

**WASTE MANAGEMENT PARTNERSHIP BOARD  
MINUTES**

**Date of Meeting:** 04 March 2013  
**Location:** Committee Room 2, Civic Offices, Epping  
**Time:** 2.00 pm  
**Attending:** Cllr W Breare-Hall – Env. Portfolio Holder & Board Chairman (WBH)  
 Cllr Mrs S Stavrou (SS)  
 John Gilbert - Director, Environment & Street Scene (JG)  
 David Marsh, Waste & Recycling Manager (DM)  
 Dave Swire - SITA UK (DS)  
 Melvin Dhorasoo - SITA UK (MD)

**Also present:** Stella Forster (Minutes)

	Action
<p>1. <b>Introductions</b> - Not applicable.</p>	
<p>2. <b>Apologies for Absence</b>          Qasim Durrani; Nick Browning was unable to attend. SF to arrange for DS to bring him in to meet JG before the next meeting)</p>	<p>SF</p>
<p>3. <b>Declarations of Interest</b> - None</p>	
<p>4. <b>Draft minutes of the meeting held on 7 January 2013</b> - Agreed</p>	
<p>5. <b>Matters arising</b> - None          WBH asked for an update on the card to be distributed to residents not participating in recycling. DM circulated the leaflet which is currently being given out, and said that a timetable has been prepared to cover all the rounds over the coming year. MD has organised his crews to supply the data required, and although this generates some extra work, as it will be spaced over a year it should not be a big drain on resources. It was agreed that the leaflet design is excellent, and will hopefully have the desired effect.</p>	
<p>6. <b>Review of current contract performance (operational &amp; financial)</b>          DS: In response to comments made at the last meeting there has been a slight change to the format of the monitoring report.</p> <p><u>Open Book</u> P4 profit margins: This now covers 13 months up to January 2013. The operating margin for this period was 14.23%, with an EBIT (Earnings before Interest &amp; Taxes) of 6.48%.</p> <p>P5 profit margins full contract and 3 year trend: The improving performance between 2010-11 is mainly due to the revenue indexation being quite high at 3.5-4% and reductions in costs, including new sub-contractor costs. It remained fairly static between 2011-12. Moving forward the margins will change significantly because of the issues with recycling.</p> <p>P6 cost split: Wages remain fairly static. Vehicle and equipment costs rose in January because of increased contract charges. The DD figures for August and November were due to rebates coming back into the accounts.</p> <p>P7 cost split 12 month comparison: Costs for 2012 were lower by £151k because of contract charges and rebates going back into the accounts. The actual percentages are similar for the two periods.</p>	

<p>7.</p>	<p><u>KPIs</u> P10 summary of waste flows (13 month period): Dry recyclables have remained fairly flat during the year, but climbed a little during the Christmas period. JG pointed out that Sita's end of year recycling figure of 53% was very different to EFDC's Q3 figure of 64%. MD to check the figures and report back.</p> <p>P11 missed bins: MD said that the graph should have included January 2013. However it does show a downward trend, which is due to a constant review of Sita's processes and dialogue with the crews, and is still very low compared to other contracts.</p> <p>P12 accidents: MD: There were 3 personal accidents in January 2013, but fortunately no RIDDORs. The accidents were of a minor nature and there were no days lost.</p> <p>P13 overtime, agency &amp; sickness: Agency hours have dropped to practically zero, and although there is now better management of annual leave and sickness levels there has recently been a rise in sickness. The non-attendance of a few operatives is being dealt with internally and may result in disciplinary hearings. Overtime hours increased during the January period due to Saturday working to catch up after the bank holidays.</p> <p><b>Redirection of dry recyclate to Edwards MRF.</b>  JG: The court case has now concluded, but the Council have some history with Edwards Recycling and still have some concerns about using a company embroiled in the type of activity that resulted in materials being found in Brazil. It is also of concern that Sita took the decision to use this company without first discussing it with the Council. Although all the recycling material belongs to Sita, and its disposal is their responsibility, it is likely that the Council as a public authority will be asked if it is being properly processed and what happens to it after it goes to Edwards, particularly in view of the comingled issue. SS said that from a legal point of view the contract with Sita indemnifies the Council against any third party claim.</p> <p>DS: The municipal arm of Sita, was not consulted about the closure of the Barking facility (which is Sita owned and managed), and had to find an alternative. Edwards provided the best price, and currently there is nowhere else to take the material. However, it is accepted that this should have been discussed with EFDC. Other outlets are being investigated, and Nordic at Tilbury is being considered. MD, who is working with traders to find an alternative outlet at the best price, will bring various options to the Council for consideration.</p> <p>WBH asked if measures were in place to ensure that a similar situation would not arise again, and what checks are made when agreeing to use a company to take recycling material. DS replied that although there is no audit inspection, thorough checks are made that the relevant permits are in place, and that the company is fully compliant and licensed to treat the waste. It had been established that the Edwards operation was completely legal, and it would be difficult to determine the final destination as in theory it could be sold on several times. Edwards could be asked to share their information, but there are confidentiality agreements in place.</p> <p>DS showed the Board the press statement due to be issued Sita's behalf. JG suggested alternative wording to the quote in the first sentence could be 'the material we deliver to Edwards from time to time was, and we are satisfied still is, fully compliant...' He said that the way the commodity market works is that recycled material can go all over the world. The important aspect for the Council is to be sure that the material is being properly handled once it reaches its final destination.</p>	<p>MD</p> <p>MD</p>
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<p>8.</p>	<p>DS emphasised that Sita would not consider taking any material to a non-compliant outlet, and that the Council would be consulted before any decision to use another company is made.</p> <p><b>Review of street cleansing</b>  MD said that as part of his engagement with the workforce he is reviewing how the street cleansing operation might be improved. Static crews would not be affected and the schedule for rural areas would not change, but he is considering taking the sweeper crews away from just litter picking and focusing on deep cleansing the streets that need more frequent attention. He is planning to give the crews more control of designated areas and hopefully, by forcing ownership, empower them to do a better job. This zonal system was introduced at Rochford and worked well. The schedules would not be affected, but this would become a process over a period of weeks.</p> <p>DM explained that several roads in the district require cleaning every day. The first few roads are thoroughly cleansed, but those at the end of the day's schedule are often rushed. MD's plan is to use a more systematic approach. If a road is completely deep cleansed it should only require light cleaning for several days or weeks. However DM expressed some reservations about reducing the manpower from 3 to 2 as this would increase the amount of time required in each road. Also, residents are aware of where their roads sit on the schedule and they may react to the changes.</p>	
<p>9.</p>	<p>MD said that the feedback so far from crews has been excellent. He will be discussing the plans with some operatives and supervisors at a meeting on 8 March, when they will be encouraged to bring their own ideas. Nothing will be put in place without prior consultation with DM. WBH said that anything that engages the workforce is a positive thing, and asked to be kept up to date.</p> <p><b>Street cleansing recycling</b>  MD: As reported at the last meeting a new system to collect recycling from street cleansing has been introduced. Up to 25 February the static crews collected 2.28 tonnes of recycling; if not for the snow it could have been more. 146 sacks were collected from in W/A alone in January. SS was pleased to report that W/A is looking spotless as a result.</p> <p>MD said that the new system focused more on individuals, who felt a sense of responsibility for the cleanliness of their areas. Hopefully the tonnage will be improved by the element of competition if the bonus scheme goes ahead.</p>	
<p>10.</p>	<p>DM: This first part of the trial with the statics ends at the end of March, when it will be introduced on a wider scale. At the moment clear sacks are being used, but different coloured sacks would improve the collection process. The sacks have to be piled up at collection points, and some adverse reaction from the public may be expected.</p> <p><b>Recycling in flats etc. - progress and issues</b>  DM: From the nine outstanding blocks of flats work is progressing in four of them. Responses have been received from Councillors, and their support has obviously had an effect as objections have ceased in many cases, including Lawrence Moorings. Negotiations are continuing at a fifth block, the Bowls in Chigwell, where a Councillor lives. It has been noted that the residents themselves are becoming more positive about the proposed changes. The next one on the list is Osprey Court, but this may prove difficult and will be left until most of the work in the other flats has been completed.</p>	

<p>11.</p>	<p>The first step in negotiations is to inform Councillors of the proposals to go to fortnightly collections, and the expected timeline. After a week or so the managing agents are contacted, and then leaflets and caddies are delivered to residents. Once they are fully informed most people understand that they will still be receiving a weekly collection, albeit not in the way they have been accustomed to. Hopefully by August/September time recycling containers will have been installed in all or most of the blocks.</p> <p><b>Procurement process for November 2014</b>  JG: The procurement process has been made more straightforward by the confirmation that the new contract will commence at the existing location, Langston Road, and the incoming contractor will have at least six months before having to relocate. Specialist consultants will be appointed to guide on delivery and make the contract as attractive as possible, and to lead the Council along a competitive dialogue route. A Government framework will be used for this purpose. WBH is to chair a Portfolio Holder advisory group, scheduled to meet every fortnight until May. The group's objective is to review the current contract, identify areas where it might be improved, and to put a new specification together.</p> <p>The lead in period will be not less than four months, meaning that the competitive dialogue exercise must begin in October, or August if it can be extended to six months. The consultation process must be in place before that. This needs to be built around the democratic process.</p> <p>It is anticipated that the Council will provide a new depot, but part of the competitive dialogue process will include the possibility of the contractor building one if they can demonstrate their ability to build a cheaper and/or better one, within time constraints.</p>	
<p>12.</p>	<p>Competitive dialogue is a more protracted and expensive process for contractors. However it is likely to be a longer contract, instead of 5+2 years it may be 7+3 or even longer. Vehicle life is also expected to improve with the new transfer station being opened by County.</p> <p><b>Health &amp; Safety issues</b>  DM: There is currently a national campaign to reduce serious injury and death in the waste industry. The HSE returned in February to review the changes made at their request on a previous visit. Although there were a few minor points about some of the inspections being a little onerous, they were generally happy with the new draft specification and with the progress being made on document recording procedures. A letter of confirmation has not yet been received, which is assumed to be because the outcome is a positive one.</p> <p>MD: The HSE also visited Sita, and again they picked up on some minor issues with risk assessments and a slight discrepancy on inspections. A confirmation letter is also awaited by Sita.</p> <p>WBH wished to record the Board's thanks to DM, MD and their teams for all the effort and hard work that has been put into resolving this issue.</p>	
<p>13.</p>	<p>DM circulated the reports that had been presented to the HSE. There are no major issues; one focuses on the toilet facilities around the depot, and the lack of a 'toilet map' which is important to all the crews. The HSE were impressed with the report system which encompasses the whole Council.</p>	
<p>14.</p>	<p><b>Depot relation</b>  Covered above. This item can now be removed from the Agenda.</p>	

<p>15.</p>	<p><b>Date of next meeting</b> 6 May 2013. 2pm in Committee Room 2.</p> <p><b>Any other business</b></p> <p>JG: (1) KPIs 2013/14 - recommendations for the Performance Scrutiny Panel. Recycling is to stay the same at 60%, with street cleansing reducing from 9% to 8%. Detritus, currently at 12% is proposed to remain at 12% WBH asked to what extent officers work to the target. JG replied that if they work to the best of their ability the target should be achieved. DM added that in the waste section the area managers who work in the field are not responsible for checking the numbers. This is carried out by the service development officer.</p> <p>(2) Josie Falco left last week to take up a new post at Biffa, managing their contracts in Kent. A replacement will not be sought at present but some short to medium term internal changes will be made.</p> <p>(3) In response to a question by WBH JG said that the comingled case is still ongoing, with the national press now covering it in detail.</p> <p>DM: (1) From analysis carried out by County it seems that around 45-50% of food waste is still being placed in residual bins. It is puzzling why some residents do not take advantage of a weekly collection, and to push the message home a booklet on food waste recycling (circulated to the Board) is currently in the process of being delivered. ECC will be carrying out another analysis in the next 2-3 months and DM will report back once the outcome is known.</p> <p>(2) DM also presented three designs for the new livery. The artwork has been copied from the front of the latest calendar as it received a good response. One design stood out for the Board, and once the suggested alterations have been made and agreed by the Board this will be placed on all the vehicles. DM said that although the livery is changed every six months the strap line of the message about recycling should remain, in as generic a form as possible.</p> <p>(3) Lost or stolen bins are replaced free of charge, but this is an expensive practice and it results in some residents having more than one residual or green bin. Over the last few months there has been a concentrated effort in Chigwell and Buckhurst Hill to remove non-authorized bins. Letters have been posted through letterboxes at the time of removal. This will be carried out systematically over the whole district in the coming months, with Sita's crews supplying the information when more than one bin is presented for collection.</p> <p>Also, currently any family of 5 or over who recycle correctly qualifies for a 240L bin, with a child in nappies classed as 2 adults. However, as the child grows the necessity for a large bin should cease. It is intended to re-assess households which have legitimately received a larger bin but where circumstances have changed and, where possible, replace it with a 180L. If this is not done on a regular basis it could result in over 60% of residents eventually having a larger bin.</p> <p>DS (1) Sita have been contacted by a company called Solarbelly, who have offered to provide some litter bins free of charge to use as a trial in the Epping district. The bins send an automatic message when full. They are heavy, free standing and larger than others so need emptying less often, and the waste is compacted within the bins. The Board agreed to a trial of the bins, subject to technical details, and DS will send the information to DM.</p> <p>(2) Referring to the difference in recycling income, DS asked the Board if there</p>	<p>DM</p> <p>DS</p>
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was any scope for renegotiating the terms of Sita's payments to the Council. JG replied that this may prove difficult for several reasons: (i) at the start of the contract, at Sita's request, the Council were helpful about the cost of diesel; (ii) Sita asked for a two year extension and this was granted under agreed terms and (iii) the Council is a public body, answerable to its tax payers, and has only just set its budget for the year. There would therefore be little room for manoeuvre at the present time. However, if Sita were to put a proposal forward this would of course be fully considered.

MD asked about the situation regarding the vehicle that was replaced following the accident last year. JG replied that Steve Holgate had indicated his preferred option at a previous meeting, i.e. for Sita to replace the vehicle for the life of the contract and the Council retain it at the end, or receive the net book value. The Council consented to this request. It was agreed to make arrangements for the vehicle to be inspected, and for the agreement to be formally adopted.

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