

ENVIRONMENTAL SCRUTINY COMMITTEE

8 DECEMBER 2015

Present: County Councillor Mitchell(Chairperson)
County Councillors Aubrey, Clark, Hill-John, Keith Jones, Lomax
and Darren Williams

52 : APOLOGIES FOR ABSENCE

Apologies were received from Councillor Davis.

53 : DECLARATIONS OF INTEREST

No declarations of interest were received.

54 : MINUTES

The minutes of the meeting held on 10 November 2015 were approved as a correct record and were signed by the Chairperson, subject to the following amendments in italics:

2 bullet points on Page 5

- Officers were asked to clarify when the criteria for reporting fly-tipping/waste presentation had changed. Officers stated that Natural Resources Wales had issued guidance during 2012 which included guidance on what should and what should not be included as fly-tipping *in the* performance indicator *figures*. Officers confirmed that prior to this guidance being issued fly-tipping and waste presentation problems had both been reported *and* included in the fly-tipping performance indicator *figures*, to the detriment of the service.
- Members noted that the Wales Data Unit reported a drop in the number of fly-tipping incidents reported annually in *Cardiff* before 2012/13 and after 2012/13 of over 5,000. Officers stated that the definition had changed so the figures were not comparable. There was however, a slight decrease in the overall tonnages collected during the period.

55 : CITY OPERATIONS - QUARTER 2 PERFORMANCE

The Committee received the City Operations Directorate's performance report for Quarter 2 2015/16 prior to the performance report being presented to Cabinet in on 10 December 2015. The performance report at Appendix 1 was supported by an overall summary of Council performance at Appendix 2, including revenue projections, savings summaries, sickness rates and complaint statistics.

Members were advised that the performance report examined a number of performance areas including projected budget outturn; projected budget savings; progress against Directorate/Corporate Plan objectives; performance indicators; progress against challenges identified at Quarter 1, service delivery; risk update; etc. A range of performance information would also enable the Committee evaluate the

directorate's performance against other services areas and against the Council as a whole.

Members were asked to note a number of key observations identified in the performance report, full details of which were set out in the Committee report. Members were also asked to note the main performance indicators and the challenges identified during the period and the actions taken to address those challenges.

Strategic Planning, Highways, Traffic and Transportation and Energy

The Committee received a [presentation](#) from Matt Wakelam, Operational Manager, Infrastructure and Operations. The Chairperson invited the Committee to comment, raise questions or seek clarification on the information received. Those discussions are summarised as follows:

- Members sought clarification on the actions required regarding the anticipated adoption of the Local Development Plan (LDP). The Cabinet Member advised that the LDP must be adopted by the Council within 8 weeks of its release by the Welsh Government's Planning Inspectorate. It was anticipated that the LDP would be considered by the Cabinet at its February meeting.
- The Committee commented on the condition of the highways and asked whether it was permissible to use funds from parking fines and moving traffic offences to repair the carriageway. The Cabinet Member advised that the authority was able to use those funds to carry out repairs to the roads; however, the cost of enforcing those issues must be covered first.
- Members noted the £660k projected variance in the budget position and asked why this had occurred. Officers stated that the variance had occurred as a result of savings being underachieved, a drop in market values for recyclables; and the Neighbourhood Project not producing the savings projected; and a delay in the Alternative Delivery Model for Leisure Services. The variance has been off-set by overachievements in other service areas. The variance was being reduced and at month 8 it was forecast that the variance would be £399k.
- Members asked for an indication of the difference in percentage terms between the income and outgoings generated by parking fines and moving traffic offences. Officers stated that this did not form part of the Performance Monitoring reported being tabled. The Cabinet Member stated that there was currently a surplus which was being reinvested into the service. The Cabinet Member confirmed that would include maintenance of the carriageway.
- Officers advised that there were legal constraints governing what such funding could and could not be used for. Section 52 of the Traffic Management Act stated that the funds could be used for 'Environmental Improvements'. Officers agreed that this was a broad definition. The Cabinet Member stated that demand for such funds was huge. Schemes which enabled a 50/50 modal shift to public transport would be prioritised.
- Members asked whether income from traffic and parking offences he 'plateaued'. The Cabinet Members stated that it was difficult to answer this question at the

moment as consideration was being given to increasing the number of bus lanes where enforcement was taking place.

- Referring to the £1.6 million variance in the projected savings, the Committee sought to clarify why savings targets were being missed. Officers advised that whilst some projects were not delivering the anticipated savings, the service was bringing forward a mitigation plan. Officers forecast a balanced position by year end.
- The Committee sought comments on the position regarding overspend on agency spend. Officers stated that driving down FTE sickness levels would help to address this. Members were advised that the Highways Department did not use agency staff. However, a service such as waste collections could not be delivered other than by employing agency staff when needed.
- Officers confirmed that Cardiff compared well with comparator authorities in terms of concessionary bus fares. Officers stated that Cardiff compared favourably and it was suggested that the good bus services and high car parking charges may be affecting the take up of concessionary bus travel.
- Officers agreed to provide a breakdown of the roads in disrepair by category.

Environment

The Chairperson welcomed Councillor Bob Derbyshire, Cabinet Member for the Environment, and Tara King, Assistant Director, City Operations. Tara King was invited to deliver a [presentation](#) on the Environment aspects of the Quarter 2 Performance Report. The Chairperson invited the Committee to comment, raise questions or seek clarification on the information received. Those discussions are summarised as follows:

- Members questioned what work was being undertaken to effectively manage the Attendance and Wellbeing Policy and challenge high sickness absence levels in 'hot spot' areas. Members were advised that officers were working alongside HR focussing in the trigger points at each stage of the policy. It was considered that Stage 1 of the policy may be open to abuse as employees may be absent for some time before Stage 1 of the policy is triggered. The Committee was asked to note that sickness absence within the Directorate has been considerably reduced and efforts were continuing to reduce sickness absence levels further.
- Officers confirmed that the recycled 240ltr bins would count towards the authority's overall recycling figures; however, this did not amount to a considerable contribution. Officers agreed to provide the figure for overall tonnages if requested.
- Responding to a question from a Member, officers advised that the closure of Wedel Road HRWC and the opening of the new 'supertip' at Lamby Way would not take place during the current financial year. Therefore, there would be no impact on the recycling target result for the year. The Cabinet Report from October 2015 clarifies the timeframes involved.

- Members asked whether the 30% target for total waste sent to landfill was challenging enough. Officers stated that the amount of waste sent to landfill would be greatly reduced in future as a result of the Prosiect Gwyrdd energy from waste contract.
- Officers provided clarification of the various categories for waste.
- Officers were asked to comment on the management of agency staff spend within the service area and how this related to the level of sickness. Officers advised that demand for agency staff arose from staff vacancies, sickness absence, additional workload and annual leave cover. Only cover for annual leave was budgeted for as the other demands were variable and unplanned. Reduced levels of sickness absence would result reduced spend on agency staff. Furthermore, the recent staff appointments in the MRF would also help reduce agency spend.
- Members asked whether there were any plans to provide training to staff to allow them to multi-skill, to respond to demands and take the place of agency staff if necessary, e.g. HGV drivers. Officers indicated that the upskilling of staff was within the scope of the Neighbourhood Services Project. Staff would need the skills and confidence to perform a number of roles. The Cabinet Members indicated that it was still his intention to roll out these proposals.

AGREED – That the Chairperson writes on the Committee’s behalf to the Cabinet Member to convey their comments and observations.

56 : CARDIFF'S COMMERCIAL WASTE COLLECTION SERVICE

The Committee received a report on the Council’s Commercial Waste Service. Members were advised that the Authority has a statutory obligation to provide a commercial collection service upon request. The Council offers its own commercial service to businesses in the city from the in-house Waste Collection Team. The Commercial Waste Team competes with other commercial waste providers on the open market.

The Commercial Waste Team offers a range of core commercial waste collection options, including:

- General waste
- Mixed recycling
- Single stream recycling
- Food waste
- Bulky waste and site clearance
- Commercial Recycling Centre

The Commercial Waste Team also offers a range of additional services for businesses, including:

- Street cleansing
- Event cleansing
- Land clearance
- Street washing and jet washing
- Skip hire

- Other bespoke collections

Services are delivered seven days a week on a split shift basis. The Committee was advised that the service brochure (Appendix 1) summarised the services provided.

The service employs 36 FTE staff, 29 in collections and 7 in administration, sales and marketing. Employee numbers have been consistent and the service has a high staff retention rate. The service has access to additional staff cover and is supported by the Council's main central support services, e.g. financial, legal and human resources.

The service is based in Lamby way and it has access to 5 collection vehicles which are leased from Central Transport Services and 1 bulky waste collection vehicle. The service also owns a range of waste collection containers.

Members were advised that the service is promoted through a team of 7 staff, focussing on a key number of areas including:

- Promoting the brand
- Promoting the wide range of services
- Using a competitive pricing structure
- Sub-contracting for commercial waste contracts
- Applying price discounts
- Targeting smaller businesses

Customers range from small local businesses to large national companies, internal customers and other public sector organisations. Customer retention rates are high and contracts have been held for many years. The competitive pricing structure is agreed by the Council annually and is published as part of the budget setting process. It is also possible to apply discounts in order to secure business.

The Committee was advised that the service supports approximately 30% of the National Non Domestic Rates organisations registered in Cardiff. Larger retailers tend to enter into national agreements and therefore this is an area of the commercial waste industry which the Council finds difficult to access, with the exception of some sub contracted contracts. The Commercial Waste Service generated an income of £3.362 million in 2013/14, increasing to £3.908 million in 2014/15.

The report summarised the challenges facing the Commercial Waste Services including competition within the commercial waste industry; increasing quality and quantity of recycling collected and the proposed Environment Bill which comes into effect in 2017 and required businesses to separate their waste and bans some materials from landfill in a bid to increase recycling.

Members were advised that the Commercial Waste Service is included within the Infrastructure Services project. In July 2015 the Outline Business Case for the Infrastructure Services project included several references to the Commercial Waste Service. It was noted that joint scrutiny between the Environment and the Policy Review and Performance Scrutiny Committees is due to take place in February 2016 and will consider a Cabinet report entitled 'Infrastructure Services – Full Business Case'. Members were asked to consider and evaluate the merits of the Commercial Waste Service within a wholly owned arms-length company or the modified in-house model.

The Chairperson invited Jane Cherrington, Operational Manager, Strategy and Enforcement to deliver a presentation on the Commercial Waste Service. Members were invited to comment, raise questions or seek clarification on the information received. Those discussions are summarised as follows:

- Members asked whether there was a duty on businesses to present recycling, in particular food waste recycling. Officers stated that businesses are not currently statutorily obliged to recycle, but there are encouraged to do so. However, the Welsh Government's proposed Environment Bill will provide clear legislation and enforce recycling on businesses. Officers from the Environment Directorate in Cardiff were advised Welsh Government on this matters.
- Officers stated that Section 46 notices have been served on business when the presentation of food waste has caused problems. Where Section 46 notices are served, the business is also offered a food waste collection service at the same time. Officers have also targeted schools, NHS and other large producers of food waste, with a view to increasing food waste recycling.
- Members noted that the prices charged by the Waste Collection Services are set annually. Members asked whether officers would like to see prices reviewed and some discretion given in terms of negotiating terms. The Cabinet Member stated that Cabinet was guided by the service area and officers were afforded some discretion. Officers stated that fees were formally rigid but now a degree of flexibility was permitted.
- Members asked whether the authority employed the services of waste brokers. Officers stated that some recycle was sent to brokers. Larger brokers were able to offer a package of services and it was the authority's intention to offer businesses similar suites of services as part of the alternative delivery model project.
- Members noted that 40% of business waste was recycled. Officers stated that analysis has indicated that up to 60% could be recycled but businesses were harder to educate.
- The Committee noted the 'dramatic turnaround' in the Commercial Waste Service. Members asked how this was achieved. Officers stated that the service was restructured and given a greater commercial focus. Commercial collections were prioritised and greater emphasis was given to customer retention and stronger, longer term contracts. New technologies were also assisting the service and paying dividends.
- Members asked what challenges remained for the Commercial Waste Services. Officers stated that historically visits to potential new customers had a low turnaround. The target was not to visit new customers within 1 day of the receipt of an enquiry. Waste brokers were also operating with very low overheads but new technologies were allowing the service to reduce overheads and complete.

- Officers stated that providing access to front elevation loading fleet vehicles would enable the service to access new markets.
- The cost of collection and disposal of food waste offered by the Commercial Waste Service was very competitive. However, businesses were not recycling food waste due to the costs on the business associated with a commitment to separate food waste from general waste. However, the Environment Bill in 2017 could help to address this. Officers felt that there was a misconception amongst the business community that two waste bins would mean extra charges. However, two bins for the separate waste streams can be accommodated. Business are recommended to speak to the service provider.
- Members asked what proportion of waste in the City Centre is collected by the service and how is the waste presented. Officers advised that a high proportion of the total waste collected in the City Centre is collected by the Commercial Waste Service. Waste is collected in containers. However, some businesses, such as those in Mill Lane struggle with a lack of adequate storage for their waste. Two collections are made every day (AM and PM).
- Officers confirmed that large bins should not be stored on the highway but can be placed on the highway when waste is presented for collection.
- Officers reminded the Committee that the authority has a statutory requirement to provide a commercial waste collection service. The service supports SMEs in the city and any profit made can be used to offset the costs of other services.

AGREED – That the Chairperson writes on the Committee’s behalf to the Cabinet Member to convey their comments and observations.

57 : WORK PROGRAMME 2015/16

The Committee discussed the 2015/16 work programme. Members were asked to consider options for the January meeting of the Committee. Members noted that the Committee’s Task and Finish Group on Section 106 Funding would be meeting in January. There would also be a Joint Environment and PRAP Scrutiny Committee in early February, prior to the Budget Scrutiny meetings.

AGREED – That the 19 January 2016 meeting of the Committee be cancelled.

58 : CORRESPONDENCE

The Committee received copies of correspondence sent and received in relation to matters previously scrutinised by this Committee.

AGREED – That the correspondence report and attached documentation be noted.

59 : DATE OF NEXT MEETING

Members were advised that the next Environment Scrutiny Committee is scheduled for 9 February 2016.

The meeting terminated at 7.15 pm