

CABINET

15 JANUARY 2013

GATEWAY 5 PROCUREMENT CONTRACT MANAGEMENT REPORT: WASTE COLLECTION AND DISPOSAL CONTRACTS

Portfolio Holder: Councillor Phil Filmer, Front Line Services

Report from: Robin Cooper, Regeneration, Community and Culture

Author: Sarah Dagwell, Head of Waste Services

Summary

This report provides Cabinet with a review of progress of the Waste Collection and Disposal Contracts currently delivered by Veolia Environmental Services.

This is based upon the procurement process which was undertaken during 2007-2010 and which led to an award of contract by Council on 15 April 2010 for service commencement on 4 October 2010.

The commencement and delivery of this procurement requirement was approved by Cabinet at Procurement Gateway 1 on 20 February 2007 and subsequent report on 5 August 2008 and approval for contract award was provided by the Council at Procurement Gateway 3 on 15 April 2010.

Approved Procurement Gateway 1, 3 and 4 Reports relating to this Gateway 5 report are available upon request.

This Procurement Gateway 5 report has been approved for submission to the Cabinet after review and discussion with Regeneration, Community and Culture Directorate Management Team meeting on 5 December 2012 and Procurement Board on 19 December 2012.

1. Budget and Policy Framework

1.1 Post Project Appraisal / Contract Management

This procurement post project appraisal and its subsequent review is within the Council's policy and budget framework and ties in with all the identified Core Values, Strategic Priorities, Strategic Council Obligations

and Departmental/Directorate service plans as highlighted within the Procurement Gateway 1 Report.

2. Background

2.1 Contract Details

This contract is a services contract.

2.1.1 Supplier Details

This Gateway 5 Report relates to the Waste Collection and Disposal Contracts currently delivered through Veolia Environmental Services.

2.1.2 Contract Description

This contract covers:

- Waste Collection and Street Cleansing services (residual waste collection, recycling collection from kerbside and bring sites, materials recycling facility provision and end markets for all recycling materials, food and garden waste collection and street cleansing). It commenced on 1 October 2010 and is for 9 years (the option to extend 2 years was agreed at Cabinet on 17 January 2012 decision number 8/2012)
- Disposal of residual waste via a combination of landfill and energy from Waste, ensuring the Council meets as a minimum, its landfill diversion targets as set down by Government.

This contract follows the Council's core values to ensure we have services that put our customers at the heart of everything we do at the same time as giving value for money and fits with the strategic priority of a clean and green environment.

Such services need to support the Council's Waste Strategy that, in turn, provides the basis for targets in performance and community plans. The primary objectives are to:

- Ensure compliance with statutory duties.
- Meet statutory performance targets.
- Ensure continuity of a front line service.
- Provide services within agreed budgets.
- Meet requirements to achieve efficiency gains.
- Provide environmentally sustainable services

2.2 Permissions Required

This report provides Cabinet with the annual project appraisal and recommends continuation of this termed contract for remainder of the contract duration of a total of 9 years (from October 2010 – September 2019) with the inclusion of further Gateway 5 reporting requirements.

This request is on the basis that these contracts are high risk. Additionally significant service changes will take place in 2013/14

following the successful award of funding from DCLG from the Weekly collection Support Fund (see 2.3 below).

2.3 Other Information

In February 2012, the Secretary of State, Eric Pickles, launched a challenge fund of £250m aimed at encouraging local authorities to retain or reinstate weekly rubbish collections – a service Medway residents continue to receive. A bid for both capital and revenue funding of £14,029,901 was submitted, proposing that Medway Council increase both recycling and organics collections to weekly in line with black sack refuse collections along with associated promotions campaign. The proposal was structured so that the enhanced service can be maintained for the full duration of the Waste Collection contract, expiry 30 September 2019.

The capital fund will enable the upfront purchase of all collection vehicles for all three kerbside services, therefore extracting their cost from the existing payment mechanism. The revenue fund in 2013/14 and 14/15 will subsidise the running of all three services in those years, thus accumulating adequate banked savings to offset the cost of the enhanced service in the remaining years of the contract.

On Thursday 22 November, the Department of Communities and Local Government confirmed Medway had been awarded the full funding (£14,029,901 over three years) for the weekly collections services. This was reported to Cabinet on 27 November 2012.

3. Options

In arriving at the preferred option as identified within Section 4.1 'Preferred Option', the following options have been considered with their respective advantages and disadvantages.

3.1 Conclude Current Contracts and Provide Action Plan

The option of concluding the contracts with immediate effect on the basis that the contracts are termed contracts with provisions within the terms and conditions to cancel contractual arrangements for supplier non-performance and providing an action plan for future projects is not a viable option because this collection contract is a 7 (plus 2) year contract and disposal a 25 year contract of which we are only at the end of year two and to break the contracts would cost the Council several million pounds.

3.2 Continue With Currents Contract and Negate Any Further Gateway 5 Reporting Requirements

The option of continuing with the current contracts for the remainder of the contract terms and negating any further Gateway 5 requirements is not a viable option because these contracts

- are high risk procurements.

- have a high value contract, (the disposal element is in excess of £197 million over 25 years and collection over £67 million over 7 years).
- have direct front line service provision implications.
- are of strategic importance to the authority.

3.3 Continue With Current Contracts and Subject Contracts to Further Gateway 5 Reporting Requirements

The option of continuing with the current contracts for the remainder of the contracts terms and subjecting the contracts to further Gateway 5 requirements has been considered and below are the advantages and disadvantages of this option:

Advantages

- Ongoing reporting to Procurement Board/Cabinet to enable a clear auditable trail of contract monitoring.
- Opportunity for the contracts to be examined and reviewed on an annual basis.

Disadvantages

- None identified at this time.

4. Advice and analysis

4.1 Preferred Option

Further to a review of procurement options as highlighted within Section 3 'Options' above, the following preferred option is recommended to Cabinet:

Option 3.3 Continue with the current disposal and collection contracts with a requirement for further Gateway 5 reporting at end of year three.

This option will provide Medway with the best value for money.

4.1.1 Procurement Project Outputs / Outcomes

The following procurement outcomes/outputs have been appraised in the table below to demonstrate how the supplier has delivered services within the second year.

Additionally, the annual report from Veolia has been included at Appendix 1.

Outputs / Outcomes	How has success been measured? Who has measured success of outputs/ outcomes? When was success measured? How has procurement contract delivered outputs/outcomes?
1. Ensure compliance with statutory duties.	<p>Statutory duty is:</p> <ul style="list-style-type: none"> – Collection of household waste from all properties (as defined under EPA 1990) and – At least 2 materials for recycling from all households via kerbside collections by 2010 (Waste Recycling Act) – Cleaning of streets as defined under the Clean Neighbourhoods Act <p>These are measured via</p> <ul style="list-style-type: none"> – monthly contract meetings – annual report to Overview and Scrutiny Committee – monthly corporate monitoring via Covalent returns – national waste dataflow returns – national flycapture reporting – maintaining NI195 inspections despite this no longer being a formal reportable target to DEFRA <p>All collection and disposal services have been delivered to meet our statutory duties.</p>
2. Meet statutory performance targets.	<p>Waste Disposal Contract:</p> <p>Statutory targets exist for waste disposal only, LATS (landfill allowance trading scheme). The LATS scheme will continue to run until the end of 2012/13. During 2011/12 our statutory allowance for biodegradable waste sent to landfill was 47,472 tonnes. This contract only delivered 19,746 tonnes of biodegradable waste to landfill in 2011/12, hence we had surplus of 27,726 tonnes of allowances at the end of the year. Our allowances for 2012/13 are 35,096 tonnes and by the end of Q1 2012/13 we sent 6,023 tonnes of biodegradable waste to landfill so are on target.</p> <p>Waste Collection Contract:</p> <p>There are no statutory recycling or street cleaning standards, however we have set local targets for recycling, street cleaning standards and customer satisfaction as detailed below:</p>

Recycling

2010/11 Target: 36% Achieved: 36.8%
2011/12 Target: 40% Achieved: 39.7%
2012/13 Target: 40% estimate to end of year: 40%

Street Cleansing Inspections (% of roads deemed satisfactory)

Litter

2010/11 Target: 95% Achieved: 97%
2011/12 Target: 95% Achieved: 96%
2012/13 Target 95% Achieved to date: 95.9%

Detritus

2010/11 Target: 92% Achieved: 95%
2011/12 Target: 92% Achieved: 95%
2012/13 Target: 92 % Achieved to date: 95.3%

Measures of public satisfaction are also taken via the Corporate quarterly tracker for 2011/12.

Refuse collection

Target 90%
Achieved: Q1 – 92%; Q2 - 92%; Q3 – 94%; Q4 - 93 % Average 92.75%

Recycling

Target 78%
Achieved: Q1 – 80%; Q2 - 85%; Q3 – 86%; Q4 – 87 % Average 84.5%

Street cleaning

Target 75%
Achieved: Q1 – 74%; Q2 – 74 %; Q3 – 72%; Q4 – 76% Average 74%

3. Ensure continuity of a front line service.	Service continuity has been maintained as there was no major changes in contracts or contractor. This last year there were no breaks in service due to extreme weather.
4. Provide services within agreed budgets.	Monthly monitoring undertaken by Head of Service and Corporate Finance Officer. This is monitored monthly at a local level by the Assistant Director and quarterly at Departmental Management Team, Corporate Management Team and Cabinet. Waste Services has been audited (internal audit) in autumn 2012 and the results of this audit are due out early 2013.
5. Meet requirements to achieve efficiency gains.	The Waste Services collection contract realised saving in excess of £1.4 million via adoption of the variant bid solution. Efficiencies are continually being sought, such as accepted extension of the contract last year to enable annual revenue savings on our monthly bills and an extension of the use of 'old fleet' for the refuse and garden waste services, delaying implementation of new fleet to enable costs saving (see exempt appendix for further details). Additionally the award of the DCLG funding for weekly collections will enable Medway to enhance services at no additional cost to the local taxpayer and make saving on waste disposal.
6. Provide environmentally sustainable services	Undertaking recycling is a key feature of sustainable waste practices. Veolia have also purchased a new fleet to a higher environmental specification, with 2 electric vehicles for use in the town centres. Each year reports of energy and fuel usage are submitted to Medway Council as well as robust internal processes for auditing their energy usage.

4.1.2 Procurement Project Management

This procurement project will be taken through the remainder of the Gateway Procurement Process through the utilisation of the following project resources and skills:

- Head of Waste Services supported by the Category Management (Place) team.

4.1.3 Post Contract Award Contract Management

The contract management of this contract will continue to be resourced for the remainder of the term through the following contract management strategy:

- Client management: These contracts are managed by the Waste Services team within Front Line Services (FLS). Additionally support is provided by the Community Officers under Safer Communities within FLS who act as the 'eyes and ears' with local residents providing on the ground daily monitoring of standards, in particular fly tip reporting and proactive and reactive street cleaning inspections.
- Contract management: The structure of Veolia's contract management has not altered since last years reporting.

Waste Services has daily contact with Veolia and holds regular monthly meetings to discuss service delivery, health and safety, financial issues and recycling/customer services statistics e.g. missed bins, recycling rate etc.

Additionally, over the last few months, there have been regular meetings with the regional manager and Veolia development officers to discuss service improvements in relation to the DCLG bid for Weekly Collection services. The procurement aspects of the delivery of the Weekly Collection Services will be supported by the Category Management, Place & Projects team

4.1.4 Other Issues

During January 2012, the Health and Safety executive undertook an inspection of the waste collection services.

The inspection went very well and only a few points for consideration were noted:

- Manual handling and possibility of musculoskeletal injury during recycling sack and garden bag emptying. The HSE suggested the use of wheeled bins where possible to reduce risk of musculoskeletal injury; this is not possible for Medway due to the high percentage of properties with little or no storage out front and limited or no rear access.
- Ensuring all future vehicles are specified for correct container usage; i.e. low lift heights for sack collection services.
- Review of the H&S checklist used by the contract monitoring team to cover training of correct reversing technique and checks on

reversing technique used by the Veolia crews. This was implemented immediately.

- Closed loop reporting systems to be reviewed to ensure all H&S reports were actioned. This was implemented immediately.

4.1.5 TUPE Issues

Further to guidance from Legal Services, Human Resources and the Strategic Procurement Team, it was identified at Gateway 1 that as this is a services related procurement contract, TUPE did apply to this procurement process.

The recommended contract award at Gateway 3 did not result in any employees being affected by TUPE as a result of the incumbent provider being successful as part of this procurement tender process and therefore, there are no further TUPE issues to consider at this stage.

4.2 Other Information

For the collection contract, procurement project management will need to be reviewed within the next 4 years to commence processes for the next waste collection contract to start in 2019. This will be supported by the Category Management, Place & Projects, team when the review stage is reached.

The waste disposal contract is a 25-years so additional procurement project management is unlikely to be required for another 15-20 years.

5. Risk Management

5.1 Risk Categorisation

The following risk categories have been identified as having a linkage to this procurement contract at this Gateway 5 Stage

Contractual delivery	X	Health & Safety	X
Service delivery	X	Legal	X
Financial	X		

For each of the risks identified above, further information has been provided below.

Risk Categories	Outline Description	Risk Likelihood A=Very High B=High C=Significant D=Low E=Very Low F=Almost Impossible	Risk Impact I=Catastrophic II=Critical III=Marginal IV=negligible Impact	Plans To Mitigate Risk
a) Contractual delivery	<p>Default by Contractor needing emergency action</p> <p>Termination of Contract due to default by Contractor</p> <p>Volume of waste less than or greater than anticipated</p>	<p>D</p> <p>D</p> <p>C</p>	<p>II</p> <p>II</p> <p>III</p>	<p>Contractor to provide and/or pay for alternative action</p> <p>Adequate contract provision to enable the Council to take effective action when necessary. Clause in contract to enable Medway to reclaim losses.</p> <p>Allowance made for this in Contract conditions.</p>
b) Service delivery	<p>Closure of plant or inability to provide Service due to Force Majeure or relief events</p> <p>Failure of waste management services contractor to meet contract standards for service delivery to the Council.</p> <p>Interruption of availability of some facilities</p>	<p>E</p> <p>D</p> <p>C</p>	<p>II</p> <p>II</p> <p>II</p>	<p>Shared responsibility under Contract conditions.</p> <p>KPI & default system in place for financial compensation. Adequate contract monitoring and enforcement in relation to operations. In appropriate cases by including provisions in the contract for deductions where these standards are not met.</p> <p>Adequate contract monitoring and enforcement in relation to maintenance, security, health and safety, staff training. Contractual provision of back-up equipment and facilities. Fire insurance. In appropriate cases by including provisions in the contract for deductions where such interruptions occur</p>

	Non-household waste entering MSW waste stream or waste incorrectly dealt with according to its category.	C	III	Robust monitoring arrangements should be undertaken as part of Contract management for checking/validating wastes and issuing appropriate defaults. Failure will have significant financial implications.
c) Health & Safety	Serious injury/death of staff or public while services are in operation	D	I	Robust health and safety monitoring procedures in place; the waste services contracts in Medway is due to be audited by the HSE in 2011/12 as part of their routine inspections.
d) Legal	Changes in Government regulations/law	C	II	Incorporated into the contract that which is likely to be a known change. Clear ground rules have been incorporated into the contract conditions for negotiating future changes in law. However waste industry is likely to be affected substantially in future. Especially for the 25 year waste disposal contract. The impact of these would be subject to review at the time of establishing whether the financial implications are the responsibility of the Council or shared.
e) Financial	Budgeted net expenditure exceeded	B	II	Prudent budgeting. Robust arrangements for management within budget. Prompt and accurate assessment of unbudgeted proposals and developments. Early negotiations undertaken with contractor when impacts of budget pressures are apparent.
	Overpayment to contractor	E	III	Robust contract procedures for checking contracts, validating invoices and recovering any overpayments. Staff training. Regular internal audit inspections.
	Contractor/employee fraud or corruption	E	II	Robust contract provisions for controlling payments and assets. Adequate supervision and transparency for contract management and negotiations. Staff training. Regular Internal audit inspections.

6. Consultation

6.1 Internal (Medway) Stakeholder Consultation

As part of this ongoing procurement contract management, the following mandatory internal stakeholder consultation is required:

- Department Management Team.

6.2 External Stakeholder Consultation

As part of this ongoing procurement contract management, no external stakeholder consultation is required unless changes in services are needed at some later date.

7 Procurement Board

- 7.1 The Procurement Board considered this report on 19 December 2012 and supported the recommendations set out in paragraph 9 below.

8 Financial, legal, procurement and ICT implications

8.1 Financial Implications

- 8.1.1 Detailed finance and whole-life costing information is contained within Section 2.1 Finance and Whole-Life Costing of the Exempt Appendix at the end of this report.

8.2 Legal Implications

- 8.2.1 The award of DCLG funding to enable weekly collection services will necessitate a variation of the collection contract. Whilst there is always a risk of challenge on the basis that the variations might result in an illegal direct award of contract, it is considered that the proposed variations would not result in a contract that is materially different from the existing contract.

8.3 Procurement Implications

- 8.3.1 This procurement contract and its associated delivery as per the preferred option highlighted at Section 4.1 'Preferred Option' and the recommendations at Section 9, has no further procurement implications which Cabinet must consider.
- 8.3.2 The contract has delivered against the objectives set out as part of the original tender specification and as part of the Gateway 3 contract award process. The supplier, through a robust internal contract management process, continues to provide the service in line with the contract terms and conditions and continues to deliver to the appropriate key performance indicators. This demonstrates that that the Gateway 3 contract award decision was both correct and based upon a robust procurement process that has enabled the contract to be delivered effectively in year 1.

8.3.3 In line with Contract Procedure Rules, Cabinet must decide whether to require any further Gateway 5 reports for this contract during the remainder of the contract term. Any future contract variations shall automatically require a Gateway 5 report to be presented to the Procurement Board then on to Cabinet for a decision to be made.

8.3.4 Category Management team advises Cabinet to appraise this contract through a minimum of one Gateway 5 per annum to ensure that the contract, which is considered of strategic importance to the Council, continues to deliver effectively throughout the contract term.

8.4 ICT Implications

8.4.1 This procurement does not have any ICT implications.

9 Recommendation

9.1 Cabinet is requested to:

- Note the progress made to date with the collection and disposal contracts.
- Accept recommendation Option 3.3 'Continue with the current disposal and collection contracts with a requirement for further Gateway 5 reporting at end of year three.'

10 Suggested reasons for decision(s)

10.1 The recommendations contained within Section 8 'Recommendations' above are provided on the basis of value for money and that Veolia have a track record of delivering high quality services for the residents of Medway with very high satisfaction levels recorded.

Lead officer contact

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Background papers

The following documents have been relied upon in the preparation of this report:

Description of document	Location	Date
Options Appraisal for Waste Collection Services	http://democracy.medway.gov.uk/ieDecisionDetails.aspx?ID=742 and	20/02/07

Options Appraisal for Waste Collection Services	http://democracy.medway.gov.uk/ieDecisionDetails.aspx?ID=932	05/08/08
Gateway 3 Contract Award: Household Waste Collection and Disposal Contracts	http://democracy.medway.gov.uk/ieDecisionDetails.aspx?ID=1818	30/03/10
Recycling Clear Bags report	http://democracy.medway.gov.uk/mgConvert2PDF.aspx?ID=8523	04/10/11
Gateway 4 Procurement Post Project Completion Review: Waste Collection and Disposal Contracts	http://democracy.medway.gov.uk/mgconvert2pdf.aspx?id=9262	17/01/12
Gateway 5 Procurement Contract Management Report: DCLG Weekly Collections Support Fund (Medway Weekly Bid)	http://democracy.medway.gov.uk/mgConvert2PDF.aspx?id=18307	27/11/12

Appendix 1: Veolia Annual Report -Year 2

VEOLIA ANNUAL SERVICE REPORT 2012

Medway Council's Refuse/Recycling/Street Cleansing and Disposal contract was awarded to Veolia and commenced on the 4th October 2010.

The award of this contract builds upon the already strong relationship between the two organisations since the previous contract from 2002 to 2009 and extended until September 2010.

The Annual Service Report is an integral part of the contract that exists between Veolia Environmental Services and Medway Council in so far as it is the agreed mechanism for the delivery of continuous improvement and is fundamental to the contracts performance management framework.

This Annual Service Plan has been produced in accordance with the requirements of:

Collection Contract Collection: Clause 16.2 and 17.2 of the contract and schedule 6: reporting requirements and clause 7.3 of the general requirements specification and

Disposal: Clause 16.2 of contract and Schedule 6: reporting requirement and clauses 11.23-24 of the specification.

The period of review covers 1st October 2011 to 30th September 2012 and covers all of the operations carried out by Veolia on behalf of Medway Council.

DCLG

One of the major events this year has been Medway Councils bid for funding from the above scheme. The Veolia local contract team and Development Team have provided significant resources to assist Medway Council with the above bid to introduce:

- Weekly recycling
- Weekly garden and food waste collections

If successful this will result in a new and increased Refuse and Recycling fleet bringing the fleet for these services to 48 with nearly 300 staff on the Medway contract.

Update on the new recycling service

From 21st November 2011 Veolia and Medway Council implemented a further revision to the recycling service by increasing the fleet from 8 to 9 vehicles and increasing the number of loaders on each vehicle to 3, to separate the paper and cardboard.

There have been issues with the implementation of the scheme and as the tonnage comparison shows we are showing a reduction in the recycling tonnage this year.

Oct 2009 - Sept 2010	19,930 – co mingled
Oct 2010 – Sept 2011	21,404 includes 3,822 tonnes paper & cardboard
Oct 2011 – Sept 2012	18,342 includes 6,957 tonnes paper & cardboard

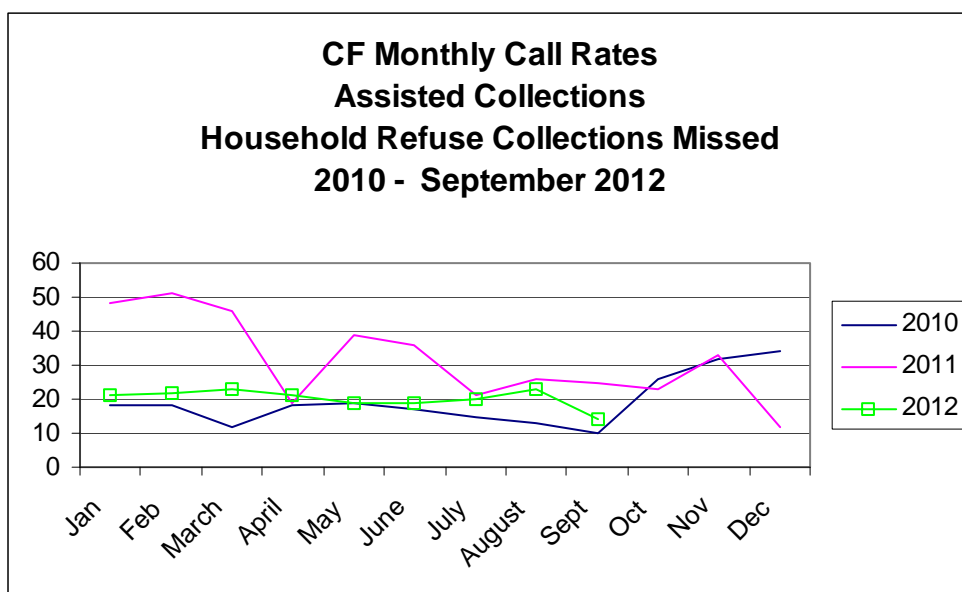
Residual Household Waste collection

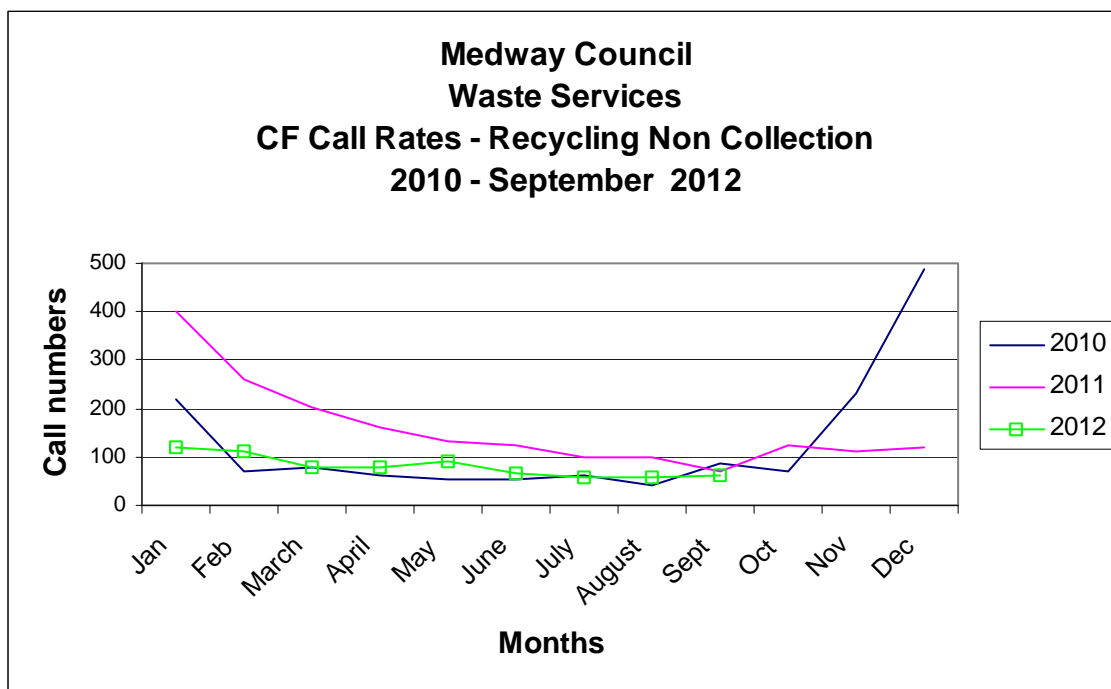
The residual collection will remain on a weekly black sack collection.

Veolia and Medway Council continue to actively work together with new developments of flats to encourage the use of recycling bins which are provided free of charge to Landlords by Veolia to minimise the number of refuse bins on site and encourage residents to recycle

Oct 2009 – Sep 2010	58,878 tonnes
Oct 2010 – Sep 2011	56,371 tonnes
Oct 2011 – Sep 2012	56,731 tonnes

We receive regular reports from Medway Council on our performance based on information from Customer First. Example below: these are provided to operational Managers to identify any areas where performance/standards are slipping. / standards are not being met





Garden Waste and Food collections

Collections of garden waste and food to continue via 240 litre wheeled bin. Garden waste only in brown re-usable sacks. An EU funded food caddy trial started week commencing 19th September and working with Waste Services, participation seems to be increasing – there have been some challenges with food waste being presented loose in caddies (i.e. not wrapped in newspaper or bio degradable liners being used) - as this is collected by garden waste vehicles we are unable to provide any separate tonnage data.

Oct 2009 – Sep 2010	12836 Tonnes
Oct 201 – Sep 2011	15703 Tonnes
Oct 2011 – Sep 2012	16313 Tonnes

Bulky Household Waste

This will continue to be collected by Refuse freighter (non metal items), white goods, WEEE to be collected by 7.5 tonne cage vehicle.

Oct 2009 – Sep 2010	873 tonnes
Oct 2010 – Sep 2011	762 tonnes
Oct 2011 – Sep 2012	781 plus 172 tonnes of metal
TOTAL 2011-12	953 tonnes

Veolia continue to identify outlets for any materials and have agreed partnership working with local charity ABACUS who will travel with our Bulky Collection vehicles to identify any suitable furniture that can be re-used. Unfortunately the weather has conspired against us this year but we will continue to work closely them and any other organisations to minimise waste to landfill.

Transfer Station staff already manually separate any bulky material from the HWRC residual waste to reduce waste to landfill, this minimises waste to landfill and increases the volume of waste taken to ERF (Energy Recovery Facilities)

Veolia WEEE Compliance Scheme

Medway Council is one of our largest clients. We have a great relationship with them and we worked on several successful projects with them in the past such as WEEE bring banks and collection from schools. We are now launching a WEEE kerbside collection service across Medway Council. The scheme will cover all domestic WEEE, small and large.

Recycling Bring Site banks

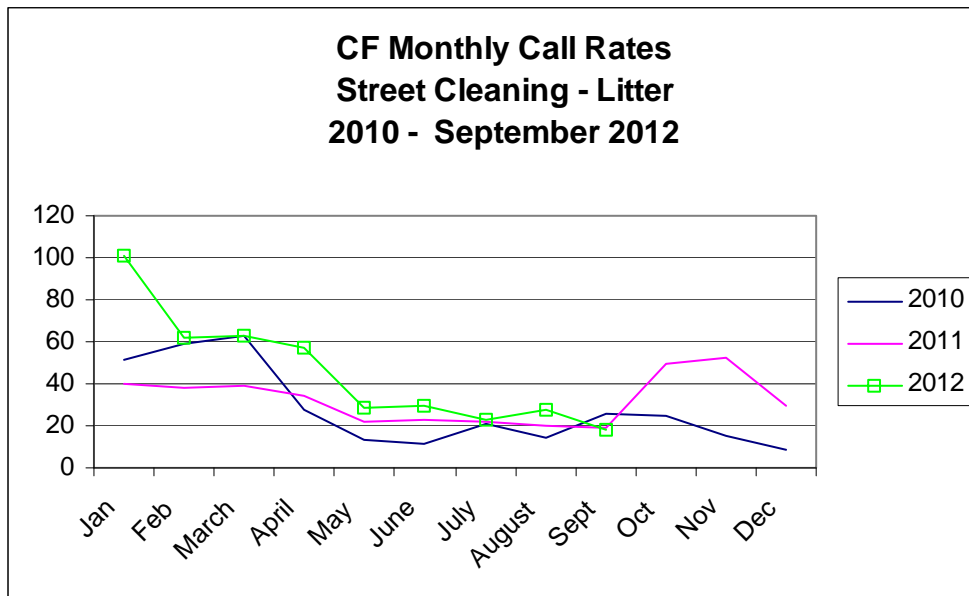
2012	
COMMODITY	TONNAGE
GLASS -CLEAR	306
GLASS - MIXED	386
TOTAL	692

Street cleansing

We are already separating waste and recyclable materials plastic, cans and glass picked up by the manual street cleansing staff with the use of double bin barrows that were purchased for the start of the contract.

The Response Team have, in the last contract year, assisted with 275 Community Clearances in addition to normal duties

They have collected 638 dead animals in the last contract year



DISPOSAL CONTRACT

With effect from 1st October 2011, all contract waste (except mechanical Street Cleansing vehicles) was transferred via the new Transfer Station at Rochester.

Mechanical Sweepers now tip all street cleansing arising from mechanical sweepers at the new operational site in George Summers Close.

Opening hours at the Transfer station have been arranged to accommodate other contractors i.e. FCC who currently operate the 3 Household Waste & Recycling Centres within Medway and the site operates 6 days a week.

All suitable materials (sacks,) will be transferred to the Veolia ERF (Energy Recovery Facility) SELCHP based in London.

The main focus of the disposal contract is to ensure minimal tonnage to landfill, however some materials (bulky items) cannot be processed by ERF (Energy Recovery Facility) and have to be taken to the Veolia landfill site at Pitsea in Essex. All material is sorted within the Transfer Station to minimise waste to Landfill

Kerbside recyclable materials (cans/plastics and glass) are currently taken to our new Southwark MRF (Materials Recycling Facility).

Paper and cardboard are delivered to UPM at Dartford for sorting and process.

Recycling

2010/11	Target: 36%	Achieved: 36.8%
2011/12	Target: 40%	Achieved: 39.7%
2012/13	Target: 40%	Estimate to end of year: 40%

Street Cleansing Inspections (% of roads deemed satisfactory)

Litter

2010/11	Target: 95%	Achieved: 97%
2011/12	Target: 95%	Achieved: 96%
2012/13	Target: 95%	Achieved to date: 95.9%

Detritus

2010/11	Target: 92%	Achieved: 95%
2011/12	Target: 92%	Achieved: 95%
2012/13	Target: 92 %	Achieved to date: 95.3%

Measures of public satisfaction (taken via the Corporate quarterly tracker and annual Residents Opinion Poll) for Contract Year 2011/12

Refuse collection

Target	90%	
Achieved:	Q1 – 92%; Q2 - 92%; Q3 – 94%; Q4 - 93 %	Average 92.75%

Recycling

Target	78%	
Achieved:	Q1 – 80%; Q2 - 85%; Q3 – 86%; Q4 – 87 %	Average 84.5%

Street cleaning

Target 75%

Achieved: Q1 – 74%; Q2 – 74 %; Q3 – 72%; Q4 – 76% Average 74%

DEPOTS

We have now left the former Medway Council site at Pier Approach Road

We now have all Operational Staff together on one site at George Summers Close on Medway City Estate.

Next year it is planned that all Administration staff will also move to this site once additional offices are installed.

VEOLIA COMPANY INFORMATION

Municipal retain Investors in People.

The team first received this award in 2008, which recognises our commitment towards being an employer of choice and creating a great place to work.

The assessors highlighted that: *“The level of commitment to the job and to the company is especially striking. In all the interviews there was a not a single person who did not think Veolia is a good company. That is a remarkable achievement.”*

Veolia are one of the largest employer nationally with nearly 13,000 staff, this provides an ideal opportunity to provide local employment opportunities where we have contracts.

Medway has this year recruited

- **13 Apprentices**
- 4 x HGV driver Apprentices
- 5 Waste Management Operatives
- 2 x Administrative Apprentices
- 2 Workshop Fitters
- 2 NEETS staff

HEALTH & SAFETY

HSE visited the Veolia offices and went out with crews over two days and did not identify any areas for Improvement Notices.

There have been no RIDDOR reportable incidents or accidents that have resulted in lost time at Medway in the last contract year.

25 accidents – last contract year and while we aim to be zero this is for over 250 staff working over 2,600,000 hours! This is testament to the importance Veolia place on the ongoing training of all staff.

STAFF HEALTH & WELL BEING

Simply Health

Back in Action physiotherapy services – weekly clinic

Health Management – occupational health

Employee Assistance Programme – free-phone confidential service on all aspects of life from Debt, Health, Bereavement, Divorce etc

OPEN DAYS

Veolia are actively involving local authorities and the community by holding open days across several of its locations/facilities.

The Medway Transfer Station held a further Open day on Saturday 14th July following the success of the previous Open Day in October 2011.

Unfortunately the weather was awful but there was still a good attendance with children being offered the opportunity to sit in the Transfer Station Loading shovel.

Everyone had the opportunity to take a guided tour around the Transfer Station and have a close look at the vehicles and how they operate.

DRIVING EFFICIENTLY AND SAFELY 2

Veolia have introduced an upgrade to the initial Driving Efficiently & Safely programme (DES) with Daily, Weekly and Monthly reports to identify Speeding, Over revving and Idling.

CORPORATE SOCIAL RESPONSIBILITY

Veolia have committed that every member of staff will be permitted to undertake ½ day volunteering per year.

All staff including Managers /Supervisors and Administrators are committed to ½ day every year to volunteer to help in the community. We have worked with the Contract Education department at Medway Council and to date this year we have undertaken work at the following:-

Scouts Hut Davis Estate

Help for Heroes

Horsted School

Greenacre School

Deanwood Primary School

Saxon Way Primary School

90 staff have given at least ½ day to the above projects in the last year. Any outstanding requests for assistance with projects will be scheduled next year

Just some feedback for organisations helped

'We had 4 employees from Veolia over 4 days carrying-out some basic tidying-up to our outside area - cutting back and weeding.

It was brilliant - the Veolia staff came out and worked really hard, in the heaviest of rain, and really made a difference.

We would be most interested in using this voluntary service again if the opportunity arises. Many thanks.'

VEOLIA TRUST HAS AWARDED OVER 6 MILLION POUNDS IN FUNDING IN THE LAST YEAR

The Veolia Environmental Trust

VIEW



Issue 1
visit us at: veollatrust.org



Welcome to the Trust's View...

Welcome to our first newsletter. Each issue will give you the lowdown on what we have been up to and projects supported.



About us...

We have assisted community and environmental projects since 1997 by awarding grants through the Landfill Communities Fund. Veolia Environmental Services (UK) plc has supported us by contributions of £46m to approximately 1250 projects, which have included footpaths, community halls, nature reserves and playgrounds.



Hampshire village gets a new country park for all



Residents of Fair Oak and the surrounding area can stretch their legs and enjoy the fresh air and wildlife in the brand new 35-acre Knowle Hill Country Park. Opened by Groundforce veteran Charlie Dimmock, it features seating, ponds, a play area and 7,000 trees.

Photo: knowlehillpark.co.uk



NEW Project Manager



We have a new project manager, Rob Hargraves, who joins Senior Project Manager Maria Cade and the projects team to assess initial enquiries/applications, help applicants, and oversee projects.

Cre8 Funding Challenge update



regeneration funding

Veolia cre8 is developing fast. The Board members have now selected the four successful projects, which will start once final details have been sorted. Watch this space for more news.

Annual report

Our 2010 annual report is now available. It is jam-packed with information on our business, projects, and facts and figures. Please contact us or go to our website if you would like a copy.

