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Sent by email only

Spencer Palmer
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Dear Pascal

Service Improvement Notice

I was pleased to hear that Veolia has made progress in the recruitment of drivers and local teams have worked extremely hard to deliver services, despite resource shortfalls, COVID-19 pressures and most recently storm Eunice.

Thank you for your attention and that of the local team to this, the recent attendance by Scott Edgell with Strategic Directors for the partnership, and your time with the Chief Executives. I welcome your commitment to Veolia maintaining and improving waste and street cleansing services for Sutton.

There is a need nonetheless to set out targets and timelines for the restoration of all services and resolve some service challenges that have been raised for some time but not rectified. In accordance with section 36.2 of the contract, please take this letter as a formal Service Improvement Notice. The Service Improvement Notice requires Veolia *'to take the necessary steps to either rectify the failure within a reasonable time period or prevent the failure from occurring in the future.'*

The following sets out the specific issues on which a formal response is sought:

Waste Collections

1. Please set out the date, based on current recruitment and staff retention work, when flats recycling collections will be consistently fully operational, and set out proposals for the configuration of rounds where less contamination is being observed and recorded.
2. Please set out proposals for the scheduling of rounds that you have discussed with Sutton, and a timeline for this rollout and implementation. Veolia has highlighted the challenges around round sizes particularly at the beginning of

the week for a number of kerbside services, the discrepancies between rounds for flats recycling and residual collections, and the varying flats above shops provision. We are open to solutions for this, but a plan needs to be presented.

3. Please set out a timetabled solution to rectify outstanding container requests, reduce the time period for fulfilment back to the contract specification and minimise the impact on residents.

Street Cleansing

1. We have reached an unsatisfactory conclusion on the management of road closures for street cleansing and Veolia has set out that this is a cost you will not meet. Veolia has however committed to completing the Chapter 8 training with staff yet we still await dates on this. Please set out when this training will take place, and when the work for roads where road closures and temporary management orders are required, and the dates when the cleansing in the 8 locations agreed will be able to commence.
2. Regular monitoring by client officers of standards on street cleansing standards not being delivered has been highlighted to the local team through performance meetings. Standards observed and recorded have not improved, and this is now being reported by the Council quarterly. We are seeking an independent cleansing validation on the standards of litter picking and sweeping being maintained in the borough, and to establish an agreed benchmark that is recognised and reported on through the established performance reports on a seasonal basis.
3. Cleansing standards in Sutton High Street have visibly deteriorated and sweeping regimes have not been maintained with reduced mechanical sweeping in primary and secondary retail areas throughout the borough. This has been highlighted with the local team and we are now seeking details of how improvements will be made in these locations including the more frequent mechanical sweeping, checks and balances that will be put in place and how this will be reported back on to the borough.
4. We have been working with you on the introduction of a digital street cleansing solution for street sweepers in Sutton tracking real-time cleansing updates. Please set out when you expect this to be operational by, and how it will be reported back on.

Complaints Handling

1. Please set out your proposals for the management of casework and dedicated resources including responding to enquiries and complaints and when this resource will be in place by.

In the first instance it would be helpful if Veolia could present an Action Plan to the council within one month from the date of this letter detailing how each of the issues above will be addressed.

Should there not be a satisfactory response received from Veolia then the 'Council may, if appropriate, apply such sanctions applicable to such failure as set out in clause 56 (Right to Set-Off) and Schedule 5 (Payment Mechanism) including but not limited to financial sanctions by withholding monies due to the Contractor related to those elements of the Services it has failed to perform and/or a reduction representing the additional cost incurred by the Council in investigating and rectifying the reduction in value of the Services to the Council.

This letter is without prejudice to any further rights the Council may have under the Contract. I look forward to your response and working with you to ensure the rectification of the issues outlined in this letter.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S. Palmer', with a stylized flourish at the end.

Spencer Palmer
Strategic Director of Environment, Housing and Neighbourhood