

Report to:	SHAREHOLDER COMMITTEE
Relevant Company Representative:	Paul Whitehead, Director of Finance and Business Development Blackpool Waste Services Limited
Relevant Cabinet Member:	Councillor Ivan Taylor, Deputy Leader of the Council and Cabinet Member for Partnerships and Performance
Date of Meeting:	11 February 2022

BLACKPOOL WASTE SERVICES LIMITED KEY PERFORMANCE INDICATORS

1.0 Purpose of the report:

1.1 To provide an update on the development and reporting of Key Performance Indicators (KPIs) relating to Blackpool Waste Services Limited (BWS) following the Phase 2 transfer in September 2021.

2.0 Recommendation(s):

2.1 To note the Key Performance Indicators of Blackpool Waste Services Ltd (BWS) to December 2021.

2.2 To agree the format of the KPI's meets the needs of the Committee and request new or additional information that would be useful for future meetings.

3.0 Reasons for recommendation(s):

3.1 To ensure the key performance indicators are fit for purpose and reflective of the information the Committee requires.

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 Maintaining status quo; domestic waste collection service being delivered via Blackpool Waste Services Ltd and all other waste and environmental services continuing with Blackpool Council was considered but would not deliver the service efficiencies and resident outcomes desired.

5.0 Council priority:

5.1 The relevant Council priority is

- The economy: Maximising growth and opportunity across Blackpool.

6.0 Background information

6.1 Phase 1 operations (refuse collection) commenced on 1 July 2019 with the second phase of operations encompassing a range of other services (Trade waste, street cleaning and building cleaning amongst others) being transferred on 1 September 2021.

6.2 The Committee has previously received information relating to the first phase of services transferring to the Company. The transfer of additional services requires additional KPIs to measure the quality and volume of services. The appendix presented has been approved by the Company's Board as a broad range of information that will enable them to identify trends in performance and where services are being delivered well as well as where improvement may be required. Shareholder Committee views are sought on whether this information will also meet their needs.

6.3 Since the Phase 2 transfer work has been ongoing internally to determine which KPI's are important for measuring the Company's success and progress. In some areas targets are still being worked on to determine that success. A set of indicators for each service has been agreed which will feed into the Corporate Performance Indicators.

6.4 Of the 21 indicators that can be "RAG" rated at this stage, 13 are green (better than target), 7 are Amber (within 10% of target) and 1 is red (more than 10% off target).

In terms of some key trends:

- Waste tonnages are generally in line with previous performance and targets, recycling rates are currently slightly better than in the previous two years and projects are ongoing to improve this further.
- Customer compliments have dropped (the only red indicator), this may be indicative of people returning to the workplace after the pandemic and therefore not being as observant about the day to day work of the service.
- Staff absence numbers are being worked on. These were previously reported as number of days lost but the Board felt that percentage of time lost would be a better indicator. Given the complexity of some of the shift patterns and the range of standard hours worked by the workforce this is initially proving a time consuming exercise but should be reportable in future.
- The number of Commercial Waste contracts (despite some month to

month fluctuations) has shown growth since the start of the financial year. Committee should note that this is the one area where waste tonnages collected being over the target is a positive indicator as it suggests we are taking business from competitors.

7.0 List of Appendices:

7.1 Appendix 5(a): Key Performance Indicators

8.0 Financial considerations:

8.1 During the due diligence work prior to transfer a number of financial savings were identified and an efficiency saving target of £350,000, per annum, has been built into the financial model. This is in addition to the original £750,000, per annum, saving realised during Phase 1 operations.

BWS is contracted to act as an agent of Blackpool Council for the collection of Trade Waste with income being retained by Blackpool Council and VAT exemption for customers remaining in place.

9.0 Legal considerations:

9.1 BWS holds Environment Agency permits for operations including; waste carrier licence, household waste recycling centre (Bristol Avenue) and waste transfer station (Layton Depot).

Staff transfer to BWS complied with Transfer of Undertakings (Protection of Employment) regulations (TUPE).

Lease granted to BWS for Layton Depot and Bristol Avenue with licences granted for ancillary sites.

10.0 Risk management considerations:

10.1 The Phase 2 Project Board risk register has now closed with live risks transferred to BWS for inclusion and management within its Strategic Risk Register.

BWS has had a programme of audits, since inception, conducted by Blackpool Council risk and insurance to provide assurance to both BWS Board and the Shareholder that appropriate governance and management arrangements are in place.

11.0 Equalities considerations:

11.1 Service specifications have been developed to ensure no adverse impacts on people because of shared characteristics protected by the Equality Act.

12.0 Sustainability, climate change and environmental considerations:

12.1 BWS is an active partner in the Climate Emergency Steering Group and contributing towards the Climate Emergency Action Plan.

13.0 Internal/external consultation undertaken:

13.1 None.

14.0 Background papers:

14.1 None.

15.0 Key decision information:

15.1 Is this a key decision? No

15.2 If so, Forward Plan reference number:

15.3 If a key decision, is the decision required in less than five days? No

15.4 If **yes**, please describe the reason for urgency:

N/A

16.0 Call-in information:

16.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

16.2 If **yes**, please give reason:

N/A