

Committee: Port Health & Environmental Services	Date: 24 September 2019
Subject: Department of the Built Environment (Cleansing Services) Business Plan Progress Report for Period 1 (April - July), 2019/20	Public
Report of: Carolyn Dwyer, Director of the Built Environment	For Information
Report author: Jim Graham, Department of the Built Environment	

Summary

This report sets out the progress made during Period 1 (April – July) against the DBE Business Plan for Public Conveniences, Waste Collection, Street Cleansing, Waste Disposal and Transport Services. During this period the new contract with Veolia has been mobilised.

At the end of the July 2019, the Department of Built Environment was £89k (2.7%) overspent against the local risk budget to date of £3.32m, over all the services managed by the Director of Built Environment covering 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 £224k (2.5%) for her City Fund services.

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 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 four Key Performance Indicators (KPIs) relevant to the work of this Committee (shown in Appendix A). Performance of the newly mobilised contract and KPIs will be reported separately to this committee. Performance against the other 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.

3. Based on the results of this period the overall figure for NI191 for the year would be within 50kg 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 Recycling Action Plan put in place to improve NI192 performance has been maintained during this period. In accordance with the Mayor of London's Environment Strategy, a new statutory Reduction and Recycling Plan has been drawn up and reported to this committee separately for approval.
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 August, with only 0.8% of all 300 areas surveyed failing to meet the required standards of cleanliness.
6. During this period the contract Key Performance Indicators relating to TPR1 have been in the process of mobilisation and the collection of data has not been complete. The KPIs take effect in October and will be reported to this committee in subsequent reports.

Objective Updates

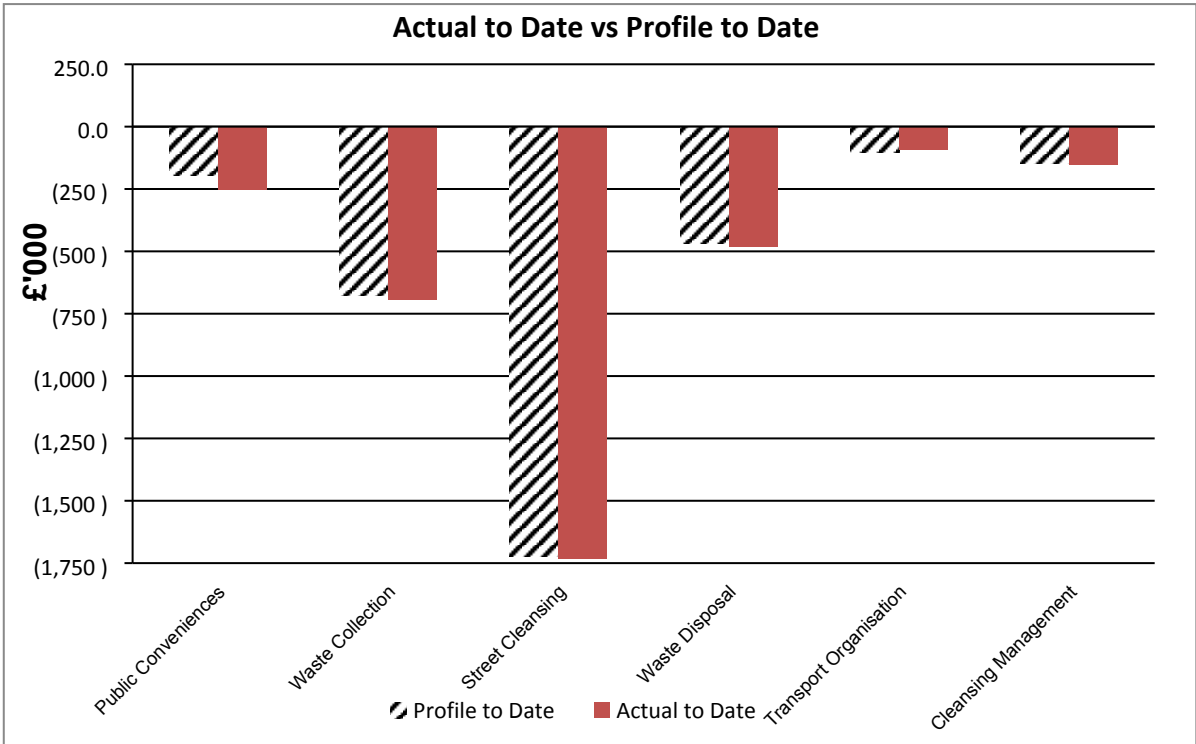
7. The main focus of this period has been the mobilisation of the new Waste Collection, Street Cleansing and Ancillary Services contract that commenced on the 06 April 2019. This has had a significant impact on the work programme of the cleansing service, diverting the team's efforts away from special 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 remained low at 0.8%, an excellent maintenance of standards during the transition of contracts.
9. Following a rigorous inspection in May 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

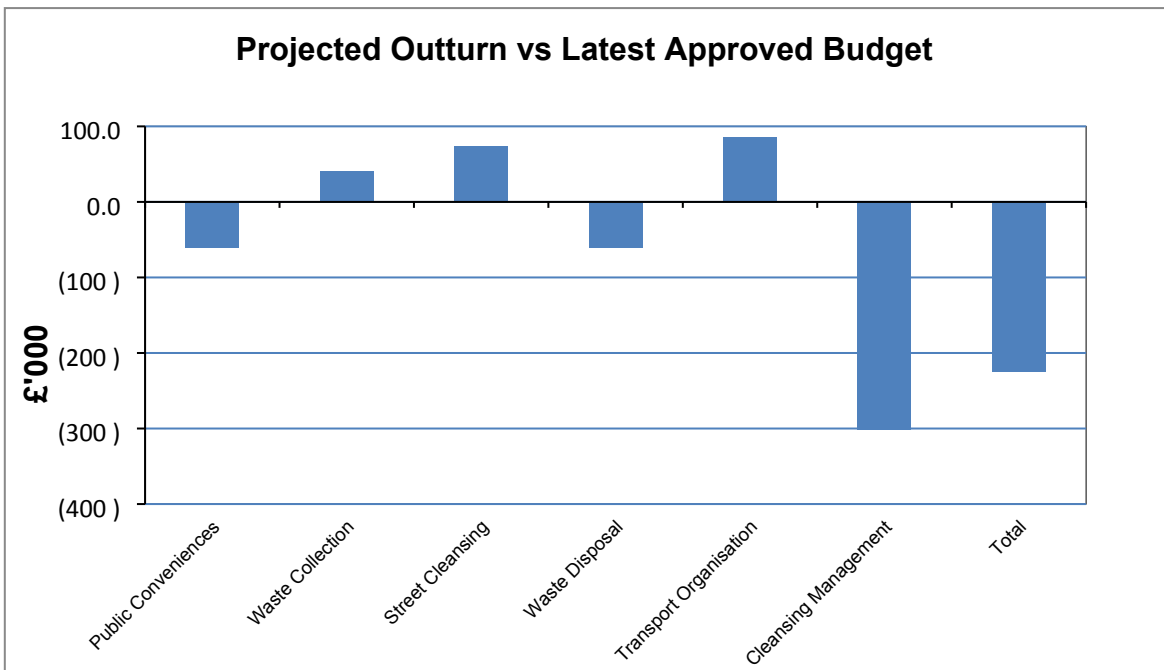
10. The end of July 2019 monitoring position for the Department of Built Environment services covered by Port Health & Environmental Services Committee is provided at Appendix B. This reveals a net overspend to date for the Department of £89k (2.7%) against the overall local risk budget to date of £3.32m for 2019/20.



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 £3,409k is £89k over the profiled budget to date of £3,320k.
5. Cleansing Management - overspend due to a budgeted transfer from the LATS reserve now not going ahead, as a result of overall Departmental underspend forecast. The LATS reserve will only be used to the extent that department (City Fund) is overspent.

11. Overall the Director of Built Environment is currently forecasting a year end overspend position of £224k (2.5%) for her City Fund services.



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 £224 at year end.
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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 2019 is mainly due to lower than anticipated toilet barrier income, which has continued the trend from the previous year.
 14. The Director of Built Environment anticipates this current worse than budget position will continue to year end. This is mainly due to the non-drawdown from the LATS reserve account, as a result of overall Departmental underspends across the range of services the Director supports across all Committees.
 15. Other specific overspends for this Committee are the continued toilet barrier income shortfalls and additional costs due to increased waste throughput, the reasons for which are being investigated by the Cleansing Team. These adverse variances are partly offset by savings within Street Cleansing due to reduced equipment requirements to replace butt bins, as the stock is in good condition and savings from the previous AMEY contract, plus underspends within the Transport Organisation due to reducing volumes of ad-hoc maintenance, as a result of a smaller and newer fleet of vehicles.

Appendices

- Appendix A – Period 1 KPI results
- Appendix B – Finance report

Background Papers

DBE Business Plan 2015-18

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