

EAST DEVON DISTRICT COUNCIL

Minutes of a meeting of the East Devon Recycling and Waste Partnership Board, Committee Room Knowle, on 7 November 2018

Attendance list at end of document

The meeting started at 10.00am and ended at 12:30pm.

***14 Minutes**

The minutes of the Recycling and Waste Partnership Board meeting held on 13 June 2018 were confirmed and signed as a true record.

***15 Declarations of interest**

Councillor Geoff Jung: Personal interest – Woodbury Parish Councillor

***16 Matters arising**

None.

***17 Joint contract review and operational update**

The Recycling and Waste Contract Manager and the SUEZ Senior Contract Manager gave the Board a joint presentation on a contract review and operational update.

The Chairman congratulated Harry McLeman, Contract Manager on his new position at Greendale. He also wished to record his thanks to Lorna Christo, Recycling & Waste Officer for her incredible enthusiasm and for being such a wonderful ambassador for both SUEZ and EDDC. The Recycling and Waste Contract Manager also thanked Lorna for all her hard work from the early trial period at Feniton and Exmouth, and in recruiting and fostering long term relationships with the customer recycling champions.

The core recycling system was continuing to perform well with over 400 tonnes of dry recycling and food waste being collected almost every week. The RRC (Resource Recycling Centre) was now fully embedded and the benefits of the new plant were feeding through. The Green Waste service had moved from a mobilisation phase and had now bedded in as part of normal service operations.

The partnership and joint management team approach allowed problems to be identified and solved at an early stage and quickly. The focus would now be on maximising the outputs of the transformed system, with emphasis on:

- Growth – managing increasing property numbers. It was anticipated that 70,000 properties would be reached in 2019. Focus would also be on increasing the customer base for the green waste business by renewed advertising.
- Quantity – further increasing recycling and composting tonnages to increase revenue from sales, recycling credits and avoided waste disposal payments. Focus would be on continuous participation, behavioural change and advertising activities to drive this.
- Quality – due to the volatility of the materials market it was necessary to ensure as much protection as possible by improving the quality of the materials. Participation and customer communication activities would play a continuous role in this. The Woodbury trial was also a significant ‘experiment’ in testing whether customers could be encouraged to play a further part in helping to improve material quality.

The Suez Contract Manager explained that the slight drop in performance during quarter 3 was attributable to staffing issues during July and August, where there was a 10% turnover

in staff. As a result of this SUEZ relied heavily on agency employees who did not possess the geographical knowledge of permanent staff. Complaints over quarter 3 rose by 32%. SUEZ had introduced a CSF (Critical Success Factors) monitoring system which identified how each individual crew was performing on areas such as missed collections and complaints. This enabled the supervisor and management teams to more effectively manage those crews who weren't performing to the expected standards. During September performance on missed collections had improved.

In order to combat employee turnover SUEZ had undertaken a driver apprenticeship scheme, where loaders on the workforce who aspired to progress within the business could gain their LGV driving licence. In return for receiving the training staff would agree to remain with SUEZ for a period of up to four years following them attaining their qualification. This had proved very popular, with the first batch of employees expected to qualify at the end of November.

Collected residual tonnages reduced the previous quarter, with an increase in recycling collected. This was due to the green waste service being implemented. The recycling rate for the period was 60%.

The RRC had opened at the end of April and been fully operational for six months. It had been performing very well. Material value had remained steady, despite the volatile market, with an income of £152,050 for materials over quarter 3. The forthcoming challenge would be to ensure protection against the ever changing recycling market. Material quality would be of the upmost importance in order to ensure the partnership could continue to benefit from the collection of kerbside recycling. SUEZ was exploring the idea of increasing covered bale storage at the depot, which would reduce haulage costs. Other initiatives such as the Metal Matters campaign and the Woodbury sack trial would aid in protecting the partnership during the period of uncertainty.

The Recycling and Waste Contract Manager reported that all of the EDDC bring banks in the district had been removed by the end of August 2018, with virtually no customer reaction to the service change. No negative impact on recycling had been experienced. It had also resulted in efficiency savings for StreetScene services who no longer needed to clean and maintain the bring bank sites. The removal of the bring banks signified a key step towards creating a utility model, focusing all efficiencies on a single channel of kerbside collections.

The recycling team had created a more positive relationship with EDDC planners, leading to more proactive contact with major developers, which in turn was providing opportunities to influence the layout of some aspects of new developments from the perspective of recycling infrastructure and collection points.

It was noted that the partnership continued to be in the national spotlight, and recent events and coverage were outlined. The three visitors from Torbay Council, who arrived during this item, were welcomed to the meeting.

A short media clip was shown of the customer Viewpoint survey. During this 3000 people were surveyed at random and the data results produced into a short, snappy animated clip that could be shown on all sorts of platforms, without the need for papers to be sent out. As far as the waste and recycling service was concerned there was almost universal approval and appreciation from the residents surveyed.

The Strategic Lead, Housing, Health and Environment commented that the film demonstrated the critical success factor of the service, but that it was important not to be complacent. Waste and recycling should continue to be collected on time, no spillages, with receptacles returned. Crew behaviours would also have an impact on customer satisfaction.

On behalf of the Board the Chairman thanked the teams for all their efforts and thanked the Recycling and Waste Contract Manager and the SUEZ Senior Contract Manager for their report.

RESOLVED: that the contract review and operational update be noted.

***18 Performance feedback demonstration**

The Board received a presentation on contract performance statistics from SUEZ.

Generally there was good crew performance. Efforts were being made to reward good behaviours and focus on those that needed improvement. The measures were made visible to the crews at Greendale and included:

- SIM (safety in mind) conversations. There were 50 checks per month, with staff being congratulated for good work, not just focusing on the negative.
- Snapshots of missed bin statistics for the previous week. This allowed supervisors to know where/which crews to spend more time with.
- Performance Management Framework – allowed visibility of the costs and financial aspects of both good and bad performance.
- Supervisor fleet checks – there were random checks as vehicles left the depot as well as fleet gate checks.
- Accident statistics.
- Monthly missed bin statistics. It was noted that the figure remained incredibly low, at around 0.16%.
- Monthly resident comments and complaints.
- Individual crew missed bin and complaint statistics – this allowed any issues to be pinpointed and team leaders would move across crews to deliver toolbox talks, cover leave, etc.
- Crew of the month. Identifying crews that were performing well and those that required improvement and making this visible increased competition between the crews. A 'crew of the month' were rewarded with gift vouchers. This was well received by the employees and created a competitive atmosphere.
- Long service was rewarded.
- Customer feedback. A questionnaire had been sent corporately to EDDC to complete and a score of 8.8/10 was achieved. This was then followed up by a phone call. Areas to improve on were container returns and complaint response times. Where SUEZ was doing well was in working in partnership with EDDC and being committed to delivering the service to EDDC.

On behalf of the Board the Chairman thanked SUEZ for their presentation.

***19 Performance framework/penalty calculator**

The Recycling and Waste Contract Manager reported that the performance framework and penalty calculator were now out of the suspension period that they had been in during the roll out of the new contract. The framework were being used as a performance measure rather than as a penalty, with the emphasis on partnership working, improving and getting the correct resources in place. It was noted that performance was improving with more or less all of the contractual thresholds being met. Penalties were not being invoked as it was

believed that it would not improve performance. Partnership working should be used to resolve issues.

RESOLVED: that the performance framework/penalty calculator statistics be noted.

***20 Risk register**

The Recycling and Waste Contract Manager reported that the risk register had been reviewed and updated. He was pleased to report that the risks associated with the green waste service were reducing. There was a need to be aware of the interim elderly fleet in use.

One risk that continually stood out was lack of Strata design capacity to meet deadlines for communications materials. The service was very communications heavy and there was a growing frustration that the communications materials (posters, labels, leaflets) could not be obtained quickly enough, or on time. The team produced high quality materials, but there were capacity issues.

LGV driver shortage and recruitment was a sector wide issue. SUEZ were already mitigating this with their driver training academy

Another risk that was highlighted was the budget risk, with unpredictable elements that EDDC had little control over and limited mitigation. It was noted that the RRC would improve the value of the materials collected. It was hoped that the Woodbury trial would improve material quality and help to mitigate the risk.

The Board noted that an emerging risk was the bottle deposit scheme. The Chairman reported that the last DAWRRC (Devon Authorities Waste Reduction and Recycling Committee) had discussed the likely implications of a bottle deposit scheme, but currently there were so many unknowns. The Director of Municipal Services, SUEZ advised that a bottle deposit scheme would represent a risk as it took the valuable plastics out of the current recycling scheme so would have a negative impact on revenue. However, emerging new regulations on producers paying for more of the cost of recycling packaging may be beneficial to EDDC. EDDC would continue to work with SUEZ, but at present there were too many uncertainties to assess the risk.

On behalf of the Board the Chairman thanked the Recycling and Waste Contract Manager for his report.

RESOLVED: that the risk register be noted.

***21 Green waste collection service update**

The Recycling and Waste Contract Manager gave a summary of the service which commenced on 14 May 2018, as planned. The introduction of the new service was completed and operations were now part of normal business. The project team had worked well, achieving a very smooth implementation. The team was disbanded in July 2018.

The customer base was 9092 bins, representing approximately 13% of the total East Devon property count. The total sales revenue was £436,416. As this was the service launch year the revenue would be allocated to both covering the cost of delivering the service and meeting the year one set up costs. A financial statement covering May to September 2018 was considered by the Board and the following accounting principles were noted:

- All start up costs to be allocated in the first two quarters of the year to account for them as early as possible.
- The cut-off point for the initial income prior to service start was taken as 30 June 2018. This total figure was then divided equally between the quarters of the financial year to give a more balanced revenue profile throughout the year against which to allocate operational costs.
- All sales revenue received after 30 June 2018 was allocated evenly between the four quarters following the quarter in which it was received again to give a more balanced income profiles against which to allocate operational costs.
- Neither partner had allocated any management, supervision of administration overheads to the business. This would be reviewed as the business grew.

Consideration for profit share would be made at year end once a near full year picture emerged. It was noted that the bins were financed as a capital purchase and depreciated over 20 years, as a monthly cost. 10,000 bins had initially been purchased to launch the service in 2018. In order to manage stocks an order had been placed for a further 2,100 bins to handle early demand in 2019. Further orders would be made as demand dictated, balancing the risk of holding stock to meet unknown demand and controlling costs.

At launch the subscription process was only set up for new subscriptions due to time constraints at mobilisation. Processes for renewal subscriptions were now being designed and tested. This was currently the highest priority development for the service to ensure the existing customer base could be preserved at subscription renewal time.

A number of marketing activities had been undertaken, with more marketing activities proposed for 2019 to increase the customer base. These included:

- Christmas bin hanger – green waste incorporated in normal Christmas communications (November/December 2018).
- Council tax reminder – green waste advert to feature on the envelope (March 2019).
- Door drop delivery (May 2019).
- Social media – regular tweets throughout the year but focused on peak times.
- Compost give away events (March 2019) to help publicise the service.
- Christmas bin hanger (November/December 2019).

As customer numbers grew in 2019 the existing old fleet (from within the SUEZ group) would need to be reviewed in terms of size and continued use of old vehicles. Purchase of a new fleet was likely to be necessary during the year. Financing costs for new vehicles would need to be accounted for against the future income. It may be necessary to add another crew if numbers continued to grow, but if possible the partnership would try to keep the service with the three existing green waste collection crews by using route optimisation. Initially there would be a drop in revenue with the introduction of a fourth crew. 14, 000 properties was the tipping point for requiring an additional crew for the service.

The suspension period for the green waste collections was from Monday 17 December 2018 until Monday 14 January 2019. This information would be included on the Christmas bin hangers, the Christmas press release, website and on the East Devon app.

RESOLVED: that the green waste collection service update be noted.

***22 Woodbury trial update**

The Recycling and Waste Contract Manager presented a report on the trial in Woodbury for introducing an additional recycling container and outlined the next steps in the process. A

project team had been established and a timetable for mobilisation was presented to the Board.

SUEZ believed that the introduction of an additional container could provide a more efficient collection method and had performed some local testing to determine the impact of this. Based on research SUEZ expected to generate enough efficiency/improved productivity within the service to remove at least one round, with no loss to service standards. Their research indicated a better service to residents, service efficiencies, improvement in material quality and price received for them, and improved recycling capacity. An additional container for the weekly recycling service would provide extra capacity for recycling to residents.

Quality was a key factor in generating the most value for the recyclables collected. Currently both paper and cardboard grades were suffering from the current collection system; with paper, cardboard and glass being mixed in the same green box. This also presented time pressures to the crew sorting the material kerb side. Separating paper and cardboard more effectively at kerb side was likely to improve the quality of the materials and have monetary benefit to both the Council and SUEZ.

The additional sack for cardboard would be trialed in Woodbury, which involved around 870 properties, with a mix of property types and demographics, and was serviced by a single recycling round. The Parish Council were engaged and willing to undertake the trial. Customer satisfaction with the trial would be a key influencer.

As with any change in service, effective communication was essential to inform and listen to residents' feedback on the proposed change. A communications programme was outlined in the timetable. Should the trial be a success there would be no need to stop residents from using the extra container.

SUEZ would cover the costs associated with the trial and had already procured the sacks. SUEZ would also keep all stakeholder updated on its progress, would thoroughly review all data and produce a report based on the outcomes and proposed next steps.

The trial was due to be formally completed and the results assessed by early May 2019. Should the trial produce positive results consideration would be given to using the additional cardboard container district wide, requiring a district wide mobilisation. Based on previous experience, the best timing for such a mobilisation would be September/October 2019. If this implementation date was met planning and preparation time would be very constrained for a successful mobilisation. The Council's decision making process would need to be progressed as rapidly as possible. Therefore it was suggested that a Partnership Board meeting be held as soon as possible following the May 2019 elections. If there was insufficient time to mobilise in autumn then the next recommended mobilisation 'slot' would be February 2020.

RESOLVED: that a meeting of the Recycling and Waste Partnership Board be held on 29 May 2019 to consider the results of the additional recycling container trial in Woodbury.

***23 Recycling participation programme update**

There were a number of participation projects being run, which the Recycling and Waste Contract Manager outlined in his report.

Metal Matters

This would run from September to December 2018 and was a mixed material focused campaign designed to increase the capture of the most valuable materials – steel and aluminium cans. The core of the campaign was door drop leaflet deliveries with two items being delivered to all EDDC households in the weeks commencing 25 September and 5 November. This was also supported by school roadshows, press releases, public roadshows, promotional material displays in public places and social media.

The campaign was jointly funded between the participating partners: EDDC, SUEZ and Alupro. The total cost of the campaign was £16,500. The income streams targeted were recycling credits, avoided waste disposal payments and materials sales.

It was noted that this campaign was the first one to use mass door drop deliveries. The effectiveness of this would be monitored and the continued use of this type of advertising activity would be assessed for other campaigns.

Food waste

This would run from November 2018 to February 2019 and was a single material campaign designed to increase capture of the most common material left in the refuse stream. At present 15% of the refuse stream was food waste. The core of the campaign would be using social media channels and supported by press releases, the Christmas bin hanger, roadshows, food waste leaflets to new properties and app 'push' messages. The income stream targeted was avoided waste disposal payments. It was hoped that this predominately social media campaign could achieve customer wide awareness.

Textile campaign

The timing for this 2019, single material campaign designed to capture more textiles at kerbside, was still to be decided. Composition analysis indicated that 3% of the remaining refuse stream was recyclable textiles. The income streams targeted would be materials sales, recycling credits and avoided waste disposal payments.

The partnership would look to learn from experience with the metal matters campaign in the use of door drop delivery advertising and working with others on a joint campaign. Partner interest and shared costs would be sought from Salvation Army.

WEEE campaign

SIMS had been in contact due to the metal matters campaign and expressed an interest in working with EDDC on a joint WEEE recycling campaign in 2019. The income streams targeted would be avoided waste disposal payments.

RESOLVED: that the recycling participation programme update report be noted.

***24 Business profiles**

Graphic representation of the following business profiles were presented to the Board:

- Recycling tonnages
- Refuse tonnages
- Green waste tonnages
- Property growth projection

The Chairman reported that Devon was the best recycling authority in the country.

The Recycling and Waste Contract Manager brought to the Board's attention that the contract tipping point in terms of property growth, 70,000 properties was projected to fall within June 2019. This was within the 2019/20 financial year and the Board were made aware that under the contract the base financial payment to SUEZ would not be made until the following financial year (2020/21) if the contract condition was adhered to.

25 Container charging for new developments

Consideration was given to the report of the Service Lead – StreetScene, which proposed charging developers for the provision of recycling and waste containers to new build properties. The current container budget for 2018/19 was £105,000 with an average 18% renewal of recycling boxes, bags and caddies per year. The budget was under pressure as property growth increased and was projected to be £7,000 overspent this year. Levying a charge of £80 per suite of receptacles (to cover all supply and transactional costs) on developers for the provision of recycling and waste containers for a new property would decrease this cost pressure, transferring it to the developers or occupiers of new properties.

Some authorities sought payment for bins through Section 106 agreements with developers for new build properties, however advice from EDDC's planning department was that this was not an option, neither was CIL (Community Infrastructure Levy). However it was possible to levy this charge through a waste policy and it was recommended that planners advise developers of the policy at the pre-application phase. Payment should be requested from the developers at the planning application stage based on the number of units proposed. This policy should also apply to every new property created, not just larger scale developments. It was agreed that the policy should apply to all new dwelling permissions from 1 April 2019.

There was a reputational risk to the Council whereby the cost of receptacles was passed on to the occupiers by the developers. This could also create a selection pressure between competing developers. However, the aim of the kerbside recycling and refuse collection system was to create a utility model. All other utility infrastructure was already paid for by developers.

A number of other authorities had already introduced this charging. Exeter City Council charged for the supply and replacement of wheeled bins at a cost of £35 directly to the resident. They made no charge for recycling containers. Comparison figures from other local authorities were contained in the report.

The Board considered the proposal of charging for both new dwellings and also for replacement receptacles. Those present agreed that a charge should not be made for replacement recycling receptacles as the aim was to encourage people to recycle more, rather than disincentive them.

RECOMMENDED: that the following recommendations be made in the Service Lead – StreetScene's report to Cabinet on charging developers for the provision of recycling and waste containers and for the provision of replacement waste containers to residents:

1. that from 1 April 2019 the Council no longer supply waste containers free of charge to new build properties.
2. that a recycling and waste container charging policy based on the criteria in appendix 1 to the report be introduced.
3. that developers are charged for the supply of newly constructed property recycling and waste containers at a rate of £80 (per property for one residual bin, one green

box, one green sack, one food caddy, one kitchen caddy) and £300 per communal bin supplied.

4. that if the developer does not make the contribution for the new property's recycling and waste containers, to levy this charge to the resident. Communal bin charges would be levied to landlords/managing agents.
5. that a charge of £30 be made per wheeled bin or residual waste container where a replacement is required. Residents will not be charged where containers are damaged during collection.
6. that charges are reviewed annually as part of the annual portfolio holder charges review process.

***26 Customer services update**

The Customer Services Manager reported on call volumes. A new phone system had been introduced which allowed for much more accurate call statistics. On average 14% of the total calls received in the CSC were waste related. 88% of calls answered on the waste line were dealt with and resolved at the time by the Customer Service Advisers. 12% of calls were transferred to the waste management team for further investigation

On behalf of the Board the Chairman thanked the CSC team for all of their efforts.

RESOLVED: that the customer services update be noted.

***27 Dates of future meetings**

RESOLVED: that the forthcoming meetings of the Recycling and Waste Partnership Board be held on:

30 January 2019 – 10am

24 April 2019 – 10am – postponed to 29 May 2019

17 July 2019 – 10am

23 October 2019 – 10am

Present (Board members)

Councillors:

Councillor Tom Wright – Portfolio Holder, Environment (Chairman)

Councillor Brian Bailey

Councillor Geoff Jung

Officers:

Gareth Bourton - Recycling and Waste Contract Manager, EDDC

John Golding – Strategic Lead, Housing, Health and Environment, EDDC

Andrew Hancock - Service Lead – StreetScene, EDDC

SUEZ:

Steve Holgate - Director of Municipal Services, SUEZ

Stuart Jellings – Senior Contract Manager, SUEZ

Also present:

Councillors:

Councillor Susie Bond

Councillor Alan Dent

Councillor Eleanor Rylance

Officers:

Tammy Down – StreetScene Budget and Equipment Monitoring Officer, EDDC

Cherise Foster – Customer Services Manager, EDDC

John Hudson, Accountant, EDDC

Alethea Thompson – Democratic Services Officer, EDDC

SUEZ:

Nick Browning - General Manager, Municipal Operations, SUEZ

Harry Mcleman - Contract Manager (interim), SUEZ

Ian Hartley - Service Manager, Waste & Natural Environment, Torbay Council

Kevin Mowat – Assistant Director Business Services, Torbay Council

Cllr Dave Thomas, Torbay Council

Apologies:

Councillor Steve Gazzard (Board member)

Councillor Marcus Hartnell – Deputy Portfolio Holder, Environment (Vice Chairman)

Matthew Canning - Regional Manager, SUEZ

Chairman Date.....