

## Reviewing Waste Services

Thoughts and Issues for the Future?

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### What we'll cover

- Background
- Phase 1 – From partnership to in-house-again
- Phase 2 – Modernising pay – service impact
- Phase 3 – Developing a waste strategy
- Phase 4 – ABMs/PSCs and the day job
- Thought for the future

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### Background

- Started a 6 month interim assignment in Jan. 2009 – ended February 2011
- Waste services had collection ,management vested in a management partner – Pinnacle
- Collection service did not fit well with this and service brought back in as partner moved on.
- I started immediately after Pinnacle left
- Blissfully unaware of the storms ahead
- **Issue** – do you know what you are getting into?
- **Opportunity** – health checks and early intervention

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Phase 1 – Partnership to Council Service

- Concern by City of Edinburgh that Pinnacle were not moving the service forward.
- Issues were non resolution of out-of-date practices, job & finish, productivity and service quality.
- Context was a highly politicised and sensitive service with a focus on keeping the public happy and change only when necessary
- Could any partnership deal with this context?
- Pinnacle left with almost all information – starting from scratch

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Phase 1 – Partnership to Council Service

- Started again with service plans and performance
- Task was to join the service back into an organisation set up for managing an external contractor

**Issues and lessons:-**

1. Anything other than in-house needs to match the political and managerial style and culture
2. Any service handover or hand back needs to be considered carefully in terms of both provider and client.

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Phase 2 – “Modernising” pay and industrial action

- CEC modernised pay and conditions implemented May/June 2009
- Refuse collectors and drivers lost up to £6000/year on base pay!
- Extreme frustration and anger set the stage from then till now
- Stalemate between CEC and workforce
- Reform greatly needed but.....

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Phase 2- “Modernising” pay and industrial action

- Productivity of 700-1200 bins/day/crew on a 5/6 hour “job and finish day”
- Now lifting 400 – 900 bins /day/crew over 9 hours
- Threat to Edinburgh Festival diminished political support for TU position
- High day to day levels of pressure on service management
- Strong and consistent use of contingency resources to maintain near normal service levels

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Phase 3 – Developing a waste strategy

- CEC was doing all the right things but without a council agreed strategy and targets Other than KPIs
- Political concern over adopting a strategy was that it would lead to a debate over alternative weekly collections
- There were no strategy champions at senior levels
- National target deadlines indicated that CEC was developing a performance lag – strategy started January 2010
- Strategy took to Nov 2010 before CEC approval

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Phase 3 – Developing a waste strategy

- Strategy missed the slot to be adopted as a key document in the CEC ABM (alternative business model process)
- Alternative weekly collections or radically altered shift and collection patterns were the only way to save money for a cash strapped CEC

**Issues and lessons:-**

1. Are large multifunction service groupings masking strategic issues.
2. Who arbitrates tensions between managing the process of local government and delivering essential services

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#### Phase 4 – ABMs, PSCs and the day job

- CE moved to explore “alternative business models” (ABM) as a way of identifying cost reductions and yielding service improvements.
- As part of this a “public sector comparator” was used to benchmark the market submissions (the in-house bid?)
- Complex, EU level negotiated process was chosen
- Resources set aside for process were 90% for external advisors and 10% for in house support
- Waste strategy document was not adopted as formal part of the process

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#### Phase 4 – ABMs, PSCs and the day job

- PSC timescale closed earlier than market submissions – no changes possible.
- Increasing detailed implementation plans called for to back up PSC.
- Market bidders who scored well go to next stage for more intensive changes/additions based on in-house benchmarks
- Continuing industrial action – management improvements slowly being put in place
- When will this end/how will it end??

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#### Phase 4 – ABMs, PSCs and the day job

Issues and Lessons:-

- Is getting out to get fit more expensive than getting fit to get out?
- In house can be best but what conditions make it that way?
- “Feeding the beast” at the centre seems to grow month on month
- Dangers of an “is it worth bothering about” fatalism creeping in

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### Thought for the future?

For the future, do APSE and it's groups need to grasp and respond to issues such as:-

- How can "in house can be best" thinking be supported and spread?
- Are their circumstances when in-house cannot be not best? And how do you avoid getting to that situation?
- All service problems lead back to "clients" – how do you tackle them?
- How can APSE and it's groups get to the local decision makers who increasingly administer large, diverse service groups?
- How can local government extract best value from it's services – if not what is stopping it?

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