

# LONDON BOROUGH OF BRENT

## PERFORMANCE & FINANCE SELECT COMMITTEE 19<sup>TH</sup> NOVEMBER, 2003

### THE PERFORMANCE OF THE REFUSE AND STREET CLEANSING CONTRACT DELIVERED BY ONYX UK LTD.

#### 1.0 SUMMARY

1.1 This paper outlines Onyx current performance with respect to the refuse collection and street cleaning services. The paper also outlines steps taken by both Officers and Onyx to improve performance in the above areas.

#### 2.0 DETAILS

2.1 The Refuse Collection, Street Cleansing and Other Services Contract was let in March 1997 to Onyx UK Ltd for ten years. The contract ends in July 2007.

#### 2.2 The Contract includes the following service areas

Refuse Collection  
Street Cleansing  
Bulky Household Waste  
Bulky Household Waste (Fridges)  
Fly-tipping  
Winter Maintenance (Gritting)

#### 2.3 The Contract Value

The total contract value including recent uplifts for inflation is around £6million and is seen as good value for money when compared to similar contracts that have been let by other London boroughs in the past four years.

#### 2.4 Current Performance: Refuse Collection

2.4.1 The total number of missed refuse collections for the first two quarters of 2003/4 has significantly increased over the same period last year, although the number of collections put right by the end of the next working day continue to improve. These performance figures still put Brent above the London average and above the average for its cohort group of London boroughs. The success rate translates into  $151.44 / 100,000 = 99.85 \%$ .

2.4.2 The number of complaints about bins not returned to point of collection has also increased significantly in the second quarter and the total is likely to exceed the target set for 2003/4.

INDICATORS	2002-03 Actual	2003-04 Target	2002-03				2003-04	
			Apr/June 2002	Jul/Sep 2002	Oct/Dec 2002	Jan/Mar 2002		
No of h/h waste collections missed per 100,000 collections	55.9	55	70.53	68.45	52.57	40.28	161.77	151.44
% of missed collections put right by the end of next working day, as a % of missed collections	43.27%	90%	30.24%	34.31%	46.18%	62.36	53.75%	71.56%
Number of bins not returned to point of collection.	260	60	87	68	64	41	88	126

## 2.5 Problems identified by StreetCare.

- 2.5.1 Refuse Collection Vehicles:** StreetCare officers believe that Onyx has insufficient spare vehicle capacity, so when breakdowns occur repairs have to be effected before service is resumed. This problem is more acute on housing estates (particularly South Kilburn) where bulk bins (paladin) are collected. Onyx has two vehicles to provide this service and have operated for some time without sufficient spare vehicles.
- 2.5.2 Refuse Collection Schedules:** The refuse collection schedules have been out of date for some nine months. Onyx has promised new schedules will be available by mid November 2003. This is of major concern to StreetCare. Officers and Support staff are unable to give residents a precise schedule day of their collection.
- 2.5.3 Knowledge of the Contract:** There have been frequent changes in Onyx contract manager over the last 7 years (6 Contract Managers in 7 years). This has resulted in poor contract management and has not helped in developing a relationship with L.B. Brent's StreetCare Unit.
- 2.5.4 Supervision:** The supervision carried out by Onyx management of their operatives is inconsistent and of a poor standard. The lack of consistent management has not helped develop a reliable supervision base and refuse crews have been operating independently of each other.
- 2.5.5 Response Times:** Onyx is not consistent in complying with contractual response times, and not reporting them on the Contender computer system promptly. This affects the quarterly statistics presented in our own performance reports and to the Audit Commission and sometimes leads to further complaints from dissatisfied users.

## 2.6 Current Performance: Street Cleaning

INDICATORS	2002-03 Actual	2003-04 Target	2002-03				2003-04
			Apr/June 2002	Jul/Sep 2002	Oct/Dec 2002	Jan/Mar 2003	Apr/June 2003
% of highways that are of a high or acceptable standard of cleanliness *	98.33%	98%	97.8% (97.8%)	98% (97.9%)	99.5% (98.43)	98% (98.33)	Awaiting Results From ENCAMS
No of street cleansing contractual rectification notices issued	6711	7000 (1750 per quarter)	1889 (1889)	1995 (3884)	1858 (5742)	969 (6711)	895
% of complaints responded to in 24 hrs	38.46%	85%	31.35% (31.35%)	27.55% (29.45%)	46.85% (35.25)	48.09% (38.46)	61.56
Average time taken to remove fly tips	2.28 days	2 days	2.29 days	2.59 days	2.42 days	1.41 days	0.52 days

2.6.1 A number of concerns exist about the variable performance by Onyx on Street Cleansing. The main areas of concern are:

- Weekend cleaning
- Staffing levels
- Seasonal and other work such as leaf removal and gritting

#### 2.6.2 **Weekend Cleaning**

The completion of the early morning cleanse in the high profile areas has been inconsistent, with some areas not brought up to standard until these areas have become busy again.

#### 2.6.3 **Staffing levels**

The number of staff employed for the basic service does not appear to be adequate with individual members of staff given excessive daily workloads. Cover for sickness or other absence does not appear to be routinely made available, and the cleansing standard suffers as a consequence.

In particular, attention to “difficult to get at” areas such as traffic islands does not appear to be properly organised nor carried out on a proactive basis.

From 2003/04 the cleanliness of the Borough is being independently assessed through the GLA Mayor’s Capital Standards Programme, and this assessment will feed into the new Best Value Performance Indicator. The report on the first assessment for Brent is imminent, and will provide better information on problem areas that will give further opportunity to direct contractor and monitoring resources more effectively.

#### 2.6.4 **Seasonal work**

Onyx has failed to properly resource some seasonal activities or plan effectively for them. These include dealing with leaf removal, precautionary gritting during cold weather spells and the placement and/or withdrawal of grit bins.

Litter bin emptying is an area where performance is erratic with little complaint in some areas and high levels of complaint in others. In general the response time for removing fly tips is acceptable, but the intention that Onyx remove these proactively (i.e. without having to be instructed) is not carried through often enough, and difficult to monitor.

## **2.7 Current Performance: Bulky Household Waste**

- 2.7.1 Demand for this service remains very high and calls from residents wishing to enquire about, or book, collections is the single biggest reason for calls to the Call Centre. The extra funding provided by the Council for 2003/04 will be fully utilised and at peak times, Onyx struggle to complete collections due to the high demand.
- 2.7.2 Overall, the service remains popular and works well compared with the basic refuse collection service.

## **2.8 Current Performance: Bulky Household Waste (Fridges)**

- 2.8.1 Demand for this service has levelled off, but at a reasonably high level. The impact of some retailers introducing their own "take back" schemes has not yet resulted in a reduction in the numbers of fridges collected. The service was given extra funding from 2003/04 and has worked generally well.

## **2.9 Current Performance: Fly Tips**

- 2.9.1 The average time taken to clear fly tips in the first two quarters of 2003/4 is currently under one day, which is a significant improvement over 2.28 days for the whole of 2002/3. However, Streetcare officers believe that Onyx does not consistently comply with contractual obligations to treat fly tips under 3 cubic as litter and collect without instruction from the Client Officer.

## **3.0 Steps Taken To Improve Services**

- 3.1 Regular meetings with Onyx senior management since May of this year have resulted in Onyx initiating the process of reorganising its management structure. The structure has been put in place effective 1<sup>st</sup> week of November 2003 on a trial basis and will come into effect formally in January 2004. The new management structure is more generic in nature; there is a Contract Manager, Operations Manager and five Environmental Managers.
- 3.2 The Environmental Managers have specific areas that they are responsible for and deal with every problem within that area. The Environmental Managers would also be checking that refuse collection and street cleansing operatives complete their tasks in accordance with contractual obligations. Operatives would also be asked to sign off work completed and the pro-forma would also be signed off by the Environmental Managers. It is too early to assess whether the new structure is a success or not.
- 3.3 Onyx has also agreed to provide a vehicle replacement programme for its fleet of vehicles delivering services for Brent. The refuse fleet is relatively new with the majority of vehicles no more than three years old. However the vehicles used to empty paladins on low and high rise properties need to be replaced. Onyx have placed orders for replacement vehicles which are expected to arrive in April 2004, in the mean time Onyx management have agreed to hire in vehicles to support the current fleet.
- 3.4 Onyx has confirmed that the refuse collection schedules have been completed and the information will be provided to StreetCare officers by 15<sup>th</sup> November 2003.
- 3.5 Regular meetings are held by Senior Managers in StreetCare and Onyx UK Ltd to evaluate performance and highlight problem areas.

- 3.6 More intense monitoring by Officers is now being carried out to accurately and reliably assess Onyx performance. A weekly performance report is being produced and is being sent to Senior Officers within Onyx UK Ltd. Streetcare officers are being introduced to a training programme that concentrates on best practice on contract monitoring.
- 3.7 More joint site visits are being made by Council Officers and Onyx Managers in an effort to resolve problems in a more effective and efficient way. Typical examples include addressing problems in areas where the problem has resulted in regular missed collections.
- 3.8 StreetCare management will be organising some team building training with Onyx supervisors and StreetCare officers in April 2004.
- 3.9 StreetCare management has asked Onyx to provide some costings for a satellite depot based street cleaning system, similar to the one being implemented in South Camden.

#### **4.0 Time Table for Improvement**

Onyx to provide new refuse & cleaning schedules by November 2003

Onyx to provide details and schedules for a satellite based depot street cleaning service (to be agreed)

Onyx to have supervision system in place by January 2004

Onyx to ensure new vehicles for the paladin beats by April 2004

StreetCare have organised regular meetings with Onyx contract management to discuss operational issues. It is planned to increase the frequency of such meetings to once a fortnight.

Meetings at a more senior level with Onyx management are also programmed on a monthly basis.

StreetCare will be asking Onyx to seriously consider ISO 9001:2000 (quality standard) and work toward a target based system for improving scheduled work and response times.

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