

Report to: Communities Scrutiny Committee

Date of Meeting: 28 February 2013

Lead Member: Lead Member for Public Realm

Report Author: Head of Highways & Environmental Services

Title: Review of the roll out of the 'X2' recycling scheme

1. What is the report about?

The November 2012 roll-out of the council's x2 recycling scheme in the south of the county.

2. What is the reason for making this report?

There were a series of problems with the roll-out. This report identifies what went wrong, what steps were taken to rectify things, and what lessons should be learnt for the future.

3. What are the Recommendations?

That the Committee discuss the report, comment on its contents, and:

- 3.1 agrees that the lessons learned are used to underpin any future service changes that might be planned;
- 3.2 agrees that the outcomes from the roll out are publicised as soon as definitive figures are available; and
- 3.3 supports the proposal that the publication of outcome figures should be accompanied by an apology for the problems that were encountered during the roll out, and an explanation of what went wrong.

4. Background

The decision to adopt the x2 recycling collection system was taken by the county council in 2005. From 2006 onwards, the system was progressively rolled out; first in the north of the county, and then into Ruthin and Denbigh. The last major components of the implementation process were the 2012 rural roll-outs; first in the north of the county, and then in the south. The southern roll out was the largest that had ever been undertaken. 16,000 properties were affected, and 10,000 of these were receiving the x2 system for the first time

5. Decisions taken in advance of the 2012 roll out

The significant decisions taken in advance of the roll out are analysed in Appendix 1. The main conclusion from Appendix 1 is that the roll-out would have been better executed if it had been delayed until the spring of 2013. However, the decisions to adopt a zoned system (in one go), and to utilise a computer based route optimisation system were felt to be appropriate (see Appendix 1 for reasons).

6. Implementation Problems

- 6.1 Bin orders were placed in July 2012, and from this point on, the council was effectively committed to an autumn roll-out. The bins were produced in Germany. Other items were produced in India. The bins were delivered on schedule, as were the information packs. The food waste caddies were delivered slightly behind schedule, but before the roll out date, so operations were not impacted.
- 6.2 The “dumpy sacks” were delayed by one month due to a dock strike in India. This caused the equipment roll out date to be put back by 2 weeks (to 5 November). The timetable could not be put back any further due to the proximity of Christmas. This was a consequence of the decision to roll-out in the autumn.
- 6.3 The dumpy sacks were actually received 5 days after the equipment roll out had started, and this delay disrupted the contractor’s delivery operations (they had to go back to places they had already been to), and also led to many CRM calls about *“why is some of my equipment missing?”*
- 6.4 The rounds that were produced from the computerised route optimisation system were analysed and appeared to be realistic and deliverable. However, it later emerged that a significant proportion of the more remote rural properties had not been captured on the new system’s database, i.e. the properties were missing.
- 6.5 Additionally; equipment delivery personnel were unable to locate/deliver to many individual rural properties. This was partly due to the standard of the maps that they had been provided with, but was also due to the difficulty in identifying properties that are set back from the highway, often without any clear names/signs to identify them.
- 6.6 The delivery sub-contractor had been selected because they had previously undertaken rural roll-outs. Nevertheless; they significantly underestimated the length of time that the delivery process would take. That fact, together with the omissions referred to under 6.4 above, resulted in the delivery period taking twice as long as expected.
- 6.7 As a result of 6.4 and 6.5 above, around 10% of properties did not receive the equipment that they were supposed to receive. This was the root cause of the majority of the incoming customer enquiries that were generated (CRMs).
- 6.8 The principle of ‘zoning’ of collection rounds is good practice. However, when zoning is implemented, it does take time for the collection crews to get to know their new areas. In previous roll outs, this has been a fairly quick process. However, the scale of the difference, in extremely rural areas, was not fully appreciated, and no additional mitigation measures were established beforehand.
- 6.9 If the roll out had been delayed until (say) April, the acclimatisation process would have been far quicker, because collection crews could have been allowed to work

into the evenings. They would have returned to any missed-collections, and would have been aware of the missed properties the following week. In November, it was dark by 4.30pm, so work had to cease. The personnel dealing with the missed collections were therefore *not* the crews from the respective rounds, and the learning process was consequently a lot slower.

6.10 The cumulative delays to equipment delivery resulted in Corwen residents being given their information too late to prevent the majority of people putting out their refuse (incorrectly) on Monday 19 November. Under the new scheme; the correct collection day should have been Friday 23 November. The confusion that was generated when these “missed collections” were being dealt with had knock-on effects that lasted for several weeks. This confusion undoubtedly had an adverse effect on the reputation of the service, and the Council, especially in the Dee Valley.

7. Recovery

7.1 In the first week of the new collection regime, it became apparent that the problems being encountered were significantly wider and more serious than had been anticipated. The service therefore developed a recovery programme, designed to tackle the problems that were emerging.

7.2 The Customer Services Department played a key role in managing the incoming CRM calls. Environmental Services staff analysed and categorised the customer enquiries, with particular attention being paid to assisted collections.

7.3 Extra delivery resources were brought-in to get the missing equipment to the affected properties, and admin. officers assisted waste officers in contacting customers to establish need etc.

7.4 Everybody pulled together, in what was effectively an emergency response team. Staff carried out gap analyses, identifying the root causes of the incoming CRM calls. Collection rounds were changed, however the zoning system and collection days were not changed. Updated maps and information were produced for the collection crews. The crews helped managers to develop and test the new arrangements. There was full cooperation and involvement from all staff. Everybody did what they could to help.

7.5 In addition to missing equipment problems, the waste team also had to deal with the more predictable (expected) roll-out issues, such as the suitability or otherwise of wheelie bins for individual properties.

7.6 The cost of the extra resources that had to be utilised in order to recover the situation are set out in Appendix 2. The pattern of CRM enquiry generation and resolution is shown in Appendix 3. There were 26 formal complaints about service levels during the roll out. Twenty one of these were upheld, three were partially upheld, and two were not upheld.

8. Lessons learnt

8.1 Over the summer of 2012; key staff were tied-up on work relating to the regional Food Waste Contract, for which Denbighshire is the lead authority. This affected the preparation work prior to the roll out, and that had knock-on consequences for the implementation process.

- 8.2 The scale of the delay to the Food Waste project was unforeseen (the preferred bidder pulled out of the contract, and negotiations had to be re-opened with the second placed bidder). The first lesson for the future is that sufficient contingency time should be allowed for all eventualities.
- 8.3 The second lesson is that major roll outs should be undertaken in the spring/summer months, not in the autumn/winter months, i.e. even if the extra delay results in disappointment for those who are awaiting the improvements to services.
- 8.4 Expectations need to be managed more carefully/conservatively.
- 8.5 The fourth lesson is that, where service changes are proposed, there is a need to capture existing knowledge from collection crews far more effectively, i.e. via a thorough, detailed, analytical process.

9. Future Actions

- 9.1 Roll outs such as this cannot be executed without a certain amount of disruption and adverse comment. There are numerous examples of this from up and down the UK, including many authorities with far more resources at their disposal than Denbighshire.
- 9.2 In Denbighshire we are fortunate that the waste management service has enjoyed very high customer feedback ratings. In part this is due to the nature of the x2 system itself. On the whole; people appreciate its convenience and ease of use.
- 9.3 The best way to repair any reputational damage is therefore to provide a really well-run service going forward, making sure that we are vigilant about service delivery levels, especially in the areas that were affected the most. If we can do this; the roll out should be seen as a short term aberration.
- 9.4 Over the next few months the service will attempt to repair some of the damage by apologising for the problems that were caused, but also by publicising the positive impact that the new scheme has had on the efficiency of recycling arrangements in the south.
- 9.5 In December the Ruthin transfer station recorded a 29% increase in the amount of dry recyclates collected (December compared to October), together with a 34% increase in the amount of food waste recycled. The consequential cost savings are summarised in Appendix 2.
- 9.6 The benefits to Denbighshire's recycling performance will become more widely known when the first set of quarterly statistics are released. It is anticipated that our recycling performance should be over well over 60%, i.e. confirming Denbighshire's position as the top recycling county in Wales and one of the best in the UK.

10. Chief Finance Officer Statement

N/A

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