

<b>Committee:</b> Port Health & Environmental Services	<b>Date:</b> 28 September 2018
<b>Subject:</b> Department of the Built Environment (Cleansing Services) Business Plan Progress Report for Period 1 (April - July), 2018/19	<b>Public</b>
<b>Report of:</b> Carolyn Dwyer, Director of the Built Environment	<b>For Information</b>
<b>Report author:</b> Jim Graham, Department of the Built Environment	

### **Summary**

This report sets out the progress made during Period 1 (April – July) against the 2015-18 DBE Business Plan for Public Conveniences, Waste Collection, Street Cleansing, Waste Disposal and Transport Services. It details what has been achieved, and the progress that has been made against the departmental objectives and key performance indicators.

At the end of the July 2018, the Department of Built Environment was £167k (6%) overspent against the local risk budget to date of £2.783m, over all the services now managed by the Director of Built Environment covering the Port Health & Environmental Services Committee. Appendix B sets out the detailed position for the individual services covered by this department.

Overall the Director of Built Environment is currently forecasting a year end overspend of £272k (4%) for her City Fund services within your Committee. This overspend is being managed against a forecast underspend elsewhere in the Director's local risk budget.

### **Recommendations**

Members are asked to:

- note the content of this report and the appendices
- receive the report.

### **Main Report**

#### **Background**

1. The 2015-18 Business Plan of the Department of the Built Environment was approved by this committee on 05 May 2015. As agreed, periodical progress reports will be provided. A high-level business plan for 2017-18 was approved by this committee on 09 May 2017 which did not address any changes to the KPI targets set out in the previous plan.

#### **Key Performance Indicators**

2. During Period 1 (April - July) of this Business Plan, the management team is monitoring five Key Performance Indicators (KPIs) relevant to the work of this Committee (shown in Appendix A). Performance against the departmental KPIs was mixed, with performance against NI191 (the amount of residual domestic waste per household) being slightly under target for the period, NI192

(percentage of domestic waste recycled) significantly under target, and TPR1 (the number of failing KPIs on the Refuse and Street Cleansing contract) failed for three months of the period addressed in this report.

3. Based on the results of this period the overall figure for NI191 for the year would be within 40kg of the rigorous local target set for the year. This does not take into account any upward adjustment of the housing stock figure used to calculate this KPI which may take place during the year as new residential properties are added.
4. The progress of the Recycling Action Plan put in place to improve NI192 performance has continued, with the bin chipping project now completed. In June a project to understand the weights from individual bins chambers across the Barbican was completed which has enabled a more focussed communications campaign to be developed with the aim of reducing general waste. Findings from this campaign will be used to target specific other campaigns and interventions which can be rolled out across the City.
5. Our NI195 KPI (measuring the amount of land with unacceptable level of litter, detritus, fly tipping and graffiti), which is independently monitored by Keep Britain Tidy, achieved well above the target when measured in July, with only 0.88% of all 300 areas surveyed failing to meet the required standards of cleanliness.
6. During this period sufficient contract Key Performance Indicators to satisfy TPR1 was only achieved in April. This has resulted in financial penalties for Amey. Regular meetings between senior client officers and national directors of Amey Environmental Services remain in place to manage the contract as it comes to the end of the period. At the start of this period there was consistent issue with vehicle availability, mainly due to the fleet reaching the end of its viability. Amey have hired in replacement vehicles at their expense to ensure there is sufficient availability until the end of the contract. Amey's experienced local contract management team remain in place and continue to be supported by cleansing officers who have provided enhanced mentoring and training support.

### **Objective Updates**

7. Alongside overseeing the performance of the Refuse Collection, Street Cleansing and Ancillary Services contract officers have been focusing on the procurement of the new contract from 2019. A separate report has been brought to this committee to update on the progress of the procurement which remains on track. This has had a significant impact on the work programme of the cleansing service, diverting the team's efforts away from special projects and initiatives which have previously received external recognition.

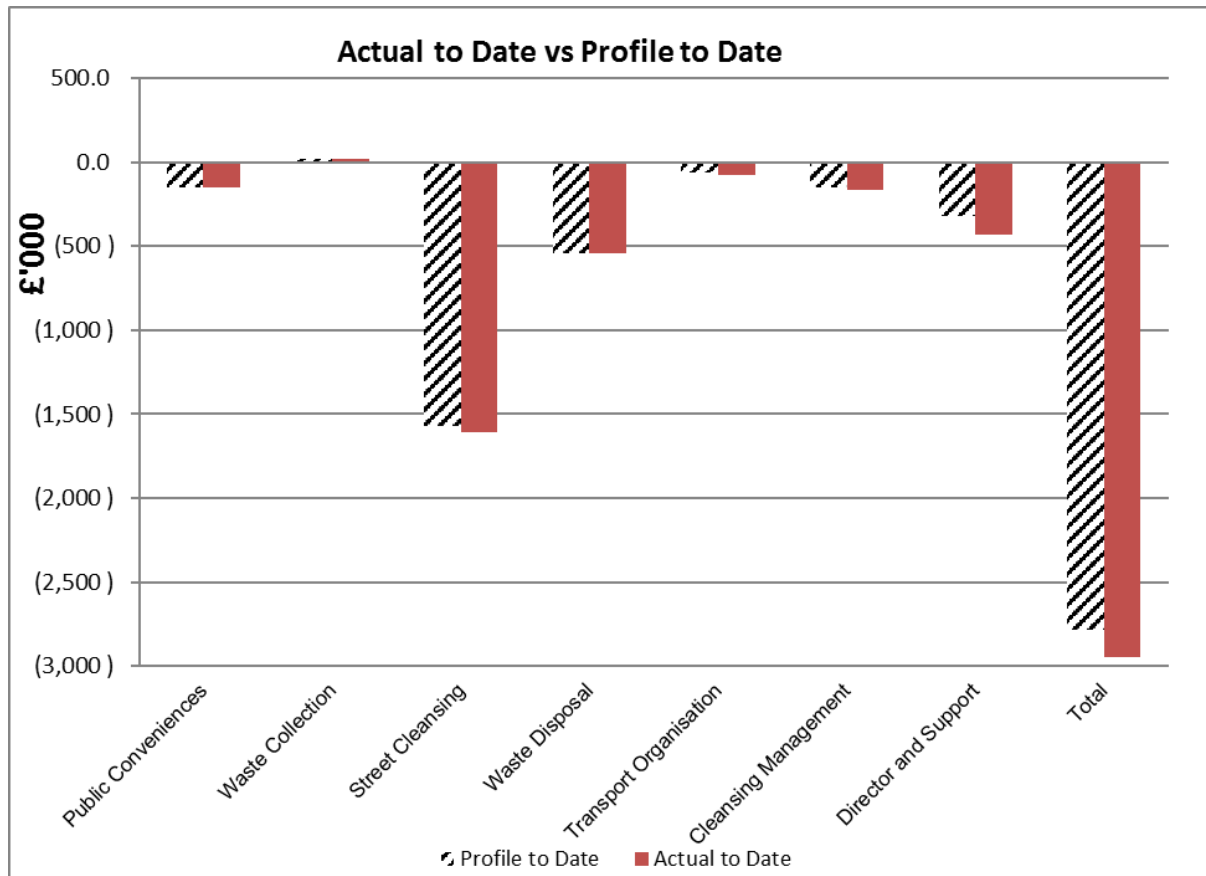
### **Achievements**

8. Our NI 195 scores from Keep Britain Tidy, which indicate the percentage of streets with unacceptable levels of litter, detritus graffiti and flyposting, have remain low at 0.88%, even with the difficulties experienced with the contract over the past year.
9. Following a rigorous inspection in April we have maintained our Gold Standard accreditation with Transport for London Fleet Operator Recognition Scheme

(FORS) which acknowledges excellence in all aspects of safety, fuel efficiency, economical operations and vehicle emissions. This scheme recognises over 4,500 fleets that operate throughout London with only just over 100 of these organisations currently achieving Gold. The FORS scheme is closely linked with CLOCS (Construction, Logistics and Cycle Safety), TfL’s work-related road risk scheme for lorries, which requires high levels of safety equipment and training for drivers. The City has exceeded the requirements of this scheme in fitting side guards, additional mirrors, audible alarms and cameras to all eligible City vehicles.

**Financial and Risk Implications**

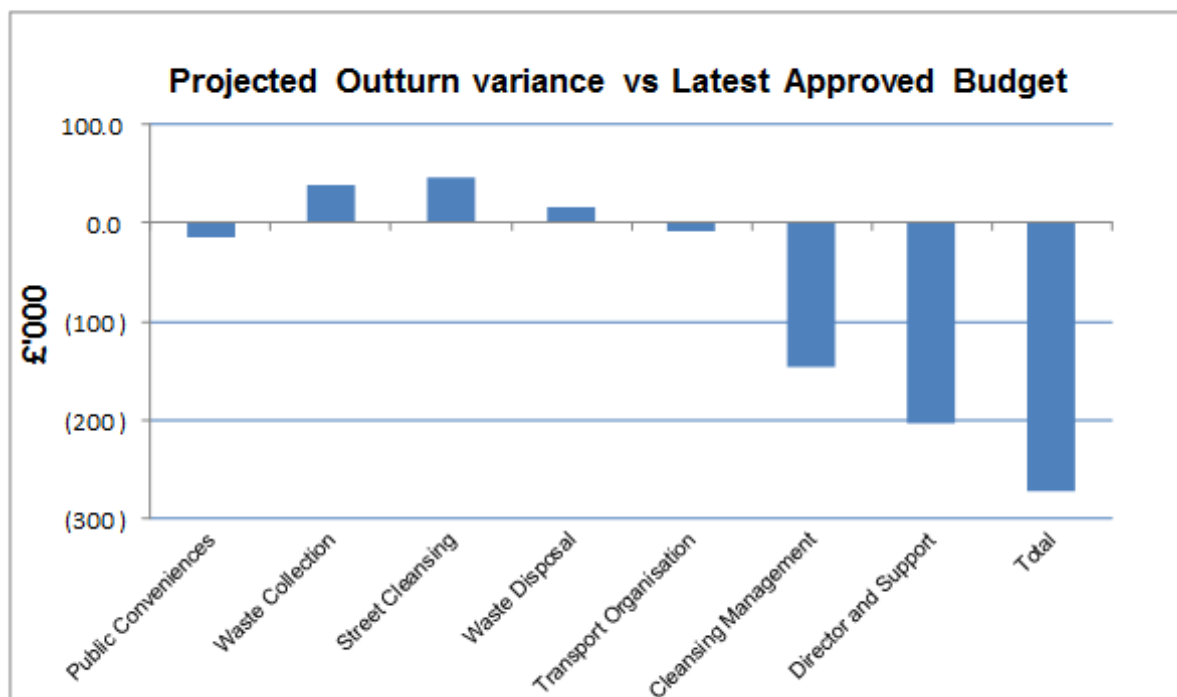
10. The end of July 2018 monitoring position for Department of Built Environment services covered by Port Health & Environmental Services Committee is provided at Appendix B. This reveals a net overspend to date for the Department of £167k (6%) against the overall local risk budget to date of £2.783m for 2018/19.



**Notes:**

1. Graph shows the actual local risk net position against the profiled budget to date for each Division.
2. A position above the baseline is favourable i.e. net income.
3. A position below the baseline is unfavourable i.e. net expenditure.
4. DBE total actual to date net exp of £2,950k is £167k over the profiled budget to date of £2,783k.

11. Overall the Director of Built Environment is currently forecasting a year end overspend position of £272k (4%) for her City Fund services. This forecast overspend is being managed against a forecast underspend on the Planning and Transportation Committee, and the Director anticipates remaining within her overall local risk budget across all Committees.



#### Notes

1. Zero is the baseline latest approved budget for each Division of Service.
  2. Graph shows projected outturn position against the latest approved budget.
  3. A variance above the baseline is favourable i.e. either additional income or reduced expenditure.
  4. A variance below the baseline is unfavourable i.e. additional expenditure or reduced income.
  5. Overall the Department is forecasting an overspend of £272k at year end.
12. The reasons for the significant budget variations are detailed in Appendix B, which sets out a detailed financial analysis of each individual division of service relating to this Committee, for the services the Director of Built Environment supports.
  13. The worse than budget position at the end of July 2018 is mainly due to overspends within the Director & Support service, relating to, recruitment costs for the Transportation & Public Realm Director post; apprentice training costs; consultancy costs for Communications and Media Support Services; Talent Management Programme; revamp of CPAT co-working space; New London Architecture sponsorship; and unfunded Programme Management posts.
  14. The Director of Built Environment anticipates this current worse than budget position will continue to year end, due to the additional Director & Support service costs detailed above and planned overspends within the Cleansing Management service due to additional resources required for waste contract procurement & mobilisation support, plus external costs for surveys of electrical charging infrastructure at Walbrook Wharf.

#### Appendices

- Appendix A – Period 1 KPI results
- Appendix B – Finance report
- Appendix C – Debts over 120 days

## **Background Papers**

DBE Business Plan 2015-18

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