

Joint Waste Collection Contract Committee

10 November 2017

Elmbridge Mobilisation Review



Background and Context

The Joint Waste Collection Contract was procured to provide waste collection and street cleaning services to four partner authorities: Elmbridge Borough Council, Woking Borough Council, Surrey Heath Borough Council and Mole Valley District Council (JWCC Authorities).

In May 2015, a contract notice was published in the Official Journal of the European Union (OJEU) inviting expressions of interest from organisations wishing to enter into a contract with the JWCC Authorities for the provision of the Joint Waste Collection and Street Cleaning Services Contract.

Expressions of interest, in the form of responses to the Pre-Qualification Questionnaire (PQQ) were received from five Applicants. Four Applicants were invited to participate in structured dialogue sessions. After dialogue, bidders were invited to submit detailed solutions in response to the draft specification. Following evaluation by an evaluation team made up of representatives from each Authority as well as specialists in legal, finance, ICT and Health and Safety, three bidders with the highest scores were taken through to the final stage.

In May 2016, invitations to submit final tenders were issued to the remaining bidders. Following further dialogue sessions with each of the bidders, all three bidders submitted a final tender document for evaluation. In accordance with the Contract Tender Evaluation Model, approved by the Joint Waste Collection Contract Committee in December 2014, the contract was evaluated based on 50% quality and 50% price.

In November 2016, Amey were notified that they were preferred bidder. The Contract was signed on 25 May 2017.

Initial Contract Performance

The contract commenced in Elmbridge on 3 June 2016. In the first two weeks, the level of missed collections were to such an extent that the Authority made the decision to withdraw the ability for residents to report missed collections online. Due to the limited additional catch up resource, it was only possible to return to whole missed roads, and it was jointly decided between JWS and the Authority that priority should be given to prioritise missed refuse and food waste. Elmbridge Council made the decision to provide a three-month extension to all garden waste customers by way of an apology for the disruption caused.

The current level of missed collections is comparable with the standard being achieved pre-mobilisation. Whilst performance is not yet at the contract standard, levels are continuing to improve.

As a result of the issues experienced in the first two months of the contract, Amey conducted a thorough internal audit. The issues and lessons learnt which came out of this audit are set out below.

Issues and Lessons learnt

1) Loss of local knowledge

Under Transfer of Protection of Employee (TUPE) regulations, staff who are employed by the incumbent contractor have the right to transfer to Amey as the new contractor. It is usual for a very small proportion of staff not to transfer over. To mitigate the impact of this a pool of six agency staff were inducted prior to contract commencement.

Amey developed a detailed employee engagement programme which included newsletters, workshops and 1:1s with the incumbent contractor's staff. The programme ran from 3 - 27 May 2017.

On 3 June, without notice, eighteen frontline waste operatives did not transfer over to Amey. Additionally, a further seven personnel subsequently returned to their previous employer. As a result of these two events Amey inherited a waste team which was 41 percent below the numbers required to meet service delivery. This resulted in insufficient waste personnel and a significant loss of local knowledge

Lessons Learnt:

Amey's staff engagement programme has been reviewed to provide earlier opportunities for staff to meet with them prior to transferring. This will include specific requests as to their intention to transfer.

Feedback from transferring Elmbridge staff has also been considered when developing the content of the engagement programme.

Amey will undertake a skills gap analysis of transferring employees as part of the staff engagement programme to identify training requirements prior to transfer.

2) Initial productivity levels were lower than anticipated

Amey's waste collection model moves away from the previous method of collecting food waste in the same vehicle as refuse or recycling and introduces dedicated vehicles for the collection of food. This method provides a more efficient and flexible way of working, as collecting food waste caddies is inherently quicker than collecting wheeled bins.

In developing the new waste collection rounds, productivity assumptions were benchmarked against other established Amey contracts. The new rounds were developed based on a standard eight-hour working day: although it is normal for collections to take a little longer in the initial weeks, until rounds become familiar to the crews.

Unfortunately, the degree of change implemented on day one had a greater impact on initial productivity levels than anticipated, particularly with regards to food waste collections.

Lesson Learnt:

There will be a phased approach to future mobilisations across this contract. When introducing service changes, additional resources will be implemented, to allow crews to get used to the new ways of working. After a short period of time, as productivity allows, these additional resources will be removed.

3) The waste collection data stored on the Amey ICT system became corrupted

Amey use resource modelling software to design an optimum service solution. The data used to model the rounds was provided by the JWCC Authorities as part of the procurement process. Initial routes were created using the resource modelling software in May. Amey then used the experience and local knowledge of the incumbent contractor's supervisory team to validate and finalise the routes ahead of the final data being uploaded into the Amey contract management ICT system. This system is used to produce daily round sheets for the crews.

During this process the data become corrupted which resulted in discrepancies on the crews' roundsheets, such as duplications, scheduling errors and omissions.

Unfortunately, due to the level of missed collections in the initial weeks of the contract, the specific issues on data accuracy did not fully materialise until two weeks in.

Lesson learnt:

The timetable for data preparation has been reviewed to include additional checks by JWS and Amey staff at all stages in the round development process.

4) Managing expectations

Amey was invited to attend Elmbridge Borough Council's Overview and Scrutiny Committee on 23 March 2017, to provide an update on the mobilisation of the Joint Waste Contract. The Committee was provided with information on Amey's 'brilliant basics approach' and were given the reassurance that the objective was to achieve a seamless transition to Amey as the new service provider.

In reality, any mobilisation will give rise to some service disruption in the first few weeks, albeit any disruption should be minimal and quickly addressed. In addressing the Committee, an opportunity was missed to manage expectations that some initial teething problems are normal and to be expected.

Lessons learnt:

Future pre-mobilisation Member engagement and resident communications will include a message that there may be some initial teething problems during the initial weeks of the new service implementation.

Future mobilisations

Elmbridge was the first of four authorities to mobilise under the joint waste contract. Woking Council has transitioned to Amey, although new round changes will not be introduced until the end of November. Surrey Heath mobilises in February 2018 and Mole Valley in August 2018 (waste) and April 2019 (streets)

Important lessons have been learnt from the Elmbridge mobilisation and these lessons are being taken forward for future mobilisations. However, every mobilisation will present different challenges, and lessons learnt will continue to be captured across all future mobilisations.

