices

Appendix A - statistics for the first nine weeks of the contract

Background papers

None

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Appendix A - Waste collection - statistics since the start of the contract

Date	% of rounds completed	Number of households affected	Blocked access roads
04/06/2021	100		8
03/06/2021	100		
02/06/2021	100		
01/06/2021	100		
31/05/2021	100		
28/05/2021	100		8
27/05/2021	100		
26/05/2021	100		
25/05/2021	100		
24/05/2021	100		
21/05/2021	100		15
20/05/2021	100		
19/05/2021	100		
18/05/2021	100		
17/05/2021	99	50	
14/05/2021	100		12
13/05/2021	100		
12/05/2021	100		
11/05/2021	100		
10/05/2021	100		
07/05/2021	100		9
06/05/2021	100		
05/05/2021	100		
04/05/2021	99	5	
03/05/2021	100		
30/04/2021	100		7
29/04/2021	98.6	844	
28/04/2021	93	1623	
27/04/2021	93	1935	
26/04/2021	99	155	
23/04/2021	99	82	18
22/04/2021	99	240	
21/04/2021	93	2431	
20/04/2021	93	3005	
19/04/2021			
16/04/2021	94	2904	
15/04/2021	97	2327	
14/04/2021	66	7061	
13/04/2021	88	*	
12/04/2021			
09/04/2021			
08/04/2021	68	*	
07/04/2021			
06/04/2021			
05/04/2021			

