

Report No.
ES20305

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: ENVIRONMENT AND COMMUNITY SERVICES POLICY DEVELOPMENT & SCRUTINY COMMITTEE

Date: 7 September 2023

Decision Type: Non-Urgent Non-Executive Non-Key

Title: VEOLIA CONTRACTS ANNUAL PERFORMANCE MONITORING REPORT 2022-23

Contact Officer: Catherine Cooke, Head of Environment Strategy, Technical Support & Commissioning
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Chief Officer: Colin Brand, Director of Environment and Public Protection

Ward: (All Wards);

1. Reason for decision/report and options

- 1.1 This report reviews the 2022/23 annual performance of the three Environmental Services Contracts managed by Veolia ES UK Limited: Waste Disposal, Household Waste Collection and Recycling, and Street Environment. Essential frontline waste and street environmental services are all delivered across Bromley through these contracts.
- 1.2 The production of an annual contract performance report meets the requirement within Section 23 of the Council's Corporate Performance Rules (CPR) for contracts with an annual value that exceeds £500,000.
- 1.3 The current performance of each of the three Environment Services contracts is deemed to be satisfactory.

2. RECOMMENDATION(S)

The Environment and Community Services PDS Committee is recommended to:

- 2.1 Review and comment on the contents of this contract performance report.

Impact on Vulnerable Adults and Children

1. Summary of Impact: The waste collection and street cleansing services affect all residents including vulnerable adults and children. Consideration of any additional impacts on specific groups of residents is taken when making changes to the service.
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Transformation Policy

1. Policy Status: Not Applicable
 2. Making Bromley Even Better Priority:
 - (4) For residents to live responsibly and prosper in a safe, clean and green environment great for today and a sustainable future.
 - (5) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
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Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Waste Services & Street Environment
 4. Total current budget for this head: £23.36M
 5. Source of funding: Controllable revenue budget
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Personnel

1. Number of staff (*current and additional*): 3 FTE Contract Managers
 2. If from existing staff resources, number of staff hours: As above
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Legal

1. Legal Requirement: Statutory Requirement Non-Statutory - Government Guidance Waste disposal and collection, and street environment services are controlled by a range of legislation and guidance that need to be adhered to as part of service delivery. The Environmental Protection Act 1990, places responsibility for waste and street cleaning activities onto local authorities.
 2. Call-in: Not Applicable:
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Procurement

1. Summary of Procurement Implications: Not applicable
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Property

1. Summary of Property Implications: Not applicable
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Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: 200,780 tonnes of carbon dioxide was produced from the haulage and disposal of non-recyclable refuse over the last 12 months. This is 10% lower than last year due to the increased diversion of non-recyclable refuse from landfill. The primary non-recyclable refuse facilities are within London, reducing the fuel used to transport waste.
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Impact on the Local Economy

1. Summary of Local Economy Implications: In 2022/23 Veolia spent approximately £200,125 with local companies in Bromley. 52.24% of their workforce reside in Bromley.

Impact on Health and Wellbeing

1. Summary of Health and Wellbeing Implications: The contracts deliver street cleansing services that ensure streets are free of litter and fly tips and graffiti are dealt with in an effective manner. This contributes to the council's ambition for residents to live responsibly and prosper in a safe, clean and green environment.
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Customer Impact

1. Estimated number of users or customers: All borough residents (circa 330,000), local businesses and people that work and visit Bromley.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

3. COMMENTARY

3.1 Veolia have been operating the following environmental service contracts since 1 April 2019:

Contract	Environmental Services Contract Details
Waste Disposal	<ul style="list-style-type: none">• Disposal of residual waste• Management of closed landfill site
Household Waste Collection and Recycling	<ul style="list-style-type: none">• Management of recyclable materials• Collection of household and business waste• Administration functions (Trade, Bulky and Green Garden Waste Services)• Management of the Household Reuse and Recycling Centres and Waste Transfer Stations
Street Environment	<ul style="list-style-type: none">• Street cleaning• Graffiti removal• Abandoned and surrendered vehicle removal• Parks security – (including Town Centres)

3.2 The combined purpose of these contracts is to provide a reliable waste collection service, manage waste sustainably and keep Bromley's streets clean. Collecting around 138,000 tonnes of recycling and waste from some 143,000 households and 600 local businesses as well as delivering a cleansing solution for over 500 miles of carriageway, 850 miles of footway, and 50 miles of footpath; these contracts support the Council priorities within Making Bromley Even Better and the Council's Reduction and Recycling Plan.

3.3 The period 2022/23 forms Contract Year 4 of the eight-year environmental services contracts held by Veolia. The continuing national Heavy Goods Vehicle (HGV) driver shortage and the unprecedented high temperatures experienced over the summer of 2022 impacted the performance and delivery of the environmental services frontline services undertaken by Veolia during the last 12 months. Despite this additional challenge, the contracts have continued to deliver high quality environmental services and complete projects that are designed to assist the council in delivering its priorities. For example, the Your Waste is Your Responsibility anti fly-tipping campaign reducing incidents by 40% in the target area.

Contract Management and Governance

3.4 The strategic aims for environmental services are set out in the Environment and Community Services Portfolio Plan agreed annually by the Portfolio Holder for Sustainability, Green Services and Open Spaces.

3.5 Contact monitoring is undertaken by the client Neighbourhood Management team within the Environment and Public Protection Department ensuring adherence to the contract specification. A staff realignment within the Environment Division took place in February 2022, which by placing officers in specialised teams aimed to improve the contract monitoring and customer experience as well as building organisational resilience. This realignment provides the resources required to focus on monitoring and management of the three waste and street contracts held by Veolia.

3.6 Contract performance is scrutinised in line with the Contract Procedure Rules and is managed through the governance model set out within each of the individual contracts; the Performance Management Framework (PMF). The PMF comprises of a series of Key Service Objectives (KSOs) and Key Performance Indicators (KPIs) established at contract commencement. This framework is complex but provides a mechanism to incentivise Veolia to invest in resources to address underperformance rather than incur a Performance Deduction.

- 3.7 At the monthly Service Operations Board meetings, in addition to the PMF, financial information, health and safety reports, data protection, training matrix's, key project documentation and the contract risk register are all reviewed in detail. Consideration is taken of the main operational risks and mitigation measures. For example, the heatwave during the summer of 2022 had an impact on waste collections and staff welfare and to help, Veolia introduced different working hours whilst still maintaining a level of service.
- 3.8 A Strategic Partnership Board (SPB) comprising of senior managers from the Council and Veolia meets bi-annually to oversee the strategic management of the contracts. This Board reviews performance trends and considers the annual Service Delivery Plan and Veolia's Annual Report, which provides an overview of contract performance. The Veolia Annual Report is presented in Appendix 1.
- 3.9 The SPB continues to work in accordance with the agreed Partnership Charter, which sets the principles for cooperative working between the Council and Veolia. Principles include communicating clearly, making efficient use of resources, and working together to deliver high performing services.
- 3.10 To compliment Veolia's Annual Report and the fact the period 2022/23 forms Contract Year 4 of the eight-year environmental services contracts, a mid-term report has also been provided in Appendix 2. This report sets out the progress and achievements of the services since contract commencement in 2019.

Contract Performance – Key Points

Waste Disposal Contract

- 3.11 The Waste Disposal Contract is being delivered in accordance with the specification with performance targets achieved for all KSOs and KPIs.
- 3.12 For the first time since the commencement of the contract, 0% of residual black sack waste was sent to landfill during 2022/23. This means that the Council continues to send virtually zero waste to landfill and exceeded the contractual target of 2% of residual waste sent to landfill for 2022/23.
- 3.13 In 2022/23, there was a 10% reduction in total residual waste treated compared with 2021/22. It is thought that the cost of living is impacting the amount of waste generated, as well as more residents returning to the workplace following the pandemic.
- 3.14 This non-recyclable waste continues to be sent to energy from waste facilities and used as refuse derived fuel to provide power for homes and businesses.
- 3.15 Due to repair works at the Central Depot waste transfer station and current contractual arrangements for the paper processing mills to accept paper with a high moisture content, no paper was rejected, for being wet and not recyclable, in 2022/23.
- 3.16 Management of the closed landfill site in Coney Hill is satisfactory with Veolia conducting regular monitoring of emissions and the infrastructure to ensure emissions from the landfill are managed appropriately.

Household Waste Collection and Recycling Contract

- 3.17 The Council's Environment and Community Services Portfolio Plan measures the performance of the waste collection service by two performance indicators: the number of missed collections

per 100,000 properties and the number of customers who subscribe to the paid for green garden waste collection service.

3.18 There were a total of 20 million waste and recycling collections in 2022/23, averaging 1,675,407 per month or 76,154 per day. The target threshold is less than 120 missed collections per 100,000 properties, and the year end data recorded an average of 140 missed collections per 100,000 properties.

3.19 The previous year, 2021/22, recorded an average of 100 missed collection per 100,000 properties.

3.20 Table 1 below shows the monthly breakdown of missed collections.

Table 1 – 2022/23 Missed Collections per 100k properties by Month for the Lot 2 KPI ECS 8

Month	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	2022-23 ACTUAL	2022-23 TARGET
No. of missed collections per 100,000 properties	107	108	119	161	126	134	147	141	175	198	148	121	140	120

3.21 The unprecedented high temperatures and heatwaves experienced during 2022 and the inclement weather conditions during the winter months proved challenging for the waste collection operatives which, along side the continued national driver shortage, contributed to the failure to meet the yearly target. Table 1 above shows the increase in the number of missed collections in July and again in December and January when the weather conditions had the most impact. The Government issued heat health warnings equating to a national emergency for the first time, leading Veolia to implement changes to the working day, with an earlier start time to ensure the well being of their workforce during the heat events.

3.22 The ECS Portfolio Plan 2022/23 target for the number of subscribers to the green garden waste collection service is 46,000, and the year total was 42,320. Though this is off target, 2022/23 saw an increase in 1,400 subscribers following a successful marketing campaign to target areas with low subscription rates.

3.23 The recovery of the secondary material market, particularly the increase in paper prices, meant that there was an increase in the share of the income received from the sale of collected recyclates. This contributed to an overall underspend against the contract budgets. However, the paper market commodity prices have already dropped considerably this year, making the outlook for 2023/24 less favourable.

3.24 Monthly recycling tonnages saw a reduction on 2021/22 levels, in line with the overall reduction in residual waste as material volumes return to pre-pandemic levels. There was also a large drop in the amount of green garden waste collected due to the record-breaking heatwaves impacting upon the condition of gardens.

3.25 Despite this drop in green garden waste the household recycling rate was maintained at 49% (unaudited). However, this is slightly lower than the 2022/23 Portfolio Plan target of 51%.

3.26 The reduction in waste and the incentives within the contract has a positive effect on the council's budget. However, as noted above, the market for secondary materials is volatile and impacts the year end reconciliation.

- 3.27 The waste reduction activities and actions outlined in the council's Reduction and Recycling Plan and Veolia's yearly Communications Programme continue to support and engage residents, businesses and communities to reduce their waste and use the recycling services on offer. The proposed actions include flats recycling improvement plan, delivery of the school education programme and pop-up roadshows to promote food waste minimisation.
- 3.28 62.7% of the waste delivered to the two Reuse and Recycling Centres (RRC) was sent for reuse and recycling.
- 3.29 In the autumn of 2022 Churchfields RRC was closed for four months for urgent repair works which were completed in a timely manner and the site re-opened in December 2022 as planned. Regular communications updates were provided during the closure to Member's with videos and updates provided on the Council's webpage.

Street Environment Contract

- 3.30 For the year 2022/23, a satisfactory level of performance has been achieved against the Street Environment Contract KSOs/KPIs as well as the broader objectives laid out in the Portfolio Plan.
- 3.31 Over a 12 month period, footway and carriageway assets will be serviced in the region of 340,000 times (subject to their respective cleaning frequencies). To monitor this, the Neighbourhood Management client team undertake an inspection regime to ensure cleansing tasks completed by Veolia meet the acceptable standard. From January 2022, the external party whom the Council licenced the necessary software to undertake these inspections took a business decision to no longer provide support and development to the platform. This meant a replacement system was required. Working in collaboration with Veolia, the Council was able to make use of their existing inspection platform within the wider ECHO scheduling system. The ECHO platform was fine tuned to achieve parity with the previous system, predicated chiefly on a requirement to produce a randomised inspection queue that was populated with streets due for a scheduled cleansing attendance in the preceding 24-48 hours.
- 3.32 From these inspections, the KSO and Portfolio Plan target for the 'Percentage of Streets Meeting the Acceptable Cleanliness Standard' can be derived as a percentage of inspections that have been graded as either an 'A' or a 'B', in accordance with the Defra Code of Practice on Litter and Refuse. If an asset is graded as a 'C' or 'D', this is a 'defect' and recorded as a failure against the acceptable standard. Over the year 2022/23, a total of 11,608 inspections were undertaken by the client team, of which, 11,402 inspections were graded as a pass yielding a total 98.2% of streets meeting the acceptable cleanliness standard at the time of visit.
- 3.33 The Street Environment Service specification lays out a requirement for an annual public satisfaction survey, the results of which feed into both the PMF and Portfolio Plan. Results of the 2022/23 survey can be found from section 3.43 (Street Environment) below and which demonstrate a broadly positive level of satisfaction with services rendered through contract outputs.
- 3.34 The Street Friends scheme continued to be supported with 23 litter pick events organised. Over the last year, a total of 2,809 full purple sacks have been collected following some form of Street Friend activity which is an increase of 25% from the year before (2,240 collections).
- 3.35 Comparative analysis of key public enquiry types shows a decrease in those concerning 'Dumped Rubbish' from last year to this one, moving from a total of 4,620 in 2022 to 4,589 in 2023. This continues the downwards trend from 2021 which had a total of 5,368. Enquiries relating to 'Street Sweeping' increased from 2022's total of 5,054 to 5,505. Other notable enquiry types include a reduction in 'Weeds', moving from 252 down to 217, and an increase in 'Leafing' enquiries, moving from 421 to 470. Overall, those categories make up a small

proportion of the overall enquiry volumes. 'Litter bin' enquiries remained flat, with a marginal decrease from 1,009 in 2022 to 998 in 2023.

3.36 Overall reports logged for Graffiti Removal in 2022/23 was 2,303 compared with 3,138 reports the year before; a decrease of 27%. The apparent decrease in the level of graffiti is reinforced by the result from the satisfaction survey in 2022, shown in Table 4 and sections 3.47-3.48 below.

Resident Satisfaction

Household Waste Collection and Recycling

3.37 Bromley Council works hard to maintain and improve the quality of our recycling and waste services and has been undertaking satisfaction surveys for these services since 2019/20 to provide a gauge of the perception of these services.

3.38 200 residents were surveyed at Waldo Road RRC in September 2022. Due to the temporary closure of Churchfield RCC, surveys only took place at Waldo Road in 2022. Table 2 presents a comparison of the 2022/23 survey results with those from previous years.

Table 2 – Resident Recycling and Waste Service Satisfaction Surveys

Question	% Respondents Satisfied 2019/20	% Respondents Satisfied 2020/21	% Respondents Satisfied 2021/22	% Respondents Satisfied 2022/23
Non-recyclable refuse collections	77%	83%	88%	88%
Recycling collections	86%	83%	82%	85%
Green Garden Waste Collections	90%	92%	93%	95%
Street cleanliness after waste collection	75%	80%	84%	87%
Cleanliness of the Reuse and Recycling Centres	90%	99%	98%	98%
Reuse and Recycling Centres	91%	91%	95%	95%

3.39 Table 2 indicates that most residents are satisfied with Bromley's recycling and waste services. The results show that satisfaction is improving or being maintained within all areas of service delivery.

3.40 The levels of food waste recycling participation in those residents surveyed was lower than other recycling services. Further communications and promotion of the food waste service will be carried out to improve this and support residents to use the service.

3.41 It is important to note that the surveys have several limitations in terms of measuring resident satisfaction including the limited sample size, the survey location, and the lack of independence. In addition, the methodology used in 2022 differed slightly from previous years due to the closure of Churchfields RRC. However, they do provide an indication of residents' views on the services provided outside of the Council's day-to-day feedback mechanisms.

3.42 The service area will be looking to carry out online surveys for 2023 to compliment the face-to-face methodology and to reach a larger proportion of the population.

Street Environment

3.43 Understanding service user's perceptions is an important factor in maintaining public spaces. Therefore, identifying priorities is key when determining and directing resources to ensure greatest impact to overall satisfaction levels. To assist with this analysis, on an annual basis the service provider is responsible for commissioning an independent company to undertake a satisfaction survey.

3.44 The methodology for this survey has been consistent since 2015 and was no different for the survey undertaken in 2022. This allows results to be directly comparable to all previous survey datasets. The results of the annual satisfaction survey, including trend analysis, are identified, and used to focus service resources to make improvements. As the survey is undertaken at the end of August each year, the results are somewhat historical when included within these performance reviews.

3.45 As noted, the 2022 survey was undertaken via two methods: surveys sent to a statistically representative sample of homes within the borough and through face-to-face surveys undertaken in Bromley Town high street. Overall, there were 395 respondents: 123 to the postal survey and 272 to the on-street survey.

3.46 The two survey methods are combined to give aggregate scores, and these are summarised for the main questions below in Table 3. These scores indicate that, again, the majority of residents are satisfied with the cleanliness of Bromley, with:

- 81% of respondents satisfied with the cleanliness of their street (77% in 2021)
- 86% of respondents were satisfied with the cleanliness of their local Town Centre (87% in 2021)

Table 3 - Combined Favourable Response Rates to Main Questions in 2022, 2021 and 2020

	Postal			On-street			Combined		
Street	2022	2021	2020	2022	2021	2020	2022	2021	2020
Satisfied?	79%	77%	73%	82%	78%	78%	80.5%	77%	75%
Clean?	82%	80%	80%	84%	82%	79%	83%	81%	79%
Local Area							2022	2021	2020
Clean?	86.5%	88%	95%	82%	79%	80%	84.25%	84%	89%
Town Centre							2022	2021	2020
Satisfied?	84%	83%	82%	88.5%	90%	89%	86.25%	87%	85%
Clean?	85%	83%	87%	89.5%	92%	90%	87.25%	88%	88%

3.47 Year on year comparison shows a demonstrable increase in satisfaction at a sub-question level. Of the 27 questions asked, 17 have increased, 6 remained flat, and only 4 decreased. The full comparative dataset is shown below in Table 4.

Table 4 – Combined favourable response rates for 2022 as compared with 2021

	2021 (%)	2022 (%)
STREET		
1. Satisfied	77	81
2. Clean	81	83
3a. General Litter	76	77
3b. Graffiti	97	97
3c. Chewing Gum	90	93
3d. Cigarette Ends	81	88
3e. Dog Fouling	76	78
3f. Autumn Leaf Fall	62	73
3g. Fly-Tipping	84	84
3h. Fly-Posting	96	95
3i. Weeds	75	87
3j. Overflowing Litter Bins	79	82
3k. Mud, dust or Dirt	84	89
LOCAL AREA		
5. Clean	84	84
TOWN CENTRE		
7. Satisfied	87	86
8. Clean	88	87
9a. General Litter	70	77
9b. Graffiti	93	94
9c. Chewing Gum	63	73
9d. Cigarette Ends	58	73
9e. Dog Fouling	90	86
9f. Autumn Leaf Fall	88	88
9g. Fly-Tipping	87	88
9h. Fly-Posting	92	90
9i. Weeds	93	95
9j. Overflowing Litter Bins	77	81
9k. Mud, dust or Dirt	91	91

3.48 Graffiti continues to be a very high satisfaction area, with a consistent 97% favourable response rate at a Street level and 94% favourable response rate at a Town Centre level.

3.49 General performance with Mud, Dust or Dirt shows a favourable response rate of 89% for a street level, evidencing a continued focus on detritus and hard surface sweeping across the borough. Litter bins returned a favourable response rate of 82%.

3.50 Notable improvements:

- Cigarette ends (Streets) – up 7 percent points to 88% (highest ever)
- Autumn leaf fall (Streets) – up 11 percent points to 73% (highest ever)
- Weeds (Streets) – up 12 percent points to 87% (highest ever)
- Mud, Dust or Dirt (aka Detritus – Streets) – up 5 percent points to 89% (highest ever)
- Chewing gum (Town Centres) – up 10 percent points to 73% (second highest behind the 74% in 2019)
- Cigarette ends (Town Centres) – up 15 percent points to 73% (second highest behind the 74% in 2019).

3.51 Leafing will always be a significant challenge for the service, given the scale of the task and the ubiquitous nature of leaf fall across the 56 square mile borough. The 2022 favourable response rate for autumn leaves was 73%, a particularly successful score rising from 62% in 2021 and 60% in 2020. The positive trajectory is seen as a good reflection of the leafing programme that continues to be refined each year utilising latest datasets to ensure resources are deployed efficiently as possible.

3.52 As part of the Year 5 (2023-24) Communications Plan that is jointly devised by LBB and Veolia colleagues, an anti-littering campaign is being launched that aims to increase awareness about litter and bring local communities together to tackle this issue. This campaign is composed of different parts, including outreach work to local schools, organising community litter-picking events with the support of Street Friends, and creating signage to increase awareness of such issues. The latter point includes stickers for litter bins on high streets with messages such as "If this bin is full, please take your litter home with you". There are also signs tackling litter created by chewing gum, cigarette ends and irresponsible dog ownership. It is envisioned that this campaign will serve to raise awareness of and deter low level anti-social behaviour, with the outcome of raising satisfaction on the respective survey questions.

3.53 In line with the approach to reach a larger proportion of the population the service area is arranging satisfaction surveys through the Council's website for the period 2023-24 to compliment the on-street and postal survey methodologies. The on-street and postal survey results will continue to be analysed and reported to ensure a comparison with legacy data is retained.

Contract Achievements and Future Plans for Continual Improvement

3.54 Over the last 12 months, through partnership working the contract has achieved:

- A digital marketing campaign to promote the garden waste service, which assisted in increasing numbers of subscribers to 42,320
- Introduction of new containers at the RRCs, and new collection and treatment arrangements for soft furnishings. This follows changes in legislation and the requirement to treat soft furnishings separately from other waste streams
- Introduction of a contamination escalation process. This included additional crew training, new communications and updates to the ECHO system to enable letters to be sent out automatically following crew reports
- The delivery of 8 Recycling Heroes workshops in schools to teach messages about the importance of reducing, reusing and recycling waste that pupils can pass onto their families and friends
- Reducing fly-tipping in two pilot areas through face-to-face engagement as part of the Your Waste is Your Responsibility Campaign
- Introduction of a flats improvement programme, increasing recycling and reducing contamination in the target blocks

3.55 The PMF provides a mechanism to encourage continuous improvement. During 2023/24, the contract aims to deliver the following benefits:

- Street Environment Online Reporting improvements through integration with Veolia's scheduling system. This project will see direct integration between our front-end reporting system Fix My Street (FMS) and ECHO
- Online resident satisfaction surveys carried out alongside the traditional face to face and letter surveys. This approach will reach a higher proportion of the borough
- Deliver an anti-litter campaign on the high streets and raise awareness through community litter picking events
- Continuation of the face-to-face engagement work on the anti-fly-tipping campaign as well as further promotion of the actions residents can take to reduce fly-tipping
- Delivery of a kerbside recycling campaign to improve participation in the services with a focus on food waste
- Expand the flats recycling project, develop online communications for managing agents to use and work with Clarion Housing to improve recycling in their blocks

- Further depot infrastructure works to further enhance the safety and environmental standards at the two waste sites
- Consideration of how to expand the business waste collection service

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 The waste collection and street cleansing services affect all residents including vulnerable adults and children. Consideration of any additional impacts on specific groups of residents is taken when making changes to the service.

5. TRANSFORMATION/POLICY IMPLICATIONS

- 5.1 The activities and performance delivered through the environmental services contracts contributes to achieving the Council's policies as set out in the Corporate Plan, Making Bromley Even Better and Environment and Community Services Portfolio Plan.
- 5.2 Providing an annual review of contract performance and working with our service provider to continually improve contributes to the "Making Bromley Even Better" ambition to manage our resources well, providing value for money, and efficient and effective services for Bromley's residents. The implementation of these vital environmental services helps Bromley to achieve it's ambition for residents to live responsibly and prosper in a safe, clean and green environment great for today and a sustainable future.
- 5.3 The environmental contracts are responsible for the delivery of many actions that link to Priority 1 (Keep our streets clean) and Priority 2 (Minimise waste and maximise recycling) within the Environment and Community Services Portfolio Plan as well as Bromley's Reduction and Recycling Plan.

6. FINANCIAL IMPLICATIONS

- 6.1 The final 2022/23 outturn position for Waste Services was reported to this Committee on 29th June 2023, with an underspend of £692k against a total service budget for the year of £19.2M. The bulk of the underspend derives from the contract incentive payment related to the income from the sale of recyclates for a total of £625k. Further details are set out in the report (FSD23040 Provisional Outturn 2022/23).
- 6.2 The contract cost for street cleaning and associated services contract are included within the Street Environment revenue budget for 2022/23 of £6.6M. An underspend of £81k on these budgets was also reported in the outturn report, which is due to employee expenses and income from Fixed Penalty Notices during the year.

7. LEGAL IMPLICATIONS

- 7.1 LBB's Contract Procedure Rules provide at Cl 23.2 "*For all Contracts with a value higher than £500,000, or which are High Risk, an annual report must be submitted to the Portfolio Holder the responsible Officers having submitted for consideration a formal Gateway Review, covering, as appropriate, the matters identified in the Council's standard Gateway Review Template for consideration as part of Contract Monitoring/Management requirements.*"
- 7.2 This Report satisfies that requirement. There are no other known legal implications to go in this report.

8. COMMISSIONING & PROCUREMENT IMPLICATIONS

8.1 In line with 23.2 of the Council's Contract Procedure Rules, an annual report must be submitted to the Portfolio Holder for all contracts with a value higher than £500k.

9. CARBON REDUCTION/SOCIAL VALUE IMPLICATIONS

Social

9.1 Local employment is central to Veolia's working practise, with 52.24% of their workforce residing in Bromley. As a company Veolia are committed to employing 10% of staff from marginalised groups including ex-offenders, ex-service personnel and long term unemployed. Currently, Bromley has two apprentices working on the Bromley contract.

9.2 Veolia's Sustainability Fund provided funding for ten environmental projects including Crofton Infant School food waste project and St Peter and St Paul Catholic Primary School bird sanctuary.

9.3 In 2022 Veolia launched a national orchard scheme. The project partners with local schools to provide them with a range of resources including trees and compost. So far, six Bromley schools have received thirty free trees.

9.4 Veolia continues to manage the Street Friends Network on Bromley's behalf. The team welcomed 195 new members in 2022/23, with the number of Street Friends exceeding 2,000. This is positively higher than the Portfolio Plan target of 1,350 members. This network has been an asset in reporting littering and assisting with clean up's in 2022/23.

Environmental

9.5 As an environmental service provider environmental sustainability is a key part of Veolia's business model.

9.6 200,780 tonnes of carbon dioxide was produced from the haulage and disposal of non-recyclable refuse over the last 12 months. This is 10% lower than last year due to the increased diversion of non-recyclable refuse from landfill. The primary non-recyclable refuse facilities are within London, reducing the fuel used to transport waste.

9.7 Veolia continues to support the Council in encouraging residents to waste less and recycle more. Veolia works to ensure that the outlets for all of Bromley's recyclable materials are secure and, go to socially and environmentally sustainable outlets. Wherever possible, these markets will be within the UK facilities and will enable closed loop recycling¹.

9.8 This Section captures the key actions that Veolia are taking to ensure that Bromley's environmental service contracts are sustainable. Further information about Veolia's approach to sustainability can be found in Appendix 3 Veolia Sustainability Report 2021.

10. IMPACT ON THE LOCAL ECONOMY

10.1 Through the environmental contracts Veolia support the local economy in Bromley through the purchase of goods and services from local companies, wherever possible. In 2022/23 Veolia spent approximately £200,125 with local companies in Bromley.

¹ **Closed-loop recycling** is the process by which a product or material can be used and then turned into a new product (or converted back to raw material) indefinitely without losing its properties during the recycling process

10.2 Local employment is central to Veolia's working practise, with 52.24% of their workforce also residing in Bromley.

11. IMPACT ON HEALTH AND WELLBEING

11.1 Dirty streets and local environments can have a negative impact on residents' health and wellbeing. The contracts deliver street cleansing services that ensure streets are free of litter and fly tips and graffiti are dealt with in an effective manner. This contributes to the council's ambition for residents to live responsibly and prosper in a safe, clean and green environment.

12. CUSTOMER IMPACT

12.1 The environmental services are frontline customer facing services which impact all residents, businesses and communities in the borough. The Veolia contracts are designed to provide a reliable waste collection service, manage waste sustainably and keep Bromley's streets clean. Effective delivery and management of these services ensures that customers are not negatively impacted.

Non-Applicable Headings:	[List non-applicable sections here]Personnel, Property, Ward Councillor Views
Background Documents: (Access via Contact Officer)	[List any documents used in preparation of this report - Title of document and date]