

2nd November 2015 Budget Scrutiny Meeting – Enforcement

1. BRIEFING PAPER - ENVIRONMENTAL ENFORCEMENT SAVING PROPOSAL 2016/17

1.1 **Summary: A saving of £65k arising from a revised arrangement in delivering environmental enforcement activities for highways related work in association with Parking.**

1.2 The Environmental Enforcement service has put forward a reduction of two posts to make the proposed saving and will look to minimise the impact of this reduction through changing the process for dealing with skips and highways related enforcement. The move to a PCN process with an increased ability to monitor offences is also extremely likely to increase income, however better compliance would be anticipated in the longer term. This may partly offset the need for reduced staffing levels.

1.3 The Public Realm Division aims to provide an accessible, clean and safe environment and to undertake a sustainable approach to transport and waste to minimise the impact on the local environment.

1.2 The Division comprises 4 main service areas:

- Streetscene
- Parking and Markets
- Environmental Operations
- Environment and Waste Strategy

2. 2015/16 BUDGET

Table A - Public Realm 2015/16 Budget before recharges

	Streetscene £000	Environmental Operations £000	Environment & Waste Strategy £000	Parking £000	Markets £000	Total 15/16 Budget £000
Employees	4,085	13,653	1,587	3,342	401	23,068
Premises	483	120	22	79	25	729
Transport	37	2,408	50	99	9	2,603
Supplies and Services	1,343	1,072	279	744	8	3,446
Third Party Payments	2,974	1,974	207	5,181	541	10,877
Capital Charges	6,747	194	69	44	-	7,054
TOTAL EXPENDITURE	15,669	19,421	2,214	9,489	984	47,777
External Income	(1,195)	(6,949)	(49)	(15,770)	(975)	(24,938)
Internal Income	(2,294)	-	-	-	-	(2,294)
Total Income	(3,489)	(6,949)	(49)	(15,770)	(975)	(27,232)
Net Expenditure	12,180	12,472	2,165	(6,281)	9	20,545
FTEs	99.11	353.94	33	77.50	9.62	573.17

Note: Parking is projecting an additional £2.2m income above its budget of £15.77m in 2015/16. This will in effect mean that the net expenditure from the Service is £8.481m and the net expenditure for Public Realm is £18.345m.

3. SAVINGS SINCE 2010, APPROACH AND IMPACT

3.1 In summary, the base budget for the Division in 2010/11 was £20,786,000. Since that time, including the current 2015/16 financial year, a total of £8,122,000 of savings has been delivered. This equates to a saving of 39% from the 2010/11 base line budget. The savings total over the period 2010/11 to 2015/16 is shown below

PUBLIC REALM BUDGET SAVINGS 2010/11 - 2015/16

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Environment & Waste Strategy		525	30	550	12	
Streetscene	40	398	383	50	13	308
Environmental Operations	670	525	250	80	411	312
Markets		450		80	190	
Parking	280		1,069	607	11	805
Public Realm Non staff based budget reviews						73
Total Annual Savings	990	1,898	1,732	1,367	637	1,498

3.2 The above savings and changes to services have been successfully delivered against a backdrop of increasing resident and visitor numbers and ongoing regeneration and development within the borough. To put this into context, the population has increased by 40,000 over the past 10 years with a further estimated increase of 12,000 by 2031 and an additional 2,000 properties were created in 2013/14. No additional increase to the base budget of services has been received to reflect these changes. This will need to be considered so as to ensure that services are able to maintain pace with these external pressures and statutory duties can continue to be delivered effectively.

4. THE ENVIRONMENT AND WASTE STRATEGY SERVICE

4.1 The service is responsible for tackling a range of activities that impact on the quality of the local environment and the development and implementation of waste, recycling and cleansing strategy and policy:

- Local environment enforcement: graffiti and fly posting, litter, dog fouling and dog control, fly tipping, waste containment, highway obstructions and licenses, illegal street trading and trading licenses
- Contract management and monitoring of waste and recycling
- Strategic management of local environmental quality, waste prevention and recycling
- Ensuring the appropriate waste treatment, recycling and disposal of Hackney's municipal waste
- Lead for the Borough's responsibilities as a member of the North London Waste Authority

4.2 In doing so, it has enabled operational savings through the integrated waste programme and acquired over £2m of external funding through successful applications to Government and funding bodies. The service provides a lead technical role in the management of waste collection and treatment, recycling and delivering improvements to local environmental quality. Performance and data analysis is captured for statutory reporting and also to inform service development in collaboration with the North London Waste Authority. The service takes a fully integrated approach at a strategic level in developing and implementing 'waste' and 'Local Environmental Quality' (LEQ) policy, making the links between service design, behaviour change and environmental enforcement, alongside practical delivery within Hackney's streetscene working with service partners (eg. Hackney Homes and registered providers) and public realm and other Council colleagues (eg. Community Safety and Parks). This particularly helps support the operational arm of Environmental Operations ensuring that Hackney's various collection services are designed and continually mapped against a growing number of households by housing type. This delivers excellent customer care and operational efficiencies.

Gross budget - £2.214m – 33 FTEs	
May 2015/16 Forecast	Breakeven
Cost drivers	<ul style="list-style-type: none"> • Environmental Enforcement (£689k, 14 FTE), responsible for around 2,700 Environmental Enforcement actions including targeted street patrols and visits to business and residents to tackle persistent issues and take appropriate action against those who cause or benefit from all aspects of environmental anti-social behaviour such as litter, waste dumping, graffiti, flyposting, and illegal street trading. The work split is 60% on waste/recycling specialist related and 40% on other enforcement areas eg. Highways and A Boards. • Local Environment and Waste Strategy (£682k, 8 FTE) responsible for long term waste management strategy for borough, management of the North London Waste Authority, "clienting" Environmental Operations, working on strategy and development of local environmental quality, management of the Ward Improvement Programme, Business and Technical analysis and development for the service and Environmental Operations. • Recycling Team (£794k, 11 FTE) responsible for development and communication of recycling strategy and service across Hackney covering all properties in the borough, across residential (including housing estates) and commercial premises, external bidding and communications/behaviour change.
Other savings options	<p>Savings options linked to:</p> <ul style="list-style-type: none"> • Environmental Operations around cleansing, bulky waste, flytipping etc across all teams of this service • Hackney Homes – Estate Recycling – increasing recycling on estates and further integration. On street recycling averages at around 36% whilst recycling average on estates is much lower at 10%. • 2020 Recycling - Alongside many other authorities, especially within inner London, Hackney faces a considerable challenge in increasing recycling rates further. The service already provides a comprehensive recycling collection for multiple waste-streams and continues to be at the forefront of seeking a solution, especially for

	<p>estates recycling, however, we can still learn from other authorities who have been more successful in driving down waste growth. In many cases the local circumstances in other authorities have been more amenable to waste restriction policies, but there is undoubtedly a correlation between waste restriction and increased recycling. Hackney's inner London setting and housing profile make waste restriction difficult to implement, but it does bring an opportunity to deliver savings or more correctly 'avoided cost of disposal'. The service is currently looking at options for future household waste and recycling collections including residual waste restriction and/or revised frequency of collection. Waste composition and participation data has already been captured and external consultants are currently undertaking performance and carbon impact modelling of waste collection scenarios. This is on top of the work already in hand with Hackney Homes looking at increasing recycling performance on estates. The combined analysis of potential recycling and collection solutions across estates and street based households will determine the best approach to build on the current service provision and achieve improved recycling performance. It is unlikely, given Hackney's housing property profile that the Council will achieve 50% recycling by 2020, but a reduction in overall waste growth and increased recycling will have a positive impact in reducing the more expensive residual waste tonnage under menu pricing, thereby reducing the NLWA household levy from what it might have been.</p>
Income considerations	<ul style="list-style-type: none"> • Impact on corporate levy, for disposal, as well as operational savings with Environmental Operations. • Looking forward major implications around levy with NLWA menu pricing and procurement. • 2020 Recycling to look at disposal and collection costs and efficiencies, via an end to end approach • Potential impact of cross cutting review of Enforcement on income and performance.
Budget comments	Covered above

4.3 Further service developments will be necessary to continue efficiency improvements and, in an 'invest to save' approach, to reduce waste costs. The NLWA household waste disposal and treatment levy remains a considerable financial cost to the Council (£5.87m in 2015/16). It is predicted to increase by 14% next year to £6.69m and without doubt it will increase significantly over the next 10 years as new treatment and disposal facilities are developed.

Environmental Enforcement

4.4 In a similar approach to the end to end process in Parking, a review was undertaken in 2012, of the Environmental Enforcement function when it joined the Environment and Waste Strategy service. Previously the function worked independently and worked solely towards meeting set performance indicators rather than the impact that their work did and undertaking a prioritised work programme. A major piece of work was undertaken over the next 18 months to look at how enforcement impacted and worked with other key services and how a more modern, intelligence led service should operate.

- 4.5 Since this has been implemented, there has been a major change and impact on how the service is delivered.
- 4.6 Throughout 2012 the service regularly reported to Regulatory Committee and in March 2013 Cabinet agreed a new Local Environmental Quality Enforcement Strategy. The implementation and effect of the LEQ Enforcement Strategy continues to be positive, driving improved levels of compliance across the borough and performance of the team. This has been most evident in the reduction of unregulated waste, management of A-boards, fly tipping enforcement and increased performance outputs and evidenced outcomes achieved.
- 4.7 The service is leading the continued delivery of a shared and co-ordinated approach to environmental enforcement with increasingly collaborative working across a range of services. Great strides have been made in how the team works with Environmental Operations and this has been integral to successes for both teams. The service also now works closely with Community Wardens who have been given delegated powers for some of the service functions including illegal street sales. The service is also working closely with Hackney Homes and Parks.
- 4.8 One of the key areas for the team is around the issue of waste and recycling. The placement of this element of the team alongside Waste Strategy has developed this role and made it much more effective. At present approximately 60% of the staffing resource is focussed on activities to reduce flytipping, supporting the commercial offer and regulating production, as well as work around litter, graffiti and flyposting and, as will be mentioned increasing recycling, all of which aids limiting the impact of our disposal levy with the North London Waste Authority (MLWA). This includes having staff embedded with Environmental Operations and working 24/7 service to reflect the changing demands and characteristics of the borough. This work is critical in how we reduce the volumes of residual tonnage being disposed of and a major element in the plans being developed on how we reduce or avert significant costs in our disposal levy with the North London Waste Authority. This major piece of work is currently underway and will, be the end of this year, set out a strategy for Recycling and Waste over the next 5 years as 2020 Recycling. With potential options around restriction and the effective management of waste, this enforcement role, alongside a strong communications and behaviour change role, is key to our successfully delivering the necessary changes.

Objectives for 2015/16:

- Tackling Unregulated Waste, which based on current levels, is thought to cost in the region of £1.3m for collection and disposal.
- Behaviour change and associated cost avoidance including, but not limited to tackling volume crime such as litter, responsible dog ownership, increasing recycling take up.

- Improved levels of compliance, cost avoidance and sustained improvements in Local Environmental Quality particularly in NTWE and contribution to Area Regeneration.
- A full review of current time bands.

Priorities for 2015/16:

- Ensure compliance improvements delivered in 2014/15 are sustained.
 - Ensure processes are in place to monitor the implementation in new developments of waste related planning conditions and, where this isn't the case, utilise legislation to stipulate requirements.
 - Work with Hackney Homes to ensure processes are in place to tackle estate based fly tipping and dog control aligned to on street processes.
 - Campaign to tackle litter and stainage via a voluntary agreement with NTWE premises, deploying litter control legislation in the worst cases.
 - Continue to review and propose licence conditions on NTWE premises to improve levels of prevention of environmental impacts such as through waste training of staff etc.
 - Prioritise tackling the worst fly-tipping cases and deliver further tonnage reductions of unregulated waste through the Unregulated Waste Project.
 - Improve standards of cleanliness on RSL land through the Ward Improvement Programme processes and applying appropriate legislative controls.
 - Minimise the spread of Street Art Graffiti containing any new art to an appropriately defined area.
 - Tackling local issues/problems through locally defined and targeted, enforcement and communications' campaigns.
- 4.8 Appendix A is the recent report to October 2015 Corporate Committee detailing performance of the area over 2014/15.
- 4.9 The Ward Improvement Programme continues to sustain high standards of local environmental quality measured using former national indicators for litter, detritus, graffiti and flyposting. The service has retained the NI methodology established by Keep Britain Tidy in targeting wards on a systematic rolling programme highlighting issues for various services to act upon.
- 4.10 The programme brings together stakeholders with a combined responsibility to manage specific elements of the public realm, including housing land, parks and the general highway and public space. This approach has emphasised the role each department plays in designing and managing Hackney's public realm to ensure that cleanliness levels are maintained as efficiently as possible. It is particularly valuable to Environmental Operations and Environmental Enforcement who deal with the majority of matters arising.

2014/15 ex NI195 out-turn:

Litter	3.07%
Detritus	4.53%

Flyposting	0.36%
Graffiti	1.77%

- 4.11 The above represents the level of inspections failing to meet a satisfactory level of cleanliness in 2014/15.

5. PROPOSED SAVING 2016/17 ENVIRONMENTAL ENFORCEMENT

- 5.1 The savings proposal looks to build upon the successful pilot scheme for Ambassadorial working undertaken by Parking in 2011. As Civil Enforcement Officers undertake their beats, it has been estimated that either a low level of 'spotting' or other enforcement could be undertaken without impacting on their primary role of parking enforcement nor impact on service level or income. This would be subject to new software being introduced within Parking allowing for this change in role with no administrative burden, unlike the pilot which relied on manual reporting and administration. Abandoned vehicles have previously been incorporated into the CEO role and is operating successfully.

The 2010 Ambassadorial Pilot

- 5.2 The Cabinet Procurement Committee, at its meeting in January 2010, requested that preparatory work for the new Parking Enforcement Contract was not only to examine the Councils experience over the previous seven years but to also investigate how additional reporting and enforcement elements, collectively described as 'ambassadorial', could be incorporated within the contract to help the Council deliver a wider range of services more seamlessly in the public realm.
- 5.3 Officers progressed the view that, under the then current PEC, there were approximately 44 CEOs deployed daily during core hours who could act as additional eyes and ears of the Council. It was believed that these officers may be able to deliver ambassadorial functions in the gaps between issuing tickets.
- 5.4 Whilst a certain amount of reporting already took place (e.g. abandoned vehicles, missing street signs to Streetscene), a number of other potential areas for observation were considered. As part of the Pilot, CEOs looked at the following items:
- Street Furniture
 - Highway Maintenance
 - Local Environmental Issues
 - Building Works
 - Anti-Social Behaviour
 - Markets
 - Issuing FPNs

Results of the Pilot

5.5 The data collection by CEOs was carried out between 10th of August to the 30th of November 2010. 33 CEOs were involved in this pilot at the time.

Department	Observations
Environmental Enforcement	34 7%
Highways	151 32%
Licensing	172 36%
Parking	83 17%
Street Furniture	27 6%
Other	9 2%
Grand Total	476

Key Findings

5.6 The scheme showed that a large amount of observations in Licensing, Highways and Parking could be used to help deliver services more seamlessly in the public realm by providing faster responses to daily issues on street with a minimal or no increase in resource.

- Observing and reporting this data had low impact on CEOs day-to-day output and CEOs took up the duties with minimal training. No trends were identified showing a reduction in PCNs issue rate or increased cancellations as a result of the CEOs taking part in this pilot.
- Observations of interest reported to Licencing were of the best use and greatest in number. From this it was assessed that 51% of skips observed appeared to be unlicensed and, as a result revenues equating to £21.9k were being lost each year.
- Only 7% of observations relate to Environmental Enforcement & Pollution Control. If the scope is to look at FPN potential, this evidence may suggest that it is low.
- 17%% of the observations were parking enforcement related. The programme did not originally intend to look for these observations so their

inclusion was a welcome bonus and subsequently built on to aid the recent improvements within the service.

New Proposal

- 5.7 In support of the proposal and as a first start, it is now likely that Hackney will be able to decriminalise existing offences relating to builders skips. There are provisions under the London Local Authorities and Transport for London Act 2013 and the London Councils Transport and Environment Committee (TEC) recently approved penalty charge levels for a decriminalised system. TEC are currently in the process of seeking Secretary of State approval for the levels to come into force in London. Subject to this approval, adopting the new powers in the 2013 Act is entirely a voluntary decision for highways authorities. The management of existing offences relating to skips under a penalty charge process would bring it more into line with the existing approach to parking enforcement. This also includes the appeals process, however the formal appeals arrangements for skips offences has yet to be established.
- 5.8 Hackney supported both the provision for decriminalising existing offences relating to builders' skips and the proposed penalty charges that were consulted on by London Councils. Hackney's response to the consultation appeared to be generally in line with the majority of views.
- 5.9 The environmental enforcement team enforces breaches on the public highway which include unauthorised skips on the highway and also where skips are breaching the terms and conditions of their license in line with existing provisions detailed in the report. Our records indicate that a high proportion of the highways offences recorded by the service are related to builders skips. The current levels of the fines are set at £100 and early payment of £50.00. With the proposed charges we believe it will act as a deterrent as the cost for placing a skip on the highway for up to a month is £65.00 while the fine for placing a skip for a day or more on the highways will be set at £200.00 and £100.00 if paid early. Current trends indicate that skip companies are willing to take the chance as if caught would only result in a small fine of £50.00 if paid early.
- 5.10 Through a decriminalised system, it is anticipated that the Parking Service, through the contractor, would be able to enforce offences relating to builders' skips in a manner that would be more efficient and cost effective than current arrangements given their extended hours of operation (with late night CPZs) and the numbers of staff on street. This would be a first step towards achieving the savings within environmental enforcement as income from skips related offences may increase, but more importantly resource currently used to supplement established posts could be released. The proposal also ties in with current work on streamlining the current process for highways licensing.
- 5.11 In addition the appeals process will also need to be established. We understand that the letter to the SoS will probably be sent by the 23rd October 2015 and that London Councils have given the SoS until 23rd November to

respond. Although they are happy to assist to some extent, London Councils expect individual boroughs to take the lead on organising the appeals process with London Tribunals. The cost of setting up the appeals system will require, if only a small number of boroughs participate, being undertaken on a manual basis. A high level of participation and number of appeals would require an addition to the existing IT system and related development costs. Whatever route is taken will impact on timelines for delivery.

- 5.12 An additional piece of work currently underway, which supports this, is the review of Highway Licensing in the Council. At present licensing for all skips, hoardings and scaffolding is undertaken in Regulatory Services whilst the overall management of the highway, including utilities, is undertaken within Streetscene and the enforcement function is undertaken in Environment and Waste Strategy. This approach has led to a number of issues for the public from having to make multiple applications, allowing unauthorised and overstaying obstructions on the highway and severe issues in areas of high development. Agreement has been obtained to relocate the licensing element from Regulatory Services to Streetscene to strengthen overall management and co-ordination and work between Streetscene and Parking and Markets to integrate this into the a similar approach that is undertaken for suspensions and allow the public one point of contact and the Council one point of management.
- 5.13 Timescales: The savings proposal is subject to London Councils seeking Secretary of State approval for the penalty levels under the new scheme. Officers will be able to finalise a timetable for implementation in Hackney when this approval has been sought. The appeals process will also need to be established. It is likely that although it was originally thought that this may be implemented in 2016/17, a more pragmatic approach would be that savings will be delivered in 2017/18.
- 5.14 A detailed project plan and business case is being drawn up to set out the following:
- Parking software (EStreet and Workforce IQ) enabled and fully configured
 - Preparation work to move the enforcement of skips, hoardings and scaffolding to CEOs and this will range from database cleansing and processes to training for staff, including the HSC.
 - Linking to new Highway Licensing process
 - A full implementation plan
 - Running concurrent will be evaluation of potential from other areas to participate in the CEO role, with priority given to impact on public and finances and anticipated success of delivery. It must be noted that the capacity of the CEOs is limited.
 - Reviewing the current ambassadorial role between Environmental Enforcement and the Councils Wardens.