

Public Document Pack

Scrutiny Streets & Environment Sub-Committee

Meeting held on Tuesday, 8 November 2022 at 6.30 pm in Council Chamber, Town Hall,
Katharine Street, Croydon CR0 1NX

MINUTES

Present: Councillors Councillor Ria Patel (Chair), Councillor Amy Foster (Vice-Chair), Adele Benson, Simon Brew, Christopher Herman, Sean Fitzsimons and Luke Shortland

Also

Present: Councillor Scott Roche (Cabinet Member for Streets and Environment)
Councillor Jeet Bains (Cabinet Member for Planning and Regeneration)
Councillor Eunice O'Dame
Councillor Leila Ben-Hassel (In Attendance Virtually)

Apologies: Councillor Mohammed Islam

PART A

9/22 Apologies for Absence

Apologies for absence were received from Councillor Mohammed Islam, who sent Councillor Sean Fitzsimons as a substitute.

10/22 Minutes of the Previous Meeting

The minutes of the meeting held on 4th October 2022 were agreed as an accurate record.

11/22 Disclosure of Interests

There were none.

12/22 Urgent Business (if any)

There were no items of urgent business.

13/22 Waste Contract Performance Paper

The Sub-Committee considered a report set out on pages 19 to 44 of the agenda, which provided an update on the performance of the Council's waste collection and street cleansing contract and identified areas of service improvement and management of known and emerging risks to the service. The Director of Sustainable Communities introduced the item and Scott Edgell (Veolia General Manager for South London & South) and Andrea Lowe (Veolia Senior Contract Manager) who went through a short presentation (Appendix 1).

The Chair requested an update on the recommendations made by the Sub-Committee at their last review of the waste contracts performance; these were:

1. Veolia and the Council to work together on improvement to technology and interface connections.
2. Veolia to conduct a survey of bin locations in the Borough.

The Director of Sustainable Communities informed Members that recommendation 1 had been progressed, and greater integration had been achieved by linking the online reporting process, which fed into the Council's case management system, to Veolia's back office systems to provide two-way communication. The 'Love Clean Streets' app had also been improved to allow updates to be given through the app to state whether a job had been allocated or completed. As a part of the contract management process, quality assurance checks had been picked up by the monitoring team to ensure tasks were not being marked as completed before being undertaken. On recommendation 2, Members heard that Veolia undertook surveys directly, but that a number were also carried out by the South London Waste Partnership (SLWP); this included the triennial survey that had recently been completed and could be shared with Members once the results had been compiled.

Members asked about consistent underperformance from Veolia and what the Council were doing to assist in improving this, and how Veolia had adapted services as a consequence. The Chair noted that the Council had served a Service Improvement Notice to Veolia in February 2022, and that there had been three contract management meetings held since May 2022. The Director of Sustainable Communities explained that the contract contained a number of Key Performance Indicators (KPIs) with a required minimum level; there was a Performance Bond paid to the Council by Veolia, which was paid back when KPIs were achieved to a minimum level. The Council had not been satisfied with Veolia's performance and had served a Service Improvement Notice due to performance against three main areas; these were missed collections, repeat missed collections and container delivery. Veolia had produced a plan in response to the Service Improvement Notice to rectify missed collections and repeat missed collections; discussions on container delivery were ongoing. Members heard that contract monitoring was

multifaceted and that there were daily and weekly operational meetings, as well as structured monthly performance meetings that were fed back to the SLWP.

The Sub-Committee asked about missed collections reported via the Council, and asked how long these reports took to reach Veolia. It was explained that, if this was reported by the online system, it was automated and near instantaneous. The Chair asked about Croydon's recycling rate, and the suggestion in the report that it was on track to reaching the Mayor of London's target for 50% recycling by 2025. The Director of Sustainable Communities stated that Croydon had been at a near 50% rate before the pandemic, but that behaviour changes had led to a downward trend in recycling rates. For the current period, the provisional recycling rate was at around 46%.

Members requested clarity on whether commitments made at the beginning of the contract (on Street Grading, removal of street sweeping bags on the same day, washing of communal food waste bins, removal of weeds and moss from estates) had been retained or if any had been designed out of the contract. The Veolia Senior Contract Manager explained that communal bin cleaning had been adjusted and was now undertaken annually rather than quarterly. The Sub-Committee asked about performance for the collection of street sweeping bags and whether the public were relied on to report missed collections. The Veolia Senior Contract Manager explained that performance for this was contained within the report, and it was not the case that the public were relied upon to report missed bags; Veolia staff picked up hundreds of bags a day, with a morning and afternoon shift to ensure as few were missed as possible.

The Sub-Committee asked about weed and moss clearance on Council Estates and collection of communal waste from new buildings. Members heard that a lot of this was dependant on the developers and managing agents being proactive, but that it was a challenging area with crews taking many keys and fobs, as well as having to remember a large number of access codes, to ensure all communal waste could be collected. Consistency in crews was important in ensuring missed collections were minimised, but Heavy Goods Vehicle (HGV) driver and crew shortages had made this difficult to maintain. The Director of Sustainable Communities addressed weed and moss clearance on Council Estates and informed Members that the contract did not differentiate between estates and other streets. The contract did specify that streets needed to be maintained at a 'Grade B' level, and cleaned to a 'Grade A' level. Veolia supervisors did conduct checks to ensure that this was the case and this was also monitored by the Council's contract monitoring team; this team also had fortnightly meetings with the Housing department to discuss the contract and any issues. The Director of Sustainable Communities explained that communal waste access was a challenge and some standard advice on this had been put together for new developments. The Chair asked about how access issues to communal waste were resolved and heard that access issues could be caused by numerous reasons, and the fortnightly meetings between Veolia and the Council looked

to address these. One of the big challenges of the contract was the contamination of waste on estates across the borough.

The Sub-Committee praised the 'Love Clean Streets' app and asked about reports of streets outside of Town Centres not being cleaned regularly and whether a schedule for street cleansing could be provided. The Director of Sustainable Communities responded that the contract for street cleansing was outcome based, and this meant that streets needed to be cleaned to a 'Grade A' and maintained at 'Grade B' standard; generally, streets were cleaned between daily and six weekly dependant on the street. Complaints that were received about streets below grade were assessed by Veolia and appropriate action was taken; this was monitored by Veolia and the Council. Members asked if autumn leaf drop meant that schedules for street cleansing were more frequent, and were informed that this was the case. The Chair asked about communications with residents on street cleansing and whether residents were aware of what street grading meant. Members heard that this communication could be better and more frequent and that information on the website could be refreshed, but that this was dependant on resource. On 'Love Clean Streets' app reports being closed before cases were resolved, the Sub-Committee heard that this was a work in progress and relied on the information provided by crews; previously where there had been multiple reports of one incident, these had all been closed bar one and it was acknowledged this was not the best approach and work on changing this was ongoing.

The Vice-Chair asked about enforcement and the strategy for tackling fly tipping hotspots identified through the 'Love Clean Streets' app. The Director of Sustainable Communities acknowledged that there was some reliance on public reporting, but that this would not be the case in a perfect world. The Council and Veolia were aware of fly tipping hotspots in the borough but had limited resources to do as much as they would like on tackling this; targeted clear ups did happen, alongside evidence gathering where possible. The Director of Sustainable Communities noted that there was a national trend in increased fly tipping and there was not a single solution to tackling this. The Vice-Chair requested information about on street bottle recycling that could help to alleviate litter from street drinking. The Director of Sustainable Communities explained that different bin configurations had been trialled but the results were often that waste was contaminated and did not lead to increased recycling. It was acknowledged that there was room for additional bins in the borough, but that it might be better in some cases to encourage residents to take their litter home. The Veolia General Manager for South London & South explained that deposit return schemes could potentially reduce litter produced by street drinkers, and Veolia were engaged with the government on developing a scheme although it had experienced delays. Members heard that the value of plastic recyclate had fallen and the cost was being borne by authorities where this should instead fall on the consumer through plastic and packaging taxes.

The Cabinet Member for Streets and Environment explained that they had met with a number of Friends and Residents groups, and that education on

recycling was important in reducing the contamination of waste and that content on the website could be improved to this end. The Sub-Committee heard that the Cabinet Member for Streets and Environment was also working with the SLWP on their communications strategy, and that he was investigating best practise for dealing with fly tipping from other authorities alongside hotspot data. On who assessed street cleansing grading, the Sub-Committee heard that this was assessed by Veolia and the contract monitoring team when complaints were received; joint inspections with Veolia and Council monitoring staff also took place.

Members asked about the KPIs related to the performance bond and whether these were too ambitious. KPIs were not higher than other Partners in the SLWP but were more ambitious than some other boroughs. Members asked about tracking of cleansing of communal bins and heard that any specific cases be looked into outside of the meeting but that only food bins were cleaned. The Sub-Committee asked about tracking of weed and moss clearance, and heard that spraying of weeds was conducted three times a year and any specific issues could be looked into outside of the meeting. Members asked about collaboration with the Councils Highways team on reporting of street issues and heard that this did take place.

The Chair invited Councillor Ben-Hassel to ask a question on the duplication of reports on the 'Love Clean Streets' app and whether photos from the reports were available to crews and why some reports were closed without a reason. The Director of Sustainable Communities explained that work to pass the photos from Croydon's case management system to Veolia's system was ongoing. The Veolia Senior Contract Manager explained that there were options for crews to list the resolution as 'not found' and to call managers for additional detail on the report. Councillor Ben-Hassel asked about garden waste collection and reports from residents that performance did not meet the data in the report, with some residents unable to report missed collections that were marked as completed. The Director of Sustainable Communities explained that missed collections could be reported even if the website recorded it as collected; where residents could not do this as their collection was recorded as 'locked out' or 'contaminated' an enquiry could still be raised. The Veolia Senior Contract Manager added that residents could be prevented from reporting if their subscription to garden waste collection had lapsed. Councillor Ben-Hassel asked about how recycling rate targets could be reached with the challenges of flats above shops and properties with insufficient space for multiple bins. The Director of Sustainable Communities explained that the industry was changing, and the examples of potential deposit return schemes and plastic packaging taxes were given. The Veolia General Manager for South London & South informed Members that there were issues with food waste contamination in general waste, and improvement on this could dramatically improve recycling rates; plastic taxes would likely also have a major positive impact on recycling rates as manufacturers moved to higher quality plastics.

The Chair asked about the lapse in performance following an initial improvement after the Service Improvement Notice was delivered in February

2022. The Veolia Senior Contract Manager explained that peak annual leave times leading to greater agency and temporary staff use had contributed to this. There were efforts to increase recruitment to rectify this and keep a consistent service and performance levels. There had been some success in the recruitment of HGV drivers but this remained a significant challenge in a very competitive market. Veolia were offering HGV training to all staff, had run radio adverts, and were working with local job centres and linking in with First Military Recruitment to increase recruitment. The Vice-Chair asked about the possibility of publishing the action plan that had resulted from the Service Improvement Notice to increase transparency and the Director of Sustainable Communities responded that this is something they could consider.

Members asked about the distribution of fly tips in the borough and what actions the Cabinet Member would take to incentivise proper disposal of waste and to crack down on fly tippers. The Cabinet Member for Streets and Environment explained that they were gathering data currently, and looking at creating better education through the SLWP and the Council website, as well as being more proactive with hotspot data and relationships with Friends and Residents groups. There would be a campaign on fly tipping in early 2023 and a ward-by-ward approach to clean problem locations that was still being developed. The Director of Sustainable Communities added that there was a bulky waste collection service and three recycling centres open seven days a week; making sure residents were aware of these facilities would be a key part of the campaign to reduce fly tipping.

Conclusions

The Sub-Committee were concerned about the performance of the contract and were disappointed at the levels of improvement since the Service Improvement Notice had been served to Veolia in February 2022.

The Sub-Committee were positive about the 'Love Clean Streets' app, but were keen to see issues in passing photographic evidence on to Veolia's street crews resolved.

The Sub-Committee concluded that an information sheet on street grading should be produced to inform Members and residents on what each grade meant.

The Sub-Committee asked for a future update on repeat missed collections for estates and the actions being taken to resolve this.

The Sub-Committee were positive about the communications plan being produced by the SLWP, and asked to be sighted on this once it was completed.

The Sub-Committee were of the view that access issues for communal waste should be mapped and included in future reports.

Recommendations

1. The Sub-Committee were of the view that improvements to communications with residents needed to be a priority and should include updating the website and an explanation of street grading.
2. The Sub-Committee recommended that communication with residents who had submitted reports on the 'Love Clean Streets' app needed to be improved to notify them on the resolution of the report.
3. The Sub-Committee recommended that Veolia and the Council work with Friends and Residents groups to analyse and help to resolve issues with repeat missed collections. Members recommended that this is achieved through mapping areas of repeated missed bin collections, especially in relation to access issues, particularly with communal recycling bins.
4. The Sub-Committee were of the view that the option to 'raise an enquiry' needed to be more prominent on the Council website when residents were trying to submit a missed collection report following 48 hours of the intended collection date, or when making a report was otherwise unavailable.
5. The Sub-Committee requested that the Cabinet Member for Streets and Environment provided a full update on his data gathering and plans for reducing fly tipping in Croydon.
6. The Sub-Committee asked that a street cleansing schedule is produced and published on the Council website in a similar way to waste collection schedules.
7. The Sub-Committee recommended that the action plan that had resulted from the Service Improvement Notice was published to the Council website to increase transparency.

14/22 Cabinet Report - South London Waste Plan Development Plan Document

The Sub-Committee received a report set out on pages 45 to 56 of the agenda that provided the Cabinet Report on adopting the South London Waste Plan Development Plan Document. The Director of Sustainable Communities, Regeneration and Economic Recovery (SCRER) introduced the item to Members.

The Vice-Chair asked about consultation on the Plan Document, and heard from the Plan Making Team Leader that responses had generally been from providers due to the technical nature of the document, although the consultation had been widely publicised.

The Chair asked about the remaining budget from the development of the Plan Document and the Head of Spatial Planning and Interim Head of Growth Zone and Regeneration explained that the Plan had been funded via a Housing Delivery Grant attained by the Plan Making Team, and that there was no scope to spend the remainder of this on implementation. Members heard that Croydon was on track to adopt the Plan in December 2022 and this was in kilter with the other partner authorities.

15/22 Cabinet Report - Waste Collection and Street Cleansing Contract

The Sub-Committee considered a report set out on pages 57 to 108 of the agenda that provided an upcoming Cabinet Report on the Waste Collection and Street Cleansing Contract for Pre-Decision Scrutiny. The Cabinet Member for Streets and Environment introduced the item.

The Vice-Chair noted about the Mayoral Pledge to pursue the recommendation in the report and asked for reassurance that the recommendation was driven by evidence and data. The Director of Sustainable Communities explained that the recommendation not to extend the contract had been reached in collaboration with the other Partners in the SLWP and with legal advice taken on Veolia's proposed contract extension. The provision to extend the contract by mutual agreement is contained within the contract, and the decision not to extend would only take effect in March 2025, which left extensive time to work on a re-procurement process and to conduct consultation with the Greater London Authority (GLA), which was required. Members heard that a large amount of soft market testing had taken place to look at options, and this had been fed into the information contained within the report and Appendix 2.

On the development of a future contract, the report contained a commissioning timeline for a process of consultation and engagement on its development before a future report would be submitted to Cabinet in March 2023 with a recommendation on the commissioning model and procurement strategy. The Chair and Vice-Chair emphasised the strong feeling on waste issues from residents in Croydon and asked about the opportunities for Member and resident engagement. The Director of Sustainable Communities explained that the Mayor and Cabinet had already been engaged on the recommendation not to extend the contract, and consultation with Members on any new contract would be a part of its development. Resident feedback from the SLWP triennial survey results had been received and Croydon officers would be briefed on this in November 2022; details of this could be shared once they had been compiled. There would be a dedicated resident engagement piece, which the SLWP would lead on across the partner boroughs, once the Mayor had accepted the recommendation not to extend the contract.

The Sub-Committee asked about challenges to the current contract that had led to the recommendation not to extend. The Director of Sustainable Communities explained that Veolia were not happy to extend the contract on the current basis and would like a significant variation to any extension; this variation was significant enough that it could trigger a Regulation 72 that could leave Croydon open to a legal challenge.

Members noted that any new contract would be complicated and developed over the four boroughs in the SLWP. The Sub-Committee asked about potential negative impacts to budgets in future years and suggested that there was a lack of enthusiasm for an in-house service. Members asked whether this was due to there not being enough time to develop one, or whether it was a riskier option. The Director of Sustainable Communities explained that the extension of the contract had been found to be unrealistic and no decision had yet been made about what would be developed in its place.

The Vice-Chair asked how confident officers were that the decision not to extend the contract would lead to good outcomes for Croydon residents, and heard that officers were confident that it would help to protect Croydon from possible legal challenge. The Cabinet Member for Streets and Environment stressed that a new contract could also lead to improved services and KPIs. The Chair asked about the risk of a reduced market and a number of authorities looking to retender for waste contracts at the same time. The Director of Sustainable Communities highlighted the importance of due diligence and explained that soft testing of the market had been ongoing for some time, alongside discussions with other boroughs, to try to mitigate these risks.

The Vice-Chair asked about the timelines for developing alternative approaches and engagement with Members and Officers. The Director of Sustainable Communities responded that a report would need to be sent to the GLA in the early part of 2022, with market tendering taking place between April to May 2022; engagement strategies would need to be decided in advance of this. Officers and the Cabinet Member were keen to involve the Sub-Committee in providing Pre-Decision Scrutiny on any reports on the future contract.

Members asked about whether the Council's current financial position might put off potential providers and heard that it was unlikely that this would be the case. The Director of Sustainable Communities explained that the contract was of significant value and that they were keen to explore any options that might provide employment opportunities to Croydon residents and maximise social value.

The Chair asked whether the Council would look at best practise from other authorities, and heard that this did take place through the SLWP who regularly had these discussions with other councils. The adoption of the current contract had been a significant change when implemented, but had provided benefits over the former contract.

The Chair invited Councillor Ben-Hassel to ask a question on whether the Council had talked to other authorities about the benefits and challenges of developing an in house provision. The Sub-Committee heard that this was the case and that these discussions were ongoing.

The following motion was **moved** by Councillor Ria Patel and **seconded** by Councillor Luke Shortland to exclude the press and public:

“That, under Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information falling within paragraph 3 indicated in Part 1 of Schedule 12A of the Local Government Act 1972, as amended.”

The motion was put and it was **agreed** by the Committee to exclude the press and public for part of this item.

Please note that a full confidential minute has also been produced that includes confidential discussion of the Committee.

Conclusions

The Sub-Committee concluded that there needed to be a discussion on how this contract was scrutinised going forward, with the possibility that Scrutiny Chairs of other partner boroughs of the SLWP collaborated in scrutinising the current contract and any future contracts.

The Sub-Committee concluded that there might be similar contracts coming down the pipeline and that these should be received for Pre-Decision Scrutiny.

The Sub-Committee were of the view that a timeline and details on Member and resident engagement for the development of the Service Delivery Options be provided to Members, should the recommendation be approved at Cabinet, alongside the SLWP triennial survey results.

Recommendations

The Sub-Committee recommended that a Cross-Party working group be established to input into the development of any new Service Delivery Options for Waste Collection and Street Cleansing.

16/22 Period 5 Financial Performance Report

The Sub-Committee considered a report set out on pages 109 to 144 of the agenda that provided an upcoming Cabinet Report on Period 5 Financial Performance for Members to ascertain whether they are reassured about the delivery of the 2022-23 Sustainable Communities, Regeneration & Economic Recovery Budget. The Corporate Director for SCRER introduced the item.

The Sub-Committee asked about any updates in Period 6 that were a material change, and whether issues such as inflation over the recent period had affected the current standing of the budget. The Corporate Director of SCRER explained that Period 6 had not yet been presented to Cabinet. Contract inflation had affected some suppliers and conversations with these providers were ongoing as part of an open book process. There had been some use of the contract inflation reserve, which was reflected in the report.

The Chair asked what other Councils were doing to adapt to changes in behaviour around parking and enforcement. The Director of SCRER explained that all authorities were experiencing changes in behaviour related to parking which would lead to changes in enforcement. Areas with a visitor/tourist economy had seen some better recovery, but all authorities were experiencing issues in the recruitment of civil enforcement officers. Members heard that there was ongoing work to ensure there were not gaps in civil enforcement to make sure that as little income from this was lost as possible.

The Vice-Chair asked about district centres as they related to smaller high streets in the parking policy. The Director of Sustainable Communities explained that work on reviewing the parking policy was taking place but was currently at the data gathering stage. There had been an increase in pay and display, but a reduction of income; this meant that more people were stopping for shorter periods, and insights such as this would be fed into any new strategy.

Conclusions

The Sub-Committee concluded that the timeline for developing the new Parking Policy be provided to Members and included on the Work Programme for 2022/23.

17/22 Scrutiny Work Programme 2022-23

The Sub-Committee reviewed the current Work Programme for 2022/23 and suggested the following items for possible inclusion:

- Net Zero/Carbon Reduction
- Air Quality in the Borough

- Protection of green spaces and parks: Support fund, strategy and implementation
- Purley Pool Options Appraisal
- Clean Water and Sewage
- Parking Policy Review
- Transport and Active Transport – Roads, Fatalities & Speed Limits
- Biodiversity Strategy
- School Streets
- Review of the Local Plan

The meeting ended at 9.18 pm

Signed:

.....

Date:

.....