



EAST CAMBS STREET SCENE HALF YEAR UPDATE

1 April 2023 to 30 September 2023

1. INTRODUCTION

The purpose of this report is to provide the Operational Services Committee, acting as the Shareholder Committee, with an update in the following areas:

- Progress against the Business Plan 2023/24
- Strategic Risk Management
- Current Financial Position

2. PROGRESS AGAINST THE BUSINESS PLAN 2023/24

Core Services: ECSS provide a range of statutory and not statutory waste and street cleansing services to ECDC. The scope of the work broadly covers:

- Provision of the statutory domestic waste collection service including the collection of recycling, garden waste, food waste and general residual waste on the agreed schedules.
- Provision of ancillary services for domestic waste collection including bulky waste removals, bin/bag deliveries, missed bin collections, assisted collections and provision of bins to new developments.
- Provision of the statutory street cleansing service including scheduled street sweeping and litter picking of all adopted highways as appropriate.
- Provision of ancillary services for street cleansing such as removal of fly tips and graffiti (public and private land), provision and emptying of litter /dog waste bins,
- Provision of communications, policy and strategic support across waste education, government data returns, review of planning applications, development of new services in line with legislative requirements.

Project Street Smart: The 2023/24 Business Plan also set out an ambitious improvement programme to address both the acute issues and more systemic challenges ECSS has experienced throughout 2022 and early 2023. The improvement programme known as 'Project Street Smart' is centred around 4 themes:



Core Services:

A revised range of key performance indicators were agreed as part of the 2023/24 business plan to provide transparency about service quality and service performance. From quarter 1 the service was still going through a period of change and stabilisation, the effects of which are reflected in the performance for the first 6 months. However, the performance compared to the previous year has seen a steady improvement and in fact has reached the same or better performance of that being achieved in Q1 2021.

Health and safety – staff welfare

Description of Key Performance Indicator	Target	Q1	Q2
ECSS Accident Incident (AIR) score	4%	5%	1.52
No. reported monthly near misses	10 or more	2	0
Percentage of productive days	94% (sickness absence 6%)	93%	TBC

Waste Collection

Description of Key Performance Indicator	Target	Q1	Q2
Refuse – Average no. of missed bins per 100,000 bins collected	15	57	45
Recycling – Average no. of missed bins per 100,000 bins collected	30	77	86
Green – Average no. of missed bins per 100,000 bins collected	30	98	87
No. of monthly service complaints	3	4 Average	5 Average
No. of monthly service compliments	No target	1	1

Street Cleansing

Description of Key Performance Indicator	Target	Q1	Q2
Average monthly clean streets graded A on random inspection	95%	41%	75%
No. streets graded C or below for litter on random inspection	1%	8%	0%
No. reported fly tips per month	No target	150	128
No. reported incidents of graffiti per month	No target	15	3

Description of Key Performance Indicator	Target	Q1	Q2
Removal of offensive graffiti within 1 working day	98%	0%	0%
Removal of fly tipped waste within 2 working days	98%	59%	73%
No. overflowing litter bins reported per 100 bins emptied	3	0.30	0.91
No. overflowing dog bins reported per 100 bins emptied	1	2	3.91
No. of monthly service complaints	3	Average 4	0
No. of monthly service compliments	No target	1	0

Communication, Education and Promotion

Description of Key Performance Indicator	Target	Q1	Q2
Increase in social media presence	Increase by 5%	27%	26%
School or Community groups engaged with	10 PA	0	0%
Number of local events attended	10 PA	1	6
Recycling rate	60% (annual)	60.8%	TBC (reported in arrears)
Overall waste tonnage reduction	1% (annual)	6%	+23%

Across all metrics of the Domestic Waste Collection services there are considerable improvements, and it has largely returned to an acceptable and high level of service. However there remain some challenges around the resourcing for the street cleansing service. Additional resources have been brought in to bring the cleansing and sweeping up to an acceptable level, but this area of the service requires further focus by the management team. A review of street cleansing is ongoing.

Other general service provision includes black sack delivery completed ahead of schedule, alongside delivery of calendars.

Project Street Smart

Project Street Smart has provided a catalyst for significant change and improvements across the whole service, and continues to drive improvements at pace. There remains a significant work load for the next 6 to 12 months which will have profound positive impacts on quality, compliance and efficiencies across every area of the business.

Project Street Smart Progress

Workstream 1a – Powered by People (Customers)

Work Area	Description	6 Month Update
Resident engagement	<p>East Cambs residents are engaged and want to do the right thing, but there are key demographics we need to reach out to so they can do their part, including those living in flats, those renting their properties, young adults, and those living in higher levels of deprivation.</p> <ul style="list-style-type: none"> Promote food waste reduction and recycling Behaviour change to reduce black bag waste 	<p>The campaign 'Fight Food Waste' is underway, with residents incentivised to make a pledge to win vouchers.</p> <p>Reusable wipes trial launched to target lower income families normally not able to purchase these kits.</p> <p>Attendance at family events with County Council colleagues with recycling games and information.</p>
Schools and local groups	<ul style="list-style-type: none"> Relaunch of the successful Schools Programme. Promotion of the Waste Awareness programme for community groups. 	<p>While this remains an important strand of the education programme, the focus for the comms team has been on Project Street Smart more generally and therefore the team have not attended as many events as hoped.</p> <p>7 events attended 1 planned events</p>
General Comms	<p>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.</p> <ul style="list-style-type: none"> Project Street smart will be weaved into our resident engagement strategy, including: Promotion of a green fleet Enhanced street cleansing service Increasing customer confidence in our services Readiness for the Resources and Waste Strategy 	<p>A comms plan has been devised and will commence in Q3. Chewing Gum campaign launched to change behaviour and reduce gum litter. Successful bid for funding from government for cleaning equipment and comms materials.</p> <p>Next Period: Arrival of new vehicles (schools competition to name them). Relevant press release as applicable when moving to HVO, launch of Love Your Street campaign</p>

Work Area	Description	6 Month Update
	With the Council bringing communication back in house, ECSS will work closely with the team to ensure high quality, valuable comms are delivered through a variety of communication channels.	including awareness days which will also be used to update residents on the street cleansing service review progress.
Customer Journeys	<p>Implementation of the Waste digital system will enable us to review and improve:</p> <ul style="list-style-type: none"> • Customer interaction with the service • Communications between the customer and the service • Live service updates and comms • Reporting and service requests 	<p>Specification, procurement of the product was achieved in Q1. A significant period of time over the summer has been spent on data quality as we have moved from a paper only process to a fully digital one. The new system was soft launched for all refuse crews in September and a full go live will happen alongside the delivery of the new vehicles in October/November.</p> <p>Next Period: Q3 will see the development and configuration of the automated customer journeys, with a planned go live in Q4. The reporting function of the technology will also be fully utilised in Q3.</p>

Workstream 1b – Powered by People (Staff)

Work Area	Description	6 Month Update
Staffing Structures	To implement the new staffing structures following consultation.	<p>The consultation on the new Management Structure was concluded on 30 June. Transition to the new structure started on 1 July.</p> <p>Most posts have been filled with the exception of Operations Supervisor and Chargehand. However all other key management personnel have been recruited and started during the August and October.</p>
Skills and Training	Undertake a skills gap analysis for both front line and office staff.	A review of all front line staff skills, capabilities and training records has been completed and a

Work Area	Description	6 Month Update
	<p>Develop a continuous development plan for office staff including:</p> <ul style="list-style-type: none"> • Leadership and People Management skills • Technology as an enabler • Data analysis and performance management skills • Project management skills • Health and safety best practice for Street Scene operations • Transport Management • Depot Management and specialist vehicle training <p>Develop a continuous development for front line staff including:</p> <ul style="list-style-type: none"> • Induction • Safe and environmentally aware enhanced driving operations • Health and Safety • Customer Service • Tool box talks • Ownership and problem solving 	<p>comprehensive updated suite of tool box talks covering all areas of the service has been developed and currently being delivered to all crews.</p> <p>An improved compliance training module has been developed for drivers and they have received a rolling programme of toolbox talks on all areas of compliance.</p> <p>A training matrix programme has been developed for Operations Supervisors and its delivery is underway.</p> <p>Where required, other adhoc training on policies, leadership and people and project management has also been delivered or is underway</p> <p>Next Period Finalise new induction programme. Improve manual handling training Improve driver assessments</p>
<p>Recruitment and Retention</p>	<ul style="list-style-type: none"> • Develop and implement a new recruitment strategy, moving away from reliance on Agency staff, and taking a targeted approach to recruit locally and to target new demographics. • Introduce a career development programme for crews to progress from Loader to HGV Driver to Apprentice Supervisor. 	<p>A successful recruitment to replace agency across front line services was completed. The job description and advert were updated.</p> <p>Next Period: Career development programme to be developed.</p>

Work Area	Description	6 Month Update
Culture and Wellbeing	<p>Development and implement a communications and engagement programme with frontline staff. Focussed on:</p> <ul style="list-style-type: none"> • Wellbeing • Health and Safety best practice • Customer care • Technology as an enabler • Introducing the Environment Act and impacts for the service • Coping at the sharp end 	<p>A health and wellbeing plan has been developed. Includes health screening, information of staying well etc.</p> <p>The Street Smart project has been communicated to all and updates of service development is provided at toolbox talks.</p> <p>Next Period Develop a crews quarterly newsletter and staff survey Develop the wellbeing programme Develop a suite of 'other training' customer care, coping at the sharp end etc.</p>
HR Policies	<p>Review and consult on HR policies to align with best practice and the needs of ECSS</p>	<p>Sickness policy updated and currently with union for comments.</p> <p>Next Period : Review and consult on all other HR policies to align with best industry practice.</p>

Workstream 2 – Robust and Resilient

Work Area	Description	6 Month Update
Fleet - Procurement & wider vehicle management improvements	<p>The procurement of the new recycling fleet due to the lead time (circa 28 weeks) will give a partial benefit during 2023/24 including:</p> <ul style="list-style-type: none"> • lower carbon emissions • reduced running costs • greater service resilience • facilitate the adoption of technology <p>Other areas;</p>	<p>10 RCVs ordered 28 March 2023. Delivery confirmed from 23 October.</p> <p>Sold 3 end of life vehicles and produced specification for new street cleansing vehicles. Introduced new fuel keys and monitoring of fuel use.</p> <p>Maintenance Contract reviewed. New KPI's and reporting established. Significant reduction in</p>

Work Area	Description	6 Month Update
	<ul style="list-style-type: none"> • Enhancing driving skills • Improving maintenance turnaround • Reducing the reliance on hired vehicles • Exploring alternative fuel and reducing fleet costs 	<p>vehicle off road and improved turnaround of all planned maintenance.</p> <p>New maintenance contract arrangement for all small fleet, with local supplier.</p> <p>Exploring options and developing new specification for maintenance across fleet to replace existing contract due to expire 31 March 2024.</p> <p>HVO options explored. Currently cost prohibitive, and therefore further proposals to come forward to committee around costs.</p> <p>Next Period Finalise procurement for HVO (if agreed) Take delivery of new fleet and training.</p>
Adoption of digital tools	<ul style="list-style-type: none"> • Introducing incab technology • Vehicle Driver telematics on the new fleet as a new standard moving forward • Developing internal KPI's to support a revised performance management regime 	<p>All drivers and loaders trained on using incab terminals (currently in refuse collection rounds only) Back office team fully trained on system with super users in place.</p> <p>Next Period: Driving efficiency program to be launched with Drivers and new KPI reporting to drive safer and more environmentally friendly driving.</p>
Right sizing resources	<p>A revised management structure to:</p> <ul style="list-style-type: none"> • Improve and increase management resilience • Support the revised performance management regime 	<p>Management structure with additional resources implemented. New roles introduced include:</p> <ul style="list-style-type: none"> • Development and Support Services Manager • Transport and Depot Manager • Operations Supervisor

Work Area	Description	6 Month Update
	<ul style="list-style-type: none"> • Create clearer accountability, ownership, and front-line management demarcations • Structure to accommodate emerging future operational growth (Environment Act 2021 impact) <p>A revised operational structure to:</p> <ul style="list-style-type: none"> • Reduce the reliance on Agency staff • Clarity on ways of working and accountabilities • Structure to accommodate emerging future operational growth (EA impact) 	<ul style="list-style-type: none"> • Admin/Customer support • Depot Chargehand <p>All new and existing job descriptions rewritten and issued.</p> <p>All existing crew vacancies recruited to.</p>
Compliance Review	<ul style="list-style-type: none"> • Implement the findings of the Transport Management and Depot Audits. 	<p>All short and medium term findings of the Transport Management audit completed.</p> <p>Next Period: Longer term audit findings to be implemented. Review of transport management plan.</p> <p>External depot improvement proposals in development and being costed.</p>
Medium term implementation plan for Environment Act	<ul style="list-style-type: none"> • Review and digitise waste collection and street cleansing rounds • Undertake a cost impact analysis for implementation of the Act • Increase waste management competencies and capabilities • Design a compliant operational delivery model that meets local needs 	<p>Waste Technology implemented.</p> <p>Next Period: ECDC to review requirements for service beyond May 2025 (end of MOA)</p>

Workstream 3 – Safe and Green

Work Area	Description	6 Month Update
Depot Investment and Management	<p>Depot Infrastructure improvements</p> <ul style="list-style-type: none"> • Provide a safer place for staff, and to operate from • Accommodate future management and operational upgrades • Reduce our operational carbon footprint • Improve the working environment for staff <p>Operation Practices:</p> <ul style="list-style-type: none"> • Review and upgrading of SSOW, • Revised transport management and compliance plan fit for future growth (EA) • Revised operational procedures to accommodate adoption of technology and future growth (EA) • Improve and establish new waste storage and handling practices. 	<p>Depot internal works 60% complete, including new crew mess, operations office, back office, meeting and training rooms. New electric heating (green energy tariff) replaced oil heating system.</p> <p>Next Period Toilets, showers and changing rooms to be completed, and back office team room.</p> <p>External depot improvements to be developed and costed.</p> <p>Review all depot operational and waste handling practices and create associated documentation and training.</p>
Transport Management	<ul style="list-style-type: none"> • Prepare forecasting for vehicle replacements • Introduce Driver KPI performance 	<p>Vehicle replacement schedule completed. Vehicle cost analysis completed and maintained.</p>
Environmental Practices	<ul style="list-style-type: none"> • Revised waste management processes focused on reducing waste • Review of other non-core operational programming and frequencies (smarter ways of working – right first time) 	<p>Review of litter and dog waste bin provision</p> <p>Next Period: ECDC to review requirements for service beyond May 2025 (end of MOA)</p> <p>Proposals for litter and dog waste collection schedules and changes to fee structures.</p>

Street Cleansing review	<ul style="list-style-type: none"> • Review service quality, scheduling and working practices with Street Cleansing services; • Review equipment and vehicles • Establish minimum deployment levels and new management regime • Secure contract cleansing of for dual carriageways 	<p>Review Ongoing – assessment against MOA, working practices, and resources.</p> <p>New contract for dual carriage ways and other major A roads. Cleansing regime complete for 2023</p>
Health and Safety refresh	<ul style="list-style-type: none"> • Consolidate our H&S database Improve the visibility of our H&S management and lines of communications • Develop a risk-based management intervention regime 	<p>New Health and Safety management system in place.</p> <p>Next Period: New health and safety communications campaign and encouraging reporting of near misses. Internal comms and newsletter to be developed.</p>
Exploring green innovations	<ul style="list-style-type: none"> • Explore use of alternative fuels (HVO) or additives (SOLTRON) • Explore the introduction of electric pedestrian mechanical sweeper • Adoption of new recycling fleet and telematics to improve driving and reduce emissions and fuel consumptions 	<p>HVO supplier identified. Working with other Cambridgeshire LA's on procuring at scale. HVO tank location and installation prepared.</p> <p>Next Period: Review options for electric on street cleansing vehicles HVO contract Infrastructure requirements for HVO Vehicle additive for fuel efficiency for older fleet</p>

Workstream 4 – Commercially minded

Work Area	Description	6 Month Update
Value for money review	<ul style="list-style-type: none"> • Review high spend contracts for VFM, • Benchmark current costs v local competitors • Introduce new KPIs for our maintenance contractor • Identify and encourage the use of local suppliers, 	<p>Maintenance Contract reviewed. New KPI's and reporting established. Significant reduction in vehicle off road and improved turnaround of all planned maintenance.</p> <p>New contract for small fleet with local supplier</p>

	<ul style="list-style-type: none"> Review current external revenues streams, to improve efficiencies and maximise the commercial revenue opportunity 	<p>Quotes gathered from other Maintenance providers and currently under review.</p> <p>Next Period : Long term vehicle maintenance contract to replace existing due to expire 31 March 2024.</p>
Back office Process review	<p>Revised structure and improved resilience in order to;</p> <ul style="list-style-type: none"> Streamline processes, Introduce more automation, real time tracking and customer reporting and reduce double handling. Introduce revised internal KPI tracking regime Remove paper from back-office process as much as possible. 	<p>Review of use of CRM and improved close time process and communicating information to customers in a timely way</p> <p>Next Period: Integration with waste management system and CRM to improve customer reporting, automation of tasks, and reduction in all paper processes.</p> <p>Implement bin deliveries, bulky waste collections and street cleansing regimes on Waste Management system.</p>
Commercial collections /Cleansing feasibility study	<ul style="list-style-type: none"> Undertaking an internal gap analysis and feasibility study on commercial and schools waste collections Market research and local demand opportunity to identify potential commercial street cleansing opportunities (e.g. large commercial outlets, leisure centres, construction sites etc) Review demand and current opportunities for commercial graffiti removal/cleansing on private land/property 	<p>Currently on hold to be revisited following ECDC review of service specification and MOA.</p>
Joined up working	<ul style="list-style-type: none"> Share best practice between ECSS and ECTC. Identify ways of working to improve cost control and identify cashable efficiencies. 	<p>Next Period: Review ways of working, enhanced contracting and management across the Commercial group.</p>

3. STRATEGIC RISK MANAGEMENT

The approved ECSS Business Plan 2023/24 includes Risk Management. The Risk Management Plan has been amended to reflect changes within the delivery of the service and the ongoing uncertainties in the macro economic environment.

Generally risks have increased across the register to reflect the ongoing uncertainty regarding resources and financial pressures within the service, as well as there being no clear guidance from Government about the implementation of the Environment Act 2021.

There is an improved differentiation between the ECSS contract and ECDC client arrangements, while this has not yet come fully into effect the risk remains high. It is anticipated that with the new governance arrangements in place these risks will return to an expected level.

Finally the existing MOA was created in 2018 and set out the Councils requirements as the time. Between this period and now, there have been both service and cost changes that are not necessarily reflected in the 'contractual' arrangements. The MOA is due to expire in March 2025 and ECDC will be reviewing its requirements for a statutory waste and street cleansing service beyond 2025.

The Board of Directors continue to monitor risks on an ongoing basis.

Inherent Risk							Residual Risk				Monitoring
Risk No.	Risk Description	Effect	Owner	Likelihood	Impact	Score	Key Controls	Likelihood	Impact	Score	Notes
Legislative/Policy											
1.	Changes and/or delays to changes in legislation relating to Waste and Environmental Management	<p>Changes to the types of services provided by ECSS</p> <p>Increase in costs dependent of service model</p> <p>Potential delays in vehicle procurement – current replacement regime might have to go ahead despite not knowing the requirements of legislation. Or significant additional costs for maintenance, vehicle down time, and increase hire costs are likely.</p>	MD	5	4	20	<p>Continuous monitoring of changes to legislation and government guidance through liaison with DEFRA, RECAP Partnership, ebuletins, consultations, LGA Knowledge Hub. The RECAP partnership is working together to mitigate impacts with partner authorities</p> <p>Significant changes in Legislation due to announced in relation to the Environment Act 2021. LA's are awaiting guidance from DEFRA. However changes are anticipated to be implement from 2025.</p> <p>The Councils Waste Champion Cllr and Observer on the ECSS board is briefed and engaged with strategic planning of any changes.</p> <p>When the Government publishes the requirements they will need to be considered immediately by ECDC. If legislative changes are required ahead of the MOA expiry in 2025 then an amended Business Plan or Exit Strategy may need to be approved by the Board of Directors and submitted to Council.</p>	5	3	15	<p>This is a known risk.</p> <p>ECDC Officers are actively engaging with DEFRA and MPs and ECSS Board is being kept up to date with announcements.</p> <p>Following announcements to changes to the implementation of the Environment Act 2021 by the Prime Minister in September, ECDC will be required to review its options.</p> <p>A waste service review will be underway in November for further consideration by the Council ahead of any changes to ECSS service delivery model.</p>

2.	Changes in the Councils delivery mechanism for Waste and Street Cleansing services (e.g out source /inhouse)	ECSS would cease to operate	MD	5	5	25	<p>The Council is currently operating under a memorandum of agreement that runs to 2025. And would be required to provide notice to end the contract.</p> <p>Any new MOA would need revision to ensure it remained fit for purpose and reflect the service provision required of the council.</p>	4	5	20	<p>ECDC will be required to review its waste collection strategy at least 1 year ahead of the MOA expiring, to enable mobilisation of a new service or to contract out the service etc. Until this review is carried out this risk has been increased.</p> <p>ECSS has delivered a significant improvement plan through Project Street Smart and has demonstrated the capability of the company to make improvements and return to expected performance levels.</p>
3.	<p>Non - Compliance with Regulatory frame works and Guidance:</p> <p>Health and Safety Legislation Waste and Environmental Management Transport Management</p>	<ul style="list-style-type: none"> • Fines • Legal Challenge • Dangerous practices • Staff or public safety endangered or injured • Cease and desist 	Di	4	5	20	<p>Audit of Depot and Transport operations recently undertaken (February 2023) improvements identified and nearly complete.</p> <p>New H&S Management system in place, review of all COSHH and generic risk assessments</p> <p>Infrastructure improvements to Littleport Depot including cctv, drainage, surfacing, lighting</p> <p>Review of all SSoW complete and issued.</p> <p>'O'licence operations moved to ECSS and vehicle maintenance contract novated to ECSS.</p> <p>Training delivered to all staff via tool box talks.</p>	3	3	9	<p>This risk has dropped significantly following the improvement programme. Due to the nature of the highly regulated service, this risk will always remain high on ECSS monitoring regime.</p>

							New management structure in place, and recruited to key compliance roles.				
Governance											
4.	Inadequate governance arrangements and lack of clarity on roles of ECSS and ECDC could lead to poor decision making that undermines the operation of ECSS.	Impact on the operation of ECSS Impact on spending	MD	3	4	12	Shareholder Agreement Articles of Association Rights of Observers Memorandum Of Agreement New quarterly reporting regime implemented for ECSS board and papers provided to Operations Committee New arrangements in place for ECSS Director role and separation of ECDC Client Director role. October 2023 MOA amendments proposed by Board and agreed by Council	2	4	8	Arrangements to separate client and contract functions at Director level will commence November 2023. Further changes to project street smart will be required to allow for ECDC to solely manage the strategy and policy requirements for ECDC.
5.	ECSS is wholly owned by ECDC and so is subject to the controls and decision-making process for matters that are outside of the Business Plan.	The speed of decision-making process may have an impact on ECSS ability to operate effectively.	MD	3	4	12	Shareholder Agreement October 2023 – Updated MOA proposal agreed	1	4	4	The Shareholder Agreement provides for the ability of extraordinary meetings of the Shareholder Committee to be called to consider urgent business and where necessary make recommendations to Full Council.
Economic											
6.	ECSS is not a Profit making Company and therefore the	Negative cash flow Operating insolvently Overspends	FM	5	5	25	ECSS/ECDC Finance Manager Briefings	4	5	20	2022/23 has had significant financial impacts. 2023/24 Management fee increased however there remains overspend

	management fee does not allow for unexpected costs.						<p>Board review of Management Accounts</p> <p>Forecasting of market fluctuations :</p> <ul style="list-style-type: none"> • Fuel • Materials Commodities • Inflation <p>October 2023 – Updated MOA proposal agreed</p>				<p>forecast of £80,066k at year end. This is a best case scenario and dependent on vehicle deliveries happening on time and fuel costs remaining lower than budgeted.</p> <p>New mechanism to report over/underspends and request additional management fee.</p> <p>KPI's updated with appropriate tolerances and targets to avoid unnecessary fines levied by ECDC</p> <p>There remains financial pressures for ECSS as currently many variable costs sit entirely with ECSS (eg fuel costs) Staffing costs are also higher than planned due to sickness and agency cover</p> <p>A zero base costing for ECSS will be carried out in preparation for any new service requirements. A full review of the MOA will also be required.</p>
7.	Recruiting and Retaining staff in a competitive market leads to salary increase, reliance on agency, lack of skills within the service.	<p>The national shortage of HGV drivers has meant significant reliance on agency workers and high rates of pay.</p> <p>High turnover of staff. Services are cancelled where there is not enough staff leading to pressure on others</p>	Di	4	4	16	<p>'Grow our own scheme introduced for HGV drivers</p> <p>Continuing professional development for staff identified</p> <p>HR policies under review</p> <p>All JD's reviewed and salary's evaluated</p>	3	2	6	<p>This will be monitored and reviewed as part of Project Street Smart</p>

		High sickness					New recruitment scheme using specialists and more targeted recruitment where appropriate. Skills Gap analysis completed and training underway				
Operational											
12.	Inadequate management of Operation, contracts can lead to poor performance and overspends	This could impact on ECSSs ability to operate within the regulatory framework, meet the KPI's set out in the business plan, leading to poor quality of service, increase costs.	Di	3	4	12	Management Structure and Skills gap review completed and implemented. New monitoring and reporting regime in place to identify issues early Improved financial reporting of	2	4	8	Structure and recruitment will take a few months to bed in, therefore the service will need to remain vigilant to performance and costs
13.	Adequacy of organisational resources to deliver the required business outcomes.	Could lead to not being able to deliver the Business Plan or requirements set out in MOA	Di	4	5	20	Resources identified when recommending the Business Plan for Board and Operations Committee approval. Business plan for 2023/24 notes review of resources to be addressed 10x RCVs order. Delivery due October 2023 Review of Street scene resourcing to be reported to board October 2023	4	5	20	<i>Awaiting street scene review.</i> Resource allocation with in the Business plan have remained largely static since the inception of the MOA and not fully factored in growth in the district or service Changes since 2018. A full review of the MOA is required to ensure it is still fit for purpose.

4. FINANCIAL

The table below details the latest management accounts for 2023/24:

	Actual to September 2023	Business Plan to September 2023	Variance	2023-24 Forecast	2023-24 Business Plan	Variance
INCOME	2,251,665	2,249,141	2,524	4,492,678	4,489,363	3,316
Staffing Costs	1,337,218	1,233,465	103,753	2,633,145	2,456,703	176,441
Non-Staffing Costs	1,045,277	1,016,331	28,946	1,939,600	2,032,660	(93,060)
EXPENSES	2,382,495	2,249,795	132,699	4,572,744	4,489,363	83,381
Profit (Loss)	(130,830)	(654)	(130,176)	(80,066)	(0)	(80,066)

Staffing costs are higher as the use of agency staff to cover staff absences caused by sickness and/or vacancies has been higher than budgeted. This is forecast to continue in the second half of the year, and coupled with additional management costs compared with budget will mean an estimated overspend of £176k on staff for the full year.

For the first half of the year, non-staff costs have been £29k higher than budget where underspends against budget on fuel costs (caused by the lower price of diesel) have helped offset higher than anticipated costs of hiring replacement vehicles for some of the older vehicles where it was deemed uneconomical to continue repairing them.

In the second half of the year, the delivery of the new refuse collection vehicles will greatly reduce the overall expenditure on repairs and hire of replacement vehicles. A saving on the procurement of black sacks this year compared to budget will also contribute to a net underspend of £93k.