

TEWKESBURY BOROUGH COUNCIL

Report to:	Overview and Scrutiny Committee
Date of Meeting:	23 July 2019
Subject:	Annual Review of Ubico
Report of:	Head of Community Services
Corporate Lead:	Deputy Chief Executive
Lead Member:	Lead Member for Clean and Green Environment
Number of Appendices:	2

Executive Summary:

This report provides the annual update on the Ubico contract for waste and recycling, street cleaning and grounds maintenance services.

There has been a significant reduction in the number of bins being missed, the number of repeat missed bins and the number of assisted collections missed.

Residual waste per household has increased slightly this year but is still well within the target range and recycling has reduced slightly.

The Garden Waste Club continues to perform well with increased membership on previous years.

Financial performance was disappointing during the year, although it should be noted that Ubico have been working on an improvement programme to ensure issues will be reported in a timely fashion and ensure that there are no surprises moving forward.

Recommendation:

To CONSIDER the 2018/19 outturn performance update on the services provided by Ubico Ltd.

Reasons for Recommendation:

The report allows Members to monitor the performance in terms of service performance and financial performance of our waste and recycling contractor Ubico Ltd. This Committee receives regular updates on the performance of Ubico Ltd.

Resource Implications:

None arising directly from this report.

Legal Implications:

None arising directly from this report.

Risk Management Implications:

There are no significant new risks or opportunities arising within the period under review.

Performance Management Follow-up:

Performance is monitored and managed in conjunction with the Gloucestershire Joint Waste Team through the monthly client meetings, Environmental Service Partnership Board and the Overview and Scrutiny Committee.

Environmental Implications:

None arising directly from this report.

1.0 INTRODUCTION/BACKGROUND

1.1 Ubico has been delivering the Council's waste, recycling and streetscene services since 1 April 2015. The Overview and Scrutiny Committee review the performance of the contract on an annual basis.

1.2 This Committee receives an annual report on performance and a six monthly update.

2.0 PERFORMANCE

2.1 A range of performance information is collected and reported to the Environmental Services Partnership Board (ESPB) quarterly and is monitored by the Joint Waste Team monthly.

2.2 Appendix 1 is the annual commissioner report which is prepared for the ESPB and details service requests, performance and health and safety statistics for the year and the highlights from that report are outlined below.

2.3 This year is the first full year of tracking the newly adopted Key Performance Indicators, this will allow Officers and the Committee to compare performance information meaningfully on a month by month and annual basis.

2.4 Performance is generally positive and some of the highlights from the performance report are set out below:

- Overall missed collection reports have reduced by 40%;
- Repeat missed collection reports have reduced by 80%;
- Repeat Missed assisted collection reports have reduced by 60%; and
- Driver and Vehicle Standards Agency (DVSA) "green" rating retained for another year.

3.0 RESIDUAL WASTE & RECYCLING RATES

3.1 The table below shows the 2017/18 and 2018/19 outturn figures and also shows the percentage of household collections that were completed on schedule. It should be noted that Ubico is not directly responsible for these figures and there are a variety of factors that affect the level of waste recycled or residual presented.

Indicator	2017/18	2018/19	Target 2018/19
Residual Household Waste per household (kg/hh)	385	401	430
Percentage of household waste reused, recycled and composted.	54.07%	52.59	52%
Percentage of household collection that were completed on schedule.	99.88%	99.94	99.92

3.3 Performance in quarter four has been hindered by the slight increase in Materials Recovery Facility (MRF) contamination which has pulled the recycling performance down. As the reject waste is used in the calculation for percentage of overall waste collected for recycling, it has an impact; however, the food, refuse and garden waste tonnages are comparable with the previous years. Despite the cold start to the year, the growing season has still produced good garden waste tonnages.

3.4 Whilst still well below the target, there is an increase on residual waste and waste rejected at the MRF at the end of the year which has resulted in a slight decrease on last year's performance. January and February's MRF contamination and rejected waste was higher than average. Work with residents and all waste contractors will be carried out to reduce levels of contamination.

4.0 BIN DELIVERIES

4.1 The number of bin requests fluctuates across the months with garden waste bins affected mostly by seasonality, bin deliveries are scheduled automatically by Tewkesbury Borough Council and all bins not delivered on the due day because of large volumes of bulky collections are rescheduled by the automatic system.

5.0 GARDEN WASTE CLUB

5.1 In April 2018 the Council changed the way it delivers the green garden waste service and how it charges for it. The Council moved to a single renewal date (1 April) and also used a sticker for the bin to identify those customers that had paid for the service for the current year. This has led to an increase in the customer base and income.

5.2 The service continues to grow with over 18,000 customers generating approximately £850,000.

6.0 GROUNDS MAINTENANCE

- 6.1 A significant review of grounds maintenance was carried out during the year. This resulted in new performance and quality standards being adopted and these will be reported in next year's report.
- 6.2 This element of the service is now being monitored much more closely and further work with the Overview and Scrutiny Committee, via the Grounds Maintenance Working Group, will be undertaken this year to ascertain whether Ubico have the correct level of resource to deliver an effective service.
- 6.3 The number of formal complaints relating to grounds maintenance, in particular grass cutting, reduced throughout the course of the year. This is not surprising as once Ubico had brought in additional resource to improve service standards, the hot weather meant that the grass had predominantly ceased to grow.

7.0 STREET CLEANSING / GRAFFITI / FLY-TIPPING / DEAD ANIMALS

- 7.1 Litter and street cleansing requests remain steady and Ubico dealt with over 450 requests for this service during the year. There was an unexplained spike in October 2019. Graffiti remains relatively low in the borough with only 17 requests for graffiti clearance.
- 7.2 The five day target to remove fly-tips in the borough is inconsistent, although it has been achieved in three of the 12 months. This may be partly due to Ubico using third party contractors to remove larger and more complex fly-tips e.g. asbestos.
- 7.3 The removal of dead animal's target of two days is consistently met with the target being achieved in nine of the 12 months monitored.
- 7.4 The review of street cleansing is still underway but is proving more difficult than first thought, partly due to a turnover in supervisory staff at Ubico. The target for completion is the end of this financial year.

8.0 FORMAL COMPLAINTS

- 8.1 The table below shows the number of complaints by year by complaint type.

Complaint Type	No of complaints	
	2017/18	2018/19
Waste and Recycling	82	98
Grounds Maintenance	2	27

- 8.2 There has been a slight increase in the total number of formal complaints about waste and recycling; however, Members can see that this reduced in the latter part of the year.
- 8.3 Unsurprisingly the number of formal complaints about grounds maintenance significantly increased based on the previous year.

9.0 FINANCIAL PERFORMANCE

- 9.1 The Ubico contract sum has been overspent in 2018/19 by £268,866. This is an increase of £37,979 on the reported position at quarter three of a deficit of £230,887.

9.2 In terms of explanation of the overspend, the majority of the additional expenditure on employee costs can be attributed to the use of agency staff to cover an increased amount of sickness within the workforce. Additional costs were also incurred at the beginning of the year to meet the grounds maintenance requirements. In relation to the supplies and services overspend, this is mainly in relation to additional Personal Protective Equipment (PPE) being purchased during the year. Indirect expenditure represents recharges from the fleet operation, the cost of senior management and general company costs. The overspend being reported under this heading includes further allocations from the workshops to cover small parts and general supplies, additional overtime incurred and the cost of a management restructure.

9.3 Transport costs report an outturn overspend of £93,765, the majority of which is from an overspend on tyres of circa £61,000. Other contributing factors include the additional hire of vehicles, vehicle cleaning and directly attributable spare parts. The overspend on tyres was highlighted earlier in the year as an area of concern and Ubico has undertaken further analysis of the area to identify the main reasons behind the overspend.

9.4 It is not unusual for a service of this nature to overspend in light of unforeseen issues or emergencies; however, budget monitoring does need to improve and Ubico has a programme of work to address this.

10.0 CONCLUSION

10.1 Significant Improvements are being made and Officers of the Council, Joint Waste Team and Ubico are working closely together to monitor progress regularly. The target for missed bins is particularly stringent and well below the industry standard.

10.2 Management are determined that the issues are resolved effectively and more quickly and are closely monitoring standards and will take corrective action as necessary to resolve any further issues.

10.3 The document at Appendix 2 is the Ubico corporate update which outlines the company's view on progress throughout the year.

11.0 OTHER OPTIONS CONSIDERED

11.1 None

12.0 CONSULTATION

12.1 None

13.0 RELEVANT COUNCIL POLICIES /STRATEGIES

13.1 Joint Waste Committee Business Plan
Ubico Business Plan

14.0 RELEVANT GOVERNMENT POLICIES

14.1 None

15.0 RESOURCE IMPLICATIONS (Human/Property)

15.1 None

16.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)

16.1 None

17.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health & Safety)

17.1 None

18.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS

18.1 None

Background Papers: Overview and Scrutiny Committee Meeting Minutes – May 2017
Contact Officers: Head of Community Services
01684 272259 Peter.tonge@tewkesbury.gov.uk
Appendices: Appendix 1 – Ubico Performance Report
Appendix 2– Ubico Corporate Update