

28 January 2015	ITEM: 21 (i)
Council	
Cabinet Member Report - Environment	
Report of: Councillor Tony Fish, Portfolio Holder for Environment	
This report is public.	

Introduction

The Environment Portfolio is unique in the Council, in that the services it represents are the only Council services that are provided to all residents in the Borough every week. Waste collections are made from every household as an active interaction and more passively the levels of street cleanliness and the state of our parks, open spaces and verges have impact on all residents and visitors to the Borough as they go about their daily business.

The core services covered by the portfolio and delivered by the Environment Directorate, are:

- Waste collection and disposal
- Street Cleansing
- Parks and Open Spaces (including Country Parks)
- Operational aspects of Highway Repair and Maintenance
- Fleet Management and Maintenance

This report has been prepared to provide an overview of those services. Details of each service are provided below with an overview of current performance against key performance indicators and benchmark comparators where possible. Some of the challenges and opportunities for the service are explored.

Service Overview:

Waste Collection and Disposal

The current Waste Collection regime has been run by an in-house team since 2010. The service provides a weekly collection of residual waste, dry recycling and kitchen and garden waste. The disposal of all waste collected is controlled through a suite of 6 contracts. These have been in place since 2010 and cover the various strands of disposal as well as the provision of a civic amenity site.

Over the course of a year the collection teams empty 10 million wheeled bins, disposing of 69,000 tonnes of household waste. A key measure of success for the service is the proportion of collections made on time. In 2013/14 the team achieved on time collection of 97%, and the year to date figure for 2014/15 is 99%. The cost of the collection service

per household currently stands at £1.60 per household per week.

The three bin system supports the Council's objectives relating to recycling and despite a dip in the recycling rate over the past two years, our performance continues in line with the National Average for English authorities with an outturn of 42% in 2013/14. The target for the current year is to achieve a recycling and re-use rate of 45%. A joint project is underway with Housing to encourage residents in multi-occupancy dwellings to actively participate in the recycling collections. Recycling rates are important not only for the environmental benefits, but also from a cost perspective. The cost of disposal for recycling is significantly lower than via landfill.

Improvements to the Household Waste & Recycling Centre (Civic Amenity Site) at Linford have seen a wider range of materials accepted for recycling, a higher proportion of materials handled being recycled, and a reduction in the amount of trade waste illegally entering the site.

Significant changes are planned for the service in 2015 with the re-tendering of some disposal contracts, and plans are being prepared to move to an optional, paid garden waste collection service and an alternate week collection programme. The changes are being implemented to enable the Directorate to operate with the reduced financial envelope available due to Council-wide savings targets.

Street Cleansing

For 2013/14 the standard of street cleanliness in Borough has shown a further year on year improvement with levels of cleanliness significantly better than the national average performance standard. It is important to note that the improvement in cleanliness has been achieved whilst the cost of the service per head has remained amongst the lowest. The 2012/13 APSE (Association for Public Service Excellence) performance indicator standings report indicates that our annual cost of street cleansing per head was £9.88; this is £1.43 lower than the previous and year and £1.10 less than the comparator group average.

Parks and Open Spaces

Parks amenities across the borough have continued to be maintained to a high level, and the quality of play and sports facilities has been enhanced. The department continues to support the highly regarded Thurrock in Bloom event. The Green Flags that are awarded as a testament to the quality of the facilities and management of Coalhouse Fort and Langdon Hills were retained in 2014. £1.2 million has been secured from Heritage Lottery and the Veolia North Thames Trust to further restore the Coalhouse Fort site, with the installation of new toilets and a café planned. A proportion of the income from the café will be ring-fenced to fund future restoration work on site. An Education Officer and Community Development Officer post have been grant funded for a three year period to support the work of the existing ranger team.

The service is responsible for the maintenance of green spaces on Housing land. The Service Level Agreement that has now been in place for 4 years has delivered improved maintenance in housing areas, and the annual SLA charge to Housing was reduced in April 2014 by £130,000 to reflect efficiencies achieved within the service.

Operational Highways Maintenance and Repair

Although not responsible for the strategic aspects of the Highways Network, the Environment portfolio includes the service that carries out the on-street work such as maintaining footpaths, verges and sightlines, repairing potholes and winter gritting, as well as a number of minor capital projects across the borough. The team has also been delivering the infrastructure work for the Coastal Pathway project. The past (2013/14) winter was notable in that it was very mild and our gritting operations were only mobilised on 23 occasions. However, we are still prepared to deal with the harshest winter conditions that may occur, and already this season have carried out 14 gritting runs.

Fleet Management

The creation of the workshop at St Clements Way has been a positive development for the department. Repair and maintenance for the Council's fleet of vehicles is now completed in-house, reducing dependence on expensive external providers. Additionally the service has assumed responsibility for the safety inspections for Taxis and private hire vehicles in the Borough and has recently been approved as a VOSA MoT Centre.

Recent reviews of the fleet have allowed us to reduce some of our equipment levels and lower service overhead costs as a consequence.

Key Challenges for 2015/16:

As with many of the Services delivered by the Council the key challenge faced by the Environment Portfolio is the depth of the savings required to enable the Council to operate within budget constraints.

The reduced operational capacity necessary to deliver the scale of savings required will result in a lower level of service in many areas, and the team is currently refining proposals to minimise this impact wherever possible.

Changes planned include a move to area-based working and reconfiguration of the grounds maintenance and street cleansing teams, which will deliver improvements in both productivity and responsiveness, taking into account the reducing resources available for the service.

Additionally, the relocation of the services currently based at the Curzon Drive depot to improved facilities at the Directorate's Oliver Close/St Clements site will enable management and back-office functions to be restructured, reducing overhead costs and allowing frontline capacity to be prioritised.

The Service continues to seek new avenues for generating income. Trade waste collections from schools have been ongoing for the past year and opportunities relating to arboriculture and grounds maintenance work are being explored.

Key Service Outputs

Service Area	Function	Annual Output	Weekly Cost per Household
Waste Management	No. of domestic bin collections per year	9,968,244	£1.60
	Annual domestic tonnage collected and disposed of	72,390 tonnes	
	% of domestic bins collected on time	98.6%	
Street Cleansing	Annual cleansing miles of highways.	15,672 miles	£0.59
	Number of Litter Bins emptied	587 No.	
	Tonnage of Street Cleansing waste collected	3,136 tonnes	
Greening (incl Parks & Open Spaces, Country Parks, Burial Grounds, Outdoor Sports etc)	No. of Playgrounds maintained	71 No.	£0.94
	Overall grassed areas maintained	518 hectares	
	No. of Urban Parks maintained	72 No.	
Winter Maintenance (2013/14 season)	Tonnage of salt used	673 tonnes of salt used	£0.06
	No. of Gritting runs completed	23 runs	
	Length of Gritting run	266 miles per run	
	Total miles gritted	6,118 miles gritted	

Summary

The Environment Portfolio is operating both effectively and efficiently with no major areas of significant weakness. The strategic and operational management within the Department continues to be strong, demonstrating robust financial management and continuous improvement in the delivery of high quality services across the Borough.

Financial Information:

Summary of Environment Directorate Budget Savings

	Year on Year Savings Changes			
	2014/15	2015/16	2016/17	2017/18
Fleet / General Savings & External Income	37.5	112.5	-	-
Reduction in General Management costs	23.0	116.0	-	-
Consolidate depots onto single site at Oliver Close/St Clements Way	50.0	150.0	-	-
Transfer highways maintenance, gully cleansing, emergency response and winter maintenance services to Planning and Transportation	55.0	165.0	-	-
Review all Grounds Maintenance, Parks, and Street Cleansing operations	172.0	1,506.0	331.0	-
Revisions to waste collection and disposal arrangements (including charging for garden waste)	-	973.0	520.0	-
Fortnightly collection of residual waste and recycling	-	260.0	260.0	-
	337.5	3,282.5	1,111.0	-

Revenue Budget Financial Forecast

ENVIRONMENT DIRECTORATE FINANCIAL STANDARD MONTHLY PERFORMANCE -TRADING ACCOUNT FORMAT

Trading Division	Trading Account Heading	Trading Cost Type	2014/15 Budget	Budget to Date	Actual Spend to Date	Variance to Date	2014/15 Forecast Spend	2014/15 Forecast Variance	
Direct Costs & Income	Income	External Work & Other Income	1,963.0cr	646.7cr	677.7cr	31.0cr	1,994.5cr	31.4cr	
		Fees & Charges	642.6cr	222.4cr	204.3cr	18.1	624.5cr	55.1	
		Highways Work Income	1,441.1cr	560.9cr	613.2cr	52.3cr	1,493.4cr	52.3cr	
		Housing Work Income	1,227.9cr	561.4cr	603.3cr	41.9cr	1,269.7cr	41.9cr	
		Internal Recharge Income	5,226.7cr	1,757.5cr	1,641.5cr	116.0	5,112.8cr	116.0	
		Income Total		10,501.2cr	3,748.9cr	3,740.0cr	8.9	10,494.9cr	45.6
		Running Costs	Employee Costs	7,443.8	2,569.1	2,619.7	50.6	7,489.4	38.6
			Internal Management & Supv'n	2,094.4	682.5	661.2	21.3cr	2,073.6	23.1cr
			Operational Premises	1,762.8	610.0	575.0	35.0cr	1,727.8	35.0cr
			Sub Contractor (External)	6,407.9	2,363.0	2,441.1	78.1	6,486.0	48.1
			Sub Contractors (Internal)	490.5	163.5	221.4	57.9	548.4	57.9
			Supplies & Services	1,129.9	349.5	266.3	83.3cr	1,046.8	83.1cr
		Transport Costs	3,984.4	1,268.2	1,195.1	73.1cr	3,913.3	71.1cr	
		Running Costs Total		23,313.7	8,005.9	7,979.8	26.1cr	23,285.3	67.8cr
	Direct Costs & Income Total		12,812.6	4,257.0	4,239.8	17.2cr	12,790.4	22.2cr	
Fixed Costs & Overheads	Admin Support Costs	Central Admin Support	1,166.5	388.8	388.8	0.0cr	1,166.5	0.0cr	
		Admin Support Costs Total	1,166.5	388.8	388.8	0.0cr	1,166.5	0.0cr	
	Back Office / Overheads	Consultant Fees	135.0	39.4	44.6	5.3	140.3	5.3	
		Depot & Office Expenses	1,109.3	366.9	374.5	7.6	1,116.9	7.6	
		Back Office / Overheads Total	1,244.3	406.2	419.1	12.9	1,257.2	12.9	
	Capital Financing	Lease Payments & Debt Chgs	1,939.0	646.3	652.4	6.1	1,945.0	6.1	
	Capital Financing Total	1,939.0	646.3	652.4	6.1	1,945.0	6.1		
	Fixed Costs & Overheads Total		4,349.7	1,441.4	1,460.3	19.0	4,368.7	19.0	
	Grand Total		17,162.3	5,698.3	5,700.1	1.7	17,159.0	3.3cr	

ENVIRONMENT DIRECTORATE FINANCIAL STANDARD MONTHLY PERFORMANCE -SERVICE FORMAT

Service	Sub Service	2014/15 Budget	Budget to Date	Actual Spend to Date	Variance to Date	2014/15 Forecast Spend	2014/15 Forecast Variance
Greening Services	Cemeteries, Allots. & Memorials	288.7	113.1	70.8	42.3cr	283.4	5.3cr
	Country Parks	300.7	100.0	99.3	0.7cr	300.0	0.7cr
	Grays Beach	203.7	80.7	109.4	28.6	232.4	28.6
	Greening Services Holding A/cs	25.4	214.4cr	146.9cr	67.4	92.8	67.4
	Horticulture	409.0	135.5	131.3	4.2cr	404.8	4.2cr
	Parks and Open Spaces	1,872.0	635.7	616.9	18.9cr	1,853.1	18.9cr
Greening Services Total		3,099.5	850.7	880.7	30.0	3,166.5	67.0
Street Services	Highways / Emergency Response	459.0	72.4	9.7cr	82.2cr	372.2	86.8cr
	Street Cleansing Services	1,852.6	612.9	580.8	32.1cr	1,820.5	32.1cr
Street Services Total		2,311.6	685.3	571.0	114.2cr	2,192.4	119.2cr
Waste Management	Waste In-House Services	5,419.8	1,835.1	1,875.3	40.2	5,453.0	33.2
	Waste Contracted Services	6,331.5	2,327.3	2,373.1	45.8	6,347.2	15.8
Waste Management Total		11,751.2	4,162.4	4,248.4	86.0	11,800.2	49.0
Grand Total		17,162.3	5,698.3	5,700.1	1.7	17,159.0	3.3cr