

WEST OXFORDSHIRE DISTRICT COUNCIL
ENVIRONMENT OVERVIEW & SCRUTINY COMMITTEE
THURSDAY 20 MARCH 2014

UPDATE ON WASTE SERVICE CONTRACT
REPORT OF THE HEAD OF ENVIRONMENT AND COMMERCIAL SERVICES

(Contact: Claire Locke, Tel: (01993) 861344)

(The report is for information)

1. PURPOSE

To update members on the current waste and recycling collection contract.

2. RECOMMENDATIONS

That, the report is noted.

3. BACKGROUND

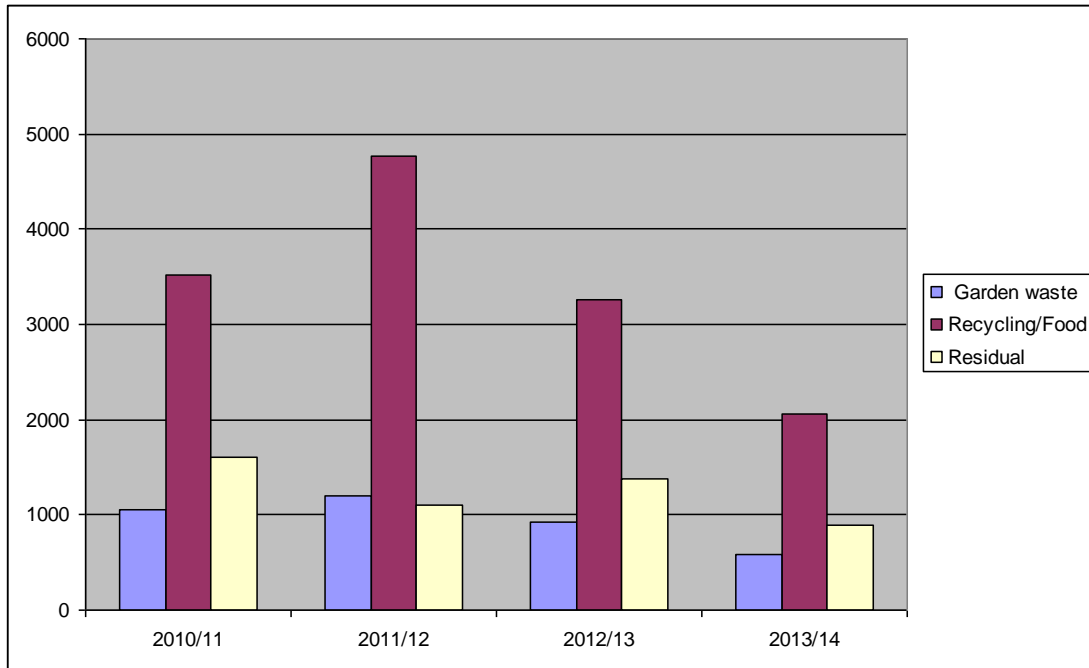
- 3.1. In November 2010 following a thorough procurement process the Council awarded a 7 year contract to May Gurney Limited for refuse, recycling, food and garden waste collection at the kerbside and recycling service from numerous neighbourhood bring banks.
- 3.2. The Council retained the grounds maintenance and street cleansing service in-house.
- 3.3. In 2011 May Gurney raised concerns about the performance of the contract and requested some flexibility in service delivery which was agreed on a temporary basis. This included the co-mingling of dry recyclates on certain specified rounds. This enabled a more efficient collection dry recycling and therefore the completion of rounds within the time available. The Council has worked with May Gurney in an attempt to resolve these issues whilst maintaining the service and performance levels.
- 3.4. At the end of 2012/2013, May Gurney Limited was subject to a takeover bid from Kier Group Plc. Which resulted in the company being acquired by Kier and the waste contract being transferred to Kier MG Ltd in the summer of 2013
- 3.5. Since that time the company has undergone further change and the business has been restructured twice, the latest being in February 2014. The Council remains in dialogue with Kier with the aim of achieving full contract compliance. There remains potential for dispute however the Council will continue to work with Kier to achieve a mutually satisfactory resolution whilst maintaining performance levels.

Performance

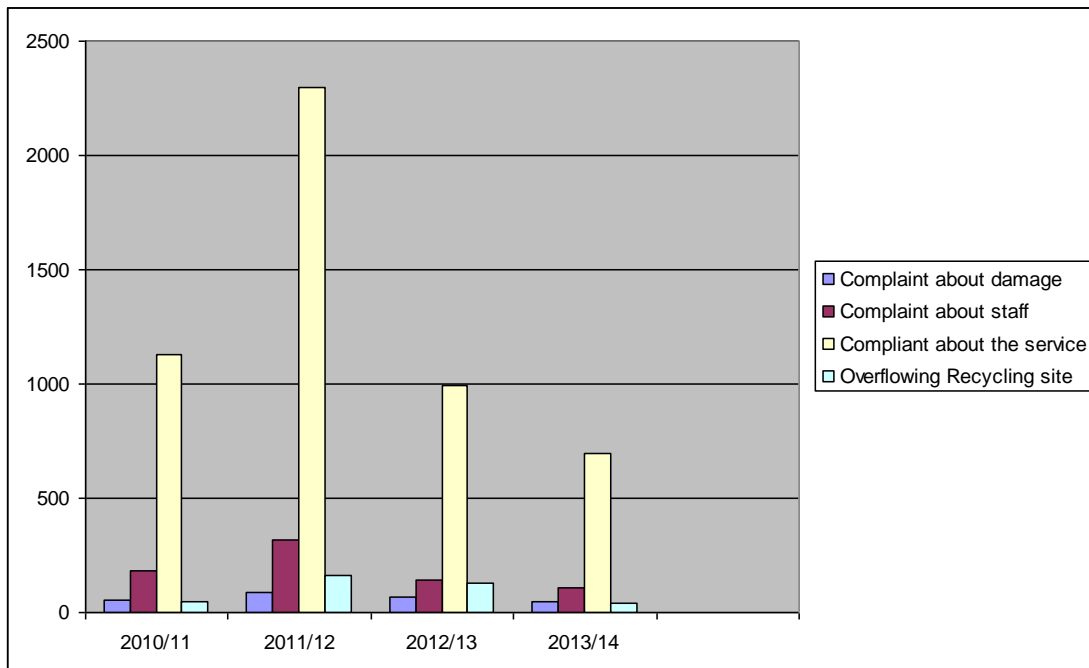
- 3.6. The Council continues to maintain its excellent recycling performance, remaining in the top ten English authorities for total household waste recycling, composting and reuse in 2012/13.
- 3.7. The Council closely monitors contract performance and reviews information including waste data on tonnages of each material collected with the objective of reducing refuse collected and driving up the percentage of waste that is recycled and composted (Formally reported to Members as Performance indicators), the number of missed collections and the number of service complaints.

3.8. The following bar graph shows the number of reported missed collection performance over last four years the Contract with May Gurney commenced in October 2010, so the 2010/11 data represents before May Gurney and during their first 6 months of the contract.

Note: 2013/14 performance is to 6th March 2014



3.9. The following bar graph shows the number of complaints received for the same period. Service complaints will include missed collections



3.10. Both graphs show the same pattern with a drop in service performance in the first full year of the contract but a steady improvement year on year since then. Overall performance is satisfactory and specific issues are tackled as they arise. In 2013 problems were experienced with the emptying and cleansing of bring sites. Kier have

since made changes to the monitoring and servicing of these bring sites which has seen some improvement although the council continues to monitor performance in this area.

- 3.11. With the decision to end the Oxfordshire Waste Partnership, WODC will be considering how it continues to actively promote recycling, composting and reuse. The Oxfordshire authorities will still continue to work together informally, sharing ideas and developing joint initiatives where feasible but WODC will need to develop proposals for educational and promotional activity within West Oxfordshire District.
- 3.12. The Waste Service is currently showing a year end forecast overspend of approximately £160,000. Approximately £80,000 of the expected overspend relates to the cost of the plastics collection service. The level of recycling income, although greater than budgeted is more-than exceeded by the additional contractor costs.

Future Service Delivery

- 3.13. The Council will take the opportunity to consider the most efficient and cost effective mechanisms for the future service delivery, this includes the method of waste collection, when the opportunity arises. At present collection is based on kerbside sort with residents sorting waste into separate receptacles. Other options can be considered, when the current contract with Kier ends.

4. ALTERNATIVES/OPTIONS

None.

5. FINANCIAL IMPLICATIONS

There are no specific financial implications associated with the existing contract which is operating within budget.

6. RISKS

- 6.1. Failure to effectively monitor performance could result in an impact on service level.
- 6.2. Strict enforcement of contract conditions could result in a negative impact on service delivery and result in a formal dispute.

7. REASONS

Corporate aim to 'protect and enhance the environment of West Oxfordshire and maintain the district as a clean, beautiful place with low levels of crime and nuisance'

Claire Locke
Head of Environment and Commercial Services

(Author: Claire Locke, Tel: (01993) 861344; EMail: claire.locke@westoxon.gov.uk)

Date: 11 March, 2014

Background Papers: None