

## **WASTE MANAGEMENT, RECYCLING AND STREET CLEANSING SERVICES – ANNUAL REPORT FOR 2018-19**

REPORT OF: Divisional Leader – Commercial Services and Contracts  
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Wards Affected: All  
Key Decision: No  
Report to: Scrutiny Committee for Community, Customer Services and Service Delivery  
13 November 2019

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### **Purpose of Report**

1. The purpose of this report is to provide the Committee with a review of the activity of waste management, recycling and street cleansing services for April 2018 to March 2019.

### **Recommendation**

2. The Committee is asked to note the contents of this report.
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### **Background**

3. The waste management, recycling and street cleansing services contract was let in August 2005/06 for an initial period of 7 years, with the option to extend for a further period of 14 years (7 + 7). This was renegotiated prior to the expiry of the first 7 years to two periods of 10.5 years, in order to derive savings from delaying the procurement of a new fleet of vehicles.
4. The contract is delivered by Serco Ltd, from Bridge Road Depot in Haywards Heath. The contract provides recycling and rubbish collections and street cleansing services.
5. Mid Sussex District Council is a Waste Collection Authority (WCA) and, as is the norm in a two-tier waste system, is directed on where certain waste items can be disposed of by West Sussex County Council (the Waste Disposal Authority). In order to get the best from this partnership, the Council is a partner in the West Sussex Waste Partnership (made up of all District and Borough Councils in West Sussex and the County Council).
6. A target has been set to achieve a 50% recycling rate nationally by 2020. The recently published Waste and Resources Strategy also outlines the Government's intention to legislate further in order to reduce rubbish for disposal and increase sustainable behaviour. It is likely that meeting these targets will require further service changes.

### **Scope of Service**

7. The contract provides the following waste management and recycling services:
  - (a) Rubbish collections from 63,500 properties every two weeks. 25,800 tonnes of rubbish were collected between April 2018 and March 2019.
  - (b) Recycling collections from 63,500 properties every two weeks. 123,800 tonnes of dry recycling were collected between April 2018 and March 2019.

- (c) Garden Waste collections from approximately 18,432 subscriptions (at the end of this reporting period) every two weeks (with the exception of the two-week festive period) which generated 6,600 tonnes of green waste for composting during the reporting period. The service is operated on a subscription basis, costing £65 per bin, per annum (£2.60 per collection).
  - (d) Clinical Waste collections from approximately 2,400 properties (94 tonnes were collected between April 2018 and March 2019).
  - (e) Street cleansing activities are undertaken either manually or mechanically and involve the removal of litter, detritus and fly-tips from the public highway.
  - (f) Regular emptying of litter and dog waste bins across the district, which generated 370 tonnes and 161 tonnes of waste respectively.
  - (g) Clearance of fly-tips on public highway. During the reporting period (April 2018-March 2019) 286 fly-tips were removed (weighing 230 tonnes in total).
8. All rubbish and recycling collections take place Monday to Friday. They commence at 7am and are completed by 4.30pm.
  9. For those residents who are unable to physically move their rubbish, recycling and garden waste containers to the boundary of their property an 'assisted collection' is offered. At present, 1,236 properties are in receipt of this service.
  10. A chargeable bulky waste collection service is also offered by exception. Large bulky items are charged at £20 per item and small items at £10. Electrical items are charged at £25 and £13 respectively. During the reporting period 114 tonnes of bulky waste was collected.
  11. Wheelie bins are also delivered to new developments, properties requesting additional recycling capacity and when bins are lost, stolen or damaged.
  12. Street cleansing operations (this includes the emptying of litter and dog waste bins) begin at 6am and are completed by 2pm. Town centre locations are visited first to ensure they are clean prior to the morning rush. Re-visits take place throughout the day. Residential areas are cleansed on request.

### **Contract governance and performance management**

13. The governance arrangements for the contract are as follows:
  - (a) Monthly operational meeting;
  - (b) Monthly strategic meeting;
  - (c) Quarterly Partnership Board meeting (at which the Divisional Leader, Portfolio Holder for Environment and Service Delivery and Serco's Regional Director are all present).
14. Key performance indicators also govern the contract. These are actively reviewed by the Partnership Board:
  - (a)

- (b) Local Environmental Quality for litter and detritus
- (c) Missed Bins per 10,000 Collections
- (d) Customer satisfaction with rubbish collections
- (e) Customer satisfaction with recycling collections
- (f) Percentage of fly-tips removed within one working day

15. A summary of Serco's performance in 2018/19 is included in Appendix 1.

16. At the contract anniversary (August each year) the Partnership Board review Serco's performance against these targets and agrees new targets for the following year.

17. Typically, performance against these targets has always been good and both the Council and Serco have agreed a more challenging set of targets for 2019/20.

### Key headlines

18. Alongside the day-to-day management of the waste, recycling and street cleansing services some specific projects have been progressed; the highlights of which are summarised below.

- (a) **Garden Waste growth:** In 2016/17 the Council invested in its garden waste collection service and introduced a third dedicated collection vehicle and crew. A growth target was subsequently set to enlarge the customer base to 19,300 subscribers during 2018/19. As at 31 March 2019 the Council had 18,432 subscribers to this service.
- (b) **Recycling quality:** Securing high quality dry recycling is a key priority. Performance targets have been established through the West Sussex Waste Partnership and all District and Borough Councils are required to keep contamination below 6%. Financial penalties are applied if this target is not met. The Council's overall contamination rate for 2018/19 was 4 %.
- (c) **British Heart Foundation pilot:** As part of its commitment to exploring ways to increase the volume of textiles and small Waste Electrical and Electronic Equipment (small WEEE) the Council worked in partnership with Serco and the British Heart Foundation to collect these items from the kerbside. The pilot began in November 2017 and concluded in October 2018. Take up was strong and 47 tonnes of textiles and small WEEE was collected for reuse and recycling.
- (d) **Collection schedule changes:** In order to accommodate the increase in property numbers across the district and to future-proof the service considering projected housing growth and additional refuse collection vehicle was introduced in 2018. This has made it necessary to make changes to collections for some households across the district. All changes were successful.

### Legislative and policy context

19. The requirements for UK local authorities to meet the target of 50% recycling by 2020 are driven by European Legislation. This legislation will remain in place after the UK's exit from the European Union.

20. The recently published Waste and Resources Strategy outlines the Government's intention to legislate further and introduce new statutory responsibilities. Of those items currently being considered, those with the most direct impact to local authority waste collections are:

- (a) separate collections of biodegradable waste (food and green waste) by the end of 2023;
- (b) separate collections of textiles and hazardous waste by the beginning of 2025;
- (c) strengthened TEEP (the method by which local authority collection systems are deemed technologically, environmentally and economically practicable) with a view to improving the quality of dry recycling collected;
- (d) 55% recycling by 2025 and 65% recycling by 2035.

21. It is therefore likely, that in line with strengthening national legislation, changes to the way local authorities collect rubbish and recycling will be forthcoming.

### **Service priorities and contract development**

22. Building on improvement projects, alongside the work being undertaken to review the Key Performance Indicators, and considering the change in legislative and policy direction, the following key priorities have been identified for 2019/20:

- a) **Reduce residual waste and increase recycling:** At present, no District or Borough Council in West Sussex collects food waste separately. This approach is increasingly outmoded. A recent composition analysis (October 2018) demonstrated 41% (by weight) of the average rubbish in wheelie bins in Mid Sussex was food waste. The cost of residual waste treatments are increasing, and as noted in paragraph 24 (a) it is likely that strengthened legislation will result in the evolution of collection services. WSCC are leading work to trial Food Waste collections across West Sussex. This Council is working closely with WSCC to potentially trial food waste collections at approximately 3,000 households in Mid Sussex during 2020.
- b) **Increasing digitalisation:** A programme of digitisation delivered jointly with this Council and Serco) has been on-going for several years with the aim of improving workflows, increasing efficiency and improving the overall customer experience. This provides a platform from which to introduce in-cab technology. In-cab technology will enable the exchange of real-time information allowing more timely feedback to customers. It will also improve the effectiveness and efficiency of the services by allowing for better management and monitoring of the contract as whole.
- c) **Garden waste growth:** In anticipation of the achievement of the current target of 20,000 subscriptions during 2019/20 (at which point the service will be operating at capacity), a plan to facilitate further growth is now being developed.
- d) **Textile and small WEEE:** Following the success of the British Heart Foundation Pilot, the Council and Serco have committed to working together to implement long-term proposals to collect textiles and small WEEE at the kerbside during 2019/20.

- e) **Recycling quality:** High quality recycling is a key priority, and with the possibility of a strengthened set of criteria around TEEP (the test around the Technical, Environmental, Economic and Practicable implications of carrying out separate collections), this issue will become increasingly important. The Council will develop a process for managing contamination (to keep below the 6% performance target set by the West Sussex Waste Partnership) in conjunction with in-cab technology, once this has been implemented. The matter will also be addressed through the development of a comprehensive communications plan, based on contamination 'trends'.
- f) **Complaints and Compliments:** High quality services are identified by the number of people who have cause to complain or compliment. In 2018/19 the Council received 77 formal complaints and 70 compliments about the rubbish and recycling collection services. In order to reduce these numbers the Council will work with Serco to develop a joint approach to resolving recurrent smaller service issues; which are the main source of complaints.

## Health and safety

23. The overall health and safety of the contract is primarily monitored by recording the number of Lost Time Incidents. The summary below shows the number of these instances since 2015/16 to date.

Table 1: The number of Lost Time Incidents 2015/2016 to 2018/2019:

2015/16	2016/17	2017/18	2018/19
8	5	4	1

24. The Lost Time Incident for 2018/19 was a small road traffic accident, in which there were no injuries.
25. Staffs working for both Serco and the Council are also encouraged to report hazards and near misses. The reporting of these helps to minimise the likelihood of accidents occurring in the future, prompting proactive management of risks. During 2018/19, 67 near misses and hazards were reported. This number should get higher and the number of Lost Time Incidents should reduce over time- demonstrating the partnership is focussed on maintaining a safe service.

## Finance

26. The annual value of the waste management, recycling and street cleansing contract in 2018/19 was £4,223,432.
27. Inflationary uplifts are calculated based on a collection of market indices. The contract sum is also reviewed with each additional 500 properties.
28. Should Serco's performance be in excess of all the agreed Key Performance Indicators the Council pays the equivalent of 1% of the total contract sum; this figure is paid on a pro-rata basis for each exceedance where one or more targets is missed. All targets were achieved during 2018/19 and the requisite payments were made.
29. Should Serco be responsible for any serious service performance failure then the Council is able to make financial deductions. No such deductions were made in 2018/19.

## **Risk management**

30. Serco have a good reputation and continue to maintain an excellent relationship with the Council. The key risks identified regarding the waste management, recycling and street cleansing contract are as follows:

- (a) Extreme weather- recent weather patterns have become more extreme; resulting in excessively hot days, heavy rain and snow events. Extreme weather makes undertaking rubbish and recycling collections more difficult and mitigation measures are often reactive. The Council and Serco will update the severe weather policy to account for these changes.
- (b) Brexit- the impact of a no-deal Brexit or an agreed exit from the European Union may affect rubbish and recycling disposal. Indications are that any impacts would be short-lived; and mitigation measures (fuel plans and securing alternative material off-takers) have been put in place by West Sussex County Council and Serco.
- (c) Legislative changes following the issue of the Waste and Resources Strategy means the Council and Serco will have to adapt and potentially change rubbish and recycling collection services.

## **Background papers**

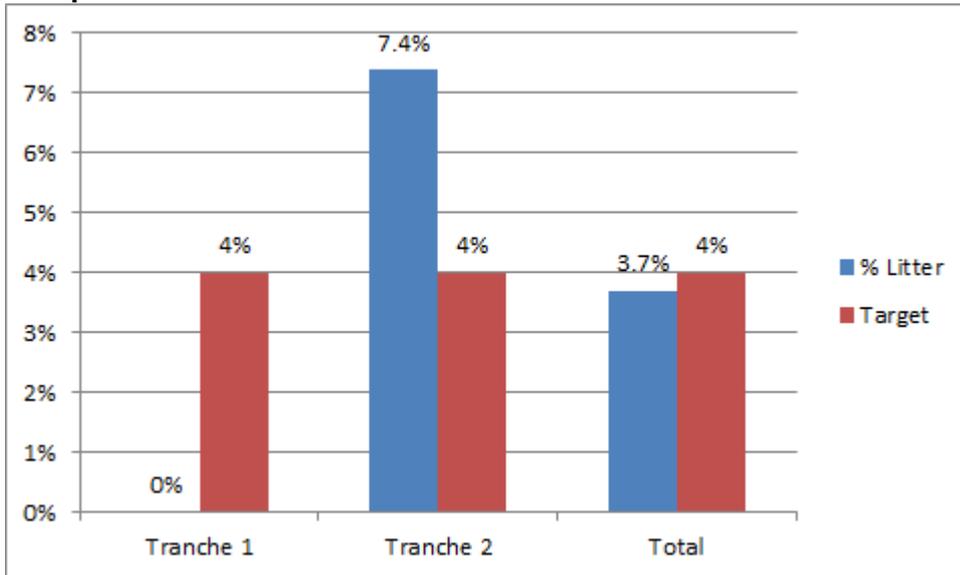
31. Waste management, recycling and street cleansing services – Annual Report for 2017-18

**Appendix 1.**

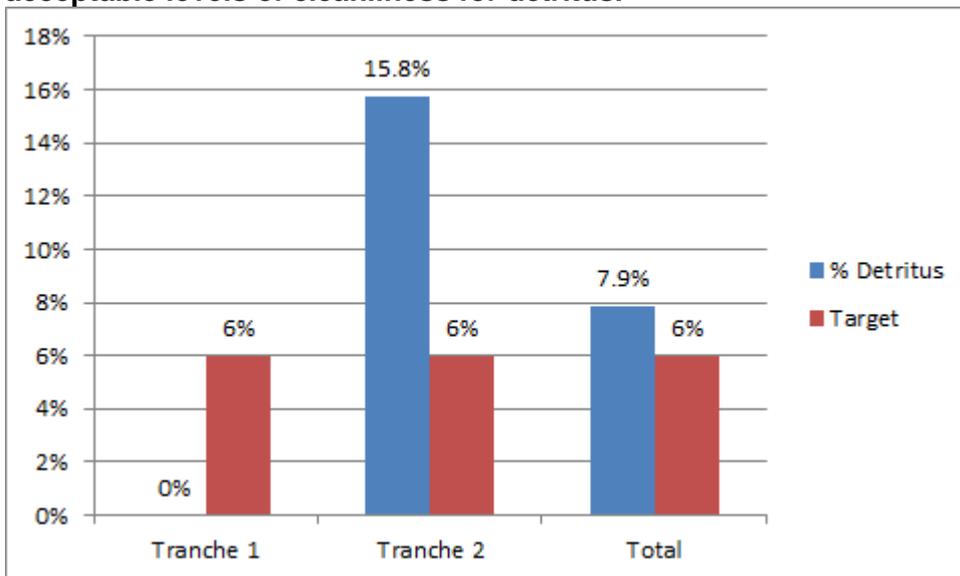
**Summary of Waste Contract Performance in 2018/19**

Nine hundred Local Environmental Quality (LEQ) surveys are undertaken during each financial year- these inspections are split into thirds (referred to as Tranches) and undertaken at varying points during that year. Each Tranche surveys all land use types and every Ward in the District must be inspected. The inspections check for acceptable levels of cleanliness and a grading is applied to each inspection- this is then used to assess the overall level of cleanliness of the District as a whole. The lower the percentage, the better the result.

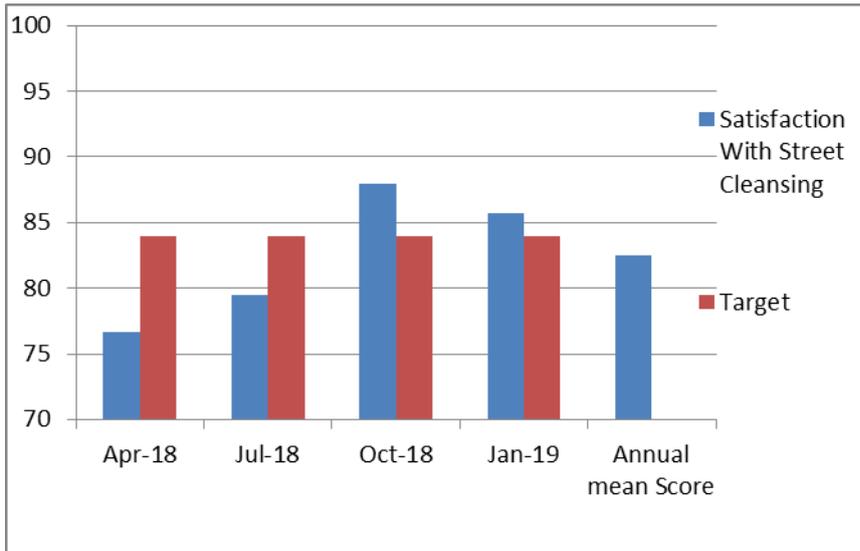
**LEQ surveys for litter. Target to ensure no more than 4% of land inspected is below acceptable level of cleanliness for litter.**



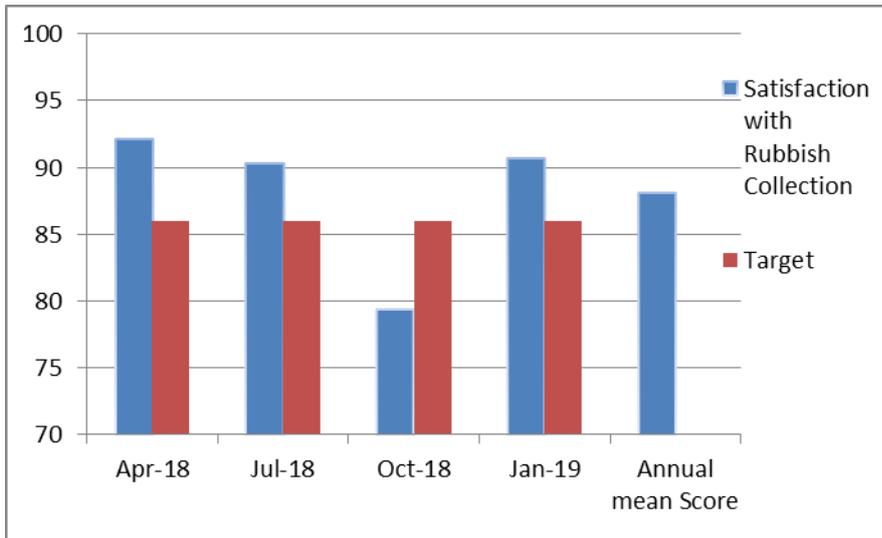
**LEQ surveys for detritus. Target to ensure no more than 6% of land inspected is below acceptable levels of cleanliness for detritus.**



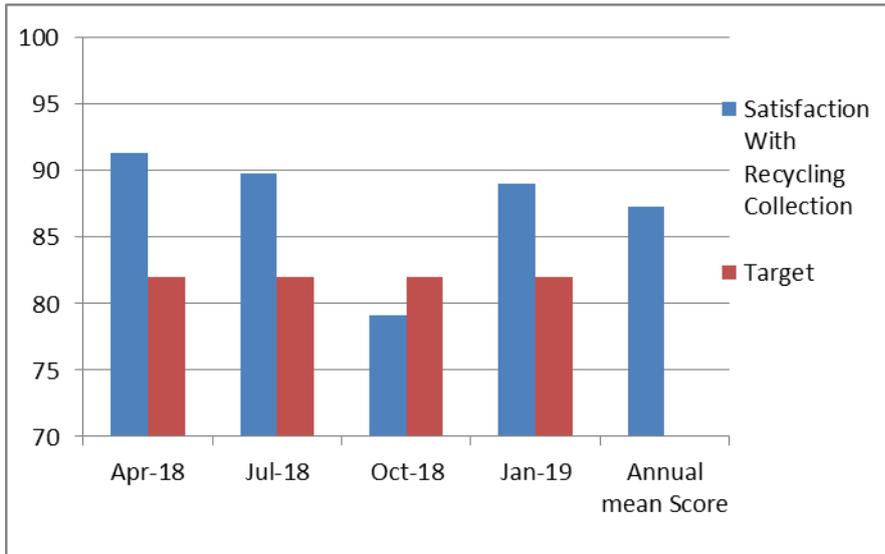
**Serco are required to exceed a satisfaction rate of 84% with street cleansing to receive a performance bonus.**



**Serco are required to exceed a satisfaction rate of 86% with rubbish collections to receive a performance bonus.**



**Serco are required to exceed a satisfaction rate of 82% with recycling collections to receive a performance bonus.**



**Serco are obliged to clear all instances of fly-tipping within three working days.**

