

Ref PHD 55-08

Subject:	WASTE MANAGEMENT Programme Approval
Responsible Officer:	Carol Cutler, Director of Business Transformation and Customer Service
Portfolio Holder:	Performance, Communication and Corporate Services Councillor Paul Osborn
Key Decision:	Yes
Urgent/Non Urgent:	Yes
Power to be exercised:	Paragraph 2 (iii) of the Delegated Powers of Portfolio Holders as set out in the Appendix to the Executive Procedure Rules, Part 4D and 3A of the Constitution.
Exempt:	The enclosures are Part II – Exempt information under Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended)
Enclosures:	BTP WASTE MANAGEMENT Programme – Public Realm

Section 1 – Summary and Recommendations

Recommendations:

That the Waste Management programme be approved to proceed in line with its agreed Business Case.

Reason:

Business cases and detailed plans have been reviewed and agreed by members of the Partnership Panel. Approval is sought in order to formally start their development and implementation.

Section 2 – Report

2.1 Introduction

The Waste Management Programme has been the subject of Outline and Full Business Cases. These have been approved by CSB and members of the BTP Partnership Board and the resulting proposals are summarised in the presentation 'BTP Waste Management Programme' (attached as Appendix 1). This presentation has been shared with all members of the Partnership Board.

2.2 Supporting the Corporate Strategy

The programme supports the Corporate Strategy through:

- Introducing new working practices to improve customer service
- Enabling financial savings
- Improving shared business processes
- Providing real time performance information
- Developing mobile and flexible working practices and introducing technology

The programme supports the Council's 9 point improvement plan through:

- Improving first impressions with customers through:
 - collecting information once from customers and sharing it with Council service units
 - increasing the number of queries answered at first point of contact through front to back office integration
 - providing easily accessible operational and management information
 - provide a building block for more customer web interaction
 - delivering an integral part of the management development programme

2.3 Options considered

Other options considered were:

- Focus transformation activities in other areas of the Council
- Undertake incremental improvements to the Waste service.
- Reduce capital spend by not transforming any further service areas
- Delivering the programme through the use of in-house resource

2.4 Current situation

Currently the Waste Management Service have heavy reliance on paper based processes and are seeking to transform their working practices through the introduction of Route Planning, Fleet Tracking technology, linked to a greater capability in remote working.

With this technology, real time information via Access Harrow will improve customer services.

2.5 Why a change is needed

Change is needed in these key service areas to deliver savings, and most importantly to transform their working processes to improve performance, and thereby to meet the Council targets in specific KPIs and customer satisfaction.

2.6 Recommendation:

That the programme be approved to proceed in line with its agreed Business Case.

2.7 Resources, costs and risks

Initial risks have been assessed as follows:

- need to agree levels of security and access to data
- large scale changes in working practices may result in Industrial Relations issues if not managed successfully
- the change of management style as a result of mobile and flexible working requires a strong approach on change management

2.8 Staffing/workforce

Development and delivery of the programme will be provided by Capita.

The impact of development of the solution, and training, on Harrow staff has been detailed, and assumed within the overall cost of the programme. This will ensure that sufficient budget is available to backfill posts where required, and for the central Harrow Programme Team.

2.9 Equalities Impact

There are no specific equalities issues related the report or recommendations. A full Equalities impact assessment will be completed as part of the programme.

2.10 Legal comments

The programme has been progressed under the Business Transformation Partnership. Outline and Full Business cases have been approved in line with contract requirements.

Appropriate technical and organisational policies will be in place to ensure compliance with Data Protection Act.

2.11 Financial Implications

The benefits that the Council have signed off as being achievable are £3.2m. After both Capita and Council costs, this provides an overall saving for the Council of £913k.

The payback period for the investment is achieved in full in year 10.

The capital programme for 2008-09 to 2010-11 includes the capital investment in Waste Management, and the medium term revenue budget includes the anticipated net savings arising from 2009-10 onwards.

The Council has reviewed the business case and compared the costs presented by Capita against the costs of delivering In house.

The Council has full visibility of the Financial Model based on the open book principles of the original Partnership contract, this includes full visibility of third party supplier costs and the Capita margin and overhead. The work will be undertaken at a fixed price based on the current specification.

The deal as presented by the Waste Management project is in line with the Incremental Strategic Partnership.

Benefits will be tracked using the BTP's established benefits management process involving the use of signed benefit cards, and monitored by the BTP Benefits Board chaired by the Director of BTP and Customer Services and attended by the Divisional Director of Finance & Procurement.

2.12 Performance

Indicators	Current Performance	Impact
NI 195a Improved Street and Environmental Cleanliness (Litter)	Actual – 20% Target – 15% Polarity ↓ is good	The system will significantly improve overall performance of waste collection.
NI 195b Improved Street and Environmental Cleanliness (Detritus)	Actual – 22% Target – 20% Polarity ↓ is good	The system will significantly improve overall performance of waste collection.
NI 191 Residential Household Waste per Head	Actual – (Q3 data only) 475 Kg Target – 260 Kg Polarity ↓ is good	The system will significantly improve overall performance as a result of the reduction in volumes of waste going to landfill sites
NI 192 % of Household Waste recycled and composting and sent for re-use.	Actual - 43.5% Target – 42% Polarity ↑ is good	The system will significantly improve overall performance.
Note: All targets will need to be reviewed in the light of actual service improvements.		
MORI Quality of Life Survey (results of most recent survey are not yet available) This will be replaced by the Place Survey, which has slightly different questions and a smaller sample size. On this basis the Place Survey will provide the benchmark for future target setting.		
Q12 The quality of Council Services is good overall	Agree/slightly agree (39%)	Given the great impact of waste management performance on customer perception of the overall Council, the project will contribute very positively to the Council's overall rating of customer satisfaction. This impact will not be evident until the Place Survey.
Q15 Satisfaction with Environmental Services	Very Satisfied/Satisfied (42%)	This major project will demonstrate to customers our investment in their needs, and will be a positive response to their stated requirements for more information from Access Harrow on the status of their collections. This impact will not be evident until the Place Survey.
Q18 Has the Service got better or worse in the last 3 years: - for collection of household waste; - doorstep collection of re-cycling items.	Better – 36% agree Better – 45% better	

Section 3 - Statutory Officer Clearance

Signature:

Name: Myfanwy Barrett



Chief Financial Officer

Date: 28/01/2009

Signature:

Name: Jessica Farmer



on behalf of the*
Monitoring Officer

Date: 27/01/2009.

Section 4 – Performance Officer Clearance

Signature:

Name: Liz Defries



on behalf of the*
Divisional Director
(Strategy and
Improvement)

Date: 27/01/2009

Section 5 – Environmental Impact Officer Clearance

Signature:

Name: John Edwards



on behalf of the*
Divisional Director
(Environmental
Services)

Date: 28/01/2009

Section 6 - Contact Details and Background Papers

Contact: Carol Cutler, Director of Customer Services & BTP, Ext:
6701

Waste Management Full Business Case
Waste Management Cost Model
Waste Management PWC Report
Waste Management Contract Schedule

Signature:

Position *Assistant Chief Executive*

Name (print) Tom Whiting

Date: 28/01/2009

For Portfolio Holder/Leader

* I do agree to the decision proposed

* I do not agree to the decision proposed

* Please delete as appropriate

Notification of personal interests (if any):

(Note: if you have a prejudicial interest you should not take this decision)

Additional comments made by and/or options considered by the Portfolio Holder

Signature:

Portfolio Holder

Date: