

Committee: Port Health & Environmental Services	Date: 21 November 2017
Subject: Department of the Built Environment (Cleansing Services) Business Plan Progress Report for Period 1 (April - July), 2017/18	Public
Report of: Carolyn Dwyer, Director of the Built Environment	For Information
Report author: Jim Graham, Department of the Built Environment	

Summary

1. 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.
2. At the end of the July 2017, the Department of Built Environment was £49k (1.8%) underspent against the local risk budget to date of £2.76m, 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.
3. Overall the Director of Built Environment is currently forecasting a minimal year end underspend of £6k (0.09%) 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 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 quarter, NI192

(percentage of domestic waste recycled) continuing to be significantly under target, and TPR1 (the number of failing KPIs on the Refuse and Street Cleansing contract) failed for one month 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 steady progress of the Recycling Action Plan put in place to improve NI192 performance has continued, with the bin chipping project now completed. This enables the cleansing service to gather information that will identify properties producing a higher than average amounts of waste allowing officers to better target waste reduction activities. A project focussing on the Barbican is about to commence and the findings from this will be used to target specific campaigns and interventions which can be rolled out to other estates.
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 0.63% of all 300 areas surveyed failing to meet the required standards of cleanliness.
6. Over the past year when there has been a persistent failure in the management and administration of the contract and a failure to pass sufficient contract Key Performance Indicators to satisfy TPR1. This has resulted in financial penalties for Amey.
7. Following urgent meetings between senior client officers and national directors of Amey Environmental Services, a recovery plan was agreed and has been implemented. Amey have now put in place an experienced and dedicated local contract management team. This has been supported by cleansing officers who have provided enhanced mentoring and training support. The benefits have started to be felt during this period. In April four contract KPIs were missed. However, in May, June and July the KPIs were satisfied (only missing one contract KPI per month) and, provided the trend of improved performance continues, the contractor should be free of financial penalties from September 2017.

Objective Updates

8. Alongside overseeing the necessary improvements in the performance of the Refuse Collection, Street Cleansing and Ancillary Services contract officers have been considering the option to extend the contract for another eight years from 2019. A separate report has been brought to this committee for a decision on this matter. Officers have begun to start the necessary preparations should the decision to retender the service be taken.

Achievements

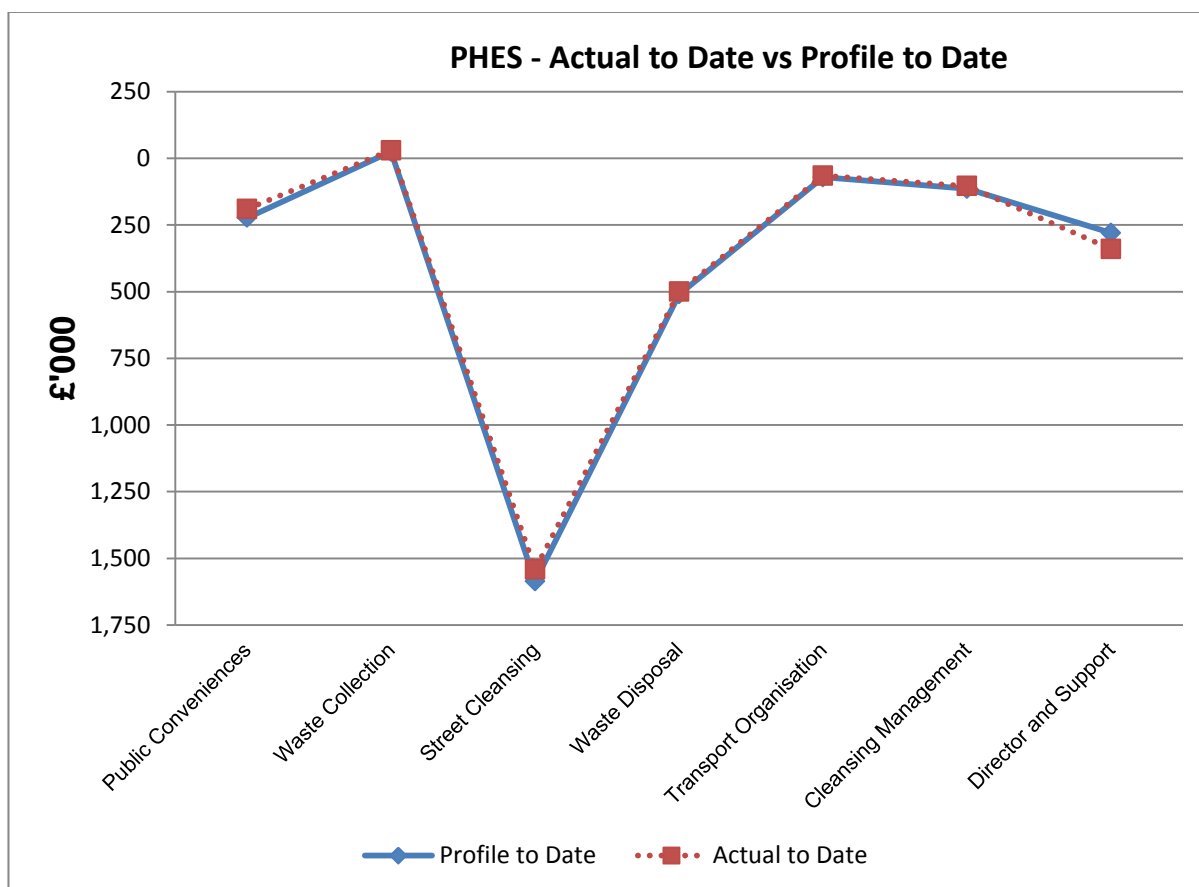
9. In April the City worked with Hubbub, an environmental charity, and Simply Cups, a specialist recycling company, to challenge businesses, workers, visitors and residents in the City of London to recycle half a million coffee cups during the month. The campaign received considerable press and social media

coverage which, along with other on street activities, resulted in the target being met.

10. 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 consistently low at 0.63%, even with the difficulties experienced with the contract over the past year.
11. 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

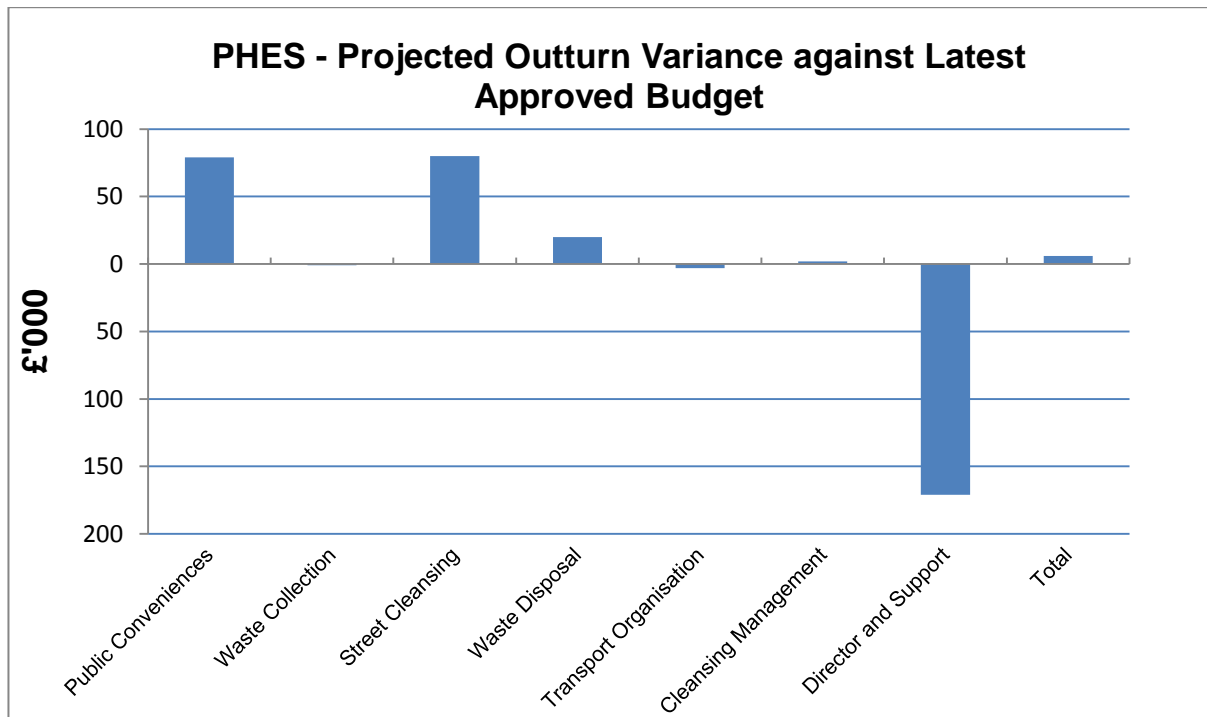
12. The end of July 2017 monitoring position for Department of Built Environment services covered by Port Health & Environmental Services Committee is provided at Appendix B. This reveals a net underspend to date for the Department of £49k (1.8%) against the overall local risk budget to date of £2.76m for 2017/18.



Notes:

1. Graph shows the actual local risk net position against the profiled budget to date for each Division.
2. DBE total actual to date spend of £2.71m is £49k under the profiled budget to date of £2.76m.
3. A position above the baseline is favourable i.e. net income.
4. A position below the baseline is unfavourable i.e. net expenditure.

13. Overall the Director of Built Environment is currently forecasting a minimal year end underspend position of £6k (0.09%) 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 underspend of £6k at year end.

14. 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.
15. The better than budget position at the end of July 2017 is mainly due to underspends for Public Conveniences due to reduced pension fund contributions and additional barrier income. There have also been underspends to date within Street Cleansing service due to penalty deductions imposed on

AMEY for failure to achieve required KPI's and further salary savings for staff not in the pension fund.

16. This favourable position to date has largely been offset by additional Director & Support costs relating to additional staffing costs, funding of study trips and conference expenses, and 'smart & future cities' consultancy costs.
17. The Director of Built Environment anticipates this current better than budget position will continue to year end, subject to income activity maintaining its current high performance.

Appendices

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

Background Papers

DBE Business Plan 2015-18

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