

REPORT TO: Environment Overview and Scrutiny Committee

Date of Meeting: September 22nd 2016
Report of: Ralph Kemp Strategic Commissioning
Subject/Title: Quarter 1 Ansa and Orbitas reports
Portfolio Holder: Service Commissioning Portfolio – Cllr. Don Stockton

1.0 Report Summary

- 1.1 The two reports are the first quarterly reports of 2016-17 to commissioning and scrutiny for the Council owned companies of Ansa Environmental Services and Orbitas, Bereavement Services Limited.

2.0 Recommendation

- 2.1 That the Committee examine the quarterly reports.

3.0 Wards Affected

- 3.1 All

4.0 Local Ward Members

- 4.1 All

5.0 Background to Ansa and Orbitas Quarterly Reports

- 5.1 Ansa and Orbitas were formed as wholly owned Council companies on the 1st April 2014 to deliver Environmental and Bereavement services. They operate through an agreed management fee paid monthly under a contract with the Council for service delivery.
- 5.2 Overall Environmental Services Commissioning, is currently forecasting a £104,000 overspend for 2016/17 against a net £27.2m budget.

Ansa Environmental Services

- 5.3 Ansa continue to successfully meet their performance targets across all their areas of work. Since the Ansa report was produced customer satisfaction data survey results have been released by the Council showing overall customer satisfaction for the waste service at 90 % having risen from its 2014 base line level of 75% prior to formation of Ansa. Full results are contained with in Appendix 1.
- 5.4 There is a forecasted shortfall in markets income for the year of £45,000. This primarily relates to Macclesfield indoor and outdoor markets where trader occupancy levels continue to reduce for a variety of reasons. Some mitigation may be possible by way of small 'invest to save' works to refresh vacant units and reduced start up

rent for newcomers. Negotiations over the projected transfer of Crewe Markets to Crewe Town Council are continuing.

Orbitas

- 5.5 Within Bereavement Services there is currently a forecasted income shortfall of £48,000 for the year. This takes into account a number of variants throughout the year. During the first quarter, Crewe Crematorium became fully operational from May 2016 after an extensive refurbishment programme, offset by a period of down time at Macclesfield Crematorium due to emergency replacement of the lining in June 2016.
- 5.6 The refurbishment works are now completed so we now anticipate a gradual recovery of business benefiting from the improved and more attractive facilities.

6.0 Access to Information

- 6.1 The background papers relating to this report can be inspected by contacting the report writer:

Name: Ralph Kemp
Designation: Corporate Manager Commissioning - Waste and Env Services
Tel No: 01270 686683
Email: Ralph.kemp@cheshireeast.gov.uk

Appendix 1

The Influence Cheshire East Infograph #6 – Spring Survey 2016 Results

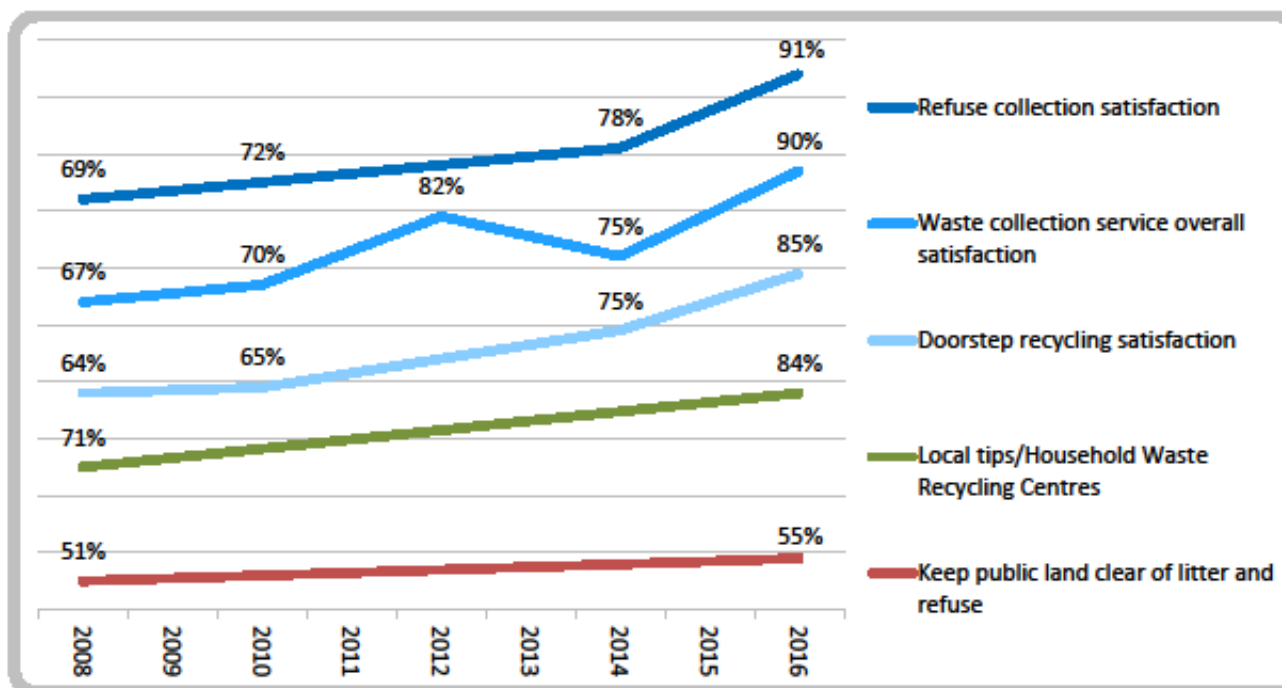
July 2016

Waste Collection Performance Indicators

Since 2008 Cheshire East Council has collected a number of Waste Collection Performance Indicators.

Results this year, 2016, were extremely positive, with satisfaction with the waste collection service overall up to 90%, up from 69% in 2008. Results for satisfaction with refuse collection, and doorstep recycling are also similarly high and also up since 2008.

Satisfaction with the Council's HWRC sites, and with public land being kept clear of litter and refuse, is also up between 2008 and 2016.



Survey details: Survey conducted during June 2016 with Cheshire East Council's Citizens' Panel (called Influence Cheshire East). Results based on between 1,347 and 1,535 question responses. Full question wording was as follows: "Q7 Cheshire East Council undertakes a fortnightly collection of general household waste and recycling. How satisfied or dissatisfied are you with each of the following? (Refuse collection, door step-recycling, waste collection service overall) and Q8 Cheshire East Council is also a key provider of other public services locally. How satisfied or dissatisfied are you with each of the following provided or supported by Cheshire East Council? (Keeping public land clear of litter and refuse, local tips/Household Waste Recycling Centres). For more information about this survey please contact the Research and Consultation Team at Cheshire East Council by emailing RandC@cheshireeast.gov.uk.

Ansa Environmental Services Ltd

Cheshire East Council – Scrutiny Update

FIRST QUARTER FEEDBACK REPORT

April - June 2016

ansa

Scrutiny Report

**APRIL 2016 –
JUNE 2016**

**Q1
Q1**

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1.0 Key achievements this year

7.0 Awards

National Recycling Awards

Ansa were finalists in two categories of the National Recycling Awards in May. Representatives from Ansa and a volunteer from Christmas Trees for the East Cheshire Hospice gave presentations for the Best Public –Private Partnership category and the Communications Category with our ‘Leave it Loose’ Campaign



The Christmas trees for the East Cheshire Hospice team, which has been supported by Ansa colleagues based at West Park for many years, also won the Queen’s Voluntary Service Award, of which they are very proud!

Awards for Excellence



Ansa was also proud to make it to the finals of the Awards for Excellence run by letsrecycle.com. The submission was for the ‘Best Local Authority Recycling Initiative’ category for the ‘Leave it Loose’ campaign.

8.0 Activities and Events

Real Nappy Week 18 – 24 April

During Real Nappy Week, eight sessions run by Ansa were held throughout Crewe and Macclesfield hospitals and children’s centres. 117 parents and parents-to-be learned about the benefits of switching to real nappies via the Cheshire East Incentive Scheme. The scheme runs all year round and offers a £25 shopping

voucher or two free reusable nappies, as well as advice and support. 2015- 2016 has seen a record number of families taking advantage of the scheme, increasing by just over 90% to 92 families compared to the year 2014-15 with 48 families. This almost tripled when compared to the figure from 2012-13 which was 31 families.

Junior Recycling Officer Final – June



John Hammond, Chairman of Ansa, Todd the Tiger (Mascot for Everybody Leisure), Steve Hogben, Director of Ansa

The Junior Recycling Officer final was held at Crewe Lifestyle Centre on 30th June. For the first time ever, two schools jointly won first prize with truly exceptional entries. They were St Mary’s Catholic Primary School, Congleton and Weston Primary School.



Joint winners of 2016 Junior Recycling Officer Final

Bollin Valley Taster Day – 15th June

Ansa staff as well as a number Waste Reduction Volunteers assisted with a plan of activities for children and adults with special needs at the Bollin Valley Taster Day.

The Cheshire Show

For this year's Cheshire Show, Ansa has been working with Crewe Christian Concern along the theme of bicycle repairs as well as reuse.

The main over-arching theme from CEC is The Tour of Britain cycling event, which is scheduled for September. Crewe Christian Concern manned the stand and were supported by our Waste Reduction Volunteers.

The team won a special award at the show for their work in giving back to the community. Crewe Christian Concern (pictured below) with Viscount and Lady Ashbrook of Arley Hall.



Hanging Baskets

In April we took delivery of approximately 10,000 bedding plant plugs which we then used to start to make the hanging baskets and floral decorations for our partners and customers. This year we have made in excess of 500 individual items ranging from traditional wire hanging baskets to wrought iron hay-mangers and large window boxes. These items have been ordered mainly from town and parish councils and form a sizeable portion of the commercial income produced within the

ground



Polytunnels at Pym's Lane filled to capacity

2.0 Safety, Health Environment & Quality

ISO 9001 certification

Ansa became the first ASDV and Cheshire East service to achieve the internationally recognised certificate of quality, ISO 9001 in July 2015. In order to retain the accreditation an external annual audit of our systems must be undertaken. Preparation for the assessment is underway in readiness for the audit in July.



ISO 14001 2015 Environmental Management System Standard Update

ISO 14001 is a globally recognised environmental standard: currently over 350,000 companies are ISO 14001 certified across the world. The standard does not stipulate specific environmental performance targets, rather it serves to provide a framework to follow and adapt. It consists of

five main components:

- a planning process including identification of the organisation's environmental aspects;
- the adoption of an environmental policy;
- a system of implementation including a clear structure of responsibility and training;
- a checking and monitoring system;
- a management review process in order to ensure continual improvement

Working to this standard will allow us to develop and implement tailored environmental management systems to reduce environmental harm and increase environmental performance and resource efficiency.

Ansa's main environmental impacts derive from transportation, energy and water consumption, noise and disturbance associated with operational activities.

14001 certification will demonstrate our commitment to preventing environmental harm and positively support community and stakeholder relations.

Work is currently being undertaken to devise an environmental policy and to identify our main environmental impacts. By doing this we have begun the first step toward formal ISO certification, through identifying the scope and objectives of the environmental management system.

weeks' work it became clear to the team that if an opportunity became available we would look to put in a more permanent arrangement. This opportunity has now become available and we have employed Danny Cody via an agency arrangement, moving him from the SEETEC scheme and into paid employment

Restorative Justice

Following vandalism to a newly refurbished play area at Stallard Way, Middlewich, a number of culprits were apprehended. Ansa worked with Middlewich High school where the pupils attended along with Middlewich Vision in developing a "payback" day. The pupils were due to go to Cheshire Show in non uniform but instead wore uniform and worked in Fountain Fields park (Middlewich) planting bedding, litter picking, and cleaning equipment. After the day a teacher said "I just wanted to take a moment to thank you for contributing to Wednesday being a success. I genuinely think the students involved got a lot out of completing the voluntary work; a huge thank you for coordinating the work and providing the materials to do so. I think this is something we should endeavour to keep up and hope that other students can participate in voluntary work around the community."

3.0 Corporate Social Responsibility

SEETEC

Ansa have been supporting the long-term unemployed with SEETEC by providing work opportunities; our first candidate in Grounds stayed with us for the full 6 months. Following that placement he secured full time employment with a local grounds maintenance company. A second candidate joined the Grounds team in April; once he had completed a few

4.0 Contractual and Operational Performance

Reported at two levels; contract based key performance indicators (KPIs) and operational performance indicators (OPIs).

9.0 Contractual Based Key Performance Indicators (KPIs)

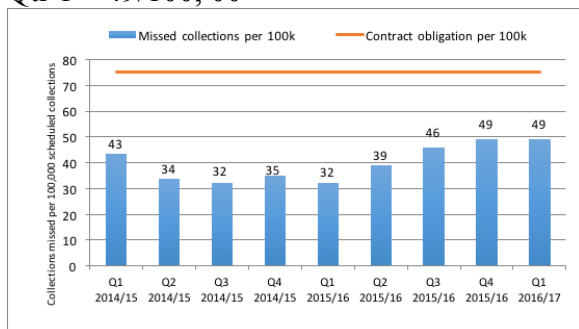
No	KPI	Target	Update	Status
1.	Maintain CE residents customer satisfaction levels within the waste collection service at or above 75% (Baseline – 75% satisfaction – Spring 2014) – to be reported annually.	Data on satisfaction levels are collated from surveys carried out by Cheshire East using the Influence Citizens' panel. Results from the 2016 survey will be available in quarter 2.		
2.	To maintain and enhance the number of volunteers in – waste prevention, parks friends' schemes and clean teams (baseline 25 in 2013-14).	25	Current Number of Volunteers: 38	
3.	We will increase the tonnage of materials re-used by 1% per year from a base of 977 tonnes in 2012/13 – waste predominantly collected from Households waste recycling centres, separated out for re-use and our third sector partner.	Year end: 1,016t	Qtr 1 position: 340t estimated	
4.	Maintain the percentage of household waste sent for recycling, reuse and composting above the national target for 2020 of 50%.	Year end: >50%	Outturn: 57% estimated	
5.	Reduce the percentage of waste going to landfill to 0% by 2030 (expressed as a percentage of total waste and recycling).	Baseline of 38.5% in 2013-14	Outturn: 28% estimated	
6.	Maintain at least four Green Flag Awards per annum (CEC 2014-15 outturn - maintained, 4 of which are maintained solely by Ansa-Bollington Recreation Ground, The Moor Knutsford, Congleton Park and Sandbach Park).	>4	Outturn: 4 currently secured	
7.	Increase the use of waste for energy generation (expressed as a percentage of total waste and recycling) (Baseline 5.85% in 2013-14)	> 5.85%	Outturn: 18% estimated	

Report

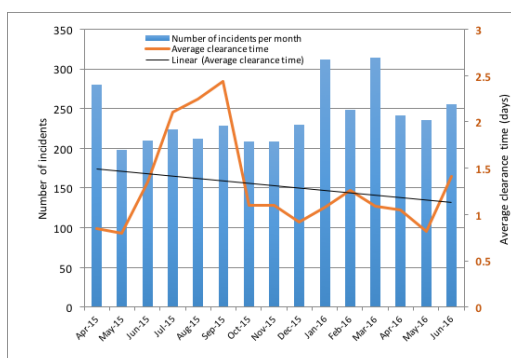
Operational Performance Indicators

Missed Collections: Contract obligation to achieve less than 75 missed bins per 100,000 scheduled collections.

Qtr 1 – 49/100, 00



Fly tipping performance: Response times for clearing fly tipping remain low, at less than 1.5 days on average. The number of reported incidents has reduced this quarter but still remain high.



10.0 Financial Performance

Ansa Environmental Services Ltd has an initial Management Fee for 2016/17 of £28.54m (subject to amendment to reflect revised Support Service buyback for 2016-17 once finalised). The Management Fee is Ansa's primary income stream for the Service Contract with Cheshire East Borough Council (CEBC) and currently accounts for 90% of Ansa's total turnover.

The Summary Income Statement shows the cumulative year to date position to the end of June 2016 and initial early forecast year end position based on activity to 30th June and known commitments/projections for the remainder of the financial year. This latest forecast projects against out-turn net operational profit of £409k.

The current forecast position is based on an emerging issues review with managers and to date reflects the achievements being made predominantly against key waste contracts; particularly in respect of Landfill and Waste Transfer Station contract re-negotiations which were agreed in early 2016 to take effect from April 2016. These changes enable a full year saving to be achieved and provide an early gain towards challenging future savings targets in 2017-18.

Report



Jane Thomason

Deputy Managing Director

September 2016



Cheshire East Council – Scrutiny Update

FIRST QUARTER FEEDBACK REPORT

April - June 2016

OBSL - FIRST QUARTER PERFORMANCE REPORT

CEC SCRUTINY

Quarter 1

April – June 2016/17

1.0 INTRODUCTION

- 1.1 Orbitas is committed to continuous improvement and excellence in all that it influences and delivers. This report gives summary and detailed information about the company's financial and non-financial performance at the first quarter of 2016/17 Financial Year. It also details the improvements that the Company has made to the service, new services introduced; personnel matters; headline stories and what the future holds.
- 1.2 Orbitas was launched in 2014 from the bereavement service of Cheshire East Council and benefits from the advantage of having an experienced and dedicated team and infrastructure well versed in the bereavement business.
- 1.3 In May 2015 the company extended its scope to include the Council's Vulnerable and Older Persons' Handyperson Service. This area of the business aligns with a community and home help electrical service which allows Orbitas to offer help and support to individuals and families
- 1.4 Last year, 2015, was a particularly challenging time for Orbitas with the full impact of the Vale Royal Crematorium and the refurbishment at Crewe Crematorium seeing cremation services fall at Crewe. In respect of the Bereavement side of the company we aim to make every effort to bring back the business lost at Crewe through introducing service improvements and working proactively with Funeral Directors to encourage them to use Cheshire East facilities.
- 1.5 We believe that the foundations are now firmly in place to enable the company to differentiate itself through innovation, entrepreneurship, and trustworthiness whilst balancing the interests of our stakeholders including the shareholders (CERF and Cheshire East); employees; the bereaved; funeral directors etc.

2.0 SECTION 1 – Finance

- **Forecast Operating Position for 2016-17:** The Orbitas Bereavement Services Ltd management fee for 2016/17 is £1.486m, this is £15k more than 2015/16 due to the Handyperson service receiving management fee for the full 12 months in 2016/17. The

accounts present a Forecast Net “Operating” Profit of £3k (NB. before any taxation liability and contract share arrangements).

Bereavement Income

To date £13k of new Bereavement income has been generated as a result of new business activities such as visual tributes, sale of sanctums and new memoria.

Table 3: New Income OBSL

	Budget 16-17 (£'000)	YTD June 16 Target (£'000)	YTD June 16 Actual (£'000)	YTD June 16 Var (£'000)	Forecast 16-17 (£'000)	Variance 16-17 (£'000)
New Income Streams	36	9	13	4	47	11

The income position will be evaluated throughout the year to determine any early warning notices that the commissioner should be notified of.

3.0 SECTION 2 – Key Performance Indicators (KPIs)

3.1 To maintain 70% of deaths registered within Cheshire East

April – May number of registered deaths = 651

Target – 70%

Actual (April – May) = 487 = 75%

Status – GREEN (Please note that number of deaths registered for June are not available until end of July)

3.2 Ministry of Justices Fines

Target – Nil

Actual – Nil

Status – **GREEN**

3.3 Number of exhumations due to erroneous burial

Target – Nil

Actual – Nil

Status – **GREEN**

3.5 Number of Local Government Ombudsman complaints upheld

Target – Nil

Actual – Nil

Status – **GREEN**

3.6 ICCM Charter for the Bereaved Achievement

Target – Silver or Gold

Actual – awaiting results

Status –

3.7 **Handyperson Service**

100% of service users' rate the service Satisfied or Very Satisfied 57% of clients visited during the first quarter period, were contacted by telephone, to obtain the following results:

Question 1 = How satisfied are you with the service provided? 80% very satisfied 12% satisfied.

Question 2 = How satisfied are you with the amount of time you had to wait for the visit? 83% very satisfied, 17% satisfied.

Question 3 = Did the Handyperson arrive at the agreed time? Yes 99%

Question 4 = Did you find the Handyperson polite, friendly and helpful? Yes 99% very satisfied 1% satisfied.

Question 5 = Did the Handyperson clear up after themselves? Yes 100% very satisfied

Question 6 = Overall how satisfied are you with the work that was carried out? 70% very satisfied, 30% satisfied

100% of clients contracted were either very satisfied or satisfied.

4.0 **OPERATIONAL MATTERS**

4.1 **Safety, Health, Environment and Quality (SHEQ)**

4.1.1 Number of Accidents/Number of RIDDOR Reportable Accidents during the period 1st April 2014 and 31st June 2015.

There have been two accidents to report during the above period, neither of which were RIDDOR reportable.

4.1.2 Health and Safety Inspections

These inspections are carried out on a biannual basis, with recommendations being actioned in order of priority.

4.1.3 Absence Monitoring

	1 st April – 30 th June 2016	1 st April – 30 th June 2015
Average number of days lost per employee	1.38	2.74
Percentage of working time lost	2.19	4.49
Percentage of time lost to short term absence	59	42
Percentage of workforce having zero absences	84	74
Number of employees absent more than once in this period	1	0
Total number of employees absent this period	5	8
Individual frequency rate	0.2	0.26
Frequency Rate	8.2	0.26

4.2 **Board Meetings**

Board meetings are scheduled to take place on a regular basis and during the period 1st April to 31st June 2016, the Board has met on two occasions. On the Agenda of every Board Meeting are the following items Safety, Health, Environment and Quality; Finance; HR; Staff Representative issues; Trade Union issues.

4.3 **Personnel**

4.5.1 **Staff Surveys** – All staff have been given a staff survey to complete, this will be compared to the survey carried out last year. The closing date for the return of the survey is 13th July 2016, with the analysis expected in September.

4.6 **Projects**

4.6.1 **The Valley Project (Macclesfield)** - Subject to planning consent (due July 2016) the contract has been awarded by Assets, with the work scheduled to commence as soon as consent is received.

4.6.2 **Refurbishment of Crewe Crematorium** – Official handover was carried out by Assets; the Architect and the Contractor in May 2016. This project is continuing to be monitored and defects or snags are reported to the Project Manager on a regular basis eg the poor quality of the sound system.

4.6.3 **Staff Welfare facilities** – Work on the refurbishment of the welfare facilities at Macclesfield was completed in April this year. It is anticipated that the welfare facilities at Crewe will be completed in August/September 2016.

4.7 **Partnership Working**

- 4.7.1 The Orbitas Funeral - The aim of the Orbitas Funeral was to provide the bereaved with more financial transparency over the cost of a funeral, and to lower the cost of a funeral. Following a tender exercise the Orbitas Funeral was awarded to Gavin Palin, Funeral Directors, based in Nantwich. This tender exercise has raised awareness amongst funeral directors for the need to offer a basic good quality service and many of our local Funeral Directors have now followed our lead.
- 4.7.4 Community Payback Scheme – A good working relationship exists between Orbitas and the managers of the Community Payback Scheme, and they have provided a valuable contribution to Orbitas schemes during 2015. It is envisaged that our working relationship with the Community Payback Scheme will continue throughout the foreseeable future.

- 4.8 **Working with Volunteers** _____ We want to encourage more people to become volunteers/friends to be part of our cemeteries. We believe that volunteers are a valued way for people to be involved in what we do.

RED LETTER DAYS

APRIL	Staffing restructure complete, with the exception of the Building and Development Managers Post. Macclesfield Welfare Facilities completed
MAY	Official handover of the refurbishment work at Crewe Crematorium
JUNE	Crewe Cemetery Carpet bedding complete. The bed with a three poppy design represents the third year of the Great War

Report

CEC Recorded Income

	Budget 16-17 (£'000)	YTD June16 Target (£'000)	YTD June 16 Actual (£'000)	YTD June 16 Var (£'000)	Forecast 16-17 (£'000)	Variance 16-17 (£'000)
Bereavement Income	2,544	636	562	(74)	2,496	(48)
Handyperson Income	25	6	2	(4)	25	-
Total Contractor Generated Income	2,569	642	564	(78)	2,521	(48)

This table shows that OBSL is forecasting a £48k income shortfall position that takes into account a number of variants throughout the year. At the end of June, performance against profiled budget was showing £74k adverse for core Bereavement Income and £4k adverse for the Handyperson service.

There has been a 7.64% increase in units recorded compared to Quarter 1 2015/16 which equates to 55 units gained in 2016/17. This is largely attributable to Crewe Crematorium being fully operational from May 2016 after an extensive refurbishment programme, offset by a period of down time at Macclesfield Crematorium due to emergency replacement of the lining resulting in a loss of 15 cremations in May 16 (£9k).

Compared to Quarter 1 in 2015/16 the number of units recorded for cremations have increased by 11% (69 units), Burials reduced by 17% (14 units), Rights of Burials increased by 4% (2 units).