

**Environment and Neighbourhood Committee**

**Wednesday, 1 November 2017**

**7.30 pm at the**

**Civic Offices, St Nicholas Way, Sutton SM1 1EA**



**SUPPLEMENTAL AGENDA 2**

To all members of the Environment and Neighbourhood Committee:-

Please bring the following papers with you to the meeting:-

**5. OUTCOME OF SCRUTINY COMMITTEE FINDINGS INTO THE NEW WASTE CONTRACT** (Pages 1 - 4)

This report provides the response to the 24 recommendations of the Scrutiny Committee following its Task and Finish Groups investigation into the procurement, mobilisation and implementation of an outsourced contract for waste collections services.

*Attached Appendix A(i) - Minutes of the 4 October 2017, Scrutiny Committee Meeting*

Niall Bolger  
Chief Executive  
25 October 2017

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**SCRUTINY COMMITTEE****4 October 2017 at 7.00 pm**

**MEMBERS:** Councillor Pathumal Ali (Chair), Councillor Edward Joyce (Vice-Chair) and Councillors Chris Williams, David Bartolucci, Mary Burstow, Nick Emmerson, Doug Hunt and Patrick McManus

**12. APOLOGIES FOR ABSENCE AND NOTIFICATIONS OF SUBSTITUTES**

Apologies for lateness were received from Councillor Patrick McManus.

**13. MINUTES OF THE LAST MEETING**

This item was deferred to the next meeting.

**14. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**15. REPORT OF THE TASK AND FINISH GROUP ON THE WASTE CONTRACT**

Councillor Ali welcomed those present to the meeting and explained that the purpose of the meeting was for Scrutiny Committee to receive the report of the task and finish group on the work it has undertaken to look at how the Council, South London Waste Partnership and its partner Veolia prepared for and introduced the new recycling and rubbish collection service and the response to the initial service problems.

Councillors Fivey and Hicks were invited to comment on the work of the task and finish group as they were co-opted members that did not sit on Scrutiny Committee. Councillor Fivey commented that there had been issues with the ICT systems which other boroughs could learn from ahead of introducing a similar service, she added that they had worked very hard and undertaken a lot of evidence-gathering exercises in order to be thorough with the report. Councillor Hicks commented that he had been astonished by how unprepared the Council had been, as members felt they had not been briefed ahead of implementation that it was likely that there would be teething problems. He believed that the Council had made no attempt to prepare the public for the potential issues with such a major change in service.

Councillor Ali reminded the committee that the recommendations arising from the meeting would be submitted to Environment and Neighbourhood Committee to consider. Councillor Joyce introduced the report, and invited questions from the Committee following discussion on each of the four aims.

The first aim was to explore the preparations made for the introduction of the new service. Councillor Burstow raised concerns that it appeared that a number of the issues upon implementation would have been foreseen in the weeks leading up to the implementation date. She asked why the systems were not in place in the contact centre, why more staff weren't hired, and why, in her view, members had not been briefed in more detail on some of the issues relating to the service change. Councillor Williams, referring to the paragraph at the top of page 18, suggested that a recommendation going forward would be to be more rigorous in challenging a contractor's ability to deliver a service change successfully, even if the contractor is experienced and has a good industry reputation. The Committee agreed that this should be added to Strategic Recommendation (iii) and that Officers should agree the precise revised wording with the Committee outside of the meeting.

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Councillor McManus raised concerns that with Veolia's experience they would have known that the introduction of the service was likely to be chaotic and he believed that they had requested the 13 week grace period without fines for poor service because of this. He wished for his view to be recorded. Councillor Hicks added that Veolia had not responded quickly enough to assumptions that they had initially made about the needs of the borough, and that the borough had not prepared sufficiently for such a major change in terms of arranging for additional staff to handle it. Councillor Fivey commented that Veolia had not indicated to members that there would be so many issues, where they had done for other boroughs in the past for less significant changes.

Councillor Bartolucci raised concerns that the information offered by residents in the form of feedback and reporting was not utilised as effectively as it could have been, and that there had not been enough attention paid to crisis management. Councillor Ali suggested that Strategic Recommendation (v) could be amended to emphasise his point about about a crisis management plan. The committee agreed that Officers could add wording to that effect following the meeting.

Councillor Joyce suggested that the words '...and the mobilisation project team should ensure there is sufficient resource to monitor progress against agreed milestones.' be added to the end of Operational Recommendation (ii). The committee agreed.

The second aim was to explore the preparations made for communicating the changes to Sutton residents. Councillors McManus and Bartolucci asked why the 'purdah' period for the snap election had an effect on the communications. Councillor Joyce confirmed that the decision had been made following advice from the Monitoring Officer (that the service change was a political issue and that communications on the topic would therefore contravene purdah rules). Councillor Williams added that the matter had become a political issue when it was raised in parliament by a local MP. Officers confirmed that they would include a response to concerns regarding the purdah period in the final report.

Councillor Joyce took the next two aims together. The third aim was to explore the service problems encountered during the implementation phase, and the fourth aim was to explore the response to those problems.

Councillor Burstow raised concerns about the issues with some of the vehicles that, despite being brand new, experienced problems with hydraulic fluid leaks, and whether they had a reputation for their issues which could have been foreseen. Councillor Joyce responded that they were not given the impression during their research that there was a known problem with that vehicle, however that the question had not been raised directly. Councillor Bartolucci raised concerns that pilot runs had not been undertaken 'due to staff capacity'. Councillor Hicks commented that the Council should have been more alert with checking that the vehicle sizes were appropriate given the Council's knowledge of streets in the borough and that Veolia had requested a delayed implementation date. Councillor Joyce responded that this had been due to a delayed delivery of the bins.

The Committee discussed the lack of integration during the first period of use of the ICT systems. Councillor Joyce responded to concerns that Veolia were aware of ICT issues, confirming that witnesses had told the task and finish group that at the time of implementation they had been of the view that the ICT mitigations in place would be sufficient to allow the service to go live (although in hindsight this had not been the case). In response to a comment about the four different configurations of the 'Echo' ICT system for the four different SLWP boroughs, Councillor Joyce added that the task and finish group were not told that sharing the 'Echo' system with other Councils in the South London Waste Partnership had specifically caused the delay.

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Councillor Ali referred the Committee to Operational Recommendation (vi) and suggested that the words ‘...and the mobilisation project team should ensure there is sufficient resource to monitor progress against agreed milestones.’ be added to the end. The Committee agreed.

Councillor Bartolucci commented that preparation and planning was the cause of a lot of the problems raised in the report. He commented that the Council had less staff than ever and that it was important to acknowledge that the service changes the council needs to make in order to achieve efficiencies (for example outsourcing or sharing services) require significant staff capacity and knowledge for successful implementation. Councillor Bartolucci felt that it was therefore important to consider the support available to staff through service changes. Councillor Ali acknowledged that the task and finish group’s work had not explicitly addressed the question of support for staff through the service change. Councillor Hicks commented that it was revealed that a number of staff had taken early retirement ahead of the changeover, and that perhaps if they had been retained they could have used their knowledge and experience to assist with the handover. Councillor Ali suggested that the the issues discussed on the night, including those about the impact of staffing reductions, be made available as a supporting document to the report by way of the minute of this committee meeting.

Following a comment from Councillor McManus, the Committee discussed the savings that the council needed to make and the difficult choices that arise. The discussion concluded that the Task and Finish Group investigation had been undertaken by a cross-party group to make recommendations looking forward.

**Resolved** that the Scrutiny Committee:

1. Agreed the recommendations of the members of the task and finish group as outlined in the report of the task and finish group at Appendix 1, subject to the amendments agreed during the discussion.
2. Agreed that arrangements will be made for the final report and proposals to be considered by the relevant decision making bodies.

Before closing the meeting, Councillor Ali added that the work of Scrutiny Committee did not stop at making the recommendations, and that they would be monitoring progress of them as they are considered and implemented by the Environment and Neighbourhood committee.

**16. ANY URGENT BUSINESS**

There was no urgent business brought forward.

The meeting ended at 8.30 pm

Chair: .....

Date: .....

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