

# CONTRACT ON CLEANSING

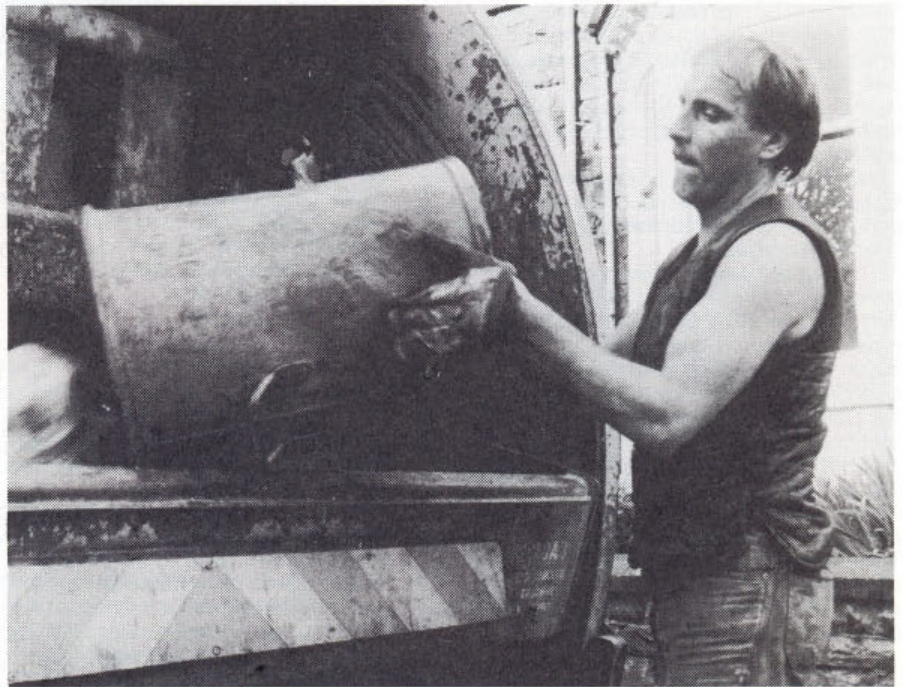
November 1986

The Government plans to force local authorities to put a hit list of services out to tender to private contractors. It includes refuse collection, street cleansing, waste disposal and cleaning. We have published this broadsheet as part of our campaign to educate to organise against the privatisation of any cleansing service. It covers:

- \*The value of our work
- \*No return to Victorian standards
- \*Contractors fines and failures
- \*The advantages of a public cleansing service
- \*Jobs down the drain
- \*The savings myths
- \*Comparing wages and conditions.

## THE ADVANTAGES OF A PUBLIC CLEANSING SERVICE

1. Effective and efficient service
2. A cleaner and tidier city
3. Comprehensive range of services
4. Co-ordinated collection and disposal of all waste
5. Maximum use of health and safety measures
6. A directly accountable service to deal quickly with demands and queries
7. Responsive and flexible service to meet the city's changing needs
8. More and better jobs compared to the full public cost of contracting out
9. Better trained workforce
10. Continuity of service to plan for future improvements and new services



## NO RETURN TO VICTORIAN STANDARDS

Do you want to live in a city of:

dirt disease vermin pollution waste-strewn streets and open spaces  
flooded streets fouled footpaths abandoned vehicles?

For you, your family and friends it could mean:

\*increased illness \*increased accidents to elderly, disabled and children.

There are not only personal and social costs but also economic costs too – lost wages, delays, increased health care costs.

For everyone it means:

\*blighted areas \*a poorer quality living and working environment

\*increased personal costs of time and money in disposing of your own and others' rubbish.

The council has many duties and responsibilities to keep Sheffield a clean and healthy city. These are set out in many Acts of Parliament including the Public Health Acts of 1936 and 1961, Highways Act 1959, and the Local Government Act 1972, and the Control of Pollution Act 1974.

The need is to increase public resources to implement this legislation – not weaken it through privatisation.

# PRIVATE CONTRACTORS FINES AND FAILURES FAILING TO MEET STANDARDS OF SERVICE

## POOR STANDARDS

\***Exclusive Cleansing Services** (BET plc) street cleansing contract in **Ealing** has a dismal record. In the 7 months to the end of May 1984 "the company achieved only between 57 per cent and 79 per cent of the specified service approved by the council." Fines totalled £18,000 in one month alone. The then Tory Council helped the contractor by reducing the required standard of performance by 25 per cent, agreed extra payments of 4,840, and spent £15,000 on 3,000 new litter bins. The streets remain dirty and complaints continue.

\*30,000 complaints in just fifteen months flooded into **Wirral District Council** after they contracted out refuse collection and street cleansing to **Waste Management Ltd.** (National Freight Consortium). The council was forced to pay an extra £228,000 to the firm after a 2 month strike over wages and holiday pay.

\***Taskmasters** (Hawley Group) were fined £23,613 in one 6 month period for poor performance on the **Merton** refuse and street cleansing contract.

\*When **Wandsworth Council** privatised street cleansing in February 1982 to **Pritchard Services Group** (now part of the Hawley Group) the specification included major cuts in the standard of service compared to that operated by direct labour – the bulk of the so-called 'savings.' The revised specification for the renewal of the contract in 1987 included a 31 per cent increase in the overall level of services. Eighty per cent of the streets will be cleaned twice a week instead of the current twenty per cent.

**Teamwaste** (R.B. Tyler Group, party of AAH Holdings) won the contract but it will cost the council an extra £516,000 annually – a 51 per cent increase on the existing budget.

## DANGEROUS & OVERLOADED

\*A **Wirral District Council** engineers report alleged that **Waste Management Ltd.** used inadequate and dangerous vehicles which frequently broke down causing disruption to the service. Engineers inspected 19 of the firm's 37 vehicles and concluded that 84 per cent would probably fail a Department of Transport test, 21 per cent had dangerous faults and 10 per cent would not start. Waste Management recently contracted out its own vehicle maintenance!

\*An £8,500 fine was imposed on **Pritchard Services Group** by Henley County Court in July 1984 following 34 summonses for exceeding maximum weight limits for refuse vehicles. Pritchards only paid the fine after receiving a Court Order.

\*Eight out of 13 refuse vehicles used by **Wastecare** (Browning Ferris Industries) to collect paladin bins from council estates in **Wandsworth** were found to be in a dangerous condition following an inspection by the London Hazards Centre. The crucial safety loading device was missing or broken on 8 vehicles. Two vehicles had seriously damaged hoppers.

## TEMP JOBS

Those who do get jobs with contractors rarely last very long. Initially contractors need the experience and knowledge of rounds of former council workers – but then the sackings start.

\*After 5 months of **Exclusive Cleaning's Milton Keynes** refuse and street cleansing contract only 8 of the 74 former council workers taken on by Exclusive remained. The rest had been sacked or forced to leave.

\*Staff turnover soared to over 1,000 in three years for just 80 jobs on **Pritchard's Wandsworth** street cleaning contract.

\*4 refuse collectors were sacked by **Exclusive** in **Eastbourne** after they accepted a 20p tip for clearing extra rubbish. No verbal or written warnings were given before the sackings. The 4 workers later received £22,000 compensation for unfair dismissal.

\*Two disabled street cleaners in **Bromley** both with over 20 years council service were sacked by **Exclusive Cleaning Services**. "We are here to make a small profit and we can't afford the Wally Ponman's and David Hill's of this world," stated Exclusive's manager.



## ANTI-UNION ACTIVITIES

Some contractors will, if publicly pressed, claim that they are not opposed to their employees joining a union. The reality is quite different.

\***Wastecare** broke agreements with the TGWU in **Basingstoke**, hired non-union temporary workers from agencies, and then sacked 90 per cent of its workforce leading to a long strike and eventual reinstatement.

\***Exclusive Cleaning Services** have tried many dirty tricks and a wide variety of tactics to try to prevent NUPE recruiting members on the **Southend** refuse contract. After a long struggle, secret union meetings and so on, a large majority of workers are now members and this has led to a long battle to get the firm to recognise and negotiate with the union.

\*"The denial of the right of the applicant to be represented by his union (NUPE) would appear to be a fundamental breach of natural justice" concluded an Industrial Tribunal having upheld a former **Pritchard Services Group** street cleaner's claim against unfair dismissal from the **Wandsworth** contract.

\*The **Hawley Group** has a policy of hiring anti-union managers for its **Mediclean** subsidiary's NHS cleaning contracts.

\***Browning Ferris Industries** and the other major US waste companies have a track record of often vicious anti-union tactics to try to get rid of trade union organisation. Allegations of Mafia and organised crime involvement have also been widespread. Murders, truck bombings, threats of violence, bribery and corruption have been frequently alleged as the large companies rapidly bought up smaller operators and sought new contracts.

## SACKED

Contractors not only have a history of fines and failures but in many cases their performance has been so bad they have been SACKED. Some recent examples include:

Contractor	Contract
Initial Cleaning Services (BET Group which also owns Biffa Waste Services)	Kennet public toilets
Taskmaster (Hawley Group), Initial and OCS Initial, Taskmaster and Pall Mall (Sunlight Services Group)	Dudley school cleaning Cambridgeshire school cleaning
Crothall & Co. Ltd. (Pritchard Services Group) Provincial Cleaning Services (Hawley Group)	Maidstone Hospital cleaning Berkshire, cleaning in 2 schools

Other contracts have not been renewed and the work reverted to direct labour.

# THE VALUE OF OUR WORK

We regularly:

- \*collect all household refuse
- \*keep the streets and pavements clean and free of litter and weeds
- \*collect and dispose of medical waste from kidney patients, doctors, dentists, health centres, hospitals and veterinary surgeons
- \*clear the streets and paths of snow and ice
- \*clean and maintain public toilets
- \*operate bottle banks
- \*collect trade waste from businesses and other public services
- \*disinfect the streets and gullies in summer
- \*clean bus shelters, road signs and parking meters
- \*collect unwanted furniture and household items
- \*operate tips and dumping sites
- \*operate a skip service for homes and businesses
- \*clean the lights and landings in blocks of flats
- \*remove night soil waste
- \*empty litter bins
- \*repair and maintain our fleet of specialist vehicles
- \*run an emergency dead animal collection service
- \*clean up after road accidents
- \*deliver free metal bins
- \*operate incinerator which heats certain blocks of flats
- \*operate a confidential document destroying service
- \*run publicity and educational campaigns about keeping the city clean
- \*administer all these services.

This work is demanding, heavy and has health hazards.

We go out in all kinds of weather and often work unsocial hours.

We believe our work is often under-valued and taken for granted.

Without an effective cleansing service other public services, industry and commerce, leisure and pleasure in Sheffield would suffer dramatically.

We also believe we are underpaid like many other manual, craft and clerical public service workers.

We are committed to improving both the standard of service and our jobs – this is the only way an effective public service can be maintained and improved.

# THE SAVINGS MYTHS

It is a myth that privatisation 'saves public money.' The detailed Privatisation Audit\* examined all the direct and indirect public costs of privatisation. It concluded that contracting out 12 services in Sheffield would cost £17m over a five-year period.

Those who support the savings myths ignore the facts.

1. 'savings' never take into account the extensive costs of increased unemployment benefits, redundancy payments, housing benefits, rate rebates, the cost of increased health care caused by higher unemployment, the increased cost of council initiatives to mitigate the effects of unemployment, the increased use of council services, nor the loss of income tax, National Insurance and VAT.

2. the focus on costs often makes crucial cuts and reductions in the level and quality of service so that cost comparisons are meaningless.

3. the costs of preparing tenders, monitoring and supervision, and the cost increases faced by the council once the contract starts are rarely considered.

Any marginal change in the council's budget, at the expense of government income and expenditure, will be offset because "nearly five times as many jobs are supported locally per £1m of council spending than could be supported by an equivalent amount of rates reduction." (Jobs Audit).

Nationally, the total public sector cost of contracting out local authority refuse collection, street cleansing, cleaning of buildings, catering, parks maintenance and vehicle maintenance could be a massive £1320m over five years. Thatcher's new-found concern over litter and the cleanliness of streets between Downing Street and Heathrow Airport has led to more gimmicks, exploitation and wild claims about putting additional resources into cleansing. The Richard Branson-led UK 2000 clean-up campaign will use 22m Community Programme money. However, all but £750,000 will fund existing temporary CP jobs redirected to cleaning and 'greening' projects.

Only publicly controlled resources using council workers can maintain and improve public health and the environment in Sheffield.



## JOBS DOWN THE DRAIN

Jobs lost when contractors take over

		Jobs under Direct Labour	Jobs Now	Jobs Lost	% Job Loss
<b>Refuse Collection</b>					
Wandsworth	Wastecare (BFI)	216	133	83	38.4
Tandridge	Exclusive	58	37	21	36.2
Taunton	Waste Man	43	22	21	48.8
<b>Kensington &amp; Chelsea</b>					
South Oxford	Wastecare (BFI)	40	34	6	15.0
Basingstoke	Pritchard	59	43	16	27.1
Vale/W/Horse	Wastecare (BFI)	78	43	35	44.9
Birmingham	Exclusive	64	45	19	29.7
Solihull	Direct Labour	715	452	263	36.8
	Wastecare (BFI)	90	65	25	27.8
<b>Refuse and Street Cleaning</b>					
Southend	Exclusive	297	213	84	28.3
Wirral	Waste Mgt.	456	254	202	44.3
Bath	Pritchard	93	52	41	44.0
Merton	Taskmaster	176	95	81	46.0
Milton Keynes	Exclusive	104	74	30	28.8
Eastbourne	Exclusive	140	90	50	35.7
<b>Street Cleaning</b>					
Wandsworth	Pritchard	100	63	37	37.0
Ealing	Exclusive	128	76	52	40.6
<b>Public Toilets</b>					
Wandsworth	Initial	54	46	8	14.8
<b>Vehicle Workshops</b>					
Wandsworth	Highway V.M.	24	13	11	45.8

**Total Job Loss – 1085**

**Average reduction in jobs – 37 per cent**

The table is based on detailed information of job losses at the time of tendering. Additional jobs were lost in the lead up to tendering caused by management not filling vacant posts and other job cutting methods.

These job losses are offset by contractors taking on additional, often casual labour, once the contract has started. Contractors regularly 'miscalculate' (either deliberately or through incompetence) the numbers of workers needed to carry out the specified work.

\*242 manual, craft, clerical and management jobs would be lost in the Cleansing Department if refuse collection and street cleansing were to be privatised. Even more jobs would be lost if public toilets and vehicle maintenance were contracted out.

\*A further 60 jobs would be lost in private services in Sheffield because the loss of council jobs together with wage cuts, reductions in holiday and sick pay, changes in the purchase of supplies, and the export of contractors profits will have a knock-on effect on the local economy.



# COMPARING WAGES & CONDITIONS REFUSE COLLECTOR

Item	City Council	Contractor (Wastecare, BFI)																																				
Pay – basic plus bonuses	£142.98	£125.00																																				
Overtime	When required but not obligatory	“Obligatory as and when required”																																				
Overtime pay: Sat Sun	Time and a half Double time	Time and a half Double time																																				
Method of payment	Weekly, Optional in cash, cheque or direct to bank	Weekly into bank account																																				
Hours of work	39 hours	40 hours																																				
Other points		“Total flexibility of task and location of each member of the workforce”																																				
Holidays	1 years service – 20 days 5 or more years – 25 days	1 years service – 20 days more than 1 year – 20 days (max two weeks at one time)																																				
Sick pay	<table border="1"> <thead> <tr> <th>Length of Service</th> <th>Allowance Full Pay (Wks)</th> <th>Half Pay (Wks)</th> </tr> </thead> <tbody> <tr> <td>After 6 mths but less than 1 yr</td> <td>4</td> <td>4</td> </tr> <tr> <td>After 1 yr but less than 2 yrs</td> <td>9</td> <td>8</td> </tr> <tr> <td>After 2 yrs but less than 3 yrs</td> <td>13</td> <td>13</td> </tr> <tr> <td>After 3 yrs but less than 4 yrs</td> <td>16</td> <td>16</td> </tr> <tr> <td>After 4 yrs but less than 6 yrs</td> <td>20</td> <td>20</td> </tr> <tr> <td>After 6 yrs</td> <td>26</td> <td>26</td> </tr> </tbody> </table>	Length of Service	Allowance Full Pay (Wks)	Half Pay (Wks)	After 6 mths but less than 1 yr	4	4	After 1 yr but less than 2 yrs	9	8	After 2 yrs but less than 3 yrs	13	13	After 3 yrs but less than 4 yrs	16	16	After 4 yrs but less than 6 yrs	20	20	After 6 yrs	26	26	<table border="1"> <thead> <tr> <th>Length of Service</th> <th>Allowance Full Pay (Wks)</th> <th>Half Pay (Wks)</th> </tr> </thead> <tbody> <tr> <td>13 wks – 1 yr – 1 week half pay</td> <td></td> <td></td> </tr> <tr> <td>1 yr - 3 yrs – 2 weeks half pay</td> <td></td> <td></td> </tr> <tr> <td>3 yrs - 5 yrs – 4 weeks half pay</td> <td></td> <td></td> </tr> <tr> <td>Over 5 yrs – 6 weeks half pay</td> <td></td> <td></td> </tr> </tbody> </table> <p>(sick pay is half normal basic pay and includes any Statutory Sick Pay)</p>	Length of Service	Allowance Full Pay (Wks)	Half Pay (Wks)	13 wks – 1 yr – 1 week half pay			1 yr - 3 yrs – 2 weeks half pay			3 yrs - 5 yrs – 4 weeks half pay			Over 5 yrs – 6 weeks half pay		
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Pension	Council Superannuation Scheme	May join company's Payroll Staff Pension Scheme after 1 year service																																				
Protective clothing	2 pairs overalls, 2 pairs boots, towels, gloves, waterproofs and body warmer	“Company protective clothing provided”																																				
Sources		Wastecare Terms & Conditions of Employment for Solihull Contract																																				

## EMPLOYERS CHANGE OVERNIGHT

Working for contractors means no security – your employer can change overnight. Takeovers and mergers are increasing as firms seek to eliminate competition and gain a larger share of the ‘market.’ Councils are powerless as responsibility for contracts shifts from one firm to another as a result of financial deals in the City. Councillors and officers who claim that they can control contractors are living an illusion. Ultimate responsibility for 8 council refuse and street cleansing contracts in Britain now rests in Houston, USA or Bermuda, the corporate headquarters of Browning Ferris Industries and the Hawley Group respectively. Recent deals have included:

Contractor/contracts	Owner	New Owner
<b>Wastecare</b> Wandsworth Solihull Basingstoke Kensington and Chelsea	Grand Metropolitan	Browning Ferris Industries Inc.
<b>Taskmaster</b> Merton*	ADIA SA (Switzerland)	Hawley Group
<b>Pritchard Industrial Services</b> Bath* South Oxfordshire Wandsworth <sup>†</sup>	Pritchard Services Group	Hawley Group
<b>Exclusive Cleansing Services</b> Arun Bromley <sup>†</sup> Chiltern* Ealing <sup>†</sup> Eastbourne* Milton Keynes* Penwith Surrey Heath <sup>†</sup> Southend* South Kesteven* Tamworth Tandridge Vale of White Horse*	Brengreen (Holdings)	BET plc

\*Includes street cleansing    <sup>†</sup>Street cleansing only

## PRIVATISATION MUST BE RESISTED

- \*Improve and expand public cleansing services – cuts only encourage contractors to compete.
- \*Delay implementation of the legislation for as long as possible.
- \*Impose stringent specifications and contract conditions on contractors.
- \*Carry out comprehensive comparisons of the quality and cost of direct labour with contractors track records of fines, failures and sackings.
- \*Assess the full public costs of contracting out both to local and central government.
- \*Support the Cleansing workers campaign to educate and organise against privatisation. Contact the Convenors Office, Bernard Road Depot, Sheffield S2. Telephone: 735518.

Project to Defend and Improve Local Authority Services and Jobs in Sheffield.

Produced by shop stewards and workers in the Cleansing Department, Sheffield City Council, in conjunction with Services to Community Action and Trade Unions (SCAT). We are active in the GMBATU, TWGU, AUEW and NALGO.