

Report to: **SHAREHOLDER'S ADVISORY BOARD**

Relevant Officer: John Hawkin, Managing Director, Envenco

Date of Meeting: 18 November 2020

BLACKPOOL WASTE SERVICES LIMITED

1.0 Purpose of the report:

1.1 To update the Board on performance and key developments to date for Blackpool Waste Services Limited.

2.0 Recommendation(s):

2.1 The Board is asked to:

- Consider the content of the report and consider year-end performance for 2019/20.

3.0 Reasons for recommendation(s):

3.1 To monitor performance of the wholly owned companies and their contribution to the Council's strategic priorities.

3.2 Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.3 Is the recommendation in accordance with the Council's approved budget? Yes

4.0 Other alternative options to be considered:

4.1 None.

5.0 Council priority:

5.1 The relevant Council priorities are:

- The economy: Maximising growth and opportunity across Blackpool
- Communities: Creating stronger communities and increasing resilience.

6.0 Background information

6.1 Governance

Board members will recall that Blackpool Waste Services Board was established during 2019 with seven Non-Executive Directors who have a depth of related knowledge to oversee the running of the company.

In addition to the main Board, an Audit Committee has now been established chaired by Mr Alan Stuttard. Mr Stuttard has a financial background and also serves on the Board of Blackpool Operating Company.

Blackpool Council has specified that a number of Audits (15 days per annum) will be conducted each year by Blackpool Waste Services (BWS) and the Audit Committee will review these reports and monitor implementation of any recommendations. To fulfil this obligation Blackpool Waste Services has a contract with Blackpool Council Risk and Insurance section who conduct the actual audits.

To date, the Risk and Insurance team have audited; Health and Safety, Risk Management and Business Continuity Planning. It has been agreed that the 15 audit days allocated for 2020/21 will focus on Financial Controls.

6.2 Impact of COVID - 19

In March 2020 a national 'lockdown' was declared in response to the outbreak of COVID-19.

As an essential service for the residents of Blackpool a review of operations was conducted, in consultation with Blackpool Council client officers, using the company Business Continuity Plan (BCP).

The BCP outlines a service hierarchy based on collection of grey bins, blue bins/brown sacks and then green waste.

To ensure the priority service could be maintained and provide appropriate safe systems of work for the operational staff the service adjusted its collection regimes by stopping green waste collection and combining the collection of all other waste.

This action allowed for a reduction in the number of vehicles/crews required so we could establish 'bubbles' within the workforce and place those staff in high risk categories on standby. Alternative pick up points were established to reduce the staff entering the depot to supervisory staff and drivers which lowered the contact times between staff.

The combined collection method ensured residents could dispose of all their waste and minimise any need to store waste in homes/gardens.

The impact of this revised collection method was a reduction in recycling rates as all waste was disposed of as a single waste stream until the return to normal collections on 29th June 2020.

The revised collection method was communicated to residents via social media, local press and by 'bin tags', which also publicised the Corona Kindness campaign.

6.3 Key Performance Indicators

The performance management dashboard is attached highlighting performance up to September 2020 (Quarter 2).

Board members will note the impact on performance figures following the decision to reduce collection service in March due to COVID-19. As the normal service was not reintroduced until Monday 29th June (effectively the first quarter), like for like comparisons are not practical.

However, there are some headline figures that are worth noting:

- Total waste tonnage collected over the YTD period (April-August) increased 29% reflecting the impact of residents staying/working from home.
- The total tonnage of waste collected for recycling overall in the reported period (YTD) is down 41% [as during April-June all waste was treated as residual waste]. Though in comparing figures for Jul-Aug from previous year there is an 13% increase in recycling
- Green waste overall is down 22% as the service was withdrawn for a large part of the reported period but, interestingly, once fully resumed the July/August totals show a 6% increase in tonnage (19/20 - 749,180, 20/21 – 796,240).

Board members will also note that during July/August that performance targets for the delivery of new/replacement bins have been suspended. The client sources/purchases the bins and BWS are responsible for delivery but due to the current pandemic new bins could not be sourced and there was insufficient stock to maintain a full service. A priority delivery service was agreed with the client to ensure grey bins were prioritised and for those residents with additional needs.

During the adjusted collection period the crews collected both bins by following adjusted round patterns. As this meant the bins were emptied at different times of day by the crew high levels of unjustified missed bin reports were made – c.30% of reports. In most cases these were residents reporting a bin had been missed before the crew reached the residents area.

Since the return to full service the operational team have had a significantly higher rate of justified missed bin reports.

The change back from use of both grey and blue bins for residents has taken time to settle back with some residents clearly confused about which bin to use and days of collection. It also appears that some staff have also taken time to readjust to rounds with several streets/alleys missed and return collections having to be made. September performance is significantly better dropping from 164 in July and 124 in August to 98 in September.

6.4 **Finance**

Blackpool Waste Services has a sole income from Blackpool Council for the collection of domestic waste and associated services of c£3.285m.

In the first nine months of trading, July 2019 - March 2020, the company met its financial plan and submitted its audited accounts to Companies House.

There are no significant variations to the projected financial plan and Blackpool Waste Services Ltd has a projected year end position of break even.

6.5 **Service Development**

Blackpool Waste Services Ltd took on two additional contracts for wheeled bin and waste container management and waste paper and cardboard recycling collection in March 2020.

A TUPE legislation transfer of three members of staff took place (1 full time and 2 part-time) following consultation along with a vehicle to undertake the service.

The agreed KPI's in the Shareholder dashboard are now being completed to monitor performance of the service.

For Information:

Wheeled bin and waste container management

- The purpose of this service is to manage the collection of surplus wheeled bins in Blackpool and the delivery of replacement wheeled bins, street litter bins and commercial bins to businesses.

Waste paper and cardboard recycling collection service

- The purpose of this service is to provide a facility for 8,166 households in Blackpool to recycle waste paper and cardboard through kerbside collection in a brown recycling hessian sack.

6.6 **Service Improvement**

Board members will recall that an overarching business objective at the outset for BWS was to increase resident access to recycling, particularly given the number of residents we had

remained on weekly sack collections with no recycling service.

BWS has set up a Service Improvement Group with key members of staff from Blackpool Council to identify ways to improve recycling rates across the town, meeting on a weekly basis.

Initiatives were paused during the initial COVID-19 period though the group has now recommenced 'virtually' and roll out of key projects is back up and running.

The focus of the group has been the delivery of 'Bags to Bins' programme. The group have reviewed geographical areas across Blackpool, at street level, to identify areas where residents who are currently on weekly sack collections could be provided with wheeled bins.

BWS has completed six roll out programmes comprising of 248 individual properties and have a planned approach to complete in the region of a further 200 properties prior to end of financial year 2021.

This work continues to strengthen the partnership working between BWS and Blackpool Council as each individual street assessment involves numerous visits by officers to consider safety, engage with residents and roll out the bins.

6.7 Does the information submitted include any exempt information? No

7.0 List of Appendices:

7.1 Appendix 3(a): Enveco KPI Dashboard

8.0 Financial considerations:

8.1 Contained within appendix.

9.0 Legal considerations:

9.1 None.

10.0 Risk management considerations:

10.1 None.

11.0 Equalities considerations:

11.1 None.

12.0 Sustainability, climate change and environmental considerations:

12.1 None.

13.0 Internal/external consultation undertaken:

13.1 None.

14.0 Background papers:

14.1 None.