



Fy Nghyf / My Ref: CM40551

Dyddiad / Date: 19th December 2018

Councillor Ramesh Patel  
C/O Member Services  
County Hall  
Atlantic Wharf  
Cardiff  
CF10 4UW

Annwyl/Dear Councillor Patel

### **Environmental Scrutiny Committee - 2nd October 2018**

Thank you for your letter dated 5th November 2018 in relation to the Environmental Scrutiny Committee held on 2<sup>nd</sup> October 2018.

Please see below a response to your comments and observations.

### **Planning, Transport & Environment Directorate – Budget Briefing**

I am able to provide you with a financial update. Saving proposals submitted for PTE now total £4.2 million (£2.3 million less than the original target of £6.5 million)

***Confirmed Improvements*** - *With particular reference to Recycling & Waste Management Services and Fleet Services, the Committee would like you to provide concrete examples of service improvement in areas such as sickness absence; control of overtime payments; budget management; quality of management information and better work process monitoring of the outputs produced.*

As requested, Service improvements include:-

#### **Sickness absence**

1. 78% of all managers have completed the revised e-learning module on sickness procedures.

#### **ATEBWCH I / PLEASE REPLY TO :**

Swyddfa Cymorth Y Cabinet / Cabinet Support Office, Ystafell / Room 518, Neuadd y Sir / County Hall  
Glanfa'r Iwerydd / Atlantic Wharf, Caerdydd/Cardiff, CF10 4UW  
Ffon / Tel: (029) 2087 2598

#### **GWEITHIO DROS GAERDYDD, GWEITHIO DROSOCH CHI**

Mae'r Cyngor yn croesawu gohebiaeth yn Gymraeg, Saesneg neu'n ddwyieithog. Byddwn yn cyfathrebu â chi yn ôl eich dewis, dim ond i chi roi gwybod i ni pa un sydd well gennych. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

#### **WORKING FOR CARDIFF, WORKING FOR YOU**

The Council welcomes correspondence in Welsh, English or bilingually. We will ensure that we communicate with you in the language of your choice, as long as you let us know which you prefer. Corresponding in Welsh will not lead to delay.



2. Return to Work and Stage Interviews are monitored and Managers are informed of non-compliance.
3. A monthly stats report is sent to all managers, including missed return to work interviews and missed stage interviews.
4. Sickness Absence is a regular item on the Management Team Agenda.
5. The HR Contact Officer is holding regular weekly meetings with areas that have high Long Term Sickness absence cases.
6. The HR Contact Officer is meeting with the Director and Assistant Director monthly to review long term sickness cases.
7. The introduction of a number of Health promotion initiatives.

### **Control of Overtime payments**

1. A Payroll Audit review has been undertaken and the Directorate is awaiting audit recommendations.
2. The Directorate is in the process of centralising the administration, processing and input of overtime and spinal point adjustment claims at Lamby Way under the resources team. This will ensure standardisation of processes and Council procedures.

### **Budget Management and Management information**

1. The Directorate has increased staff resources in areas of weakness.
2. Additional staff resources have been allocated to the Waste data flow team, ensuring information submitted to WG is accurate, robust and submitted on time.
3. Additional resources and physical improvements have been made at HWRC's to ensure the recycling target is improved.
4. Significant work and development is being undertaken with partnerships for both commercial and skips services.
5. The Directorate has introduced weekly street scene budget and programme meetings to ensure management are aware and accountable of all financial and operational issues.
6. All audit recommendations are being implemented; commissioning and procurement, payroll, weighbridge, governance and control.
7. Additional training is being developed for staff to improve accountability and control, budget management, procurement, sickness etc.

**Service Reviews** - *Provide confirmation of when the service reviews for Recycling & Waste Management Services and Fleet Services will be completed. This should include specific detail on the service parts being reviewed, the financial implications of these reviews and the rationale behind why the reviews have been undertaken. Once the reviews are complete I would be grateful if you could provide the Committee with a copy of the documents, any associated action plans and agreed timescales to achieve service improvement.*

### **Recycling and Waste Service**

The Service review for Recycling and Waste Services will be completed by April 2019. This comprehensive review of recycling and waste services will clarify how the Council can meet the increasing recycling targets set by WG whilst making the collection of waste and recycling more efficient and cost-effective - against the backdrop of funding cuts.

## **Fleet Management.**

A review of Tranman has started which involves changes to the actual system as well as the way in which it is being used. Civica, the owners of the system, will make the first wave of changes on the 11th and 12th of December 2018. These changes will allow better control and accountability of the flow of work through the system and hence better control and capture of costs.

The system changes will take place in stages. The main changes and gains are expected to be made by April 2019. The changes of how the system should be used will inevitably take longer to embed with staff. Some changes to the staff structure and role profiles are required so this part of the review will take longer.

There has also been a review of what work the CTS workshop now undertakes and should in the future. With immediate effect, there has been a change in policy so that any new leases and hires of vehicles are where possible without maintenance, so that this work can now be completed in-house. This will enable fleet procurement to look for better contract deals with reduced hire costs. Longer term this will also give CTS / CCC the option of self-financing procurements to reduce costs and have better resilience.

CTS are actively looking to take on more third party work on the vehicle front and the fabrication department is already taking orders and completing work for other service areas. As this programme is in its infancy it is expected to be a gradual process whereby customers will be sought and gained over the coming months and income is gradually generated. The aim of this is to bring more customer work into the CTS facility to offset overheads and reduce total costs.

***Sickness Rates*** - *High sickness rates have been a longstanding problem in a number of services currently provided by the Planning, Transport & Environment Directorate. For a short time it seemed that sickness rates in areas like Recycling & Waste Management and Neighbourhood Services were reducing, however, in the last few years it has once again started to increase. During the meeting the Committee was told that sickness is being managed in accordance with the existing Council sickness absence policy and that the delivery of a sickness absence action plan was a Corporate issue. The Committee understands that this is being dealt with as a Corporate issue, however, the lack of progress suggests that a different approach needs to be taken. I would be grateful if you could take this comment on board and provide the Committee with details of specific actions that will be taken in the areas of the Directorate with persistently high sickness rates.*

The service improvement actions for sickness absence are detailed under the service improvements heading.

Additionally the Directorate has introduced a number of Health promotion initiatives:-

1. Physiotherapy pilot being undertaken at Lamby Way for all staff.
2. Videos in communal areas displaying various techniques/exercises which can be undertaken on a daily basis.

3. On-site massage service provided by Harmony Holistics. (Last sessions November 2018, next sessions planned for January 2019).
4. Weekly physiotherapy sessions. (Individual assessments and group sessions focussing on reducing sickness levels).
5. Welfare Officer based on site. (Provision of counselling service).
6. Occupational Health Visitor on site. (Facilitates audio tests, drivers' medicals).
7. Regular Health & Wellbeing fayres (Including Diabetes testing & awareness, smoking cessation, blood pressure testing, prostate & ovarian cancer awareness).
8. Prayer and Reflection Room.
9. Cycle racks and showers in main buildings.
10. Drying room to dry wet clothes.
11. Hand cream/sun cream/provision of bottled water for operational staff during hot weather.

**Sickness Costs** - *I would be grateful if you could provide the Committee with a breakdown of the costs associated with the high sickness rates for Recycling & Waste Management Services. This should include the full cost of sickness days lost and any associated overtime or agency costs paid for providing work cover.*

I can confirm that the Collections Service is the only area which covers 1:1 sickness.

The collection staff budget assumes a sickness level of 9.04%. However, the actual sickness rate in this area is 12.33% - costing approximately an additional £110k.

**Overtime Payments** - *Members were told that a recent audit investigation had sampled a number of overtime payments for staff working within Recycling & Waste Management Services. Early indications suggested that a number overtime overpayments had been issued and so further investigation needed to take place. I would be grateful if you could provide the Committee with an update on the findings of the further investigation into overtime overpayments once it becomes available.*

The Directorate is awaiting the recommendation from the audit report. However, in the interim to ensure improved governance and control, all overtime is managed by the resources team.

This will ensure standardisation of processes and Council procedures. The resource team also manage work time directives ensuring that the extent of overtime worked by employees does not exceed guidelines.

**Clawback Savings Shortfall** - *As referenced earlier in this letter, it was made clear to the Committee that it was unlikely that £821,000 of the £1.838 million of savings for 2018/19 would be achieved within the current financial year. As you will appreciate balancing the Directorate budget and meeting the agreed savings targets is vitally important, therefore, I would be grateful if you could provide the Committee with a plan of how the Directorate might claw back the savings shortfall during the remainder of the 2018/19 financial year.*

The Directorate has implemented the following to improve the financial position;

- Restriction of spend in all areas (including staff, IT, agency etc. unless authorised by OM).
- Appropriate use of reserve to fund revenue developments.
- Reduction in FRM spend.

**Waste Data Assurance** - During the meeting the Director for Planning, Transport & Environment explained that since the transfer of Recycling & Waste Management Services into the Directorate concerns had been identified around the collection of waste and recycling data. Members were told that all processes for the collection, measurement and storage of waste were being reviewed to ensure that the Council had a complete understanding of the materials it was collecting, for example, glass, paper, metals, municipal waste, etc.... This admission alarmed the Committee because for many years the Council has been working hard to meet the statutory Welsh Government recycling target. Members would like assurance that Council processes for the collection of waste and recycling data are sufficiently robust to ensure accurate reporting for the statutory Welsh Government recycling target.

The Directorate has implemented a number of initiatives to improve the accuracy of information, these include;

- Upgrade of the gatehouse system
- Cleansing of the gatehouse database
- Improved work instructions for all staff using gatehouse system
- Improved procedures ensuring all processes are checked and validated
- Additional staff resources allocated to deliver actions above
- Meetings with NRW to discuss and resolve issues relating to Waste Data Flow.

**Digitalisation** - The Director for Planning, Transport & Environment explained that future savings proposals would focus on a number of key themes; one of these was Digitalisation. I would be grateful if you could arrange for the newly appointed Chief Digital Officer to provide a paving report setting out the planned digitalisation proposals for the Directorate, the timescales in which they will be delivered and the savings that they will generate.

Digitalisation is Directorate led. The Directorate is implementing key digital solutions to improve service delivery and generate savings. Some key projects are identified below;

- Replace paper based issuing of licences to digital
- Progressing upfront payment in all areas where possible
- Issue FPN's through digital system
- Allow customers to access accounts and payments on line
- Introduction of hybrid printing
- Digital solution identified for new service development; SUD's and Untaxed Vehicles

The delivery of technology projects is 'bottom up' rather than 'top down' ensuring that the digital solution meets all business needs.

**New Work Programme Item** - As a matter of urgency, the Committee would like to add a new item to its work programme to consider the challenges facing Recycling & Waste Management Services. The aim of the scrutiny would be to explore in greater detail the problems facing the service and find out what the Planning, Transport & Environment Directorate is doing to turn around performance in advance of the 2019/20 budget setting process.

A service review for Recycling and Waste Management Services will be produced for April 2019. The outcome of the review will feed into the 2020/21 Medium Term Financial Plan.

**Brexit** - Towards the end of the item a Member asked if the Directorate had undertaken any planning around how to deal with potential negative impacts arising from Brexit. The Director for Planning, Transport & Environment explained that the short-term priority was to focus on rebuilding the foundations of key services in advance of the proposed savings for 2019/20 and beyond. He also felt that it was not practical to plan for such an event as it was almost impossible to predict the eventual outcome of such a complicated process. During the way forward the Committee agreed that the Directorate should at least attempt to identify the associated key risks and determine a series of mitigating actions to address any problems that might be caused by Brexit.

At a Corporate level, there is a piece of work being undertaken by the Cabinet Office.

For information, I can advise that WLGA have published a Brexit Preparedness Toolkit for Welsh LAs, in association with Grant Thornton, which can be found by following the following [link](#). Please let me know if you have any problem accessing this document and I will arrange for you to have a hard copy.

I trust the above is of assistance.

Yn gywir  
Yours sincerely



**Councillor / Y Cynghorydd Michael Michael**  
**Cabinet Member for Clean Streets, Recycling & Environment**  
**Aelod Cabinet dros Strydoedd Glân, Ailgylchu a'r Amgylchedd**