



Waste Mobilisation

Overview and Scrutiny Committee

27TH January 2020

Overall Project Status



The Project is on track to deliver an in-house service for the 29th March 2020.

- Consultation with Veolia staff and trade union representatives is well advanced and has been positive.
- Practical arrangements for staff checks, induction and training are being finalised.
- Major procurements have been completed for a new modular building at the depot, new vehicles, vehicle maintenance, cleansing barrows, integrated waste management software and uniforms
- Further procurement arrangements utilising existing frameworks are being finalised for fuel, windscreens, tyres, waste containers and sacks and arrangements have been made with Veolia for the transfer of 6 months' worth of consumables (e.g. bins, sacks), plant and equipment to ensure continuity of service.
- Corporate branding has been agreed.
- IT integration underway with first stage completion by end of February 2020 to improve service information and performance and shape future service improvements.
- Contingency arrangements in place to cater for the later completion (May 2020) of the modular building at the depot and the project is also seeking to include sufficient electric power supply to the depot to enable electric vehicle charging to further 'green' the fleet. All new vehicles will be ultra low emission zone compliant.

Background/Context



The creation of an in-house service for the integrated delivery of waste, recycling and cleansing functions within Tower Hamlets was approved by Cabinet on the 31st October 2018.

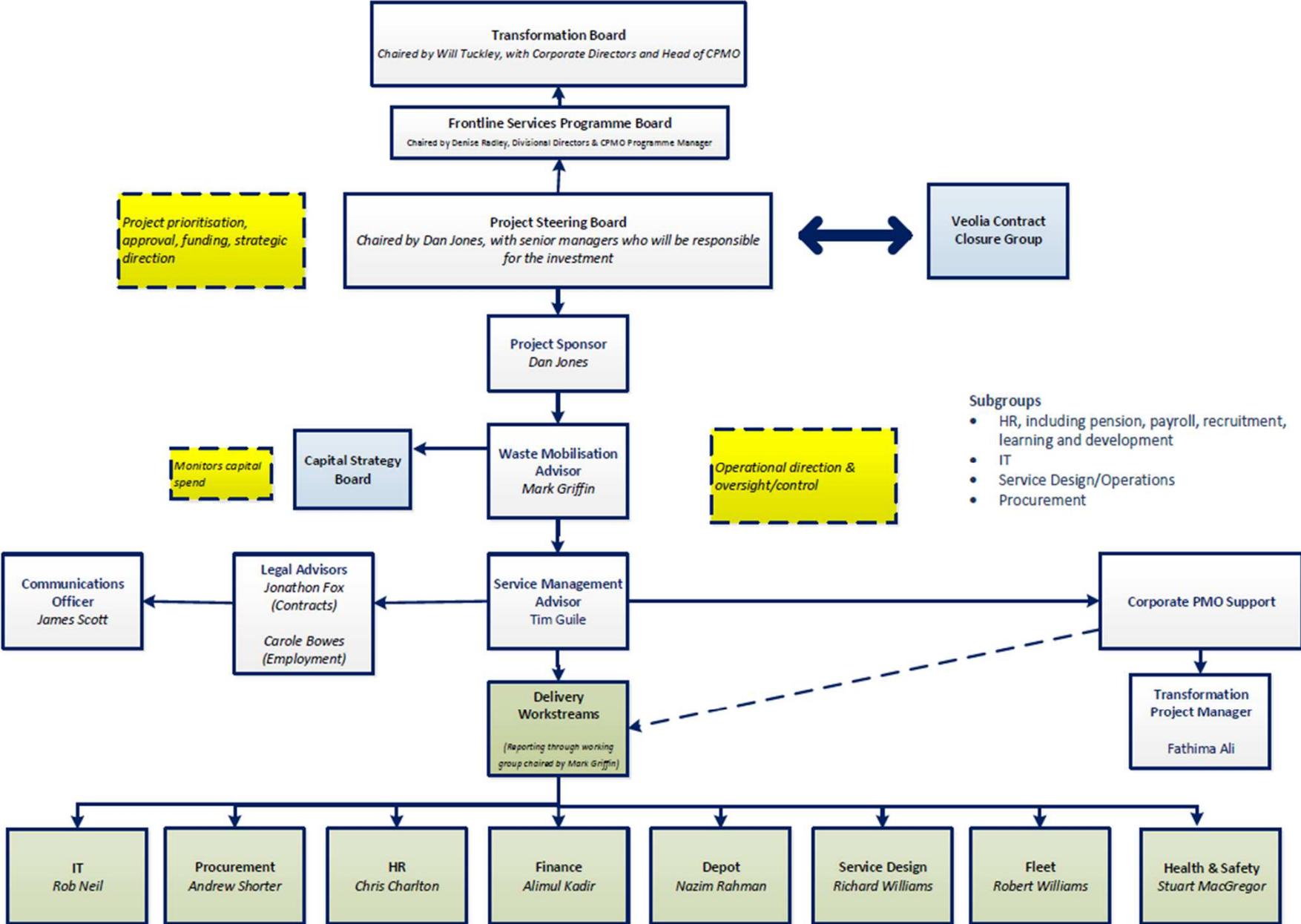
Approval was also sought for capital funding of £10m for the purchase of a new fleet and for the implementation of new IT systems from a total available capital allocation of £750k.

In addition, £2.5m was approved from council reserves in order to cover the pre-implementation costs, which includes the creation of a mobilisation team to oversee the development and implementation of the new in-house service.

The annual costs of the service have been budgeted at £21.3m.

The Waste Mobilisation Project has been in implementation since January 2019, working across 8 workstreams to deliver a comprehensive in-house waste, recycling and cleansing service for 29th March 2020. Coordinating the work streams activities under the overall corporate governance framework

Waste Mobilisation Governance Structure

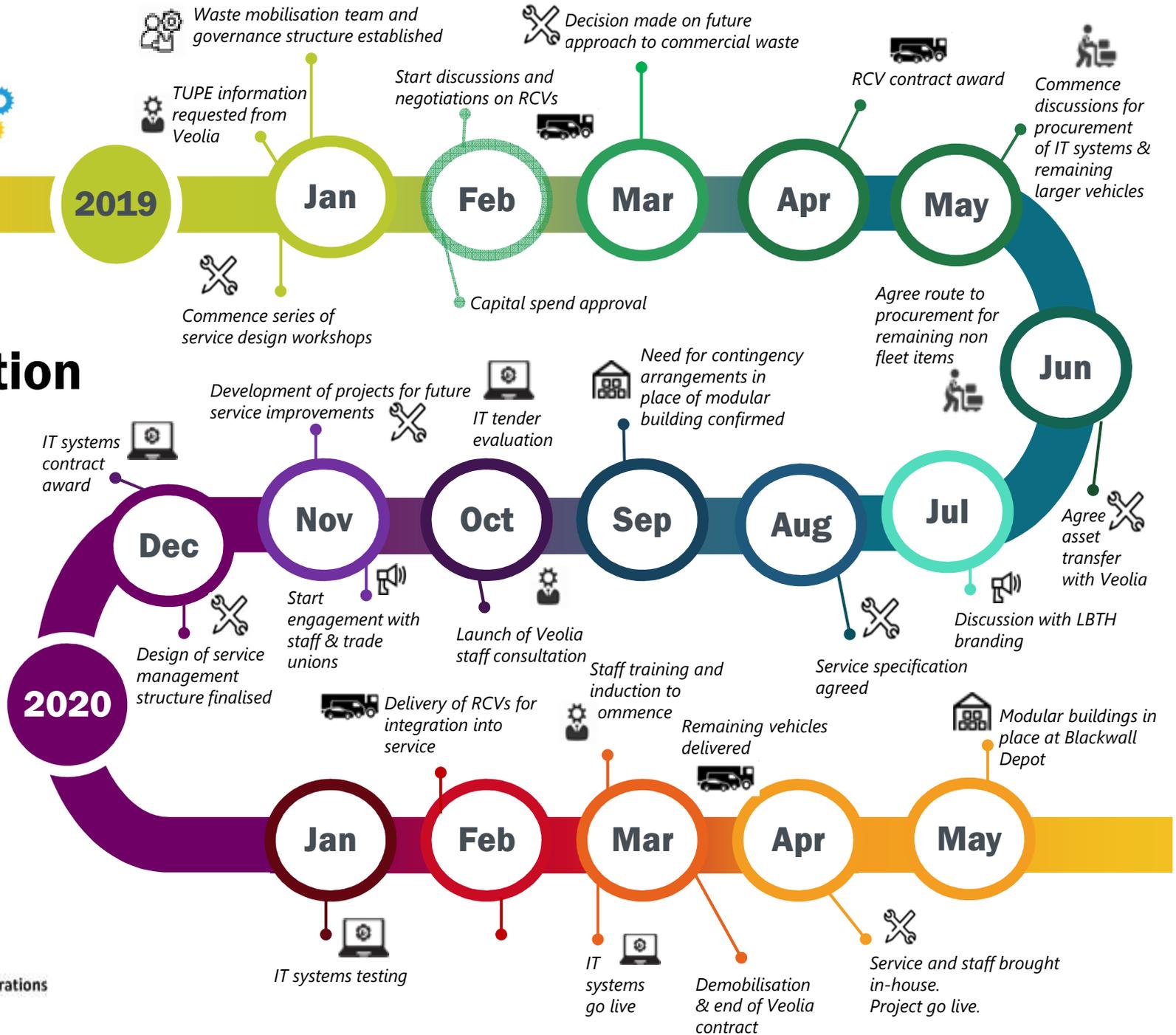




Waste Mobilisation Timeline

Service in house
29th March
2020

- Communications
- Depot
- Finance
- Fleet
- HR
- IT
- Procurement
- Project Management
- Service Design & Operations



Progress on Core Workstreams



Service Design

- The waste and recycling service will commence by delivering the currently scheduled service to its full intended extent from Day One of the new in-house arrangement.
- Full service detail of current service, resource and equipment in use:
 - Client team have access to Veolia's waste management software system and are in receipt of more operational data to monitor service delivery and seek improved performance.
 - Achieving and maintaining data quality is a continuing priority and is addressed by a dedicated resource handling data transfer to the Council's new waste management software system – 'Whitespace'.
 - "As is" model in terms of expected levels of performance developed for waste and recycling services
- A review of the street cleansing and waste/recycling collections will be undertaken, post April 2020 looking at route optimisation, with the view to improving efficiency and effectiveness.
- Applications for relevant licences to operate the service on behalf of LBTH have been submitted.
- A comprehensive induction and training programme has been developed to meet the needs of the new service. Documents include core induction, service/role specific and driver packs; corporate induction; health & safety; driver; fleet; Agresso and Whitespace.
- Induction and training is scheduled to commence w/c 9th March 2020, following HR's 'onboarding' checks (eg. right to work, individuals bank details for payroll purposes).
- New personal protective equipment uniform in LBTH branding will be issued to staff during induction/training.

Progress on Core Workstreams



Finance

- Growth bid of £1.3m relating to potential unbudgeted costs arising from the in-sourcing has been considered by Cabinet. This is scheduled to be approved by Council in February.
- Latest staffing information has been received and is currently being costed.
- The finance workstream will now build the new in house revenue budget, to include staff costs, supplies and services costs, depreciation etc.
- In conjunction with the mobilisation project team, consider the income, i.e., from commercial waste, and internal recharges, which will also need to be built in to the budget. Also system considerations around coding card payments to the correct place.
- Further detailed work is planned to understand how the budgets should be set up in terms of cost centres, budget holder responsibility, and workflow approvers.

Progress on Core Workstreams



IT

- The procurement for a new IT waste management system was awarded to Whitespace Ltd in November 2019. This integrated system alongside the use of Agresso (the Council's financial system) will replace Veolia's current systems.
- Implementation is currently underway, with phased systems go live scheduled for end of Feb 2020. Go live dates as of today's baselined project plan: domestic/street cleansing is scheduled for 24th February, giving 3 weeks minimum parallel running if needed and commercial waste scheduled for 2nd March.
- The workstream is currently on track to have the new IT system available prior to service transition.
- IT software demonstrations have taken place to showcase the system to services across the Council (including Customer Contact Centre, Finance and Revenue) and Veolia staff.
- A significant data-cleaning programme has been completed by the service to improve the data quality, but this should be regarded as a continuity priority.
- Integration with council systems (website, Local Land and Property Gazetteer, financials, payments) being defined and implemented.
- Dennis Eagle are liaising with Whitespace on the fitting of the in-cab technology onto the new refuse and recycling collection vehicles.

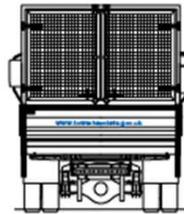
Progress on Core Workstreams



Fleet

- The project has ordered 69 new vehicles for the in-house service (35 refuse/recycle vehicles; 25 x 7.5 tonne cage tippers with tail lifts. 7 x 12 tonne mechanical sweepers and 2 (4 tonne) precinct mechanical sweepers). These vehicles are ULEZ compliant.
- All vehicles will be branded in the new LBTH logos and design.
- Where possible, in-cab IT to manage waste/recycling collections and cleansing will be fitted at the factories before arrival. Alternatively this will be completed at Blackwall Depot.
- The first of the refuse recycle vehicles from Dennis Eagle are due to arrive in February 2020, with a further 7 arriving each week until the end of March and will be transitioned into Veolia's current fleet. Cage tippers and mechanical sweepers will arrive during March and April with spot hire vehicles providing cover where necessary as is the case currently. Smaller leased vehicles (e.g. vans) are expected prior to the commencement of the new service.
- The waste service will look to utilise any new leasing agreements for the supply of vans and thereby build in flexibility to adopt alternative fuel vehicles at the earliest opportunity.
- Vehicle maintenance is a priority and includes TUPE implications for the current vehicle maintenance supplier of Veolia's fleet. The tender close and evaluation will be finalised by the end of January 2020.
- Fleet training for drivers and operatives will include: bin lift training, vehicle security, cycle safety, safety cameras and safety reverse systems, vehicle checks and defect reporting.

Corporate Fleet Branding



Progress on Core Workstreams



HR

TUPE

- Veolia started its consultations process with staff in October 2019.
- To date, LBTH has been working closely with Veolia and has had various engagement meetings with trade union representatives; 1:1s with 29 admin and management staff. Fourteen group meetings with operatives and managers have already taken place.
- Meetings are being held between LBTH and Veolia to finalise the measures and the indemnities.
- Planning the logistics for onboarding the 331 staff in scope for the transfer to LBTH is currently underway. This will include right to work checks, licence checks and issuing of identification cards, etc.
- 1:1s with 302 operatives are scheduled to commence w/c 27th January 2020.

Agency

- Adecco will be providing agency staff for the new in-house service, through a two-tier model.

Pension

- All staff have been briefed on the cessation of Veolia pension and auto enrol onto the Local Government Pension Scheme (LGPS). Staff have advised to seek independent advice and have been signposted to the LGPS website and LBTH pension team.

Progress on Core Workstreams



Depot (Modular Buildings)

- The original timeline for the modular building project was scheduled for end of October 2019, however, this has now been re-baselined. The project suffered delays following issues with TFL and the supplier of the building – these have now been resolved. The three storey modular building is due to arrive on site at the end of February, with fitting out works to be completed on 7th May 2020.
- Fortnightly working groups have been taking place, bringing together the project team including representatives from Facilities Management, Corporate IT and Capital Delivery.
- Contingency arrangements have been prioritised by the mobilisation team, to ensure that the new in-house service has a base to operate from on Day One. The commercial waste service will continue to operate from Southern Grove with new LBTH IT equipment and the current Veolia portable cabins will remain on site – fitted with electricity supply, WIFI and new IT equipment for the service.
- Improvement works are also underway at the Blackwall depot, including refurbishment of the transport training room, addressing issues with lighting and locker rooms.

Health and Safety

- Engagement is underway with Corporate H&S on training and induction packs and the modular building.

Contingency Arrangements



Changes to the originally programmed timescales for some elements have been mitigated by the mobilisation project team with contingency arrangements.

- **Modular Building**

The Modular Building Project has been managed by the Capital Delivery Team. The modular building at Blackwall depot was due to be completed in October 2019, in time for the new in-house service. There have been delays to the timeline for completion of the modular building project, as a result of issues with the identified supplier and altering the location of the modular building from the area of concern raised by TFL and delays with undertaking preparatory works. The proposed handover is now 7th May 2020. The mobilisation team has pushed forward with contingency arrangements – use of Veolia’s current portable cabins and for commercial waste team to remain at Southern Grove.

- **IT**

IT arrangements have been put in place to support the continuation of the former Veolia portable cabins. Although on track, should there be any delays with the implementation of new IT, the operational service will commence with a paper based rounds for collections. The impact on the Customer Contact Service is to be understood and contingency arrangements to be set up to minimise service disruption.

- **Fleet**

The transition of new vehicles commences in February 2020 and will run through until the end of April 2020. Spot-hire vehicle arrangements where necessary and for a short period in April will be in place to enable a smooth transition from Veolia’s fleet to a new Council fleet.

- **Stock**

While we undergo procurement for bins, sacks, janitorial supplies and other consumerables, Veolia will be ordering 6 months supply of unbranded products on the Council’s behalf as contingency.

Engagement & Communications



Key activities include over the next couple of months include:

What	When	How
FAQs to Veolia staff in scope for the TUPE transfer	17 th January 2020	Through Veolia
One Service/One Team: poster campaign	w/c 20 th January 2020	At Blackwall Depot
Confirmation of salary and grade to staff in scope for TUPE transfer	w/c 27 th January 2020	By post
1:1s with operatives	w/c 27 th January 2020	Face to face
Update discussion with trade union representatives	Ongoing	Meeting
Monthly highlight reports to Frontline Services and Digital Programme Boards	Monthly	Board meetings
Progress update and escalation of issues to Project Steering Group, chaired by Dan Jones	Monthly	Meeting
Measures letter to staff in scope for the TUPE transfer	February 2020	By post
Induction and training schedule	End of Feb 2020	Through Veolia
Onboarding (HR ID checks, etc.); induction and training of staff in scope for TUPE transfer	w/c 24 th February 2020	Face to face

Waste Mobilisation – In House Service



Benefits

Deliverable	19/20	20/21	Status Comment	RAG
Agreed MTFS savings		£1,800,000		
The new in-house service will give the authority greater control over the delivery of its waste strategy	n/a	n/a		
Total	0	£1,800,000		

Risks & Issues – New or scores above 9

Risk Description	Date identified	Risk Owner	Impact	Likelihood	Risk Score	Proximity	Countermeasures/mitigating actions	Risk Actionee	Progress	Status
RISK Suppliers are unable to manufacture and deliver the new fleet in time for the start of 2020	01/11/2018	Mark Griffin	5	5	25	now	1. Develop specifications for the new fleet to be procured. 2. Early discussion with suppliers to understand timescale for delivering fleet. 3. Develop detailed procurement plan. 4. Go to market by end of Jan. to ensure sufficient time for delivery. 5. Lease options to be considered for smaller fleet vehicles.	Richard Williams/ Robert Williams	13/01/20: Delivery schedules for vehicles confirmed with suppliers. Tender evaluation for spot hire arrangements and leasing is currently underway to ensure full suite of fleet is available for Day One of the new in-house service. 17/12/19: Good progress being made on procurement activities across fleet and contingency arrangements being established with Veolia. Leasing and spot hire procurement is a priority.	In progress
Further anticipated delays with the modular buildings timeline will impact waste mobilisation.	20/09/2019	Richard Williams	5	2	10		1. Jane Abraham invited to provide update to project steering group. 2. Current governance of project to be reviewed. 3. Updated project plan for modular buildings to be circulated. 4. Contingency plans to be agreed.	Ted Riley/ Fiona Heyland	13/01/20: Contingency arrangements activities underway & confirmed – risk to mobilisation has been reduced. 08/11/19: Location of modular building to be moved away from area of concern raised by TFL around Blackwall Tunnel. Clarity now received on timescale, updated project plan to be received from Capital Delivery.	In progress

Key Milestones

