



# Agenda

Meeting: **Task and Finish Group - Waste Contract**  
Date: **26 July 2021**  
Time: **6.00 pm**  
Place: **Council Chamber - Civic Centre Folkestone**

To: Councillors Gary Fuller, Peter Gane, Michelle Keutenius,  
Rebecca Shoob and John Wing

**Please note – this meeting is not open to members of the public.**

1. **Apologies for absence**
2. **Declarations of interest**
3. **Terms of reference**  
  
To note.
4. **Review of Waste and Street Cleansing Contract**

This reports presents a range of information as background and evidence to support the Task and Finish Group to review of the Council's Waste and Street Cleansing Contract.

**Queries about the agenda? Need a different format?**

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Email: [jemma.west@folkestone-hythe.gov.uk](mailto:jemma.west@folkestone-hythe.gov.uk) or  
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## **The Overview and Scrutiny Waste contract Task and Finish Group: Terms of Reference and Rules**

### **1. Scope**

The Task and Finish Group within these terms of reference will consider the scope agreed at the Extraordinary meeting of the Overview and Scrutiny Committee held on 15 June 2021, as shown below:

1. To review the operation of the new Waste and Street Cleansing Contract with a focus on the route optimisation project (new collection routes started on 10/5/21), including staffing and Echo IT system.
2. To invite Veolia Senior Management to the task & finish group meeting to be set up during July 2021.
3. For Veolia to present detailed plans to recover service levels to the contracted standards for –
  - a. Refuse/Recycling/Food Collections
  - b. Assisted Collections
  - c. Communal Bin Collections
  - d. Garden Waste Collections
  - e. Street Cleansing
  - f. health and safety
  - g. environmental risks
4. To consider the council response in terms of
  - a. contract management,
  - b. customer services response
  - c. complaints handling.

### **2. Membership**

The chairman of the Task and Finish Group will be appointed by the Group during the first meeting.

All members of the Overview and Scrutiny Committee are invited to attend the Task and Finish Group.

The group will be supported by the Director of Place.

The Task and Finish Group is advisory and has no decision making powers. Officers will make the views of the group known to the Overview and Scrutiny Committee.

### **3. Methods of working**

Members of the Task and Finish Group are expected to work co-operatively and come to conclusions that are agreed by the group.

Formal votes should therefore be rare with recommendations from the Group made by general consent.

#### **4. Meetings**

The access to information procedure rules in the constitution do not apply. However members should receive any papers for the meetings in sufficient time for them to prepare for the meeting. There is a presumption that papers will be distributed electronically.

Proper records of the deliberations of the Task and Finish Group will be kept.

Three members of the Task and Finish Group must be present for the meeting to proceed.

#### **5. Frequency of Meetings**

After the initial preparatory meeting which will be held remotely, a meeting will be held in the Council Chamber, and the contractor will be invited to attend to answer the questions of the Group.

#### **6. Confidentially**

Those present will keep the discussions of the Task and Finish Group confidential unless the Group decides otherwise. The relationship between the Task and Finish Group and the media should follow the council's communications protocol at all times.

#### **7. Freedom of information / Environmental Information Regulations**

The papers and notes/minutes of a Task and Finish Group will be the subject of the Freedom of Information Act 2000 and the Environmental Information Regulations 2004 and will be documents that the public may have unless an exemption or exception applies.

#### **8. Interests**

Councillors should treat the Task and Finish Group as a formal meeting of the council for the purpose of the declarations of any interests and withdrawal from the meeting.

This Report will be made public on 19 July 2021.



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**To:** Overview and Scrutiny Committee  
Task & Finish Group

**Date:** 26 July 2021

**Status:** Non Key

**Responsible Officer:** Ewan Green, Director of Place

**Cabinet Member:** Councillor Stuart Peall, Cabinet Member for Enforcement, Regulatory Services, Waste and Building Control

**SUBJECT:** REVIEW OF WASTE AND STREET CLEANSING CONTRACT

**SUMMARY:** This reports presents a range of information as background and evidence to support the Task and Finish Group to review of the Council's Waste and Street Cleansing Contract.

**RECOMMENDATIONS:**

1. To receive and note the report.
2. To review the information provided as preparation for the Task and Finish Group meeting on 26 July 2021.

## 1. BACKGROUND

- 1.1 As part of delivering the new waste contract it was agreed that Veolia would introduce new refuse and recycling rounds in order to provide a more efficient and cost effective service. The new routes would take effect from 10th May 2021.

The previous collection rounds have largely remained unchanged since 2010 and it was recognised that there have been several localised changes that required the review (including for example, new homes, new road layouts, and, in particular, the closure of Hawkinge Waste Transfer Station which now requires tipping at facilities in Ashford to be used instead).

- 1.2 Changes to collection routes were devised via a route optimisation exercise carried out by Veolia. The key principle underpinning the optimisation process was that new routes will be fewer in number and more efficient, resulting in better use of the new vehicle fleet.

This in turn would mean that the service will be more cost effective and deliver reductions in vehicle carbon emissions (notably from the more compact routes and by fewer vehicles travelling to Ashford twice per day to tip). Scaled-up over the contract term the new routes would deliver a much greener service, which was a major objective when the new contract was procured.

- 1.3 In operational terms the route optimisation resulted in 48% of kerbside collections (17,261 properties) and 2000 communal properties having changes to day, week or a combination of both.

The table below provides an overview of the scale of the changes:

<b>Folkestone</b>	<b>Properties</b>	<b>Percentage</b>
No change	18491	52%
Day change only	6138	17%
Week change only	3273	9%
Day and Week change	7850	22%

- 1.4 Whilst the day/weeks changed the following remained unchanged:

- 52% of current routes.
- Collections will continue to take place fortnightly for refuse and recycling and weekly for food.
- No changes to the bins and containers and what can be put in them.
- Garden Waste collection days/dates will remain the same as they are currently

- 1.5 Contingency arrangements were put in place to ensure that missed collections were recovered as quickly as possible.
- 1.6 A new street cleansing regime aimed at focusing activity on hot spots and providing an improved response at peak times was introduced from April 2021.
- 1.7 Following a request from the Cabinet Member for Enforcement, Regulatory Services, Waste and Building Control and the Chairman of the Overview and Scrutiny Committee, this Task and Finish Group has been established to review issues arising from the operation of the new Waste and Street Cleansing Contract.
- 1.8 The scope of the Task and Finish Group review is set out below:
  1. To review the operation of the new Waste and Street Cleansing Contract with a focus on the route optimisation project (new collection routes started on 10/5/21).
  2. To invite Veolia Senior Management to the Task & Finish Group meeting to be set up during July 2021.
  3. For Veolia to present detailed plans to recover service levels to the contracted standards for:
    - a. Refuse/Recycling/Food Collections
    - b. Assisted Collections
    - c. Communal Bin Collections
    - d. Garden Waste Collections
    - e. Street Cleansing

## 2. KEY LINES OF ENQUIRY

- 2.1 A number of suggested Key Lines of Enquiry (KLoE) have been developed to support the Task and Finish Group's review:
  1. **Rationale & Planning** - including the basis for the route optimisation project and expected outcomes, planning, governance, communications and risk mitigation.
  2. **Current Position** - including performance pre and post route optimisation changes, impacts on collection service delivery for customers, impacts on Council services.
  3. **Recovery** - based on Veolia's Folkestone & Hythe Action Plan detailing interventions to recover service levels for waste collection and street cleansing.
  4. **Council Response** - including contract management (actions taken, management escalations, performance monitoring), customer services and complaints handling.

### **3. Background Information and Evidence**

- 3.1 In order to support the Task & Finish Group's considerations, both in general and in relation to specific Key Lines of Enquiry, the following information has been provided as appendices to this report:

<b>Title</b>	<b>Link</b>
Appendix 1 Cabinet Report (July 2020) Contract Award	General
Appendix 2 Cabinet Report (Dec 2020) Joint Working Agreement	KLoE1
Appendix 3 Veolia Route Optimisation Project Plan	KLoE 1
Appendix 4 Contract Performance Information	KLoE 2
Appendix 5 Daily Collection Status Table	KLoE 2
Appendix 6 Customer Contact Statistics	KLoE 2
Appendix 7 Folkestone & Hythe Action Plan - Veolia June 2021	KLoE 3
Appendix 8 Contract Management Chronology	KLoE 4

- 3.2 Members are invited to review the information provided as preparation for the Task and Finish Group meeting on 26 July 2021. Council officers and Veolia representatives will be present at the meeting to respond to questions from the group.

### **4. RISK MANGEMENT**

- 4.1 There are no risk management implications in this report.

### **5. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS**

#### **5.1 Legal Officer's Comments**

There are no legal implications in this report.

#### **5.2 Finance Officer's Comments**

There are no financial implications in this report.

#### **5.3 Diversities and Equalities Implications**

There are no diversities and equalities implications in this report.

### **6. CONTACT OFFICERS AND BACKGROUND DOCUMENTS**

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

Ewan Green, Director of Place  
Telephone: 07783659864  
Email: [ewan.green@folkestone-hythe.gov.uk](mailto:ewan.green@folkestone-hythe.gov.uk)



The following background documents have been relied upon in the preparation of this report:

***(Note: only documents that have not been published are to be listed here)***

### **Appendices**

- Appendix 1 Cabinet Report (July 2020) Contract Award (redacted)
- Appendix 2 Cabinet Report (Dec 2020) Joint Working Agreement
- Appendix 3 Veolia Route Optimisation Project Plan
- Appendix 4 Contract Performance Information
- Appendix 5 Daily Collection Status Table
- Appendix 6 Customer Contact Statistics
- Appendix 7 Folkestone & Hythe Action Plan - Veolia June 2021
- Appendix 8 Contract Management Chronology

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This Report will be made public on

**PRIVATE  
PARA 3. FINANCIAL**

Report Number **C/**

**To: Cabinet**  
**Date: 22 July 2020**  
**Status: Key Decision**

**Responsible Officer: John Bunnett, Director of Development  
Ewan Green, Director of Place**

**Cabinet Member: Councillor Stuart Peall, Cabinet Member for  
Enforcement, Regulatory Services, Waste &  
Building Control**

**SUBJECT: WASTE PROJECT 2021 – CONTRACT AWARD**

**SUMMARY:** The Waste, Recycling and Street Cleansing Contract ends in January 2021. The council, in partnership with Dover District Council, has been engaged in a tender process for the new contract. This report outlines the outcomes of this tender process and makes recommendations for award.

**REASONS FOR RECOMMENDATIONS (*Cabinet only*):**

- a) The council has engaged in a tender exercise for a new Waste, Recycling and Street Cleansing Contract. The tender exercise is completed.
- b) The bids have been evaluated on a combined price and quality basis. A winning bid has been identified.
- c) The new contract will need to be awarded to ensure a successful service transition ready for January 2021.

**RECOMMENDATIONS:**

- 1. To receive and note report C/**
- 2. To award the new contract to Veolia ES (UK) Limited to start on 16/01/21.**
- 3. To proceed with the service transition to the new contract.**

**1. BACKGROUND**

- 1.1 The current Waste, Recycling and Street Cleansing Contract with Veolia ES (UK) Ltd (VES) ends on 15/01/21. Since 2017, the council has been working jointly with DDC on the procurement of the next tender. The procurement exercise is now completed.
- 1.2 It is worth summarising the project stages so far. The project started with an options appraisal exercise, with the scope agreed by Cabinet, on 17/11/17.

This stage considered: -

- The performance of the refuse and recycling collection scheme and if it should be changed.
- Options to develop the waste management infrastructure in East Kent.
- Potential service delivery options including an in-house service, local authority owned company or outsourced service.

1.3 The options appraisal exercise reported back to Cabinet on 17/10/18, where the following recommendations were agreed: -

- Retain the refuse collection methodology/scheme as presently implemented. Food to be collected in a separate dedicated vehicle on the recycling round.
- Proceed with the procurement of the next Waste, Recycling and Refuse collection contract with an outsourced service provider.
- Continue to work in partnership with DDC for the provision of a joint contract with a joint client management team.
- Complete an additional options appraisal exercise to consider the costs, risks and benefits of insourcing the street cleansing service.
- Negotiate and conclude with KCC a new performance payment mechanism to operate from 2021.
- Continue to engage with KCC and other East Kent Authorities to improve the local waste infrastructure, in particular the transfer station arrangements.
- Establish a project budget of £100K to cover additional consultancy support.

1.4 A separate report was completed reviewing the costs and benefits of insourcing the street cleansing service. This recommended that the service continued to be included with the main outsourced waste contract; confirmed by a decision notice issued on 17/4/19.

## **2. PROCUREMENT PROCESS**

2.1. We knew in advance that the procurement stage of the contract would be challenging. The current contractor had advised over several years that the contract was operating at a financial loss. This was independently assessed and confirmed by the consultant at the options appraisal stage. There was also considerable market uncertainty about the future regulatory framework for waste management and how this would impact operationally on collection

services. For these reasons, an additional provision of £1,150,000 was allocated within the Medium Term Financial Strategy.

- 2.2. Before formally entering the procurement process, the councils conducted an early market engagement exercise where we met with several national suppliers. These meetings confirmed the level of market uncertainty being experienced but also identified strengths that could be emphasised within the tender; firstly that we had a settled collection methodology, which we were looking to continue and secondly, that the contract was managed through a single contracts team on behalf of both authorities, which reduced administration overheads.
- 2.3. The early market engagement exercise also identified that the optimum contract length was eight years and that the Competitive Dialogue procurement procedure would be the best approach as it would allow for the bid to be developed through a series of dialogue meetings.
- 2.4. In developing the tender specification we focussed on achieving the following main objectives: -
- A resilient refuse and recycling collection service that was able to build on the progress made in improving local recycling rates.
  - An improved street cleansing service that was more responsive to changes in seasonal demands.
  - An improved environmentally sustainable service that took into account the council’s climate emergency commitments.
  - An improved quality management system that supported performance management, utilised established IT platforms and integrated with the council’s customer relationship management system.
- 2.5. It was planned that the tenders would be assessed on 40% price and 60% quality. The quality assessment was based on the following criteria.

Criteria Heading	Weighting
Price	40%
Technical - Collection	17.5%
Technical – Streets and Other Services	17.5%
Quality Management Systems	17.5%
Environmental Impact	5%
Social Value	2.5%
<b>Total</b>	<b>100%</b>

- 2.6. Three bidders responded with expressions of interest in the tender process. Immediately before the first competitive dialogue stage, one of these bidders withdrew as they did not believe they would be competitive. This left two remaining bidders, Biffa and the incumbent supplier VES. It would have been preferable to have had more bidders at the first dialogue stage but this probably reflected the market conditions. We were pleased that both

companies were established national suppliers and both had operations within Kent.

- 2.7. Both bidders submitted proposals that were developed through discussion in two dialogue stages which took place at the start of this year. The procurement process completed with a Call for Final Tenders, which were received in May. Fortunately, the final dialogue stage was completed before the Covid-19 lockdown although this did delay the preparation of the final tenders.

### 3. TENDER EVALUATIONS

- 3.1. Below is a summary table showing the contract costs submitted by both bidders split between each service category. The costs shown are the combined contract costs for both authorities.

#### **Table Redacted for reason of Commercial Confidentiality**

- 3.2. Below is a summary of the full 8-year cost of each bid. Figures are unindexed and the combined contract cost for both authorities. Biffa in their bid offered cost variables based on risk factors related to vehicle availability and transfer station turnaround. For this reason, two assessments of their price score needed to be completed.

- |             |              |             |          |
|-------------|--------------|-------------|----------|
| • VES       | £ 83,861,923 | Price Score | Redacted |
| • Biffa     | £ Redacted   | Price Score | Redacted |
| • Biffa (2) | £ Redacted   | Price Score | Redacted |

- 3.3. The quality evaluation of each bid was completed and assessed as follows.

- 3.4. The evaluation process looked in detail at both bids. The standout points are as follows: -

- Both bids exceeded the minimum quality criteria and were comprehensive and viable options.
- Both bids offered improvements in the environmental management of the contract (detailed below).
- Both bids included within the contract cost the rollout of an IT supported QMS.
- Both bids presented technical solutions that in terms of street cleansing understood and responded to the seasonal demands on this service.
- Both bidders highlighted that their refuse and recycling cost models were predicated on 25-minute turnaround being achieved at the Ashford Transfer Station. This timeframe was confirmed by KCC during the tender process but is a financial risk if not achieved.

- Both bids included the provision of new capital funded fleet vehicles and other equipment. It has been anticipated that Covid-19 will impact on vehicle production. VES highlighted that they could extend current fleet usage and BIFFA identified temporary fleet vehicles and other equipment that may be required from contract start.
  - The main factor behind the differences in bid prices is that VES as the incumbent supplier probably had an advantage in understanding the level of resourcing needed particularly in terms of refuse/recycling collections.
- 3.5. The final overall evaluation of the tenders is summarised below. The recommendation is that the Waste Recycling and Street Cleansing contract is awarded to the Veolia Environmental Services.

**Summary evaluation matrix redacted for reasons of commercial sensitivity**

- 3.6. The new contract will start from 16/1/21 and run for 8 years. There is no extension period. The annual combined contract cost is £10,482,740, which is estimated at £ 4,976,510 for FHDC. The current contract budget is £4,170,182 and with an additional estimate of £1,150,000 allowed within the MTFS for the new contract. Contract indexation in respect of housing growth will apply from 16/1/21 and annual inflationary adjustment from 1/4/21. The new contract is expected to be within the total budget.

**4. STREET CLEANSING IMPROVEMENTS**

- 4.1. Since the last tender in 2010 visitor numbers to the district have increased creating additional demands for cleansing, particularly along the coast. The current contract already brings in additional resources for the summer and this has been supplemented with additional cleansing vehicles and bulk bins. It was a clear objective of the tender to secure further service improvements, notably in making the service more responsive to seasonal changes.
- 4.2. There were detailed discussions with bidders in the dialogue stages about street cleansing and public expectations that resulted in lengthy submissions from both bidders in their final tenders. In terms of the VES tender the highlighted improvements include: –
- The introduction for all frontline street cleansing staff, other than seasonal and Town Centre Cleaners, a five-in-seven days shift pattern. Staff will work five days in seven and these could be any day of the week. The only requirement is that the two rest days are consecutive. The benefit of this is that it will make the service more flexible and result in more staff available for weekend work during the summer season. The additional summer resources will also continue (e.g. beach cleaners and additional service vehicles).
  - Town Centre Cleaners to move to a four-on-four-off-shift pattern which will allow VES to deploy a continuous cleaning presence in our highest

graded cleansing areas (Zone Z) from 08:00 – 20:00 seven days per week.

- VES will ensure that a supervisory presence is on site every Saturday, Sunday and Bank Holiday. If required, they will be supported by an Operations Manager during busy weekends (e.g. Bank Holidays or Special Events). This change is important as there will be greater number of resources deployed on the seasonal weekends and it will help make the service more reactive to service calls and incidents over a weekend.
- The overall benefit of the shift pattern changes will mean that the core street cleansing service will be able to change from Mon-Fri orientated service during the winter months (Oct-March) to a Thurs-Mon orientated service during the summer months with the bulk of staff able to be deployed over these days. VES have also made provision within the tender for a cohort of Drivers and Operatives to be paid a retainer to be on call-out from Friday to Monday, on a week-on week-off basis. Therefore, in a 26-week season, each team of staff would be on call 13 times. This will mean that a pool of additional staff will be available should it be anticipated that it will be an exceptionally busy weekend.
- VES will also adopt cleansing methodologies, successfully trialed in other areas, including the use integrated cleansing teams with the greater use of mechanical sweepers and other mechanical equipment (e.g. Bradshaw Pedestrian Carts), evening and night-time economy routes and improved weed removal.
- The introduction of the Echo IT service management system will assist contract monitoring, allow for data-driven route optimisation and ‘hot spots’ identification. The greater use of handhelds and ‘V Watches’ will improve work tracking, task completion and productivity. Crucially, when integrated with the council’s customer relationship system, this will allow for a more responsive online reporting process.
- In terms of environmental sustainability, VES will deploy as part of their Integrated Cleansing Team, an electric 3.5T cage tipper and electric mechanical sweeper. This will save approximately 26 tonnes of CO2 per annum against equivalent diesel vehicles. To reduce the impact of single use plastics on the environment, the Street Cleansing service will use sacks under the new contract that contain 90% recycled polyethylene content. Cleansing teams will separate recyclable arisings from non-recyclable, using colour-coded sacks to distinguish between recycling and the residual waste streams. Town Centre Cleaners will be equipped with compartmental Duo Barrows to separate waste and recycling streams. 3.5t and 7.5t Caged Tippers will also be configured to facilitate segregation of waste streams.

4.3 Street Cleansing under the new contract will be more responsive, able to deploy more resources when needed, be easier to monitor and performance manage and have improved environmental outcomes.

## 5. ENVIRONMENTAL IMPROVEMENTS



- 5.1. The waste service makes an important contribution to the environment by delivering the recycling collection service. It was also an objective of the tender to reduce the direct environmental impact of the service.
- 5.2. We discussed with companies both at the early market engagement stage and again during the main dialogue stages, the option of moving towards a fully electric fleet. The advice received including from companies with direct operational experience, was that a fully electric fleet was not yet practical in terms of cost, reliability and ease of maintenance. The need to tip for most routes twice a day at Ashford Transfer Station also increased the operational range of the refuse vehicles, which was an issue for battery life and recharging. We were however pleased that both bids contained strong proposals to reduce the environmental impact of the service.
- 5.3. In terms of the VES tender the following proposals were included in order to reduce the carbon impact of the service. These are costed within the tender price.
- The new refuse fleet will be the latest Euro VI model vehicles. These have improved fuel efficiency and reduced emissions with 56% less NOx compared to Euro V models.
  - The new refuse vehicles will also be fitted with electric bin lifts. This will further improve fuel efficiencies by 16% and reduce carbon emissions. Electric bin lifts are also quieter than standard equipment.
  - Fuel used will have 10% HVO biofuel blend, which will further reduce CO, CO<sub>2</sub>, NOx and particulate matter emissions.
  - All supervisor vans under the contracts will be electric. VES will operate an electric caged tipper vehicle for short ranged work in the proximity of the depot. Other electrical powered plant will be used e.g. two small sweepers, electric Bradshaw Pull Trolleys and leaf blowers.
  - The Echo IT system and data tracking from the vehicles will improve route optimisation and allow for improved environmental monitoring and reporting.
- 5.4. VES also propose the following general environmental initiatives:
- For bulky waste collections they will partner with two local Reuse partners, Reborn and Emmaus. This will support the reuse of bulky waste items, which is a preferred approach within the waste hierarchy.
  - A 1000 litre minimum storage tank for harvesting rainwater to be installed at Ross Depot.
  - All home delivered purple sacks under the new contract to contain 90% recycled polyethylene content.

5.5 The new contract will begin the shift away from a diesel fleet. The improved Echo IT system and vehicle tracking data will help with route efficiencies and improved environmental monitoring. For the purposes of improving recycling participation, the Echo IT System will also mean resident participation in the food waste and recycling services will be more easily captured. Data will be in real-time linked to in-cab devices. This will allow the council to target communications and develop other projects to improve recycling rates and participation.

**6. NEXT STAGES**

- 6.1. If the recommendation to award the contract is approved, the next stage will be to notify bidders of the outcome followed by a contract standstill period of 10-days. When completed the legal work on the final contracts will begin.
- 6.2. The Waste Project will then proceed into the Service Transition stage that will start at the contract award and end when the various service changes and work streams agreed in the tender will begin to be implemented; notably the new vehicle and equipment purchases, implementation of the ECHO IT system and consultation on the work shift pattern changes.
- 6.3. Cabinet reports will also be separately prepared to cover the Inter Authority Agreement with KCC and the new performance mechanism for recycling and the Joint Working Agreement with DDC for the management of the new contract. These agreements both end in January 2021 and negotiation is ongoing.

**7. RISK MANAGEMENT ISSUES**

7.1 The following are noted as the major risks at this stage: –

Perceived risk	Seriousness	Likelihood	Preventative action
Failure to appoint contactor in time to enable a smooth transition to the new contract.	High	Low	<ul style="list-style-type: none"> <li>• A procurement exercise has been completed and tenders evaluated.</li> <li>• The winning bidder is the incumbent supplier which will make service transition easier.</li> </ul>

**8. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS**

**8.1 Legal Officer’s Comments (NE)**

There is a statutory duty to provide waste collections and to separately collect recycling. The award of this contract for waste and recycling collection will ensure the statutory duty is met.

The procurement has been undertaken jointly with Dover District Council as a single contract covering the two Councils.

A full OJEU procurement process has been followed for this procurement and all legal obligations have been met.

## 8.2 **Finance Officer's Comments (RH)**

I confirm the current 20/21 contract budget is £4,174,180 and an additional £1,150,000 is included in the MTFs for the new contract. The estimated 21/22 base budget will be sufficient to cover the new contract costs stated in the report. Contract inflation is calculated within the budget setting process historically based on June CPI figures, however it is recommended to agree a standalone percentage increase for 21/22 for the waste budget, due to the anticipated lower CPI figure this year.

## 8.3 **Diversities and Equalities Implications (AR)**

None

## 9. **CONTACT OFFICERS AND BACKGROUND DOCUMENTS**

Councillors with any questions arising out of this report should contact the following officer prior to the meeting -

Andrew Rush  
Regulatory Services & Corporate Contracts Lead Specialist  
Telephone: 01303 853271  
Email: [andrew.rush@folkestone-hythe.gov.uk](mailto:andrew.rush@folkestone-hythe.gov.uk)

The following background documents have been relied upon in the preparation of this report:

Waste & Street Cleansing Final Tenders

### **Appendices:**

None

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This Report will be made public on

Report Number **C/**

**To:** Cabinet  
**Date:** 9 December 2020  
**Status:** Key Decision

**Responsible Officer:** Ewan Green, Director of Place

**Cabinet Member:** Councillor Stuart Peall, Cabinet Member for Enforcement, Regulatory Services, Waste & Building Control

**SUBJECT:** WASTE PROJECT 2021 – JOINT WORKING AGREEMENT WITH DDC

**SUMMARY:** The current Joint Working Agreement for the Waste Service with DDC ends in January 2021. It is proposed that the joint working arrangements continue as they have proved successful and effective in the management of the waste contract. DDC have drafted a new agreement for the next contract period largely based on the existing agreement.

**REASONS FOR RECOMMENDATIONS (*Cabinet only*):**

- a) The current Joint Working Agreement ends in January 2021. A new agreement is required to continue the operation of the joint Waste Team and the joint management of the Waste Contract.

**RECOMMENDATIONS:**

1. To receive and note report C/
2. To approve the continued delegation of the management of the waste services function to DDC under Section 101 of the Local Government Act 1972 on the terms outlined in the new draft Joint Working Agreement.
3. To approve the delegation to start from 16 January 2021 and to continue for the eight year period of the new Waste, Recycling & Street Cleansing Contract.
4. To authorise the Director of Place to conclude the completion of the new Joint Working Agreement.

**1. BACKGROUND**

- 1.1 Cabinet has previously approved in respect of the Waste Project 2021, the award the tender (in July 2020) and completion of the Inter Authority Agreement with KCC (in October 2020). This report outlines the final legal

agreement for this project; the Joint Working Agreement with DDC for the management of Waste Contract and the Waste Team.

- 1.2 In 2011, the Council entered a joint working agreement (JWA) with Dover District Council and Kent County Council for the management of the waste and recycling collection and street cleansing services. This agreement additionally covered the processing of the collected materials, which is why KCC were included as a party. This joint working agreement ends with the current waste contract on 15th January 2021.
- 1.3 The proposed new JWA will be with DDC only as KCC will take direct responsibility for the processing arrangements from January. The material processing arrangements with KCC were covered in the new Inter Authority Agreement reported in October.
- 1.4 The advantages of continuing the joint working arrangements were considered at the options appraisal stage of the Waste Project. The conclusion was that it remained financially and operationally beneficial to continue the arrangements and Cabinet (17/10/18) agreed the following recommendation (C) -  
  
*'To continue to work in partnership with DDC for the provision of a joint contract waste, recycling and refuse collection contract and joint client management team.'*
- 1.5 The new contract tender was prepared on the basis that the contract would be jointly managed. However, for the purposes of this report it is worthwhile summarising again the main advantages of a joint working arrangement.

These are: -

- **Contractual** - The joint management of the contract strengthens both councils' positions when negotiating with the contractor and resolving disputes. Commercially, it is appealing to contractors as it reduces administration costs and simplifies management arrangements. A point made by all bidders in the tender negotiations.
  - **Operational** - The joint team set up provides greater resilience for both authorities whilst allowing individual officers to focus on specialist areas.
  - **Financial** – The efficiencies of a joint team has reduced overall costs for both authorities notably in the sharing of costs for the specialist post of the Waste Manager, which would be a significant duplicate cost if each authority operated its own team.
- 1.6 The proposed new JWA would run from 16 January 2021 for eight years, which is the period of the new Waste Contract.

## 2. NEW JOINT WORKING AGREEMENT

- 2.1. DDC have drafted a new agreement, which is attached as Appendix 1. The new agreement is closely modelled on the existing agreement. The following is summary of the main points from the new agreement.
- 2.2. In the new agreement, DDC continue as the Lead Authority. FHDC will delegate the management of the waste services function to DDC under Section 101 of the Local Government Act 1972. FHDC staff employed as Waste Officers are also delegated to DDC under Section 113 of LGA 1972. The FHDC staff will remain employees of this council. In terms of the partnership between both authorities it has helped that it is a joint team with both councils contributing staff rather than a fully delegated shared service with the staff transferred to the lead authority.<sup>1</sup>
- 2.3. Staff delegated from FHDC and DDC form the 'Project Team' (i.e. the Waste Team) who report to the 'Project Director' (Roger Walton).<sup>2</sup> The Project Director reports to the joint Project Board, which comprise of the strategic leads and deputies from both authorities.<sup>3</sup> The service will deliver on an annual service plan agreed by both authorities and monitored by the Project Board.<sup>4</sup>
- 2.4. Within the general delegation FHDC will retain responsibility for:<sup>5</sup>
  - The council's rights and powers as the waste collection authority in the district.
  - The approval of Service Plans and budgets.
  - Any instruction or action which may result in any additional costs to the council.
  - The taking or responding to any contract dispute including moving to external resolution procedures.
  - The decision to exercise 'step in rights' under main contract.
  - The decision to agree or settle any payments resulting from council or contractor default under the contract.
  - The decision to assign the contract, terminate the contract or materially vary the terms of the contract.
- 2.5. Additionally, FHDC will remain the landlord for the Ross Depot lease.
- 2.6. The financial arrangements are covered in Schedule 2 of the JWA and cover the contract payments to the contractor and the sharing of costs for the joint Waste Team:
  - DDC will make all contract payments to the contractor and will then recharge to FHDC. This follows the payment arrangements under the current agreement and the FHDC client and Finance Team have a well-developed process of monitoring and tracking the recharged contract costs.

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<sup>1</sup> Background Page 3 and Part 4 draft JWA.

<sup>2</sup> Part 7 and Schedule 1 draft JWA

<sup>3</sup> Part 6 Draft JWA

<sup>4</sup> Part 9 and Schedule 1 Draft JWA

<sup>5</sup> As outlined in Schedule 1 Table 3

- The draft JWA sets the principle that the joint service costs will be shared 50/50 between both authorities similar to the existing arrangements. FHDC delegated staff will be paid directly by FHDC as employees.
- The current cost to FHDC of the service is £ 240,000 which comprises the direct FHDC employee costs and service recharge £70,000. There are no proposals under the new JWA to change the team size or structure. The Waste Team budget would be monitored under the council's usual budget monitoring arrangements.
- FHDC will retain responsibility to approve any additional costs outside of the agreed contract or service budgets.

2.7. The service will be overseen by the Project Board and will deliver the Service Plan. The JWA agrees the principle of a joint service plan but not its contents which will be agreed and developed by the authorities as the new contract proceeds. It is expected that the new service plan will cover the following:

- Transition to the new contract.
- IT integration between contractor systems (i.e. Echo) and the Council's CRM system.
- Increasing district recycling performance in line with national targets.
- Reducing the amount of waste produced in the district.
- Improving street cleansing particularly meeting seasonal demands.
- Preparation of a standalone Summer Deployment Plan for Street Cleansing.
- Climate Emergency agenda.

2.8. Following the recent unfortunate death of the Waste Manager this post will need to be recruited. DDC have invited FHDC to be involved in the interview and selection of the new manager.

### 3. NEXT STEPS

3.1 Subject to Cabinet approval and subsequent approval by DDC, the agreement will come into force on 16 January 2021.

### 4. RISK MANAGEMENT ISSUES

4.1 The following are noted as the major risks at this stage: –

Perceived risk	Seriousness	Likelihood	Preventative action
The efficient management of the waste contract and waste service.	Medium	Medium	The agreement of the new Joint Working Arrangements.



<p>Loss of control over management of key contract.</p>	<p>High</p>	<p>Low</p>	<p>Service and contract will be managed through the agreed service plan.</p> <p>Joint Board to oversee service.</p> <p>Staff delegated not transferred.</p> <p>FHDC retain control over additional financial expenditure.</p> <p>FHDC retain control over exercise of key clauses like termination and step in rights.</p>
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## 5. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

### 5.1 Legal Officer's Comments (NM)

All relevant legal issues have been addressed in the body of the Report”.

### 5.2 Finance Officer's Comments (RH)

Please see section 2.6 for specific aspects of the Joint Working Agreement relating to Finance. As mentioned the current process works well and the spend/budgets are constantly monitored.

### 5.3 Diversities and Equalities Implications (AR)

None.

## 6. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting -

Andrew Rush  
 Regulatory Services & Corporate Contracts Lead Specialist  
 Telephone: 01303 853271  
 Email: andrew.rush@folkestone-hythe.gov.uk

The following background documents have been relied upon in the preparation of this report:

**Appendices:**

Appendix 1 – Joint Working Agreement for the Waste Service

# East Kent Day Change

*Collection Methodology*



# EAST KENT ROUND CHANGES

## SUPPORTING A MORE EFFICIENT SERVICE

To help support a more efficient and reliable waste collection service, we are altering collection routes to make operations more streamlined.

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**More balanced rounds**  
for an even workload



**Greater monitoring potential**  
for managers



**Streamlined order**  
for easy issue rectification  
(misses / vehicle breakdowns)



**New Euro 6 vehicles** for more environmentally friendly single stream communal collections, electric bin lifts



**Electric vehicles**  
for management team and electric cage vehicles



**Same alternate-weekly service**  
for an easy transition for kerbside residents

# COLLECTION METHODOLOGY

## HEADLINE CHANGES

### DOVER

- **35% kerbside** with **no change** (65% with change)
- **35% kerbside** properties with **day change only**
- **14% kerbside** properties with **week change only**
- **16% kerbside** properties with **day and week change**
- **7,882** waiting more than three additional days between refuse collections

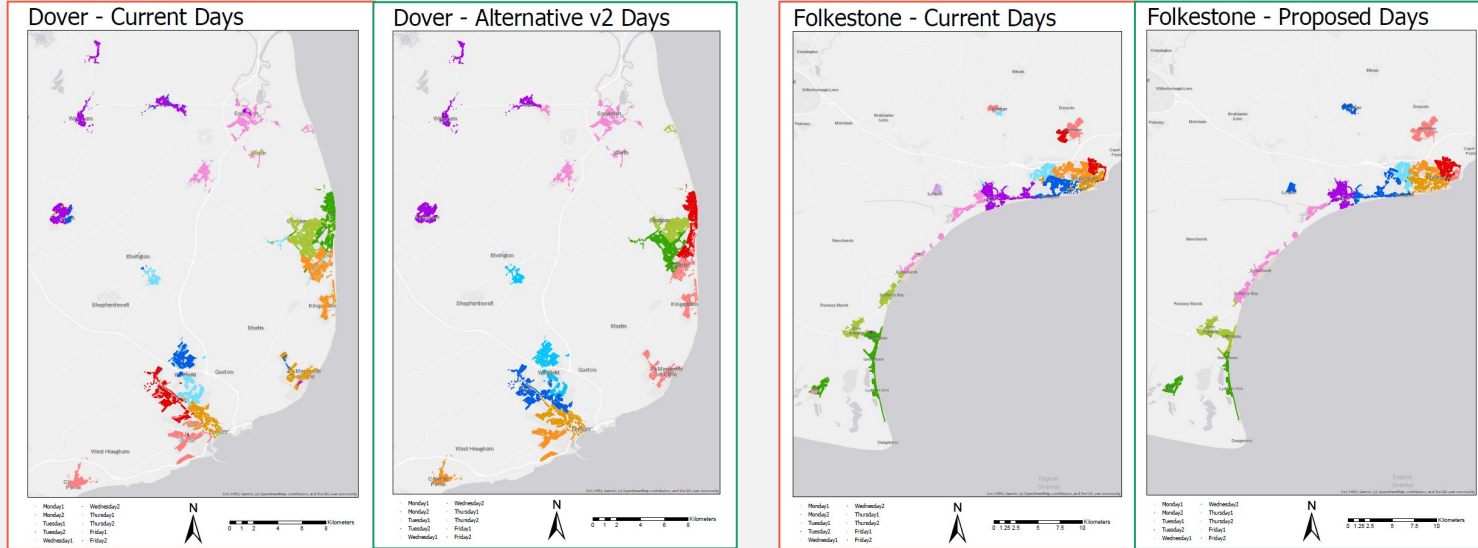
### FOLKESTONE

- **52%** with **no change** (48% with change)
- **17% kerbside** properties with **day change only**
- **9% kerbside** properties with **week change only**
- **22% kerbside** properties with **day and week change**
- **5,684** waiting more than three additional days between refuse collections

**We have a wealth of experience in Veolia, having supported many successful day changes in other boroughs.** For example, in 2019 we delivered a day change for 74% of Bromley Council's residents, with minimal issues - a case study document has been shared to highlight this.

# COLLECTION METHODOLOGY

## CURRENT VS NEW



## ADVANTAGES

- **Close to previous day's work:** ease of return for missed collections, incl Mon & Fri (Dover)
- **More balanced than other options,** with heavier Thurs closest to depot
- **Maintaining collection days** as much as possible
- **Low number additional collections** necessary when moving between schedules

# COLLECTION METHODOLOGY

## AVERAGE NO. OF HOUSEHOLDS PER ROUND (kerbside)

### DOVER

	Average households per round	
	Current (5 rounds)	New (3 rounds)
<b>Monday</b>	856	1256
<b>Tuesday</b>	695	1251
<b>Wednesday</b>	568	1307
<b>Thursday</b>	808	1470
<b>Friday</b>	728	1314
<b>Average</b>	731	1320

### FOLKESTONE

	Average households per round	
	Current (5 rounds)	New (3 rounds)
<b>Monday</b>	751	1010
<b>Tuesday</b>	741	1143
<b>Wednesday</b>	714	1326
<b>Thursday</b>	885	1319
<b>Friday</b>	560	1287
<b>Average</b>	730	1217

# Moving from the current to the proposed service (refuse)

## KERBSIDE PROPERTIES: DOVER

When moving to the new service, some residents will experience a prolonged wait between old and new schedules.

At Veolia's expense, we will provide **additional refuse collections** to households with **3 days more than their usual wait between collections** to assist residents in the transition period. Much like Christmas catch ups, there will be additional vehicles mobilised to transfer loads, minimising visits to the transfer station. We will also provide **additional recycling collections** to households who would otherwise be waiting **more than 3 weeks** between their old and new collection day.

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Days Wait:	-11	-10	-9	-8	-7	-6	-5	-4	-3	-2	-1	0
	0	903	263	934	3234	928	14	457	125	1886	5974	13205
Days Wait:	1	2	3	4	5	6	7	8	9	10	11	>=4
	2077	235	0	3123	6	49	2885	926	98	25	770	7882

	Number of households receiving collections more frequently than 14 days	27,923
	Number of households waiting 1-3 days more than usual (same as Christmas)	2,312
	Number of households requiring additional collections	7882



# Moving from the current to the proposed service (refuse)

## KERBSIDE PROPERTIES: FOLKESTONE

<b>Days Wait:</b>	-11	-10	-9	-8	-7	-6	-5	-4	-3	-2	-1	0
	0	0	452	149	2954	1883	0	0	34	0	491	18491
<b>Days Wait:</b>	1	2	3	4	5	6	7	8	9	10	11	>=4
	5582	32	0	30	0	198	4896	560	0	0	0	5684

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Key		Total
	Number of households receiving collections more frequently than 14 days	24,454
	Number of households waiting 1-3 days more than usual (same as Christmas)	5,614
	Number of households requiring additional collections	5,684

# COMMUNAL / RURAL / NARROW PROPERTIES (refuse) DOVER

## COMMUNAL

- 39% of properties with **day change** (1839)
- 60% properties with **week change** (2826)

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Days Wait:	1	2	3	4	5	6	7	8	9	10	11	>=4
	352	97	0	0	687	134	452	80	0	0	37	1390

## NARROW, ULTRA NARROW, RURAL

- 69% of properties with **day change** (6125)
- 54% properties with **week change** (4831)

Days Wait:	1	2	3	4	5	6	7	8	9	10	11	>=4
	234	906	213	346	867	620	1530	199	104	23	14	3703

# COMMUNAL / RURAL / NARROW PROPERTIES (refuse)

## FOLKESTONE

### COMMUNAL

- 59% of properties with **day change** (3792)
- 43% properties with **week change** (2787)

Days Wait:	1	2	3	4	5	6	7	8	9	10	11	>=4
	826	19	0	0	30	320	832	808	9	0		1999

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### NARROW, ULTRA NARROW, RURAL

- 49% of properties with **day change** (3982)
- 59% properties with **week change** (4796)

Days Wait:	1	2	3	4	5	6	7	8	9	10	11	>=4
	396	333	0	0	1	138	804	82	23	0		1048

# TRANSITION PLAN

## ADDITIONAL COLLECTIONS

To support a smooth transition to the new service, we will provide an additional refuse collection for households with a longer than 3 additional day wait between schedules on Saturdays (10th & 17th April - DDC and 5th & 12th June - FHDC):

- 7 crews per Saturday in Dover (plus 2 crews for recycling on the first Saturday)
- 5 crews per Saturday in Folkestone (plus 3 crews for recycling on the first Saturday)

This is based on access to transfer stations until 5pm.

For recycling, additional collections will be provided for properties waiting longer than 3 weeks and there will be additional resources in the initial weeks. There is no need for additional collections for food waste, as the service is weekly (the maximum wait time will be four days).

### DOVER

Old <u>refuse</u> collection day on Mon & Tue	Additional collection on Sat 10th April
Old <u>refuse</u> collection day on Wed, Thur, Fri	Additional collection on Sat 17th April
Properties with more than 3 week wait for <u>recycling</u>	Additional collection on Sat 10th April

### FOLKESTONE

Old <u>refuse</u> collection day on Mon, Tue, Wed	Additional collection on Sat 5th June
Old <u>refuse</u> collection day on Thur & Fri	Additional collection on Sat 12th June
Properties with more than 3 week wait for <u>recycling</u>	Additional collection on Sat 5th June

# TRANSITION PLAN

## ADDITIONAL COLLECTIONS: DOVER

			Proposed Scheduled Collection Day											
			12/04	13/04	14/04	15/04	16/04	17/04	18/04	19/04	20/04	21/04	22/04	23/04
			Mon2	Tue2	Wed2	Thur2	Fri2			Mon1	Tue1	Wed1	Thur1	Fri1
Current Collection Day Page 37	29/03	Mon2	1202	0	0	12	3291			724	55	0	0	821
	30/03	Tue2	3	3242	0	0	9			188	1394	9	9	48
	31/03	Wed2	0	695	0	0	156			405	134	2329	86	193
	01/04	Thur2	148	5	1250	1652	177			0	548	7	439	1055
	02/04	Fri2	0	0	2442	876	0			0	14	607	561	0
	03/04													
	04/04													
	05/04	Mon1	2391	200	24	426	225			3544	85	25	44	194
	06/04	Tue1	33	423	0	0	31			247	3469	5	0	148
	07/04	Wed1	351	64	1071	96	37			259	2	2208	303	1057
	08/04	Thur1	915	0	125	412	834			13	0	7	25	2096
09/04	Fri1	78	0	251	1213	701			0	3	81	3747	6	

Additional collection on Saturday 10th April

6539 Refuse

1873 Recycling

Additional collection on Saturday 17th April

6364 Refuse

# TRANSITION PLAN

## ADDITIONAL COLLECTIONS: FOLKESTONE

			Proposed Scheduled Collection Day											
			07/06	08/06	09/06	10/06	11/06	12/06	13/06	14/06	15/06	16/06	17/06	18/06
			Mon2	Tue2	Wed2	Thur2	Fri2			Mon1	Tue1	Wed1	Thur1	Fri1
Current Collection Page 38	24/05	Mon2	2492	2	0	0	0			1752	44	0	0	0
	25/05	Tue2	406	2132	1599	330	0			65	183	328	23	0
	26/05	Wed2	0	23	1812	2269	51			0	347	1290	209	9
	27/05	Thur2	0	129	276	1394	1102			0	30	75	1587	869
	28/05	Fri2	0	0	0	0	2203			0	0	1	82	1701
	29/05													
	30/05													
	31/05	Mon1	734	196	0	0	0			2187	1537	0	0	0
	01/06	Tue1	458	1111	566	62	0			126	2481	22	3	0
	02/06	Wed1	30	848	1839	293	105			2	262	2221	199	0
	03/06	Thur1	0	113	21	845	1345			0	80	394	2516	71
04/06	Fri1	31	65	582	389	225			0	85	748	17	2185	

Additional collection on Saturday 5th June

4250 Refuse

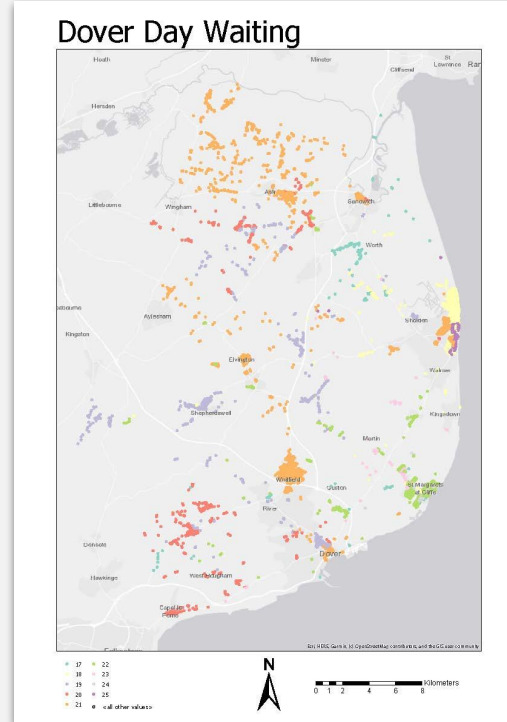
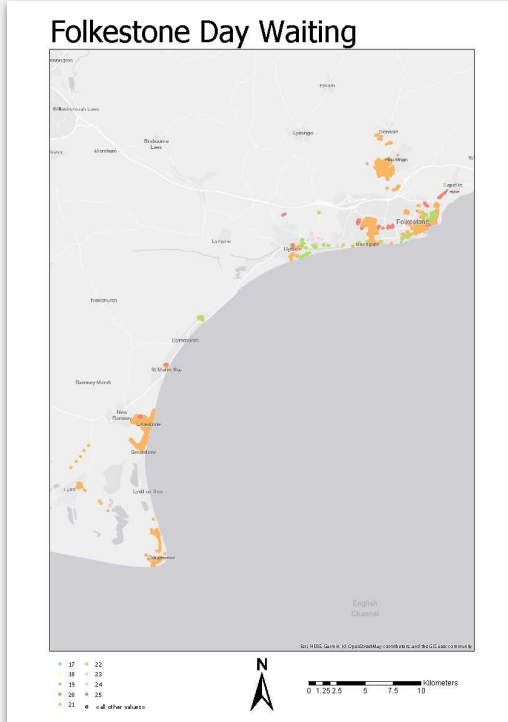
2567 Recycling

Additional collection on Saturday 12th June

4345 Refuse

# TRANSITION PLAN

## SPREAD OF KERBSIDE PROPERTIES RECEIVING ADDITIONAL COLLECTIONS



# CONSIDERATIONS AND MITIGATIONS

**A few teething issues are a natural part of the transition process.** Working with Dover Council, and their Communications team, we expect these issues to be minimised, with residents having a thorough understanding of how the day change affects their service.

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## POTENTIAL CHALLENGES

## MITIGATIONS

Initial increase in missed collections

- Increased managerial presence in the mobilisation period
- Every staff member will be trained on ECHO prior to Go Live
- Daily updates to keep all informed
- Additional missed collection crew for first four weeks (two collection cycles) for each district

Changes of this nature increase calls to the call centre

- Briefings to call centre via FAQs, plus training on ECHO

Integration issues with ECHO

- Additional resources on hand to fix issues at short notice



## **Additional Contract Information (T&F 7/7/21)**

*Q. Was there a 'menu' of options within the contract for the route optimisation project?*

*No, there was a single proposal developed by Veolia in February to April this year. The proposal is detailed in the chronology and the Veolia Plan Presentation.*

*Q. What is the contractual performance standard for missed collections?*  
Performance Criteria 21-23

In terms of missed collections there are three main performance criteria –

- PC21 'Repeat of an Unjustified Missed Collection of any waste stream from the same property within a rolling 6 week period.'
- PC22 'Failure to rectify a notified Unjustified Missed Collection from any element of the Collection Service – Residual/Dry Recycling/Food Waste/Garden Waste/Bulky Waste - and reporting of action taken on the CSMS. Rectification By the end of the day of notification if notified before midday, or by the end of the next Business Day if notified after midday.'
- PC23 'Minimise as far as possible the number of total Unjustified Missed Collections per 100,000 in a Month per stream: Residual/Dry Recycling/Food Waste/Garden Waste.' *This performance criteria is usually expressed (e.g. Annual Performance Reports – KPIs) as a threshold of under 50 unjustified misses per 100,000 collections.*

In addition under Schedule 2 (8.3) it was agreed that there would be a one month 'deduction relief period' in which no performance failure points would be applied for the collection service, whilst the route optimisation project was being implemented. For FHDC this period ran from 10 May to 10 June 2021.

*Q. What was the missed collections performance prior to the route optimisation project?*

Veolia performance on missed bin collections was historically very good over the course of the last contract. Information as presented in Annual Performance Report for 20/21.

- |          |  |
|----------|--|
| Q1 20/21 | 8.22 per 100,000 collections                                 |
| Q2 20/21 | 11.47 per 100,000 collections                                |
| Q3 20/21 | 6.48 per 100,000 collections                                 |
| Q4 20/21 | Figure Unavailable as new the Echo system being implemented. |

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Day	Date	Area	Change From Old Round	Refuse	Recycling	Food	Garden
Monday	10/05/21	Lydd, Greatstone, New Romney, Brookland, Ivy Church	Minus St Mary's Bay	100	95	100	70
Tuesday	11/05/21	St Mary's Bay, Dymchurch, West Hythe, Sellindge, Central Hyth	Plus St Mary's Bay, minus Lypne	100	70	80	60
Wednesday	12/05/21	East Hythe, Seabrook, Sandgate, parts of Cheriton	Plus Lypne, Plus Lyminge	95	90	70	95
Thursday	13/05/21	Folkestone Central		100	95	90	100
Friday	14/05/21	East Folkestone, Hawkinge		90	90	85	100
<b>Average</b>		<b>All</b>		<b>97</b>	<b>88</b>	<b>85</b>	<b>85</b>
Monday	17/05/21	Lydd, Greatstone, New Romney, Brookland, Ivy Church	Minus St Mary's Bay	100	100	95	100
Tuesday	18/05/21	St Mary's Bay, Dymchurch, West Hythe, Sellindge, Central Hyth	Plus St Mary's Bay, minus Lypne	96	97	80	100
Wednesday	19/05/21	East Hythe, Seabrook, Sandgate, parts of Cheriton	Plus Lypne, Plus Lyminge	97	85	91	100
Thursday	20/05/21	Folkestone Central		95	94	95	100
Friday	21/05/21	East Folkestone, Hawkinge		98	95	100	100
<b>Average</b>		<b>All</b>		<b>97.2</b>	<b>94.2</b>	<b>92.2</b>	<b>100</b>
Monday	24/05/21	Lydd, Greatstone, New Romney, Brookland, Ivy Church	Minus St Mary's Bay	100	95	98	92
Tuesday	25/05/21	St Mary's Bay, Dymchurch, West Hythe, Sellindge, Central Hyth	Plus St Mary's Bay, minus Lypne	100	90	85	98
Wednesday	26/05/21	East Hythe, Seabrook, Sandgate, parts of Cheriton	Plus Lypne, Plus Lyminge	98	95	98	100
Thursday	27/05/21	Folkestone Central		99	97	96	100
Friday	28/05/21	East Folkestone, Hawkinge		94	95	96	100
<b>Average</b>		<b>All</b>		<b>98.2</b>	<b>94.4</b>	<b>94.6</b>	<b>98</b>
Monday	31/05/21	Lydd, Greatstone, New Romney, Brookland, Ivy Church	Minus St Mary's Bay	99	100	97	92
Tuesday	01/06/21	St Mary's Bay, Dymchurch, West Hythe, Sellindge, Central Hyth	Plus St Mary's Bay, minus Lypne	90	90	85	100
Wednesday	02/06/21	East Hythe, Seabrook, Sandgate, parts of Cheriton	Plus Lypne, Plus Lyminge	75	80	74	85
Thursday	03/06/21	Folkestone Central		75	85	80	100
Friday	04/06/21	East Folkestone, Hawkinge		75	77	80	100
<b>Average</b>		<b>All</b>		<b>82.8</b>	<b>86.4</b>	<b>83.2</b>	<b>95.4</b>
Monday	07/06/21	Lydd, Greatstone, New Romney, Brookland, Ivy Church	Minus St Mary's Bay	96	85	99	75
Tuesday	08/06/21	St Mary's Bay, Dymchurch, West Hythe, Sellindge, Central Hyth	Plus St Mary's Bay, minus Lypne	96	80	82	80
Wednesday	09/06/21	East Hythe, Seabrook, Sandgate, parts of Cheriton	Plus Lypne, Plus Lyminge	100	80	95	50
Thursday	10/06/21	Folkestone Central		100	92	94	60
Friday	11/06/21	East Folkestone, Hawkinge		92	96	99	90
<b>Average</b>		<b>All</b>		<b>96.8</b>	<b>86.6</b>	<b>93.8</b>	<b>71</b>
Monday	14/06/21	Lydd, Greatstone, New Romney, Brookland, Ivy Church	Minus St Mary's Bay	100	98	97	98
Tuesday	15/06/21	St Mary's Bay, Dymchurch, West Hythe, Sellindge, Central Hyth	Plus St Mary's Bay, minus Lypne	90	92	84	95
Wednesday	16/06/21	East Hythe, Seabrook, Sandgate, parts of Cheriton	Plus Lypne, Plus Lyminge	90	85	85	80
Thursday	17/06/21	Folkestone Central		92	84	84	88
Friday	18/06/21	East Folkestone, Hawkinge		92	100	94	80
<b>Average</b>		<b>All</b>		<b>92.8</b>	<b>91.8</b>	<b>88.8</b>	<b>88.2</b>
Monday	21/06/21	Lydd, Greatstone, New Romney, Brookland, Ivy Church	Minus St Mary's Bay	100	100	100	70
Tuesday	22/06/21	St Mary's Bay, Dymchurch, West Hythe, Sellindge, Central Hyth	Plus St Mary's Bay, minus Lypne	100	94	100	80
Wednesday	23/06/21	East Hythe, Seabrook, Sandgate, parts of Cheriton	Plus Lypne, Plus Lyminge	100	96	100	70
Thursday	24/06/21	Folkestone Central		100	99	100	80
Friday	25/06/21	East Folkestone, Hawkinge		98	97	100	72
<b>Average</b>		<b>All</b>		<b>99.6</b>	<b>97.2</b>	<b>100</b>	<b>74.4</b>
Monday	28/06/21	Lydd, Greatstone, New Romney, Brookland, Ivy Church	Minus St Mary's Bay	99	98	97	99
Tuesday	29/06/21	St Mary's Bay, Dymchurch, West Hythe, Sellindge, Central Hyth	Plus St Mary's Bay, minus Lypne	97	92	96	100
Wednesday	30/06/21	East Hythe, Seabrook, Sandgate, parts of Cheriton	Plus Lypne, Plus Lyminge	100	93	93	95
Thursday	01/07/21	Folkestone Central		96	94	92	90
Friday	02/07/21	East Folkestone, Hawkinge		93	95	92	90
<b>Average</b>		<b>All</b>		<b>97</b>	<b>94.4</b>	<b>94</b>	<b>94.8</b>
Monday	05/07/21	Lydd, Greatstone, New Romney, Brookland, Ivy Church	Minus St Mary's Bay	99	95	76	71
Tuesday	06/07/21	St Mary's Bay, Dymchurch, West Hythe, Sellindge, Central Hyth	Plus St Mary's Bay, minus Lypne	100	94	96	80
Wednesday	07/07/21	East Hythe, Seabrook, Sandgate, parts of Cheriton	Plus Lypne, Plus Lyminge	100	91	85	61
Thursday	08/07/21	Folkestone Central		100	88	90	73
Friday	09/07/21	East Folkestone, Hawkinge		95	87	85	70
<b>Average</b>		<b>All</b>		<b>98.8</b>	<b>91</b>	<b>86.4</b>	<b>71</b>
Monday	12/07/21	Lydd, Greatstone, New Romney, Brookland, Ivy Church	Minus St Mary's Bay	90	75	85	80
Tuesday	13/07/21	St Mary's Bay, Dymchurch, West Hythe, Sellindge, Central Hyth	Plus St Mary's Bay, minus Lypne	90	75	90	95
Wednesday	14/07/21	East Hythe, Seabrook, Sandgate, parts of Cheriton	Plus Lypne, Plus Lyminge	97	75	95	70
Thursday	15/07/21	Folkestone Central		98	98	90	100
Friday	16/07/21	East Folkestone, Hawkinge		92	86	90	80
<b>Average</b>		<b>All</b>		<b>93.4</b>	<b>81.8</b>	<b>90</b>	<b>85</b>

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## **CUSTOMER CONTACT STATISTICS**

The following provides a year on year comparison of the level of customer contacts for recycling and waste for the period of the route optimisation roll out.

### **1. Telephone Calls**

<b>Month</b>	<b>Recycling &amp; Waste 2018/19</b>	<b>Recycling &amp; Waste 2019/20</b>	<b>Recycling &amp; Waste 2020/21</b>	<b>Recycling &amp; Waste 2021/22</b>
Apr	1591	1524	920	2253
May	1413	1415	1053	4880
June	1351	1324	1695	3652
Totals	4,355	4,263	3,668	10,785

### **2. Emails**

<b>APRIL</b>	<b>MAY</b>	<b>JUNE</b>	<b>COMBINED TOTAL</b>
2020 = 481	2020 = 415	2020 = 520	2020 = 1416
2021 = 1281	2021 = 1325	2021 = 2039	2021 = 4645

### **3. Web Chat**

For web chat it is not possible to differentiate between waste or other contacts. There has been a significant increase in contacts compared to the same period last year and this can largely be attributed to missed collections:

<b>MAY</b>	<b>JUNE</b>	<b>COMBINED TOTAL</b>
2020 = 432	2020 = 668	2020 = 1100
2021 = 828	2021 = 789	2021 = 1617

From 1<sup>st</sup> June 2021 a 'leave a message' (web chat) facility when the service is was introduced closed and to date 447 messages have been in relation to missed collections.

### **4. Complaints**

Year on year comparison of reported waste complaints:

<b>APRIL</b>	<b>MAY</b>	<b>JUNE</b>	<b>COMBINED TOTAL</b>
2019 = 3	2019 = 3	2019 = 1	2019 = 7
2020 = 7	2020 = 3	2020 = 11	2020 = 21
2021 = 34	2021 = 69	2021 = 67	2021 = 170



# Folkestone & Hythe Action Plan

June 2021

## Background

On 10 May 2021, a major change to the recycling and waste service was launched, entailing a change in collection days for 48% of Folkestone & Hythe households. Despite an expectation that there would be some disruption in the initial transition period, issues are still ongoing a month into the service with collections in week four being severely disrupted. This situation is not acceptable for the council or Veolia and this action plan sets out Veolia's mitigations to improve the performance of the service, to help a steady return to its usual high standard.

## Immediate mitigations

To help resolve the situation, Veolia is bolstering the service with additional resources, with immediate effect:

### 1) Frontline staff

One of the main causes of the disruption to service in week four of the service change was a lack of frontline staff. Although the service had to this point been well resourced, during this week, 10 agency staff failed to attend work and absenteeism amongst permanent employees was at an unusually high level. This led to some of the additional support rounds not being mobilised in time and therefore collections not being completed.

To supplement this resource pool and ensure that this issue doesn't reoccur, additional agency staff have been recruited and continue to be recruited to make sure that there is always enough staff to mobilise the support vehicles. The additional staff have been deployed (both agency, and from other Veolia contracts) to mobilise four support rounds:

- One additional food waste crew (driver + two loaders)
- Two additional recycling crews (two drivers + four loaders)
- One supplementary crew (one driver + two loaders), to assist with missed collections and any service that needs support

Service	Previous Resources	Contract Position	Current Resources*
Refuse Service	5 Frontline (plus food) 1.5 Narrow	4.5 Frontline 1.5 Narrow	4.5 Frontline 1.5 Narrow
Recycling Service	5 Frontline 1.5 Narrow	4 Frontline 1.5 Narrow	5 Frontline + 1 support 1.5 Narrow
Food Waste Service	2 Frontline	4 Frontline	5 Frontline
Garden Waste Service	2 Frontline	2 Frontline	2 Frontline

\*Plus one additional support vehicle to be utilised where needed

Veolia is proactively and regularly reviewing their approach to make the best use of the additional resources. The deployment of a later crew is being implemented to give time to clear incomplete work from the main rounds on the scheduled day of collection.

To reward operatives, who are continuing to work extended hours, a staff incentivisation programme has been developed: this includes enhancing overtime pay to double-time for all hours worked over 40 hours. An additional day's holiday has also been offered for 2021 to all employees on the East Kent contract. This is being done to raise morale and increase employee engagement to work together to complete all work.

## 2) Management support

Two additional Operations Managers are assisting the service in Folkestone & Hythe, with one manager allocated to each waste stream (refuse/ recycling/ food waste). This should facilitate the potential for more proactive monitoring and focus on all collection services, where managers can make adjustments in order to ensure all work is complete. This was put in place from 10th May, but had been reduced from three to two Operations Managers, but as of Tuesday 8th June increased back to a provision of three. An additional Operations Manager is being brought in to focus specifically on flats and communal properties which has been a particular area of concern from Monday 14th June.

Veolia has also expanded the administrative/ systems support teams, in order to improve the management of Echo, until the temporary surge in missed collection reports returns to its usual level. A further additional administrator will be recruited to assist with this and ensure that issues raised by council officers are dealt with quickly and efficiently.

Role	Contract Position	Proposed Resources
Operations Manager	1	4
Supervisor	4	4
Administrator	1	3

To ensure that Echo, the municipal management system, is working as well as it possibly can, an audit will be carried out by Veolia's Head of Operational Systems and national Digital Transformation Manager, who will visit the contract to review the local set up and business usage. This review will take place during week commencing 14 June.

## 3) Fleet

Another issue that occurred was the unavailability of vehicles leading to support rounds not being able to be mobilised. Having deployed four additional crews, spare vehicles designated on the contract are being used as frontline. This has created operational issues as the contract does not have the resilience on the recycling service, if the frontline vehicles are unavailable, due to maintenance/breakdown etc.

To mitigate this, two additional twin pack 26 tonne vehicles have been hired, with the first coming down to East Kent Friday 11th June and the second due to be delivered Wednesday 16th June. One vehicle that has been off the road due to accident damage since Saturday 5th June is also due to come back into service tomorrow 10th June. A further 26 tonne vehicle to support the refuse and garden waste services has been brought onto the contract on 10 June.



#### **4) Disposal Point**

Discussions are underway with KCC and the East Kent Waste Partnership over the emergency provision of a third party transfer station for residual and food waste, due to excessive waiting times at the current disposal site in Ashford. The waiting times are having a detrimental effect on service performance. The alternative site is based in Tilmanstone, with planning permission and environmental permit already in place. This site has previously been used as a contingency site and subject to agreement with KCC and the operator could be available within two weeks.

#### **5) Apology Letter**

Veolia communications team intends to work with FHDC communications team to produce an apology letter to be sent out to all residents in FHDC, This letter will be drafted on Thursday 10th June, with a view for this to be signed off by Friday 11th June and then arrangements will be made with printers for this to be distributed via JogPost/Royal Mail. The letter will be sent out on 100% recycled paper, as with all other communication material produced by Veolia.

#### **6) Customer Complaints Support**

In order to support the Council's customer services team, Veolia proposes to fund an additional 5 staff for the remainder of June and July. It is proposed that these staff are recruited by the Council and are embedded within the customer services team where they can support in the best possible way.

### **Extended review**

As outlined above, these immediate actions should support a prompt improvement. Longer-term, Veolia proposes to review the assumptions made in the bid about the service, in light of additional tonnages (on the back of COVID-19), direct knowledge of operating the new fleet of vehicles and increased tipping times.

The review of resources will be carried out by an independent third party analytics team with feedback given to the Council and Veolia. A further exercise will be undertaken to review the current recycling and food waste schedules to correct errors and balance collection rounds. This review has commenced immediately and will take a number of weeks to complete. The process will include a significant data review and a local operational review. Additional frontline resources will be maintained to ensure that collection services can be reliably operated using the current schedules during the review period.

There has been some specific issues around the scheduling of flats and communal properties. This service will also be reviewed as part of the data analysis mentioned above but an additional physical audit will be carried out for each location. This will identify bin numbers and overall capacities, specific information relating each location and access points and recycling capacities.

The review will be conducted via an audit, and will include:

- a greater understanding of F&H communal properties
  - ◆ the composition/location of bin stores and the literage available to each property - whether these are uniform
  - ◆ agreeing and defining which communal households should receive weekly/ fortnightly collections

- a cleanse of Schedule 2 properties, who are currently receiving household collections
- a validation of assisted collection properties
  - ◆ recording their bin locations

This audit will be conducted via an external auditing agency. Veolia is engaging with third party suppliers to undertake this work and anticipate appointing a supplier during week commencing 14 June with an aspiration to start the audit during week commencing 21 June.

## Street Cleansing

A 5 over 7 shift pattern has been negotiated with the GMB trade union and this has resulted in 61 employees being moved onto a full 5 over 7 shift pattern in East Kent from the end of April 2021. This effectively doubles the amount of employees over the weekends compared to the previous contract and should provide over the summer month, when supported by additional seasonal resources (beach cleansers etc), significant additional resilience. In addition 12 barrow operatives started working a 4 on 4 off shift pattern across East Kent from January 2021.

Over and above this all Operations Manager, Supervisors and Chargehands now work a rota to ensure a manager is in place on the ground on a Saturday and Sunday in East Kent to supervise the street cleansing activities, this will be invaluable over the busy summer months.

A particular challenge on the new service is weed spraying, that does not form part of the new contract with East Kent Waste Partnership, however the facility still allows for glyphosate weed spraying to be completed. On return week commencing 14th June 2021, the Senior Contract Manager will discuss with the client officers availability of third party contractors or arrangements for weed spraying, utilising nap sacks and our trained operatives.

## **Contract Management Chronology Route Optimisation Project as at 19/07/21**

### **Contract Management Structures**

#### DDC/FHDC Contract Management

The Waste, Recycling and Street Cleansing is a joint contact with DDC who act as the lead authority.

The day-to-day management and monitoring of the contract is through the joint DDC/FHDC Waste Services Team. The team is managed by Ian Dudding, Waste Services Manager from March 2021. FHDC have seconded four staff to this team and DDC the same number.

Overall management of the contract is through the DDC/FHDC Waste Partnership Board.

#### DDC

- Roger Walton, Strategic Director (Operations & Commercial) & Project Director Waste Partnership
- Roger Wragg, Head of Operational Services

#### FHDC

- Ewan Green, Director of Place
- Andrew Rush, Regulatory Services & Corporate Contracts Lead Specialist

#### Veolia Management

Pascal Hauret, Managing Director Municipal Waste  
David Fitzgerald, General Manager Municipal South East  
Ben Velmans, Regional Manager (Project Manager Service Transition)  
Gary Morrison, Senior Contract Manager East Kent

### **Description of Regular Project Meetings**

For ease only the key project meetings and outcomes are referred to in the main chronology. The following project meetings also took place in this period.

#### Contract Transition Meetings

Frequency	Every Two Weeks Starting 14/10/20
Description	Main project meeting with Veolia for the transition to the new contract. Jointly attended by FHDC and DDC as Waste Partnership.
FHDC Attendees	Ewan Green, Director of Place, Andrew Rush, Regulatory Services Lead, Ian Dudding, Waste Services Manager

### Route Optimisation (Internal) Working Group

Frequency	4/3/21, 23/4/21, 29/4/21
Description	Internal working group comprising Waste Team, Communications, Business Systems and Customer Contact set up to prepare for the route optimisation start.
FHDC Attendees	Andrew Rush, Regulatory Services Lead, Ian Dudding, Waste Services Manager, Karen Everett, Customer Services Lead, Katie Ainscough, Communications and Engagement Lead, Steve Weakly/Brian Harper, Business Systems

### Route Optimisation Contact Meeting

Frequency	2pm daily from 10/5/21
Description	Internal group comprising Waste Team, Customer Contact and Communications to maintain internal communication, resolve service calls, respond to media/social media queries and to escalate issues to 4pm daily meeting with Veolia.
FHDC Attendees	Andrew Rush, Regulatory Services Lead, Ian Dudding, Waste Services Manager, Karen Everett, Customer Services Lead, Katie Ainscough, Communications and Engagement Lead, Steve Weakly/Brian Harper, Business Systems

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FHDC Attendees	Andrew Rush, Regulatory Services Lead, Ian Dudding, Waste Services Manager, Karen Everett, Customer Services Lead, Katie Ainscough, Communications and Engagement Lead, Steve Weakly/Brian Harper, Business Systems

### Service Change Meeting

Frequency	4pm daily from 10/5/21
Description	Meeting with Veolia to receive feedback on daily completion, resolve service calls and escalate service issues.
FHDC Attendees	Andrew Rush, Regulatory Services Lead, Ian Dudding, Waste Services Manager

## Chronology - Route Optimisation Project

### 2020

Feb -July 2020 Competitive Dialogue Tender Stage – Veolia propose route optimisation exercise to be carried out early in the new contract. At this stage there is no detail on the extent of any changes as the exercise has not been completed. The purpose of the route optimisation exercise is summarised as - *'Utilising route optimisation helps to plan routes which result in reducing mileage, saving fuel, tyre and maintenance costs, cutting carbon emissions, balancing workloads and preparing for household growth.'* Factors supporting the proposal include -

- The reduction of carbon emissions would support the councils' carbon targets.
- Veolia have undertaken successfully similar exercises with other authorities.
- Veolia have managed the contract for the preceding 10 years and therefore have a good understanding of the both council districts.
- Veolia have performed well during the pandemic and have demonstrated service resilience.

22/07/20 FHDC Cabinet agree the contract award to Veolia Environmental Services.

14/10/20 Contract Transition Project Meetings start between Veolia, DDC and FHDC (see note above).

### 2021

#### January

15/01/21 **New Waste, Recycling and Street Cleansing Contract starts.**

#### February

09/02/21 Veolia hold meeting to discuss rollout of new Echo System and integration with FHDC and DDC IT systems.

17/02/21 The following meetings held on this day.

Contract Transition Meeting – Veolia outline initial outcomes from route optimisation exercise. The proposed level of day/week changes are around 64% of all domestic properties for FHDC and an equivalent 96% change for DDC. The proposed start date of the project is 12/4/21 for both districts. Both councils query the extent of changes.

Communications – Meeting between Veolia, FHDC and DDC to discuss route optimisation project and communication plans with residents. Attended by KA and AR on behalf of FHDC.

Waste Partnership – DDC and FHDC meet to consider response to initial route optimisation proposals.

25/02/21 Update Meeting arranged with Leader, Portfolio Holder (Cllr Peall), Chief Executive (SP), Director of Place (EG) and AR to discuss Veolia proposals.

- There is still insufficient detail in Veolia’s proposal and queries over the extent of change proposed.
- Plans do not include contingency rounds for recycling on 1<sup>st</sup> and 2<sup>nd</sup> weekends of the go-live week.
- Plan coincides with Street Cleansing changes also on 12/04/21.
- Detailed communication plan is needed.
- Planned start date of 12/04/21 is rejected and it is proposed to delay to May or June depending on improvements to Veolia plan.

26/02/21 Communications – Meeting between Veolia, FHDC and DDC to discuss leaflet design. KA and AR attend.

March

02/03/21 Communications - Meeting between Veolia, FHDC and DDC to discuss leaflet design. KA and AR attend.

03/03/21 Contract Transition Meeting – Revised proposal from Veolia that reduces the extent of changes to 48% of domestic properties in FHDC and 65% in DDC. The project start date of 12/4/21 remains unchanged. A project plan presentation is provided to both councils which explains the reasons for the project, how the new routes would be managed, what additional resources would be brought in to support, risks and how these would be mitigated.

- In the presentation, Veolia emphasise their experience in working in the district and delivering this type of project elsewhere. *‘We have a wealth of experience in Veolia, having supported many successful day changes in other boroughs. For example, in 2019 we delivered a day change for 74% of Bromley Council’s residents, with minimal issues’* (p3)
- Whilst the presentation states that a *‘few teething issues are a natural part of the transition process’* (p14) the planned mitigations would result in the main disruption over four weeks or two collection cycles at which point Veolia anticipated drawing down their additional resources (p14).

- Veolia also advise that they are incurring additional costs whilst the old routes remained in place and any delays in implementation of the project could result in a contract claim for the additional working costs. These additional costs are later verbally advised to be around £120K per month for the combined contract.

FHDC (AR) advise that they cannot agree 12/4/21 as the project start date as more detailed planning is required.

- 04/03/21      Route Optimisation (Internal) Working Group – First meeting attended by Business Systems, Communications, Waste Team and Customer Contact. See notes below.
- 05/03/21      FHDC email Veolia to formally advise that 12/4/21 project start cannot be agreed. Email sets out reasons.
- Lack of detail about weekend contingency rounds.
  - Concerns over timeline to implement plan.
  - Clash with street cleansing changes and Echo system roll out
  - Suggests dates either in May or June.
- 08/03/21      DDC confirm to Veolia that they will proceed with the project start on 12/4/21.
- 10/03/21      Meeting arranged with Veolia Senior Management to discuss street cleansing problems and plans for the summer. Attended by Cllr Peall, EG, AR, Roger Wragg (DDC/Waste Team). New team structures and enhanced weekend hours and staffing discussed.
- 16/03/21      Update Meeting arranged with Leader, Portfolio Holder (Cllr Peall), SP, EG and AR to discuss the latest Veolia proposals. Plans have improved but FHDC remain unable to confirm date for project to proceed as more detail is needed.
- Property changes remain at 48% kerbside plus communal changes.
  - Improved communications plan. Two ‘lines’ of communication – first line letter to all households to warn of changes followed by second line new Collection Calendars. Separate calendar for communal properties.
  - Proposals now include contingency collections for recycling for any residents waiting longer than 3 weeks. More detail on how contingency collections will work overall.
  - Communal collection changes still lack detail.
  - KCC transfer station availability not yet confirmed.

23/03/21	<p>Update Meeting arranged SP, EG, KA and AR to discuss the latest Veolia proposals. Since 16/3/21, Veolia have confirmed the following.</p> <ul style="list-style-type: none"> <li>• Veolia are responsible for print and distribution costs.</li> <li>• KCC confirmed that transfer stations will be open Sat 8/15<sup>th</sup> May.</li> <li>• There will be additional recycling Sat collections for properties waiting more than 3 weeks between their old and new collection days.</li> <li>• The contingency collection arrangements for the two Saturdays are sufficiently robust to ensure that all properties are serviced on those dates.</li> <li>• The current service will be benchmarked for carbon emissions so that the output of the new routes can be compared.</li> <li>• The data download from Echo from the routes will be available so that we can update My Account and the email alert system.</li> <li>• The two lines of communication - letter and calendar have also been finalised. FHDC have used lessons learnt from DDC letter to improve the clarity of text.</li> </ul>
25/03/21	<p>FHDC confirm to Veolia that they will proceed with the project start on 10/5/12. Date is selected as fits the calendar in terms of week changes but avoids the bank holidays, it will minimise any additional costs and allow the project for week cycle to be completed before June and relaxation of lockdown, which will allow a focus on street cleansing.</p>
30/03/21	<p>1<sup>st</sup> Focus Group with FHDC staff who are residents in the district to explain the changes and seek views on this, with particular focus on communications. Feedback stressed the need for clear messaging to residents as to the reason for the changes the new collection days for all types of waste and the benefits (e.g. cleaner and greener).</p>
<u>April</u>	
07/04/21	<p>Briefing email sent to all Members outlining the basis for the route optimisation projects and key messaging for residents.</p>
09/04/21	<p>'First Line' Letter is sent to all households - finish 16/4/21</p>
12/04/21	<p><b>Route Optimisation Project starts in Dover.</b></p>
19/04/21	<p>New Collection Calendar distribution starts – finish 7/5/21</p>
23/04/21	<p>Route Optimisation (Internal) Working Group – Waste Team give feedback to the group on first two weeks of DDC rollout. There have been significant problems due to collection calendars being wrongly distributed. Group take the following action.</p>



- Contact Veolia to get plan to improve calendar distribution.
- Business Systems check Echo data with My Area to identify any missing properties. Subsequently, 500 missing properties addresses are identified and rectified.
- Customer Contact to employ two additional temporary staff for expected increased contacts.
- Set up daily contact meetings for Customer Contact, Communications and Waste Team starting 10/5/21.

28/04/21 Contract Transition Project Meetings start between Veolia, DDC and FHDC. Veolia outline plans to improve calendar distribution to avoid repeat of problems experienced with DDC.

May

08/05/21 First Saturday Planned Additional Collections - 4250 Refuse & 2567 Recycling

10/05/21 **Route Optimisation Project starts in the district.** Daily 2pm internal contact meetings and 4pm service change meetings with Veolia start.

13/05/21 Update Meeting arranged with Leader, Portfolio Holder (Cllr Peall), SP, EG and AR. Meeting discusses the first three days of the project rollout.

14/05/21 End of Week Completion Averages – Refuse 97% Recycling 88% Food 85% Garden Waste 85%

- Early problems identified with rural round completion. The Tuesday round (Dymchurch, Sellindge, Stanford, parts of Hythe) is first identified as being problematic with lower completion that impacts across the week.
- Calendar distribution appears to have generally gone well compared to DDC experience.

15/05/21 Second Saturday Planned Additional Collections – 4345 Refuse

20/05/21 Update Meeting arranged with Leader, Portfolio Holder (Cllr Peall), SP, EG and AR.

21/05/21 End of Week Completion Averages – Refuse 97% Recycling 94% Food 92% Garden Waste 100%

- Only limited improvements from previous week.
- Further concerns about rural and communal round completion. Tuesday round continues to impact across week.
- High levels of missed bin reporting impacting on Customer Contact.

28/05/21 End of Week Completion Averages – Refuse 98% Recycling 94%  
Food 94% Garden Waste 98%

- FHDC increased concerns over accuracy of completion rates is not reflected in the level of customer contact.
- Continued problems with missed rural rounds, communal bins and assisted collections.
- Lack of round completion improvement progress from previous week.
- Concerns over lack of service resilience (e.g. driver shortages).

## June

01/06/21 Daily round completion is predicted at less than 80% due to driver and other staff shortages. FHDC (AR) formally contact Senior Veolia Management to escalate concerns about service performance. Issues highlighted include lack of progress in project, Echo system data quality, communal properties, garden waste and staff resilience overall.

02/06/21 Chief Executive assigns GM team temporarily to support street cleansing duties (2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup> and weekend overtime 5<sup>th</sup> / 6<sup>th</sup>).

Chief Executive telecall with Ben Velmans, Regional Manager to escalate significant concerns about service performance and impact on residents.

Update Meeting arranged with Leader, Portfolio Holder (Cllr Peall), SP, EG, ID and AR. It is agreed that service problems are to be escalated to senior level within Veolia. Meeting to be arranged with Pascal Hauret, Managing Director Municipal Waste and the need for Veolia to develop and implement service improvement action plan.

03/06/21 Chief Executive telecall with Pascal Hauret, Managing Director Municipal Waste. Text update received from Pascal Hauret later.

Meeting arranged with Leader, Portfolio Holder (Cllr Peall), EG, ID, KA and AR to update on weekly completion rates and communications with residents.

04/06/21 End of Week Completion Averages – Refuse 83% Recycling 86%  
Food 83% Garden Waste 95%

09/06/21 Meeting with Veolia attended by Leader, Portfolio Holder (Cllr Peall), SP, EG, ID and AR. Veolia attendees Pascal Hauret, Managing Director Municipal Waste, David Fitzgerald, General Manager Municipal SE and Ben Velmans, Regional Manager. The purpose of the meeting was to escalate the significant concerns about service performance, the project roll out, impact

on residents and the need for Veolia to develop and resource a service improvement action plan. At the meeting frustration and anger of the Council was made very clear - residents were not receiving the level of service expected due to the changes Veolia had instigated. This was also having a significant impact on services across the Council. Veolia requested to put in place recovery action urgently.

- 9/06/21 All Member email from Portfolio Holder (Cllr Peall) to update on meetings with Veolia and update on future actions.
- 11/06/21 End of Week Completion Averages – Refuse 97% Recycling 86% Food 94% Garden Waste 71%
- 11/06/21 All Member email from Portfolio Holder (Cllr Peall) to update on meetings with Veolia and update on future actions.
- 15/06/21 Update Meeting arranged with Leader, Portfolio Holder (Cllr Peall), EG and AR. Veolia send first draft of Action Plan.
- 16/06/21 Veolia apology letter distributed to residents – finish 17/6/21
- 17/06/21 Chief Executive telecall with Pascal Hauret on latest position and Action Plan.  
  
Street Cleansing meeting with Veolia. Attended by EG, ID and AR. To discuss street cleansing actions within Action Plan.
- 18/06/21 Chief Executive telecall with Pascal Hauret.  
  
End of Week Completion Averages – Refuse 92% Recycling 92% Food 89% Garden Waste 88%
- 21/06/21 The following meetings held on this day.  
  
Update Meeting with Veolia attended by Leader, Portfolio Holder (Cllr Peall), SP, EG, ID and AR. Veolia attendees Pascal Haurete, Managing Director Municipal Waste, David Fitzgerald, General Manager Municipal SE and Ben Velmans, Regional Manager. Veolia give presentation on Action Plan.
  - Additional vehicle, driver and loader resources.
  - Funding for additional customer contact staff and option to set up call centre.
  - Veolia have sent an apology letter to all residents.
  - Supervisor point of contacts for different waste streams.
  - Round review and survey to be carried out by external company. Tuesday round in particular needs to be reviewed.

- Improved engagement with agencies to assist driver recruitment. National shortages.
- Proposals to KCC for use of alternative site to improve tipping times.

DDC/FHDC Waste Partnership Board – Partnership board meets with main focus of discussion the route optimisation project

- Update on Veolia performance at each authority.
- Review of the Veolia Service Improvement Action Plan
- Contractual remedies available.

21/06/21 All Member email from Portfolio Holder (Cllr Peall) to update on meetings with Veolia and update on future actions.

22/06/21 2<sup>nd</sup> Focus Group with FHDC staff who are residents in the district. The session was based on the experience of service changes. Feedback was mixed with some positive experiences with no issues and some reporting missed collections. It was felt that communications had been fine but that reporting problems wasn't always easy online.

25/06/21 End of Week Completion Averages – Refuse 99% Recycling 97% Food 100% Garden Waste 74%

28/06/21 Veolia Call Centre for missed bins enquiries starts operation.

Update Meeting with Veolia attended by Leader, Portfolio Holder (Cllr Peall), SP, EG, ID and AR. Veolia attendees Pascal Haurete, Managing Director Municipal Waste, David Fitzgerald, General Manager Municipal SE and Ben Velmans, Regional Manager. Veolia present a progress review of the Action Plan. The discussion covers.

- The national shortage of HGV drivers (estimated 100,000 shortfall) has resulted in some waste contractors initiating their Business Continuity Plans.
- Veolia have raised the option with KCC of using an alternative site as a transfer station to relieve capacity at Ashford Transfer Station and improve turnaround times and service impact. Veolia have made financial proposal to KCC.
- FHDC have contacts with Job Centre Partnership Managers and will raise with them how to encourage local recruitment of HGV drivers and loaders. SP contacts local partnership contact.

29/06/21 Veolia email to advise that KCC have rejected their proposal for the use of an alternative site as a transfer station.

## July

- 01/07/21 Local Job Centre Partnership Manager contacts AR to discuss how local recruitment of drivers and loaders can be encouraged. Veolia contact details supplied.
- 02/07/21 End of Week Completion Averages – Refuse 97% Recycling 94% Food 94% Garden Waste 95%
- Total number of calls to Veolia call centre around 450 for the week.
  - Completion rates down on the previous week.
  - Veolia advise that transfer station delays have impacted on Friday rounds for refuse.
- 05/07/21 Update meeting with Veolia attended by Leader, Portfolio Holder (Cllr Peall), SP, EG, ID and AR. Veolia attendees Pascal Hauret, Managing Director Municipal Waste, David Fitzgerald, General Manager Municipal SE and Ben Velmans, Regional Manager.
- FHDC challenge Veolia on failure to make improvement progress the previous week.
  - Veolia report that sickness has resulted in three drivers absent that morning. This will impact on completion of the food rounds.
  - Veolia update on recruitment of additional staff, contact made with the Nepalese community and additional recruitment agencies employed. National driver shortage continues to impact. Road Haulage Association is raising with UK government.
  - Veolia update on re-survey work taking place to improve communal and assisted collections.
  - Communal rounds to be lifted by core rounds rather than separate vehicle from 19/7/21, which should improve completion.
  - FHDC offer to raise Ashford Transfer Station and use of alternative site with KCC.
- 12/07/21 Update meeting with Veolia attended by Leader, Portfolio Holder (Cllr Peall), SP, EG and ID. Veolia attendees Pascal Hauret, Managing Director Municipal Waste, David Fitzgerald, General Manager Municipal SE and Ben Velmans, Regional Manager.
- FHDC expressed continued frustrations that there was no significant or sustained improvement. Repeat missed collections causing huge concern and impacts for residents.

- FHDC requested a timetable to be submitted for service to be returned to 100% levels.
- Veolia reported that vehicle breakdowns as well as ongoing driver issues had impacted on rounds towards the end of the week.
- Veolia updated on progress to review the route changes and that this work was nearing completion, with input from local teams the next step.
- Veolia to provide an updated Business Continuity Plan.

#### Future Actions

20/07/21	3 <sup>rd</sup> Focus Group with FHDC staff who are residents in the district.
20/07/21	Chief Executive and Director of Place to meet with staff from the Waste Service, Customer Services and Case Management to gain insights into their experiences and views on possible improvement actions.
22/07/21	Update meeting with Veolia to be attended by Leader, Portfolio Holder (Cllr Peall), SP, EG and ID. Veolia attendees Pascal Hauret, Managing Director Municipal Waste, David Fitzgerald, General Manager Municipal SE and Ben Velmans, Regional Manager.
29/07/21	Joint meeting of FHDC and DDC to assess progress and determine next steps in relation contract terms and performance management. Leader, Portfolio Holder (Cllr Peall), SP, EG, AR and ID to attend.