

## **REGENERATION, CULTURE AND ENVIRONMENT OVERVIEW AND SCRUTINY COMMITTEE**

**6 DECEMBER 2018**

### **STREET SCENE ENFORCEMENT PROCUREMENT**

Report from: Richard Hicks, Director Regeneration, Culture, Environment and Transformation and Deputy Chief Executive.

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#### **Summary**

This report details additional information as requested by the Committee concerning the outsourcing via procurement of the Street Scene Environment Services covering fixed penalty notices (FPN's) for littering, dog fouling, and dog control orders.

#### **1. Budget and Policy Framework**

1.1 Medway is seeking to implement a nil cost Street Scene Enforcement Service contract. The results will be a small financial income to the council which will heavily depend on the attraction of the area as well as the number of successful tickets issues and paid.

#### **2. Background**

2.1 A Gateway One procurement report was approved by Cabinet on the 23 October 2018, recommending the procurement of the Street Scene Enforcement Agency contract via open market tender including an e-auction as the pricing mechanism.

2.2 It is the intention to outsource all ticket issuing and money recovery for a fixed price element of the ticket issued.

2.3 The tendering process will be via open market.

2.4 The timetable for this outsourcing is attached at Appendix 1.

- 2.5 Historically FPN's for littering and dog fouling has fallen under the Environmental Enforcement team.
- 2.6 The team is very small and easily impacted by staff vacancies and sickness. This has led to little resource being available for FPN due to other priorities. The outsourcing of this part of their work will free up these officers to work continually on fly-tipping activities. There are no plans to reduce staff numbers, this service will be self-sustaining and bring additional resources into the Council.
- 2.7 With the exception of a brief period in the mid-2000s, Medway has never had a team exclusively dedicated to litter enforcement. Instead, it has become an additional responsibility in this extremely busy teams workload. Issues needing more immediate attention, such as fly tipping, have by necessity taken priority.
- 2.8 Outsourcing this function will mean that Medway will once again have a team of officers dedicated to dealing with litter and challenging those that blight our environment, leaving existing officers to concentrate on the higher level waste crimes at which they excel.
- 2.9 It will also mean that the provider will be responsible for resourcing the team.
- 2.10 The provider will be responsible for all associated administration and recovery which, in light of the recent transformation savings and reduction of staff in the BASS hubs will remove some of the burden from that team.
- 2.11 Recent work undertaken with the town centre forums, surveys of shops and walks around both town centres with lead officers, key local stakeholders and local Councillors, has led to an internal review of the service and the way it is delivered. Despite a continual street cleansing presence in the three main towns from 8 am to 4 pm there is still discarded litter.
- 2.12 Additionally, as part of the litter busters project around the bus station this year, cigarette butts have been identified as the number one littering offence.

### **3 Lessons learnt from other local authorities**

- 3.1 The experience of neighbouring authorities have been mixed. In one neighbouring authority for instance, it was found that after making a significant initial impact, the number of FPNs issued decreased in subsequent years. It was felt this was due to the fact that there was only one relatively small town centre. Once the service provider had changed the behaviour of the users of that town centre, it was decided that it was not in the interest of either party to continue.
- 3.2 In another, the contract has been very successful and has been extended and continues to produce a modest but steady income.
- 3.3 In another, it was found that staff retention problems led to an inability to prosecute in those cases where an officer had left the employ of the provider without making a witness statement.
- 3.4 In another, there was a period during which the Council was the subject of a number of negative press articles. This was due to the perceived over zealousness of officers, whose performance was incentivised by volume.
- 3.5 It is anticipated that the larger geographical area along with the numerous town centres and places of congregation that define Medway, will mean that

there will be work to do in this field for some time to come. However, any extension to the contract will be subject to review.

- 3.6 The issue of witness statements and performance incentives will be addressed in the contract specification.
- 3.7 It should be recognised that the primary driver for outsourcing this service is so that the anti-social behaviours of littering and dog fouling can be addressed by a dedicated team, with the ability to be flexible in working locations and hours covered (i.e. some work may be undertaken outside of 'normal' office hours) at zero cost to the Council.
- 3.8 In all cases, neighbouring authorities found that the number of FPNs served reduced after the initial impact of the introduction of the service showing that it had achieved the intended motive of aiding the changing of attitudes and behaviours towards littering.
- 3.9 The introduction of this service will be alongside a wider promotions campaign aimed at anti-littering/fly-tipping.

#### **4 Specification**

- 4.1 At the time of writing, the final specification for this procurement is still being drafted. However, as a basic outline of the Council's expectations, the following will be included;
  - Officers will be equipped with body cams
  - Hand held devices will be provided with live update facility to enable immediate payment
  - On street ID checks
  - Any performance incentive to be based on competency and quality, not volume
  - Full time employed staff – no zero hour contracts
  - Contractor to provide their own admin support and staff supervision
  - Contractor to handle all complaints in accordance with our policies
  - Contractor to collect all payments and provide monthly reports
  - Statements to be provided in every case where payment is not made so as to enable us (Medway) to prosecute if necessary (i.e. in case of non-payment)
  - There will be no TUPE

#### **5 Contract management**

- 5.1 The management of this contract will be in-house, within the existing Environmental Services structure by experienced contract managers who can draw on over 20 years' experience in gaining the best value for the authority out of externalised services.

## 6 Risk management

<b>1. Risk Category: Supply Chain</b>	
<b>Likelihood: D</b>	<b>Impact: III</b>
<b>Outline Description:</b> Risk of lack of interest in the Medway area for this type of work	
<b>Plans to Mitigate:</b> Soft testing has been undertaken and there are at least two service providers currently operating in Kent that would be very interested in working with Medway.	
<b>2. Risk Category: Income Generation</b>	
<b>Likelihood: D</b>	<b>Impact: IV</b>
<b>Outline Description:</b> Risk that the service does not deliver the expected levels of income	
<b>Plans to Mitigate:</b> As part of the soft market testing the levels of expected ticket generation and the issues faced within Medway have been discussed. Additionally, discussions with neighbouring local authorities have been undertaken and they have indicated, based on their experience, that the level of income that would be reasonable.	
<b>3. Risk Category: Reputational</b>	
<b>Likelihood: D</b>	<b>Impact: III</b>
<b>Outline Description:</b> Risk of overzealous ticketing by on the street officers	
<b>Plans to Mitigate:</b> Clear rules and procedures to be set out from the start on the types of items we would/would not expect to be ticketed.	
<b>4. Risk Category: Environmental</b>	
<b>Likelihood: D</b>	<b>Impact: III</b>
<b>Outline Description:</b> Enforcement on littering does not lead to the behavioural change that is required to reduce the impact of litter on our town centres	
<b>Plans to Mitigate:</b> The introduction of this scheme will be linked with a strong pre-education campaign and results will be heavily promoted on social media to ensure the messages about zero tolerance of littering is spread across Medway.	

## 7 Financial implications

- 7.1 The procurement will be for an income generating service with zero direct operating costs on the Authority.

## **8 Legal implications**

- 8.1 The Council has the power under the Local Government (Contracts) Act 1997 and the Localism Act 2011 to enter into contracts in connection with the performance of its functions.
- 8.2 The process described in this report complies with the Public Contracts Regulations 2015 and the Council's Contract Procedure Rules.
- 8.3 Should new laws be implemented through legislation during the lifetime of a new contract, there are variation provisions within the Medway standard contract that will allow the Council to vary the way services are being delivered to meet any new legal requirements (including a reduction in services). The Council can also be protected from an automatic price increase as result of changes in the law.

## **9 Recommendations**

- 9.1 Committee is asked to note the contents of the report.

### **Lead officer contact**

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### **Appendices**

Appendix 1 Timetable for procurement project

### **Background papers**

Gateway 1 Procurement Commencement: Street Scene Enforcement Service: 23  
October 2018

## Appendix 1 Procurement Timetable

<b>Process</b>	<b>Date</b>
Tender Advertised	December 2018 (post 6 <sup>th</sup> Dec O&S)
Clarification Deadline	end Jan 2019
Tender Response Deadline	early Feb 2019
Tender Evaluations Complete	mid Feb 2019
DMT	March 2019
Procurement Board	March 2019
Cabinet	April 2019
Contract award	April 2019
Mobilisation	May 2019
Contract start	June 2019