



SCRUTINY TASK GROUP REPORT

Overview and Scrutiny Committee – 18 March 2013
Cabinet – 16 April 2013

Ubico

1. INTRODUCTION

- 1.1 The new service commissioned from Ubico came into operation on 1 April 2012 and six months on from this it was considered appropriate for a scrutiny task group to review the service being provided.
- 1.2 The task group were specifically tasked with reviewing the Service Level Agreements and considering whether the benefits were being realised and the effectiveness of the service. Part of this was to include the customer's view of the service being offered and whether they had noted any changes.
- 1.3 This report sets out the findings and recommendations arising from the scrutiny review by the Ubico scrutiny task group.

2. MEMBERSHIP AND TERMS OF REFERENCE

2.1 Membership of the task group:-

- Councillor Andrew Chard (Chair)
- Councillor Jacky Fletcher
- Councillor Tim Harman
- Councillor Charles Stewart (Vice-Chair)
- Councillor Pat Thornton
- Councillor Suzanne Williams

A member of Cotswold District Council was invited to join the group as a co-optee but no nomination was received.

2.2 Terms of reference:-

- To understand how the contract is being monitored
- To identify whether the business benefits of setting up Ubico are being delivered
- To ascertain whether the service is being delivered in accordance with the Service Level Agreement

3. METHOD OF APPROACH

3.1 The task group met on seven occasions and spoke to a range of people involved with Ubico. They all contributed to enabling the task group to assess the effectiveness of the service and identify areas for improvement;

- Jane Girffiths, Director - Commissioning
- Rob Bell, Managing Director (Ubico Ltd)
- Scott Williams, Strategic Client Officer (CBC/CDC)
- Members of Street Cleaning, Landscaping and Waste & Recycling crews in Cheltenham
- Judy Hibbert, Customer and Support Services Manager
- Karen Watson, Customer Relations and Research Manager
- Business representatives and users of trade waste services from across Cheltenham via the Cheltenham Business Partnership Manager and questionnaires
- Councillor Colin Hay, Ubico Board Observer
- Councillor Roger Whyborn, Cabinet Member Sustainability

3.2 Members would like to thank all of the officers and individuals who attended meetings and contributed to the review.

3.3 The task group review included;

- Consideration of the relevant extracts from the Ubico Service Level Agreement
- Review of performance data
- Review of complaints data
- Q&A session with members of staff from the Street Cleaning, Landscaping and Waste & Recycling teams.
- A site visit to the Cotswold and Cheltenham depots
- Q&A session with the Managing Director (Ubico) and Strategic Client Officer (CBC/CDC)
- Q&A session with the Customer and Support Services Manager and Customer Relations and Research Manager
- Q&A session with the Ubico Board Observer
- Questionnaires to business representatives and users of trade waste services from across Cheltenham and consideration of feedback
- Consideration of the service disruption due to snow in mid January
- Consideration of a briefing regarding the rationale for Ubico Board structure
- Q&A session with the Cabinet Member Sustainability

4. CURRENT SERVICE DELIVERY

4.1 Ubico is a local authority company jointly owned by CBC and Cotswold District Council (CDC). The company is governed by articles and a shareholder agreement, and the leaders of the two councils act as shareholders. The Board of Directors comprises;

- Rob Bell, Managing Director
- Ralph Young, Chairman (CDC nominated director)
- Grahame Lewis, Director (CBC nominated director)
- Frank Wilson, Finance Director

- 4.2 Both councils have contracts with Ubico to deliver a range of services and for Cheltenham these services are;
- Waste and recycling
 - Trade waste
 - Street cleaning
 - Grounds maintenance
 - Toilet cleaning
 - Fleet management
 - Sports pitch marking and pavilion cleaning
 - Highways agency agreement
 - School grounds maintenance contract
 - Nursery
- 4.3 The client side function is undertaken by a strategic client officer which is a shared post between CBC and CDC. When at CBC the post holder (Scott Williams) reports to the Director Commissioning and the Cabinet Member Sustainability.
- 4.4 The customer interface for the services in scope sits with the customer services team at the Municipal Offices and is managed by Judy Hibbert, the Customer and Support Services Manager.
- 4.5 The Board of Directors informally report to the shareholders on a quarterly basis and their first AGM will be held in September 2013. Monthly meetings whereby Ubico present performance data are held with the Client Monitoring Officer and Director Commissioning (and her CDC equivalent). These meetings also provide an opportunity to discuss longer term operational and strategic issues which may impact on service delivery. In addition there is a quarterly performance meeting which is attended by the respective Cabinet Members. Responsibility for resolving day to day operational issues lies with Ubico.
- 4.6 No borough councillors sit on the Board but each council may nominate one councillor to attend as Board Observer. CBC has nominated Councillor C. Hay as Board Observer.
- 4.7 The employees of Ubico are either former CBC/CDC employees or were employed by SITA who was the contractor for CDC.

5. OUR FINDINGS

- 5.1 Members of the task group were comfortable that the contract was satisfactorily monitored by the shareholders, officers and the Cabinet Member but felt that there was a general lack of understanding from members across the council regarding the governance arrangements for Ubico (i.e. who was on the Board of Directors and who was responsible for providing members with feedback relating to performance).
- 5.2 Members felt strongly that the decision not to include borough councillors on the Board of Directors, other than as an Observer, was questionable. They considered the rationale behind the decision and remained unable to agree with the decision.

- 5.3 The task group's discussion following the service disruption due to snow did highlight the need for clear lines of accountability and responsibility in a commissioner/provider environment and the need for these to be communicated effectively with the public and members.
- 5.4 The task group identified that the split between customer services and Ubico has on occasion lead to an increase in work. Staff from the Landscaping team advised the task group that in the past such requests had been dealt with immediately by the relevant manager but since this function had transferred to the Municipal Offices such requests resulted in job tickets being raised. The staff members in attendance explained that someone had to undertake a visit for each job ticket and often found that the issue had already been resolved or was not as described on the job ticket, which they felt was an inefficient use of the person's time. Officers supporting the review felt that the practice of raising job tickets had customer benefits in providing an audit trail and the means by which lessons could be learnt. They also felt that ultimately this practice would have been adopted regardless of where the customer service end of the operation was sited.
- 5.5 The staff members the task group spoke with also felt that there were issues with the knowledge base of some staff within Customer Services which resulted in misinformation being passed on to customers and crews alike.
- 5.6 The customer service team acknowledge that there has been a steep learning curve for them. Although two members of staff transferred from the former operations team, all staff within the customer contact centre have had to be trained to deal with the services now in scope. In addition they also had to put in place a process for the renewals for the garden waste scheme and they have picked up additional work which was not anticipated such as liaison with individual clubs for sports pitch bookings.
- 5.7 The task group noted that officers have already identified some of the above issues and that a systems thinking review is being undertaken to consider how the interface between customer services and Ubico works. Staff were undertaking visits to CBC pitches and pavilions and accompanying waste and recycling crews on collections in an effort to better understand any issues faced at an operational level.
- 5.8 Operatives from the Waste & Recycling and Street Cleaning teams raised numerous concerns mostly relating to the need for better communication - staff needed to be made aware of changes and the reasons behind them otherwise this could lead to discontent amongst frontline staff who did not understand the changes that had taken place.
- 5.9 The managing director has indicated that he now has a clear business focus for the services that Ubico provide rather than in the past being drawn into corporate matters relating to the council.
- 5.10 The task group did consider whether during the service disruption the split between client and contractor had made the situation more difficult than when it had previously been delivered directly by the council.

- 5.11 Having reviewed the Service Level Agreement in conjunction with performance data, members of the task group were generally satisfied that the service level agreement was being met, performance was good and when issues were identified there was a quick response to remedial action. The group better appreciated the scale of the operation following a site visit to the CBC and CDC depots and having met with the managing director and members of the refuse crews they better understood some of the obstacles faced by Ubico in being able to undertake various tasks (parked vehicles preventing access, etc).
- 5.12 A questionnaire had been distributed via the Chambers network to businesses. Members were disappointed that only 5 of a possible 500+ trade waste clients had responded to the questionnaire, which had been made available in hard copy as well as online. However, those clients that did respond were very happy with the service being provided. In addition the task group had received a response from a business using a private sector provider. Officers from Ubico welcomed the feedback that had been received, which they considered valuable in helping to inform the review of trade waste that was being undertaken on behalf of CBC and CDC. This was a sizeable piece of work and would take some time.
- 5.13 The task group were surprised to learn that neither CBC or Ubico did not actively promote the trade waste service to potential new customers. It was noted that this was historical following legal advice which suggested that the council could not proactively market themselves for new business. Members felt that this was nonsensical and should be revisited. Officers conceded that a larger number of trade waste customers had been lost than had been gained which they attributed to the recession and to a competitive private sector market.
- 5.14 For the period 01 April 2012 to 31 December 2012 there were 8439 enquiries/works orders raised for Ubico services and logged by the Customer Services Team. Most related to requests for recycling boxes and missed collections. In this period there had been 185 complaints and the vast majority of these related to missed collections. Officers were open about the fact that there were issues regarding the way in which Ubico and CBC dealt with customer issues and in recognition of this, improvement activity by Ubico and customer services, as part of the systems thinking work, was underway. Members felt that the level of complaints was proportionately low given the fact that Ubico service 51,000 properties at least once a week, sometimes more than once and the number of complaints had fallen in quarter three after a peak in quarter two.
- 5.15 During the service disruption it was noted that the number of enquires and calls to the council increased significantly. The contact centre normally deals with around 2000 calls and in the two week period of the disruption this rose to around 4000 calls per week. In addition a number of people contacted the customer relations team and wished their calls to be logged as formal complaints.
- 5.16 The task group were concerned about the way in which the council communicated with the public. This concern was heightened in relation to the service disruption. The task group felt that more could be done to put out proactive messages and use different media channels. There was particular concern about how policies are communicated such as the closed bin lid and side waste policy.

- 5.17 The task group raised their concerns about the bring site facilities and the need to ensure that skips were cleared on a regular basis. There was a perception that they were always full which members felt lead to frustration and rubbish being left at the side of skips. It was noted that a review of bring sites would be undertaken in 2013/14.

6. OPTIONS CONSIDERED

- 6.1 It was noted that Ubico had only been in operation for less than 12 months so there were inevitably teething issues. However, the task group considered a number of options for improvement.
- 6.2 Customer service improvements. Consideration was given as to whether it would be beneficial for staff to undertake site visits to better understand some of the issues that result in (for example) late/missed bin collections, which would in turn improve their knowledge and result in improved advice for the customer. The task group also considered whether it was appropriate to split customer services from the operation.
- 6.3 Complaints/feedback process. The task group noted that a review is already underway but felt that there should be more guidance as to how customer service staff deal with initial queries. They also felt that it was important to ensure that outcomes are recorded on job tickets which should then be added to the system when a job is closed in order that outcomes can be monitored and a more proactive approach to resolving issues may be more easily adopted.
- 6.4 Communication of policies – the website should include the reasoning behind the policies (e.g. closed bin policy is for H&S reasons). The task group also felt that it would be beneficial to adopt a similar leaflet (bin hanger) such as those circulated by Tewkesbury Borough Council. They discussed how there needed to be more proactive communication with regards to the benefits of recycling.
- 6.5 Communications. Consideration was given as to whether UBICO need to be more proactive about self promotion and create press releases which aim to explain policies and procedures. The task group were keen to see the council provide clear messages to the public (without jargon) and consideration was given as to whether more could be done with the local radio stations particularly if there are specific messages that need to be given to all residents. The use of social media and web sites were acknowledged as having a place but felt that not all residents access these and there maybe an over reliance on this media channel.
- 6.6 Feedback from members of the Street Cleaning, Landscaping and Waste & Recycling teams had suggested to the task group that there was something to be done around internal communications which they felt had suffered as a result of the transfer of customer services from the depot to the Municipal Offices.
- 6.7 Governance: The task group considered how the governance arrangements are communicated to all members. They also considered whether there should be a review of the Board structure arrangements and possible move from Observer only status for borough councillors.

- 6.8 Trade waste. Members felt that the Council, through Ubico, should consider assigning resources to promote the trade waste service in an effort to secure new business.
- 6.9 Pitch bookings. Members were not comfortable with the decision of the senior football league to cease coordination of the sports pitch bookings. This had resulted in the customer services team having to deal with numerous people rather than one individual and proved very labour intensive. Members were of the opinion that the senior football league should be asked to reconsider this decision and have one individual coordinate bookings as the junior football league did.
- 6.10 Bring site facilities. Members felt that the frequency with which the skips were cleared should be considered as part of the review scheduled for 2013/14.

7. CONSULTATION AND FEEDBACK

- 7.1 During the course of the review the task group consulted trade waste customers regarding their views of the service being delivered. The feedback received is summarised at 5.12 of this report.
- 7.2 Throughout the review the task group consulted widely with officers who helped members to assess the effectiveness of the service being delivered. A copy of the report was circulated to officers who had contributed to the review and those that would be involved in taking forward some of the recommendations and their comments were incorporated into the final report.
- 7.3 The Cabinet Member Sustainability attended the 20 February 2013 meeting and was given the opportunity to offer his views on the way in which the service was provided and take part in discussions regarding the final report and recommendations of the task group. The Cabinet Member was pleased with the way in which the task group had conducted their review and regarded the findings and recommendations as being constructive.

8. RECOMMENDATIONS

- 8.1 Taking all of our findings and options into consideration, the Ubico scrutiny task group would like to make the following recommendations for consideration by Cabinet, namely that;
- 1. Review the decision not to nominate any borough councillors to the Board by September 2013 (as set out at 6.7 of the report).**
 - 2. Review the customer service arrangements at an appropriate time, but no later than by the end of September 2013 and consider whether delivery of this service should return to the depot (as set out at 6.2 and 6.3 of the report).**
 - 3. Review internal and external communication strategies by September 2013 (as set out at 6.4 and 6.5 of the report).**

4. Review the emptying frequency timetable for the bring site facilities as part of the review of bring sites by September 2013 (as set out at 6.10 of the report).
 5. Consider the adoption of waste and recycling literature (bin tags) which include information including collection dates, bin information and key messages, as produced by Tewkesbury Borough Council by September 2013 (as set out at 6.4 of the report).
 6. At the end of the season (end of April 2013) assess the overall impact of the decision by the senior football league to cease coordination of their sports pitch bookings and if this has had a largely negative impact on resources within the customer services team ask the senior football league to reconsider their decision (as set out at 6.9 of the report).
 7. Consider providing additional marketing resource on an invest to save basis for the promotion of the trade waste service by September 2013 (as set out at 6.8 of the report).
9. **TAKING FORWARD THE RECOMMENDATIONS FROM SCRUTINY**
- 9.1 It is proposed that should the recommendations be approved by Cabinet then the recommendations should be considered at the quarterly performance meeting of Ubico.
 - 9.2 A report should be sent back to the Overview and Scrutiny Committee in October 2013 in order that they can review progress and a copy of this report should be circulated directly to those members that formed the original scrutiny task group.

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Appendices	<ol style="list-style-type: none"> 1. The one page strategy for this review 2. A summary of the responses to the trade waste questionnaire 3. An example of the bin tags circulated by TBC
Background information	n/a