



External cleansing contract, frequently asked questions

7 May 2021

Below is a set of frequently asked questions and answers which will provide you with further information on the proposed external cleansing contract. Any updates to this document will be recorded.

What are the benefits of the new Waste, Recycling and Street Cleansing contract with Serco?

The new contract will join waste services on estates together with the main service to provide a high quality and consistent service across the borough. This is something that residents have asked for – and the council has listened. Some of the improvements you will notice include:

- Improved recycling facilities to be rolled out over the course of the contract (more recycling bins and better signage)
- Trials to increase range of materials collected for recycling from Lambeth Housing Estates (e.g., food waste, textiles, and electronics)
- Improved cleaning around bin chambers
- Intelligent deployment of staff and resources to ensure service needs are met
- Gullies (road drains) to be mapped to ensure a regular and robust cleansing regime
- Daily inspection of playgrounds for removal of drug paraphernalia
- Proactive graffiti removal service

What are the wider benefits of the new Waste, Recycling and Street Cleansing contract with Serco?

The new contractual arrangements secured include benefits such as:

- Ending the spraying of glyphosate on our streets from day one
- A unified service both on streets and on our housing estates with increased staffing resources focused on delivering a better service for all of our residents.
- Dozens of new job opportunities for Lambeth residents, with a commitment to focus on residents identified as being furthest away from the job market for example our young people and care leavers.
- Security for our staff and good rates of pay, at London Living Wage or above, as well as a strong training offer and a commitment to a reduction in the use of agency staff
- The establishment of a Community Partnership Board to offer challenge, feedback, and ideas for service improvements, made up of representatives of Lambeth residents and voluntary and community sector organisations, and other local stakeholders.

Why have I received this Section 20 notice?

The London Borough of Lambeth has tendered for the provision of external cleansing to its tenants, leaseholders, and homeowners. You have received a S20 notice because you are a London Borough of Lambeth leaseholder or homeowner. Many of the services covered by this Section 20 notice are rechargeable to leaseholders and homeowners and if we do not consult with you, we are not able to recharge our full costs. Please do take the time to watch a short (5 minute) film which explains what a Section 20 notice is and what this means for you:

https://youtu.be/Q_Md5aWBU84

What do you mean by external estate cleansing?

External estate cleansing involves the cleansing the external communal areas on estates, outside the margin of the property, including litter picking, detritus removal, graffiti removal, fly tip removal, bulky waste collections. The contract also covers winter gritting.

What is the proposed scope of the long-term agreement?

The services provided to housing estates comprise the following:

- The cleansing of all external areas outside the margin of estate properties
- Litter picking on grassed areas and hard standing
- Co-ordinated collections and cleansing to improve cleansing standards.
- Package of measures to increase recycling including better signage, more recycling bins and cleaner bin areas.
- Increased bin capacity for recycling and introduction of reverse locking lids. This prevents contamination of the recycling
- Food waste collections to be rolled out in a phased approach to estates
- Collection of items of bulky waste
- Jet-washing of bin areas
- Cleansing of bin chutes
- Graffiti removal
- Winter gritting

Will the agreement differ from the existing one?

The new agreement will be different in that external cleansing is now delivered separately from internal block cleansing because this leads to economies within the waste and housing contracts. The other changes relating specifically to the housing contract are:

- Co-ordinated collections and cleansing to improve cleansing standards.
- Package of measures to increase recycling including better signage, more recycling bins and cleaner bin areas.
- Increased bin capacity for recycling and introduction of reverse locking lids. This prevents contamination of the recycling
- Food waste collections to be rolled out in a phased approach to estates.
- The contract has a range of other benefits, including environmental

improvements (The fleet of vehicles will be electric by 2030) and social (inclusion of a requirement to provide apprenticeships and jobs for Lambeth residents) in the new contract.

How long will the agreement last?

The length of the agreement is initially 6 years with scope for extending the contract by between 1 and 8 years (6 years + optional 1-8 years).

How will you ensure the contracts are robustly managed?

The Council recognises the need for strong contract management and is expanding a dedicated contract management team and applying a governance structure across the contract. The Council is confident that this team and governance structure, together with embedding a performance management framework and financially linked KPIs, will allow it to be robustly managed.

I do not receive some or all the services detailed, so why am I being consulted, and will I be charged?

This is a borough-wide consultation and we have consulted with affected leaseholders and homeowners. You will only be charged for the services related to your block and/or on your estate. You will know what services you receive by reviewing your estimated or actual service charge invoices, sent to you in February/March and September each year.

Some of the services mentioned (such as rubbish removal) appear to be services that I already receive, funded by Council Tax. Why am I going to be charged again?

These services are those provided by Lambeth as your landlord, over and above those services provided to you as a Council Taxpayer. As the services are provided by Lambeth as your landlord, they are not funded by Council Tax and costs are instead met by the Housing Revenue Account which is recharged proportionally. Services that are currently provided by Lambeth and funded through Council Tax will remain in place and we will not be charging you again. The current contracts only provide services to Lambeth tenants and homeowners.

Considering the proposed contract will provide services to all residents in London Borough of Lambeth, how will you ensure tenants and homeowners are billed only for their specific services?

The proposed contract clearly sets out what services are provided to estate residents. This will allow Housing Services to clearly identify which services and associated costs relate to its tenants and homeowners and ensure only these services are recharged to them.

How will I be charged for these contracts?

As with the current external cleansing contract you will be charged within your yearly day to day service charges. The new costs will replace the old cost once the new contract is implemented. You will only be recharged for costs that relate specifically to your block or estate and these costs will be apportioned in line with your lease. If the new contract is implemented mid-year the actuals for 2021/22 will reflect this and you will be charged for the period under the old contract before it ceased and the period under the new contract up to 31 March 2022. The charges will be increased annually, in accordance with a basket of indices agreed in the contract.

How will the Council ensure costs are kept to a minimum?

In addition to the economies of scale Lambeth Council can achieve, the procurement process which used the competitive dialogue approach ensured value for money. The bids were evaluated based on 50% price and 50% quality. Furthermore, contractors will be required to work to a series of key performance indicators (KPIs), to reflect service priorities and will be linked to financial incentives and penalties.

Why are we proposing to enter into a long-term agreement?

Having reviewed its current housing service delivery arrangements, the Council considers that a long-term agreement represents the best delivery mechanism for this service area. A long-term contract will provide an opportunity to continually improve services; deliver services in a consistent manner; increase cost certainty; and avoid repeated procurement exercises and the associated costs and delays these bring. Long-term contracts also create pricing economies by virtue of their scale and longevity and instil a heightened willingness for contractors to invest in the borough. The Council does however intend to build flexibility into the long-term contracts, to ensure that it can deliver services in an alternative way should it so wish in the future.

Why doesn't Lambeth provide these services in-house and employ officers to carry out these duties? For example, there will be a Direct Labour Force for repairs – why is this not happening for the cleansing service?

An evaluation of the options for delivering the service determined that bringing the service in-house would be a higher risk option in terms of service delivery and cost.

How was the recommended provider selected?

Following the successful completion of the Notice of Intention consultation, the Council initiated the procurement process. The contract value was above EU thresholds and was therefore advertised in the Official Journal of the European Union (OJEU). The recycling, waste and cleansing contract was procured using the 'competitive dialogue' procurement process. Bidders had to pass a selection questionnaire stage and successful bidders were invited to take part in dialogue with the authority and submit 'detailed solutions' which were then evaluated. Two bidders reached the final stage where final tenders were submitted. Robust evaluation of

cost and quality elements were undertaken by evaluation panels and final scores were arrived at which led to the recommendation agreed by Council Cabinet members. Please see the Cabinet report at <https://moderngov.lambeth.gov.uk/documents/s124280/Public%20-%20Waste%20cabinet%20report%20part%201%20vs%203.6%20final.pdf> for more details.

Will you be applying lessons learnt?

Whilst the current contracting arrangements have mostly delivered the required volume of work, there have been several lessons which the Council has learnt. The Council will apply this learning to the new long-term delivery arrangements in the following ways:

- More straightforward forms of contract
- Embed a contract scrutiny and governance oversight across all new delivery arrangements
- KPIs that focus on the most important aspects of service delivery
- The need to capture comprehensive data so we can apply resources appropriately.

Will the council be getting independent advice and support?

To design and procure the intended long-term agreements, the Council employed the services of a professional consultancy to help deliver a range of specialist procurement services. The services included are as follows:

- Service design
- Specification development
- Procurement advice
- Mobilisation support
- Technical and commercial support

How does the procurement of new service contracts affect the services I currently receive?

There should be no change to the quality or scope of the service, but it will be delivered in a slightly different way as the staff will only be carrying out external cleansing and individual staff are likely to cover more than one estate in the course of their work rather than being based on one estate.

What are the next steps?

The key next step for the Council is to consult with you as leaseholders about our intention to enter into an agreement with the proposed contractor and to respond to any queries that you may have about this procurement. Once the Observation period is closed and all observations have been responded to with due regard, Lambeth will seek to sign the contract with the new provider in order that they can operate the contract from 1 October 2021.

Have resident views been considered?

A Resident Procurement Panel was established to cover all the housing related procurements being carried out at the same time which provided support to the procurement process from a resident's perspective. The Council's Waste Strategy update, of 2019, informed the service specification was extensively consulted on and informed the development of the service specification. The consultation held with various stakeholders, businesses and residents of the borough was detailed and comprehensive. It took place from 14 May to 10 June 2019. Over 8,100 emails were issued and there were over 1,000 click throughs to the dedicated Waste Conversation webpage. The accompanying social media campaign was seen over 19,000 times, which led to nearly 400 separate engagements in the Waste Conversation.

When will the new service commence?

The new service is proposed to commence on the 1 October 2021.

Who do I contact about the current service providers?

Caretaking Services: To contact your local housing caretaker or concierge operator during normal office hours contact us on 020 7926 6000.

Communal cleaning: If you feel there is a problem with the cleaning or you would like to register a complaint about the standard of cleaning, call us on 020 7926 6000.