



**Minutes of a Meeting of the Joint Waste
Collection Services Committee held on
2 December 2021**

Present: Councillor David Mansfield, Surrey Heath Borough Council (Chairman)
Councillor Kevin Davis, Woking Borough Council
Councillor Caroline Salmon, Mole Valley District Council
Councillor Ashley Tilling, Elmbridge Borough Council

In Attendance: Paul Anderson, Mole Valley District Council
Jo Chauhan, Joint Waste Solutions
Adrian Flynn, Surrey Heath Borough Council
Kelly Goldsmith, Joint Waste Solutions
Pat Hindley, Joint Waste Solutions
Ray Lee, Elmbridge Borough Council
Kingsley Lu, Joint Waste Solutions
Geoff McManus, Woking Borough Council
Richard Parkinson, Surrey County Council
Martin Pugh, Amey
Tina Siddiqui, Amey
Helen Trew, Joint Waste Solutions
Lara White, Amey
Danielle Wright, Amey

18/JW Minutes of Last Meeting

RESOLVED that the minutes of the meeting of the Joint Waste Collection Services Committee held on 30th September 2021 be agreed as a correct record and signed by the Chairman.

19/JW Declaration of Interests

There were no declarations of interest.

20/JW Budget Monitoring Quarter 2 (July to September 2021)

The Committee received a report providing an update on the position of the Joint Waste Solutions (JWS) budget at the end of the second quarter of the 2021/22 financial year.

It was reported that at year end the Contract Management Office expenditure was projected to be £2,277,726, a potential underspend of £213,775. The majority of this underspend was attributed to savings in staff salaries due to a number of vacant posts and new staff joining at lower salary points. Other areas of underspend included an underspend of £23,200 arising from reductions in spending on training and travel expenses due to the pandemic. As a consequence of the need to respond to the impacts of the national shortage of HGV drivers the Communications and Marketing budget was projecting a year end overspend of £11,361.

There was a projected overspend of £193,253 on the Core Contract Budget due to the estimated inflationary uplift of 1% that had been used to set the budget having been less than the actual figure of 2.64%.

The budgets were also showing a significant underspend on the Garden Waste collections (£554,202); however, it was stressed that the loss of income from the suspension of the garden waste collections exceeded the savings made.

It was noted that whilst costs for agency staff to cover absences related to Covid-19 had been projected to be £45,699 no costs had been incurred on this budget since June.

The Committee noted the report.

21/JW Joint Waste Solutions Budget 2022-23

The Committee considered a report setting out a proposed draft budget for JWS for the 2022-23 financial year.

To ensure that all components of the budget were fully understood, cost-effective and relevant the proposed budget had been developed using the outcomes of a comprehensive zero based budgeting exercise that had been completed in 2020/21.

It was noted that a management restructure had enabled a number of savings to be made to the salaries budget. A 1% cost of living increase had been assumed for all salaries however this would be revisited once the outcomes of pay award discussions at partner authorities were known.

During the current financial year, the variable charges in the contract had been heavily impacted by a number of factors including the Covid-19 pandemic, disruption to Amey's ICT systems and the suspension of services due to driver shortages. Consequently in order to ameliorate these impacts, the estimates used in the draft contract costs budget had been developed using an extended data periods.

A 1% indexation uplift had been assumed when drafting the 2021/22 budget however this in actuality been 2.64% and the most recent indexation figures (August 2021) showed contract inflation of 3.27%. In formulating the draft budget for 2022/23 an indexation figure of 4% would be applied to contract costs initially and a final indexation calculation would be carried out in March 2022.

It was clarified that the depot valuations were independent valuations based on a number of factors including location and the facilities available on site.

RESOLVED that the draft Joint Waste Solutions staff and overheads and joint contract budgets for the 2022/23 financial year, as set out in Appendices 1 to 5 of the report, be commended to the individual partner authorities for their approval.

22/JW Contract Performance Update

The Committee received a report summarising the position of recycling performance in the joint contract authorities at the end of the second quarter (July to September 2021) of the 2021/22 financial year.

It was reported that whilst the tonnages collected continued to be higher than they had been before the pandemic the amounts collected had now levelled off. Analysis of

tonnage data from across Surrey for the twelve month period to September 2021 showed a 2.1% year on year increase in the amount of dry mixed recycling collected, a 3.2% increase in food waste tonnages and a 6.6% year on year increase in residual waste collected.

It was noted that the HGV driver shortages and the resultant suspension of the garden waste collection had impacted on both garden waste tonnages and overall recycling rates.

The Committee noted the report.

23/JW Joint Contract Work Programme

The Committee considered a report providing an update on the progress made between August and October on individual projects and activities in the 2021/22 Joint Contract Work Programme.

It was noted that the Waste Reduction Incentive Scheme had been launched in Elmbridge in November. To date 280 residents had subscribed to the scheme and targeted activities to encourage subscription take up had been planned.

The Committee was informed that Freedom of Information requests were received from a variety of sources including commercial enquiries about the fleet and contracts, the media and residents.

It was confirmed that a second round of garden waste collections had started and a second round of collections would commence in Mole Valley the week commencing 6th December 2021. Additional collections in Surrey Heath and Elmbridge would take place in the New Year. Whilst resumption of a full service was dependent on securing enough additional drivers to cover all the driver vacancies, Amey had indicated that they were confident that they would be running more frequent collections by the end of April 2022.

The Committee noted the report.

24/JW Amey Improvement Plan

The Committee received a presentation in respect of the work taking place to achieve the targets and objectives set out in the Contract Improvement Plan for 2021/22.

The main challenge to the delivery of the contract continued to be a shortage of HGV drivers and across the joint contract area there were 24 driver vacancies (including 7 vacancies due to long term sickness). Whilst it had been possible to secure seven agency drivers there remained 17 vacancies across the area and drivers were being loaned across the areas to enable core collections of refuse, recycling and food waste to be continued uninterrupted.

A number of mitigating actions had been put in place to reduce vacancy levels including offering an intensive driver training courses to existing employees, supporting driver apprenticeships and payment of new starter and retention bonuses. An agency sweeper driver employed to cover the leafing period had also been retained so that a driver could be redeployed. Open days had been held to raise awareness of the opportunities available however enquiries were not translating into applications and feedback from attendees indicated that the base salaries on offer were considered to be too low.

The Committee was informed that to date eight members of staff had applied to participate in the HGV Driver Intensive Training programme. All had now completed their driver medicals and received their provisional licences and five had confirmed theory test dates scheduled for early December. A period of shared driver experience had been incorporated into the training programme to increase the confidence of new drivers before they assumed sole charge of a 26tonne vehicle and it was expected that the current cohort would be ready to take operate on their own by April 2022.

The Committee expressed concern that even though the shortage of drivers had started to be of concern in August Amey had only just started to advertise the roles and action only now seemed to be being taken to upskill existing staff through the Intensive Driver Training. The Committee questioned whether Amey was treating the situation with enough of a sense of urgency particularly in view of the impacts that the loss of the garden waste service was having on staff working on collection rounds and officers and councillors who were having to deal with residents' complaints. It was also stressed that the suspension of the service would have an impact on budgets going forward as residents cancelled their garden waste collection subscriptions.

It was Amey's contention that when the problem arose earlier in the year there had been sufficient resources in place to cover the situation however it had not been possible to predict the high level of drivers leaving Amey's employment had occurred in the Autumn.

The Committee expressed reservations about Amey's ability to resolve the situation and re-establish a full garden waste collection service across the entire joint contract area within an acceptable timescale; particularly in light of the delays that had arisen in putting a fully operational ICT system in place and the difficulties that were being experienced when trying to communicate between the Contact Centre, officers and depots. It was emphasised that pushing back reinstatement of a full service to August or September 2022 was unacceptable and that the service should be fully operational by the start of the new financial year at the latest.

Amey acknowledged the Committee's concerns and admitted that they had misread the situation when it first arose. It was highlighted that if Amey's proposals proceeded as planned then it was projected that it would be possible to resume weekly collections from April 2022. Notwithstanding this a significant amount of leave had been accumulated by crew and drivers and whilst leave requests would be managed this could impact on services over the summer period. The Committee was also informed that the current driver salaries offered put Amey at the bottom end of the market and unless steps were taken to remediate the situation then the future situation was likely to remain uncertain.

The Committee noted the update.

25/JW Exclusion of Public and Press

RESOLVED that pursuant to Regulation 4 of the Local Authorities (Executive Arrangements) (Access to Information) Regulations 2012, members of the public and press be excluded from the meeting for the consideration of item 10 which involves the likely disclosure of exempt information under the following category of Schedule 12A of the Local Government Act 1972:

(3) Information relating to the financial or business affairs of any particular person (including the authority).

26/JW Amey Resource Shortages and Service Recovery

The Committee considered a report summarising the current situation with regard to HGV driver shortages in the partnership area and seeking the Committee's approval to pay a market supplement to HGV drivers.

It was acknowledged that difficulties being experienced in recruiting HGV drivers were unlikely to be resolved in the immediate future and that paying a market supplement to HGV drivers improve Amey's position in a particularly competitive market place. Notwithstanding this, the Committee stressed that the requirement for the continuation of a market supplement should be reviewed regularly and Amey must be able to provide regular evidenced justification for the continuation. In addition, every effort must be made to ensure that a full waste collection service was being delivered to all residents as soon as possible.

It was noted that the proposals had been discussed each partner authority and their individual finance directors who had indicated that they were supportive of the proposals.

RESOLVED that:

- i. The contents of the report be noted
- ii. The payment of a market supplement for HGV drivers be approved subject to the conditions set out in Section 3.4 of the report.

27/JW Dates of Future Meetings

It was agreed that meetings of the Joint Waste Collection Services Committee would be held on the following dates in 2022:

- Thursday 3rd March 2022
- Thursday 30th June 2022
- Thursday 29th September 2022
- Thursday 1st December 2022

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