

Memorandum	5 June 2023
To:	All local boards
Subject:	Further information on proposed rubbish bin reductions implementation
From:	Taryn Crewe, General Manager Parks and Community Facilities

Purpose

To provide local boards with an update on the savings adopted for optimisation savings in parks maintenance, which was consulted on as part of the Annual Budget 2023/2024; and invite local boards to give feedback and insights, if any, regarding the attached implementation proposal for rubbish bin reductions.

Summary

1. The Governing Body directed staff to achieve operational cost reductions and to consider optimising and reducing full facility maintenance contracts as part of these savings.
2. While the Governing Body is responsible for full facility maintenance contracts and minimum service levels and setting of budget, local boards have a role in setting the local service levels and keeping oversight on maintenance.
3. Due to this complex allocation of responsibilities between the Governing Body and local boards, the savings identified from these contracts have not been factored into the \$16m proposed and consulted on from local board budgets.
4. One area with potential for cost-effective savings is the maintenance of rubbish bins. This memo provides local boards with the staff proposal on achieving part of the \$5m savings region-wide through a reduction in bins. (Attachment A)
5. Local boards are invited to give provide insights on locations in the proposal, focusing on local board-specific lists. Any concerns can be discussed directly with their Area Operations Managers and informal feedback to them is requested by 16 June 2023. If it is determined some of the proposed bins should not be removed, alternatives will need to be agreed.
6. Updated local board budget allocations for maintenance will be provided to local boards as part of their annual work programme discussions. As per standard practice, local boards will set high-level outcomes for these budgets as part of its work programme adoption. Any decisions to top-up budgets and increase outcomes will need to be made as part of the work programmes approval and funded from an identified budget line.

Context

7. The Mayoral direction in late 2022 and Governing Body meeting on 15 December directed staff to achieve operational cost reductions of approximately \$12m and to consider as part of those savings optimising and reducing full facility maintenance contracts as part of these reductions. (GB/2022/134, resolution b(i)(c)).
8. Full facilities maintenance contracts are agreements with third-party providers responsible for the maintaining and preserving of council assets throughout the region. These contracts are structured on a regional and subregional level to leverage economies of scale and represent a significant portion of council budgets making them prime candidates for review and optimisation when there is a need to find savings.
9. While these contracts are funded from multiple funding sources, including contributions from all 21 local boards, it is important to note that the Governing Body holds the ultimate decision-making responsibility for the contracts with respect to budget and minimum service levels.
10. Staff acknowledge that due to the fast-paced nature of the budget savings exercise and the complex and overlapping responsibilities between the Governing Body and local boards, they have primarily focused on discussions with the Governing Body. Consequently, the anticipated savings from these contracts have been accounted for separately in the budget and not included in the calculation of the consultation document proposal of \$16m target (5% of local budgets) that is being requested from local boards. This was noted with local board members at a briefing with the Financial and Business Performance Department on 5 May.

Staff review of the full facilities contracts

11. Staff assessed aspects of the five full facility maintenance contracts to identify cost-effective savings that minimised the risk and impact on the communities' use and enjoyment of parks, facilities and town centres. The assessment considered specific criteria in different areas.
12. Three areas of potential savings were identified: number of bins, garden maintenance and turf maintenance. The expected savings from the cost of these maintenance contracts through efficiencies in these areas have been calculated to be approximately \$5m per annum overall and has not been apportioned per local board at this time as pricing is being confirmed with Suppliers.

Bin reduction proposal

13. The review identified that there are currently over 10,000 bins throughout the Auckland region. Through careful assessment, it was determined that a 30% reduction in the number of rubbish bins has the potential to yield ongoing savings of approximately \$1.5m per annum, while still maintaining an acceptable level of quality in local parks, sports fields and town centres.
14. The staff proposal for implementing cost savings in this area took into account various factors. Areas considered to be good candidates for a reduced bin service include areas that;
 - have multiple bins in close proximity to each other
 - are low usage areas and locations where users are more likely to carry out their own rubbish (pack in/pack out), and
 - neighbourhood parks that receive active care and attention from residents.

15. Areas that need to be prioritised for bin retention (no or less reductions) include:
 - places with amenities that encourage users to spend extended periods of time, such as shelters, toilets, destination or large-scale playgrounds, carparks and sports infrastructure
 - locations associated with activities that generate rubbish such as popular dog parks, BBQ areas and community venues
 - destination sites including popular beaches, centres of community events / activities and destination parks
 - areas co-located with other infrastructure such as bus stops in the streetscape.
16. These considerations have informed the proposed reductions and site-specific proposals outlined in **Attachment A**.

Anticipated impacts, risks and mitigation

17. The existing full facility maintenance contracts include a loose litter collection service, which operates alongside the bin collection and other maintenance services to ensure the cleanliness and hygiene in public spaces. There are no proposed changes to this service level, so it is anticipated that this service will play a role in mitigating any potential adverse effects of reducing bins in affected areas which is considered a low risk due to selection criteria. The loose litter collection service not only manages loose litter but helps minimise the risk of pests that may be attracted to litter in the absence of bins.
18. We recognise that customers' perception of service quality may be influenced by the proposed reduction in the number of bins and expect that this may result in an increase in customer complaints. By closely monitoring parks and facilities user feedback, staff can assess the actual impact of the proposal and take appropriate measures to address concerns or issues that arise and manage the number of complaints that we receive.
19. Minor additional costs may be necessary to cover the installation of signage and messaging that encourages members of the public and facility users to take their rubbish and recycling home. Staff will look for opportunities to cover these costs, if any, from other existing budgets, as they allow.
20. Bins removed will also be stored if in good condition to be reused when bins are renewed.
21. The reduction in bins will likely have a subsequent impact on waste collection requirements with less collection needs and transport requirements. Staff consider this as beneficial due to the potential for reduced carbon emissions.

Next Steps

Request for feedback on operational details of the proposal

22. We acknowledge that the lists provided in Attachment A have not been discussed in detail with local boards to date. Therefore, we invite local boards to review their respective lists and provide feedback and insights to their Parks and Community Facilities Area Operations Manager. This feedback will be valuable in the refining the operational specifications that will need to be negotiated with our partners prior to implementation.
23. We also acknowledge that this level of information is fine grained and operational, so staff are not seeking a formal local board decision. Rather, the feedback can be informal and provided directly to the relevant staff.

24. We want to assure local boards that this staff proposal has been developed with the local service levels and performance measures outlined in your local board plans in mind. We do not expect that these will be significantly impacted by this optimisation proposal.

Adoption of maintenance budget allocations in work programmes

25. As part of the proposed work programmes for FY23/24, local boards will be asked to adopt their maintenance budget allocations, the level of which will have been set and agreed upon by the Governing Body. These budget allocations for each local board will be adjusted to reflect the anticipated savings outlined in this memo.
26. If a local board objects to any service level reductions required by the Governing Body, they can raise and maintain these levels through topping up budgets. If a local board wishes to maintain the bins proposed to be removed, they need to identify additional funding from another budget line to meet the required maintenance costs.
27. Thank you for your patience and understanding.

Memorandum

6 October 2023

To: Local Board Chairs Forum

Subject: Supporting information on regional bin reduction

From: Dr Claudia Wyss, Director Customer & Community Services

Contact information: claudia.wyss@aucklandcouncil.govt.nz

Purpose

1. To provide legal advice on the Governing Body decision to reduce the number of rubbish bins across the Auckland region, in response to a request received at the Local Board Chairs Forum on 14 August 2023.

Summary

2. The request received at the Local Board Chairs Forum sought clarity on the allocation of decision making between local boards and the Governing Body as it relates to the decision on bin reduction.
3. Advice from Legal Services has confirmed that the regional reduction could be undertaken by staff through Chief Executive delegation from the Governing Body because:
 - a) there would be no impact on service levels to the public,
 - b) the intention to reduce the overall regional provision of rubbish bins was noted in all material provided to the Governing Body, and in public consultation material, and
 - c) the Governing Body has decision making responsibility for the procurement of major service deliver contracts, as well as for the setting of regional activities and minimum service levels for local activities.
4. The decision was made in the context of Annual Budget pressures and macroeconomic factors. Staff were operating at pace in response to the strong need to find savings that could be implemented on 1 July 2023. The 30% reduction in bins across the region has resulted in \$1.5 million of savings.
5. Staff acknowledge the importance of timely communications and advice to local boards. Learnings have been noted in the context of the Long-term Plan process, to allow for the exploration of alternate options and to jointly approach these topics in future.

Context

6. On 15 December 2022, the Governing Body resolved to progress a proposed \$12 million of operating savings, including through the optimisation of, or minor reductions to, open space levels of service delivered through the Parks and Community Facilities full facility maintenance contracts ([GB/2022/134\(b\)](#)). The reduction in the number of bins formed part of these savings required to be realised under the Chief Executive Delegations.
7. The proposal of a 30% reduction in bins to achieve \$1.5 million in savings was detailed in the staff advice prepared to support the [Mayoral Proposal](#) (Appendix E, page 8), published on 15 December 2022.

8. The proposal was detailed in the Annual Budget [Consultation Document](#) (page 30), under ‘What we are doing now’ to provide context of initiatives underway, rather than as an item open for consultation and feedback.
9. This was again confirmed in the [Final Mayoral Proposal](#), published on 8 June 2023 (Appendix A, page 14).

Discussion

10. Legal advice has confirmed that the regional reduction could be undertaken by staff through Chief Executive delegation from the Governing Body because there would be no impact on service levels to the public.
11. Schedule 3 of the Allocation of Decision-Making table (below) provides that the Governing Body has decision making responsibility for the procurement of major service delivery contracts (such as maintenance, security, and cleaning contracts) for Auckland-wide local assets and facilities on a coordinated basis.
12. The Governing Body also has decision making responsibility for the setting of regional activities and minimum service levels for local activities where the Governing Body decides to do so for policy reasons.

Group of activities	Local Board non-regulatory responsibilities <i>Local boards are allocated decision-making responsibility for the following non-regulatory activities of Auckland Council.</i>	Governing Body non-regulatory responsibilities <i>The Governing Body is allocated decision-making responsibility for the following non-regulatory activities of Auckland Council.</i>
Fees and charges	Setting of fees and charges for local activities excluding: <ul style="list-style-type: none"> library collections fees and charges; and any fees and charges for local activities that are set on a region-wide basis by the Governing Body in a regional policy. 	Setting of fees and charges for regional activities including: <ul style="list-style-type: none"> library collections fees and charges. regional fees and charges for local activities that are set by the Governing Body in a regional policy.
Service levels	Setting of service levels for local activities <i>subject</i> to any minimum service levels that the Governing Body has decided, for policy reasons, to set on an Auckland-wide basis.	Setting of service levels for regional activities and minimum service levels for local activities where the Governing Body decides to do so for policy reasons.
Explanatory notes: <ul style="list-style-type: none"> Minimum service levels may be amended and approved by the Governing Body as required and will be reported in each long-term plan and annual plan. Proposed minimum service levels, subject to approval by the Governing Body, are attached at Schedule 3. Significant service level changes, including changes with material organisational impacts, would be adopted under Local Board Plans following public consultation. 		
Multi-board services	Service investment, operation, renewals and service levels in accordance with the governance approach for multi-board services determined by the Governing Body	Governance approach for multi-board services including classification of local multi-board services
Procurement	Procurement for local activities and: <ul style="list-style-type: none"> local service levels of major service delivery contracts as they relate to the local board area 	Procurement for regional activities and: <ul style="list-style-type: none"> procurement of major service delivery contracts (such as maintenance, security and cleaning contracts) for Auckland-wide local assets and facilities on a coordinated basis the Group Procurement Policy for Auckland Council.
Explanatory notes: <ul style="list-style-type: none"> The Governing Body procures some Auckland-wide contracts over local facilities and assets for greater cost-efficiency than could be achieved on a local basis. Procurement of these types of contracts is undertaken in line with the Group Procurement Policy, and overseen by the Strategic Procurement Committee. Procurement for other local activities will remain a local board decision-making responsibility. 		

Service level impacts

13. Parks and Community Facilities staff are working to ensure that there is no change in service level to the public. Area Operations Managers have worked with local boards, using local knowledge and insights to make sure the right bins are removed.

14. There are currently 10,000 bins across the region. An assessment has been completed to identify bins that are underutilised, and areas where the number of bins exceed what is required for the agreed level of service.
15. The impact of service level change to the public has been further mitigated through the requirement in full facility contracts to pick up loose litter, to ensure that public spaces are tidy and hygienic.
16. Bins have been identified for removal according to the following criteria:
 - Located in a natural setting where users are more likely to pack in / pack out their rubbish e.g., bush or wetland parks.
 - Located in lower use neighbourhood parks or low use sections of parks.
 - Not co-located with other infrastructure e.g., bus stops in the streetscape.
17. Adequate provision of bins will be prioritised in areas that:
 - have assets that encourage users to spend extended periods of time e.g., shelters, toilets, suburb/destination scale playgrounds, carparking, sports infrastructure,
 - have high rubbish producing activities e.g., popular dog parks, BBQs, community facilities,
 - are destination sites e.g., popular beaches, centres of community events/activities, destination parks,
 - have bins co-located with other infrastructure e.g., bus stops in the streetscapes.
18. The decision was made in the context of Annual Budget pressures and macroeconomic factors. Staff were operating at pace in response to the strong need to find savings that could be implemented on 1 July 2023. Staff acknowledge the feedback from local boards on the process and timeframes.
19. There is an opportunity for local boards to retain the current bin numbers through LDI Opex allocation. Staff are currently working with local boards that have chosen to proceed with this option.

Next steps

20. Through increased local board decision making, there is an opportunity for local boards to retain the current bin numbers through LDI Opex allocation. Staff are currently working with local boards that have chosen to proceed with this option.
21. Staff are progressing with the removal of identified bins in all other local board areas.
22. Opportunities to jointly approach these topics in future, particularly through the Long-term Plan process, will be sought out by staff.

Attachment A: Local Board Engagement – Regional Bin Optimisation

Local Board	Date of Workshop	LDI funding for retention of current LOS provision	Bin Location Maps provided	Feedback from local board on bin locations
Albert-Eden	8 June 2023	x	✓	✓
Devonport-Takapuna	27 June 2023	x	✓	x
Franklin	20 June 2023	✓	✓	✓
Henderson-Massey	27 June 2023	x	✓	x
Hibiscus & Bays	13 June 2023	x	✓	✓
Howick	15 June 2023	x	✓	✓
Kaipātiki	28 June 2023	x	✓	✓
Māngere-Ōtāhuhu	6 June 2023	x	✓	✓
Manurewa	7 June 2023	✓	✓	✓
Maungakiekie-Tāmaki	13 June 2023	x	✓	x
Ōrākei	6 July 2023	x	✓	x
Ōtara-Papatoetoe	6 June 2023	x	✓	✓
Papakura	7 June 2023	✓	✓	✓
Puketāpapa	8 June 2023	x	✓	x
Rodney	5 July 2023	✓	✓	✓
Upper Harbour	13 June 2023	x	✓	✓
Waiheke	14 June 2023	x	✓	✓
Waitākere Ranges	6 July 2023	x	✓	x
Waitematā	11 July 2023	x	✓	x
Whau	14 June 2023	x	✓	✓