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Thursday, 9 March 2017

To: The Members of the **Joint Waste Collection Services Committee**
(Councillors: Mrs Vivienne Chapman (Vice Chairman), Barry Fairbank,
Mike Goodman, Beryl Hunwicks (Chairman) and Michelle Watson)

In accordance with the Substitute Protocol at Part 4 of the Constitution, Members who are unable to attend this meeting should give their apologies and arrange for one of the appointed substitutes, as listed below, to attend. Members should also inform their group leader of the arrangements made.

Substitutes: Councillors Malcolm Ladell and Charlotte Morley

Dear Councillor,

A meeting of the **Joint Waste Collection Services Committee** will be held at Chamber on **Friday, 17 March 2017 at 9.30 am**. The agenda will be set out as below.

Please note that this meeting will be recorded.

Yours sincerely

Karen Whelan

Chief Executive

AGENDA

| | Pages |
|---|--------------|
| 1 Apologies of Absence | |
| 2 Minutes of Last Meeting | 1 - 4 |
| To confirm and sign the minutes of the meeting held on 9 December 2016. | |
| 3 Declaration of Interests | |
| 4 Amey Presentation | |
| 5 Mobilisation Update | 5 - 8 |
| 6 Note the Appointment of Mathew Smyth as Waste Partnership Director and Authorising Officer | |

| | | |
|-----------|-------------------------------|---------------|
| 7 | Communications Update | |
| 8 | Legal Update | |
| 9 | Financial Update | 9 - 10 |
| 10 | HR update | |
| 11 | New Joiners | |
| 12 | Formation of a Company | |
| 13 | Representation at SWP | |

It was queried whether point 3.3.1 should be in the constitution. It was agreed that clarification would be sought from the Joint Waste Collection Services' Legal Advisor and the Committee would be updated as necessary.

The Committee noted its Constitution.

5 To note the appointment of Mr. Timothy Pashen as Authorising Officer.

The Committee was informed that under the inter authority agreement governing the Joint Waste Collections Service Surrey Heath would be acting as the Administering Authority for the contract. Consequently, Timothy Pashen, Executive Head: Community at Surrey Heath Borough Council had been appointed as the Service's Authorising Officer.

The Committee noted the appointment and expressed their thanks to Mr Pashen for taking on the role. The Committee also expressed their thanks to the officers at Elmbridge Borough Council, in their capacity as Project Lead Authority, for all their work to get the partner authorities through the procurement phase of the contract negotiations.

6 Project Update by Project Manager - presentation

The Committee received a presentation from Eve Risbridger, JWCS Project Manager. The presentation included an update on the contractual process, an overview of the decision making structures governing the contract and a summary of the work underway to implement and embed the contract in partners' work.

The Committee was informed that approval had now been given by all four councils to award the contract to Bidder A (now announced as being Amey). Ismina Harvey had been appointed to the post of Contract Implementation Manager and officers were now working closely with Amey to clarify any contractual matters, agree a comprehensive approach to partnership working and set up a Strategic Partnership Board with responsibility for translating the Joint Waste Strategy into reality before the contract went live on 3 June 2017.

It was noted that Amey had been shortlisted for, and won, a number of awards by nationally recognised organisations including the Clean Britain Awards and the National Recycling Awards. Amey was keen for their staff on the ground to be ambassadors for their organisation and their centralised Customer Service Centre, which Woking and Surrey Heath Councils had opted to make use of, was a strength that enabled it to provide a 24/7 service every day of the year. Amey's use of in-cab technology to easily and accurately capture real time data on a range of issues including fly tipping, excess waste, missed bin collections and contaminated waste would provide partner authorities with a robust and comprehensive data set that could be used to improve both performance and services.

The Contract partnering Board and the Technical Group were working on the alignment of policies so that the four local authority areas were covered by a single

set of coherent policies and that residents were charged, wherever possible, according to a standard set of tariffs regardless of their location.

Arising from the Committee's questions and comments the following points were noted:

- Wherever possible, Operatives on the ground would be transferred to Amey under the TUPE regulations.
- To ensure that the transition to the new contractor was as smooth as possible for operatives and residents Amey would brief staff as soon as the current contractors would allow them to.
- It was stressed that the use of improved user friendly data capture methods could result in more incidents being reported in the first few months and perceived performance levels could fall initially.
- All members would need to be briefed on the practical implications that the changes could have on residents before the new contract arrangements came into being.
- Proposed fees and charges had been reached by adding the contractor's anticipated unit cost for each aspect of a service, for example bulky waste collection, and then adding any capital and management costs. These would be recommended for approval by individual councils.
- Any income generated through the fees and charges would remain with individual councils and would not be included in the contract management budgets.
- The presentation would be circulated to members.

The Committee expressed their thanks to the officers involved for all their work to ensure that the contract procurement process had gone smoothly.

The Committee thanked the JWCS Project Manager for her informative update.

7 Joint Waste Collection Contract New Joiner Process

The Committee considered a report setting out the proposed protocol to be followed in the event of another local authority expressing an interest in joining the waste partnership.

In approving a policy it was hoped that any local authority wishing to join the contract would be able to clearly see the expectations that would be placed on them by the Partnership and that the Partnership would be able to recoup any costs incurred as part of feasibility studies and exploratory discussions before a contract was entered into. Any decisions on whether to go forward with a new partner would be dealt with on a case by case basis with consideration being given to the whole package that the joining partner would bring to the table.

It was acknowledged that whilst it would not be prudent to bring additional partners into the Partnership during the initial phases of the contract implementation process it was important that the Partnership should not to be so inflexible in its approach that it missed out on opportunities of working in partnership with local authorities whose current waste collection contracts ended before the

implementation of the project across the current four partner areas had been completed; consequently any approaches should be considered on a case by case basis.

The Partnership would examine any learning in this area from other waste partnerships and advice would be sought from specialist legal and procurement experts before any decisions on whether additional partners were approved were taken.

The Committee agreed in principle to the development of a protocol. It was agreed that the current proposed protocol needed to be refined by the Contract Partnership Board and that the subject would be revisited at a later meeting.

8 Approval of the Contract Management Office (CMO) Budget

The Committee considered a report setting out the proposed Contract Management Office (CMO) budget for 2016/17 and 2017/18.

The Committee was informed that although it was anticipated that once the contract had been established the total cost of the CMO would be £326,000 during the implementation phase costs would be higher. Consequently the figures in the report were indicative at this stage. It had been assumed that all costs would be shared equally between the four partner authorities and that staffing costs would be recharged to the transferring local authority. It was also stressed that although initial costs appeared high they should be seen within the context of the savings that were expected to be generated over the lifetime of the contract.

It was acknowledged that it would be essential that robust and transparent arrangements were in place to ensure that CMO costs were kept at an appropriate level and it was agreed that the matter was followed up by the Contract Partnering Board.

RESOLVED that:

- i. The Contract Management Office budget for 2016/17 and 2017/18 be recommended in principle to partner local authorities.
- ii. The Contract Management budget for future years be noted.

Chairman

HR Update

From: Tim Pashen, Interim Authorising Officer

Date: 17 March 2017

Stage: Joint Waste Solutions Mobilisation

Status: On Track

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| <p>Progress summary</p> <p>Since 9th December 2016</p> | <ul style="list-style-type: none"> • The Waste Partnership Director has been appointed. The successful candidate was Mathew Smyth. The appointment commences from 3rd April 2017 and will be as a 2-year secondment from Surrey County Council. He will be transferred with his full salary. The partnership will only be responsible for the agreed £5,000 enhancement to his salary and car allowance of £2,000. • An accountant has been appointed for 20 hours per week. Her name is Louise Nettleton and she starts on 3rd April 2017 on an 18-months fixed term contract. • A job description and person specification has been written for an Environmental Services Manager to cover Elmbridge and Mole Valley areas. Once this has been through the Surrey Heath job evaluation panel we will go out to recruit. • Eunomia has been asked to produce a contract manual and potentially they will be asked to provide training to ensure consistency of approach across the partnership. |
| <p>TUPE</p> | <ul style="list-style-type: none"> • TUPE list agreed. • Due diligence conducted, analysed and reviewed • Team meetings were held with staff that are being transferred to JWS on the 9th; 10th and 11th March 2017. • 1:1 meetings with affected staff during week of 20th March 2017. • Measures for review and acceptance by employees/Union Reps – during April 2017. • Waste and street cleansing staff transfer to Surrey Heath on 2nd May 2017. |
| <p>Risks</p> | <ul style="list-style-type: none"> • The main risk is that there are currently a number of vacancies which need to be filled to enable existing |

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| | <p>contracts to be managed and for the new contract to be mobilised.</p> <ul style="list-style-type: none"> • There may be a need to use agency staff and fixed term contracts in the short term. • During this climate of change, with the move to one contract over a vast geographical area, this may cause uncertainties for some staff who may seek alternative employment either in their own authorities or elsewhere. Through staff engagement the JWS are trying to minimize this. |
| <p>Decisions required during this meeting</p> | <p>The Joint Waste Collection Services Committee is asked to note:</p> <ul style="list-style-type: none"> ● The appointments which have been made into Joint waste Solutions and the further recruitment planned. ● The TUPE action so far including staff engagement. ● The risks associated with the mobilisation of JWS. |

Contract Mobilisation Update

From: Ismina Harvey, Contract Implementation Manager

Date: 17 December 2017

Stage: Implementation

Status: On Track

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| <p>Progress summary</p> <p>since last JWC Committee on 9 December 2016</p> | <ul style="list-style-type: none"> • All documents required for re-evaluation have been submitted by Amey and are being reviewed by Eunomia, ahead of contract close • The Technical Group has worked with Customer Service teams to produce web form templates and scripts for Amey contact centre. • Amey have visited all Depots and started a health and safety operational review • Contractual Performance management reporting processes have been reviewed • Communications strategy has been developed. • Property data is being finalised. |
| <p>Highlights</p> | <ul style="list-style-type: none"> • The order for the Elmbridge and Woking vehicles has been placed • On track to close contract by end of March |
| <p>Issues:</p> | <ul style="list-style-type: none"> ● ICT: Progress is a few weeks behind schedule. Contingency arrangements agreed with Elmbridge to continue use of CRM until system ready. ● Depots: Plan being developed to bring Elmbridge depot up to statutory compliant position |
| <p>Risks</p> | <ul style="list-style-type: none"> ● Vehicle delivery dates not yet confirmed by Amey, hire vehicles to be used until delivered. ● If the Contract is not signed early April then the date will move a month, due to Amey sign off processes. This may impact on Contractor staff engagement and ICT development. |

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| <p>Decisions required</p> | <ul style="list-style-type: none"> ● This update is for information only. |
| <p>Next steps</p> | <p>Contractor staff engagement: Amey will commence engagement at Veolia staff at Elmbridge as soon as Contract signed, with Woking shortly after.</p> <p>Depots: Depot leases to be agreed by mid-March</p> <p>ICT: ICT meeting at Amey Contact Centre on 27/28 March, to view progress and firm up implementation timetable</p> <p>Data: LLPG property data to be sent to Amey, so that round configuration can begin</p> <p>Performance Management: KPI performance management reports to be signed off</p> <p>Service Operations: Workshops to be arranged to work through 'day 1' service delivery</p> |
| <p>Forward plan</p> | <ul style="list-style-type: none"> ● June 2017 –Elmbridge contract commencement ● September 2017 – Vehicles delivered ● September 2017 – Full implementation of ICT system ● September 2017 – Woking contract commencement |

| JWCC Implementation Budget Revised Feb 2017 | 2016/17 | 2016/17 | 2017/18 |
|---|------------------------|---------------------------|--------------------------|
| | Nov 2016 to March 2017 | Nov 2016 to February 2017 | April 2017 to March 2018 |
| Activities during this period | Budget | Actual | Budget |
| | | | |
| | | | |
| EXPENDITURE | 5 | | 12 |
| Joint Waste Contract Support Costs | | | |
| Committee support for officers/Members | 1,250 | 1,000 | 3,000 |
| Rooms/refreshments | 417 | 55 | 1,000 |
| Surrey Heath accommodation and hosting costs | 5,000 | 4,000 | 12,000 |
| Project Manager | 39,167 | 24,000 | 10,000 |
| | | | |
| Set Up Costs | | | |
| HR support during transition | 12,500 | 945 | 10,000 |
| Actuary costs | 5,000 | - | 15,000 |
| Legal support costs | 5,000 | 16,813 | 15,000 |
| Technical support costs | 15,000 | - | 15,000 |
| ICT/mobile working set up costs | 15,000 | 1,866 | 15,000 |
| Recruitment costs | 8,000 | - | |
| Company set up costs * if required | - | | 10,000 |
| Mobilisation Communications (tbc) | | | 50,000 |
| | | | |
| CMO Staffing - inc on costs/transport/training | | | |
| Strategic Partnership Manager (1FTE) | 24,375 | 10,466 | 7,500 |
| Implementation Project Manager (1FTE) | 29,792 | 23,833 | 71,500 |
| Allocation for Finance support | 41,667 | 2,551 | 50,000 |
| Allocation for payroll and HR | 4,100 | 2,217 | 10,000 |
| Allocation for Admin support | 8,333 | | 10,000 |
| Allocation for Legal support | 8,333 | 8,000 | 20,000 |
| Allocation for ICT support | 8,333 | 604 | 10,000 |
| Allocation for Property advice | | 2,413 | |
| Allocation for SHBC Management | 8,333 | | 10,000 |
| Company running costs | | | 3,000 |
| Contingency | 10,000 | 5,000 | 30,000 |
| | | 5,000 | |
| | | | |
| Total | 249,600 | 108,763 | 378,000 |
| | | | |
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| | | | |
| INCOME | | | |
| | | | |
| Equal shares | | | |
| | | | |
| Elmbridge | 62,400 | 27,191 | 94,500 |
| Mole Valley | 62,400 | 27,191 | 94,500 |
| Surrey Heath | 62,400 | 27,191 | 94,500 |
| Woking | 62,400 | 27,191 | 94,500 |
| | | | |
| | | | |
| Total | 249,600 | 108,763 | 378,000 |
| | | | |

Eunmoia Handbook
VAT advice

NOTE:

The budget has reduced by £190k compared with the original estimate for 2017/18 but may change again
The above budget does not include the costs of transferred staff or their on costs
The amount for marketing may have to increase

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