

Performance Report Quarter 1 – April 2022 to June 2022

Lead Officer: Mickey Green, Managing Director

Author: John Helps, Performance & Insight Officer

Contact Details: 01823 625705

Forward Plan Reference:	<i>22/04/02</i>
Summary:	This report summarises the key performance indicators for the period from April 2022 to June 2022 and compares these to the same period last year.
Recommendations:	That the Somerset Waste Board notes the performance results in the First Quarter 2022-23 Performance Report.
Reasons for recommendations:	Report for information only. Whilst this report sets out specific actions being taken to address areas of concern; the business plan sets out how we focus on improving performance.
Links to Priorities and Impact on Annual Business Plan:	Transparency – Publishing Key Performance Indicators
Financial, Legal and HR Implications:	No direct financial, legal or HR implications.
Equalities Implications:	No equalities implications
Risk Assessment:	Areas of poor performance inform our overall risk assessment. A summary of risk is now included within each quarterly performance report, showing our top risks, new risks, changes in risks and mitigating actions.

1. Background

- 1.1.** As part of the Somerset Waste Partnership’s drive for continuous improvement, this report ensures that each quarter, Board Members receive an update on progress in delivering the Business Plan and on all key aspects of what SWP does and hence how well it is delivering its vision and outcomes. Subject to the views of the board,

we will continue to improve how we report performance to the board and take feedback from the discussion at the Board to incrementally improve the transparency of this reporting.

2. Summary

2.1. Key headlines are:

- **Business Plan:** The roll-out of the final phase of Recycle More began on 28th February in Somerset West and Taunton (old West Somerset area) and Sedgemoor, with Q1 2022-23 being the first full quarter we report on with all households now on the new service.
- **Waste Minimisation:** Overall household arisings (inc. kerbside and recycling centres) reduced by just over 5,304 tonnes, or -7.37% compared to 2021-22. This equates to a reduction of 22.04kg/hh for household arisings (of which 5.95kg/hh is recycling and 16.09kg/hh residual). Recycling decreased by 428 tonnes at the kerbside, and by over 863 tonnes at recycling sites. Kerbside collected residual waste reduced by 3,636 tonnes, with residual waste at recycling sites reducing by just over 376 tonnes.
- **Recycling:** Our recycling rate continues to improve compared to last year (up 2.55% to 59.03% from 56.48%) and continues to show the benefit of Recycle More across Somerset, with further improvements expected to be seen across 2022-23, when we will have a full year with all Districts on Recycle More.
- **End use:** For Q1 2022-23, over 97.3% of materials stayed in the UK, with the amount that was reprocessed in Somerset increasing to 56.0%. Currently, this amounts to just over 1,052 tonnes of recyclate that was reprocessed outside of the UK, with all this material being mixed paper and cardboard sent to Germany, India, Malaysia, Turkey and Vietnam from Recycling Sites and Schools.
- **Missed collections:** We saw an increase in missed collections in Q1, compared to Q4 (2.590 per 1,000 collections against 1.766 in Q4). There was a significant increase in missed collections across all service areas, but mainly affecting recycling collections. However, the numbers began to reduce again towards the end of Q1 2022-23, particularly those for recycling and refuse, with these returning to more acceptable levels of service as round changes began to bed in. There did however continue to be issues around garden waste collections, particularly as service demand began to build towards peak season.

This measure only records reported missed collections where collections should have been made and do not include, 'dropped' or 'incompleted' rounds. The levels of missed collections continue to be one of our primary areas of focus with SUEZ, particularly those affecting assisted collections.

Time and resources continue to be devoted to ensuring significant service failures are less likely to happen in future, as SUEZ shows improvement in the short term and missed collections reduce even further.

- **Risk:** In addition to our corporate risk register we maintain a detailed risk register for Covid-19, with the separate Recycle More risk register, now closed, and any remaining open risks incorporated into the main register. Risks have also been updated to reflect those largely relating to the impacts of the national driver shortage and other staff resourcing issues.

2.2 Corporate changes to our contractors

Viridor/Biffa: As updated to the Board in June, the services currently provided through the Core Services Contract (Recycling Sites, Compost Sites, Walpole Anaerobic Digester & closed landfill management) is still expected to transfer to Biffa. The planned VEAT notice was published in late July, with no substantive third party challenge received & subsequent novation of the Core Services Contract to Biffa is expected to conclude imminently. Some service levels provided under the Core Services Contract remain noticeably below expected standards and work continues to bring these standards of operational and data provision back to that expected. Once the contract novation completes, we will have greater control over future operational standards and expect the service to revert quickly to previous levels. Biffa announced in June that it was subject to a series of unsolicited takeover bids from US private equity firm Energy Capital Partners, which it was minded to accept, if the valuation of £1.4 billion was met. Biffa announced on 30 August that it has accepted a request from Energy Capital Partners to extend the 'put up or shut up' (PUSU) deadline for a firm bid by 28 days. The issue of potential liabilities related to an ongoing HMRC landfill tax enquiry are at the centre of the discussions.

Suez/Veolia: The CMA's final report, published at the end of August, confirms its provisional findings issued in May. It rules that the merger would lead to competition concerns in 5 waste markets and 2 water treatment markets. In each of these markets, the merging businesses currently compete closely and would face limited competition after the merger. The CMA found that this would be likely to result in higher cost or lower quality services for councils, with knock-on effects for taxpayers, as well as businesses across the UK. Contractual agreements remain unchanged by the investigations, and we are assured by SUEZ, that service delivery will remain a central focus for the SUEZ team. The French utility group Veolia has agreed to sell the UK waste business of Suez to the Australian private equity group Macquarie for €2.4bn (£2bn). This disposal effectively address the main concerns of the UK Competition and Markets Authority (CMA) as previously reported to the board. It remains subject to the CMA's approval and to the right of first refusal granted by Veolia to the new Suez (i.e. the French company left after SUEZ globally has been sold to Veolia). Macquarie have been purchasing a number of UK waste and resources companies over recent months. How they describe themselves is:

Macquarie Asset Management is a global asset manager that aims to deliver positive impact for everyone. Trusted by institutions, pension funds, governments,

and individuals to manage €523 billion in assets globally, we provide access to specialist investment expertise across a range of capabilities including infrastructure, green investments, real estate, agriculture & natural assets, asset finance, private credit, equities, fixed income and multi asset solutions.

Macquarie Asset Management is part of Macquarie Group, a diversified financial group providing clients with asset management, finance, banking, advisory and risk and capital solutions across debt, equity, and commodities. Founded in 1969, Macquarie Group employs more than 18,000 people in 33 markets and is listed on the Australian Securities Exchange.

2.3 Fixy - bringing repair and reuse of electricals and electronics to communities across Somerset

Introduction

The Fixy project (previously referred to as The Repair Bus) is an important part of SWP's work to promote reuse - a key strand of the SWP Business Plan 2022-27.

Resource Futures (RF) was commissioned to look at how best to increase reuse and repair in the county, working with the established network of repair cafes and similar groups. A mobile repair vehicle/service project was one of the recommendations.

Together we successfully bid to the EcoSurity Exploration Fund. The Fixy initiative is the result. As per grant fund requirements, it is dedicated to the repair and reuse of electricals.

The project aims to support existing groups, engage new audiences, and help take repair and reuse from 'niche to norm' by:

- Educating and raising awareness of repair, reuse, and sustainable consumption.
- Amplifying existing repair activities – help groups reach new audiences and add to their fixing capacity.
- Encouraging volunteering in the repair and reuse sector.
- Engaging schools and businesses in reuse and repair.
- Addressing digital poverty – diverting used/unwanted smart tech back into communities.

Progress so far

Liaising with the existing network, SWP and RF has developed the service specifications. A driver/coordinator was recruited in April and a brand developed. The service was formally launched in mid-May, timed to coincide with the Big Fix weekend. The launch achieved a good level of positive interest among stakeholders, social media, and traditional media.

Since then, the project has been seeking out event opportunities and developing a Fixy schedule which is constantly updated. Each event receives considerable promotion, as do many non-Fixy repair events as we are aware of them.

A dedicated webpage somersetwaste.gov.uk/fixy hosts the schedule, as well as a wealth of information including contacts for Somerset's network of repair groups,

guidance on how to set-up a group and examples of successful repair and reuse. The Fixy van carries several core tools that can help with repair projects and some commonly used spares. With a solar-powered electricity supply, it can help test electricals and electronics.

As of mid-August, the driver/coordinator is qualified for PAT safety training, and this will be offered as a service wherever possible when Fixy is supporting repair cafes.

Through partnership with DonateIT (a Somerset CIC) Fixy also offers a tech amnesty service – taking donations of broken or unwanted smart tech. These are repaired if possible and passed on to schools, community groups, or recycled.

The focus throughout the summer 'event season' has been public engagement. As we move into the autumn/winter period, the intention is to focus on engagement with schools and businesses.

Promotional activities have included the sharing of "Fixy Victories" (electrical success stories linked to Somerset's repair cafes) and the completion of Repair/Reuse surveys at events – both linked to a monthly prize draw for a refurbished for reuse laptop or tablet.

Fixy was heavily involved in the first Somerset Reuse Week (in July), making three visits during the week including one to businesses at the Welsh Mill Hub in Frome.

Public feedback, at events and social media channels, has been very positive.

Types of Fixy activity

As the project has evolved, the Fixy public presence falls into two kinds of events:

- Purely promotional – attending existing or standalone events, providing information about repair and reuse, promoting local repair groups and volunteers' opportunities, and operating a 'tech amnesty'.
- Promotional/fixing – attending repair café events, offering extra repair capacity where possible as well as all the promotional activity.

At this stage, direct fixing of items by Fixy has been minimal, though clearly it supports fixing when attending repair cafes. The scarcity of volunteer 'fixers' for electrical items has been the limiting factor, an issue that repair cafes themselves face.

Developing this capacity is likely to need to be a longer-term aim and should be an important strand for this project if it continues longer term.

Summary of activities and impact

As of the end of August:

- Events attended - 24
- Number of people engaged (spoken to/sign-posted) - more than 1,000
- Items of tech donated - 173/181kgs (mostly laptop/desk top computers).
- Volunteer leads generated – 22

Note, the cost-of-living crisis is likely to make repair and reuse more pertinent for

many.

Next steps

Focus on engagement with schools and businesses. Finalising a clear 'offer' and encouraging schools and businesses to host a visit.

Consider the future of the service once current funding expires. Fixy is due to conclude at the end of 2022 calendar year, with the option of being extended and expanded (beyond just electricals) if funding is available and the project deemed a success.

Grant funders have given permission for the current funding to be 'stretched' into early 2023 (i.e., no extra money, but remaining budget can be used to extend the project).

SWP and Resource Futures are now considering potential options for the longer term, conscious of both financial constraints and in-house capacity.

3. Consultations Undertaken

- 3.1.** Consultation on findings in this report have been undertaken with SWP's Senior Management Group (officer representatives from partner authorities) and with SWP's Senior Management Team.

4. Implications

4.1 Key implications of the performance data are:

- Ongoing work with SUEZ to continue to improve service quality, with a particular focus on how they reduce repeat missed collections and improve their complaint handling, along with staff resourcing issues affecting service provision.
- Continuing to influence national policy on resources and waste, maintaining Somerset Waste Partnership's influence at this level, and implementing the actions we have agreed through the joint County-wide Climate Emergency Strategy/Plan (where funding permits us to do so).
- Robustly managing our new relationships with Viridor and Biffa to ensure that there is no degradation in service or other adverse impact on SWP.
- Continue to understand progress with the potential SUEZ and Biffa corporate changes, and any implications for Somerset.
- Continue to closely monitor budgets and spend, seek opportunities for external funding (especially for our climate emergency projects).

5. Background papers

- 5.1.** Performance Monitoring Report Q1 2022-23 (Appendix 1)

