

Agenda Item 5

Brighton & Hove City Council

East Sussex County Council

Meeting: Joint Waste Committee
Date: 30 January 2004
Report of: Project Director
Subject: Contract Implementation and Service Delivery
Wards affected: All

1. Purpose of the report

- 1.1 To update Committee on the progress of the joint Integrated Waste Management Services Contract ("the Contract") since its commencement on 1 April 2003.

2. Recommendations

- 2.1 That the contents of this report be noted.

3. Information/Background

3.1 Contract Implementation

(i) Management Arrangements and Communication

- a. The management structure is as agreed by the Councils in the Joint Working Agreement and is attached at Appendix 1. There have been vacancies in the structure and consequently the management budget is under spent. These vacancies are kept under continuous review. The offices at Waterside House, Portslade have now served their purpose and the lease is being terminated in mid-March, accruing further savings. The implementation team will be relocated to County Hall, Lewes.
- b. The Contract has corporate implications for the two Councils and there is a network of fora to ensure all relevant stakeholders have the opportunity to keep up-to-speed and participate in Contract issues. In addition to regular and frequent Contract management meetings, there is a regular communications meeting, linking the communications officers of both Councils and Onyx's head of communications. There is

also an audit forum comprising internal audit officers and officers from the Audit Commission.

(ii) **Facilities**

The outline programme for bringing the facilities 'on line' is shown at Appendix 2.

(iii) **Disclosure of Contract Documentation**

- a. The Contract is available to central and local government and the waste industry through the 'Public Private Partnerships Programme' website.
- b. Residents can access the Contract through the Brighton & Hove City Council website.
- c. One of the requirements of the Private Finance Initiative is that participants share their knowledge with others. The Councils have been able to offer assistance to other local authorities. In addition, the Councils have recently responded to an approach from Japan for information on the procurement process.

3.2 **Service Delivery**

- (i) Since the start of the Contract on 1 April 2003 and the inclusion of the Household Waste Recycling Sites (HWRS) under the management and control of Onyx on 15 May 2003 considerable work developing the partnering relationship with Onyx has been undertaken.
- (ii) The original intention was to have a six months lead-in period up to the start of the contract, but this was not achievable under the very tight procurement timetable. However, Onyx and the Council officers' team have worked together closely developing relationships and operating practices to ensure the service is provided and managed and, at the same time, managing the lead-in process.
- (iii) Onyx has adopted a proactive and flexible management position with regard to the Household Waste Recycling Sites and the waste haulage/transfer operations that form an important element of this front line service.
- (iv) By evaluating equipment and technology and taking the long-term view required by the Contract, Onyx has been able to make quality strategic service delivery decisions. As an example, the procurement of larger capacity vehicles and specialised loading equipment has increased the waste handling volumes and delivered greater efficiencies at the Household Waste Recycling Sites.

- (v) Onyx staff operating this contract are cooperative, experienced and well informed. Increased staff numbers at some sites has also improved service delivery and through the higher numbers of management and Health and Safety staff at Regional level, front line Onyx staff are feeling well supported. Liaison with Council officers has been effective and positive.
- (vi) Health and Safety issues have been researched and implemented by Onyx and by the Councils. Risk assessments have been undertaken and new working practices have been adopted through this rigorous process.
- (vii) From an overall Contract viewpoint, it is encouraging that the actual waste tonnage figures for the first six months are very close to the forecast figures predicted within the contract. Appendix 3 shows total waste managed against the target and the previous year.
- (viii) The improvements at the HWRS have made a significant contribution to the increased recycling achieved by Onyx. The graph in Appendix 4 shows Contract recycling rate compared to forecast and the previous year.
- (ix) Whilst good progress has been made generally on the Contract and the front line service provided by the Household Waste Recycling Sites is very positive, there remain issues that require further work. For example, provision of timely and complete data by Onyx to the Councils requires ongoing focused effort by Onyx.

4. Financial Implications

- 4.1 Financial implications are contained in a separate report on the same agenda.

5. Legal Implications

- 5.1 The implications of the Joint Working Agreement and the Constitution Agreement (which creates the Joint Committee) are set out in a separate report on the same Agenda.
- 5.2 In terms of Contract implementation there have been no contractual difficulties or disputes with the Contractor to date, and in the main the mechanisms appear to be working. Legal issues are likely to arise in the future in connection with the acquisition of key waste management facility sites, the timetable for which is set out at Appendix 2 to this report.

6. Corporate/Citywide Implications

6.1 None directly arising.

7. Risk Assessment

7.1 Contract risks are the subject of continuous review.

8. Sustainability Implications

8.1 None directly arising.

9. Equalities Implications

9.1 None directly arising.

10. Background Papers

10.1 None.

Report of:

Bob Wilkins
Director
Transport and Environment
East Sussex County Council

Contact Officers:

Gary Urwin
Contract Implementation Manager
Brighton & Hove City Council
Telephone: 01273 418683

Martyn Perry
Waste Services Manager
East Sussex County Council
Telephone: 01273 482218

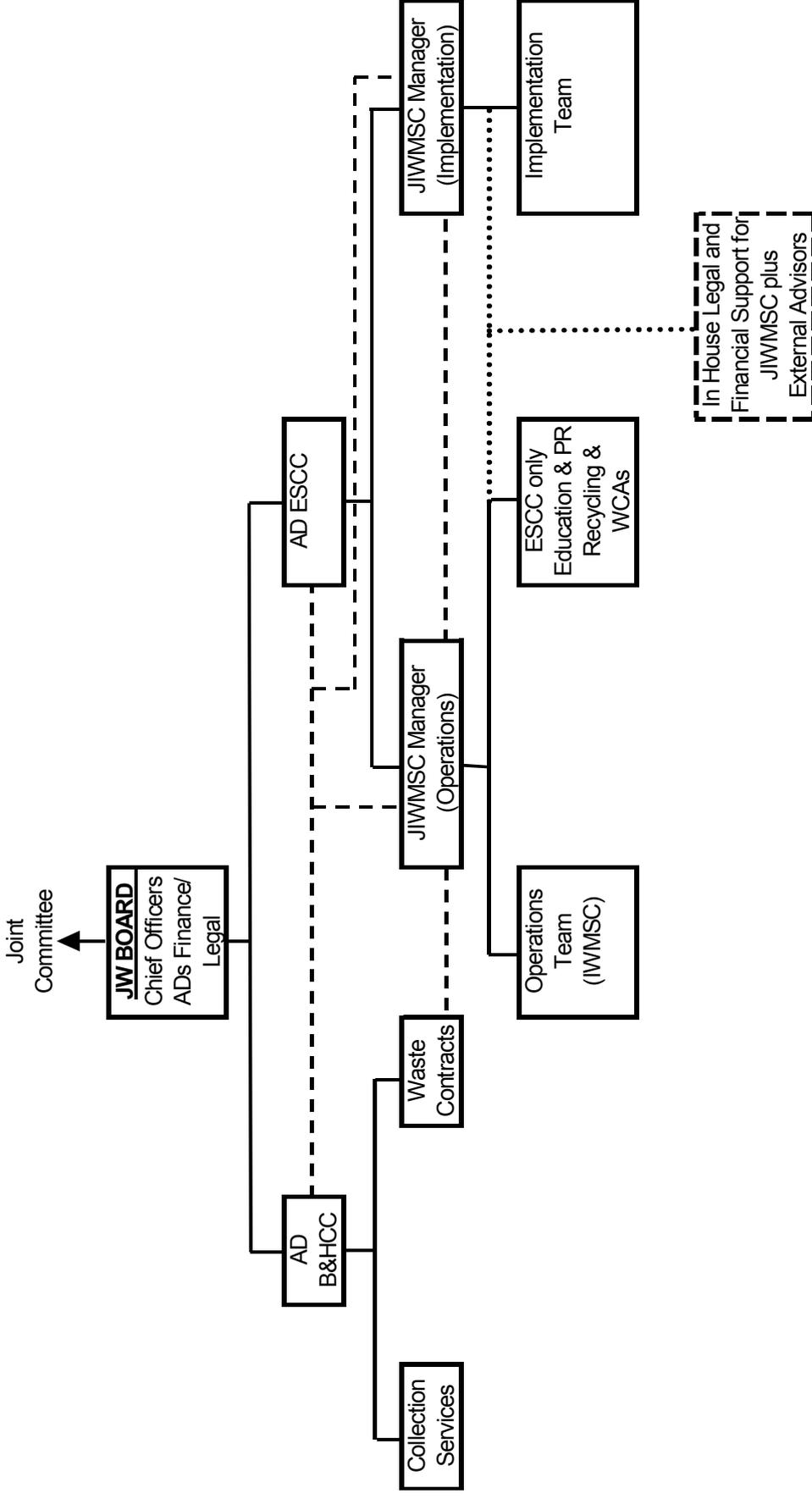
Appendix 1

Principal Contract Management Arrangements

1. A Joint Waste Board ("JWB") shall be established to manage the implementation and operation of the waste disposal services provided under the Principal Contract.
 - 1.1 The JWB will consist of officers from both Councils as follows:
 - 1.1.1 ESCC:
 - The Director of Transport and Environment;
 - The Assistant Director responsible for the JIWMSC; and
 - either an appropriate Finance Officer; or
 - an appropriate Legal Officer.
 - 1.1.2 B&HCC:
 - The Director of Environment;
 - The Assistant Director responsible for waste disposal services; and
 - either an appropriate Finance Officer; or
 - an appropriate Legal Officer
 - 1.2 The Director of Transport and Environment ESCC shall be the Project Director and Lead Chief Officer.
 - 1.3 The Assistant Director ESCC shall be the Project Manager.
 - 1.4 The JWB will meet not less than four times a year, and will report directly to the Joint Committee.
 - 1.5 The JWB may appoint additional officers to the JWB as may be considered appropriate by the JWB from time to time.
2. The Assistant Director ESCC (Project Manager) shall;

- 2.1 be responsible for the services provided under the JIWMSC and shall have line management responsibility for the JIWMSC Implementation Team and the JIWMSC Operations Team; and
- 2.2 work closely and cooperatively with waste disposal services officers of B&HCC and in particular the Assistant Director B&HCC so as to ensure the interests of both Parties are properly and fairly considered in the operation and administration of the JIWMSC.
- 2.3 Both Parties will supervise the daily operation of the HWR Sites in their respective administrative areas and fully facilitate the integration of such daily operation into the wider operation of the Principal Contract through the JIWMSC Operations Team, as described in paragraph 4 below.
3. A JIWMSC Implementation Team shall be established to manage the implementation of the JIWMSC. The JIWMSC Implementation Team will report to the Assistant Director ESCC (Project Manager).
 - 3.1 The JIWMSC Implementation Team shall work closely with the Assistant Director B&HCC (CityClean) and the Head of Contracts and Performance B&HCC to ensure that collection arrangements for B&HCC are fully integrated into and are consistent with the disposal services under the JIWMSC.
4. A JIWMSC Operations Team shall be established to manage the operation of the JIWMSC. The JIWMSC Operations Team will report to the Assistant Director ESCC (Project Manager).
 - 4.1 The JIWMSC Operations Team shall work closely with the Assistant Director B&HCC (CityClean) and the Head of Contracts and Performance B&HCC to ensure that collection arrangements for B&HCC are fully integrated into and are consistent with the disposal services under the JIWMSC.
5. The Principal Contract Management Arrangements are set out in diagrammatic form in Appendix 1 attached hereto.

JW MSC MANAGEMENT STRUCTURE



----- Joint Working and Reporting

———— Line Management and Reporting

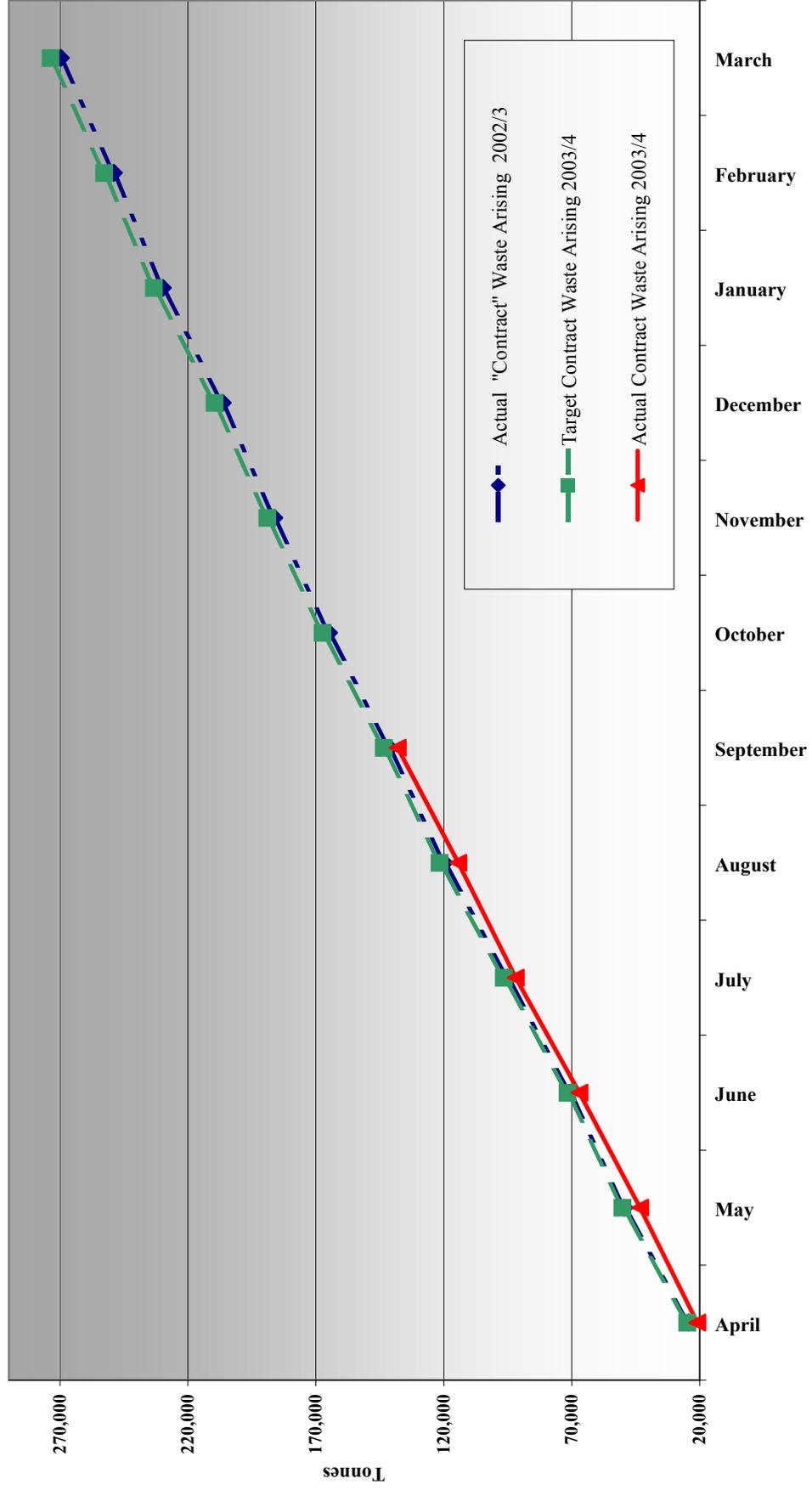
..... Additional Specialist Resources

Appendix 2

Facilities

Contract Milestones				
	Acquired	Planning Application	Build Start	Operational
Brighton & Hove City Council Materials Recovery Facility/Waste Transfer Station	Not Applicable	Mid Mar-04	May-05	01-Apr-06
Composting Facility	Oct-03	Mar-04	Late Jan-05	01-Apr-06
Energy Recovery Facility	Oct-03	Jul-04	Oct-06	Sep-09
Temporary Southern Waste Transfer Station	Oct-04	Apr-05	Feb-06	Oct-06
Northern Waste Transfer Station	Aug-03	Mar-04	Jan-05	01-Apr-06
New Technology and Eastern Waste Transfer Station	Not Applicable	May-08	May-10	Apr-12
New Household Waste Recycling Sites:				
(a) Crowborough	Done	Done	Feb-04	Jul-04
(b) Uckfield	Oct-05	Jan-06	Oct-06	Mar-07
(c) Pebsham	May-10	Aug-10	Aug-11	Jan-12
Household Waste Recycling Site Refurbishments		Oct-03	Dec-03	Apr-06

Appendix 3 – Total Waste Performance



Appendix 4 – Recycling Performance

