



Scrutiny & Overview Committee

MONDAY 12TH MAY 2014 AT 5.30 P.M

COUNCIL CHAMBER, PARK NORTH, NORTH STREET, HORSHAM

Councillors:

George Cockman (Chairman)
Brian Donnelly (Vice Chairman)
John Chidlow
Philip Circus
Roger Clarke
David Coldwell
Leonard Crosbie
Laurence Deakins

Duncan England
Brian O'Connell
Kate Rowbottom
David Sheldon
David Skipp
Diana van der Klugt
Tricia Youtan

You are summoned to the meeting to transact the following business

Tom Crowley
Chief Executive

AGENDA

Page

1. Apologies for absence
2. To approve as correct the record of the meeting of the Scrutiny & Overview Committee held on 3rd March 2014 **1**
3. To receive any declarations of interest from Members of the Committee
4. To receive any announcements from the Chairman of the Committee or the Chief Executive
5. To receive any replies from Cabinet/Council regarding Scrutiny and Overview recommendations
- Response from the Cabinet Member for a Safer and Healthier District to the recommendations of the Interim Health Provision Working Group Report **9**
6. Business Improvement Working Group – To receive an update from the Chairman
Notes of the meeting held 29th April 2014 (to follow)

7. Crime and Disorder Working Group - To receive an update from the Chairman
8. Finance and Performance Working Group – To receive an update from the Chairman
9. Social Inclusion Working Group – To receive an update from the Chairman
10. Health Provision Working Group – To receive an update from the Chairman
11. Trade Waste Working Group – Notes of meeting held 26th March appended and to receive the final report of the Working Group **11
15**
12. West Sussex Joint Scrutiny Steering Board - Community Legal Service Advice contract. Delegated authority report 2012 appended **31**
13. To receive suggestions for the Scrutiny & Overview Work Programme

Suggestions from Billingshurst Parish Council, and from Slinfold and Broadbridge Heath Parish Councils appended **35**
14. Items not on the agenda which the Chairman of the meeting is of the opinion should be considered as urgent because of the special circumstances

SCRUTINY & OVERVIEW COMMITTEE

3RD MARCH 2014

Present: Councillors: George Cockman (Chairman), Brian Donnelly, Philip Circus, Roger Clarke, David Coldwell, Leonard Crosbie, Laurence Deakins, Duncan England, Brian O'Connell, Kate Rowbottom, David Sheldon, Diana van der Klugt

Apologies: Councillors: John Chidlow, David Skipp, Tricia Youtan

Also present: Councillors Frances Haigh, Christian Mitchell

Officers: Katharine Eberhart, Director of Corporate Resources

SO/60 **MINUTES**

The minutes of the meeting of the Committee held 13th January 2014 were approved as a correct record and signed by the Chairman, subject to the correction of the word "contact" which should read "contract" on page one of the minutes, under minute SO/49.

SO/61 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

SO/62 **ANNOUNCEMENTS FROM THE CHAIRMAN OF THE COMMITTEE OR THE CHIEF EXECUTIVE**

There were no announcements.

SO/63 **REPLIES FROM CABINET/COUNCIL REGARDING SCRUTINY AND OVERVIEW RECOMMENDATIONS**

There were no replies from Cabinet or Council.

SO/64 **BUSINESS IMPROVEMENT WORKING GROUP - TO RECEIVE AN UPDATE FROM THE CHAIRMAN AND NOTES OF THE MEETING HELD 28TH JANUARY 2014**

The Chairman of the Business Improvement Working Group presented the notes of the meeting held 28th January 2014.

The Chairman explained that the work on S106 and Development Management was coming to an end and the Group was hoping to conclude these two reviews at its next meeting.

SO/64 Business Improvement Working Group - To receive an update from the Chairman and notes of the meeting held 28th January 2014 (Cont.)

The Chairman of the Working Group remained dissatisfied with the timescales for producing S106 agreements and would continue to review this further. Members of the Committee supported this.

It was suggested that the Working Group review the role of the Planning Obligations Panel (POP). However it was noted that there may be some changes following the introduction of the Community Infrastructure Levy (CIL) when a dedicated officer would be appointed to oversee the introduction of CIL and finalise any outstanding S106 agreements, following these changes the Planning Obligations Panel may no longer be necessary.

With all the changes underway in the Development Management department, the Working Group had agreed to review the situation again in approximately 12 months to identify whether the changes had been successful. Performance was also continually monitored through the Finance and Performance Working Group.

The Chairman of the Working Group thanked the Members of the Group for their work over the past months.

RESOLVED

That the notes of the Business Improvement Working Group meeting, held 28th January 2014, be received.

REASON

All notes of Working Group meetings are to be received by the Committee.

SO/65 **CRIME AND DISORDER WORKING GROUP – TO RECEIVE AN UPDATE FROM THE CHAIRMAN**

The Committee noted that there had been no further meetings of the Crime and Disorder Working Group.

The Chairman of the Working Group explained that the Joint Action Group (JAG) meetings had recently changed format and the Group was no longer meeting as normal. Instead there would be quarterly meetings, which would be called by the Cabinet Member for a Safer and Healthier District, with the partners of JAG and the Chairman of the Crime and Disorder Working Group would be invited. Therefore the new interface between these meetings and the Working Group would need to be addressed.

The Chairman of the Scrutiny and Overview Committee would discuss this with the Chairman of the Working Group outside of this meeting.

SO/65 Crime and Disorder Working Group – To receive an update from the Chairman (cont.)

RESOLVED

That an update from the Crime and Disorder Working Group be received.

REASON

All Working Group updates are to be received by the Committee.

SO/66 **FINANCE AND PERFORMANCE WORKING GROUP – TO RECEIVE AN UPDATE FROM THE CHAIRMAN AND NOTES OF THE MEETINGS HELD 5TH AND 12TH FEBRUARY 2014**

The Chairman of the Finance and Performance Working Group presented the notes of the finance meeting held 5th February and the performance meeting held 12th February 2014.

The Committee noted that the finance meeting notes were discussed in detail as part of the budget discussions at the Council meeting on 26th February 2014.

The Chairman talked the Committee through the performance meeting notes.

In relation to the performance indicator on the percentage of planning appeals allowed, the Working Group was awaiting further information on this as the Group agreed it needed further attention. The Chairman of the Business Improvement Working Group also supported the need for further review of this area, he explained that a report was being prepared by officers on all aspects of planning appeals and the Councillors' impact and involvement in decision making, and to encourage better partnership working between the officers and Councillors.

Members concerns were highlighted and the Committee agreed that this may need further review once the officer report had been completed. The report would provide the evidence and data which Members needed to consider this aspect of the Council's activities.

After a long discussion it was agreed that once the report on planning appeals had been provided, if the Finance and Performance Working Group felt it appropriate, it would recommend that this be reviewed by the Business Improvement Working Group.

The Chairman of the Working Group referred back to the notes of the performance meeting and highlighted the success of the Tenancy Deposit Loan scheme and the number of homelessness preventions.

SO/66 Finance and Performance Working Group – To receive an update from the Chairman and notes of the meetings held 5th and 12th February 2014 (cont)

Members of the Committee also raised some concern about the West Sussex Local Flood Risk Management Strategy and the financial implications on Horsham District Council. The report was due to go to Cabinet in March and Members were assured that if there were budget requirements, these would be discussed at full Council.

The Chairman of the Working Group also explained that the terms of reference for the Finance and Performance Working Group sub-reviews, into the income and expenditure of the a selection of departmental activities at the Council, had been circulated to the Members involved. It was suggested that the departmental review of the planning be put on hold whilst changes were being undertaken in this department.

RESOLVED

That the notes of the Finance and Performance Working Group meetings held 5th and 12th February 2014, be received.

REASON

All notes of Working Group meetings are to be received by the Committee.

SO/67 **SOCIAL INCLUSION WORKING GROUP – TO RECEIVE AN UPDATE FROM THE CHAIRMAN**

There had been no further meetings of the Social Inclusion Working Group and therefore there was no update from the Chairman.

RESOLVED

That an update from the Social Inclusion Working Group be received.

REASON

All Working Group updates are to be received by the Committee.

SO/68 **HEALTH PROVISION WORKING GROUP – TO RECEIVE THE INTERIM
REPORT OF THE WORKING GROUP AND NOTES OF THE MEETING
HELD 29TH JANUARY 2014**

A Member of the Health Provision Working Group presented the interim report to the Committee on behalf of the Chairman.

There had been a long need to improve access to health services in Horsham, the role of the Working Group had been to look at the services provided at Horsham Hospital and how these could be improved.

The Working Group heard from representatives from a number of organisations who provided services at the Hospital as part of the Group's evidence gathering.

The Group had made a number of recommendations to the Committee but it had been previously agreed that the review by the Working Group continue in order to help improve services at Horsham Hospital for the benefit of the community.

A tour of the hospital would be arranged for the Members of the Group.

The Committee supported the report and the recommendations. It was suggested that at its next meeting the Group look into ways to find combined funding to support the role of the hospital administrator or manager, as it was agreed that this role was essential.

The Committee also suggested that the Group review any practical ways of developing the recommendations and consider the role of the Group to ensure that they were implemented and followed up.

Therefore the Committee approved the recommendations, with the Working Group to continue to review practical ways in taking them forward.

The notes of the meeting held 29th January 2014 were also received and noted by the Committee.

**RECOMMENDED TO THE CABINET MEMBER FOR A
SAFER AND HEALTHIER DISTRICT**

1. Support the Clinical Commissioning Group with its integrated care and patient care
2. Support for the utilisation of Horsham Hospital at the centre of the community

SO/68 Health Provision Working Group – To receive the interim report of the Working Group and notes of the meeting held 29th January 2014 (cont.)

3. Help to improve communication about access to services and the improvement of health and wellbeing services at Horsham Hospital
4. Support the Clinical Commissioning Group with its focus on bringing service to Horsham which were achievable; otherwise it ran the risk of losing them
5. Continue to liaise with the CCG to understand the strategy for the development of Horsham Hospital
6. To press for more Outpatients Department services to prevent unnecessary travelling to hospitals outside the area
7. To continue to press for an overall administrator or manager to organise the hospital
8. Encourage dialogue between the CCG and providers such as SASH.

SO/69 **TRADE WASTE WORKING GROUP – TO RECEIVE AN UPDATE FROM THE CHAIRMAN**

The Chairman of the Trade Waste Working Group provided the Committee with an update. The meeting scheduled for 5th March 2014 had been postponed until 26th March as representatives from the Horsham Chamber of Commerce had been invited to attend. The Group was also expecting to receive a report from the Operational Services Manager at the next meeting.

It was anticipated that the final report of the Working Group would be presented to the Scrutiny and Overview Committee at its next meeting on 12th May 2014.

RESOLVED

That an update from the Trade Waste Working Group be received.

REASON

All Working Group updates are to be received by the Committee.

SO/70 **SUPPORTING LOCAL BUSINESSES WORKING GROUP – TO RECEIVE
AN UPDATE FROM THE CHAIRMAN AND NOTES OF THE MEETING HELD
22ND JANUARY 2014**

The notes of the Supporting Local Businesses Working Group for the meeting on 22nd January 2014 were presented to the Committee and noted.

RESOLVED

That the notes of the Supporting Local Businesses Working Group meeting, held 22nd January 2014, be received

REASON

All notes of Working Group meetings are to be received by the Committee

SO/71 **TO RECEIVE ANY SUGGESTIONS FOR THE SCRUTINY AND OVERVIEW
WORK PROGRAMME**

a) Suggestion from Councillor Skipp

The Chairman explained that as Councillor Skipp could not be present for this Committee meeting he had withdrawn his suggestion and therefore it had been withdrawn from the agenda.

b) The future of the Finance and Performance Working Group, whether to continue as one group or return to two separate working groups

A number of issues had arisen since the combination of the Budget Review and Performance Management Working Groups into the Finance and Performance Working Group, including, the administrative aspect, length of the meetings, the membership and the vast workload.

The Chairman of the Working Group explained that the finance aspect of the Group was working well, there was new performance data to come to the Working Group and the Chairman explained that once the data was available in its new format, the Members could consider whether the Group should continue jointly or return to two separate groups. Therefore this item would be added to the next agenda for the Scrutiny and Overview Committee.

SO/72 **ITEMS NOT ON THE AGENDA BUT CONSIDERED URGENT**

The Chairman of the Committee raised an item on Scrutiny training. The Chairman had recently been in touch with a trainer who would come to the Council offices to carry out a tailored training evening session of approximately three hours. The Committee would await further details.

The meeting finished at 7.14 p.m. having commenced at 5.30 p.m.

CHAIRMAN

SCRUTINY & OVERVIEW COMMITTEE – RESPONSE FROM THE CABINET MEMBER FOR A SAFER & HEALTHIER DISTRICT ON THE REPORT AND RECOMMENDATIONS OF THE HEALTH PROVISION WORKING GROUP

1. Support the Clinical Commissioning Group with its integrated care and patient care

We are an active partner in helping the CCG to position its commissioning practice alongside that of WSCC Social Care. CCG officers are involved in co-commissioning of proactive care for the elderly and new streams of commissioning are emerging around falls prevention and day activities in which HDC is involved. In addition, the Council's WSCC funded Health and Wellbeing Service supports the CCG through a referral route from GPs.

2. Support for the utilisation of Horsham Hospital at the centre of the community

The Council has been influential in shaping the proposals for the future use of Horsham Hospital through its involvement in the strategic outline case (SOC) for the future of Horsham Hospital. The case identifies a number of services that the Council has identified as important to its residents.

3. Help to improve communication about access to services and the improvement of health and wellbeing services at Horsham Hospital

The health and wellbeing hub works closely with local GPs to promote key services offered at Horsham Hospital. The Council is also a key member of the Health and Wellbeing partnership which includes the CCG and which aims to improve access to health care and health improvement services.

4. Support the Clinical Commissioning Group with its focus on bringing service to Horsham which were achievable; otherwise it ran the risk of losing them

The strategic outline case for both the hospital and primary care provision is guided by the HDPF and reflects the capacity and capability to be provided through Horsham hospital and new primary care infrastructure linked to new housing development. The CCG are keen to provide as many services locally as it practical.

5. Continue to liaise with the CCG to understand the strategy for the development of Horsham Hospital

See above. Being undertaken through the SOC.

6. To press for more Outpatients Department services to prevent unnecessary travelling to hospitals outside the area

There are significant proposals within the SOC to this effect.

7. To continue to press for an overall administrator or manager to organise the hospital

We do not believe that this is a role for the district council.

8. Encourage dialogue between the CCG and providers such as SASH.

There is a long established dialogue in place but it is not restricted to SASH as a sole provider.

Notes of the Scrutiny and Overview Committee
Trade Waste Working Group
26th March 2014

Present: Councillors: David Coldwell (Chairman) George Cockman,
Duncan England, Jim Sanson

Apologies: Councillor: Philip Circus, Godfrey Newman

Officers in attendance: Jane Chaplin, Trade Recycling and Waste Manager
Ian Jopling, Head of Operational Services
David Robertson, Waste and Recycling Manager

1. RECORD OF THE MEETING HELD 18TH DECEMBER 2013

The notes of the meeting held 18th December 2013 were approved as a correct record.

2. TO RECEIVE ANY DECLARATIONS OF INTEREST

There were no declarations of interest.

3. ANNOUNCEMENTS FROM CHAIRMAN OR THE CHIEF EXECUTIVE

There were no announcements.

4. TO HEAR FROM THE HORSHAM CHAMBER OF COMMERCE

Ann Swain, Administrator at the Horsham Chamber of Commerce and Chairman of the Horsham Federation of Small Businesses was invited to the meeting of the Working Group.

Members noted that when Ms Swain had contacted businesses across the District for feedback on trade waste collection, experiences had not always been good; however she explained how businesses were often tied into contracts and therefore could not change service providers even if they were dissatisfied with their service.

A survey had been carried out amongst the members of the Horsham Chamber of Commerce and the Federation of Small Businesses in Horsham and the responses had been minimal.

The Group noted that a small firm of solicitors has raised the issue of a lack of waste paper recycling and that it would welcome a recycling service.

Another common issue raised was space, many small businesses did not have the space to house large waste bins.

It was suggested that the Council contact the local industrial sites suggesting that businesses share secure waste bins. Better promotion of this would be beneficial as many small businesses did not generate enough waste to fill large bins and therefore sharing would be a more appealing option. However, it was noted that the Council offered a number of various sizes of bins.

It was agreed that better publicity or marketing of the Council's trade waste collection services should be carried out, it was suggested that this could be carried out through the Chamber of Commerce and the Federation of Small Businesses. Ms Swain was happy to work with the Council on this as she also had contact with both the Billingshurst and Henfield Chamber of Commerce and the Crawley Federation of Small Businesses.

The Council was operating as a trade waste business but also worked towards improving the local economy by helping small businesses.

The officers explained that they were keen to maintain contact with the representative from the Horsham Chamber of Commerce, it was suggested that the Waste and Recycling Manager attend a meeting of the Chamber of Commerce or Federation of Small Businesses and provide a presentation on the services offered by the Council.

Other issues which had arisen in the feedback gathered by Ms Swain were that the private contractors which operated in the District and offered a more competitive trade waste collection service were often poor in quality control and customer service. Members learnt that a main contractor would offer the initial service and then sub contractors would be responsible for collection of the waste, therefore when problems occurred it was difficult to address these and quality of the service was often not to a good standard.

Also the Working Group noted that often the private contractors were not always interested in the smaller businesses.

Members noted that although the Council was bound to its prices which were set by West Sussex County Council and these were slightly higher

than private contractors, the service offered by the Council was more flexible and personal and it could be tailored to the needs of the customer; officers were keen to promote this message to all businesses.

Trade waste was often forgotten when setting up new small businesses and it was agreed that it would be beneficial to feature it at events such as Microbiz. The Chairman would raise this with the Cabinet Member for the Local Economy.

The Group concluded that better marketing of the Council's services was key.

5. REPORT FROM THE WASTE AND RECYCLING MANAGER

The Trade Recycling and Waste Manager provided Members with a presentation on the customer analysis of the trade refuse and recycling service. The presentation was circulated to all Members of the Working Group.

A survey was carried out in February 2014 amongst all the Council's trade refuse and recycling customers to gather their feedback and opinions on the service they received. The findings of this survey were included in the presentation.

Overall there had been a good response to the survey and the majority of customers said that their overall impression of the service was excellent, good or satisfactory.

There was minimal negative feedback; however the negative feedback received was mainly related to making payments. Members noted that the department was working to improve efficiency in this area and the Council was also working on improving its website overall, which would include making online payments.

The presentation detailed information on competitors.

Moving forward Members suggested that consideration should be given to trade waste when planning applications were made for businesses, to ensure that space was allocated for trade waste bins.

Also, opportunities for businesses to work together should be explored further.

The Working Group noted that a marketing strategy, based on the evidence received in the survey, would be developed moving forward.

The Waste and Recycling Manager presented to the Working Group a report on the proposals for development of Horsham District Council's commercial waste collection service.

Following on from the previous discussions during this review, the officer had produced a number of options and recommendations included in the report for the Group's consideration.

The Waste and Recycling Manager talked Members through the report and the recommendations.

Each of the recommendations proposed in the report were accepted by the Members and would form part of the Group's final report which would be presented to the Scrutiny and Overview Committee.

The officers explained that they wanted to recognise trade waste collection as a business in its own right finding the time and resources to develop this service. The Working Group supported this.

Members agreed that better promotion of this service would be beneficial.

The Working Group discussed outsourcing the trade waste collection service and although it was not appropriate at this time, and not within the Group's remit, it was agreed that outsourcing could be explored in the future after the expansion strategies presented in the officer's report had been delivered. This would be even more relevant if domestic waste collection was also outsourced.

6. DATE OF THE NEXT MEETING

It was agreed by the Working Group that the Chairman would draft the final report of the review and this would be circulated to all the Members for comments before it was finalised for presentation to the Scrutiny and Overview Committee on 12th May 2014.

The report would also be sent to the officers and the representative from the Horsham Chamber of Commerce.

The meeting finished at 3.56 p.m. having commenced at 2.00 p.m.

CHAIRMAN



Horsham
District
Council

serving our towns and villages



Promoting a better quality of life

Scrutiny & Overview Committee

Report of the
Trade Waste Working Group

Report of the Trade Waste Working Group

1. Introduction

The Scrutiny and Overview Committee agreed in September 2013 that a working group be created to specifically investigate and report on the collection and disposal of trade waste in response to a perceived failure of the service to make a significant contribution to Council income.

The Working Group was advised by officers concerned that the shortfall was apparently due to the Council overheads assigned to trade waste which were thought high in relation to the actual additional costs in the operation of the service over and above those of normal domestic waste collections.

2. Membership

Councillors: David Coldwell (Chairman) Philip Circus, George Cockman, Duncan England, Godfrey Newman, Jim Sanson.

3. Objectives of the Review

To examine the Council's trade waste collection and recycling service and consider how it might be able to increase its commercial market share.

Terms of Reference

To consider and make recommendations to the Scrutiny and Overview Committee on the following:

1. To review the current situation and Horsham District Council's commercial market share of trade waste collection and recycling
2. To explore what the Council could do to increase its trade waste service, how it is being promoted to potential customers and increase profitability
3. To consider how best to work with the West Sussex Sustainable Business Partnership, other partners and councils to increase awareness of the legal requirements for businesses and encourage trade waste recycling
4. To make appropriate representations to Government and other agencies with a view to the establishment of suitable targets and accompanying incentives or penalties for failure to meet those targets.

4. Summary of the Research Undertaken

The Working Group recognised that any research on operations of trade waste would necessarily have to be with the council officers concerned, because commercial operators in the field would be unwilling to co-operate

with an investigation into where and how improvements might be made to the Horsham District Council service, their direct competitors.

Information was received from:

David Robertson, Waste and Recycling Manager (see Appendices 1 & 2)

Jane Chaplin, Trade Recycling and Waste Manager

Ian Jopling, Head of Operational Services

5. Witness

Ann Swain, Administrator at the Horsham Chamber of Commerce and the Chairman of Horsham Federation of Small Businesses, attended a meeting of the Working Group.

6. Chairman's Conclusions

The prime objective of the Working Group was to examine the operation of trade waste and trade recycling services with a view towards considering how the contributions might be increased by increasing market share. It is believed that the very creation of the Working Group brought forth some results in that an improvement in customer numbers (3%) became immediately apparent as was the fact that contributions were well ahead of budget; some £30,000 was reported. The business had been growing through the year but figures had not, at the time in October 2013, shown up.

Operational Services had been running a recycling trade waste pilot project for some time and it was suggested that the results of the pilot be evaluated; the result was that there was an unmet demand for recycling of certain wastes which are now to be investigated to see how the demand can be met. This might require some specialised collection systems to facilitate easy access to locations, particularly offices, where there is a requirement.

In respect of customers, there are over 1000, it was reported that customers sometimes left Horsham District Council for other commercial services and sometimes returned at a later date. The Working Group suggested that leaving and returning customers be interviewed to determine why that had acted as they did. It was found that many thought that they would get a better price by leaving only to sometimes find that costs were higher through hidden charges and that there was sometimes a less efficient service. The Working Group found that the HDC service could be much better tailored to meet the needs of clients, something the commercial operators could not do.

At the request of the Working Group, officers conducted a survey of customers; of over 1000 questionnaires, some 500 were returned. Results analysis indicated a high degree of satisfaction with the services provided; the survey results are appended to this report (see Appendix 2).

The survey results will be used to inform future developments in trade waste collection and customer relations.

The Working Group concluded that the Trade Waste operation is conducted with a high degree of efficiency and high levels of customer satisfaction, but, in conjunction with the Officers, that there were possibilities of adding to the customer base. Recommendations are listed in section 7 below, and members are advised that a number of these recommendations have been implemented already.

The Chairman wishes to thank his fellow councillors for their assistance and indeed enthusiasm in pursuing this investigation; equally many thanks must go to the Officers for providing so much assistance and for their willingness to provide information.

Finally, the remit was to look at the operation of the trade waste business; it was inevitable that the question of retaining the business in-house versus commissioning would arise. It was agreed by the Working Group that this is a subject that should be examined by Council and Officers in the near future given that there is a capital expenditure plan for 2015 with three vehicles being scheduled for replacement.

7. Recommendations to the Scrutiny and Overview Committee

1. Continue researching competitor prices and strategies through analysis of leavers and joiners, using this intelligence to inform future pricing strategies
2. Continue researching the views of customers and use this intelligence to inform pricing and targeting strategies
3. Implement the proposed re-routing to free up resources to take on additional customers
4. Further investigate costs and benefits of opting for larger vehicles more suited to the service during the upcoming procurement exercise
5. Adopt the proposed expansion strategies and associated increases in revenues and operating costs
6. Adopt the recycling pilot as a fully integrated element of the trade service
7. Investigate the costs and benefits of town centre trade waste recycling and the potential wider benefits of capital investment in improved vehicles for the pedestrianised areas

8. Retain in-house service provision and review options for outsourcing after the expansion strategies have been delivered
9. Adopt the ad-hoc service improvements outlined in “Other Improvements to the Service” as detailed in the Appendix 1 report.

| Appendix | Title | Page No |
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| 1 | Proposals for Development of Horsham District Council’s Commercial Waste Collection Service – Report by the Waste and Recycling Manager | 5 |
| 2 | Survey form and results from the customer survey of Horsham District Council Trade Waste and Recycling Collection Service | 11 |

Councillor David Coldwell
Chairman of the Trade Waste Working Group
April 2014

Appendix 1

Report to Trade Waste Working Group

Proposals for development of Horsham District Council's Commercial Waste Collection Service

March 2014

Prepared by David Robertson, Waste and Recycling Manager

Background

The Scrutiny and Overview Committee has established the Trade Waste Working Group to review the performance of the Council's trade waste collection service and consider options for future development. Responsibility for trade waste collection rests with the Cabinet Member with responsibility for the Environment, Councillor Andrew Baldwin. The working group intends to report its findings in Spring 2014.

A report outlining the current position of the trade waste service was considered by the Trade Waste Working Group in December 2014 and officers were tasked to develop proposals for developing the service. This report updates members on progress towards the development proposals and makes recommendations for consideration by the group, if accepted then these proposals can form part of the group's recommendations and subsequent Scrutiny recommendations to the lead member.

Background

The previous officer report reviewed the current performance of the trade waste service, identifying that the customer base is slowly expanding and that the recycling service is proving popular. The report identified several areas of work to improve the service and the working group instructed officers to pursue these work streams.

This report updates the position in each of these areas and provides further detail to some objectives. It should be noted that there is a substantial amount of further work required to plan, implement and review the recommendations within both reports and that there will be a time lag between the proposed improvement activities being implemented and the Council benefitting from increased revenues and surpluses.

Competitor analysis

In order to maintain and expand the business it essential to develop a greater understanding of the market and competitors; this will inform the expansion strategies set out in section 4 of this report. There are no readily accessible sources of information on competitor strategies, prices are not published and there is no direct way of identifying which geographical areas or business

types are being pursued. Therefore the best approach is to establish why we lose and gain customers through asking them; this method will take a long time to build up an accurate picture but the information will prove invaluable.

At this stage we have some limited feedback from new and leaving customers; this suggests:

- Many of our competitors offer apparently low collection prices but there are many hidden costs such as bin rental and environmental compliance charges
- Competitors offer lower prices in central Horsham and for larger customers, e.g. two or more 1100 litre bins.
- Competitors struggle to offer low prices in the rural areas
- Competitors do not target very small customers, e.g. less than one 660 litre bin per week.

Recommendation 1: Continue researching competitor prices and strategies through analysis of leavers and joiners, using this intelligence to inform future pricing strategies.

Customer analysis

Research into what matters to our customers and how they view the services we offer is important to ensure that we offer the right service at the right price. A brief survey has been sent to all our customers during February 2014 and the responses are still being received, over 450 surveys have been returned and these are currently being analysed. The results of this survey will be presented to the Working Group.

Recommendation 2: Continue researching the views of customers and use this intelligence to inform pricing and targeting strategies.

Review of service efficiencies

The service is currently delivered by three full size rear-end loading 26 tonne refuse vehicles, these were procured 'second-hand' and are designed primarily for domestic collections. They operate six days a week (only two on Saturdays), delivering all commercial refuse, mixed recycling and single-stream cardboard collections. The vehicles also collect from communal bins at some domestic flats. An internal review has identified several key issues for consideration:

- There are significant opportunities to improve efficiency in delivering the service by changing the route planning. This will not be enough to reduce from three to two crews but is likely to free up one or two days.

It will therefore not be possible to create a direct cost saving, for example by employing fewer staff; but it will be possible to free up resources for business expansion or potentially to divert to other services.

- There are currently only three vehicles to deliver three full rounds, this causes service disruption and vehicle hire costs when there is planned maintenance and unplanned breakdowns.
- Savings in staff costs and fuel can be achieved by reducing from two to one round on Saturdays.
- The lifting gear on the vehicles is designed primarily for use with smaller 240 litre bins, not 660 and 1,100 litres. This potentially increases damage and losses.

The current vehicles are scheduled for replacement during 2015, the procurement process will be initiated in early summer 2014. There is significant potential to increase the productivity of the service by switching to vehicles more suited to commercial waste collections. This includes increasing the vehicle size from 26 tonne to 32 tonne (i.e. payload improvement from circa 9 tonnes to 12 tonnes), using bin lifting gear suited to large bins, and rear steering vehicles to improve manoeuvrability.

Recommendation 3A: Implement the proposed re-routing to free up resources to take on additional customers

Recommendation 3B: Further investigate costs and benefits of opting for larger vehicles more suited to the service during the upcoming procurement exercise.

Develop expansion strategies

There is significant potential to improve the financial performance of the service through targeted expansion. It is estimated that the volumes of customers could be increased by up to 10% without increasing the number of vehicles and crew. This means that even modest increases in the customer base will deliver significant increases in the net revenue surplus of the service. It should be noted that aggressive expansion could be counter-productive as the cost base of the service increases in large step-changes. Three vehicles and crews can comfortably service 1,100 customers and should be able to accommodate another 100 or more weekly collections, however there is a tipping point where another vehicle and crew must be used and this increases the operational costs by circa £100k.

It is hard to predict when this tipping point will be reached but it is clear that there is some room for profitable expansion; therefore strategies that incrementally increase the customer base are both low risk and high reward. It

is therefore recommended that the following expansion strategies are pursued:

1. Actively market the service to small businesses in Crawley, focusing on trading estates. It is difficult to predict how successful this will be however a target of obtaining 50 customers within 12 months is considered both challenging and realistic. Estimated net revenue increase after costs, £20,000 per year.
2. Actively market the service to small and medium sized businesses in the rural areas of Horsham District, reflecting the service's competitive advantage. Target a net increase of 50 customers in year 1 and a further 50 in year 2. Estimated net revenue increase after costs, £20,000 year 1, £40,000 year 2.
3. Develop a wider marketing campaign targeting businesses across the district using direct mail, targeted advertising and utilising no-cost and low-cost channels such as local media, business groups and existing networks. Target a net increase of 25 customers in year 1 and a further 25 in year two. Estimated net revenue increase after costs, £10,000 year 1, £20,000 year 2.

These expansion goals can only be achieved by applying greater focus and resources on promoting the service. This can be achieved by utilising the trade waste service manager with a greater emphasis on business development and through increased staffing and promotional budget:

- Employ a trade waste administrator for circa 21 hours per week to free up the manager for business development activities, cost £12,500.
- Increase the promotional budget from £6,000 to £15,000 in year 1 and £10,000 ongoing.
- Utilise the newly created Education and Marketing Officer to spend 1/3 of their time developing and implementing promotional campaigns for the trade service, no additional cost.

Projected net revenue increases:

| | Year 1 (2014/15) | Year 2 (2015/16) |
|--|-----------------------------|-----------------------------|
| Net additional revenue from customers | £50,000 | £80,000 |
| Additional costs | £21,500 | £16,500 |
| Projected net surplus | £28,500 | £63,500 |

Recommendation 4: Adopt the proposed expansion strategies and associated increases in revenues and operating costs.

Review of recycling service pilot

The recycling service was introduced in 2012 and the number of customers using the service has progressively increased, delivering a gross revenue of £60,000 per year. The service is well received by customers and cited as a reason that many customers remain with us. There are growing pressures on businesses to recycle and the service is proving cost effective and flexible. The recycling service was introduced in 2012 as a pilot, with the intention of a future review to consider whether it should continue. It operates effectively within the existing collection crew resources, contributes to the Council's sustainability objectives and has increased revenues in the trade service. It is therefore proposed that the service is retained.

Additionally, there have been repeated calls from Horsham town centre businesses for the service to be expanded into the pedestrianised areas such as The Carfax and West Street. This did not take place within the pilot due to the complexities of collecting mixed recycling from areas that cannot accommodate bins. These customers currently present their residual refuse in black sacks collected by the town centre litter crews. It should be possible to collect recycling by changing the collection methodology and electric trolleys used by the litter crews.

This is likely to require capital investment of circa £20,000 in suitable collection vehicles that can be used to co-collect litter bin waste, trade refuse and trade recycling. It is likely that revenues from this service will only be around £2,000 per year so it is difficult to justify the capital expenditure solely on this basis. However there are wider benefits from using more advanced electric vehicles in the pedestrianised areas and wider town centre and these could potentially lead to efficiencies in delivering the litter services. It is therefore proposed that this is further investigated and the overall costs and benefits are calculated.

Recommendation 5A: Adopt the recycling pilot as a fully integrated element of the trade service

Recommendation 5B: Investigate the costs and benefits of town centre trade waste recycling and the potential wider benefits of capital investment in improved vehicles for the pedestrianised areas.

Outsourcing the trade waste service

This report focuses on the potential strategies to expand and improve the trade waste service, however an alternative strategy would be to withdraw the service with the intention of achieving the best financial outcome. There is a statutory duty on the Authority to provide commercial refuse collection services where requested so withdrawal of the service poses a risk. It may however be possible to enter a contract or arrangement with a commercial waste services provider to discharge this function.

More significantly however, the current review has established that the service makes a net contribution to the fixed costs of delivering waste services and the wider Council. It has also identified viable options to improve the financial performance of the service and there are strong arguments to implement these before considering any plan to outsource. It is not clear if the service could be outsourced to a competitor in a way that would generate a one off windfall or an ongoing revenue however it is unlikely that such a move would be financially better than retaining the ongoing surplus from running the service in-house.

Recommendation 6: Retain in-house service provision and review options for outsourcing after the expansion strategies have been delivered.

Other improvements to the service

In addition to the developments proposed within the previous working group report, consideration has been given to other ways of improving the service:

- A. Allow officers discretion to offer discounts to larger customers to win or retain their business. There are a small number of very large organisations in the District that could potentially improve the service. It has been almost impossible to attract these customers due to rigidity in the pricing structure and price competition from rivals. This can be resolved by allowing senior officers discretion to offer prices that reflect the actual costs that will be incurred by the authority and wider health of the business through winning and retaining large customers.
- B. Move away from billing customers six monthly in advance in favour of monthly direct debit payment. This will reduce cyclical pressures of administering six monthly invoices and reduce problems of chasing bad debts. More importantly it will also remove a disincentive of using our service for the many small business that cannot afford large periodic bills for services that won't be received for six months.
- C. Adopt the on-line waste transfer note 'Edoc' service recently launched. This will reduce the costs of administering the statutory annual waste transfer notes that every customer is obliged to sign by making this a simple web based verification.

Recommendation 7: Adopt the ad-hoc service improvements outlined above.

Appendix 2



TradeWaste&RecyclingService

We are always looking for ways to improve our collection service and as valued customers, your opinions are important to us. Therefore, we would be grateful if you could take a few minutes to complete the questionnaire below to help us understand what you think and how we can plan for the future.

Please return your completed survey in the enclosed Freepost envelope at the same time as your Duty of Care: Waste Transfer Note.

Thank you

Jane Chaplin
Trade Recycling & Waste Manager

1. What is your overall impression of the Trade Collection Service?

Problematic Sufficient Good Excellent

2. If you have had to contact the Council about this service what was the reason?

Missed collection Change to current service Damaged/missing bin
Payment Other (.....)

3. How satisfied were you with the way your query as handled?

Very dissatisfied Dissatisfied Satisfied Very satisfied

4. Do you use the Council website to obtain information on Trade waste and recycling?

Yes No

5. If yes, is the information sufficient? If no, please comment below.

Yes No

6. Why did you choose Horsham District Council's Trade Service over other service providers?
Please tick all that apply.

Report of the Trade Waste Working Group
April 2014

| | | |
|----------------------|---------------------------------------|-------------|
| Competitive Price | Flexible service | Recommended |
| Frequency of service | Availability of recycling collections | Other |

Additional comments:

.....

.....

.....

All feedback and comments remain anonymous, but if you would like us to contact you please complete your details below.

Contact Name

Telephone number

Trade Refuse & Recycling Collection Service

Customer Analysis

Jane Chaplin

Trade Recycling & Waste Manager

26th March 2014



A brief survey was sent out in February 2014 to all our Trade Refuse & Recycling customers who were asked for their opinions on the service they currently receive.



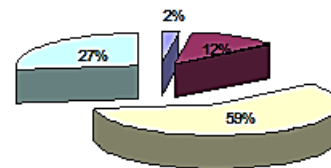
We are interested to find out about:

- their overall impression of the trade collection service
- reasons for contacting the Council about the service and how adequately they felt their query was handled
- website information and usage
- why choose HDC's trade refuse and recycling collection service over other service providers



500 completed surveys returned

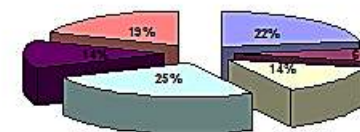
- 98% of customers say that their overall impression of the service is excellent, good or sufficient



☐ Problematic
 ☐ Sufficient
☐ Good
 ☐ Excellent



Why did customers choose HDC for a trade refuse and recycling service?

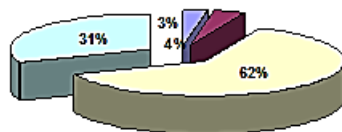


☐ Competitive price
☐ Flexible service
☐ Recommended
☐ Frequency of service
☐ Availability of recycling collections
☐ Other



Making contact with the Council

- 93% of customers are satisfied or very satisfied with the response they received to resolve their query or issue



Very dissatisfied Dissatisfied
Satisfied Very satisfied



Competitor information

We already know that.....



Their collection charges are more expensive in rural areas, but often lower in central Horsham.

Waste Transfer Notes and daily bin hire incur additional charges, on top of the annual collection price.



Customers experience unreasonable, small print tie-in clauses and monetary penalties.



What do we do next.....

.....develop a marketing strategy based on the evidence we have received.

HOW?

Market the service to small and medium sized businesses within the rural areas of Horsham.

Introduce the existing recycling service into Horsham town centre.

Understanding the nature of the business sector within our district and also within Crawley Borough, if expansion is to go ahead.

Tailor our marketing to our strengths



10th October 2012

KEY DECISION

Not exempt

Ref. No. 12073

**Extension of Community Legal Service Advice
Contract**

Executive Summary

The Community Legal Service Advice contract currently consists of a single contract for the provision of generalist and legal advice to the public across West Sussex, with all Districts, Boroughs and the County Council contributing to the contract.

The current contract is held by the West Sussex Citizens Advice Bureau Consortium and covers the period from April 2010 until March 2013. Within the existing agreement there is an option to extend this contract for a further 2 years.

As all Councils in West Sussex are parties to this contract, it has been the subject of a review undertaken by a Joint Scrutiny Task and Finish Group (TFG) comprising elected members from each contracting authority to determine whether the existing contract arrangements were delivering against contract objectives and whether the contract should be extended. Cllr Brian Donnelly was the Horsham District representative.

The TFG was impressed by the quality of the current service and the evidence of service improvement through the first two years of the three-year contract. TFG members came to a consensus about the most suitable arrangements that should be made to ensure that appropriate advice services continue to be provided across West Sussex and unanimously recommended that the contract is extended for a two year period commencing 1st April 2013.

A number of recommendations have been made by the TFG for each funding partner to consider. Once all funding partners have agreed to the recommendations, West Sussex County Council (WSCC) will take action to implement the decisions and make the appropriate contract arrangements on behalf of all the authorities. Given that the existing contract is due to expire at the end of March 2013, it is important that Horsham District Council as a participating authority notify WSCC of their decision by mid November 2012.

Recommendations

The Cabinet Member is asked on behalf of the Council to agree:

1. That the existing contract with the West Sussex Citizens Advice Bureau Consortium for the provision of generalist advice is extended for a further two years at the current level of funding, with West Sussex County Council letting the contract on behalf of all existing partner

authorities. For Horsham District Council this is £93 360 per annum and provides a commitment for the same funding to be provided for 13/14 and 14/15 financial years.

2. That it is not appropriate for this Council to step in to fund any element of the contract currently funded by the Legal Services Commission.
3. That the negotiation of the extension should include the following elements -
 - a. revision of the existing conditions to seek greater flexibility of service provision and improved productivity, in the light of the significant reduction in central government funding of legal aid
 - b. preservation of the existing facility for each District and Borough Council to influence the nature of provision within their area according to local need
 - c. continuation of the local provider presence in 11 locations throughout the County
 - d. appropriate confidentiality assurances regarding individual client information, but an assumption that all other information about the contract and service should be open and available for scrutiny
4. The priority client groups should remain as in the original contract –
 - a. those under 25
 - b. those experiencing or at risk of domestic abuse
 - c. those at imminent risk of losing home
5. The period of the extension should be used to
 - a. enable all partner authorities to decide on the nature of their future involvement in the provision of generalist advice services beyond March 2015
 - b. analyse the effect of changes likely to impact on levels of demand and the nature of the service required to enable a revised specification to be developed for service beyond March 2015
 - c. gather customer satisfaction information about the existing arrangements
 - d. explore the potential of the market and options for a range of providers to contribute to the future tendering process, including the potential to explore other ways of delivering community legal advice services provision
6. A Joint Scrutiny Task and Finish Group should be convened (or the existing group reconvened) to examine the revised specification and approach to tendering proposed for the arrangements to be put in place for the period from April 2015, with sufficient time allowed for detailed scrutiny in advance of the executive decision making and tendering processes.

Reasons for Recommendations

- i) The Joint Scrutiny Task and Finish Group was impressed by the quality of the current service and the evidence of service improvement through the first two years of the three-year contract and without agreeing to this extension would leave Horsham customers/residents without access to welfare and legal advice.

Signed:

Date:

Cabinet Member for a Safer and Healthier District

Background Papers.
Consultation
Wards affected
Contact

Attached
Detailed in attached
All
Trevor Beadle, Head of Housing and Community Development Ext 5209.
Natalie Brahma-Pearl, Director of Community Services Ext 5250

Background Information: The report of the West Sussex Joint Scrutiny Task and Finish Group (TFG) setting out the detail of the review is appended to this report.

Appendix 1

Consequences of the Proposed Action

| | |
|---|---|
| What are the risks associated with the proposal? Risk Assessment attached Yes/No | None identified |
| How will the proposal help to reduce Crime and Disorder? | Many of the beneficiaries of the advice service are vulnerable residents with increased risk of being both victims or offenders |
| How will the proposal help to promote Human Rights? | Ensures access to advice services for all |
| What is the impact of the proposal on Equality and Diversity? Equalities Impact Assessment attached Yes/No/Not relevant | Neutral , the service is open to all |
| How will the proposal help to promote Sustainability? | By helping people to remain part of an inclusive community |

WORK PROGRAMME SUGGESTION FORM

Ref: 14/PCNC

Please return this form to:
Daniela Smith
Horsham District Council
Park North
North Street
Horsham
RH12 1RL

Your Name: Beverley Bell, Billingshurst Parish Council

Contact Number: 01403 782555

Proposed Scope/focus of review:

The incidences of flooding on the strategic road network this winter.

Your rationale for selection:

Flooding affects not only home owners, but all the whole economy and community as employees struggle to get to work, deliveries cannot not be made, patients cannot access services

Evidence:

Flooding between Newbridge Nurseries and Lyons Road on the A264 and at Bashurst Hill on A264
Flooding on Worthing Road Horsham between railway bridge and Boars Head
Flooding on A29 at Pulborough

Desired outcomes/objectives/possible terms of reference:

These areas had evidence of previous less severe flooding. If these warnings had been acted on earlier, the flooding might not have been so severe and disruptive.

Terms of Reference:

- Consult all Parish Councils for details of locally flooded roads
- Investigate causes
- Early intervention to clear ditches and drainage channels.

Other comments:

The Parish Council felt this could be a co-ordinated county wide approach to ensure our strategic road network remains open in severe rain events.

Would you be interested in being a co-opted member
Would you be interested in providing evidence to the Group
* Please delete as applicable

yes/no*

yes/no*

What time scale do you perceive to be necessary for this review?

☐ Urgent

☐ Within six months

☐ **Within 6-12 months**

WORK PROGRAMME SUGGESTION FORM

Ref: 14/PCNC

Please return this form to:
Daniela Smith
Horsham District Council
Park North
North Street
Horsham
RH12 1RL

Your Name:

Mary Furrroughs

Contact Number:

01403-785864

Proposed Scope/focus of review:

S106 / CIL Process

To review and document the whole process from agreement to claiming S106 monies

Your rationale for selection:

It is so very unclear as to how Parish Councils are involved in the process from having input to any agreement and how monies can be spent

Evidence:

PC's and Community Groups struggle to understand how they should be involved, how they can add value and the process for claiming the S106 monies is

Desired outcomes/objectives/possible terms of reference:

- o Clear Procedure Guide for all
- o County and District joined up thinking / process
- o A small team to handle all
- o A workable document showing o/s monies

Other comments:

Work has begun on this but is by no where near concluded - the whole process involving all types of contributions needs to be reviewed

Would you be interested in being a co-opted member
Would you be interested in providing evidence to the Group
* Please delete as applicable

yes/no*

yes/no*

What time scale do you perceive to be necessary for this review?

☐ Urgent

☒ Within six months

☐ Within 6-12 months