

**Wiltshire Council**

**Environment Select Committee**

**13 September 2022**

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**Waste Management Update:  
Disruption to waste and recycling collection services.**

**Executive summary**

This report is intended to provide an overview of the recent disruption to waste and recycling collection services, and update on the actions taken by the council and its contractor to remedy the situation.

**Proposal**

That the committee:

- a) notes the content of the report and actions taken to improve the situation.
- b) notes the actions that will be taken forward to attempt to mitigate future staff resourcing issues affecting the council's waste contracts.

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## **Waste Management Update: Disruption to waste and recycling collection services.**

### **Purpose of report**

1. This report intends to provide an overview of the recent disruption to waste and recycling collection services, and update the Environment Select Committee on the actions taken by the council and its contractor to remedy the situation.

### **Background**

2. To deliver efficiency commitments under the Lot 5 waste collection contract, Hills Municipal Collections Ltd (HMCL) implemented new residual waste collection rounds on a countywide basis from 28 February 2022. These new rounds meant that most Wiltshire residents experienced a change in their collection day. Major service changes of this kind take time to bed in, so minor disruption for a 6-week period (28/2-08/4) was anticipated as residents and collection crews became familiar with the new arrangements. A relaxation of some contract performance levels was agreed in relation to residual waste collections for the implementation period.
3. The new residual waste rounds helped reduce the overall requirement for collection vehicles. The waste collection services provided under the Lot contract now require an operational staffing establishment of 101 drivers and 165 loaders.
4. Further to a pay dispute with HMCL, members of the GMB union took industrial action between 7<sup>th</sup> and 17<sup>th</sup> of March. This had an immediate and negative impact on the implementation programme for the new residual waste collection rounds. The action was concluded with a pay award agreed between HMCL and the GMB representatives and members.
5. Due to a significant reduction in operational staff availability during the action (up to 25% of the normal establishment and also including almost 30% of the essential driver cohort), it was necessary to suspend the kerbside Mixed Dry Recycling (MDR) collection service between 8<sup>th</sup> and 18<sup>th</sup> March, and for resources to be focused on the continuation of the statutory collection of residual waste and chargeable garden waste collections.
6. Residents were asked to store their mixed dry recyclables at home during the period of the service suspension and present any excess materials on their next scheduled collection or to take their excess recycling to a local household recycling centre.
7. Despite the temporary MDR service suspension coming to an end on 18 March, and the “double-collections” of excess recyclate being completed over the following 10-day collection cycle, the council’s waste client team became aware of a significant number of missed collections following the industrial action.
8. High levels of missed collections continued to be recorded throughout the remainder of March and April, and close monitoring of the contractor’s performance identified that scheduled collection rounds were regularly being

“dropped” (i.e. not started) due to HMCL having insufficient resources to deploy all contracted services. Where scheduled rounds were not started, this work was being rescheduled for a collection a day later.

9. This situation steadily worsened, with HMCL citing their local agency provider’s inability to supply the numbers of temporary drivers and loaders necessary to cover shortfalls in their establishment as the primary cause. HMCL has historically been reliant on a high level of “agency cover” to deliver the Wiltshire contract and that supply of agency staff had previously been sufficient to meet ongoing demand, including peaks in staff absence due to holidays and adhoc sickness.
10. It is notable that the availability of agency labour was suitably sufficient during the peak of the Covid pandemic (2020/21) to cover sickness absences and allow Wiltshire’s full suite of waste and recycling collection services to continue to be delivered when many neighbouring authorities needed to suspend some waste services. However, fundamental changes in the local and national labour market over the past 18 months have been cited by HMCL as leading to a critical situation where operational resources could not be maintained to the necessary levels.
11. It should be acknowledged that this is not a Wiltshire-specific issue, with several other local authorities also sharing concerns over staff availability, with many also suspending elements of their waste collection services as a consequence. Logistics UK has reported that an estimated 14,000 EU drivers left the UK during the pandemic and following the end of Brexit transition period.

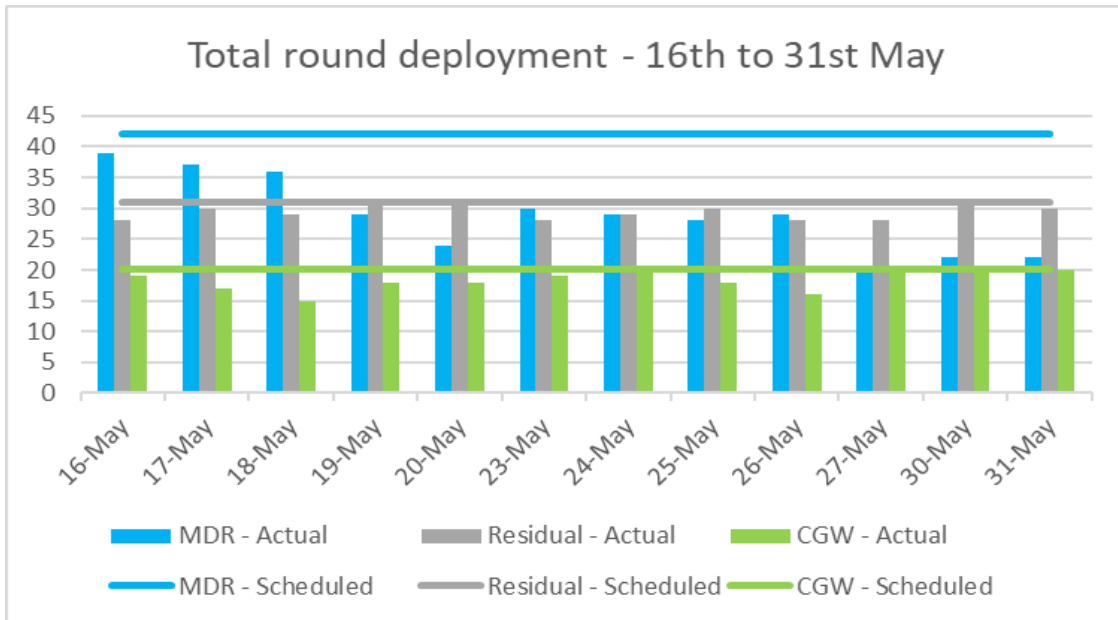
**Main considerations for the committee**

12. The client team has closely monitored contract performance throughout this protracted period of disruption, with a particular focus on the levels of recorded performance failures and the rate of “dropped rounds” reported each day, alongside the status of Hill’s staffing establishment (positions filled, vacancies, staff absences, leavers, etc) .
13. HMCL operate the collection contract from 3 depot locations, with the typical number of daily scheduled rounds shown for context in the table below:

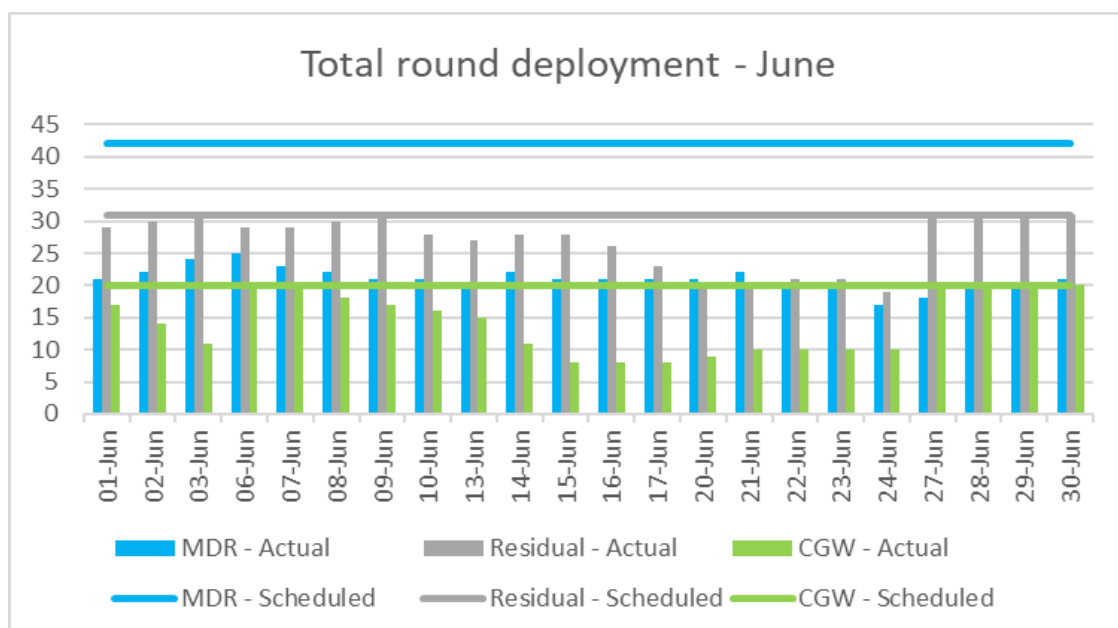
<b>Depot</b>	<b>Mixed Dry Recycling</b>	<b>Garden waste</b>	<b>Residual waste</b>	<b>Totals</b>
Sands Farm, Calne	28	15	7	<b>50</b>
Churchfields, Salisbury	14	5	9	<b>27</b>
Riverway, Trowbridge	0	0	15	<b>15</b>
<b>Totals</b>	<b>42</b>	<b>20</b>	<b>31</b>	<b>93</b>

*N.B. Eight further vehicles are also deployed daily from Sands Farm and Churchfields to cover clinical and bulky waste collections, and container deliveries.*

14. The main impact of the staffing shortages from April 2022 affected operations from the Sands Farm depot. HMCL's initial strategy was to reschedule 'dropped' MDR collections to the following day, to allow for additional resources to be deployed on Saturdays to recover the service. This approach was insufficient to fully restore services to correct day of collection. The table below illustrates the level of service disruption measured by the number of daily rounds deployed as scheduled across all depots (16 to 31 May):



15. Into June, larger numbers of residual waste and garden waste rounds delivered from Sands Farm also began to be affected, with many collections also being delayed by two or even three days. The culminative effect of increasing numbers of dropped rounds and lengthening delays in rescheduled collections led to a rapidly worsening situation. Actual round deployments for June are summarised in the table below:



## **Formal actions under the contract**

16. The council met regularly with senior contract representatives of HMCL throughout April and May to seek viable service recovery plans. When these were either not provided in a timely fashion or found to be ineffective in practice, the council formally served a Notice of Serious Breach on the Contractor on 16 June, citing an exceptional period of poor performance and requiring a well-developed Remediation Plan to be shared with the council. This required the contractor to provide a thorough analysis of the reasons for the service failures and identify tangible actions to recover the services as soon as possible.
17. A Remediation Plan was shared with the council on 20 June but was formally rejected due to lack of detail required resulting in HMCL being unlikely to secure a restoration of services in a suitable timeframe.
18. A substantially modified Remediation Plan (V3) was received on 30 June and finally accepted by the council on 5 July following further clarifications meetings with the contractor.

## **Remediation Plan – contractor commitments and approach**

19. The Remediation Plan provided a framework to restore the full deployment of scheduled collections over an eight-week period. This plan was agreed to commence retrospectively on 27 June due to HMCL having already put certain contingency measures in place with some support from the council. The plan was due to complete by end of August 2022. As part of the first “stabilisation” phase of the plan, HMCL committed to undertake the following actions:
  - i. Establish a Temporary Management Structure to provide additional capacity and focus on service restoration, to include the allocation of the Contract Manager role to a Divisional Director, and the allocation of senior management capacity to the Riverway depot in Trowbridge. Additional management capacity would also be deployed from elsewhere in the business to provide further support and operational oversight, and lead on renewed recruitment activity.
  - ii. Prioritise the deployment of scheduled collections of residual, chargeable garden and clinical waste. Focus on the recovery of rescheduled recycling collections.
  - iii. Fully programme activity and resources to effectively manage re-scheduled collection rounds, to include recovery collections on Saturdays and Sundays. Hills proposed to operate 30 weekend rounds operating on Saturdays and Sundays for 5 weeks from 27 June, reducing to 17 weekend rounds from that point, and reducing further dependent on need.
  - iv. Offer HMCL staff and agency staff enhanced overtime rates to cover weekend working to ensure availability of sufficient resources to assist with the recovery of rescheduled rounds.
  - v. Provide the council with daily morning deployment updates, and evening round completion updates.

- vi. Commit to weekly Remediation Plan review meetings with council contract client team managers.
20. HMCL also undertook to complete the following actions as part of a 2<sup>nd</sup> “Re-establishment” phase:
- i. Commence active recruitment to full time vacancies in the HMCL operational establishment.
  - ii. Commitment to recruit over and above the basic establishment to provide a pool of non-agency resource. This pool of Supplementary Absence Cover resource to consist of 10 drivers and 13 loaders initially, and to be reviewed for efficacy.
  - iii. Commitment to provide mid-length agency contracts of 3-4 month duration.
  - iv. Revise commercial terms with local agency providers, via their primary supplier, to encourage improved supply of temporary labour.
  - v. Remove previous “temp to perm” arrangements, with all vacancies to be advertised as permanent, to provide a sense of job security to applicants.
  - vi. Commence a focused recruitment campaign with their recruitment partner, CMD to include; commercial radio advertising, recruitment adverts on collection vehicles, distribution of flyers in local residential areas, colleges, etc. Recruitment banners at household recycling centres and in appropriate areas outside HMCL and council premises. Digital advertising campaigns, and use of sponsored job boards (Indeed, Reeds, CV Library, etc)
  - vii. Expand the existing internal “refer a friend” reward scheme to external stakeholders such as Wiltshire Council staff.
  - viii. Re-promote internal HMCL staff training and upskilling opportunities, supporting waste collection loaders to train to become Class 2 Large Goods Vehicle drivers.
  - ix. Consider the provision assisted workforce transport.
  - x. Where operationally feasible, re-allocation of some collection rounds to other depots less severely affected by staffing shortages.

### **Council impacts and actions**

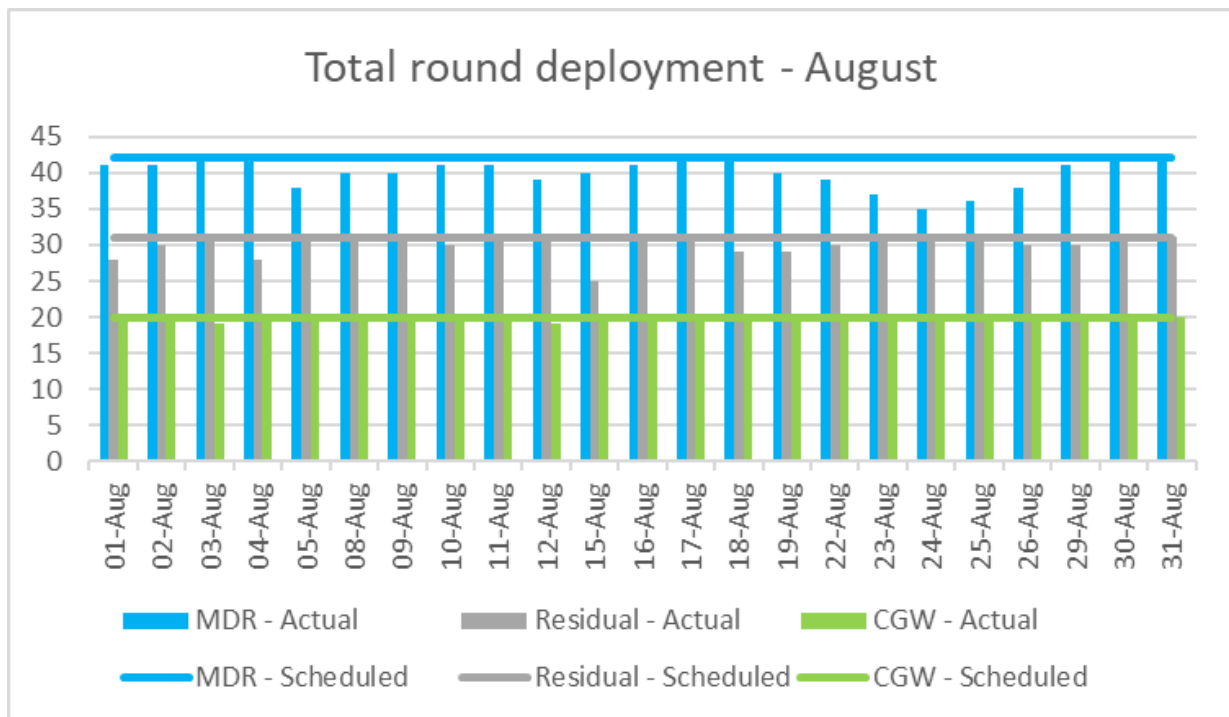
- 21. The council’s Customer Services Unit and Waste client team have experienced high levels of public contact as a consequence of the service disruption, especially since the June and July peak coincided with the chargeable garden waste subscription renewal period.
- 22. The waste team have worked closely with Communications colleagues to ensure regular service updates have been provided via social media and the

councils website. The service has email addresses for over 78,000 Wiltshire residents and so service updates were also shared via that route. These emails were read by over 80% of recipients.

23. The waste service web pages have been updated with new functionality which provides daily updates on the specific areas of the county that may be subject to disruption. This information has been directly informed by the daily deployment and completion reports provided by Hills, and so aims to provide close to real-time updates on what continues to be a very fluid and dynamic situation. The web page also provides confirmation of those services that are running normally.
24. Several "Councillor briefings" were also issued in order to keep members updated.

### **Remediation Plan – progress update**

25. Weekly review meetings have taken place between the council and the contractor throughout the period of the Remediation Plan where the round deployment performance and the delivery of other Remediation plan commitments have been closely scrutinised and progress monitored.
26. The waste client team has worked with other council services and their contractors to provide additional labour for weekend catch up collections. Staff from Ringway in particular have been helpful in working additional hours to support waste collections over weekends, with staffing costs met by HMCL.
27. As planned, Hills successfully deployed significant levels of resources over weekends, including Sunday working, up to the end of July. This allowed sufficient recovery to ensure the isolation of deployment issues on the kerbside recycling service, and to ensure where these rounds needed to be dropped, they would be recovered the following day.
28. The rescheduling of MDR rounds has continued throughout August, with the number of dropped rounds reducing and therefore the requirement to recover rounds on a Saturday has also reduced over this period.
29. The recruitment situation has significantly improved. By 15 August, the operational establishment had been met, and some of the additional roles had also been filled. 6 additional drivers still needed to be recruited, along with 10 additional loaders.
30. The above actions have resulted in a significant improvement in the number of collection rounds being deployed as scheduled, as illustrated in the following table:



### Ongoing actions

31. Hills have committed to continue to proactively recruit above their establishment and will be in attendance at local job fairs in order to promote employment opportunities in their organisation and the waste sector.
32. The “refer a friend” reward scheme will continue to be developed and extended to wider stakeholder groups, such as Wiltshire council staff.
33. Hill’s internal staff development and upskilling scheme will continue to be developed and promoted across the workforce.
34. Staff establishment data will continue to be reported to the council as part of Monthly contract management report and be closely monitored.
35. The service disruption webpages will be retained to be used where service disruption occurs in future, such as extreme weather events.

### Environmental impact

36. Recycling collections maintained during the disruption due to staff shortages, albeit a day later (extending to up to 3 days for some rounds for a short period).

### Equality and diversity impact

37. No groups with protected characteristics have been disproportionately affected by the service disruption. The disruption caused by the suspension of recycling collections during the industrial action was countywide. The



disruption due to staffing shortages that followed mainly impacted residents serviced by collection rounds operating from the Sands Farm depot in the north of the county.

## **Conclusion**

38. Current performance reporting suggests that Hills are now completing the majority of scheduled collections on time, with only relatively few rounds needing to be rescheduled to the following day. All collections are being recovered within the week, and none have been rescheduled into the following week since 24 July.
39. On 1 and 2 September all rounds were deployed and completed as per schedule.
40. Hills have continued in their efforts to recruit over their establishment and have successfully reduced the number of vacancies.
41. Whilst the UK labour market continues to be fluid, particularly in the face of increasing competition for professional drivers and recognising current and anticipated cost of living concerns, the council will continue to closely monitor the performance of the Lot 5 contract and contract establishment levels, intervening again if required.