



GREATER CAMBRIDGE
SHARED SERVICES

2018/19 Annual Report

VERSION 1.0

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Executive Summary

The Greater Cambridge Shared Services Annual Report contains a detailed breakdown of the performance of the shared planning, waste and audit services against their approved business plans for 2018/19. All three services have retained their Senior Managers and have business plans for 2019/20, which have been approved by Cambridge City and South Cambridgeshire District Councils.

The Greater Cambridge Shared Planning service is still in the implementation phase of unifying as a shared service. It has been necessary to focus on the service design and ICT issues in the implementation phase. It is anticipated other areas will progress more rapidly now the bulk of this is in train.

Following a period of considerable change in 2017/18, the Shared Waste Service has been in a position to develop in a number of detailed areas of its operations both internally and by implementing policies that benefit customers.

The Shared Audit Service has again underspent on its budget. In 2018/19 the figure was £32,036, which was partly achieved by introducing new digital ways of working. This will put the service in a good position to meet expected requirements to deliver additional audit days in 2019/20.



Greater Cambridge Shared Services is a strategic partnership between Cambridge City Council and South Cambridgeshire District Council

SECTION 1 -GENERAL INFORMATION

- 1.1 Cambridge City and South Cambridgeshire District Councils have developed a range of shared services. The Greater Cambridge Shared Services comprise planning, waste and audit. This is the second Greater Cambridge Shared Services Annual Report.
- 1.2 The shared services each have identified service objectives and produce an annual business plan designed to meet those objectives. The Annual Report is an assessment of how they have performed against these plans. They have all produced business plans for 2019/20, which have been approved by the parent councils.
- 1.3 During the year, the performance of the shared services is overseen by the Greater Cambridge Management Board. The Board is made up of lead directors from the authorities. It reports to the Greater Cambridge Chief Executives' Board and then on to the Joint Shared Services Group. The latter comprises the Councils' Leaders.
- 1.4 To ensure the governance arrangements promote transparency and public accountability, both the Annual Report and Business Plans are submitted to Cambridge City and South Cambridgeshire District Councils for formal Member approval.
- 1.5 The following paragraphs contain service specific details on the operation and performance of the shared services. All services are monitored against a range of performance measures, on their financial performance and customer satisfaction and on the achievement of development projects.

SECTION 2 - SHARED PLANNING SERVICE

2.1 The Greater Cambridge Shared Planning Service went live in April 2018 with the following objectives:

- To create and deliver an effective programme for the creation of a single, unified "Greater Cambridge" planning capability serving the Planning Committees of each of the participating Councils.
- To build a shared capacity and capability within the combined teams (and provide opportunities to support others) in a way that seizes opportunities for efficiency and quality improvements by providing services and products (including additional charged services) that meet the needs of users and the community at the lowest net cost.
- To deliver a service that can be flexible - in deployment and delivery.
- To build/retain a reputation for professionalism, staff development, the delivery of high quality outcomes and competent "business management" amongst peers and partners.

2.3 The Greater Cambridge Shared Planning Service is the "Local Planning Authority" for the areas of South Cambridgeshire District Council and Cambridge City Council. It therefore has a number of statutory roles to perform on behalf of the two Councils and, in addition, undertakes a number of "discretionary" activities that complement the delivery of corporate and strategic planning objectives.

2.4 The service can charge fees, which are set nationally for planning and related applications and for land charge searches. It also levies a range of discretionary charges for pre-application advice.

Financial Performance

Further information is provided in the performance report at Appendix 1.

2.5 The budget position for 2018/19 is recorded in the table below:

£	Budget	Actual	Variance/Outturn
Planning	4,485,235	3,209,758	1,275,477 (surplus)

The total underspend of £1,275m primarily relates to revised costs (including staffing) and significant increased income for South Cambridgeshire District Council.

Service Performance

2.6 During 2018 the service implemented a new management structure. This comprises two service centred teams (led by the two Assistant Directors, Sharon Brown and Paul Frainer) and a central support/enabling team to assist the senior management team in managing the efficient operation of the "business" led by Steven Winsor. During the implementation phase of the

project, the service is also being supported by a discrete implementation capability.

- 2.7 The service's performance against the three indicators that it monitors is on track. No slippage is reported. The on track indicators are:
- Decision making within statutory or agreed timelines for Major applications
 - Decision making within statutory or agreed timelines – Minor applications
 - Decision making within statutory or agreed timelines – Other applications

Further information appears in Appendix 1.

- 2.8 The previous Head of Implementation left in April 2019 and to mitigate the impact of this, Heather Jones 3C Building Control Strategic Lead has been seconded into the shared service on a part time basis. Her role will be to assist with the second phase implementation and transition phase of the shared planning service. Recruitment to the Operations Manager post has been successful with a start planned for May 2019.
- 2.9 With regard to ICT matters, an e-mail address has been confirmed and will shortly be implemented. A focused recruitment website is also to be progressed this year along with the upgraded new planning software system(IDox). Implementation of the IDox solution, has slipped to the autumn to allow for the Council Anywhere (CA) rollout in the service, the progression of the phase 2 implementation and the need to focus resources on operational priorities in 3C ICT and the planning service. Council Anywhere implementation is currently underway and appears favourable. Team members will receive their new devices in through June, Office 365 training is now being offered to all.
- 2.10 Work has commenced on the service's branding. It is anticipated there will be some quick wins for team development.
- 2.11 The service can report on some significant achievements and success stories. This year has seen the conclusion of the Local Plan process to put in place an up to date Development Plan for the Greater Cambridge Area. Work on the Development of the North East Cambridge Area Action Plan, underpinning the Housing Infrastructure Fund Bid has also started. The adoption of the Local Plan has been accompanied by ongoing work on the Supplementary Planning Documents (SPD) for strategic sites at Waterbeach, Cherry Hinton and Bourn Airfield and adoption of SPD for Mitchams Corner and the Grafton Centre. Support for the GCP and Combined Authority programmes have seen significant engagement with those bodies.
- 2.12 On the Delivery side, approval of reserved matters on a number of Strategic sites and progress around project delivery at Wing, Northstowe, Waterbeach, Darwin Green and on a number of key employment sites has nevertheless been accompanied by ongoing service delivery challenges associated with staff workloads and system performance.

- 2.13 On 27 February 2019 the service held a celebration to mark 50 years of the Cambridge Conservation Area in the Guildhall. It was a successful event with over 100 attendees. There was an afternoon session with exhibition and talks highlighting the significance of conservation areas along with display boards of the history of various buildings within Cambridge Conservation Area. The evening session consisted of a series of talks and question and answer panel of James Littlewood, CPPF, Ian Harvey, Civic Voice, Duncan Wilson, Historic England. Talks ranged from community involvement in the Conservation Area and a national picture of their importance along with ideas for future evolution. This supports the vision of the Greater Cambridge Shared Planning service.
- 2.14 With two finalists in the National Urban Design Awards, it was fantastic that the co-housing at Marmalade Lane won the public sector award on 28 March 2019. These awards celebrate the best in the design of towns and cities, streets and spaces and there are five categories in total. Marmalade Lane is the first co-housing project in Cambridgeshire consisting of 42 housing units and communal space with common ownership. The community were involved throughout with the design team, City Council as land owner, South Cambridgeshire District Council as planning authority and Members to collaborate on this successful scheme.

Customer Engagement

- 2.15 Data for South Cambridgeshire show satisfaction running at 72%. Data has not historically been collected for Cambridge City. New measures are being developed for the whole service alongside the proposed creation of additional capacity in the service to improve customer insight.
- 2.16 The service continues to engage actively with users through forums (Agents and Parishes) and has undertaken joint projects, such as village design statements in South Cambridgeshire throughout the year.
- 2.17 All planning services traditionally receive a number of complaints. This is generally due to the decision making process; however there are other reasons such as response times. Whilst both Councils have been transitioning into the Greater Cambridge Shared Planning service this has impacted on the response to complaints for the service. Measures are now being put in place to address this. Complaints tend to be complex, requiring lengthy investigation time and are generally related to development management issues.

Key Projects

- 2.18 The service has two projects on track, two have experienced some slippage that is not significant and one has significant slippage. The projects on track are Phase 2 of the shared service planning programme and a review into how improved accountancy will allow the service further to account for and recover where possible the costs of delivering projects, advice or services to others in line with the objective of maintaining our capabilities (to deliver high quality development on behalf of communities) at lower net cost and meet 2019/20 MFS commitments.
- 2.19 Amber progress is reported in respect of the review advice services and the recruitment and retention programme. The Planning software upgrade has

seen significant delays. The upgrade to Uniform has been re-phased and likely implementation is proposed in the autumn. The Council Anywhere Programme will be delivered through May/June on site; Planning is one of the first services in this rollout. It will be followed by mobile phone deployment to support agile working across the service.

SECTION 3 - SHARED WASTE SERVICE

General Information

- 3.1 The Greater Cambridge Shared Waste Service was set up with the following objectives:
- Deliver a safe and legally compliant service.
 - Maintain and improve service quality that residents can see and appreciate.
 - Lower operational costs, particularly in the areas of premises, management, administration, fleet and equipment costs.
 - Increase opportunities to market and compete for additional business, for instance in relation to trade waste.
 - Find new opportunities to reduce net costs in relation to fleet procurement and maintenance.
 - Achieve service improvements, greater resilience and better performance, through shared knowledge and experience.
 - Enhance opportunities to work with other Cambridgeshire local authorities via the RECAP Waste Partnership to reduce waste collection and disposal costs, improve income and secure service improvements.
 - Deliver the KPIs for the service; deliver the ongoing benefits of a shared service through change and innovation.
- 3.2 The Service comprises a single management structure and workforce, located at Waterbeach Depot using a single fleet of vehicles for residents of Cambridge City and South Cambridgeshire.
- 3.3 Collection of recycling and waste from approximately **121,600** households and over 2,700 commercial customers across both council areas, which generates about 9 million collections a year.

Service Performance

- 3.4 The service in 2018/19 has been focusing on the following operational areas:
- Annual staff training programme for all operation staff.
 - Increase in health and safety monitoring.
 - Small restructure for operational management team.
 - Developing improved operational systems.
 - Completing scheduled collection in day and reducing missed collections.
 - Minor Round changes between vehicles and reducing commercial vehicles on certain days.
- 3.5 The Yotta management system is now embedded in to service. It includes the ability to search for properties with bin stores and to submit invoices for trade

collections undertaken. The bin request webform is working well and is integrated with Yotta.

- 3.6 The policy that the green bin would be collected monthly has been fully implemented. The period during December through to March represented the first winter that the policy applied to all residents. A further policy initiative enabling residents to subscribe to receive an additional green bin started in South Cambridgeshire, with over 3,000 bin subscriptions.
- 3.7 The service is still struggling to recruit drivers into vacant posts owing to high demand for skilled drivers in the market. The amount and type of advertising undertaken has been increased to try to attract more drivers. A further incentive is the introduction of a Golden Hello payment. Six operatives are on driver training courses.
- 3.8 The service is leading the Cambridgeshire and Peterborough Waste Partnership (RECAP) to resolve past and current challenges arising from the contract. RECAP is collectively sourcing both legal and technical support that will be required during the current discussions. The discussions are necessary to ensure the contract is more stable for the remainder of its term. The Compliance Officer is responsible for monitoring and compliance for all partners using the Materials Recycling Facility.
- 3.9 Some benchmarking has been undertaken and the current contract with Amey has been found to be extremely good value. Similar terms would not be achieved if the service attempted to re-tender at this point because of the harsh conditions in the recyclate market.
- 3.10 In terms of performance, the number of successful collected on scheduled bins continues to remain extremely high. The service has also focused on contamination of dry mixed recycling at bring sites, which has led to a change to the material collected at two sites within the City and the removal of other sites within the District. Post these changes there has been zero contamination at the City sites. This process will be rolled out to other highly contaminated bring site locations within the City.
- 3.11 Internally, work has taken place with the facilities team at South Cambridgeshire Hall and a new office recycling system has been introduced; additional support to improve recycling is being provided at Mandela House and The Guild Hall.
- 3.12 The service has rolled out a safety campaign under the banner #ConsiderTheImpact. The campaign is aimed at encouraging motorists to be patient around waste vehicles by highlighting the huge impact an accident would have on people's lives, including for the person driving dangerously. There have 39 reports by our drivers of such incidents and close working is taking place with the police on this.

Financial Performance

Further information is provided in the performance report at Appendix 2.

- 3.13 The Outturn for 2018/19 is as follows:

£	Budget	Actual	Variance/Outturn
Waste	4,558,290	4,575,275	16,985 (overspend)

3.14 The financial position of the shared waste service is complex. Detailed analysis appears in the Appendix.

Service Performance

3.15 The service identified three Key Performance Indicators for 2018/19. Two indicators are on track and one is red. The target of 99.5% of bins collected on schedule was extremely high. As a result the service particularly undertakes monitoring to ensure that any repeated missed collections are investigated and resolved.

3.16 The second indicator relates to the percentage of household waste sent for reuse, recycling and composting. The recycling rate for the year to the end of February 2019 was 51.05%, which exceeded the target of 50%. This compares well with a recycling rate 50.19% for the same period last year.

3.17 The third indicator was new for 2018/18. It introduced a target sickness absence rate of 1.17 days per full time equivalent employee per month. The target has not been met. Absence management is a very active area in the service and all cases that hit trigger levels have been reviewed by managers with a nominated Human Resources (HR) contact. The Operation Manager has fortnightly meetings with HR to focus on long term sickness as this is having a significant effect on the performance.

Customer Engagement

3.18 In addition to using social media, leaflets and council magazines the service has undertaken a significant amount of face to face resident engagement and has engaged with both local and national media. The following are a sample of the work undertaken:

- Recycling, compost awareness and other education events.
- Community Action days held at Gamlingay, Orchard Park, Cambourne
- New Recycling and WEEE banks opened at Glebe Aura and Abode
- Carbon neutral report filmed by ITV at our underground bin site at Aura
- Gonville and Caius College - sustainability event - recycling and trade waste talk delivered
- Skills swap day at Brownfields community day, clothes swapping, take it or leave it stall, repair café, metal general waste and WEEE skip.

3.19 The Shared Waste Service is working on raising both Councils' profiles on a national stage:

- TV coverage for recycling and contamination scheme and safer driving.
- Involvement on BCC Radio 4 programme Costing the Earth.
- Presenting at a number of national events on topics including Plastics and new Resources and Waste Strategy.

- Co-hosted a special event showcasing our Eddington underground waste collection systems with the Association of Public Service Excellence (APSE).
- Shortlisted for the two National Recycling Awards, one for innovation and a second for partnership, for the underground collection system at Eddington, Cambridge.
- Finalists for the APSE awards on 13 September (Best Partnership working Initiative) for the Underground bins at Eddington
- Shortlisted for the Community Sweep project by the Local Authority Recycling Advisory Committee.

Project Performance

- 3.20 The service has completed three projects during 2018/19. All three projects are on track. The continued delivery of a shared waste service programme covers a number of service areas, which includes the approval of a set of standardised policies/procedures. These have been published on the councils' websites.
- 3.21 The second project saw the development of the Shared Commercial Waste Service to increase commercial waste profitability. This has required planning a marketing and communication campaign with corporate and service teams following on from a review involving the Judge Business School. Business support staff have been recruited to assist in the running of the service.
- 3.22 The final project comprised a review of the South Cambridgeshire Street Cleansing Service. Data collection has been completed and added to Yotta. A review of sweeping activity is being undertaken to improve sweeping cover. Staff briefings for litter and dog bin emptying, fly tipping and litter picking collections have taken place to implement changes. New zones for organising the work are beginning in May and street sweeping will follow on at the middle/end of May.

SECTION 4 - SHARED AUDIT SERVICE

General Information

4.1 The following objectives have been agreed:

- Protection of services which support the delivery of the wider policy objectives of each Council.
- Creation of services that are genuinely shared between the relevant councils with those councils sharing the risks and benefits whilst having in place a robust model to control the operation and direction of the service.
- Savings through reduced managements costs and economies of scale.
- Increased resilience and retention of staff.
- Minimise the bureaucracy involved in operating the shared service.
- Opportunities to generate additional income, where appropriate.
- Procurement and purchasing efficiencies.
- Sharing of specialist roles which individually, are not viable in the long-term.

4.2 The role of internal audit is to provide independent assurance that an organisation's risk management, governance and internal control processes are operating effectively. The detailed role of Internal Audit is set out in the Internal Audit Charter, which is approved annually by the partners' relevant Audit Committee. To act successfully as a key business partner, internal audit teams need to be fit for purpose and provide assurance of the necessary quality, depth and coverage. The key service objective is to provide assurance on each Council's control environment.

4.3 A risk based plan is completed annually, in consultation with management, to help ensure that work reflects both corporate priorities and corporate risks. The details of the plan are then presented to each Council's relevant audit committee for approval. The plan is designed to be flexible, so that work can be re-prioritised in response to the continually changing risk environment. This approach helps to ensure that the scarce resources are allocated in such a way that they add the most value to the Council.

Financial Performance

Further information is provided in the performance report at Appendix 3.

4.4 The outturn for 2018/19 is as follows:

£	Budget	Actual	Variance/Outturn
Audit	319,300	287,265	32,036 (surplus)

4.5 The underspend is mostly attributable to staff vacancies, partially offset by the increased Agency Worker costs. In addition the team maintains its professional expertise through training and the purchase of professional

publications and guidance. There has been a £4k saving as training has been delivered in house, and it has not been necessary to purchase any publications this year.

- 4.6 The team has started to make some operational savings by reviewing its ways of working. For example a digital working approach was introduced for completing benefit subsidy assurance work, which enabled the service to reduce the number of days required to complete this activity. It is aimed to exploit further efficiencies by utilising smarter ways of working through Council Anywhere. South Cambridgeshire District Council has an appetite for increasing the amount of days committed to the Internal Audit Plan, which will increase the overall budget and change the percentage split for 2019/20.

Service Performance

- 4.7 The service is on track against both of its indicators. The team achieved accreditation with the standards for PSIAS (Public Sector Internal Audit Standards) and LGAN (Local Government Application Note) at the beginning of the year. Compliance has been maintained following the accreditation. Under the effectiveness indicator, the key documents (Annual Head of Audit Opinion and the Annual Governance Statement) were completed to statutory deadlines at both Councils. If the Accounts had been concluded on time, the Annual Governance Statement would have been finalised, so the team is confident this KPI has been met.
- 4.8 The team is making good progress delivering the plan for both Councils and has undertaken a number of pieces of responsive work. An ongoing challenge at South Cambridgeshire District Council is the closure of the accounts for 2017/18. A member of the team previously worked as an external auditor at EY, which is a great resource to have. This has enabled the team to complete the closure checklist for the Council, helping to provide assurance to the external auditors. Most Internal Audit teams do not have experience in this area, so it is intended to utilise these skills at the beginning of the next financial year further to assist South Cambridgeshire District Council with the 2018/19 closedown. It should also be noted that the delay has required additional amendments to be made to the Annual Governance Statement to ensure it reflects the current risk environment.
- 4.9 The team is currently utilising two agency workers to help deliver the internal audit plan at both sites, and this has helped with the conclusion of a number of pieces of work. A new agency worker commenced in January, who replaced an existing agency worker. Recruitment has been approved for replacement substantive employees.
- 4.10 The team aims to maximise its productive time and has introduced this as a performance measure for 2019/20. It also is developing a joint audit plan to maximise productivity through increasing coverage efficiency. ICT has been a challenge over the past year, and it is estimated that 20 days have been spent managing ICT disruption, outage and resolution. The team has an effective business continuity plan to manage workload during ICT outages as it is a significant user of technology. As a shared service working across multiple

sites there is vulnerability to long term ICT disruption risks, although the service also benefits from the potential resilience of working at multiple sites with alternative hardware and network provision.

- 4.11 The team was independently accredited as “Generally Conforms” to both the PSIAS and the LGAN at the beginning of the financial year. This is the highest level of accreditation and was reported to both relevant audit committees. A significant amount of work was required to achieve the accreditation. In addition, the team has been delivering an action plan to make further improvement; examples include:
- Development of an in-house management system for audit plans;
 - Revision to the audit manual for joint working across multiple customers;
 - Revision to working templates and procedures;
 - Development of joint audit plans to maximise productivity.
- 4.12 Additional unplanned work requests from South Cambridgeshire District Council include preparing a revision of the Audit and Corporate Governance Committees Terms of Reference. This will be completed to the standards established by CIPFA in 2018. The committee is also requesting that the team co-ordinate assurance of Counter Fraud and Corruption, which would not have been part of our standard Business Plan, however it is good practice.
- 4.13 Actions agreed as part of Internal Audit reviews are recorded on the risk management system: 4Risk. South Cambridgeshire District Council has started to use this in 2018/19, while Cambridge City Council has been recording Internal Audit actions for a number of years. Management are responsible for updating progress of their actions, which are followed up by Internal Audit. A significant number of actions have been identified, which had not been updated over the past couple of years, so the team has proactively worked with managers to ensure these are up to date. Now that these records are up to date, monitoring can revert to business as usual.

Project Performance

- 4.14 The service has undertaken one project during the year. PSIAS compliance has been achieved and a number of improvements during the year have been implemented.

Looking Forward

- 4.15 The service is developing a risk based embedded assurance process for ISO14001 and ISO9001 standards. The Greater Cambridge Shared (Trade) Waste team aim to maintain compliance with the standards, which requires input from Internal Audit. These standards are not typically used in Local Government, but are used by trading entities. The aim is to be compliant, and advertise this, as it can provide assurance to customers, which can be important for attracting business. Once the risk based embedded assurance process is established, there may be merit in other Council teams applying for

the compliance standards, as it may help to generate revenue by attracting customers.

- 4.16 Unplanned work included revisions of the Annual Governance Statement at South Cambridgeshire District Council due to late conclusion of the Statement of Accounts. Revisions to the document have to be agreed with Audit Committee, External Audit, the Leader and the Chief Executive. This is still ongoing whilst the accounts are concluded. It is highly likely that the same challenge will be encountered in 2019/20.
- 4.17 At the same time, it has already been noted that South Cambridgeshire District Council is exploring the potential benefits of increasing the amount of days committed to its Internal Audit Plan, with the associated budget implications.
- 4.18 It is recommended that the risk management system: 4Risk system is used to record and monitor actions agreed from other external inspections, such as external audits and housing inspections.
- 4.19 The team has identified where it can improve processes through Council Anywhere and is looking forward to being an early adopter of the technology.

SECTION 5 - GOVERNANCE

- 5.1 Shared Services' governance arrangements are designed so that the partners have joint responsibility for the shared services and that decisions are made at the most appropriate level. Formal governance begins with service specific steering groups for the planning and waste functions. These groups ensure the partner councils' Executives have close oversight of the services.
- 5.2 Next in the chain, governance is focussed around a Management Board made up of lead directors of the two authorities. The Management Board's role is to provide leadership and to drive the shared services to achieve the strategic and operational objectives they were established to deliver.
- 5.3 The Management Board reports to the Chief Executives' Board and then on to the Joint Shared Services Group. In addition, Business Plans for each shared service and an Annual Report are submitted through the three Councils' formal decision-making forums for approval.
- 5.4 It is confirmed that the Management Board has met throughout the year as have the Chief Executives' Board and the Joint Shared Services Group. The Management Board has fulfilled its monitoring role by receiving quarterly performance reports. The Chief Executives' Board and Joint Shared Services Group have ensured that Business Plans and the Annual Report are produced in such a way that they can be approved by Members.
- 5.5 To enhance the governance arrangements, the planning and waste services are nearing completion of Memoranda of Understanding governing their operation.
- 5.6 Shared services are subject to audit and an Audit Protocol has been adopted for this purpose.

PLANNING SHARED SERVICE

Budget Position

	2018/19 Budget £	2018/19 Actuals £	2018/19 Variance £
Income	(5,435,193)	(5,158,326)	(276,867)
Expenditure	9,920,428	8,368,084	1,552,344
Total (Net)	4,485,235	3,209,758	1,275,477

Service Performance Against Indicators

Decision making within statutory or agreed timelines for Major applications. Monthly	2018/19 Target 60% Actual 71% GREEN <input type="checkbox"/>
Decision making within statutory or agreed timelines – Minor applications. Monthly	2018/19 Target 65% Actual 70% GREEN <input type="checkbox"/>
Decision making within statutory or agreed timelines – Other applications. Monthly	2018/19 Target 80% Actual 86% GREEN <input type="checkbox"/>

SHARED WASTE SERVICE**Budget Position**

	£	£
Waste Operations Variance	16,985	
Staffing Costs		71,402
Contracted Services - MRF		169,792
Other costs		(166,727)
Income		510
Fleet Costs		(57,992)

Adverse Variances**Staffing**

Salary savings due to staff turnaround	75k
Overtime savings	76k
Agency staff for backfilling vacant posts and sickness	(210k)
Staff associated costs (medicals, training etc.)	(12k)

The total overspend on staffing costs within the GCSWS is £71k, incorporating all budgets for salaries, overtime and agency backfill as well as staff training and medicals etc. Savings on budgets associated with permanent staff mainly due to turnover during the year (£63k) and less overtime (£76k) have been offset by the over-utilisation of agency staff (£210k) to backfill those vacant posts and cover sickness which remains high.

Materials Recycling Facility

An entry in the strategic risk register has already identified this as a budgetary pressure. The 2017/18 outturn reported that the tighter controls of contaminated material at Amey and the global downturn in material prices had led to an adverse effect on the budget in-place for processing recyclates. The financial implications of these changes were not evaluated in time for the 2018/19 budget setting and consequently the budget over spend has continued to the sum of **£170k** for domestic collections. Going forward, a budget injection of £200k has been approved in

2019/20 to counter this budget pressure and a compliance officer has been recruited by the RECAP partnership to assist with the monitoring of the contract to ensure that costs do not escalate unchecked.

Income

Income streams within the GCSWS are varied, ranging from income generated from commercial activities and special or bulky household waste to that received from the sale of wheeled bins, additional collection services and recycling credits. Commercial sensitivity restricts the detailed reporting of these figures; suffice to say that overall, income across all these channels is within £510 of that budgeted. Revenues from trade waste activities are lower than that targeted, however, lower than budgeted revenue does not necessarily correlate with lower net surpluses. Costs in relation to commercial activities have also reduced (see below) and customers are being encouraged to recycle more of their trade waste, which is both cheaper to the GCSWS to process but also cheaper for the customer, leading to reduced revenues to the service.

Recycling credits received from the Waste Disposal Authority attributable to recycled waste collected at the kerbside are under budget by **£45k**. Again, this may not correlate to reduced performance as the income generated is directly attributable to tonnages collected. Manufacturers are being encouraged to use more sustainable materials in their packaging along with the increased use of lighter plastic material, which all have an impact on the tonnage but will not affect the recycling performance indicators.

The reduced income from recycling credits has been more than offset by continued increases in income over budget from:

- Bulky household collections - £36k
- Collection of green waste (2nd green bin – CCC) - £18k
- Reimbursed costs from collecting from Eddington - £36k
- Income generated from bins sales and s106 income - £69k

Positive Variances

Fleet Costs

Fleet costs are showing a favourable variance of £58k. The majority of this has come from the saving of £93k in the fuel budget. This is a visible way of showing the financial viability of shared services and demonstrates that budget savings can be found by working smarter and continually monitoring round configurations to optimise efficient working. **£30k** of this has been offset by increased costs in spot hiring vehicles which were necessary to cover the turnaround time between returning the contract hire vehicles back to the lease company and delivery of the new Council owned RCV's. Spot hiring of this nature should not be needed in the future as all vehicles are owned by either Authority.

Other

As alluded to above, although trade income has declined, so have the costs associated with commercial waste, most notably the costs of disposing of waste either through the MRF or most markedly in landfill. The budget for landfill disposal costs are showing savings of £223k with MRF disposal costs of £64k set against this

leaving a net saving to the commercial waste service of **£159k**. This saving reflects the GCSWS strategy in promoting recycling across the whole service which when directed towards trade should manifest into greater margins and ultimately increased profits.

Unutilised budget for ICT software of **£30k** is a one-off saving as a result of the change of the waste management software system to Yotta. This is a shared service system implemented by the 3C partners. The first year's licence costs of Yotta have been paid for as part of the implementation costs, which are treated and budgeted for within the capital budget for this project.

Service Performance Against Indicators

Bins collected on schedule (target 99.5%)

	Missed	Possible	Actual	% Missed	% Collected
April 18	1,519	646,394	644,875	0.23%	99.77%
May 18	1,940	675,172	673,232	0.29%	99.71%
June 18	1,981	682,443	680,462	0.29%	99.71%
July 18	4,047	680,227	676,180	0.67%	99.33%
Aug 18	2,319	708,967	706,648	0.33%	99.67%
Sept 18	709	616,946	616,237	0.11%	99.89%
Oct 18	1,128	704,620	703,492	0.16%	99.84%
Nov 18	868	682,443	681,575	0.13%	99.87%
Dec 18	666	649,119	648,453	0.10%	99.90%
Jan 18	1,199	712,545	711,346	0.17%	99.83%
Feb 18	892	621,360	620,468	0.14%	99.86%
Mar 18	940	655,930	654,990	0.14	99.86

Household waste sent for reuse, recycling and composting (target 50%)

	2017/18	2018/19
Quarter 1	52.3%	55.6%
Quarter 2	54.3%	51.5%
Quarter 3	49.9%	50.29%
Quarter 4	43.6%	Estimate 43.19%
Annual	49.7%	Estimate 50.55%

Sickness absence rate

	2018/19				
	Short Term Absence	Long term Absence	Total Absence	FTE	Sickness days per FTE
April	136	132	268	171.53	1.56
May	101	184	285	174.53	1.63
June	103	99	202	170.09	1.19
July	99	130	229	169.09	1.35
August	101	110	211	170.09	1.24
September	139	42	181	168.09	1.08
October	104	134	238	167.09	1.42
November	119	63	182	167.09	1.09
December	131	66	197	168.09	1.17
January	185	138	323	167.09	1.93
February	85	100	185	166.09	1.11
March	135	84	219	166.09	1.32

SHARED AUDIT SERVICE

Council Budget Contribution

Council	Cost £	% split
Cambridge City Council	225,565	78
South Cambridgeshire District Council	62,060	22

Service Performance Against Indicators

Performance indicators	
How many performance indicator targets have been set for this service?	2
How many are currently green (on track)?	2
How many are currently amber (within 10% of target)?	0
How many are red (more than 10% adrift of target)?	0