

Item



GREATER CAMBRIDGE SHARED SERVICES – 2017/18 ANNUAL REPORT



Cambridge City Council

Item

To: Executive Councillor for Environment

Report by: Fiona Bryant, Strategic Director

Relevant scrutiny committee: Environment and Communities Scrutiny Committee 28/06/2018

Wards affected: All

Non – Key Decision

GREATER CAMBRIDGE SHARED SERVICES – WASTE SHARED SERVICE ANNUAL REPORT 2017/18

1. Executive summary

1.1. This report provides a summary of the progress and performance for the Greater Cambridge Shared Waste Service during 2017/18.

1.2 The principle of producing a single annual report for the shared services was agreed at this committee in July 2015.

1.3 The overarching annual report for the Greater Cambridge Shared Services covers the Waste, Planning and Internal Audit services, but only the Waste Services falls under this Committee's remit and therefore the service report has been extracted and is included below.

2. Recommendations

2.1 The Executive Councillor is recommended to:

- Note the content of this report

3. Background

3.1 Cambridge City Council and South Cambridgeshire District Councils have set up a number of shared services which are known as Greater Cambridge Shared Services.

3.2 The Shared Waste Service performance is monitored through a Councillor led Steering Group

3.3 The overarching Shared Service performance is monitored through the Greater Cambridge Shared Services Management Board (containing the lead directors from each authority), Greater Cambridge Chief Executives Board and 2C Joint Advisory Group (comprising of the leaders of Executive Councillors from each of the Councils).

3.3 The service business plan for the Shared Waste Service for 2018/19 has been finalised and was approved by the City Council and South Cambs District Council committees in March 2018. The business plan provides information on the priorities, key performance indicators and budgetary profiles for 2018/18.

3.4 The focus remains on the shared services providing value for money.

4.0 Shared Waste Annual Report

4.1 Introduction

4.1.1 The Greater Cambridge Shared Waste Service was set up with the following objectives:

- Deliver and safe and legally complaint service.
- Maintain and improve service quality that residents can see and appreciate.
- Lower operational costs, particularly in the areas of premises, management, administration, fleet and equipment costs.

- Increase opportunities to market and compete for additional business, for instance in relation to trade waste.
- Find new opportunities to reduce net costs in relation to fleet procurement and maintenance.
- Achieve service improvements, greater resilience and better performance, through shared knowledge and experience.
- Enhance opportunities to work with other Cambridgeshire local authorities via the RECAP Waste Partnership to reduce waste collection and disposal costs, improve income and secure service improvements.
- Deliver the KPIs for the service; deliver the on-going benefits of a shared service through change and innovation.

4.1.2 All staff in the Greater Cambridge Shared Waste Service is now employed by SCDC and work on behalf of CCC and SCDC. A Shared Management Team comprises of a Head of Waste, Waste Operations Manager, Waste Policy, Change and Innovation Manager, and Commercial Waste Manager. All staff and vehicles are now located at Waterbeach depot.

4.1.3 The Greater Cambridge Shared Waste Service collects 9.5m recycling and waste bins each year from 121,581 households and over 3000 commercial customers across both council areas.

4.2 General Progress to Date

4.2.1 In 2017/18, the service has been focusing on the following operational areas:

- A. Developing improved operational systems.
- B. Completing scheduled collection in day and reducing missed collections.
- C. Data integration of round management systems.
- D. Minor Round changes between vehicles.

4.2.2 The Shared Waste Service collected an average of 99.55% of bins on due day over Q2 to Q4, against a target of 99.5%. Following its launch the Service undertook major operational service changes in Quarter 1 of 2017/18 resulting in a complete overhaul of waste collection rounds impacting on over 80% of residents across Cambridge City and South Cambridgeshire. The results and learning from these changes have been reported twice to Scrutiny Committees at both Councils in 2017/18. Discounting the inevitable impacts that these operational changes made in Quarter 1, the Shared Service has successfully embedded the new rounds and restored excellent service levels to residents, hitting a 99.86% collection rate in February 2018.

4.2.3 In December 2017, further service changes were delivered across South Cambridgeshire as separate paper collections stopped and paper was moved

to being collected in the blue recycling bin. This will enable the Shared Service to save around £600k on the costs of new waste collection vehicles, increase vehicle collection capacity to reduce the number of collection rounds being operated, improve health & safety for crews by removing the need to lift paper caddies, and provide operational flexibility across the Shared Service area by standardise the collection fleet.

4.2.4 Provisional recycling rates across Cambridge City and South Cambridgeshire are anticipated to be 49.72% against a target of 50%. This again reflects reduced amounts of recycling material collected during the major service changes in early 2017, as well as reduced tonnages of green waste collected in early 2018.

4.2.5 The service is still struggling to recruit qualified drivers into vacant posts due to the high demand for skilled drivers in the local market. The service has increased the amount/type of advertising undertaken to try to attract more drivers. The service has also started two operatives on a driver training courses.

4.2.6 New vehicles have been procured and the replacement collection vehicles have now been added to the fleet and liveried in the new branding. This procurement is a major long-term investment in the service as these vehicles will now serve the area for the next 7 years.

4.2.7 The procurement of a shared ICT management system for streets, open space and waste operations for HDC, CCC and SCDC is now completed. The service and support services in both councils has been working with the successful contractor 'Yotta' during the implantation stage, which has involve looking at system flows, integration into other systems and communication routes for residents. The system implementation and customer-focused digital changes are currently underway and will go live during summer 2018.

4.3 Finance

4.3.1 The outturn for the 2017/18 is recorded in the table below.

£	Budget	Actual	Variance/Outturn
Waste Service	11,000,000	11,365,000	365,000

4.3.2 On a spend of £11m per annum, the final position for the Shared Waste Service for 2017/18 was £365k over-budget, split between South Cambridgeshire DC (£240k) and Cambridge City (£125k). While there were

underspends on fuel and an increase in commercial income from Trade Waste collections, this overspends is mainly as a result of:

- RECAP Recycling Contract & Market changes. All waste collection Councils across Cambridgeshire face increased costs and reduced income from the collection and sale of “blue bin” recycling material. This is the result of more stringent contract controls, an increase in the amount of “contaminated” recyclate collected resulting in a decrease in recycling credits received from the County Council, and a major downturn in the global recycling market. This is likely to be an on-going financial pressure for all the Councils and is unrelated to the service being “shared”. Discussions are on-going with our materials recycling facility supplier, and a communications plan is in place to ask residents to reduce contamination and increase the amount of high-quality recycling they put in their blue bins.
- One-off costs associated with the major service changes made in the last year. 3 extra bin trucks were hired with extra crews to support the service changes to ensure a smooth transition to the new collection rounds. These extra rounds ended in late 2017. Extra blue bins were also supplied on request to South Cambridgeshire residents to replace paper caddies.
- Staff sickness levels (average 17.53 day's p.a.) remain above target of average 7 days p.a., resulting in an on-going pressure on staffing budgets. This reflects a high percentage of long-term absences. This is being actively managed and will reduce over time.

4.4 Customer Feedback

4.4.1 Owing to the transition period the service did not undertake a customer satisfaction survey last year. There was a high level of customer feedback and complaints around bin collection raised following the transition which were reported at two committees in 2017/18. The changes and improvements made in year, however, saw these reduced by last quarter.

5.0 Conclusion

5.1 The Annual Report is for information.

5.2 Following a challenging transition the end of 2017/18 has seen considerable improvement in operational performance.

5.3 Having a strong management team in place, an approved business plan, good governance and a variety of combined strategies in place the service is in a positive place to deliver further benefits set out in the original business plan.

6. Implications

a) Financial Implications

The financial implications are shown in section 4.3 above.

b) Staffing Implications (if not covered in Consultations Section)

There are no additional staffing implications.

c) Equality and Poverty Implications

Not required for this report.

d) Environmental Implication

None for this report

(e) Procurement

None specific related to the service although new system procurement reported in 4.2.7

Any procurement relating to the service provision is carried out in line with Councils' policy

(f) Consultation and communication

(g) Community Safety

None to report

7. Background papers

These background papers were used in the preparation of this report:

Shared Service Quarterly reports

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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