

# TEWKESBURY BOROUGH COUNCIL

<b>Report to:</b>	Audit Committee
<b>Date of Meeting:</b>	21 September 2017
<b>Subject:</b>	Ubico Follow-Up Audit Report
<b>Report of:</b>	Peter J Tonge, Head of Community Services.
<b>Corporate Lead:</b>	Peter J Tonge, Head of Community Services.
<b>Lead Member:</b>	Cllr J R Mason, Lead Member for Clean and Green Environment
<b>Number of Appendices:</b>	2

## **Executive Summary:**

An internal audit of Ubico client monitoring arrangement was completed in December 2016. This audit found that the monitoring arrangement were lacking in a number of areas. This report provides an update to the Committee on actions that have been taken as a result of that audit report to improve client monitoring and also of ongoing actions that are currently underway and ongoing.

## **Recommendations:**

**To CONSIDER the progress made in respect of the recommendations arising from the Ubico audit.**

## **Reasons for Recommendation:**

Good contract management is important to this Council and the Ubico contract is one of the largest contracts that this Council manage. Councillors need to be reassured that this contract is being managed properly and that areas of poor performance by the contractor are identified and that mechanisms are in place to rectify this poor performance.

## **Resource Implications:**

All services are managed within existing resources.

## **Legal Implications:**

The Environmental Protection Act 1990 places certain duties on waste collection authorities to collect waste and ensure that street are kept free from litter.

## **Risk Management Implications:**

By undertaking the recommendations within the audit report the risk to the Council will be minimised.

## **Performance Management Follow-up:**

All internal audit recommendations and action updates are reported periodically to this committee.

**Environmental Implications:**

None

**1.0 INTRODUCTION AND BACKGROUND**

- 1.1** Tewkesbury Borough Council's waste, recycling, street cleansing and grounds maintenance service has been carried out by the local authority owned company "Ubico" since April 2015.
- 1.2** The Gloucestershire Joint Waste Team manage elements of the contract including waste, recycling and street cleansing and the Council currently employs a Licensing and Systems Officer who manages grounds maintenance.
- 1.3** Until April 2017 the Council's leased fleet was managed by CP Davidson in the workshop within the depot at Swindon Road, it was not managed or monitored by Tewkesbury Borough Council, therefore, there was no requirement for any fleet management.
- 1.4** Late in 2016 an audit into the client side monitoring of the Ubico contract was undertaken and the outcomes were reported to this Committee in December 2016. The audit considered four main areas and assessed whether there were adequate monitoring arrangements in place in respect of the Council's contract with Ubico for the provision of
- Waste and recycling
  - Street cleansing
  - Grounds maintenance
  - Fleet management and maintenance (notwithstanding that the Council did not own any fleet at that time)
- 1.5** The audit found that there was a fragmented approach to the client side monitoring.

**2.0 PROGRESS AGAINST AUDIT RECOMMENDATIONS**

- 2.1** A copy of the audit report and recommendations are attached as Appendix 1 to this report and an update on recommended actions is appended at Appendix 2.

**3.0 CHANGES WITHIN WASTE AND RECYCLING**

- 3.1** Whilst not directly related to the audit outcomes it is important that Members look at progress in the context of what has been happening in the area of waste and recycling over the last six months or so.

**3.2 Vehicle Fleet Procurement and Round Changes**

- 3.2.1** In March 2016 the Council completed its fleet procurement and the new fleet was delivered. The Council had taken the view that it was more financially prudent to undertake a procurement exercise and purchase its own fleet. The old fleet was badly in need of replacement and would not have been fit for purpose to meet the growing needs of the borough and the new fleet would allow for this growth.
- 3.2.2** The procurement of this new fleet was a major project and was primarily managed by the Joint Waste Team in close liaison with the interim head of service and Ubico.
- 3.2.3** Significant service changes were planned and introduced in April 2017 and over 60% of the borough had a change of day or week to their waste and recycling collection,

including a change to the way that food waste was collected, now in a separate vehicle rather than a pod on the main waste vehicle.

- 3.2.4** Any change to waste collections are expected to cause a degree of disruption to the service as drivers and operators settle into new rounds and new ways of working and members of the community get used to their new waste days or new collection methodology. Normally, this would disrupt the service for a short time but experience tells us that this settles down within a month or two.
- 3.2.5** In this case, however, the disruption continued well past this two month period - and to some lesser extent still continues, although there has been improvement due to the close working of Council Officers, the Joint Waste Team and Ubico.
- 3.2.6** An improvement plan is in place and is being monitored and managed carefully.

### **3.3 Staff Changes**

- 3.3.1** A number of significant personnel changes have also taken place within the last six months which have also had an impact on the delivery of the actions within this audit plan. Including the employment of a new Head of Service at Tewkesbury Borough Council as lead commissioner of the Ubico contract, the resignation of the Head of the Joint Waste Team (and two subsequent rounds of recruitment) and the recruitment and appointment of the new Managing Director of Ubico.
- 3.3.2** Other personnel changes include the roll out of new, harmonised terms and conditions for personnel at Ubico and a management restructure.
- 3.3.3** All of the above has had an impact on the delivery of improvements recommended in the audit report to this Committee in December 2016.

## **4.0 OTHER OPTIONS CONSIDERED**

- 4.1** None

## **5.0 CONSULTATION**

- 5.1** None

## **6.0 RELEVANT GOVERNMENT POLICIES**

- 6.1** None.

## **7.0 RESOURCE IMPLICATIONS (Human/Property)**

- 7.1** None.

## **8.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)**

- 8.1** None

## **9.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health And Safety)**

- 9.1** None

**10.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS**

**10.1** None

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**Background Papers:** None

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**Appendices:** Appendix 1 – Final Audit Report - 5 December 2016  
Appendix 2 – Ubico Client Monitoring actions update