



# **Agenda**

Shareholder Committee  
Tuesday, 26 March 2024 at 11.00 am  
Top Floor, Allerdale House, Workington

The press and public are welcome to attend for the consideration of any items which are public.

**Enquiries and requests for supporting papers to: Gayle Roach - Democratic Services**  
**Email: [gayle.roach@cumberland.gov.uk](mailto:gayle.roach@cumberland.gov.uk)**

## **Membership**

Cllr B Cannon (Chair)

Cllr L Brown

Cllr M Fryer

Cllr D Rollo

## **Access to Information**

### Agenda and Reports

Copies of the agenda and Part A reports are available for members of the public to inspect prior to the meeting. Copies will also be available at the meeting.

The agenda and Part A reports are also available on the [Cumberland Council website](#).

## **PART A: ITEMS TO BE CONSIDERED IN PUBLIC**

### **1. Apologies for Absence**

To receive any apologies for absence.

### **2. Declaration of Interests**

To receive declarations by Councillors of any disclosable pecuniary interest, personal interests, other registrable interests or any other interests in respect of items on the agenda.

### **3. Exclusion of Press and Public**

To consider whether the press and public should be excluded from the meeting during consideration of any items of business on the agenda.

### **4. Service Delivery Plan - Quarterly Report Oct to Dec 2023 (Pages 5 - 16)**

## **PART B: ITEMS TO BE CONSIDERED IN PRIVATE**

*Not for publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 on the grounds that it involves the likely disclosure of exempt information*

### **5. Financial Update - Management Accounts January 2024 (Pages 17 - 24)**

### **6. Business Plan and Annual Service Charge 2024/25 (Pages 25 - 148)**

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## Report to Shareholder Committee

Meeting Date 26 March 2024  
Key Decision No  
Public/Private Public

Portfolio Cllr Denise Rollo, Sustainable, Resilient and Connected Places  
Directorate Place, Sustainable Growth and Transport  
Lead Officer Charles Holmes, Managing Director, Allerdale Waste Services Ltd

**Title Allerdale Waste Services Ltd – Service Delivery Plan – Quarter 3 Report 2023/24**

### Summary:

This report provides an update on the delivery of waste and recycling services, carried out by Allerdale Waste Services, for the 3<sup>rd</sup> Quarter of 2023/24.

### Recommendations:

It is recommended that the Shareholder Committee note the report.

### Tracking

Executive:	
Scrutiny:	
Council:	

## **1. Background**

- 1.1. The Shareholder Committee was appointed to promote good governance and to demonstrate a clear separation between the Council's role as the Municipal Authority and the Council's role as shareholder of Allerdale Waste Services "the Company".
- 1.2. The Shareholder Committee is a Committee of the Executive and fulfils the Council's role as sole shareholder in the Company. The Shareholder Committee operates under the governance of the Shareholder Agreement and the associated reserved matters.
- 1.3. The Company operates under the governance of the Articles of Association, and the Company Board meets quarterly to review the progress and performance of the business and make decisions and other associated matters, not included within the reserved matters of the Shareholder Agreement.

## **2. Allerdale Waste Services – Progress Update**

- 2.1 The performance of the Company was severely impacted in 2023/24 due to a prolonged period of industrial strike action. All collection services other than refuse and trade were suspended during the industrial action (including trade recycling on domestic rounds). The effects of the industrial action, which took place between 27 April and 22 August 2023, continued to impact upon the performance and tonnages in Quarter 3. As a result, there was a significant backlog of commingled (glass, cans, and plastics), paper & card and garden waste, once the industrial action ended. To ensure a smooth transition, these services were reinstated on a phased approach with commingled brought back first, followed by garden waste and then paper & card.
- 2.2 The tonnages collected in this quarter are shown in table 1 and show a small increase in domestic refuse tonnages collected, compared to the same quarter last year. There is though, a larger reduction in commingled and garden waste tonnages collected in the same period. This can be attributed to much of the backlog having been collected at the end of the 2<sup>nd</sup> quarter in September. The tonnage for paper & card increased comparatively due to this stream being reintroduced in early October and therefore the tonnages include the backlog that was needed to be collected.
- 2.3 During this quarter we collected 9,666 tonnes from 1,216,564 containers presented. This includes both domestic and commercial waste and recycling collected. This compares to 9,688 tonnes collected in the same period as last year, 10,295 tonnes in 2021/22 and 8,375 tonnes in 2020/21 when tonnages were affected by a

reduction in trade waste collected due to businesses being affected by the pandemic in this quarter.

Table 1.

Waste and Recycling Collected (tonnes)	Q3 19/20	Q3 20/21	Q3 21/22	Q3 22/23	Q3 23/24	% Increase/ Decrease on previous year
Refuse	6,653	5,502	6,773	6,407	6,489	1.3
Comingled	1,109	981	1,213	1,126	1,012	-10.1
Paper & Card	954	796	987	838	1,028	22.6
Garden Waste	1,513	1,046	1,277	1,254	1,096	-12.6
Bulky Waste	104	50	45	63	41	-34.3
<b>Total</b>	10,333	8,375	10,295	9,688	9,666	-0.2

2.4 The greater impacts of the of the Industrial Action on tonnages collected are detailed in Table 2. The suspension of the recycling and garden waste collections led to the significant reductions in the tonnages collected. The recycling that was collected came through the Council's 22 Bring Sites, where the frequency of collections was increase (daily in some instances). The tonnages reported do not include garden waste or waste presented to the HWRC's which reported much higher tonnages throughout these periods. Quarter 2 saw a small increase refuse which can be attributed to recycling and garden waste being placed in the domestic refuse waste stream.

2.5 It will be important to monitor tonnages of recycling and bulky waste collected in future quarters to establish if the change customer habits continue to impact recycling tonnages collected, as any drop will have a negative impact on the total sales values of the materials collected and will impact the levy achieved by Cumberland through the Extended Producer Responsibility Scheme (EPRS).

Table 2.

Waste and Recycling Collected (tonnes)	Q1 22/23	Q1 23/24	% Increase/ Decrease on previous year	Q2 22/23	Q2 23/24	% Increase/ Decrease on previous year
Refuse	6,543	6,333	-3.2	6,565	6,899	5.0
Comingled	1,205	563	-53.3	1,232	824	-33.2
Paper & Card	846	346	-59.1	844	337	-60.0
Garden Waste	2,839	707	-75	2,810	1,816	-35.4
Bulky Waste	54	7	-86.6	55	18	-67.1
<b>Total</b>	<b>11,487</b>	<b>7,956</b>	<b>-30.7</b>	<b>11,506</b>	<b>9,894</b>	<b>-14.0</b>

2.6 In this quarter, the number of missed containers reported was 912 of the 1,216,564 containers presented. This represents a collection rate of 99.926% for the quarter. The collection rate represents an average monthly missed rate of 74 containers per 100,000 collected, which is within the Performance Management Framework target of 80 containers per 100,000.

2.7 Service performance continued to be affected by the impacts of the industrial action in October 2023. The previous Quarter 3 performance detailed in table 3 below, shows a Quarter-by-Quarter comparison of performance between the years 2020/21, 2021/22 and 2022/23 respectively.

Table 3.

	Q3 20/21	Q3 21/22	Q3 22/23	Q3 23/24
Containers Presented	1,357,143	1,281,166	1,284,541	1,216,564
Containers Missed	1,053	834	812	912
Containers Missed per 100,000	77	65	63	74
Justified Missed Containers	14	11	13	89
“Hot Spot” Properties	45	19	11	22
Collection Rate %	99.923	99.935	99.936	99.926



- 2.8 The focus remains on improving the frequently missed, or “Hotspot” collections. These are collections that have received 3 or more missed collections in a 6-week period. Table 3 shows the overall performance in this area:

Table 3. Frequently Missed “Hotspot” Properties

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>2020/21</b>	NR*	NR	NR	NR	NR	27	17	12	16	11	17	20
<b>2021/22</b>	13	8	10	11	11	6	6	9	4	2	4	4
<b>2022/23</b>	1	2	3	4	3	4	1	5	5	4	2	0
<b>2023/24</b>	2	NR	NR	NR	NR	NR	12	7	3	2	2	

\*Not Recorded

### 3. Staffing Profile and Absence Report

- 3.1 The Staffing Profile and Absence report for the quarter, is attached at Appendix 1 and provides details of the staffing profile in relation to short-term and long-term sickness absence and includes other recorded measures, including the use of agency staffing.
- 3.2 Prior to the strike we had worked hard and had reduced sickness absence to an average of 3.39%. This happened through reducing both our long and short-term sickness absence, by working with staff and our occupational health provider and diligently implementing the Company’s attendance management policy, to ensuring any issues are promptly dealt with, which led to improvement of levels of absence in these areas.
- 3.3 Returning to work after 16 weeks of industrial action presented a challenge for all staff irrespectively if they had taken part in the IA or not. A spike in both short-term and long-term sickness absence, on the workforce return is clearly shown in the table, and we continue to work with the team to bring this figure down.
- 3.4 Each month is showing a gradual improvement which can be attributed to the range of measures introduced. An example of these, is the refresher training and induction given to all staff on procedures and the full workforce medical assessment with follow up appointments if required. We have also introduced support packages for those employees most in need.

#### **4. Health and Safety impacts**

- 4.1 There was 1 minor motor vehicle accident, 2 non-reportable accidents and 1 reportable accident in the quarter. The discipline of carrying out regular gate inspections, crew engagements, office, yard, and workshop inspections continues to under-pin the importance in operating a safe-working environment. The reportable accident related to an Operative slipping on a bin wheel axle in the yard, damaging his wrist, leading to a period of over 7 days absence from work. This accident was investigated, and corrective measures have been taken to reduce the likelihood of this type of accident occurring in the future.
- 4.2 We continue to monitor crews and carry out health surveillance including random and “at cause” drug & alcohol tests. These have led to 3 dismissals in this financial year. Additionally, we check on the operating practices and adherence to Company’s safe working practices and procedures of all members of staff and all instances of failing to comply with our safe working practices and procedures result in the instigation of the Company’s disciplinary procedure.

#### **5. Performance Management and Service Rating**

- 5.1 The performance of the contract is monitored through the Performance Management Framework reports provided to the Partnering Board. This provides an overall contract management score which is cumulative throughout the contract year. The service rating achieved in Quarter 3 2023/24 is “Good Service”.

#### **6. Existing Business Development Opportunities**

- 6.1 Our contingency arrangements ensured that the Council’s taxi testing and container delivery contractual requirements were able to be fully met during the Industrial Action. The provision of domestic MOT’s and motor vehicle servicing is now fully resumed and expected to be in surplus at the end of the financial year. We have increased the MOT’s carried out for the Cumberland owned fleet vehicles. We have needed to replace the ramp used for MOT’s and in doing so have invested in a larger ramp which will enable us to offer MOT and servicing to larger campervans and motorhomes. Our workshop apprentice is making good progress in the garage and is well on track to achieve his Level 3 motor vehicle servicing and maintenance technician standard qualification with Lakes College.

#### **7. New Business Development Opportunities**

- 7.1 The primary business development opportunity for 2024/25 will be achieved through working with Cumberland Council and supporting the decision to be made on the selection of the Business Delivery Model that the new Council will adopt to provide for

the collection of waste and recycling, along with the associated services and income generation in the Cumberland Council area.

- 7.2 We believe that, in setting up Allerdale Waste Services as a 100% local authority own LATCO with all of the associated benefits that this provides, we have demonstrated that the Company mission of “*The delivery of high-quality waste and recycling services to the residents and businesses of the area on behalf of the Council that represent demonstrable value for money*” has been achieved. We also believe that this model can be effectively rolled out to the rest of Cumberland, and that this will bring service improvements and financial efficiencies which will be delivered innovatively to the satisfaction of local residents, all whilst maintaining the close Council control over the services as afforded by the LATCO model.
- 7.3 We are committed to assist the Council through this selection process, which will need to be commissioned through a detailed options appraisal, linked to the Council Plan’s aims of objectives. It is acknowledged that taking into consideration the need for the delivery of high-quality services, along with the generation of sustainable efficiencies and income that over the past 4 years, Allerdale Waste Services have demonstrated how the LATCO model can deliver in these areas and provide the control and flexibility required by a customer facing contemporary local authority.
- 7.4 We are very keen to lead the expansion of the commercial trade waste service across the Cumberland Council area as this wider area allows for the service to be expanded and for services not currently provided (i.e. trade recycling) to now be provided by the Council, assisting businesses to grow and help meet climate change objectives. This gives Cumberland Council a real opportunity to grow the base of trade waste commercial customers and we consider this to be a real opportunity for us to assist the new Council to generate additional income.
- 7.5 This control and flexibility will be necessary for the new Council to adopt the forthcoming measures and demands that will come through the Waste Management Plan for England, as the new measures will have a strong bearing on the way in which waste and recycling is collected, reprocessed, and disposed. These have now commenced, through the reporting measures associated with the Extended Producer Responsibility Scheme (EPRS), which will lead to the collection of waste and recycling being funded by the manufacturers and users of the packaging.
- 7.6 In addition, there will be impacts through measures to introduce mandatory weekly food waste collection services, along with changes to the way plastic bottles are collected due to the Deposit Return Scheme (DRS). We are keen progress with weekly food waste collections, as soon as is practicable, whilst being mindful of the economic and contractual dependencies. The impacts of the Government’s approach to having

consistent collections across Council's will also impact. The Council future stance on the collection of garden waste is also key and has the potential both make savings and generate income.

- 7.7 We are keen to continue to build upon the close working relationships with other public services that make a positive contribution towards the new Council Strategy and the advantages of working across a wider area that this will bring. To that end, we will continue to work closely with the street cleansing and grounds maintenance teams across the Cumberland Council area to help reduce fly-tipping, keeping neighbourhoods and town centres clean, tidy and attractive places for business and for people to live in.

## **8. Conclusion and reasons for recommendations**

- 8.1 In this our 4<sup>th</sup> year of operations we have demonstrated resilience and flexibility whilst delivering within budget and providing operational improvements. The priority over the remainder of the year continues to be to improve performance, whilst working with the Council to prepare for the delivery of services in the newly formed Cumberland Council.

## **9. Alternative options considered**

- 9.1 It is a requirement of the Shareholder Agreement that the Company provides the Council with an update as included within the contents of this report.

### **Implications:**

#### **Contribution to the Cumberland Plan Priorities -**

Allerdale Waste Services is fully committed to working in partnership to support the delivery of Cumberland's Council's five strategic priorities; Improving Health & Wellbeing; Addressing Inequalities; Local economies that work for local people; Environmental Resilience and climate emergency; Delivering excellent public services.

The work of the Company provides a valuable contribution to each priority through the contribution towards addressing public health in collecting refuse and waste; the provision of accessible local employment opportunities; supporting local businesses by providing a quality affordable commercial waste collection services; the contribution towards the circular economy through the collection of recyclable materials; and through the direct delivery of excellent public services.

## **Relevant Risks**

The relevant strategic risks are outlined in the Company business plan as tabled in the risk register Annex 4 of the business plan.

## **Consultation / Engagement**

There are no consultation/ engagement requirements associated with this report.

**Legal** – The Terms of Reference for the Shareholder Committee include responsibility for monitoring the performance of a company against its business plan including its performance in financial matters. It is therefore proper that this Q3 monitoring report is considered by the Committee which is able to ask questions of the Company and seek reassurance on any areas of concern.

## **Finance**

There are no financial requirements associated with this report.

## **Information Governance**

There are no information governance requirements associated with this report.

## **Impact Assessments –**

The Company's Service Delivery Plan is screen for Equality Impact and a reviewed assessment is undertaken annually, relating to changes and amendments to the services delivered to the local community and businesses.

## **Contact details:**

Contact Officer: Charles Holmes

Email: Charles.holmes@allderdalewasteservices.co.uk

## **Appendices attached to report:**

- Appendix 1 - Staff Absence Profile 2023-24 Q3

## **Background papers:**

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

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**Allerdale Waste Services Limited**

**Monthly Absence / Sickness**

Period	2022/23 Q3			2023/24 Q3		
	October	November	December	October	November	December
Headcount	90	90	90	98	93	94
Total of working days	1980	1980	1980	2156	2046	1974
Sickness Rate	1.95%	2.12%	6.11%	7.90%	6.10%	3.80%
Number of long term sick (28 days or more):	0	1	0	6	5	2
Number of short term sick (less than 28 days):	14	16	28	24	15	8
Total number of staff with zero sickness absence:	76	73	62	68	73	84
Total days lost to sickness absence:	37	42	121	171	125	75
Total days lost to short term:	37	27	121	59	39	67
Total days lost to long term:	0	15	0	112	86	8
Staff marked as absent:	3	5	3	9	4	7
Days lost to absence / no show:	3	5	3	19	6	10
Staff absent due to suspension:	0	1	1	1	1	0
Days lost to suspension:	0	5	22	22	20	0
Staff absent due to compassionate leave:	0	1	0	0	1	0
Days lost to compassionate:	0	3	0	0	5	0
Staff absent due to parental leave:	1	1	3	0	0	2
Days lost to parental leave:	1	1	5	0	0	4
Staff absence due to paternity leave:	0	0	0	0	0	0
Days lost to paternity:	0	0	0	0	0	0

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**Staff Profile**

No. Employees	90	90	90	98	93	94
No. Agency Staff	7	7	7	0	7	6
% Agency staff	7.77%	7.77%	7.77%	0%	7.50%	6.38%
New Starters - HGV Driver	0	0	0	0	0	0
New Starters - Waste Ops	0	0	0	0	0	0
News Starters - Other	0	0	0	0	1	0
Number or leavers:-	0	0	0	4	1	0
FTC End	0	0	0	0	0	0
Resignation	0	0	0	2	0	0
Dismissal - Misconduct	0	0	0	2	1	0
Dismissal - Medical Capability	0	0	0	0	0	0

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