

SCRUTINY BOARD (STRATEGY AND RESOURCES)

MONDAY, 29TH NOVEMBER, 2021

PRESENT: Councillor A Scopes in the Chair

Councillors S Burke, P Carlill, B Flynn,
S Hamilton, C Hart-Brooke, D Jenkins,
J McKenna, S Seary and P Wadsworth

27 **Appeals Against Refusal of Inspection of Documents**

There were no appeals against refusal of inspection of documents.

28 **Exempt Information - Possible Exclusion of the Press and Public**

There were no exempt items.

29 **Late Items**

There were no formal late items. However, there was supplementary information circulated to Members in relation to Agenda Item 7 – Future Waste Strategy Inquiry – Finance, Contracts and Recycling.

30 **Declaration of Interests**

No declarations of interest were made at the meeting.

31 **Apologies for Absence and Notification of Substitutes**

Apologies were received from Cllrs Heselwood, Chapman, and Firth.

Cllr Jenkins attended the meeting as substitute for Cllr Heselwood, Cllr Hart-Brooke attended the meeting as substitute for Cllr Chapman and Cllr Wadsworth attended the meeting as substitute for Cllr Firth.

It was also noted at this point that Cllr Ragan was attending the meeting as representative of Environment, Housing and Communities Scrutiny Board, in relation to the joint inquiry on the Future Waste Strategy. It was noted that Cllr B Anderson had been intending to also join the meeting for this item but had sent apologies.

The Chair sent Cllr B Anderson his best wishes.

32 **Minutes - 18 October 2021**

RESOLVED – That the minutes of the meeting held on 18th October 2021, be approved as a correct record.

33 **Matters arising**

The PSA informed the Board of the following points:

- Minute 20 – Inclusion Agenda – Plans are being developed to have staff networks attend the January 2022 meeting to give their views on how the Council is responding to inclusion issues in the workforce.
- Minute 21 – Leeds 2023 – Additional information requested by the Board had now been sent to Members.
- Minute 25 – The Chair and the PSA discussing the request to bring back an item to update the Board on Devolution.
- In October members suggested an additional meeting in December. It was noted that the work programme for the Board was significant and to manage this an additional item has been added to the 13th December Working Group to deal with an initial report on the Contact Centre.

34 Future Waste Strategy Inquiry - Finance, Contracts and Recycling

The report from the Head of Democratic Services set out the ongoing inquiry into waste strategy working with the Environment, Housing and Communities Scrutiny Board. The report provided information linked to the service in terms of tonnages of waste collected, costs of the service and contractual matters.

In attendance for this item were:

- James Rogers – Director of Communities, Housing and Environment
- John Woolmer – Acting Chief Officer Environmental Services
- Cllr Mohammed Rafique – Executive Member for Environment and Housing
- Polly Cook – Chief Officer Sustainable Energy and Air Quality
- Jason Singh – Head of Service Environmental Action
- Kevin Mulvaney – Head of Finance Communities, Housing and Environment
- Rosie Harvey – Officer in the Contracts Team, Waste Management
- Amanda Pitt – Manager of the Veolia Contract
- Philip Turpin – Senior Business Officer Communities, Housing and Environment
- Ed Walton – Business Officer Communities Housing and Environment
- Robin Akers – Commercial Director HW Martin
- Declan Nortcliffe – HW Martin
- Scott Francis – Head of ERF Operations North – Veolia (attended via zoom link)
- Donald Macphail – Chief Operating Officer Treatment Division – Veolia (attended via zoom link)

Members were provided with a presentation in relation to Waste Managements – Key Contracts.

Members were informed of the following points:

- The RERF contract is a 25year PFI contract based on SOPC4 it is a contract only for the treatment of residual waste. It is a design build and operate contract not due to expire until 2041.

- The technical solution offered by Veolia was for a mechanical pre-treatment followed by energy recovery from waste that cannot be recycled.
- There are three key targets in the contract:
 - Landfill diversion
 - BMW diversion (which is tonnage allowance per year)
 - Recycling. It was noted that the target for this had been reduced in April 2020 from 10% to 2% with performance for 20/21 at 2.3%. Members were advised that despite efforts made by Veolia recycling had not increased sufficiently to achieve the 10% target. Therefore, with agreement of DEFRA the targets had been reduced for the next seven years. The Board noted that metals are currently the only materials being recycled for a significant compensation payment made by Veolia
- Members were informed of benefits provided by the RERF either by recycling or creating of energy.
- Members noted that the facility also provides a range of other benefits including, up to 11 mega-watts of electricity to the National Grid, provides heat to the Council's District Heating network and has a visitor centre.
- DEFRA support the work at the facility, this is monitored with monthly meetings and quarterly meetings with all PFI contract management teams.
- It was noted that the facility has saved 40,000 tonnes of carbon per year compared to landfill, which was the equivalent to taking 19,500 cars off the road, produced 11MW electricity – enough to power 22,000 homes.
- Over the life of the contract, it is expected to save £7m per annum compared to previous solutions.

Members were provided with a contract overview which included the following information.

- HW Martin Ltd operate a state of the art material recycling facility on Parkside Lane in Leeds. Around 26 RVC vehicles are tipped per day Monday to Saturday which roughly equates to 41,000 tons yearly.
- The current contract ends in November 2023, it was noted that the contract had been extended using Public Contract Regulation 72, as it is currently unclear on the requirements of the Council arising from the Environment Bill, the potential effects from the deposit return scheme, extended producer responsibility and funding opportunities from Government.
- The Board were advised of the pricing mechanism within the contract.
- The presentation showed the process stages and the mechanisms for removing and sorting the various items of waste. It was noted that any waste residue from the process is made into Refuse Derived Fuel.
- Members noted that performance and outcomes are measured using information gathered from monthly reporting where material tonnes, price and performance are tracked. Operational issues, H&S issues, legislative adherence are monitored through the contract management

process. It was also noted that 6 monthly due diligence audits are carried out on all waste contractors.

- HW Martin provided the Board with a brief background of the company, explaining that they are part of the Martin Company established in 1996. The company is all about recyclables, with 99% of their clients being local councils, they extract valuable recyclable materials from waste.
- It was noted that the Council is measured by how they perform in relation to tonnage which is contradictory in relation to carbon impact. Members were informed that as a Council we are driven by Government Strategy which is still subject to consultation. The focus for the Council needs to be on re-using such materials as textiles with an aim to reducing our carbon impact. The Chair requested that the list referred to in relation to re-using waste and the carbon impact be sent to the PSA, to circulate to the Board.

Members' discussions included:

- Collection and recycling of glass and the issues in relation to glass collection. It was noted that Leeds currently collected approximately 13,000 tonnes of glass.
- Types of recyclable materials which are best for recycling to ensure that the Council continues to sustain performance in relation to low carbon impact.
- Kerbside waste collections, which would achieve the best use of resources and performance and provide ease of recycling for Leeds residents. Discussion was focused on garden waste, food waste, glass and textile recycling.
- Promotion of the recycle, re-use and reduce agenda. It was noted that third sector organisations were supportive of this. An example of a successful Leeds campaign to re-use school uniforms was provided. The Leeds by Example website can provide useful information about recycling and re-using items.
- The Board noted that if food waste was collected, it would make people more aware of how much food was wasted and this may drive down food waste, it is also possible that it could increase food waste as people may feel like it is going somewhere useful anyway.
- There was discussion of the 20p deposit return scheme in relation to glass collection and the possibility of Leeds introducing a scheme. In a linked discussion it was noted that the Council was looking at the fashion industry and work in this area was currently ongoing with the University in terms of textile recycling or re-use of clothing.
- It was noted that there are no plans for charging for garden waste collection and that where Council's do charge, they collected significantly less than Leeds.
- The Board discussed Wakefield Council and their recycling of polystyrene. Leeds does not collect polystyrene as it breaks down into small particles. The Board was advised that there was a number of different types of polystyrene and work was ongoing externally to the

Council with food manufacturers who use polystyrene in containers for change to reduce this type of waste.

- Advertising of what and what cannot be recycled is sent to residents on an annual basis and will again be sent out before Christmas.
- In relation to other cities waste management, Leeds was comparable. Options would be discussed with DEFRA in relation to collecting food waste, with an option to co-mingle waste with garden waste collections. The Board noted that the Council was still awaiting guidance and clarity on management of co-mingled waste.
- Work was ongoing with the route review to look at how to make the service more efficient.
- The District Heating System receives energy from the RERF. It was noted that the RERF has a capacity to collect 20MW of electricity. On a regular basis no more than 6MW is used by the district system, however, more sites are being added.
- The Board discussed the impact of food waste on the RERF and the calorific value of items, for example different types of plastic, that are recycled there and how that impacts on performance of the facility.
- That while the Council does need to comply with Government requirements, it should have its own view on the best way forward driven by carbon impact in line with the climate emergency.

The Chair in closing the item said that there was a need for a coherent national strategy on waste and looked forward to seeing it in the New Year, he hoped that it would look at the increased impact of carbon rather than on the tonnage of carbon. He suggested that the Board need to be aware of this and for it to be a focus.

The Chair invited Cllr Rafique to add his comments. Cllr Rafique thanked the Scrutiny Board for their input into this as a move forward. This had highlighted the good initiatives in Leeds. However, there was still a need for clear guidance and how waste management would be funded.

Cllr Rafique thanked the contractors for their hard work and requested that his gratitude was passed onto the staff particularly over the last 20 months.

The Chair reiterated Cllr Rafique's comments.

RESOLVED – To note:

- a) The contents of the Appendices 1 and 2 providing relevant information on service costs, tonnages of waste collected, recycling rates and the contractual arrangements Leeds has in order to deal with different waste streams and highlight further areas of interest linked to the scrutiny inquiry that can be brought back to future meetings of the Board.
- b) The evidence provided by the guests and use this to assist in the formulation of a scrutiny statement to be reported back to the Environment, Housing and Communities Board.

35 Future Ways of Working - Update on Estate Realisation and Staff Survey

The report from the Director of City Development provided a further update on the Board's ongoing work looking at agile working, developing new ways of working and estate realisation as well as employee wellbeing.

In attendance for this item were:

- Cllr Debra Coupar – Executive Member for Resources
- Mark Mills – Head of Asset Management
- Graham Sephton – Head of HR

The Board were informed of the following points:

- The pandemic had accelerated service change to a more digital focus, with staff forced to work from home, more hybrid approaches to working arrangements and service delivery.
- Work on estate realisation has been ongoing for 5 years. The Council has reduced its estate in the city centre from 17 buildings to 3. The Council's buildings currently have front facing services and the aim is to make the customer experience better and easier.
- Feedback from the staff survey shows that staff are supportive of the new ways of working including the flexibility to work from home and the way workspace has been set out. The way in which the Council works has been changed through engagement with staff, trade unions and Members.
- 4 employee wellbeing surveys have been undertaken with results for the latest undertaken in August 2021, within the submitted report. It was noted that since the survey of October 2020 there had been some improvement in how staff were feeling. Support has been offered to staff who need it.

Cllr Coupar advised the Board that work on the estate was still ongoing and had been for many years this was not as an impact of the pandemic. The changing the workplace programme had recognised improvements in digital working and this has been progressed. Much of the Council's estate is ageing and in need of refurbishment to bring it up to date and to ensure that it has the best carbon footprint that it can. Cllr Coupar reassured the Board that there would be consultation on any proposals.

In response to questions from the Members the Board were provided with the following information:

- Consideration would be given to converting buildings to housing. The Housing Growth Team are provided with those buildings which are to be put up for sale or lease to assess potential for housing.
- Any listed buildings which are to be sold would be done only in consultation with the community and local ward members. The Council has a large number of heritage buildings and recognises that it is not always the best custodian of such buildings. It does not wish to see some of these buildings left to become derelict and decayed. Appropriate consideration is given to heritage buildings some taking years for a decision to be made.
- Community Asset Transfers are considered with Bramley Baths and Yeadon Town Hall a demonstration of where this has been successful.
- It was recognised that Community Hubs have been a valuable resource for staff to work instead of working from home or travelling into the city centre. They have also provided a valuable service to people in the community.
- Members suggested that work in relation to heating buildings whilst ensuring they are properly ventilated should take place especially in buildings used regularly by residents, such as libraries.
- It was noted that IDS are due to attend the Board in February 2022, in relation to agile working.
- It was noted that a third of staff had responded to the staff survey. Responses had been received from staff working in front line services and staff working from home. It was not possible to say if it was the same staff responding on all the surveys.
- It was acknowledged that some buildings where staff are employed had not seen the same level of consideration in relation to the workspace such as depots.
- It was recognised that the estates management systems were not consistent. Work was ongoing with IDS to have one single system which allows real time data.

Councillor Flynn expressed his disappointment that IDS were not at the meeting as he had a few questions he wished to put to them both from an agile working perspective and from a personal perspective. It had been noted that IDS would be attending Scrutiny Board in February 2022.

The Board suggested that base data was required from the directorates in relation to service delivery. They wished to know about impact on service, the quality of service, purpose of the buildings. It was the view that service delivery data needs to be considered in relation to the experience of customers and residents.

RESOLVED - To:

- a) Note the content of the report
- b) Consider and provide comment on the work to date and future estate realisation opportunities.

36 Agency Staffing and Overtime - Update Report

The Chief Officer Human Resources submitted a report on agency staffing at Leeds City Council covering costs, overtime, value for money, the recent Early leavers Initiative (ELI), the impact on financial strategies and links to inclusive growth.

Alex Watson – Head of HR attended for this item.

The Board were informed of the following points:

- This report was a follow up to the report submitted in July 2021. It provided an update on services and work done and the effects of the pandemic.
- Spend for the service is the same as last year at this midway point.
- Highlights from the report were noted as:
 - IDS who had shown a reliance on agency staff and were now bringing this back in house through permanent staffing on the structure
 - Assistance was being given to support managers on sickness and attendance issues
 - Leave was still an issue and the team were looking at how this can be better managed including the booking of leave and ensuring sufficient staff cover
 - ELI - this initiative had saved money and was sustainable.

Responding to questions from Members the Board were informed of the following:

- It was acknowledged that sickness levels were increasing. This was a concern with work ongoing to assess this.
- Overtime was paid in relation to responsive services. It was difficult to clarify spend in relation to agency spend and overtime spend as this was often seasonal. More work would be undertaken to provide details and ensure that rotas were robust enough.
- The team would look at the use of a wider pool of staffing that could be used in place of agency staffing, key problems could ensuring those staff do have full time roles and also past experience at other Councils where a pool approach had not fully worked.
- Sickness in the main seemed to relate to stress, muscular skeletal issues and mental health issues. The figures do take into consideration staff with long Covid. The officer offered to clarify if the figures included Covid.

The Board requested information in relation to the retention of Social Workers.

RESOLVED - To

- a) Note the current position regarding the use of agency workers and overtime
- b) Note the ongoing demands that different services are facing
- c) Note the resourcing solutions that have been achieved and options being proposed to further develop and apply these.
- d) Consider the need for further updates and progress reports

37 Work Programme

The report of the Head of Democratic Services presented the Scrutiny Board's work schedule for the 2021/22 municipal year.

The Principal Scrutiny Adviser informed the Board that the working group scheduled for 13th December had now been expanding to include an initial report on the Contact Centre.

It was noted that Appendix 1 provided the work schedule for the Board. The Board also noted that the PSA and the Chair were working on economic income and spend as a possible future work item.

The Board requested the following:

- An update on Welcome to Yorkshire which the Board had worked on last year.
- An item on quality of services to the public. The PSA and the Chair to check if this comes under the remit of the Board.

RESOLVED – To note the content of the report.

38 Date and Time of Next Meeting

RESOLVED – That the next meeting of the Board will be Monday 24th January 2022 at 10.00 am (Pre-meeting for all Board Members at 9.45 am).

The meeting concluded at 13:15