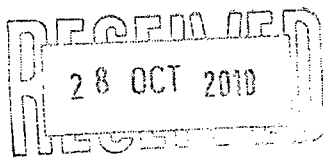


Community and Environment  
Corporate Director – Brendon Hills

Mr G Martin  
Branch Secretary  
UNISON  
UNISON Office  
Central Depot



26 October 2010

Dear Gary,

**Trade Waste Contracts**

Thank you for your letter dated 20 October 2010.

There has been detailed discussion on this subject now at the meeting to discuss UNISON's response to the Public Realm transformation and at the DJC and I feel the topic has been explored in depth.

However, I am always interested in the views of external business advisers and what we can learn from their advice, so I would be very pleased to receive the views of your expert. There is ample information in the public arena for them to benchmark our value for money e.g. through the National indicators and CIPFA information. Since we are in competition with other providers of this service and would look to win back the contracts of lost clients I would not considerate it appropriate for them to be provided with commercially sensitive information such as our list of clients, past or present.

Yours sincerely

John Edwards  
Divisional Director Environmental Services  
Tel: 0208 7366799 Email: john.edwards@harrow.gov.uk



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Branch*

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*Branch Secretary: Gary Martin*

John Edwards  
Divisional Director  
Community & Environment  
Middlesex Suite  
Civic Centre  
Harrow,

14<sup>th</sup> October 2010.

**REF: DJC Meeting 13<sup>th</sup> October 2010, Committee Room 3  
– ( 2.3 code of conduct)**

### **Erosion of Trade Waste Contracts**

Dear Mr Edwards,

Unison submitted a verbal report to you at the above meeting and the submission was based on the consistent loss of trade waste contracts over a period of approx 3-4 years.

Unison believes there has been a failure by senior management to address the situation of substantial lost revenue to the Council. This failure now impacts on the current position of this service area which could result in redundancies and equipment reduction i.e. vehicles. All of this will solely impact on lower graded staff.

Unison has stated to you that this failure has direct connections to 2.3 of the Council's code of conduct. The school contracts alone are a revenue loss of approximately £94,000 per annum. Mr Hickman's verbal response to this unacceptable situation was "what is the point in trying to compete" and that landfill charges are higher for local authorities against the private sector. This Unison believes shows a real disinterest in not only the Council revenue but the security of the staff employed in this area of operation.

Unison has on numerous occasions stated Defra's position on both the importance and necessity of local authorities' to control trade waste within their Borough of responsibility. This situation was also recognised by you at the extended one team meeting of the 7<sup>th</sup> October 2010 at Unit 6 Central Depot.

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Mr Hickman has also stated that our pricing figures are not competitive to those of the private sector as the reason for the erosion. Unison does not accept this situation but seems to receive poor excuses for the loss of revenue. We justify this statement from two positions - firstly it is the responsibility of senior officers to put forward a competitive pricing structure to elected members, and secondly Defra states that all traders are required to segregate their waste yet senior officers have never enforced compliance or taken this requirement forward to our customers.

Unison has also been informed that due to the restrictions of WLWA we would incur higher landfill charges. DEFRA's position is however clearly the opposite stating that local authorities should control their recycling percentages, which would include trade waste. Unison would also like to remind the Authority that all waste removed from the Borough of Harrow should be accommodated by our disposal suppliers. To be dictated to by WLWA is an unacceptable position and against DEFRA's recommendations.

Previous trade figures released to Unison show a top figure of 3423 contracts. To have eroded the figure to approx 600 current contracts surely amounts to gross negligence. Had this transpired in the private sector then foreclosure of the business would have occurred.

Over the previous 3 year period the waste service has seen a substantial reduction of two vehicles with a further proposal to release two more. Staffing figures have also been consistently eroded from 123 to 112. This was in spite of an agreement regarding deletion of the first two vehicles (one of which was unilateral) that staff numbers would not be affected. Also the savings made from the aforementioned have never been identified anywhere within the OBC or any other documentation.

We cannot understand the reticence of the Department to explore all options in this period of significant change; especially when funding is being made available through a London recycling promotion. This promotion encourages Councils to bid for monies that assist with recycling programmes from flats (Labour Manifesto Commitment) yet there is apparently no interest from senior management?

The vehicle deletion show a complete lack of foresight in business management capability as it ensures that all changes are accommodated through the resources the Department has at present. This would include new builds, government legislation on recycling figures as stated previously in various meetings. Expand or die is the expression used by the private sector. The loss of resources would leave the Department in no position to accommodate any growth, therefore becoming even more uncompetitive.

All of our chief officers in their communication forums state that we as the public sector must compete with our private sector competitors, (or is this just chief officer rhetoric)?

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It is clearly evident to Unison that the senior manager responsible for service delivery is eroding the service to such an extent that in our opinion that the intention is to push the service to outsource status. This situation fails to comply with the Labour/Trade Union agreement 2010 or the Administrations Manifesto commitments to its residents. It is important in the present climate of economic restraint that all officers of the Council provide value for public monies in order to justify their own positions within the Council structure. This document identifies the failings of the senior management in the Department who will also remain unaffected by this situation, and still receiving an exorbitant remuneration for this failure.

Finally efficiencies for the service are not just seen in reductions but can be accumulated through growth and income revenue. This is clearly evident from the remaining trade contracts from which the Council still receives a financial boost. For Mr Hickman to dismiss this source of revenue, with such a cavalier attitude shows a lack of commitment to in-house service provision and a duty of care for public finances.

Yours sincerely

A large, dark, scribbled-out area that completely obscures the signature of G. Martin.

G. Martin  
On behalf of Harrow Unison LG

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*Branch Secretary: Gary Martin*

John Edwards  
Divisional Director  
Community & Environment  
Middlesex Suite  
Civic Centre  
Harrow

20<sup>th</sup> October 2010.

REF: Trade Waste

Dear John,

Many thanks for your response to the concerns Unison tabled at the recent DJC to which you required this branch to submit our concerns in writing, which was duly forwarded to you on the 14<sup>th</sup> October 2010.

Your response fails to address any of the fundamental issue raised in our lengthy and detailed document of the 14<sup>th</sup> October 2010, therefore we will progress this matter through the correct forum stage, and will present a report to ECF which may possibly include a strategic overview from a recognised business advisor due to the substantial loss of contracts.

Yours sincerely

G. Martin  
Branch Secretary  
Harrow Unison LG

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Community and Environment  
Corporate Director – Brendon Hills

Mr G Martin  
Branch Secretary  
UNISON  
UNISON Office  
Central Depot

19 October 2010

Dear Gary,

— **Trade Waste Contracts**

Thank you for your letter dated 14 October 2010 confirming points raised at the meeting at the Depot on 13 October 2010 regarding the reduction in the number of trade waste contracts serviced by the Council.

Responses on this issue were provided at the meeting by me, Alan Whiting and Jerry Hickman, describing the context in which trade waste collections take place.

— It is true that towards the end of the last Government DEFRA began to make positive noises about the collection of trade waste by local authorities. However, this was after many years of indifference and did not involve any legislative changes to restore the cost disadvantages for public sector collectors contained in the Landfill Allowance Trading Scheme.

Trade waste customers are free to purchase the service from any legitimate supplier, including the local authority and consequently they will be making decisions based on cost, convenience, and their perception of the customer care provided by the supplier. Harrow Public Realm services can win and retain trade waste contracts, and we have managed to keep a significant portfolio despite very stiff competition.

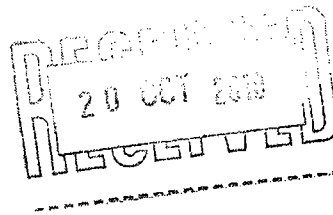
The proposals put forward in the Public Realm full business case, which the meeting was discussing, will assist in keeping the service cost effective and will improve our chances of continuing to offer a competitive service in future.

Yours sincerely

John Edwards  
Divisional Director Environmental Services  
Tel: 0208 7366799 Email: [john.edwards@harrow.gov.uk](mailto:john.edwards@harrow.gov.uk)

Community and Environment  
Corporate Director – Brendon Hills

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