
TITLE: ECSS BUSINESS PLAN 2022/23

Committee: Operational Services Committee

Date: 21 March 2022

Author: Jo Brooks - Director Operations

[W154]

1.0 ISSUE

1.1 To consider the ECSS Business Plan 2022/23.

2.0 RECOMMENDATION

2.1 Members are requested to approve the ECSS Business Plan 2022/23.

3.0 BACKGROUND/OPTIONS

3.1 In accordance with the Shareholder Agreement, ECSS is required to produce an annual business plan for approval by the Operational Services Committee.

4.0 ARGUMENTS/CONCLUSIONS

4.1 Operational Services Committee is requested to approved the ECSS Business Plan 2022/23.

5.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

5.1 There are no financial implication arising from this report.

5.2 EIA not required.

6.0 APPENDICES

6.1 Appendix 1- ECSS Business Plan 2022/23.

Background Documents

Location

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The Grange,
Ely

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East Cambs Street Scene Limited

Business Plan – 2022/23

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MISSION STATEMENT

We believe that by continuing to develop the services that we offer we will be able to deliver services that are profitable, sustainable and flexible and focused on meeting the needs of local people and businesses in East Cambridgeshire.

VISION

We believe in improving the quality of life of the taxpayer of East Cambridgeshire and we believe in the Council's objectives that are set out in the Corporate Plan 2020-23. East Cambs Street Scene Limited will continue to support the Council in achieving these objectives.

VALUES

Strategic Objectives

- To deliver a high-quality waste and street cleansing service for the people of East Cambridgeshire;
- To maximise on every commercial opportunity available, and
- To trade in a manner that, wherever possible, acts in the best interest of the Council.

Our Services will be

- Flexible - Innovative and tailor-made options to meet the needs of the customer;
- Local - Wherever possible (and relevant) utilise local suppliers;
- Trusted - Reliable services delivered by skilled staff.

Introduction

East Cambs Street Scene celebrates its 4th birthday on 1 April 2022, and it does so with a team of dedicated, hard working employees who have been pivotal in the success and survival of the company; particularly as we faced the increasing challenges presented by the COVID-19 pandemic and national HGV driver shortages.

ECSS prides itself on its resilience and determination, and uses this to provide high performing waste and street cleansing services.

Although still infant in its existence, ECSS has grown exponentially over the past three years. We have substantially increased service performance figures, created and nurtured new relationships with internal and external parties and increased our connection with the residents of the district by providing well designed and informative communications.

We hope to continue this path of growth for many years to come, cementing our future as a successful waste and street cleansing provider for East Cambridgeshire District Council.



This business plan seeks to provide a brief overview of 2021/22 and the year ahead for ECSS.

Looking Back

This past year has definitely not been without its challenges.

Although continuing to be affected by the ongoing presence of COVID-19, employees remained resilient and determined, working together doing their best to provide services every day.

The increasing national shortage of HGV drivers has hit the organisation hard, with HGV drivers already a scarce commodity within the waste industry. This unfortunate increase in pressure required us to suspend the green waste service over the Christmas and New Year period, to reduce the negative effects on other services that saw an increase in demand. This was a first for ECSS and the Council and a decision not taken lightly.

To assist with the high demand for drivers, our HGV training programmes continues to upskill and promote our own employees, with one awaiting his final practical test in the coming months.

New performance indicators were introduced for this year, with a focus on the successes of the service rather than monitoring the failures.

The targets ensure that the company acts in a more proactive way focusing on removing issues or failures before impacting the residents. This assists in reducing the interaction a resident may have to have with the Council and ECSS through the reporting process.

These target values were increased following the stable growth in the previous years, however, they did not take into consideration impacts brought on by COVID and the national driver shortage.

The table below provides an overview of the performance of the first three quarters of this year.

KPI	Target	Quarterly performance Q1	Quarterly performance Q2	Quarterly performance Q3
Waste Collection				
Collections completed successfully	95%	99.91%	99.85%	99.86%
Successful completion of bin deliveries within 10 working days	92%	79%	73%	83%
Percentage of waste recycled	59%	61%	Unavailable	Unavailable
Overall performance of the service	90%	93%	89%	89%
Street Cleansing				
Work completed as scheduled	95%	92%	82%	73%
Successful removal of offensive graffiti within 1 working day	98%	100%	83%	75%
Successful removal of fly tipped waste within 2 working days	98%	83%	78%	73%
Overall performance of the service	90%	86%	82%	73%
Communication, Education and Promotion				
Increase in social media presence	Annual increase of 5%	218 to 243 11% page growth in the quarter	357 - 47% page growth increase on Q1	403 - 13% page growth increase on Quarter 2 (85% increase from April 2020)
School or Community groups engaged with	10	32 (27 primary and 5 secondary) schools provided waste activities for all Key stages	32 (27 primary and 5 secondary) schools provided waste activities for all Key stages	32 (27 primary and 5 secondary) schools provided waste activities for all Key stages
Number of local events attended	10	0 (COVID)	2 (Reduced due to COVID)	2 (Reduced due to COVID)

Although we started the year in a strong position against these targets, the performance table clearly evidences the increased levels of pressure the service received after the first quarter of the year. The end of the second quarter is where the shortage of drivers began to take hold. Sustaining the overwhelming pressure became unbearable on employees at the beginning of the third quarter, with the suspension of services required to maintain satisfactory levels of performance across other service areas.

Unfortunately, the data required to calculate the recycling figures was not available at the time of writing the report and therefore Q2 and Q3 data is not included.

With Q1 seeing a normal rate, and no substantial change in collection or disposal methods, it is highly expected that the rates for the remaining quarters of the year will follow a similar pattern as seen in previous years.

Our Achievements 2021/22

Although competing with existing and new challenges presented in this year, we were able to complete the achievements highlighted below:

- Late this year we welcomed Luke Elkes to the team, as he takes up the role of Development Officer. Luke brings a new set of eyes and experiences with him and has already made a positive impression on the team and others around him. A determined energy and eagerness surround him.
- This year saw the presentation and approval of the round reconfiguration project. This project seeks to revamp the way we collect waste across the district, allowing us to move more efficiently across the district, reducing the miles we travel. The project will provide much needed stability to the operational management of the services as well as providing some much-needed carbon reductions.
- We were also able to implement the waste teams new A to Z tool. This tool allows residents to look up items of waste with information on how best to reduce, reuse or recycle, and dispose of responsibly. Offering a tool of this nature will greatly assist in reducing the district's contamination levels.
- The continued growth of ECSS's dedicated Facebook page has ensured we are able to provide information to those residents who prefer to receive their information through social media channels. This platform has provided residents the opportunity to openly raise and discuss queries about the services we provide, as well as make us aware of issues in the district that may require our attention.
- As this year was particularly difficult on all our operational employees, with many having to work even harder to complete collection rounds, we made the commitment to raise all current employees to the top of their respective grade. We hope this well-deserved increase shows our employees how much their efforts mean to us and the success of the company. In addition, and to put ECSS in the best possible position for those seeking employment in a very competitive job market, we now offer the highest starting salary we can, from day one.
- We started a relationship with our new Finance Manager. This relationship has ensured ECSS is operating in a commercial manner, and is maximising on the opportunities that are offered to it as a limited company. The relationship through this first year has been a very positive and successful.

Section 1: Strategic Vision and Work Programme

Key development areas for 2022/23

Due to the impacts that remain present and the effect they have had on ECSS this year, a main focus for next year will be to regain stability and achieve the performance figures we witnessed at the end of last year and during the first quarter of 2021/22.

Performance

The key performance indicators and their respective targets will remain the same.

The targets are set high, and without external pressures are achievable.

We pride ourselves on the levels of service we provide and will continue to push ourselves, even through times of great difficulty.

Although our development team were unable to attend any local events last year, we are hopeful that the ever-reducing COVID restrictions will allow for this practice to return.

Table of KPIs for 2022/23

Description of Key Performance Indicator	Target
Waste Collection	
Collections completed successfully	95%
Successful completion of bin deliveries within 10 working days	92%
Percentage of Waste Recycled	59%
Overall performance of the service	90%
Street Cleansing	
Work completed as scheduled	95%
Successful removal of offensive graffiti within 1 working day	98%
Successful removal of fly tipped waste within 2 working days	98%
Overall performance of the service	90%
Communication, Education and Promotion	
Increase in social media presence	Increase number of posts, likes and shares by 5%
School or Community groups engaged with	10
Number of local events attended	10

Communication, Education and Promotions

To support the delivery of the services and any changes that may be required, the development team will continue to utilise a wide variety of communication channels, as we have seen this method reap valuable rewards.

With face to face events hopefully returning, we aim to attend as many as possible and reconnect with residents, sharing a plethora of waste and recycling support and information.

Attending schools and local groups is something we are aiming to reinstate. In previous years, speaking in these environments has evidenced that residents still have many questions and queries about waste and recycling. With many demographics unable or unwilling to use indirect methods of communication, sharing information in this manner will continue to be a focus point, ensuring everyone can access the information they require.

Following the implementation of the round reconfiguration project, we will continue to keep residents updated on its progress, including the carbon saving we are achieving.

With the Council bringing communication back in house, ECSS will work closely with the team to ensure high quality, valuable comms are produced through a variety of communication channels.

Development of Employees

With service delivery being affected the most by staffing shortages and the recruitment of HGV drivers almost impossible, training, developing and upskilling our current employees will provide the necessary cover we require to meet our employee turnover.

With the demand for HGV drivers high and the waste industry continuing to be at the bottom of the recruitment pile, fast tracking suitable loaders through an intense HGV driver course will continue to be our method of choice. We are hopeful that the delays caused by a heavy backlog at the DVLA caused by COVID, will subside in this year and therefore substantially reduce the time taken for this course of training to be completed.

As we fast tracked all employees to the top of their respective grades last year, there is no financial reward if an employee achieves their performance appraisal this year. However, as all local authorities in this area are experiencing similar difficulties with the recruitment of staff, ECSS will form part of a collective review, with the RECAP partnership, to better understand levels of pay and benefits for employees.

Improving the Services

With the successful delivery of the services being heavily affected by an assortment of challenges last year there is a need to stabilise and enhance control. To achieve this, we will refrain from stretching ourselves too thin and we will be focusing on business as usual. This will give us the scope and opportunity to increase the performance figures back to their previous levels.

As round reconfiguration was implemented at the end of the last financial year, the successful delivery and review of this project will be of utmost importance. Monitoring of this project will require substantial resource and officer time, with this becoming the main source of concentration for the Operations Manager and their Assistant Managers through this year.

Progress of the project will be shared with the Council, Councillors and residents, especially the levels of carbon reduction we begin to achieve. Strong operational relationships have been formed with East Cambs Trading Company and we will continue to work in partnership, sharing resources, information and skills. This symbiotic relationship has created improved

levels of street scene satisfaction, providing residents with a complete response to many Street Scene concerns covering waste, cleansing and parks and open spaces.

Commercial Opportunities

Due to the continued presence of COVID and the effects it has had on the business and staffing, we were unable to move forward with the implementation of a dedicated trade waste collection round last year. With the round reconfiguration project becoming the main focus for the business this year which requires substantial resource, the start of a commercial collection round will once again be put on hold. We will however continue to monitor the economic situation within the district, collecting information that will assist with its delivery in the future.

To maximise on our existing forms of commercial revenue, we aim to increase the offered days of bulky waste collection. Over the past years, the collection of bulky waste has consistently been in high demand. The service has already increased to three days a week, from one in 2018, with the majority of the days fully booked. The service will increase from three days a week, currently operating Wednesday, Thursday, Friday to five days a week. Increasing the service provision will reduce the risk of collection days becoming fully booked and residents having to wait an additional week for a collection.

To ensure productivity is maximised on each day of the week, when not fully booked, the delivery of wheeled bins will fill any shortfall. This will ensure the delivery of bins stays within the SLA timeframe.

Maximising other commercial opportunities will assist in mitigating against some of the higher levels of risk within the budget.

We currently offer commercial cleansing services to businesses within the district. We already have a handful of low-level contracts but we are keen to secure more business.

Through this year, we will look to contact larger commercial business and land owners, like the Ely Leisure Village, and offer our high performing, affordable cleansing services. Acquiring contracts of this nature will not only provide ECSS with additional streams of revenue but it will also provide the company with good publicity, further increasing the positive perception of the services we provide.

Other commercial opportunities intended for investigation this year include a wheeled bin cleaning service where residents can sign up for a reasonable fee, and a dedicated team, with commercial grade equipment and cleaners, will clean their waste bin after its collection; and a garden clearing service, where residents can pay for waste to be removed and disposed of responsibly, ultimately reducing the risk of a fly tip.

Fleet and Assets

With no substantial movement on the Government's Waste and Resource Strategy this year, ECSS remains in a state of flux with its vehicle fleet. ECSS will continue to stay poised to move in the most suitable direction with its vehicle fleet, while awaiting further information on the strategy and direction from the Council.

The implementation of the reconfiguration project may highlight the option to trial and utilise differing specifications of vehicles to further improve the efficiency of the waste collection operation. Before the procurement or hire of any such vehicle, trial periods and reviews will be completed prior to submitting a formal request to the board. In accordance with the Council's Climate Change Action Plan, continued consideration will be given to ways in which we can reduce our carbon emissions. Continued research into alternative fuels will be

completed, with an emphasis on HVO (Hydrotreated Vegetable Oil) and other possible bio-diesels, in a bid to reduce the organisations carbon emissions any way it can.

Developing the Business

As round reconfiguration takes the main stage this year, smaller areas of development will be achieved.

To match the substantial work underway with the waste collection rounds, a further review of all street cleansing operations will be completed. This will ensure that resources are deployed correctly, meeting the demand of the environment. In the past years we have highlighted areas of neglect where our current service arrangements have not met service standards. This review will ensure these areas are catered for, whether utilising internal resources or reaching out to skilled and specialised contractors to fill the gaps we cannot.

With a few members of staff leaving ECSS last year, new faces will be joining us bringing differing opinions and views. We are hopeful that these new employees will bring their own perspectives and ideas, challenging the status quo, and ensuring that ECSS remains prepared and ahead of its threats.

Learning from the strong success of our independent financial management, we will continue to seek out options to create and develop our own systems and relationships, away from the Council, ensuring we maximise on all avenues available to us as a trading company.

The Future of Waste

ECSS and ECDC continue to work with the RECAP partnership to investigate and prepare for the implementation of the Government's Waste and Resource Strategy.

Although no major announcements were made last year, it is imperative we continue to be in a state of preparedness. As and when information is shared, ECSS will work with the Council to guarantee its residents receive the most from any changes.

As information is released in conjunction with the strategy, updates will be provided to the Board.

Section 2: Staffing Structure and Responsibilities

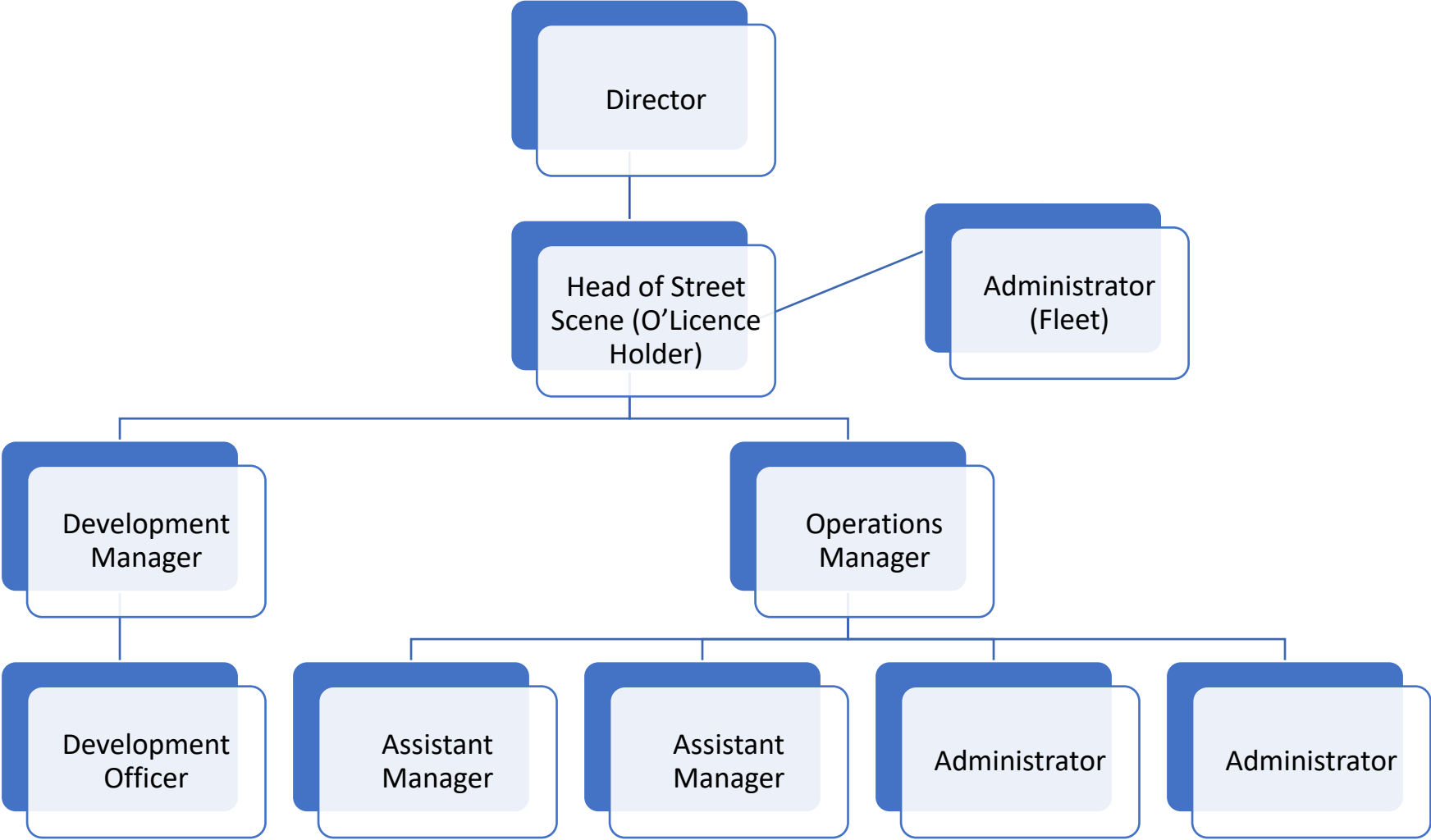
- 2.1 In 2022/23 ECSS will deploy the following staffing structure to deliver this business plan:

Number	Job Title	Employment Status
1	Director of Operations	(ECDC employee)
1	Head of Street Scene	(ECDC employee)
1	Operations Manager	(ECSS employee)
1	Development Manager	(ECSS employee)
1	Development Officer	(ECSS employee)
2	Assistant Managers	(ECSS employee)
2	Administration Assistant	(ECSS employee)
1	Fleet Admin Assistant	(ECDC employee)
15	HGV Drivers/Team Leaders - All waste streams	(ECSS employee)
3	7.5 tonne Driver/Team Leaders – All waste streams	(ECSS employee)
28	Operatives – All waste streams	(ECSS employee)
3	Street Cleansing - HGV Drivers	(ECSS employee)
7	Street Cleansing – Driver/Operatives	(ECSS employee)
4	Street Cleansing - Operatives	(ECSS employee)
Total		
70		

The diagram on the following page details the management staffing structure and the flow of reporting. This structure remains unchanged from the previous year and has proven to be efficient.

- 2.2 A review of staffing was completed in 2020/21. However, following the challenges ECSS faced last year with a shortage of drivers we intend to review the numbers of HGV drivers listed on the establishment and amend as necessary.

Depending on the outcome of the review, it may be necessary for the management fee to be reviewed to ensure that desired levels to sustain the service can be delivered.



Section 3: Arrangements to Underpin Service Delivery

- 3.1 **Comms/Education/Promotion:** ECSS's development team will continue to work with ECDC's customer service and web team to ensure necessary amendments can be made to Council operated platforms.

The development team will work in partnership with the Council's new communications team, ensuring the successful delivery of communication with residents and external organisations.

- 3.2 **Fleet and Assets:** ECSS will work alongside the Council's S151 officer to ensure the necessary funding is available to meet the demands of the Government's strategy and Council views, when dealing with its operated fleet.

- 3.3 **Deployment of Employees:** ECSS shall deliver all services using the workforce detailed in the section above. ECSS shall continue to monitor individual performance levels using annual appraisals ensuring all services are provided to the required high performance standards.

ECSS shall continue to develop their employees through internal and external training, including the use of monthly tool box talks. Additional external training programmes will be utilised, to ensure all necessary training requirements are met.

- 3.4 **Core Employment Requirements:** ECSS shall continue to comply with its core employment requirements, as determined by its HR policies and procedures.

- 3.5 **Trade Union Engagement:** ECSS shall continue to operate an open-door policy with trade unions.

- 3.6 **Improving the Service:** ECSS will continue to actively review its work processes and procedures to sure it can achieve the set KPIs. ECSS will continue to work closely with the Council and ECTC to ensure the highest quality of service is provided in the most efficient way.

- 3.7 **Commercial Opportunities:** The proposal of any new commercial activity will be subject to Board approval before its implementation. This will ensure group commitment and understanding of financial risk and impact is given.

- 3.8 **Quality Assurance:** ECSS will continue to operate a performance management culture that will drive delivery improvements from within the service. The agreed KPIs will keep the business and its employees motivated and committed.

- 3.9 **Independent Auditing:** The Development Manager and Officer will act as an independent auditor conducting internal performance audits across all service areas. These audits will aid in achieving and sustaining the required performance levels. ECSS will continue with external health and safety audits carried out by the Council's Health and Safety Manager. The audits will ensure the Company remains compliant with all policies, procedures and legislation.

- 3.10 **Day to Day Communications:** Day-to-day users of the services will be able to contact ECSS via the Customer Services function of the Council. This includes the Council website and ECSS's Facebook page, which will receive constant monitoring to ensure it is kept as up to date as possible. All vehicles, equipment and literature relevant to the services provided by ECSS will carry the contact details of the Council's Customer Services. Operational staff, who are likely to meet members of the public as they

complete their duties, will be encouraged to channel all enquiries and complaints through Customer Services. Contact cards will be used to ensure clear communication.

- 3.11 **Out of Hours Communications:** An out of hours communication process is in operation, with the assistance of pagers to negate local issues with mobile phone service. Contact with an employee of ECSS will be achievable in cases of emergency outside normal operating hours.
- 3.12 **Arrangements for Health and Safety:** ECSS shall maintain an up to date health and safety policy, codes of practices, risk assessments and safe systems of work to ensure that the Company delivers a consistent approach to safety, maintaining standards and minimising risk to all stakeholders. Constant communication of health and safety information will be relayed to employees monthly, to ensure they remain compliant. ECSS will continue to manage risks in accordance with its Risk Register that is contained in Appendix 1 of this business plan.

Section 4: Customer Care

ECSS shall continue to fully comply with the following policy statement for customer service to ensure high quality services are provided to customers.

Policy Statement for the Waste and Street Cleansing Services: Measures to Ensure Excellent Customer Service	
1.	Purpose of the Policy Statement: Ensure a high level of customer service is consistently delivered by proactively and consistently responding to service requests and complaints from customers to ensure the performance targets for the services are at least met if not exceeded.
2.	Treating Customer Service Requests as Genuine: Each request received from a resident will be treated as a genuine issue and that they are not being difficult or seeking to mislead the service. Even if there is doubt about their service request it shall be treated as genuine and dealt with accordingly.
3.	First Time Fixes: Top performing services operate on first time fixes by directly empowering management teams within the services. This approach shall be fully adopted by ECSS to improve and then sustain high quality and consistency of the service activities. Unless they are policy related, all service requests and complaints shall go directly to the management team within ECSS for resolution within the set timeframes. This being consistent with the need for empowerment of the management team and to ensure their full accountability for service delivery.
4.	The Design of Workflows: Design shall be from the customer's perspective to ensure they are robust and fit for purpose. This is to ensure that service requests and complaints from customers are effectively and consistently addressed at the point they are made to Customer Services, through to the action required by ECSS and to the point of closure within the CRM system within the timeframes set for each activity.
5.	Annual Targets for Completion of Service Requests: The service management team shall set annual targets for completion for all categories of service requests. To support the achievement of the annual targets, the service management team shall receive a prompt if they have failed to close off a service request or if there is a call back from the resident about the request being outstanding; and the management team must then prioritise the service request being closed off. If the service request is still outstanding it shall be referred to a designated senior manager for direction. Monthly monitoring of performance against the individual stretch targets for service response times (as a percentage of the total number of service requests received for the month) shall continue to ensure efficient day to day management of the service.
6.	Compliance with Adopted Policies and Procedures: All staff in both Customer Services and ECSS shall fully comply with all adopted policies and procedures of the Council that cover the provision of waste and street cleansing activities. This is to ensure consistency and transparency in the delivery of the services. Any variances from adopted policies and procedures must be agreed by a senior manager.

Section 5: Services to be provided

CORE SERVICES	COUNCIL REQUIREMENTS	ECSS'S PROPOSAL
Education and Communications	<ul style="list-style-type: none"> To provide an education function for Schools and more widely to communicate to the public key environmental policies. To influence waste minimisation, participation rates and on meeting recycling targets. 	<ul style="list-style-type: none"> To be managed through the annual communications strategy. This will cover education, including schools, private and public events and a variety of information covering waste and recycling. An increase focus to social media platforms will ensure that growing demographics are catered for. Creating education and promotion material in formats best suited to the audience, ensuring the efficient delivery of information.
Domestic Waste Collection Service:	<ul style="list-style-type: none"> Weekly collection service. Service utilising sack collections. Workforce directly employed by ECSS. Service managed by ECSS. Disposal by Cambridgeshire County Council. 	<ul style="list-style-type: none"> Weekly household waste sack collections from up to 40,000 properties within the District, with necessary assisted collections. The delivery of 52 black sacks to each property in the District. Workforce directly employed by ECSS. Management structure identified ECSS to manage the interface, including waste disposal, with Cambridgeshire County Council.
Garden Waste Collection Service:	<ul style="list-style-type: none"> Fortnightly collection service. Service utilising wheeled bins. Workforce directly employed by ECSS. Service managed by ECSS. Disposal by Cambridgeshire County Council. 	<ul style="list-style-type: none"> Fortnightly garden waste wheeled bin collections from up to 40,000 properties within the District, with necessary assisted collections. The delivery of new and replacement wheeled bins Workforce directly employed by ECSS. Management structure team identified

CORE SERVICES	COUNCIL REQUIREMENTS	ECSS'S PROPOSAL
		<ul style="list-style-type: none"> • ECSS to manage the interface, including waste disposal, with Cambridgeshire County Council.
Dry Recyclable Waste Collection Service:	<ul style="list-style-type: none"> • Fortnightly collection service. • Service utilising wheeled bins. • Workforce directly employed by ECSS. • Service managed by ECSS. • Disposal by the current RECAP MRF contract. 	<ul style="list-style-type: none"> • Fortnightly recycling waste wheeled bin collections from up to 40,000 properties within the District, with necessary assisted collections. • The delivery of new and replacement wheeled bins • Workforce directly employed by ECSS. • Management structure identified • ECSS to manage the interface, including waste disposal, with RECAP and the MRF contractor on behalf of ECDC.
Clinical Waste Collection Service:	<ul style="list-style-type: none"> • Weekly/Fortnightly or ad hoc collection service determined by the clinical needs of the customer. • Collections from the properties of the customers. • Collection from designated, suitable locations throughout the district. • Service managed by ECSS. • Current contractual arrangements for disposal. 	<ul style="list-style-type: none"> • To provide and manage a clinical waste collection service through the RECAP clinical waste collection contract. • Current contractual arrangements for disposal to be used.
Bulky Household Waste Collection Service and White Goods Collection Service:	<ul style="list-style-type: none"> • Bookable service. • Service managed by ECSS. • Workforce directly employed by ECSS. • Current contractual arrangements for disposal. 	<ul style="list-style-type: none"> • Provide a bulky waste collection service five days a week, maximising accessibility and commercial revenue. • Workforce directly employed by ECSS.
Bring Sites:	<ul style="list-style-type: none"> • 10 textile recycling sites. • Service managed by ECSS. 	<ul style="list-style-type: none"> • Bring banks are outsourced to external providers. • Service managed and monitored by ECSS
Disposal Arrangements	<ul style="list-style-type: none"> • Existing contractual arrangements to be managed by ECSS 	<ul style="list-style-type: none"> • ECSS to work with ECDC to manage.

Section 6: Service Delivery Plans

The following service delivery plans are subject to review, following the completion of the round reconfiguration project.

Council Core Requirement	ECSS's Service Delivery Plan
Domestic Waste Collection Service:	<p>ECSS's Domestic Waste Collection Service shall be based on 5 rounds with one driver and two loaders operating weekly, excluding Bank Holidays and a close-down at Christmas. The service shall cover a total of up to 40,000 dwellings. ECSS shall collect the following receptacles:</p> <ul style="list-style-type: none"> • 60 litre sacks <p>ECSS shall incorporate the Assisted sack collections – this service is reviewed annually.</p> <p>ECSS shall replace sacks on domestic collections as follows:</p> <ul style="list-style-type: none"> • 52, 60 litre sacks to each residential property located within the district.
Garden Waste Collection Service:	<p>ECSS shall deliver a fortnightly Garden Waste Collection Service based on a maximum of 4 rounds, excluding Bank Holidays and a close-down at Christmas. The service shall cover a total of up to 40,000 dwellings with following flexible staff deployment implemented as required:</p> <ul style="list-style-type: none"> • Driver and two loaders in the summer months, to suit demand. • A reduction in loaders or collection rounds in the winter months as required <p>ECSS shall collect the following receptacles:</p> <ul style="list-style-type: none"> • Wheeled Bins from the majority of residential properties within the District with a number of properties requiring an alternative sack collection as necessary. <p>ECSS shall incorporate the Assisted sack collections – this service is reviewed annually. ECSS shall replace sacks and wheeled bins on garden collections as required.</p>
Dry Recyclates Collection Service:	<p>ECSS shall deliver a fortnightly Dry Recyclates Collection Service based on a maximum of 4 rounds with one driver and two loaders operating excluding Bank Holidays and a close-down at</p>

Council Core Requirement	ECSS's Service Delivery Plan
	<p>Christmas. The service shall cover a total of up to 40,000 dwelling. ECSS shall collect the following receptacles:</p> <ul style="list-style-type: none"> • Wheeled Bins from the majority of residential properties within the District with a number of properties requiring an alternative sack collection as necessary. <p>ECSS shall incorporate the Assisted sack collections – this service is reviewed annually. ECSS shall replace sacks and wheeled bins on recycling collections as required.</p>
Trade Waste Collection Service:	Under Review – Updates to be submitted to the Board when required
Clinical Waste Collection Service:	To continue to provide a clinical waste collection through a 3 rd party contractor in accordance with the contract procured through RECAP.
Neighbourhood Recycling Sites:	ECSS shall continue to subcontract the collection of textile banks across the district.

Section 7: The Budget 2022/23

Introduction

Detailed below are the budget projections for the delivery of the waste and street cleansing service for 2022/23.

The Council will be required to review the management fee annually, in accordance with the MoA.

Allocation of Financial Risks

ECDC shall have the risk of funding the management fee each year based on the financial projections contained in its business case.

If the funding of the management fee is not possible within ECDC's Medium Term Financial Strategy, then ECDC and ECSS shall have meaningful discussions in December, before the next financial year, to re-specify services to achieve an affordable waste and street cleansing service.

ECSS: SUMMARY P&L BUDGET 2022-23					
	2022-23 BUDGET	Split of annual budget by service area			
		REFUSE	RECYCLING	GREEN	STREET CLEANSING
Management fee	3,013,338	930,717	472,336	780,188	830,097
Wheeled bin income	62,148		36,500	25,648	
Recycling credits	400,000		400,000		
Commercial income	85,584	85,584			
INCOME	3,561,070	1,016,301	908,836	805,836	830,097
Management & Administration	346,545	86,636	86,636	86,636	86,636
Core Staffing	1,514,891	383,054	383,054	383,054	365,729
Overtime Costs	126,534	26,831	26,831	26,831	46,040
Agency Costs	83,922	20,981	20,981	20,981	20,981
Staffing Costs	2,071,892	517,502	517,502	517,502	519,386
Vehicle Dept Repayment	198,773	140,177			58,596
Vehicle costs inc Maintenance	484,170	117,366	117,104	117,104	132,595
Insurance	102,727	25,682	25,682	25,682	25,682
Fuel	304,480	91,344	91,344	91,344	30,449
Supplies & Services Costs	3,000	750	750	750	750
Wheeled Bins and Bags	105,060	76,163	11,053	6,402	11,442
PPE	12,240	3,060	3,060	3,060	3,060
Waste Disposal	103,114	353	98,438	88	4,235
Premises Costs	55,629	13,907	13,907	13,907	13,907
Other Direct Costs	752	188	188	188	188
Communication and Education	17,900	4,475	4,475	4,475	4,475
Training	11,278	2,820	2,820	2,820	2,820
Support Services Costs	62,043	15,511	15,511	15,511	15,511
Miscellaneous	22,122	5,531	5,531	5,531	5,531
Vehicle Depreciation	5,891	1,473	1,473	1,473	1,473
Non-Staffing Costs	1,489,178	498,798	391,334	288,334	310,711
EXPENSES	3,561,070	1,016,301	908,836	805,836	830,097
Profit (Loss)	0	0	(0)	(0)	0

Notes for the Budget

The table below highlights some key notes for the budget:

	2022/23
Note 1	The management fee has been increased by 3.5% across all areas. This has been agreed by ECDC Finance Manager.
Note 2	An estimate of the value of recycling credits has been made, based on tonnage and data from previous years.
Note 3	Staffing costs have had an assumed cost of living increase of 2% in line with ECDC's budget process. There has also been an increase of 1.25% on employers National Insurance contributions.
Note 4	Agency costs allow for reasonable cover for holidays and low levels of sickness absence.
Note 5	Vehicle debt repayment covers the existing fleet. Any new vehicles will incur an additional cost in the year following purchase.
Note 6	There are a number of areas where estimates have been used which could prove to be incorrect as they are outside the Company's control. Fuel prices have increased by over 20% since the start of last year for example. Similarly, but in the Company's favour, the rebate received for recycling costs has increased sharply due to the favourable commodity price of recycling materials.

Section 8: Strategic Risk Assessment

A: Legislative Changes	Impact	Control	Likelihood
A1. Substantial changes in health and safety legislation	Places additional service delivery and cost requirements on ECSS which will be passed onto the Council	Substantial changes to legislation are rare with the Health and Safety at Work act 1974 receiving its last update in 2013. If consultations are released and updated ECSS will discuss the possible impacts on service delivery and cost with the Council to ensure appropriate adjustments to the management fee are made ensuring the continued effective delivery of services.	Unlikely
A2. Substantial changes in employment legislation	Places additional service delivery and cost requirements on ECSS which will be passed onto the Council	Minor changes were implemented in 2020/21 however these carried no changes to service delivery or cost. Any substantial changes will be discussed with the Council to ensure appropriate adjustments to the management fee are made ensuring the continued effective delivery of services.	Unlikely
A3. Changes in commercial legislation	Impact on ECSS's powers to trade in a commercial manner, e.g. to deliver a trade waste service and cleansing services to third parties	ECSS being a limited company and removed from the Council allows it to operate in a commercial manner creating its own income stream from commercial activities.	Unlikely

		This situation would only differ if the relationship it has with the Council was to change.	
B: Governance			
B1. Inadequate governance arrangements and lack of clarity on roles of the Council and ECSS for the delivery of services	Could lead to poor decision making which could undermine the delivery and future development of the services	<p>Adequate governance arrangements are in place to ensure there is clarity of roles across the Company and Council to ensure decisions made do not adversely affect either party.</p> <p>Annual audits are undertaken to ensure governance arrangements meet the necessary criteria to remain compliant and provide recommendations where necessary.</p>	Unlikely
B2. Lack of key skills amongst the operational team of ECSS	<p>Could lead to inadequate operation of the services in full compliance with the Council's requirements and reduce ECSS's opportunity to maximise on commercial opportunities.</p> <p>Likely to lose out on potential additional commercial income which would support the management fee and offset expenditure.</p>	<p>Staff are employed based on their existing knowledge and experience and against specific essential and desirable criteria.</p> <p>Ongoing training and development are provided to all levels of staff to ensure that there are no knowledge gaps and services can continue to be provided to required levels.</p> <p>Specific training is provided to employees, where necessary, to</p>	Likely

		ensure knowledge is gained prior to maximising opportunities.	
C: Finance			
C1. Failure to align costs of service delivery to market rates	Insufficient budget planning, performance outturn and tolerance levels could result in ECSS unable to deliver services in line with market rates	Additional services are fully costed against current market rates and discussed with the Finance Manger before specific business cases are submitted to the board for consideration, scrutiny and approval before implementation.	Unlikely
C2. Failure to deliver the waste and street cleansing services within the budget envelope outlined within the Business Case	<p>Potential for ECSS to be unable to provide services within the budget envelope and suffer a loss at year end.</p> <p>Any loss realised will have negative effects on the following financial year.</p> <p>Reputational loss for the Company and Council</p>	<p>Substantial budget planning and review is completed with ECSS's Finance Manager and in consultation with the Council's S151 officer, prior to its inclusion within the Business Case, to ensure all services are cost effective and sustainable for the year.</p> <p>Monthly finance meetings are held to review the company's Profit and Loss statement and adjustment of spends and budget lines reviewed to ensure the delivery of services remain sustainable.</p> <p>Any substantial changes that effect the delivery of services within the budget envelope are discussed with the Finance Manager and</p>	Unlikely

		escalated to the Board for consideration.	
C3. Substantial economic downturn negatively impacting on recyclates income	Possible loss of rebate value awarded to the Company following the resale of collected material processed through the MRF.	<p>The current contract between ECDC and the supplier (Amey) explicitly details fixed gate fees, their year on year increases and percentage share of the resale price of processed material.</p> <p>The contract includes specific KPIs to ensure best value is achieved.</p> <p>Substantial changes in the material price would affect the rebate provided to the Company. Minor fluctuations in material value occur frequently however, this has no effect on the gate fee.</p> <p>However, if there is a substantial downturn in the value of the commodities traded, the full undiscounted gate fee cost will be passed through to ECSS. Substantial fluctuations in these prices is likely to have a significant negative impact on ECSS's budget.</p> <p>Any change in material price does not however affect the value of recycling credits the Company</p>	Likely

		receives from the County Council, as this is based on tonnage collected.	
C4. Economic downturn impacting the capacity of ECSS to implement and grow commercial services	Failure of SME's to continue to trade.	With continuing varied restrictions linked to COVID, the potential risk of SME's unable to operate or willing to enter into new commercial agreements remains likely.	Likely
D: Operational			
D1. Failure to manage sickness absence in accordance with adopted policies and procedures	<p>Ineffective management of sickness absence could lead to insufficient levels of resource required to deliver the services. This in turn would lead to an increase in agency spend, which could fall outside the agreed budget allowance.</p> <p>Failure to deliver services would result in reputational damage to the Company and Council.</p>	<p>A Policy and procedure has been adopted to effectively manage sickness absence.</p> <p>This policy includes specific trigger targets for employees and contains explicit review stages to ensure employees are fit and able to attend work.</p> <p>A specific line is included within the budget to allow for levels of agency cover which reduces the impact sickness absence could have on service delivery.</p>	Unlikely
D2. Failure to consistently deliver services to the performance standards set	Failure to deliver the services to the standards required could result in a financial penalty placed on	Specific KPIs are included within the MoA which ECSS performs against.	Unlikely

	<p>ECSS by ECDC in accordance with the MoA.</p> <p>Failure to deliver services to the required standards could result in reputational damage to the Company and the Council.</p>	<p>These KPIs are monitored on a frequent basis with monthly performance reports being pulled directly from the Council’s CRM system and submitted to the Company. These reports are scrutinised and amendments to service delivery implemented, where necessary, to ensure successful completion of targets.</p> <p>Quarterly reports are submitted to the Council’s Operational Services Committee for noting.</p>	
<p>D3. Failure to comply with the requirements of ECDC’s Fleet Operator’s Licence</p>	<p>Possible loss or revoking of the Operator’s Licence, resulting in ECSS unable to operate heavy goods vehicles, and therefore unable to deliver the services and fulfil the requirements of the MoA with the Council.</p>	<p>Requirements of the Head of Street Scene role include the necessary qualification and experience required to hold an O’Licence.</p> <p>Robust control measures are in place to ensure all requirements of the licence are met including a specific SLA held with Cambridgeshire City Council for the maintenance and repair of the vehicle fleet.</p> <p>Furthermore, adequate audit measures are in place to constantly ensure that nominated drivers are suitable and carry the required qualifications and training.</p>	<p>Unlikely</p>

<p>D4. Failure to have in place sustainable sub-contractor arrangements (e.g. vehicle maintenance, agency staffing etc.) to sustain the delivery of the waste and street cleansing services</p>	<p>Failure to adequately service and maintain the vehicle fleet would be in breach of the O’Licence and risks the licence being revoked.</p> <p>Inadequate supplementary staffing arrangements could result in a failure to provide services to the standards outlined in the MoA.</p>	<p>ECDC has an SLA with Cambridgeshire City Council for the maintenance of its vehicle fleet. This SLA includes fixed rates for labour and parts and covers a three-year period.</p> <p>Contracts are held with multiple agencies to provide temporary staff, in order to ensure the necessary levels of staffing resource needed to deliver the service.</p>	<p>Unlikely</p>
<p>D5. The operational depot falling into a state of disrepair and becoming unable to be used as an operational base for ECSS.</p>	<p>Substantial disrepair, including specific mandatory welfare facilities, causing the operational depot to become unusable. Failure to provide the required levels of repair would force ECSS to obtain a different operating centre. The Council would need to provide space under its tenancy agreement with ECSS.</p>	<p>Although survey work has been completed, no substantial investment or construction has been completed in the last two years.</p> <p>A report is to be submitted to the Council’s Finance and Assets Committee, requesting necessary improvements are made to reduce the risks.</p>	<p>Unlikely</p>

Section 9: SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> • Strong industry knowledge and experience • Evidenced performance achievements • Established team with skills and expertise • Drive and Determination 	<ul style="list-style-type: none"> • Recruiting suitably trained and experienced HGV drivers • Aging workforce • Technologically disadvantaged
Opportunities	Threats
<ul style="list-style-type: none"> • Expanding existing commercial contracts • Create new commercial relationships and contracts • Expand the team's skill base to reduce the need for external contactors • Increase reputation • Develop new and existing business areas • Growth of social media presence • Gain support from local communities and businesses 	<ul style="list-style-type: none"> • Recruitment competition from other waste providers and logistic industry • Contracts ending and not being renewed • Weather • High turnover of trained staff • COVID – 19 and the lasting impacts that remain • Increasing levels of sickness absence