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Cyngor
sir ddinbych
denbighshire
County Council

To: Members of the Performance
Scrutiny Committee

Date: 12 March 2021

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Dear Councillor

You are invited to attend a meeting of the **PERFORMANCE SCRUTINY COMMITTEE** to be held at **10.00 am** on **THURSDAY, 18 MARCH 2021** in **BY VIDEO CONFERENCE**.

Yours sincerely

G. Williams
Head of Legal, HR and Democratic Services

AGENDA

PART 1 - THE PRESS AND PUBLIC ARE INVITED TO ATTEND THIS PART OF THE MEETING

1   APOLOGIES

2   DECLARATION OF INTERESTS

Members to declare any personal or prejudicial interests in any business identified to be considered at this meeting.

3   URGENT MATTERS AS AGREED BY THE CHAIR

Notice of items which, in the opinion of the Chair, should be considered at the meeting as a matter of urgency pursuant to Section 100B(4) of the Local Government Act 1972.

4   MINUTES OF THE LAST MEETING (Pages 5 - 12)

To receive the minutes of the Performance Scrutiny Committee held on 28 January 2021 (copy enclosed).

5   TRADE WASTE AND RECYCLING REVIEW (Pages 13 - 116)

To consider a report (copy enclosed) by the Waste & Recycling Manager on the future direction of the Trade Waste and Recycling Service.

10:05 – 10:45

6   LIBRARY SERVICE STANDARDS AND PERFORMANCE (Pages 117 - 130)

To consider a report (copy enclosed) by the Principal Librarian on the Council's performance against the 6th Framework of Welsh Public Library Standards 2017-20 and the progress made in developing libraries as places of individual and community well-being and resilience.

10:45 – 11:15

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7   CORPORATE PLAN UPDATE QUARTER 3 2020-2021 (Pages 131 - 182)

To receive an update report (copy enclosed) by the Strategic Planning & Performance Team Leader on the delivery of the Corporate Plan in 2020 to 2021 as at the end of quarter 3 (October to December 2020).

11:30 – 12:00

8   CORPORATE RISK REGISTER REVIEW (Pages 183 - 246)

To receive an update report (copy enclosed) on the February review of the Corporate Risk Register from the Strategic Planning & Performance Team Leader and Strategic Planning and Performance Officer.

12:00 – 12:30

9   SCRUTINY WORK PROGRAMME (Pages 247 - 270)

To consider a report by the Scrutiny Coordinator (copy enclosed) seeking a review of the committee's forward work programme and updating members on relevant issues.

12:30 – 12:45

10   FEEDBACK FROM COMMITTEE REPRESENTATIVES

To receive any updates from Committee representatives on various Council Boards and Groups.

12:45 – 13:00

MEMBERSHIP

Councillors

Councillor Arwel Roberts (Chair)   Councillor Hugh Irving (Vice-Chair)

Ellie Chard   Pete Prendergast
Martyn Holland   Peter Scott
Geraint Lloyd-Williams   Andrew Thomas
Bob Murray   David Williams
Paul Penlington

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PERFORMANCE SCRUTINY COMMITTEE

Minutes of a meeting of the Performance Scrutiny Committee held in by video conference on Thursday, 28 January 2021 at 10.00 am.

PRESENT

Councillors Ellie Chard, Martyn Holland, Hugh Irving (Vice-Chair), Geraint Lloyd-Williams, Paul Penlington, Pete Prendergast, Arwel Roberts (Chair), Peter Scott, Andrew Thomas and David Williams

Co-opted Members for Education – Kathleen Jones and Neil Roberts

Lead Member for Education, Children and Young People/ Head of Education and Children Services – Councillor Huw Hilditch-Roberts

Councillors Mabon ap Gwynfor, Meirick Lloyd Davies and Emrys Wynne attended as observers.

ALSO PRESENT

Corporate Director: Communities (NS), Head of Business Improvement and Modernisation (AS), Education Planning and Resources Manager (IL), Principal Education Manager (JB).Programme Manager (JC) GWE officers (Jacqui Chan and Mair Herbert), Scrutiny Co-ordinator (RE), Committee Administrator (RTJ) and Democratic Services Officer– Host (KE).

1   **APOLOGIES**

Apologies for absence were received from Councillor Bob Murray and from the Chief Executive, Judith Greenhalgh who had been called to emergency meeting relating to the COVID-19 pandemic, and the Interim Head of Education, Geraint Davies. Alan Smith, Head of Business Improvement and Modernisation was deputing for the Chief Executive at the meeting.

2   **DECLARATION OF INTERESTS**

The following elected and co-opted members declared personal interests as school governors at the schools named in relating to business items 5 and 6:

Councillor Ellie Chard   –   Ysgol Tir Morfa
Councillor Huw Hilditch –Roberts -   Ysgol Pen Barras and his children
attended Welsh-medium education
Councillor Hugh Irving   _   Prestatyn High School
Councillor Meirick Lloyd-Davies   -   Ysgol Cefn Meiriadog
Councillor Paul Penlington   -   Ysgol y Llys and his children attended
Welsh-medium education
Councillor Arwel Roberts   -   Ysgol y Castell
Neil Roberts   -   Ysgol y Parc

| Councillor Peter Scott | - | St. Asaph V P School |
| Councillor Emrys Wynne | - | Ysgol Borthyn & Ysgol Brynhyfryd |

3   URGENT MATTERS AS AGREED BY THE CHAIR

No urgent items had been raised with the Chair ahead of the meeting.

4   MINUTES OF THE LAST MEETING

The following minutes of the Performance Scrutiny Committee meetings were submitted:

(i) Meeting held on 26 November 2020
(ii) Special Meeting held on 22 December 2020

The Committee:

Resolved: - to receive both sets of minutes and approve them as a true and correct record of the meetings held on 26 November and 22 December 2020 respectively.

Councillor Emrys Wynne (Chair of the Use of Plastics Task and Finish Group) advised that the Scrutiny Chairs and Vice-Chairs Group (SCVCG) hoped to devise a workable solution for monitoring the delivery of the recommendations in relation to the reduction of the use of plastic and the wider Climate and Ecological Change Strategy in the county in due course.

5   WORK PROGRAMME AND SUPPORT TO SCHOOLS DURING THE COVID PANDEMIC

The Lead Member for Education, Children and Young People alongside the Corporate Director: Communities introduced the Work Programme and Support to Schools during the Covid Pandemic report (previously circulated). The report summarised how education and schools had tried to deliver the best education in difficult times. Outlined within the report and appendices were the educational offer provided to all pupils in the county, an assessment of the main outcomes and impact of that work to date along with any other outcomes and impacts identified. It also outlined details of further work required to strengthen all aspects of education delivery in future. The time had been very challenging. Two officers from GWE were also in attendance to answer queries.

The regional service, GwE, in its entirety had refocused several times during this period to meet the needs of the range of stakeholders. The ability to be flexible and agile to work effectively together in different teams, often cross sector, had significant impact on organisational behaviour and external perception

Regular contact with school leaders had been well received and had contributed to Head teachers feeling that they could turn to a professional colleague to share challenging issues and to find solutions to address day-to-day issues.

Support for senior leaders' well-being had been provided through a series of workshops and webinars which supported their resilience during this difficult period. These were held weekly and were extremely beneficial. GwE staff were also conducting face to face pastoral visits to schools during the autumn term on behalf of the Local Authorities.

The six local authorities and GwE had taken a collective regional approach to supporting schools throughout the COVID pandemic. This was clearly demonstrated in the consistent regional approach in developing a supportive framework to ensure that all regional schools had the right policies in place together with a comprehensive risk assessment in order to create a safe environment to welcome the children back into schools.

Schools causing concern prior to lockdown had received support throughout the period. Teachers had been guiding pupils and parents through blended learning. The schools were delivering on education and parents received reports on their child's development. Many schools acknowledged that parental engagement had been a key factor in securing effective distance/blended learning. GwE and the Local Authorities had and continued to provide a range of guidance to support schools to improve parental engagement, including the sharing of good practice.

The Committee was assured that any pupils who required any IT equipment for school their school work were assisted to gain access to it. The Lead Member informed the Committee that to the Service's knowledge no pupils were without the required IT equipment.

The Lead Member placed on record his personal thanks to all Education, Children's Service, Health and Safety, school support, catering and maintenance staff for all their hard work which had enabled schools to reopen and also to provide blended learning.

During the ensuing discussion the Committee –

- The Committee thanked all staff for all their hard work during this difficult time.
- raised concerns about the IT issues some children may experience whilst conducting hybrid learning, i.e. there may be bandwidth issues arising from a number of family members attempting to use the internet at the same time, due to home-schooling and home working. Some households may be in area where internet access was patchy or extremely poor. Also some larger families may have to share hardware which could affect learning. The lead officer clarified that if there were any issues with hybrid learning, parents were advised to raise the matter with the school, who would in turn contact the Council if the school itself could not solve the problem. However, any internet connection issues were not within the control of the local authority.
- queried whether teaching assistants and cleaners were at high risk and whether they were likely to be given priority for vaccination. Members felt that it was important that the Council supported those who were nervous of the virus. The Corporate Director: Communities informed the Committee that the vaccine rollout was determined by the Government, based on scientific

advice from the Joint Committee on Vaccination and Immunisation (JCVI), local government had no control over it. However, the prioritisation list did include staff who worked in special schools and who provided personal care to pupils. In the meantime, the Council would continue to support school staff with information and advice from both Welsh Government (WG) and Public Health Wales (PHW).

- raised concerned about the effectiveness of learning, as everything revolved around digital learning. Was sufficient support available and were more practical skills such as craft work being taught. Was any encouragement given to parents to teach through different methods. Officer advised that activity packs were available and provided to pupils to help them to learn via various methods rather than just through hybrid learning.
- raised concerns in relation to the short lead-in time between WG announcements and their implementation dates, and the pressures this caused local government. The Lead Member assured the Committee that both he and GwE officials repeatedly raised concerns about this with the WG and would continue to do so. Denbighshire County Council had taken the decision to keep schools closed until later in January to allow teachers to be prepared for the New Year, contrary to what the WG wanted.
- queried whether there had been support available for non-Welsh speaking parents to support children learning through the medium of Welsh. Children attending Welsh-medium education would receive more Welsh interaction in schools and this could not be matched digitally. The Service was working with parents and children to try and encourage as much Welsh as possible. This was one of the biggest challenges with hybrid learning at the moment.

Resolved: - subject to the above observations –

(i) to accept the comprehensive information received on how the regional consortium, in partnership with the local authority, had evolved and adapted their support to schools during the COVID-19 pandemic and how schools had adapted to the new ways of working in response to the restrictions in force, along with the lessons learnt and the impact on future education delivery practices;

(ii) to commend all GwE, Local Authority Education and Children's Services staff and all school based staff on their achievements in adapting and delivering high quality education to the county's pupils both remotely and in safe school environments whilst also providing well-being support; and

(iii) that a message be sent to all local authority Education and Children's Services staff along with all staff involved with delivering services to schools to thank them for their diligent work in securing the safe delivery of education and well-being services to pupils during the course of the pandemic.

6   **LEARNER TRANSPORT: PROVISION FOR WELSH MEDIUM EDUCATION AND THE DEFINITION OF CATEGORY 1 SCHOOLS IN THE COUNTY**

The Lead Member for Education, Children and Young People, Councillor Huw Hilditch-Roberts presented the report (previously circulated). The report provided

an overview of school transport requirements as they applied to Welsh language schools under the Learner Travel (Wales) Measure 2008, which had been incorporated into Denbighshire County Council's own Learner Transport Policy in 2018. It also provided an overview of the Welsh Language Categorisation of schools and how School Transport provision linked into education-medium provision. The report was being presented to the Committee in response to a request by members.

The Committee was informed that there was one recent and one ongoing consultations by Welsh Government (WG) that could potentially lead to changes to both the Learner Transport Policy and School Categorisation criteria in due course. Consequently, the Lead Member felt that the report was brought to the Committee prematurely. The results of the consultations and the proposed changes stemming from them would need to be assessed once the consultations were completed, as they could have substantial impact on how schools delivered education especially with regard to the Welsh Language. The consultation's findings were expected to be published by the WG during the spring of 2021.

During the discussions, the following points were raised:
- The Chair was aware that pupils who attended Ysgol Bro Cinmerch would have to pay for transport to attend at Ysgol Glan Clwyd (dependent upon the location of their home address) or attend Ysgol Brynhyfryd, as the latter was defined as their nearest suitable school for the provision of Welsh-medium education, as 80% of its curriculum offer was available via the medium of Welsh. The Lead Member agreed to discuss the matter with the affected parents and pupils. Previously, pupils may have been able to apply for concessionary travel on school transport to attend the school of their choice, however recent changes to the Public Service Vehicle Accessibility Regulations (PSVAR) had meant that this was no longer an option for pupils and parents
- The Committee wanted to ensure that parents and children were supported while accessing secondary education through the language medium of their choice.
- whether dual household children were deemed to qualify for free school transport from their prime household to their nearest suitable school. Officers advised that generally their home address for education transport would be taken as the one registered for the pupil's Child Benefit payments. Nevertheless, this did sometimes cause a problem and this had been highlighted to the WG as part of the Council's response to the recent consultation.
- The definition of Welsh-medium education which was available across Denbighshire was raised, as there was concern amongst parents who wanted their children to be educated through the medium of Welsh. Ysgol Glan Clwyd was a Category A school which was able to offer 100% of its curriculum through the medium of Welsh, whereas Ysgol Brynhyfryd was a Category B Welsh-medium school, that guaranteed to offer at least 80% of

its curriculum through the medium of Welsh. This provision complied with WG definitions of both categorisations. Members were concerned that by the time pupils reached years 11, 12 and 13 there may not be sufficient resources available in Category B schools for Welsh-medium provision to be offered.

- The Lead Member and the Education Planning and Resources Manager informed the committee that once the consultations had been concluded and the findings were known further reports would be submitted to the Committee.

Resolved: - subject to the above observations to confirm that no change was currently required to the Authority's Policy due to:

   i).   *the Learner Transport Policy 2018 fully meeting the current statutory requirements under Learner Travel (Wales) Measure 2008; which had been tested legally prior to being adopted in 2018;*

  ii).   *currently changing how Category 1 & 2 Welsh Language Secondary Schools were dealt with in terms of transport would undermine the provision of Education in Denbighshire's Category 2 Welsh Schools.*

 iii).   *the risk of making the Authority open to be challenged in regard to decisions previously made, or future decisions made if they contradicted Legislation, Policy and Guidance.*

  iv).   *the fact that the Welsh Government had recently consulted on potential future changes to The Learner Travel (Wales) Measure 2008 in January 2021, and the outcome of that process could again change future requirements across a number of areas, including Welsh medium schools.*

   v).   *the fact that Welsh Government was currently undertaking a consultation on 'School categories according to Welsh-medium provision' and the outcome of that process may also change the current categorisation for all Welsh medium schools and any linked Legislation;*

  vi).   *that a letter be sent to Welsh Government emphasising the need for them to ensure that all legislation relating to education provision and Learner Transport provision dovetail to support the delivery of the widest possible choice of educational opportunities for pupils in Wales;*

 vii).   *that further reports are provided to the Committee upon the publication of the Welsh Government's revised Learner Transport Measure and the conclusions of the Review of School Categorisation According to Welsh-medium Policy outlining the respective reviews' implications for Denbighshire schools and pupils; and*

viii).   *that the Lead Member for Education, Children and Young People discuss with parents of pupils attending Ysgol Bro Cinmeirch how best to meet their needs for access to secondary education provision of their choice.*

7   SCRUTINY WORK PROGRAMME

The Scrutiny Co-ordinator introduced the report (previously circulated) seeking Members' review of the Committee's work programme and providing an update on relevant issues. Members were reminded that the proposal form for scrutiny topics (appendix 2) should be completed for the Scrutiny Chairs and Vice-Chairs Group to review and allocate items of business.

- Members were informed that a request had been received for the report on the Cefndy Healthcare during 2019/20 to be deferred until June 2021 to enable it to cover two full financial years. The presentation of the 2019/20 had initially been deferred due to the pandemic, therefore as the company was now in the final quarter of the 2020/21 financial year it would be prudent for two full years to be reported upon.
- As a result of the on-going pandemic response work officers had requested that the report on Hafan Deg be deferred until July 2021. The Committee agreed to this deferral.
- The Scrutiny Co-Ordinator confirmed that the Commercial Waste Service Evaluation would be presented to the Committee on the 18th March
- Members were informed that the Library Service Standards 2019-20 would also be available for presentation in March; and
- the Scrutiny Chairs and Vice-Chairs Group had met the previous week. No items had been referred by them to the Committee for examination.

Resolved: subject to the above amendments to approve the Committee's forward work programme.

8   FEEDBACK FROM COMMITTEE REPRESENTATIVES

The Chair advised members that he had recently attended a meeting of the Council's Strategic Investment Group (SIG) during which a number of projects, which were currently subject to confidentiality restrictions, had been discussed.

Meeting concluded at 12.40pm

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Report to	Performance Scrutiny Committee
Date of meeting	18 March 2021
Lead Member / Officer	Cllr Brian Jones: Lead Member for Waste, Transport and the Environment / Tony Ward: Head of Highways, Facilities & Environmental Services
Report author	Tara Dumas, Waste & Recycling Manager
Title	Trade Waste and Recycling Review

1. What is the report about?

1.1. The Trade Waste and Recycling Service has undergone an external evaluation exercise (**Appendix 1** refers) in order to assess the health of the service in terms of financial viability and performance. This report presents key findings and recommendations of that evaluation, having appraised a number of future delivery models that would complement the wider service changes being introduced to householders in 2023. This report details the steps that the Waste and Recycling Service are taking to transform the service and take on board those recommendations.

2. What is the reason for making this report?

2.1. To provide information regarding the future direction of the Trade Waste and Recycling Service, so that it may align to the new waste operating model and provide assurances that the Service is performing well and provides value for money. Most importantly, the commercial service must be transformed to ensure the Council is well placed to offer local businesses and organisations a compliant recycling service as required by the Environment Act (Wales) 2016.

3.   What are the Recommendations?

3.1. That Members consider the tasks, targets and timescales set out in "Trade Waste and Recycling Delivery Plan" (**Appendix 2** refers) in order to deliver key recommendations based on the findings of the WRAP Cymru Trade Waste Review Report (**Appendix 1** refers), and comment accordingly.

4.   Report details

Trade Waste (Residual)

4.1. The Residual Trade Waste Service has been outsourced to Veolia since August 2018. The contract period is due to expire in August 2021 and it has proved to be extremely reliable, having consistently met its Key Performance Indicator (KPI) targets through contract life (**Appendix 3** refers). The WRAP Trade Waste review shows the outsourced model to provides a greater income stream than operating the service in house, and this can continue in the new waste operating model as long as we seek to grow the Trade Service. Therefore, the service intends to let a new contract to March 2024, giving time for the service to grow its customer base, introduce a charge by weight pricing structure to incentivise recycling, and to provide continued reliability during the transformation of the in-house ran trade recycling service.

Recycling Trade Services (Recycling)

4.2. The in-house trade recycling service has a smaller profit margin and has been less reliable than its outsourced residual counterpart. There were 539 collection issue reports in 2019/20 and 69% of these related to the recycling service only, compared to 21% relating to the residual collections only.

4.3. This is symptomatic of a service that requires modernisation, i.e. one that is lacking in technology, weight data and the staffing resource to adequately manage all aspects of a commercially orientated service, including timely responses to customer enquiries. The dedicated Trade Waste Officer post was deleted several years ago and the existing team are not always able to cope with the demands of the service, further being challenged by a corporate invoicing system that does not permit us to invoice customers directly like our

competitors. The system limits our ability to meet industry standards and customer expectations as well as our ability to protect the Council from bad debt.

4.4. The Service was due to implement a Periodic Invoicing Management System in 2020, similar to that used to collect Council Tax, based on upfront annual invoicing and regular auto payments thereafter, which would have gone some way to reducing the resource intensiveness of routinely recovering income. However, this had to be put on hold due to the Covid pandemic. It cannot be adopted until businesses reopen and the likelihood of further lockdowns is very low as payments are taken monthly based on an end of year projection made at the start of each financial year.

4.5. We aim to introduce In-Cab Technology by March 2021/22, releasing officer time from undertaking unnecessary administrative processes and enabling the reinstatement of a dedicated trade waste officer. This will assist with the proactive marketing of the food waste service, which provides the best opportunity for growth and income generation due to our favourable treatment costs at the local Biogen Waen Anaerobic Digestion Facility and the countywide weekly household collection service.

New Waste Operating Model

4.6. In order for our trade waste customers and ourselves to comply with the Environment Act (Wales) 2016, it is necessary to move to a source segregated recycling service. This requires customers producing food waste over specified quantities to recycle food, and a range of dry material streams to be collected separately. The Trade Waste Review appraised a range of delivery options to determine the most efficient. The new recycling service will see customers with large wheeled bins being co-collected with the householder Communal Bin locations across the county in two specialist vehicles both consisting of a pod for food or glass and a compaction compartment (**Appendix 4**). This was deemed the most efficient method of collection during the review, noting that smaller customers could be added to the household rounds using the new waste operating model "standard" offer of a weekly collection of one or more Trolley boxes (**Appendix 5**).

Recommendations of the Trade Waste Review

4.7. A range of recommendations have been proposed in the external WRAP review in order to improve the current service and ensure a successful transition to the new waste operating model.   These are detailed in the WRAP Summary Report (**Appendix 1**). The actions and timescales for the service to implement the recommendations are detailed in the Trade and Recycling Delivery Plan (**Appendix 2**).

5.   How does the decision contribute to the Corporate Priorities?

5.1. This report responds to Performance Scrutiny's request to review the Trade Waste Service, especially in light of the outsourcing of our Trade Residual Service in 2018, to ensure we deliver our services in a well-managed and efficient way, in line with the requirements of the Corporate Plan.

5.2. The service transformation detailed within this report will support the Council's ambition to reduce carbon emissions from Council assets by at least 15% by 2022, by continuing to partner with a private sector partner to co-collect our residual trade waste and therefore reducing overall miles travelled. Moving to a source segregated recycling service will improve the quality, and therefore recyclability of the recycling we collect ensuring valuable resources are retained within production chains, reducing reliance on diminishing raw materials. Plans to proactively promote our food waste recycling service will divert more commercially produced food waste from landfill and incineration.

6.   What will it cost and how will it affect other services?

6.1. The Trade Waste service has a large number of internal customers. The changes proposed for the service will ensure that these Council departments are able to continue to have their waste collected compliantly through the source segregated recycling service proposed at the earliest opportunity.

6.2. It is strongly recommended that the service is actively marketed and branded in order to attract a better balance of customers. The Service will seek to work with our internal communication team to develop this material.

7. What are the main conclusions of the Well-being Impact Assessment?

7.1. A Well-being Impact Assessment has not been carried out specifically for Trade Waste and Recycling Services as this is a smaller element of the overall service change (for which a well-being impact assessment has been conducted).

8. What consultations have been carried out with Scrutiny and others?

8.1. The Trade Waste and Recycling Service has undergone a thorough external review by WRAP (funded by Welsh Government).

8.2. The findings of the review have been shared with the Waste Project Board and the Delivery Plan (**Appendix 2** refers) to transform this element of the service will be monitored regularly by the Project Board.

8.3. The Trade Waste Service is occasionally benchmarked by the Welsh Local Government Association (WLGA). We are awaiting the outcome of the latest benchmarking exercise, based on 2019/20 data that we have shared.

8.4. A recommendation of the WRAP review is that we consult with our customers on a number of service changes to test their appetite for new charging structures. This will be undertaken in 2021 in line with the Delivery Plan.

9. Chief Finance Officer Statement

9.1 The recommendations of the Trade Waste Review aim to retain and potentially increase the current income stream to help offset the cost of the wider waste collection service. The service has committed that all costs to transform the service will be met from existing waste provisions. It is important that this is

monitored closely going forward by the service with their finance business partners.

10. What risks are there and is there anything we can do to reduce them?

10.1. Three medium financial risks are detailed in **Appendix 6,** primarily based around the financial assumptions made in the WRAP Trade Waste Review. It is recommended that the Council lobby Welsh Government, along with other Local Authorities, to encourage them to actively enforce the Environment Act (Wales) 2016 Requirements, so that businesses are incentivised to pay more for recycling services so that Council and private waste operators are able to offer them without subsidy. This is the most effective way of ensuring valuable recyclable materials are not wasted through residual disposal routes, and carbon benefits of waste management operations are optimised.

11. Power to make the decision

11.1. No decision is being sought by this report.

11.2. Scrutiny's powers are set out in Section 21 of the Local Government Act 2000. Sections 7.4.1 and 7.4.2 of the Council's Constitution outlines Scrutiny's powers and responsibilities with respect of policy development and review, as well as monitoring the Council's performance in delivering services.

Appendix 1
WRAP Cymru Trade and Recycling Service Review
July 2020 to January 2021

Final report

Denbighshire trade waste review

A review of the trade waste service provided by Denbighshire County Council, including options for its future development

Project code: COL200-123
Research date: July 2020 – November 2020   **Date:** January 2021

WRAP's vision is a world in which resources are used sustainably.

Our mission is to accelerate the move to a sustainable resource-efficient economy through re-inventing how we design, produce and sell products; re-thinking how we use and consume products; and re-defining what is possible through re-use and recycling.

Find out more at www.wrapcymru.org.uk

Written by: Circulogic Limited

CIRCULOGIC

Executive summary

This report describes the scope and findings from a desk-study commissioned by WRAP Cymru and carried out during 2020 to review Denbighshire County Council's (DCC's) trade waste and recycling service. The study assessed key areas of service design, delivery and performance (including financial standing). Included in the review was a high-level assessment of the market within which the service operates, comprising businesses (number and type) and waste streams (quantity and composition) that may be available to target. The primary focus of the work was the sequential assessment of alternative service design and delivery options, building on a baseline model depicting the service as it operates now.

Current service overview (baseline performance)
DCC provides trade waste and recycling collection services to over 600 local business premises and Council buildings through a mix of outsourced (residual waste) and inhouse (mixed dry recycling and food waste) collections. Collections are made over 5 days (Monday – Friday) through a mix of contracted bin, prepaid sack and bundled cardboard lifts. The service delivers a modelled annual turnover of approximately £420k, generating a surplus in the region of £60k, and collecting c.1,600 tonnes of material. The current trade-specific recycling rate is estimated to be around 40%.

The relatively low modelled recycling level, but strong financial standing, is due in part to the dominance of residual lifts in the current collection profile. As is the case with many Welsh local authority trade services, the pricing strategy means that residual lifts deliver a high margin, whilst recycling and food are closer to breakeven or operate at a loss.

A high-level SWOT analysis of the service identified a number of positives. These include the benefit of a relatively stable customer base, a flexible service offering attractive to small, space-constrained businesses, and logistical efficiencies that arise through the ability to co-collect domestic and trade food waste. At the same time, there exist various areas of risk. Examples include a customer contract that provides little commercial protection to the authority, a budget that lacks transparent detail and limited digital marketing.

Any decision to grow the service needs to be underpinned by a new focus on data / analysis, investment in vehicle and back-office IT systems and an appropriately resourced structure (including reinstated trade waste officer post) that is empowered to drive the service forward. It is acknowledged that space constraints at the new depot may limit the extent to which the service can handle increased tonnages, but that should not mean the service cannot perform better across a range of metrics.

The market within which the Council operates
Whilst DCC potentially has just over 20% of the available market, in terms of customer numbers, its share by waste handled is much smaller. The Council is estimated (through this study) to collect approximately 1,600 tonnes of commercial waste and recycling per annum, out of a possible 19,800 – 34,000 tonnes that might be considered accessible to it. Over three quarters of the Council's customer base are private (Trade Waste) customers, the majority of which are expected to be micro-business with fewer than 10 employees. The customer base is dominated by outlets in the Accommodation and Food Services and Retail sectors, with these groups making up 29% and 24% (by number) of all currently registered customers. Approximately 70% of the commercial waste arising in the County is considered to be recyclable or compostable. The three largest fractions (by weight) are recyclable paper (26.6%), food waste (17.3%) and card (17.2%) – all of which are currently targeted by the Council for collection / recycling.

Whilst some businesses will always be out of reach to the Council, due to their scale or structure, the market analysis indicates strong potential to grow a larger, recycling-led service. By way of example, DCC currently collects an estimated 220 tonnes of food waste via the trade service. The market analysis indicates there may be between 16 and 27 times as much commercial food waste available to collect in the accessible market. Achieving growth is dependent on being able to fill gaps in operating capacity through targeted marketing (underpinned with flexible pricing) that ensures delivery of a profitable portfolio of lifts. Future marketing should be focused on winning 'good' business. The service is currently lacking this strategic vision and a costed delivery plan.

The Council should be aware of developments in the wider commercial waste market through the progressive introduction of technology and web-based service brokerage platforms. These have the potential to disrupt the way in which waste producing businesses procure and manage trade waste and recycling services, requiring operators to report on transactional data in real time. Furthermore, the proposed introduction of a UK-wide EPR (Extended Producer Responsibility) scheme for packaging will require collectors to hold and report on improved levels of customer and material (weight / composition) data. EPR should result in greater values being passed back to collectors for clean obligated packaging material. Hence, those operators with the ability to deliver high concentrations of clean packaging material should see a financial benefit. In DCC's case, this strengthens the argument to implement a dry recycling service based on a greater level of materials separation, and to invest in IT and hardware that delivers real-time data and communication.

Future service delivery options and modelled outputs
The domestic waste and recycling service configuration is due to change in 2023, at which point it will no longer be possible to co-collect trade food customers (with bins) on the domestic rounds, as happens now. It will also be the case that domestic flats complexes with communal bins will need to have their recycling and food waste collections integrated with trade. These drivers for change, combined with the pending requirement to deliver a greater level of dry recycling material separation in line with the Environment Act, prompted consideration of a shortlist of alternative service delivery options assessed in this study:

- Option 1 adds recycling and food lifts from 82 communal (flats) complexes to the trade service. The overall design of the enlarged service remains 'as-is', but with trade / communal food lifts now made on a dedicated vehicle. All collections are made on a weekly basis, albeit retaining any existing trade customer lift frequencies from the baseline model;
- Option 2 sees the mixed recycling collections (DMR) transformed to a service targeting separate fibres (mixed paper and card), containers (mixed cans and plastics) and glass. These are assigned in proportions that are tailored to the business type, ensuring at least the current level of recycling capacity is provided. Collections of the four dry recycling and food streams are modelled through use of pod RCVs (where food / glass are collected in the non-comparting front pod and fibres / containers in the rear compacting compartment). In model variant (a) food waste remains focused on those currently receiving this service, whereas in variant (b) food uptake increases across all relevant Hospitality (including catering departments at Education establishments) and Arts, entertainment and recreation businesses; and
- Option 3 analyses the potential scale of the opportunity to collect recycling and food presented in low quantities from micro businesses on the future RRV rounds, which would help increase collection efficiencies – especially in rural areas.

A number of variants were assessed across the modelled options to test the impact of residual waste continuing to be collected through an outsourced arrangement (currently with Veolia) versus brought inhouse, and reflecting the differential accounting of container replacement costs as either capex or opex. Option 3 was not formally modelled, the focus of the analysis instead being on identifying the population of existing customers that might be suited to having their recycling / food collected on the future RRV rounds. Detailed results are provided in the report; headline outputs are summarised below.

Modelled Option Metrics and supporting commentary	Baseline Current service with estimated / apportioned collection resources	Option 1 Current service plus Communal (flats) recycling / food	Option 2(a) Mixed recycling transformed to separate fibres, containers, glass, collected with food in pod RCVs	Option 2(b) As per option 2(a) with food waste expansion	Option 3 Microsite analysis assessing potential for small recyclers to move to a Trolleybocs service
Arisings (tpa):	1,622	1,964	2,010	2,010	< 50 (recycling & food)
No. Vehicles	2.2	3.1	3.2	3.2	Not modelled
Recycling Rate (%)	40	50	51	58	
Annual service turnover (rounded to £1k)	£423k turnover	£423k turnover	£461k turnover	£480k turnover	232 dry recycling customers, out of a baseline number of 434, may be of a scale that would support them moving onto a 'domestic' model collected on RRV rounds
Net revenue position (rounded to £1k)	£58k to £67k surplus	-£2k to -£14k loss	£28k to £43k surplus	£47k to £66k surplus	Existing food customers using just the 23litre caddies number 10 in total
Commentary on variants	Modelled variants include residual inhouse vs outsourced and containers capex vs opex. Outsourced residual = £3k better	Modelled variants include residual inhouse vs outsourced and containers capex vs opex. Outsourced residual = £3k better	Modelled variants include residual inhouse vs outsourced and containers capex vs opex. Outsourced residual = £7k better	Modelled variants include residual inhouse vs outsourced and containers capex vs opex. Outsourced residual = £10k worse	

Headline observations and recommendations

The results show there is potential to build a higher performing recycling service that continues to deliver a healthy financial surplus. However, this will require a period of dedicated engagement with customers, smart service pricing and lobbying of Welsh Government to ensure the separate collection requirements of the Environment Act are implemented and enforced. The greatest recycling performance gains are to be achieved by maximising uptake of glass and food, i.e. the heavy streams prevalent in the Hospitality and Arts / entertainment sector. This is likely to be challenging in the short-term whilst Covid-19 continues to have a disruptive effect on these businesses, however the opportunity exists to help these businesses 'build back better' through a recycling-led service offering. The option 3 analysis identified that approximately 50% of current dry recycling customers may be serviceable via the future RRV rounds, as a function of their small size. This may indicate the need to further explore the potential to create a 'micro-recycling' contract option that incentivises small business to recycle food and dry streams via Trolleybocs', and to protect capacity in the domestic service to enable this to happen.

Outsourcing the trade residual waste based on the terms currently applying to the Veolia contract appears to remain the most cost-effective option in all but those cases where DCC is able to significantly increase recycling of heavy streams, i.e. option 2(b) as modelled.

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The current backdrop of services, applied to a customer base dominated by smaller businesses where competition levels and collection logistics vary considerably between the densely populated North and rural South, creates both opportunities and challenges for DCC. It also makes for a complex service to analyse and ultimately manage, constrained by a current lack of transparent data describing service uptake, resource demands and financial standing. In order to help the Authority overcome the challenges and realise the opportunities, the following headline recommendations emerged from the study.

Review Aspect	Suggested actions and further work
Baseline service	Review existing customer contract (E-Forms) to make it clearer what the responsibilities are on both sides. Consider introducing a 3-month notice period and/or a bin bond as mechanisms to provide greater commercial protection to the authority
	Undertake a review of back-office systems and processes, and linked customer interfaces (e.g. One Stop shops, website, customer services), in order to improve service messaging, marketing and response times. Ensure common data building blocks are used across systems, e.g. UPRN's, and create reports that enable improved service data capture. Examples include capturing SIC classifications for all customers, analysing Veolia weight data to understand trends by customer type, and recording mixed recycling weights.
	Consider making recycling compulsory for all (or all incoming) customers and undertake checks on customers to ensure they are complying with Duty of Care across all waste streams.
	Create an improved service budget and financial reporting structure to aid transparency of reporting and monitoring, ensuring the service bears all costs it should. Explore discrepancies between budgeted incomes and modelled income levels.
	Undertake a sample trade recycling weighing exercise, e.g. over a period of 1 month, to check the modelling assumptions applied in this study. Aswell as the weight this should record details of containers / streams lifted on each day / round - to ensure an accurate set of revised apportionment factors are derived from the exercise.
	Reinstate a formal trade waste officer post and revisit internal policies, including practical considerations such as use of bin locks (especially when the domestic service moves to a 4-weekly frequency) and branding of bins.
Future options	Undertake further work to assess possible uptake levels if the recycling service were to be transformed, e.g. through customer outreach. Put in place a fully resourced 'transformation plan' that recognises the risks linked to uncertain customer responses and identifies proactive steps the authority could take to ensure uptake levels align with the available resources. This requires a proactive, rather than reactive, approach to marketing the service and a refresh of the service brand.
	Consider financial incentives and/or new contract options that encourage a shift in behaviour to recycling. This is needed if the trade service is not to have the effect of pulling down the overall Authority recycling rate. Linked to the assessed transformation of the mixed recycling service (option 2(a)) and expansion of the food waste service (option 2(b)) there may be a need to cap short term cost increases to incentivise uptake, ideally coinciding with putting in resource to audit and rationalise residual waste arrangements on a customer-by-customer basis. This work should form part of a wider review of DCC's approach to pricing on the service.
	Extend the microsite analysis and model the impact of removing these sites from the trade system in order to quantify the spare capacity (and cost reduction) generated. This needs to go hand-in-hand with ensuring sufficient capacity is built into the new RRV round designs to support their future inclusion.

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1.0   Introduction

Denbighshire County Council (DCC) provides a mix of trade waste and recycling collection, treatment and disposal services to over 600 local businesses (including charities), schools (along with their onsite canteens) and municipal buildings. The service is delivered through a mix of in-house and contracted collections, based around:

- A wheeled bin and sack residual waste service, outsourced to Veolia;
- A co-mingled (mixed) dry recycling service collected via wheeled bins and sacks (plus bundled cardboard), operated in-house (albeit temporarily outsourced to CAD Recycling during the Covid-19 outbreak) on a dedicated collection round; and
- Food waste co-collected on the domestic rounds.

It is estimated (through this study) that the service handles in the region of 1,600 tonnes of trade waste and recycling each year, with potentially 40 percent of this being recycled (including food waste treatment via anaerobic digestion).

DCC has committed to change the domestic (household) service to a weekly kerbsort arrangement, alongside 4-weekly refuse in 2023. This has implications for the trade service with respect to the ongoing feasibility to co-collect, e.g. on the food, communal dry recycling collections, and linked to the future reduction in household residual waste collection frequency.

Alongside a review of recycling provision for communal bins (flats), the opportunity exists to strategically review the range of services offered to business (and internal) customers, along with the service delivery model and operational design. The focus of this review is on ensuring the service meets the future needs of the market (including consideration of alignment with the separate collection requirements of the Environment Act), whilst contributing to the delivery of the Authority's strategic objectives.

1.1   Project aim and scope

With WRAP support, a review of the trade waste and recycling collection arrangements was initiated in the Summer of 2020 as part of a wider service transformation project. The study has been executed via the following tasks:

- Inception and project scoping;
- Information and data gathering. Focus areas include the current customer base and the services they use, resource deployment and finances;
- Baseline analysis, including the development of service metrics defining customer profiles, service yield (waste quantities), resource deployment and financial standing;
- Appraisal of the market within which the service operates, including consideration of its size, composition and competing service providers. Time was also spent in the area reviewing the competitive landscape of bins and services deployed;
- Shortlisting and modelling / analysis of future service delivery options; and
- Reporting.

The work is intended to inform outline proposals for the future development of the service, including fleet procurement decisions and plans to integrate the communal (flats) recycling and food waste with trade.

Baseline service observations
Text boxes are used throughout the report to highlight observations on the service and provide comparison with the wider market and other trade waste operators.

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2.0   Existing service – baseline review

To inform the assessment of future options for the design and delivery of the trade waste service, it is first necessary to define the current service and its performance. This constitutes a baseline review. The baseline review is based on Authority-supplied information and data primarily covering the 2019/20 financial year, supported by external data where gaps exist. This has been used to create a 'master customer spreadsheet' containing details of service transactions, and an overarching model that incorporates finance and resource information.

This section of the report summarises the key inputs and outputs from the baseline review, as applied to each element of the service.

2.1   Service overview

The range of services available to Denbighshire business customers, charities and municipal buildings (e.g. schools) is based on collection of the following streams:

- Residual waste collection (general waste) in either (brown) bags or bins (240/360/660/1100/1280[1] litres). The vast majority of customers receive a weekly collection but a small number receive fortnightly or monthly lifts;
- Dry mixed recycling (DMR) collection, in (clear) recycling bags or bins (240/360/660/1100/1280 litres). The main target materials are paper, card (including cartons), glass, plastic and cans. As with residual waste, whilst most collections are made weekly a number of customers receive fortnightly or monthly lifts;
    - Integrated with the DMR lifts, bundled cardboard is collected on a Pay As You Throw (PAYT) basis, through the advance purchase of labels. Popular with high street customers who do not have space for bins, most customers flatten their boxes and place them inside the largest box they have;
- Food waste collection via 23 litre caddies or 120 litre bins. Collections are made weekly, fortnightly and in some cases, monthly.

Most customers are formally contracted and receive regular scheduled collections. For those smaller businesses using sacks and cardboard recycling labels, these can be purchased at the 'One Stop Shops' located in towns across the County.

Observation: service design as perceived by customers

The current service design allows for collection of a comprehensive range of materials, with close alignment between what can be recycled at home and at work. A flexible range of containment options and collection frequencies are available to customers.

In order to achieve alignment with the Welsh Government's preferred level of business waste separation requirements proposed via the Environment (Wales) Act 2016, DCC would need to split the co-comingled dry recycling stream into separate paper/card, metal/plastic and glass streams. It is also proposed that WEEE and textiles be separately collected from non-domestic premises.

For smaller businesses producing less waste overall, the ability to use sacks for both general waste and recycling, enhanced by a flexible cardboard recycling service, is likely to be attractive. With Pay As You Throw (PAYT) options across all streams the service provides a high level of flexibility for small / seasonal customers.

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[1] 1280 litre bins were predominantly issued to internal customers in the past. All new large 4-wheeled bins are 1100 litres.

2.1.1 Peripheral services

A number of peripheral service areas impact upon the trade waste and recycling collections. Examples include:

- Servicing communal bins at flats complexes following the introduction of the new collection service (and Resource Recovery Vehicles (RRVs)) in 2023;
- A chargeable bulk trade refuse collection service[2]; and
- A chargeable trade garden waste collection service[3].

Trade waste is not accepted at any of the authority's Recycling Parks (Household Waste and recycling Centres).

The above elements do not form part of the formal baseline review and model development. However, the integration of flats is considered in the future options modelling (section 5).

2.2 Charging

Wheeled bin collections are charged on a volume basis using the industry-standard approach 'per lift', against a pre-agreed schedule. The amount payable depends on the number and size of bins on site and the collection frequency. Residual bins are weighed (by Veolia) but no variable charging applies, with the same charge applied irrespective of whether a bin is full or half-empty at the time of collection. Recycling and food bins are not weighed by either DCC or CAD Recycling. Charges for most collection options, excluding residual bins, are published on the Authority website[4].

General waste and DMR sacks (assumed to be 80 litres) are pre-purchased (in minimum quantities of 10) and set out by customers on an 'as needed' (PAYT) basis on the designated collection day. Food waste liners for the 23 litre caddies (where used) are supplied at no extra cost, in quantities (assumed) aligned with the level of containment used / paid for.

No additional charges are levied covering Duty of Care administration or bin rental/bonds, which is widespread across the private sector, and increasingly common amongst local authorities. Whilst this has the key benefit of meaning DCC's charging structures are kept simple, there may be commercial drawbacks linked to debt recovery and customer retention. By way of comparison:

- Monmouthshire County Council charge their wheeled bin customers a security bond based on one full quarter of collections (13 lifts where weekly), multiplied by the number of bins on site. Amounting to what is in effect a security deposit, this upfront charge provides some financial protection against issues of bin damage / loss and non-payment of bills; and
- Pembrokeshire County Council charge trade customers for the hire of residual waste bins, whilst also giving them the option of purchasing their own (through the Authority). Bin hire charges represent a not insignificant 20% of the total residual waste annual service income.

In common with other local authorities, no VAT is charged on top of the quoted prices.

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[2] Recorded with income code 9607 this service is budgeted to generate a modest £200 (£1,061 in 2019/20)

[3] No formal budget exists for this and at the time of reporting just 2 external customers were contracted to receive this service

[4] https://www.denbighshire.gov.uk/en/business/environmental-health/Trade-waste.aspx. At the time of the review (summer 2020) it was noted that the pricing information relates to the 2017/18 financial year – so is somewhat outdated.

2.2.1 Scale of charges

Table 2.1 summarises the charges applying to the primary collection options available.

Table 2.1 Service options and charges (2019/20 figures[5]).

Collection	Containment options	Lift charges	Additional information	
General (residual) waste	80 litre brown sack (10-99)	£2.16/sack (min. 10 sacks)	Discounted lift charges applicable to charities (estimated)	
	80 litre brown sack (100+)	£2.06/sack		
	240 litre wheeled bin	£5.75		
	360 litre wheeled bin	£8.14		£5.60
	660 litre wheeled bin	£14.26		£9.31
	1,100 litre wheeled bin[6]	£24.56		£15.16
Dry recycling	80 litre clear sack (per roll)	£1.06/sack (min. 10 sacks)		
	240 litre wheeled bin	£3.15		
	360 litre wheeled bin	£4.64		
	660 litre wheeled bin	£8.24		
	1,100 litre wheeled bin	£10.30		
	Cardboard labels	£2.14/label (sheets of 14)		
Food	23 litre lidded caddy	£1.60		
	120 litre bin	£3.18		

Observations: charging levels and cost recovery

DCC operates a hybrid charging system that blends scheduled (bin lift) and variable PAYT (sack/label purchase) elements. This provides flexibility to customers, supported by quarterly billing (for wheeled bin customers) meaning charges are adjusted regularly to reflect service usage. The authority has made progress harmonising charging arrangements across all customers in recent years, removing disparities such as previously provided free recycling to schools and internal customers. Whilst the principles by which DCC sets its prices for the service each year are understood, it is unclear to what extent these take account of evolving market conditions, and the ongoing outsourcing arrangement with Veolia (for residual). Whilst the pricing strategy is broadly in line with other Welsh local authorities, where recycling is offered at a considerable discount to residual waste, this has not on its own delivered a shift in business behaviour to 'recycle first'. Making recycling mandatory could help DCC achieve recycling rates that are closer to 'best in class', i.e. closer to 70% than the current 40%.

Whilst debt recovery is not considered (by Officers) to be a major issue for the service, given the limited protection offered by the customer contract (covered later) it may be worth considering the option of applying a bin bond (to new or unreliable businesses) in order to provide some commercial protection against 'absconding' customers. The lack of an integrated IT/in-cab system to ensure 'additional' waste is charged for, and unclear boundaries between domestic and trade lifts (including unclear branding of trade bins), may also mean that due income is not being fully recovered.

2.3 Operational delivery

DCC's trade waste and recycling collection arrangements are managed through a mixed operational delivery strategy. Whilst the core streams of residual waste and mixed recycling are collected on dedicated trade rounds, food waste is currently co-collected on the domestic food rounds.

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[5] Unit charges have been standardised across customer groups in recent years, e.g. requiring internal customers to pay the same rates as those applying to (external) businesses. Certain service elements have seen greater price adjustments than others, e.g. the cardboard collection cost has doubled over the course of 2-3 years so that it now better reflects the true costs of providing the service, which incorporates printing, posting and administering label orders.

[6] The majority of legacy 4-wheeled bins in use are 1280 litres. These are charged at the same rate as 1100 litre bins.

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The core elements of the service, in terms of round structures and fleet profile, can be summarised as:

- Trade refuse (residual waste) collected by Veolia using its own resources. The resource deployed to service DCC's customers is unknown, with Veolia lifting waste alongside its own customers in the region to create logistically sensible round structures that maximise customer route density. It is suggested by Officers that Veolia took on a single vehicle when the contract with DCC was won. The site visit undertaken in support of this review observed Veolia undertaking lifts (from DCC customers) on St Asaph business Park – using what appeared to be 26t single-compartment RCV;

- Trade recycling (dry mixed) collected 4 days per week based on a driver only using a single-compartment 15t RCV, owned outright by the authority. Whilst this service is nominally operated inhouse, and has been modelled as such, during the Covid-19 pandemic CAD Recycling have temporarily undertaken recycling collections on the authority's behalf[7]; and

- Food waste is co-collected on domestic rounds using 7.5t dedicated food waste vehicles. It is understood there are currently 6.4 of these undertaking weekly collections. The proportion of time spent collecting trade food waste is not known.

The existing customer base is serviced over a standard working week with collections taking place Monday - Friday. Crewing levels are based on a driver only across the dedicated residual (Veolia) and recycling (DCC / CAD) rounds. Where food is co-collected on the domestic rounds crewing levels vary, but is assumed to average as a driver plus one loader.

2.3.1 Veolia contract

DCC's contract for the collection and treatment of trade residual waste commenced in August 2018. The contract is based on a schedule of 'all-in' (collection / treatment) lift charges, indexed annually. A weight threshold applies to the pricing formula, but this has never been triggered. Whilst the original contract term has expired, it is being extended on a rolling basis.

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[7] On the basis of a hastily agreed subcontracting arrangement, whereby CAD are charging c.50% of their standard lift rate.

The Authority's trade waste and recycling service supports weekly, fortnightly and monthly collections of each of the primary streams, providing flexibility for large and small waste producers alike. Term-time only collections (42 lifts per annum) will also be appealing to schools. The 5-day working pattern (Monday – Friday) is in common with the majority of local authority trade waste services, albeit a limited number (such as Gwynedd) also undertake Saturday collections.

The service as a whole is viewed (by Officers) as being reliable, with many longstanding (and returning) customers. Veolia deliver a consistent quality of outsourced residual waste service; this may be due as much to the diligent driver that works on this service, who is an ex- Authority employee, as to anything else. The temporary outsourcing arrangement with CAD Recycling has perhaps been less successful, e.g. due to the rapid handover. Whilst outsourcing elements of the service have increased administration within the Authority, e.g. by dealing with invoices and managing intermediate communications, they are also viewed (by Officers) as having driven some systems-based improvements.

The operational strategy of co-collecting domestic and trade food waste via the domestic fleet enables the Authority to offer service flexibility in a cost-effective manner, especially given that uptake of this service is limited (equating to what is estimated to be <2 days work in the week). As an aside it is noted that such approaches by local authorities have been challenged by private sector operators in certain parts of the UK on the grounds that they breach State Aid rules - by using publicly funded assets to deliver a commercial service. When the domestic kerbside waste and recycling collection service changes to a weekly kerbsort arrangement and four-weekly residual collection, requiring bin-based trade food collections to be separately operated, the previous efficiency gains will be removed. As such, the long-term cost effectiveness of maintaining certain aspects of the current service design are uncertain. Those businesses that sit in rural locations or that are spread out from one another result in a much lower collection route density being achieved – meaning rounds become dominated by driving (which is costly) as opposed to lifting (generating income). This represents a challenge to be aware of when potential alternative future service delivery options are being assessed. As the 'minority' service, specific timings for the trade food collections are not known. Whilst a 'buffer' of time will be built into the current rounds to allow for trade lifts, these collections are not specifically monitored / quantified. The same is true for the residual collections undertaken by Veolia, which represents an operational risk should DCC choose to bring this service back inhouse.

2.4 Service administration

Administration and management of the trade waste service is split across a number of Officers. A formal trade waste officer post was made redundant 4-5 years ago, resulting in the loss of a single point of service contact, and associated ownership. Tasks fall on various staff and functions, including those fulfilled by the 'One Stop Shops' dealing with sack / label customers. Within the baseline budget 1 x FTE technical waste officer at the top of grade 5 has been costed to account for service delivery support & administration, indicating that the bulk of the service administration falls on one staff member. Other supporting resource[8] may comprise:

- 0.2 x Grade 5 finance support;
- 0.15 x senior technical waste officer;
- 0.05 x service manager; and
- 0.1 x assistant operations supervisor.

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[8] *Contributing to service delivery but not representing cashable savings were the trade service to be removed. As such, these costs do not feature in the trade service budget and have not been modelled in this study.*

2.4.1 Customer contract (trade waste agreement)

DCC's trade waste agreement with customers comprises a number of 'E-Forms' covering each service (residual, recycling, food, garden). The agreement captures details of the service required (container and collection frequency), the customer (name, address etc. but not SIC - **which it should**) and sets out payment dates, and the schedule of charges. Other than stipulating that 'extra collections/side waste will be charged for' and that 'wheeled bin(s) supplied will remain at all times the property of Denbighshire County Council but the hirer will be responsible for all damage or loss caused to the bin(s) whilst under his/their control, fair wear and tear excepted', there are no formal clauses setting out responsibilities on both sides. This is unusual and is considered to provide a lack of protection to both the authority and the customer, e.g. in the case of a lack of payment or service failure. For those customers purchasing sacks through the One Stop shops it is understood the receipt book doubles as the Controlled Waste Transfer Note (CWTN).

Trade waste service contracts would normally be expected to include information and clauses covering such issues as:

- Details of waste transfer and reception points;
- Notice periods for termination of the agreement;
- Dispute resolution processes and communication protocols linked to changes in service;
- Reference to legislative controls including legal duties on customers to recycle, which some authorities have taken to the extent of making this a mandatory service requirement;
- Detail on waste types accepted; and
- Containment and presentation, including collection weight limits.

The agreement does not appear to include any 'tie-in' period, meaning customers can leave at short notice[9]. This is at odds with the private sector, whose customer contracts commonly have 12 - 24 month terms, with restrictive tie-ins. These commercial practices are not advocated in DCC's case, as there is little benefit in holding a customer to a service they do not want (or are unhappy with) for such long periods. However, in the absence of any financial mechanisms that protect the authority, e.g. a bin bond, it may be appropriate for the Authority to consider introducing a notice period of say 3 months as a way of providing greater protection against aggressive sales tactics from competitors.

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[9] The current contract sets out 30 days' notice of cancellation.

DCC's customer agreement (E-Form) captures a basic level of service information for those customers taking up a bin-based service. For bag customers there is no formal agreement, just a receipt that is taken to represent the CWTN. The lack of compulsory recycling means customers can choose a residual waste only service, which is likely to have contributed to the relatively modest estimated service recycling rate of 40%. The absence of a formal termination period in the customer agreement offers little defence to customers that are potentially lured away by promotional offers from competitors. As an example, when the residual trade contract was first awarded to Veolia, competing bidders (e.g. Gaskells) were known to target existing customers – on the premise that the Authority were ceasing to provide a service. Should the authority not wish to introduce a restrictive 'tie-in' period then other mechanisms, such as bin bond, may provide additional commercial protection. That said, many of the authority's customers are long standing and may be happy to commit to longer contract terms. Other commercial controls DDC may wish to consider, as adopted by other local authorities, include:

- Applying an administration or Duty of Care charge;
- Stipulating a minimum advance invoice value; and
- For departing customers, require evidence of a CWTN being in place with a new service provider. The same may apply to customers taking up just part of the service, e.g. recycling; DDC may want assurance that a legal outlet exists for any general waste that is produced.

Despite the lack of a robust set of Terms and Conditions governing the customer contract, it is understood that the service runs with low levels of (bad) debt. This most likely reflects the stable customer base the authority has. However, should more customers start to go out of business, the position could worsen. Issues may also emerge should the authority decide to grow the service and win new customers, which introduces new commercial risks. As such, it is a recommendation of this study that additional clauses be added to the agreement, covering issues such as change management, communication protocols and termination periods.

Owing to the organisational setup the authority can be slow to respond to customer contacts and complaints, something that has been highlighted during the disruption and service delivery changes brought about by Covid-19. Without very good in-cab and integrated back office systems, it is difficult to access 'real time' data and information. When combined with the lack of a dedicated officer with responsibility for the service, it is likely that enquiries and responses may not be dealt with as quickly as the authority would like. A clearer communications and dispute resolution protocol, embedded or cross-referenced in the customer service agreement, would help to alleviate any customer service issues that arise.

Subject to decisions made on the future delivery of the service, it is recommended that a single (technical) waste officer be made responsible for its management / administration, supported by independent street-scene resources undertaking local enforcement activities 'on the ground'.

2.5 Customer data

DCC provided a copy of its customer database in MS Excel format. The file, received 6th August 2020, has been configured by the Authority to enable Officers to update service information and generate mail merge reports for external customers. The data is structured by customer (in rows) against which service uptake information is defined (in adjacent columns). Within each worksheet recorded data fields include customer type, payment method, business classification and SIC code (partially complete), customer name, address, and for each service received: container type/quantity, collection day/frequency, total annual collections, cost per lift[10] and total annual charge. This common data structure is replicated across multiple worksheets, each containing information for a different customer group or type of service received, as follows:

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[10] In most cases, cost per lift data is 'looked up' from a separate worksheet containing this information that can be updated whenever price changes apply.

- Bags: listing customers who purchase brown (residual) or clear (recycling) trade sacks and pay via Customer Services or Libraries. For some customers the date on which bags were last purchased, and the quantity, is included;
- Cardboard: lists those customers using cardboard (labels). As per the bag customers some entries include a date on which labels were last purchased, but without quantity information;
- External (Wheelie Bins): contains the bulk of the entries. Where a customer has multiple bins on site or repeat visits in the week, e.g. food lifts from the general hospital, additional rows are included containing this detail. The worksheet includes a limited number of church customers (5) that receive free collections;
- Internals: lists all internal (non-school) customers and the service they receive;
- Schedule 1: contains a short list (5 entries) of charities to which reduced collection charges apply. None of these customers receive recycling collections; and
- Schools: Split by catering dept (food lifts) and schools (residual and recycling). A mix of total annual lifts apply with some establishments receiving collections all year round (52 weekly lifts), and others just at term times (42 weekly lifts).

2.5.1 Data cleansing and formatting pre-analysis

A process of data cleansing and formatting was required to enable the customer data to be analysed and used to generate input metrics to the baseline model. Steps involved collating all customer and service information within a single worksheet (removing duplicate customer entries where appropriate), removing merged cells and identifying/renaming repeat customer entries with additional bins/lifts.

Figure 2.1 presents a sample map generated from the cleansed data supplied by the Authority, combined with Ordnance Survey CodePoint data[11] loaded into QGIS[12]. The map shows the overall distribution of customers, including the subset of 'Bag' customers shown in green, supporting depot / materials reception infrastructure and a Postcode District overlay.

It is possible to run various spatial analyses on the data from within the GIS. By way of example, the proportional split of customers by region (and underlying Postcode District) can be summarised as follows:

- North: 69%   LL16 (Denbigh), LL17 (St. Asaph), LL18 (Rhyl), LL19 (Prestatyn)
- Mid: 15%   LL15 (Ruthin)
- South: 16%   LL11 (Wrexham), LL20 (Llangollen), Ll21 (Corwen)

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[11] Used to assign grid references to supplied postcodes

[12] A free and open source Geographic Information System. https://www.qgis.org/en/site/

Figure 2.1 Customer distribution map: including 'Bag' sites.

Observation: customer data management

DCC's approach to managing administrative and operational data on its trade waste service is similar to many local authorities. Most have independently developed their own customer databases over time, holding information deemed important to fulfil invoicing transactions and keep track of contracted services. In common with its local authority peers, DCC has not fully integrated this customer data with that used to manage the operational deployment of resources on rounds. This reflects the fact that there has historically been limited demand for real-time reporting. Should DCC need to re-route the trade rounds, introduce a significant service change, or find itself in a market with much higher levels of customer turnover, it would be a recommendation to move to a position where the combination of UPRN and unique customer name are used as the data building blocks. At present, the customer database is driven by the assigned 'Operating Site / Business Name'. A challenge with this approach is that names are spelt differently in different places (including worksheets within the same spreadsheet). By way of example 'Mackenzie Jones Solicitors' also appears in DCC's data as 'McKenzie Jones'. Having a unique, geo-referenced data building block to which customers and their associated transactions (e.g. sack purchases) are assigned represents a critical starting point. Other watchpoints include avoiding the use of merged cells and ensuring all reference (linked) data is time-stamped. On the latter point it was unclear what date range the lift charge information applies to within the supplied customer database, as this differs from the price list information supplied separately (and used in the baseline model).

The current hybrid arrangement involving a mix of outsourced and co-collected service elements introduces challenges to accurate data collection, but also makes it potentially more important – if the aim is to have a transparent view of service performance.

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2.6   Customer profile and service uptake

Headline statistics from the cleansed/formatted customer data (described above) indicate:

- 632 unique customers/sites, the majority of which (496, 78%) are external, i.e. private businesses; and
- 136 internal customers being serviced, including 53 schools and 42 (commonly co-located) school catering departments[13].

An exercise was completed as part of the customer data cleansing to manually assign business categories to each customer. This was completed in line with the categories used by the Office for National Statistics (ONS) so that comparisons could be drawn with the overall market structure in the County. SIC categories (at Section level) were obtained through a combination of Google and Companies House searches. Figure 2.2 presents the distribution of the customer database entries according to the ONS categories, alongside the overall County profile (derived from the market analysis presented in section 3 of this report). This provides the Authority with an indication of its current market share and those sectors that may be under or over-represented in the customer base[14].

The figures show that:

- By number, it is estimated that the Authority provides collection services to just over 20% of target enterprises in the County[15];
- The Authority's current customer base is dominated by outlets in the Accommodation and Food Services sector (making up 29% of the Authority's customer base) and Retail (making up 24% of the customer base); and
- In terms of market share, i.e. the percentage of all available units in the Authority in each sector that the Authority already serves, the highest ranking sectors are:
    - Public Administration and Defence (where the Authority has an estimated 54% market share);
    - Accommodation and Food Services (where it is estimated the Authority has a 52% market share); and
    - Education (48% market share).

Issues of market size and target waste streams, in the context of the future development of the trade waste service, are explored further in section 3 of this report.

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[13] The majority of which receive 42 (term-time) collections per annum.

[14] Of the 632 unique customers/sites, 19 were identified as Manufacturing businesses and 26 as Other. These were subsequently excluded from the sectoral analysis due to Manufacturing sector weights tending to skew the estimate of waste arisings/available – most of which won't be suited to local authority (sack and wheeled bin) trade collection services, and due to a lack of arising / composition data for businesses defined as Other in the ONS data.

[15] Acknowledging duplication of locations within the Authority's customer base concerning Schools and their associated Canteens, and exclusion of Manufacturing and Other businesses form the analysis.

Figure 2.2 Comparison of the Authority's commercial waste collection customer profile with that of the County's entire commercial sector (unique business numbers derived from business name)[16]. Excludes 19 'Manufacturing' and 26 'Other' businesses in the Authority's customer base.

	Wholesale and Retail Trade; Repair of Motor Vehicles	Transportation and Storage	Accommodation and Food Services	Information and Communication	Finance and Insurance	Real Estate (Property)	Professional, Scientific and Technical	Business Administration and Support Services	Public Administration and Defence	Education	Health and Social Work activities	Arts, Entertainment and Recreation
■ County	740	140	325	135	70	90	305	270	70	120	320	240
■ Council customer base	142	3	170	3	15	13	32	22	38	57	63	29

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[16] *During the assignment of the current customer base to IDBR (Inter Departmental Business Register) categories canteens and catering departments (within schools and hospitals) were assigned to 'Accommodation and food service activities' as this category best aligns with the expected waste production profile of these outlets.*

2.6.1 Transaction profile

The number of unique customers/sites (by business name) taking up the primary service (material/container) options is presented in table 2.2. For those identified as being bag customers the true number of active service users is not actively monitored.

Table 2.2 Unique customer numbers by service type.

Service element	Number of unique participating businesses
Residual waste (bins)	359
Residual waste (bags)	140 identified in customer database
Mixed recycling (bins)	294
Mixed recycling (bags)	140 identified in customer database
Cardboard labels	54
Food caddies (23ltr)	10
Food bins (120ltr)	42

Table 2.3 below provides a summary of lift transaction numbers. The annual volume (litres) lifted figures provide an 'at a glance' view of the relative levels of usage of each of the separately recorded material/container options[17].

Table 2.3 Annual service uptake numbers (sacks, bundles and bins) across the recorded lift types.

Collection	Containment options	Individual sacks / bundles set out	Bins lifted	Total litres uncompacted (per annum)
General (residual) waste	80 litre brown sack	7,752[18]		620,160
	180 litre wheeled bin		70	12,600
	240 litre wheeled bin		4,052	972,480
	360 litre wheeled bin		4,196	1,510,560
	660 litre wheeled bin		5,676	3,746,160
	1,100 litre wheeled bin		732	805,200
	1,280 litre wheeled bin		5,419	6,936,320
	General waste sub-total			14,603,480
Mixed recycling	80 litre clear sack	1,818[19]		145,434
	180 litre wheeled bin		12	2,160
	240 litre wheeled bin		3,580	859,200
	360 litre wheeled bin		3,252	1,170,720
	660 litre wheeled bin		2,718	1,793,880
	1,100 litre wheeled bin		164	180,400
	1,280 litre wheeled bin		4,373	5,597,440
	Cardboard labels (bundles)	655		58,950
	Dry recycling sub-total			9,808,184
Food	23 litre caddy		273	6,279
	120 litre wheeled bin		5,702	684,240
	Food sub-total			690,519

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[17] For all of the lift-related analyses carried out and presented here the focus has been on those primary container types that make up the majority of the quantified collections. Peripheral elements such as 'bulky' and garden' collections have not been analysed, owing to the small numbers involved.

[18] The arithmetic average of recorded sacks sold in 2019/20 (6,865) and recorded sacks lifted (8,638) from 2019 Veolia lift data.

[19] Total trade recycling sack usage derived from sacks sold in 2019/20 (1.620) uplifted by c.13% to account for existing stocks held/used by customers from prior years. 13% chosen to be consistent with equivalent uplift applied to residual sack sale number. Same logic applies to cardboard labels/bundles, whereby the number sold in 2019/20 (580) has been uplifted by 13%.

Observation: DCC's customer base and service uptake profile

The trade service portfolio is dominated by hospitality businesses (serving food and drink) and retail outlets. The "over-representation" of these sectors in local authority customer portfolios reflects a national pattern. Food service businesses include takeaways and small food outlets which produce larger quantities of heavier organic wastes which will contaminate any recyclables collected in the same bin. Private waste collectors tend to avoid such customers (by pricing themselves out of the market or simply not contacting such customers) because of the waste they produce (both in terms of weight and composition) and to some extent the commercial risk (for example the non-payment of invoices). This is particularly true where those operators run dirty MRFs where diversion rates are dependent upon recyclable streams being uncontaminated by wet organic waste streams. This can leave local authorities as the provider of last resort without the ability to make a similar commercial judgement. However, in DCC's case, this may represent a growth opportunity – the current service design and pricing is geared up to appeal to small (retail) businesses and those in the hospitality sector, with the separate food waste collections, sack and small bin options being both cost-effective and flexible to customer requirements.

The analysed transaction profile shows that trade refuse lifts (by volume) represent 58% of everything lifted. Dry recycling makes up an estimated 39%, and food waste 3%.

Beyond the analysed numbers, observations coming back from discussions with Authority Officers and time spent in the region are as follows:

- The authority is characterised by smaller (e.g. retail and hospitality businesses) focused in the southern towns of Corwen and Llangollen, and larger mixed use (manufacturing / logistics / office / retail) in the Mid and North;
- Municipal buildings (internal customers) can use whatever service provider they choose, i.e. they are not obliged to use the Authority service;
- The general hospital is the largest food waste service user. Excluding this key customer, the balance of lifts is made from small external customers, e.g. cafes and holiday cottages (making up just over 50% food waste lifts), with catering departments within schools being the next largest customer type (making up 33%); and
- DCC's branding on bins is much less prominent/clear when compared with competitors operating in the region.

2.7 Materials management

Understanding quantities of materials collected from customers is key to assessing the overall performance (recycling rate) and financial standing of the service. This is deployed in the model by assigning an average weight per container type.

2.7.1 Service tonnage

Detailed lift weights are recorded by Veolia on the trade residual waste service. Data was supplied in spreadsheet format for each month in 2019, recording the customer name and address, container lifted (e.g. Euro 1280ltr), date, no. of bags, no. of lifts, lift weight and associated charge information. Analysis of this data involved compiling each month of data into a single master spreadsheet, and use of pivot tables to calculate average weights for each lift type (bin number and size, sacks). Whilst the majority of lifts have a unique lift weight recorded it is observed that for sack lifts (in most cases) a default 20kg per sack lifted is assigned. This suggests small numbers of sacks are not weighed, e.g. because this would require use of slave bins. There may also be accuracy issues with the weighing equipment with smaller weights; by way of example a number of records in the data identify a lift being made but with 0kg recorded as the lift weight. 20kg per sack is considered unrealistically high, especially in the context that the average 240ltr bin weight (as derived from Veolia's data) is 17.7kg, hence a weight from WRAP's C&I waste apportionment tool has been applied in its place (6.3kg per residual sack).

Currently within DCC there is limited data recorded against, or apportioned to, the trade recycling and food waste services – which represents a challenge in the context of this study. The absence of (accurate) data is due to:

- The lack of a weighbridge at the Kinmel Park depot where mixed recycling is currently tipped off, despite this being collected on dedicated rounds; and
- The current co-collection strategy adopted on food waste with no back-end apportionment of the weights recorded to trade versus domestic.

No estimate of either food or trade recycling weights collected could be supplied during the review as a result of the above. For these streams a set of apportionment factors (average unit weights for different container/material combinations) have been assigned to each material and container option identified in the customer data, derived from WRAP's kerbside C&I waste apportionment tool.

Despite the data limitations the model generated waste flows, which are calculated bottom-up, are viewed as representing the best currently available estimate of trade service arisings and thus recycling performance.

The key output figures are provided in Table 2.4, with supporting commentary beneath.

Table 2.4 Unit weights used in the model derived from DCC (Veolia) and reference data, along with modelled tonnage figures (2019/20 hybrid waste flows – rounded to nearest whole number).

Collection	Containment options	DCC unit weight (kg/lift)	WRAP unit weight (kg/lift)
General (residual) waste	80 litre brown sack		6.3
	180 litre wheeled bin	5.6	
	240 litre wheeled bin	17.7	
	360 litre wheeled bin	25.7	
	660 litre wheeled bin	50.5	
	1,100 litre wheeled bin	95.2	
	1,280 litre wheeled bin	72.1	
	Annual waste flow (tonnes)		976
Mixed recycling	80 litre clear sack		6.1
	180 litre wheeled bin		7.7
	240 litre wheeled bin		10.3
	360 litre wheeled bin		15.4
	660 litre wheeled bin		28.3
	1,100 litre wheeled bin		47.1
	1,280 litre wheeled bin		54.8
	90 litre cardboard bundle		5.5
	Annual waste flow (tonnes)		426
Food	23 litre caddy		11.7
	120 litre wheeled bin		38.0
	Annual waste flow (tonnes)		220
	Total waste arising (tonnes)		**1,622**

The service as modelled achieves an overall recycling rate of 40 percent[20].

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[20] *Based on the 'collected' tonnage. Contamination in the recycling stream will mean the true recycling rate is slightly lower.*

2.7.2 Treatment and reprocessing

Materials management routes for the separately collected streams comprise:

- Residual (general) waste: Parc Adfer EfW (contracted directly by Veolia. A gate fee

    and bulking/transport fee was agreed for any option where DCC collects this stream itself)

- Mixed recycling: MRF processing via UPM Shotton (processing gate fee includes haulage)

- Food waste: Biogen Waen AD (where it is assumed that 50% would be direct delivered, the rest bulked/transported at the same rate applying to residual waste)

Local depot and bulking infrastructure is as shown in Figure 2.2.

Gate fees and bulking charges (£/t) were supplied or assumed for all of the above management routes, approved by DCC. A surcharge applies to the MRF processing fee based on rolling contamination levels in the mixed recycling, which currently averages 10%. No income is currently received for any of the collected dry recycling.

2.8 Baseline model construction

Once the master customer data had been compiled and analysed, a strategy was needed to enable a trade-specific baseline to be modelled, representing the service as operated during the financial year 2019/20. This required various assumptions to be made, e.g. regarding the level of operational resource from within the current co-collected food system committed to trade lifts and residual / food vehicle utilisation and costs. Whilst the core of the model is based on known data, describing the contracted lift profile and verified trade residual weights, <u>the number of assumptions required to fill gaps in the data mean the outputs should be taken as a guide to the operational and financial standing of the service, as opposed to a confident position statement</u>.

The master worksheet that pulls all of the model calculations together is structured by service element (residual / mixed recycling / cardboard / food). When modelling multi-stream trade services it is an aim to assign, as far as possible, costs and income to each individual stream. This allows margins to be calculated for each. This is important when considering future marketing strategies and the mix of services to promote to customers to ensure the service overall does not lose money. When it comes to collection resources, the recycling and cardboard are dealt with together, reflecting the fact these materials are mixed together on the same vehicle. Back-office support costs (Officer admin time) have been distributed across the services based on the proportional split of lifts undertaken on each service, i.e. the relative workload on each. No other fixed overheads have been included in the baseline model, as per DCC's direction.

The model worksheet is ultimately built up in stages, comprising:

- Customer numbers and containers lifted;
- Revenue from lifts;
- Operational resources and costs;
- Materials management, incorporating:
    - 'bottom-up' waste flow calculation by multiplying the number of lifts of each container/stream by their unit weights; and

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o waste management costs based on the multiplication of the annual tonnage of each stream by specified gate fees, revenues, bulking and haulage costs;

- Summary compilation drawing in outputs from the above calculations and including service support cost lines.

The model ultimately generates a set of summary statistics for the service, as shown in figure 4.1 for the baseline, along with a breakdown of the financial margins achieved on each element of the service.

2.9 Financial summary

This section of the baseline review considers the overall financial standing of the service, calculating income and costs from Authority-supplied, assumed data. It also provides the Authority with an indication of current service profitability[21]. The baseline model includes a cost projection for the residual waste service as if it were operated directly by the Authority, as well as the equivalent cost based on Veolia delivering this service. It also embeds two different ways of dealing with the ongoing cost of container replacements/repair. Within DCC's budget commercial bin costs, equating to £13k for residual and £1.8k for recycling in 2019/20, appear high. It is unclear what is included in the underlying cost codes, but it is inferred that these represent outright purchase (i.e. Opex) costs as opposed to ongoing depreciated asset (Capex) costs. The latter approach is normally adopted in the baseline model build; however, reflecting the Authority's approach model-predicted container costs have been presented both as Opex and Capex variants.

2.9.1 Service budget / model reconciliation

A high-level budget for the trade waste and recycling service was supplied as part of the study, drawing data from various cost codes used to monitor expenditure. This covers the residual and recycling services but appears to exclude food incomes and costs (presumably due to this material being co-collected on the domestic rounds). It also appears to be missing recycling material processing charges. As a result, it can only be viewed as providing a partial picture of the service financial standing, as monitored by the Authority.

Recognising the above limitations and omissions, **the Authority's 2019/20 budget shows gross income being £375.4k, with gross costs being £272.2k.** This indicates an **operating surplus of £103.2k**.

The baseline model developed through this study incorporates a set of revenue and cost calculations that are based on the detailed analysis of elements contributing to the financial standing of the service, working wherever possible on a 'bottom-up' basis. The modelled outcomes, for comparison with the internal Authority numbers cited above, are as shown in table 2.5.

Table 2.5 Financial summary (annual outturn) by modelled variant.

Element	1) Residual inhouse, container CAPEX	2) Residual inhouse, container OPEX	3) Residual Veolia, container CAPEX	4) Residual Veolia, container OPEX
Total income	£422,896	£422,896	£422,896	£422,896
Total costs	£358,593	£364,836	£355,629	£361,871
Operating surplus	£64,303	£58,061	£67,268	£61,025

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[21] Referred to from this point forward in terms of the level of surplus or deficit that the service operates at.

In those variants where Veolia deliver the residual collections, the annual contract cost element is modelled to be £209,038. This is approximately £3k lower than the equivalent costs were the Authority to undertake these collections internally.

There is a clear difference between the budget incomes / costs (£375k / £272k) and those modelled (£423k / c.£360k). Reasons for these differences may include:

- The omission of food waste incomes and costs from the budget;
- The omission of MRF processing fees from the budget;
- The potential omission of support staff costs in the budget; and
- Changes in customer prices and Veolia charges between 2019/20 (as the budget outturn relates to) and 2020/21.

It would be advisable to investigate the differences, particularly with respect to incomes and whether all contracted collections are being charged for as they should.

2.9.2 Service margins

Based on the modelled numbers above the overall service margin (profitability) is 15%, which would be considered a healthy return for any private sector operator. The residual waste lifts deliver a healthy margin (averaging £150 of 'profit' per annum per customer for the model variant 1). The mixed recycling delivers a small surplus (of £21 per annum per customer), whereas the food service is modelled as making a loss. Figure 2.3 below provides a full breakdown of the margin analysis from the baseline model (variant 1), where the residual service is delivered inhouse and container replacements are treated as Capex. The trend observed in these findings is consistent with many Welsh local authority trade service providers, whose pricing structures have evolved to encourage uptake of recycling over residual waste. In all cases the financial health of the service is dependent on the Authority retaining a reasonable level of residual waste customers, in order to offset recycling that may be operated closer to breakeven or at a loss.

Figure 2.3 Baseline financial margin analysis by service element.

	Residual Waste	Mixed Recycling (incorporating Cardboard)	Food	15%
Service Margin	25%	10%	-115%	**Overall Service Margin**
Margin per customer	£ 151.20	£ 21.04	-£ 411.82	£ 101.75
Margin per lift (average)	£ 2.70	£ 0.73	-£ 3.58	
Revenue per lift (average)	£ 10.95	£ 7.01	£ 3.11	
Cost per lift (average)	£ 8.25	£ 6.28	£ 6.69	
Treatment cost per lift	£ 4.21	£ 2.03	£ 1.39	
Margin per litre lifted	£ 0.0052	£ 0.0010	-£ 0.0310	
Revenue per litre lifted	£ 0.0209	£ 0.0101	£ 0.0269	
Cost per litre lifted	£ 0.0158	£ 0.0090	£ 0.0579	

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3.0　Market appraisal

When considering options for the future development of the trade waste service it is helpful to understand the nature of the market the service operates within, including its size and business profile. This section of the report presents outputs from a market segmentation exercise that develops estimates of the quantities of commercial waste arising in the County, and its composition.

To develop both the waste arising estimation and composition, calculations were based on published data applicable to Wales and Denbighshire. The segmentation of the commercial sector uses ONS 'UK Business – activity, size and location' data for the County. Waste arising estimations draw on the outputs of the Natural Resources Wales 'Survey of Industrial & Commercial Waste Generated in Wales 2012[22].

When reviewing the outputs from the adopted methodology, underlying challenges caused by inconsistent data need to be acknowledged. Care is needed interpreting the results; it is advisable to focus on high-level differences and trends in the data, and on drawing comparisons with other studies adopting the same method and assumptions. The following text box introduces some of the underlying issues:

Cautionary points: C&I waste estimation limitations

The accurate estimation of C&I waste arisings in any given region is compromised by information and data limitations. These limitations occur at each stage in the calculation methodology. For example, when seeking to estimate numbers and types of active businesses within a given region, inaccuracies are introduced through:

- Companies registering their head offices with registration brokers, accountants or solicitors in an area, but not actually operating from those addresses;
- Delays that occur between registering as a PAYE and/or VAT enterprise and registering for businesses rates; and
- The common scenario whereby more than one business operates from a single registered premise.

C&I waste surveys have followed differing methodologies in the past, and with varying sample sizes. Weaknesses are commonly caused by:

- The sampling of just one business waste stream, e.g. residual waste, and not recycling; and
- Sample timing, e.g. where samples are taken on a single day in the week, the results from which will be affected by the day(s) of the week on which waste is usually collected from the sample location.

When it comes to estimating the composition of C&I waste, some sectors (e.g. Hospitality) have much better data than others (e.g. Transport and Storage). Various assumptions have to be made to address gaps and reconcile differences, e.g. between sector classifications used by the ONS and those used in waste surveys.

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[22] *A 2018 update was published part way through the study, outputs from which have been reviewed to assess differences with the more granular 2012 data used to support the market analysis.*

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3.1 Denbighshire's business sector and size distribution

3.1.1 Sectoral breakdown

The Office of National Statistics (ONS) publishes business activity information, derived historically from the Inter Departmental Business Register (IDBR). This presents, amongst other criteria, the number of Enterprises[23] and Local Units[24] operating in each local authority area in each commercial sector and by size (based on the number of recorded employees in either PAYE jobs or derived from VAT turnover information).

The 2016 ONS annual data set has been used in this study, providing consistency with other Welsh local authority market assessments undertaken by WRAP Cymru. From this data the business sector profile across any County can be characterised in terms of the:

- Total number of VAT and PAYE registered enterprises;
- Number of enterprises operating in each commercial sector; and
- Number of enterprises operating in each of a number of size bands (defined by the number of employees).

Excluding the agriculture, fisheries, forestry, production and construction sectors (which are generally not served by local authority commercial waste collection services because of the type and quantity of wastes produced) the ONS data identifies 2,825 VAT and PAYE registered businesses[25] operating in Denbighshire. The segmentation is presented in Figure 3.1.

Figure 3.1 Enterprise segmentation for Denbighshire.

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[23] *An Enterprise can be thought of as the overall business, made up of all the individual sites or workplaces. It is defined as the smallest combination of legal units (generally based on VAT and/or PAYE records) that has a certain degree of autonomy within an enterprise group.*

[24] *A Local Unit is an individual site (for example a factory or shop) associated with an enterprise. It can also be referred to as a workplace.*

[25] *The number of Local Units in a given area is higher than the number of registered Enterprises. Where the two parameters are not combined within the source data, the higher Local Unit count has been used, as this covers each outlet of a business - providing the best practical correlation with waste production.*

The dominant sectors in Denbighshire are Retail, Accommodation and Food Services and Health. These are followed by Professional, Scientific & Technical, Business Administration, Arts, Entertainment, Recreation and Other Services.

3.1.2 Business size distribution

The ONS data provides a breakdown of the number of businesses by size (number of employees) in the following categories:

SME's:
- 0-4 employees
- 5-9
- 10-19
- 20-49
- 50-99
- 100-249

Larger business:
- 250-499
- 500-999
- 1,000+

The size of an enterprise influences the amount of commercial waste generated. Figure 3.2 presents an analysis of the commercial sector by business size (based on the number of employees) and compared with the whole of Wales. Due to the way in which the source data is compiled it should be noted that this data is for all sectors, including Agriculture, Fisheries, Forestry, Production and Construction sectors.

Figure 3.2 Business size distribution (by number of employees): Denbighshire and Wales – 2016 totals.

Denbighshire's business size distribution closely matches the Welsh national pattern: the majority of enterprises by number are micro-SMEs (with fewer than 10 employees) – 83% of all businesses (Local Units) fall in this size band within Denbighshire.

3.2   Total commercial waste arisings

Estimating total commercial waste arisings is challenging, and is limited by data deficiencies at national, regional and local levels. The use of waste site returns is not reliable as waste will be managed from both within and outside the County.

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Table 3.1 presents an estimate of total commercial waste arisings in Denbighshire. It excludes tonnage estimates from those sectors identified previously as being less likely to utilise wheeled bin collection services. The estimate uses the business sector profile identified through the ONS data (section 3.1), reconciled with the sector headings (and associated unit annual waste arising estimates by size band) used in the Natural Resources Wales 'Survey of Industrial & Commercial Waste Generated in Wales 2012' data.

Table 3.1 Estimation of total commercial waste arisings (tonnes per annum) by business sector and size (employee numbers).

Sector	Employee size bands						Total (t)
	0-9	10-19	20-49	50-99	100-249	250+	
Wholesale and Retail Trade; Repair of Motor Vehicles	9,393	2,906	8,908	3,488	5,547	1,037	**31,278**
Transportation and Storage	680	128	403	127	789	150	**2,276**
Accommodation and Food Services	4,580	1,004	1,318	755	370	669	**8,696**
Information and Communication	186	118	14	48	180	39	**584**
Finance and Insurance	140	67	57	63	9	33	**369**
Real Estate (Property)	207	54	51	74	12	88	**487**
Professional, Scientific and Technical	693	1,619	222	438	193	162	**3,328**
Business Administration and Support Services	283	1,393	374	36	239	26	**2,351**
Public Administration and Defence	595	20	112	38	65	32	**861**
Education	513	92	168	83	110	207	**1,174**
Health and Social Work activities	2,151	285	244	546	791	472	**4,488**
Arts, Entertainment and Recreation	382	324	421	177	204	417	**1,925**
	19,801	**8,010**	**12,293**	**5,873**	**8,508**	**3,333**	**57,817**

At 57,817 tonnes, the estimated total amount of commercial waste arisings may seem high compared to the market share the Authority currently has (providing collections to c.21% of all businesses and collecting approximately 1,620 tonnes of waste and recycling – representing around 3%). However, it should be remembered that the vast majority of the Authority's customers will be enterprises at the bottom end of the size range, which individually produce very small quantities of waste. The Authority also contains a number of national chains, which will produce significant volumes of (e.g. packaging) material which the Authority is unlikely to have access to. This is because these companies typically have national contracts in place with the larger waste operators (such as Biffa, Veolia and SUEZ) or use alternative waste management arrangements such as back hauling. This reduces the true size of the market the Authority may have access to (which is explored further below).

3.2.1 Accessible waste

Although the analysis indicates that the whole commercial market across Denbighshire may be generating almost 58,000 tonnes of waste per annum, a proportion of this will be out of the reach of standard sack, two-wheeled and four-wheeled container-based collection services such as those provided by the Authority. The term 'accessible waste' is used to describe this subset of the total waste stream that might truly be available to DCC to collect.

Whilst the size of business, as measured by employee numbers, producing 'accessible waste' will vary by sector, previous comparable studies have applied cut-off thresholds at both the 0-9 employee (micro-business) and the lower end of the 20-49 employee ranges. Applying these ranges to the data presented in table 3.1 would indicate that the annual rounded amount of 'accessible waste' may be between 19,800 and 34,000 tonnes. Whilst these ranges capture the vast majority of businesses by number, the output waste generated is closer to half of the total estimated for the region. The minority of remaining larger businesses therefore clearly produce much greater unit waste arisings. Whilst being somewhat obvious as a statement, it is perhaps easier to place this in context when looking at the sorts of commercial operations at St Asaph business park, Denbigh and Ruthin industrial estates. Many businesses on these sites, e.g. TRB automotive (switch manufacturers), will produce waste at a scale that places them beyond the reach of DCC's trade waste service.

Whilst a high level of caution is needed concerning the absolute numbers presented here, and acknowledging the points made above on the proportion of the market that might be accessible to the Authority, the data does indicate potential for future growth – in terms of tonnage that may be available for the Authority to collect.

3.3 Waste composition

Using available commercial waste compositions (based on individual sectors) it is possible to approximate the composition of the commercial waste generated in the study region[26]. This, again, reflects the segmentation of the region's commercial sector.

Figure 3.3 provides the compositional analysis of commercial waste arising in the County, broken down by the materials currently targeted for recycling[27].

Figure 3.3 Estimated composition (percentage by weight (rounded)) of commercial waste arising in Denbighshire[28].

The three largest fractions are recyclable paper (26.6%), food waste (17.3%) and card (17.2%) - all of which are priority materials defined in the Welsh Collection, Infrastructure and Markets Sector Plan, and are accepted for recycling via DCC 's trade service.

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[26] *Some sectors, such as the Hospitality sector, are well defined in terms of researched/published waste composition data. Others, such as Transportation and Storage have very limited data (but are likely to be dominated by wood, cardboard and plastic packaging (shrink wrap etc)). Hence, the outputs from such analyses should be taken as indicative of the true waste composition.*

[27] *Applied to the target sectors previously described, excluding Agriculture, Fisheries, Forestry, Production and Construction businesses. Of those theoretically recyclable materials that are not currently accepted in the Authority's trade recycling service, plastic film (4.6% by weight) and dense plastic (4.3% by weight) are the largest fractions.*

[28] *This estimate of the commercial waste composition is based on the full business profile generating the estimated 57,817 tonnes of waste across the authority. The composition will change when the businesses and waste streams truly accessible to the Authority are considered. However, this provides a useful starting point when considering potential flows of key recyclable streams in and around the County.*

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When this composition is combined with the estimation of 'accessible waste' arisings in the study region (19,800 – 34,000 tonnes per annum) it is possible to estimate the quantities of target materials potentially available for recycling, and for which DCC is competing for. Figure 3.4 presents this estimation, showing the total arising estimate and the upper and lower 'accessible waste' estimates.

Based on the materials already accepted for recycling / composting by the Authority, approximately 70% of the commercial waste arising in the County is considered to be either recyclable or compostable. Not all of this recyclable material will be generated by organisations that are likely to engage the Authority to collect, however it does show that there is considerable potential to grow a larger, recycling-led, trade waste service.

The information presented in figures 3.3 and 3.4 points towards paper, food waste and cardboard being the primary streams (by weight) available to target. Of these materials:

- The market for clean cardboard has perhaps remained most buoyant in recent times, although OCC prices dropped steadily (along with paper) during 2019 and have only partially recovered during 2020;
- It should be remembered that the analysis is based on 2012 C&I waste survey data[29]. Since that time consumption of paper has steadily declined, within both businesses and the domestic sector, linked to the rapid digitisation of processes[30]. It will also be the case that many businesses will recycle their paper via confidential shredding services. Hence, the true amount of paper available to the Authority may be significantly lower than the presented numbers;
- Mixed paper prices have dropped since China ceased accepting (unsorted) paper and UK mills have become more stringent in how they price in and accept contaminants; and
- DCC is currently estimated to collect in the region of 220 tonnes of food waste via the trade service. The analysis indicates there may be between 15 and 25 times as much of this available to collect in the accessible market, i.e. 2,400 – 5,900 tonnes. Hence, this stream represents a significant growth opportunity, and may be one that the Authority is better placed to capitalise on than some of its private sector competitors.

The overall decline in material values and tightening up of material acceptance standards by MRFs and reprocessors is reflected in the fact that DCC currently pay a relatively high gate fee to have the mixed recycling sorted, with no income share at the back end. Material contamination adds to the processing fee charged by UPM in Shotton.

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[29] Headline results from the 2018 I&C survey for Wales were published by NRW partway through this study. Whilst overall arisings of I&C waste have reduced by approximately 21% between 2012 and 2018, arisings of the Commercial fraction have stayed more consistent, reducing slightly but not by statistically significant amounts.

[30] At the joint CIWM/LARAC event 'Recycling in the World of the Circular Economy' held July 2018, Newport Paper advised that News & Pams arisings have reduced at an average rate of 10% per annum in recent years.

Figure 3.4 Quantities of target recyclable materials potentially available in the commercial waste stream across Denbighshire.

3.4   Competitive positioning

Previous sections place DCC's current service in context with the profile of enterprises operating in the County, and the expected types and quantities of waste and recycling that might be available to collect. This closing part of the market analysis considers the services offered by DCC's closest competitors.

DCC does not have a monopoly position in the local commercial waste and recycling collection market. Key competitors observed as having bins in the region are Veolia, ASH, Gaskells, SUEZ, CAD Recycling, Thorncliffe and Biffa. A distinct North / South divide exists, in terms of the level of observed competition. Within those towns within easy reach of the A55 (North Wales expressway) competition is high, with ASH being dominant in Rhyl town centre. Heading further South:

- Within Denbigh - Veolia, CAD and DCC are the main operators;
- In Corwen - DCC is dominant; and
- In Llangollen there is more of a mix (presumably due to being easier to access for operators servicing Wrexham) – with ASH, CAD and Biffa present.

3.4.1 Service offering and alignment with the Environment Act

Overall, there is very limited evidence of trade recycling materials segregation across the County. Nearly all observed containers appear to be for either residual waste or dry mixed recycling. There is relatively little clearly separate food waste being collected, or additional dry materials segregation such as separate glass[31]. Another overarching observation is that DCC's bin profile is low compared to others, which may be due to bin storage locations but also because DCC's bins lack clear branding and / or a bold colour scheme compared to the competition. With a stable customer base it is justifiable to argue that visible branding is of lesser importance than service quality. However, at the rear of mixed use properties in Rhyl DCC bins were present but it was difficult to know whether these are for domestic or trade use, which would suggest there may be scope for either stream to be managed as the other. Hence, clear bin labelling is important. When DCC move to 4-weekly residual lifts it is likely that trade residual bins will come under additional pressure, at which point it will be important for all to have locks so that they do not become a repository for excess domestic waste.

A unique selling point (USP) of DCC's service is the option for customers to pre-purchase sacks for both residual waste and recycling. Whilst this introduces administration, auditing and waste containment challenges, this PAYT option (along with cardboard labels) is likely to be attractive to micro businesses and those where access is constrained (e.g. Denbigh town centre).

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[31] *Examples of separate cardboard (DCC) and glass (Veolia) were observed, but this was by exception. Whilst being more expensive than the Authority's food waste service it is known that ReFood offer a 'full for clean/empty' bin replacement service, which has become more popular as a local bin cleansing service has been temporarily offline due to Covid-19.*

Compliance observation: Alignment with the separate collection requirements of the Environment (Wales) Act 2016

The Welsh Government published its consultation document 'Increasing Business Recycling in Wales' in September 2019. The consultation sets out proposals to bring forward statutory instruments (SIs) to increase recycling from non-domestic premises such as businesses and the public sector in Wales.

In terms of key principles, the SIs will:

- Require the occupiers of non-domestic premises to present specified recyclable materials for collection separately from each other and from residual waste;
- Require those that collect the materials to collect them by means of separate collection and to keep them separate;
- Ban certain separately collected recyclable materials from incineration and landfill;
- Commence a ban on disposal of food waste to sewer from business premises;
- Provide for civil sanctions to be available in relation to criminal offences associated with the above requirements.

Under the preferred option, non-domestic producers of waste (including the public sector and charities) will be required to present the following waste streams separately for collection:

- Food produced by premises producing more than 5kg/week;
- Paper & card;
- Glass;
- Metal & plastic;
- WEEE; and
- Textiles.

Given the current mixed recycling collection arrangements prevalent across Denbighshire, the proposals have significant implications for DCC and its competitors. In terms of broad implications for local authorities:

- The RIA (Regulatory Impact Assessment) assumes all local authority commercial waste services operate on a full cost recovery basis, meaning there will be no financial impact on local authorities as a result of the proposed changes;
- The RIA outputs recognise that smaller waste producers are likely to face increases in their overall waste management costs as a result of the proposals. As local authorities tend to focus on the smaller businesses, they may face a disproportionately high level of commercial resistance to these changes from their existing customer base;
- Local authorities tend to have a high proportion of 'Hospitality' businesses on their trade customer portfolios, so would expect many to require separate food waste collections. However, there will be small (or seasonal) businesses serviced who claim not to exceed the food waste de-minimis threshold; assessing and policing those in and out of scope businesses may place an extra burden on trade waste officers;
- The background modelling assumed separate collections are made using 3-compartment Toploader vehicles; the exact configuration of vehicles to streams is not defined; and
- An option that would exempt business waste producers in rural areas from the separate collection requirement was assessed, but is not supported by Welsh Government, i.e. all businesses will be covered irrespective of their location and proximity to others

The new duties were originally proposed to take effect in October 2021, however it seems inevitable that this date will be pushed back, due to Covid-19 and the fact that any formal announcement as follow up to the consultation has yet to be made.

3.4.2 Pricing

The private sector is known to offer residual lifts at a significant discount to those commonly levied by local authorities. They also tend to price favour 1,100litre wheeled bins as these tend to be less well packed (higher void space), and having a standardised offer minimises the level of spare bin provision at depots, simplifies administration etc. As is demonstrated by Veolia's pricing, 1100litre residual bins collected by private sector operators commonly range from £13 - £18 per lift. Equivalent recycling bins tend to be only marginally cheaper, e.g. by 5-15%, meaning local authority recycling almost always costs less. This is also true of food waste, where 120litre bin lifts offered by the private sector commonly cost £8 - £12 per lift (for a 2-wheeled bin), compared with £3.18 charged by DCC. It is also the case that the private sector will almost always apply additional charges to cover:

- Duty of Care administration (typically lying in the range £25 - £45 per annum);
- Bin rental (typically in the range 5-10p/day, up to £1/week); and
- Excess weight charges on residual lifts, underpinned by the use of onboard weighing on vehicles. This represents a way of incorporating weight-based disposal charges alongside the collection element as part of the overall lift price. One commercial operator is known to levy a 12p/kg surcharge to any heavy 1,100ltr bins lifted over 78kg, although weight thresholds as low as 65kg have been known to apply on other contracts.

There is an argument that DCC's equivalent price per litre for sack usage should be some way above those for bin-based collections, owing to the additional costs incurred on the Authority's side. At present the cost per litre for sacks, on both residual and recycling, is only marginally above the equivalent for the nearest sized wheeled bin (240 litres), e.g. the sack recycling cost is 1.33p/litre whereas for 240 litre bins it is 1.31p/litre. A greater price differential applies to cardboard collections, which based on the assumed average volumes set out per collection (90 litres) cost 2.38p/litre.

3.4.3 Marketing

No formal sales and marketing strategy or plan were provided in support of this review. The current service webpage (https://www.denbighshire.gov.uk/en/bins-and-recycling/trade-waste.aspx) does little to promote the service, and at the time of the baseline review included the headline statement that due to Coronavirus trade recycling has stopped (with customers transferred to CAD)[32]. There was no indication that this may be a temporary measure. Whilst there is a contact number to arrange a collection near the top of the page, this is buried in the text. The general trade waste enquiry button takes visitors on a circular loop back to the top of the page, unless they are prepared to register/log in, hence there is no option to generate a quote directly via the website. Most lift prices are quoted on the site, excluding residual bin lifts, albeit the prices are out of date. The overall impression gained from the site is that the Authority is not trying to win new customers.

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[32] It is acknowledged that due to reduced staffing resources growing the service has not been a priority for the Authority. A number of obstacles to growth remain, including securing space at the new depot to handle additional trade tonnages.

Commercial observations: competitive position and pricing

DCC faces significant competition in the mid and northern parts of the authority, and without a fresh marketing strategy (e.g. linked to a change of service design), is unlikely to significantly grow the service should this be an objective. The existing customer contract and pricing strategy provide little commercial defence against competitor promotions or customer defaults, which requires future consideration. Whilst the service customer base is understood to be relatively stable, Covid-19 has caused significant disruption, and has perhaps brought into focus areas where the Authority needs to improve, e.g. in handling and quickly responding to service queries and complaints. No competing service provider appears to offer a greater level of service flexibility or materials segregation than DCC. Should the separation requirements of the Environment (Wales) Act be enforced, all operators therefore face significant disruption. DCC may be well placed to capitalise on this, if it can make preparations now for what might be a very different market, which needs to happen anyway in advance of the domestic service changes. It may be that a significant opportunity could emerge whereby DCC takes on lifts for other service providers, e.g. if it can offer an expanded, cost-effective food waste collection service. The opportunity may also exist to offer a seasonal contract option, targeting holiday accommodation. If the Authority wishes to respond in these ways, it needs to become more proactive and commercial in its outlook, supported by dedicated (accountable) Officer resource, improved back-office systems, in-cab technology and a much more sales-focused service website enabling easy generation of quotes.

Overall, from the competitor analysis it can be concluded that:

- Larger (VAT-registered) businesses producing greater amounts of residual waste are expected to find a cheaper service through DCC's competitors than through the Authority.
- Smaller businesses, including those falling below the VAT registration threshold, and those in the South are likely to find the Authority's offer competitive in price terms and highly flexible, which undoubtedly has created some defence against aggressive sales tactics deployed by the private sector.
- Dry recycling and food waste collections are likely to be considerably cheaper via the Authority than the private sector. Hence, the Authority is well placed to develop a marketing strategy built around 'Recycling First', being able to sell this on both financial and environmental/legal compliance grounds to customers.

It is advisable for the Authority to maintain records (and track timescales) of any lost customers, including details of who they have moved to. This may help with any future marketing campaigns should a change in service design be introduced. DCC may also wish to follow the approach adopted in other local authorities where departing customers (that have not closed or left the area) are required to supply evidence of a Waste Transfer Note being in place with a new supplier – to deter those who may seek to illicitly dispose of waste via the domestic service. However, it is acknowledged that this can be challenging where enforcement is kept at arm's length from commercial service provision.

4.0 Interim findings and future service development considerations

4.1 Baseline summary

DCC operate a stable trade waste and recycling service to over 600 business and internal customer sites, delivering a modelled turnover of approximately £420k and a trading surplus of around £60k per annum. Residual waste lifts and charges generate a healthy financial surplus; despite incurring increasing processing costs the mixed recycling service also delivers a small surplus, which in part is a function of low collection costs. These positive income positions offset the modest loss made from the food waste service.

The service operates through a mix of outsourced (residual waste, through Veolia) and in-house (mixed recycling and food waste) collections. The relatively small food waste service, used by just over 50 unique customer sites, benefits from being co-collected with domestic food waste on the same vehicles – improving its efficiency. All streams can be collected at varying frequencies, e.g. weekly, fortnightly or monthly, and schools have access to term-time only collections (42 weeks per year). As well as a range of contracted wheeled bin options, sacks are available for use (by small or space-limited businesses) for both residual waste and dry recycling containment. Similarly, cardboard collections can be pre-paid (through the purchase of labels) and set out in bundles; this service is likely to be attractive to small retailers in particular. Food waste is collected either in caddies or (120 litre) wheeled bins. Free food waste liners are provided. A simple pricing policy applies consistently across all customer types, with no preferential rates applied to internal (Authority) properties. The lift price quoted is the price paid, with no additional charges levied for items such as Duty of care administration or bin rental. This is consistent with the 'One Council' core commitment, where rigid pricing applies regardless of geographic location or volume of waste. All collections are made over 5 days (Monday – Friday) through a standard shift pattern.

The Authority has a reasonably balanced portfolio of lifts, albeit residual waste continues to be the most popular, representing 55 – 60% of totals lifts/volume, yielding 72% of customer income. The result is a modelled service recycling rate of 40%. Recycling is not mandatory, and in common with most local authority trade waste and recycling services, there is limited proactive marketing of the service, supported by a dedicated sales resource. It is likely that lifts in the South are loss-making. However, the Authority is not capturing operational and financial data in sufficient granularity to assess the extent and implications of this.

The geographical scale and location of the authority introduces quite different operating and competitive market conditions. The north of Denbighshire, populated by larger towns such as Rhyl is easily accessible to waste operators in the East, e.g. ASH, with high levels of competition. Heading South, through Denbigh and beyond that competition drops away and travel times increase between customers, until reaching Llangollen where it picks up again e.g. due to its proximity to Wrexham. There seems to be little to differentiate operators in terms of service design, with residual waste and fully mixed recycling being the core offer of all operators. Where the Authority has a USP is around its flexible range of containers (including sacks), separate food waste collections and competitive recycling/organics lift rates. DCC's customer contract and pricing policy offers little protection against competitors seeking to increase their market share. There will need to be significant change in the market if the proposals to 'Increase Business Recycling in Wales' come into force, requiring separate collection of paper/card, plastics/metals, glass, food, WEEE and textiles.

Overall, the Authority is viewed as offering a flexible range of collection options that enable customers to maximise the value they receive from the service. This is underpinned by a hybrid system of contracted wheeled bins and PAYT options, e.g. sacks. Low cost recycling and food waste options align well with the business demographic of the area, albeit have not (in isolation from other policy measures) resulted in high recycling rates.

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4.1.1 Model outputs

From a service review and modelling perspective, it has been difficult to accurately assess the costs and performance of the service due to data limitations. These limitations apply both to those aspects of the service that are outsourced and those that are operated internally. The outsourced service element benefits from accurate lift (weight) data, which is missing for both the recycling and food waste elements. Both the residual and food waste service components suffer from limited information regarding collection resources and productivities. The absence of validated information in a number of areas has required a large number of assumptions to be made, as summarised in Appendix 1. As a result of these issues, and others cited throughout Section 2, **a high level of caution is urged when interpreting and using the model outputs, with respect to overall service economics and achievable collection rates**.

Figure 4.1 presents summary statistics from the baseline model populated with data described in Section 2 of the report. These results apply to the variant of the model where it is assumed that DCC undertake the residual collections directly, and where ongoing container replacement costs are dealt with as CAPEX. Within the equivalent variant where Veolia deliver the residual waste collections and treatment the total costs are reduced by approximately £3k, which elevates the surplus by the same amount[33].

Figure 4.1 Baseline service statistics.

Baseline	The current trade waste and recycling service collects residual waste, co-mingled dry recycling (including separately presented cardboard) and food waste as separate streams. Residual waste and mixed recycling are collected on dedicated vehicles, whereas food waste is co-collected with domestic food waste on the same vehicles / rounds. All streams are collected on a weekly cycle, albeit customers may choose to receive fortnightly or monthly lifts; in the case of sacks (residual and mixed recycling) and cardboard bundles, customers set material out 'as needed'. All collections are mad using single compartment vehicles. A simple 'per lift' charging model applies, with no additional or hidden costs. The true level of resource required to collect from trade customers on the rounds is known only for the mixed recycling element of the service and validated weights do not exist for the mixed recycling or food waste collections, hence the baseline model is based upon a number of assumed or apportioned inputs.					
Service Element	**Residual Waste**	**Mixed Recycling**	**Cardboard**	**Food**	**Service Totals**	**Commentary**
Customers						
Unique customers/sites	499	434	54	52		All customer and lift statistics are taken from the Council's cleansed customer database extract issued August 2020. Key model inputs are generated from pivot tables applied to the customer data, covering those lift types making up the majority of collections undertaken across the service, i.e. garden waste is excluded. Unique customer numbers (by name), including duplicate canteens on schools sites, is 632.
Collections	Residual Waste	Mixed Recycling	Cardboard	Food		
Lifts per annum	27,897	15,917	655	5,975	50,444	Based on quantity of sacks and labels used, bins contracted (including number and collection frequency). Each sack is classed as a single lift
Annual volume lifted (litres)	14,603,480	9,749,234	58,950	690,519	25,102,183	
Waste Flow	Residual Waste	Mixed Recycling	Cardboard	Food		Service Recycling Rate
Tonnes lifted per annum	976	422	4	220	1,622	**40%**
						Waste flows calculated 'bottom-up' based on lifts and combination of recorded (residual) and apportioned (residual sacks, recycling and food) unit weights
Resources	Residual Waste	Mixed Recycling (including Cardboard)		Food		
Days work per week	5.8	4.0		32.0		Assumed or specified total resource (food includes domestic resource)
Vehicles	1.2	0.8		0.3		Estimated vehicles apportioned to each service
Crew level	D	D		D+1		Assumed (food) or specified (residual waste, recycling) crewing levels
Day length (hrs)	6.5	6.5		6.5		Assumed
Work allocation to trade (%)	100	100		5		Model has sought to reflect just the DCC trade element of the work currently undertaken on the co-collected food rounds.
Sites serviced per day (per round)	86	122		2		Site counts needing to be achieved based on apportioned resources to trade and current round profile data
Lifts per day (all containers)	93	80		4		Back-calculated from annual totals. Each sack = single lift. Reduced lifts on recycling reflects reduced frequencies
Financial Summary	Residual Waste	Mixed Recycling	Cardboard	Food		
Total Income	£305,467	£97,458	£1,402	£18,569	£422,896	Includes all income from customer charges
Costs	£230,018	£88,544	£47	£39,984	£358,593	No material incomes apply to the baseline
[gate fees/haulage]	£117,518	£33,660	(in Recycling)	£8,292	£159,471	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin		£64,303			15%	

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[33] Appendix 3 includes the financial summary outputs for each of the variant options applied to all modelled options, i.e. where the residual service is delivered inhouse vs outsourced, and where container costs are dealt with as Capex or Opex.

4.2   SWOT analysis

Table 4.1 presents a high-level SWOT analysis of the service, developed from the perspective of the Authority and its ability to deliver an efficient, commercially viable service that meets its customers' needs.

Table 4.1 High-level SWOT analysis of the existing service.

Strengths	Weaknesses
- Flexible containment options provide a good level of choice to customers, including those with limited storage space - Co-collection methodology enables efficient incremental growth of the food waste service - Access to local low cost and sustainable food waste treatment infrastructure - In-county depot/bulking infrastructure - Lack of local competition in the South of the County - High margin residual waste service - Competitive recycling and food waste service pricing provides a platform for delivering improved recycling performance - Trusted supplier with a stable customer base	- Lack of income for recycling - Service brand and bin labelling. With bins being lifted by subcontractors the Authority's function is potentially unclear to customers - Blurred lines between domestic and trade bins (on the ground) - Limited internal accountability and lack of clear communication channels with customers - Customer contract provides limited commercial protection to the Authority - Lack of trade-specific operational performance metrics and transparency, including validated collection productivities - Budget lacks detail, and it remains unclear whether all costs are being recovered / apportioned to the service - Lack of real-time data capture and analysis - Lack of control and integration between operations and business support functions - Commercial understanding, e.g. of margins achieved per lift - Absence of a strategy or future 'vision' for the service - Limited service marketing and promotion. No apparent sales targets and protected time for new business development, service website is not outward-looking
Opportunities	**Threats**
- Cross or upselling services to existing customers - Ability to 'influence' internal customers - Potential to go beyond providing 'waste' services to local business, e.g. expansion to include resource efficiency training, support around adoption of the Circular Economy - Growth potential due to market size, including potential to drive up recycling levels whilst still delivering a surplus - Transition to a service design that is fully compliant with the Environment (Wales) Act separate collection requirements, creating the basis for a key marketing message and market differentiator. This might include the option to co-collect domestic and business WEEE, textiles from 2023 onwards - Targeting high value (clean) streams for separate collection	- Ability to respond (quickly) to competitor promotions (e.g. lift rate discounts) - Ability to control potential future outsourced contract costs - Recycling contamination levels - Ability to respond quickly to the separate collection requirements of the Environment (Wales) Act - Lack of dedicated resource to manage change, which will become increasingly important as the domestic service is transformed - Increasing cost of mixed recycling processing

4.3   Baseline recommendations

The following headline recommendations have emerged from the baseline review for DCC to consider:

- Update website content to reflect current position with respect to trade recycling (clarifying CAD Recycling's role), ensure lift prices are current and highlight how prospective customers can get in touch. Subject to the longer term aims for the service, a marketing strategy is required that embraces digital channels;
- Consider long term approach to bin (asset) management. This may include options to enable customers to purchase or hire bins, or pay an upfront bond as security. A programme of improved bin labelling, refurbishment and checks on locks is advisable, along with improved service branding - subject to future decisions regarding the service and whether it is an ambition to transform and grow it;
- Revise the customer agreement (E-Forms) to incorporate improved definition of responsibilities on both sides. This might include formalising the requirement for recycling to be mandatory for new customers, including a defined notice period, e.g. 3 months, or a bin bond to provide commercial protection against departing customers;
- Initiate a review of back-office processes to improve data capture and management. With advances in technology it should be possible to move to a position of real-time data capture and management. As part of this review a more rigorous, detailed and transparent service budgeting and monitoring process would help ensure the service is delivering against financial targets. As an example detail to follow-up, the 20kg per sack unit weight reported by Veolia would appear high;
- Undertake a calibration exercise to verify the trade recycling and food waste weights being collected. The modelling applied assumed figures for these key parameters, upon which all future options are based. Hence, it is advisable to undertake a sample weighing exercise[34] to assess the implications of any significant variance; and
- On the assumption that the Authority has a desire to retain and potentially grow the service going forward, consideration should be given to reinstating a formal trade waste officer post - to improve internal ownership of the service. A sensible starting point would be to draft a role description for this post and to identify key interfaces with other service support functions (e.g. streetscene enforcement, One-Stop shops).

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[34] *That captures not just weights collected, but verified details of bins lifted. Ongoing business disruption due to Covid-19 is likely to mean the profile of containers lifted is significantly different than the pre-Covid steady state modelled in this study.*

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5.0   Future options assessment

This section of the report describes the tasks associated with defining and modelling service delivery options of potential future interest to DCC, along with the outputs.

5.1   Introduction and future service considerations

Whilst the existing trade waste and recycling service is perceived as being profitable, offering flexibility and reliability from an established (and relatively stable) customer base, upcoming changes to the domestic service and the requirement to offer greater (and enhanced) levels of recycling material segregation creates both opportunities and challenges for DCC. Future success will depend on the Authority's ability to provide a cost-effective, flexible service that remains focused in the short term on smaller businesses – predominantly in the hospitality, retail and service / support sectors. Many of these have seasonal peaks in service demand so managing lift demand and maximising customer route density are important considerations. The PAYT (sack and cardboard bundle) elements of the service require all customers to be passed, irrespective of whether they set material out for collection or not. When material is not presented this represents lost income for the Authority or increased costs for outsourced operators. However, this flexibility represents a USP for DCC's service; the important thing is to ensure it can be retained in a cost-effective manner.

An initial list of areas considered for assessment in the second, forward-looking, phase of the study is provided in table 5.1. These were discussed at the interim project review meeting held 30th September 2020.

Table 4.2 Future service design considerations and modelling options.

Service aspect	Key issues / questions	Option / modelling considerations
Options to improve recycling segregation and alignment with the Environment (Wales) Act 2016	- Could create growth opportunities in the medium to long term and a market differentiator for DCC - Potential to derive income from clean streams, e.g. glass? - How to efficiently collect each stream (glass, fibres, cans/plastics) bearing in mind variable volumes / bulk densities, and drive uptake levels through financial or promotional mechanisms? - Impact on receiving sites, sorting infrastructure and incomes? - Significant implications with respect to investment, efficiency and internal resources / systems - GMT implications?	- Allocation of assumed splits of segregated streams to customers - Uncertain customer response concerning those that may not have space to accommodate multiple bins - Modelling of alternative vehicle configurations assessing different material splits and frequency combinations - Pod vs split-body vs multi-compartment (e.g. Toploader) vehicles
Introduce mandatory recycling	- Applicable to existing customers or just new ones? - Requires ongoing monitoring to ensure customers utilise the recycling - Will DCC support rationalisation of residual capacity?	- Identification of customers with no recycling service - Assumed conversion to recycling/food + residual, based on current capacity - Analysis of service impact

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Service aspect	Key issues / questions	Option / modelling considerations
Expanding the food waste service in order to drive up recycling rates	- Interface with domestic service, e.g. retain 23ltr caddy customers on domestic rounds or keep separate? - Service design enhancements, e.g. whether a formal tie-up with a bin cleaning company can be arranged, and/or whether a (higher cost) bin exchange option might be feasible - Biogen (AD treatment) payment band implications?	- Identifying existing Hospitality businesses in the customer base that might be targeted, and assessing uptake potential - Modelling resource implications - Informing the business case
Contracting strategy, and whether to internalise or outsource service elements	- Performance guarantees - Financial performance - Differential back-office support requirements - Alignment with corporate objectives - Parc Adfer GMT influence - Future control?	- The headline financial implication of keeping the trade residual waste collections with Veolia vs bringing them inhouse has already been assessed in the baseline model variants - Alternative strategies may be considered, supported by risk-based commentary
Incorporating communal (flats) and other non-business premises not serviceable via RRVs	- This will be a consideration relevant to all of the above - Flats will have a time and weight loading on the trade service that does not exist currently - Increased conversion of Holiday Lets, and other non-domestic premises that emerge when residual goes 4-weekly, to the trade service	- Agreement of plan to combine with outputs of communal service review - Confirmation of numbers of sites to be added to the trade service - Profiling of lifts needed across this additional number of sites - Agreement of modelling parameters (yields etc.)
Incorporating micro-businesses on the future domestic service	- There may be small businesses that are capable of being retained on the new weekly kerbsort and potentially even the 4-weekly residual service (when adopted) - Improved efficiency of the trade service, e.g. where these micro-businesses are in remote or disperse locations, e.g. the South	- Requires identification of those business customers using the trade service at volumes below an agreed threshold, stripping these out and assessing the impact on costs/resources
Increased containerisation of waste and recycling in order to remove sacks	- Is there a drive towards increased containerisation of trade waste and recycling in order to improve efficiency? - Current sack / label system requires vehicles to drive a route without certainty of material being presented - Downside would be that it removes some of the flexibility for customers with limited storage space and/or fluctuating waste production profiles - Do alternative, technology-based, solutions exist to improve the efficiency of the PAYT model?	- Modelling that considers conversion of sack usage to equivalent bin lifts - Complex model that would require demand profiling, update of bin provision (costs and incomes), yield and productivity adjustments - Uncertain customer response concerning those that may not have space to accommodate bins

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It was concluded by DCC Officers that the focus of the forward-looking assessment should be on:

- Communal site integration with the trade service, recognising that it will no longer be possible to service bulk recycling and food waste bins on the proposed domestic (RRV) rounds;
- Transformation of recycling so that it aligns with the separate collection requirements of the Environment Act, including increased uptake of the food waste service. Further details of the proposed statutory requirements are set out in section 5.1.1 below; and
- Consideration of opportunities to service micro businesses on the domestic recycling / food (RRV) rounds when rolled out.

5.1.1 Separate collection requirements

As described in section 3.4.1 of this report, the Welsh Government intends to introduce Statutory Instruments requiring the separate presentation, collection and management of recycling from non-domestic premises such as businesses, charities and public sector buildings. This will fundamentally influence the design of DCC's trade service going forward, as offered to both external and internal customers. On the basis that it is the intention for the trade recycling/food round(s) to also service domestic properties with communal bins, it will be important to bring everything into line within the same service design. Under the Welsh Government's preferred option, non-domestic producers of waste will be required to present the following waste streams separately for collection:

- Food produced by premises producing more than 5kg/week[35];
- Mixed paper & card (fibres);
- Glass;
- Mixed metal & plastic (containers);
- WEEE; and
- Textiles.

Service design considerations: collecting WEEE and textiles from trade customers

For WEEE and textiles possible service delivery options include:

- Offering a chargeable 'on-demand' service aligned with the domestic bulky waste service, especially where businesses may be having clear-outs that generate larger quantities;
- Including underslung cages or boxes on trade recycling vehicles, enabling collection of small quantities of WEEE and textiles on the regular rounds; and
- Operating material-specific permits enabling businesses to deposit WEEE and textiles at bring facilities (Recycling Parks).

DCC may find that it has 'first mover' advantage where private sector competitors are not geared up to collect and handle WEEE and textiles. This may provide a marketing opportunity, creating leverage to win new customers should the Authority aim to grow its market share.

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[35] It is observed that similar requirements in Scotland and Northern Ireland have not driven the shift in market uptake of commercial food waste collections that was intended. This represents a commercial risk for operators in Wales.

Given that WEEE and textiles are likely to be produced intermittently by businesses the focus of this study has been on the core dry recycling and food waste streams. With respect to food and glass, the focus of attention is on those hospitality businesses expected to produce these in meaningful quantities.

5.2   Options shortlisting
Based on the above scoping and the available modelling budget, the following future options for delivering the trade waste and recycling service were taken forward for assessment:

- Option 1: dedicated 'as-is' trade service operated standalone including communal (flats) recycling and food waste. Separate vehicles collect the existing trade residual (either inhouse or through Veolia (as the incumbent outsourced provider)). Mixed recycling and food waste from the enlarged population of existing trade customers and flats complexes are collected on dedicated vehicles, i.e. food is no longer co-collected on the domestic rounds. All collections are made on a weekly basis, albeit retaining any existing trade customer variations captured in the baseline model;
- Option 2: enhanced recycling service (greater segregation) applied across the existing trade customer base and flats complexes. The mixed recycling service switches to separate fibres (mixed paper and card), containers (mixed metal and plastics) and glass streams. These are assigned in proportions that are tailored to the business type, ensuring at least the current level of recycling capacity is provided. Once the allocation of containers and weight calculations across the new streams had been completed, the decision was taken to assess use of pod RCVs in the modelling, as these appeared to provide the best and most efficient capacity match. Two variants have been modelled in practice, with varying levels of food waste provision:
  - Option 2(a): food waste remains focused on those currently receiving this service
  - Option 2(b): food waste is collected from all relevant hospitality (including catering departments at Education establishments) and relevant Arts, entertainment and recreation businesses – drawing on the classification exercise described in section 2.6 of this report;
- Option 3: analysis of the extent of the opportunity to collect recycling and food presented in low quantities from micro businesses on the future RRV rounds.

5.3   Modelling approach
The baseline model, incorporating the master worksheet described in section 2.8, provides a platform from which a range of future service design and delivery options can be assessed. For the future modelled options, key steps in the assessment process comprised:

- Making changes to the profile of lifts for each stream. The addition of domestic communal lifts (flats) to the modelling required extra lifts to be added to the master customer database, in a format consistent with the original data. Starting with the existing profile of bins assigned at notified communal sites, work was required to estimate the weight of material collected from these bins. Assumptions were then needed governing the level of alternative bin (and sack, where used by trade customers) provision required when migrating from a mixed recycling service to one based on the separate collection of fibres, containers and glass. Bespoke bin assignment 'rules' were developed and applied to the communal locations and the existing trade customer base (recognising that different sectors have different material composition profiles);

- Recasting the lift and waste profile for the bins being serviced, to help inform vehicle selection, e.g. whether to attempt to collect all dry streams in a single pass on a multi-compartment vehicle or to partition the service such that, for example food / glass are collected separately on one vehicle (where compaction is not needed), and fibres / containers on another;
- Restructuring the model where different streams are being collected together or separately on vehicles, testing productivity implications and iteratively refining resource allocations; and
- Building new summary and results files.

Future options modelling: limitations and cautionary points

The limitations of a spreadsheet approach to modelling dynamic trade waste systems should be acknowledged. This area of work does not have the benefit of extensive investment in service timings that sit within WRAP's KAT model as applied to household collection systems, or the geographical routing capabilities of proprietary round design software. Significant assumptions are needed around future levels of service linked to any change in design, building off the current baseline.

The process is constrained by the specific granularity of data that exists. In Denbighshire's case the absence of validated collection weights, timings and sack usage represent key limitations. As a result, the outputs should be used to provide an indication of the scale of any resource/cost impacts, as opposed to absolute numbers to be used for budgeting purposes.

5.3.1 Assumptions

The future modelling required a significant number of assumptions to be made. These were developed and refined over a short period of time in parallel to the modelling commencing (at the start of November 2020). A detailed description of the option-specific changes and assumptions applied to the modelling of options 1 and 2 are set out in Appendix 2 (future options assumptions report). Analysis linked to microsites and their potential to be serviced on future RRV rounds is reported in section 5.4.4 below.

5.4 Outputs

5.4.1 Option 1: Integrated trade and communal (recycling / food) service, no change in design other than to collect food on dedicated rounds

Option 1 retains the existing trade service design, both in terms of what is offered to customers and how it is delivered on the ground. The main change from the baseline is that the service now includes the communal (flats) recycling and food lifts on the trade collection rounds[36]. This might be considered as an interim step for DCC, integrating the communal recycling with the trade prior to transforming the service to greater level of materials separation (in option 2).

The following commentary box summarises the data preparation tasks that were undertaken to facilitate incorporation of the communal sites / lifts. No additional income comes into the trade service as a result of this change, so at the outset of the model rerun it was acknowledged that the financial performance would reduce, i.e. there would be a reduction in the modelled £ margin / surplus.

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[36] DCC's intention is to retain the communal residual lifts on the domestic service, through an approach that enables the fortnightly communal lifts to be included in the wider 4-weekly domestic refuse lift schedule

Incorporating communal sites: service provision and capacity analysis

Prior to the work progressing it was necessary to identify those domestic properties (flats) serviced via communal bins, and to bring them into the trade model. The steps associated with this exercise are summarised as follows:

- Details of existing communal bin sites needing to be serviced by the trade round service were requested from DCC, including site / complex name, address and details of existing bin provision;
- Formatting of data files supplied separately for the North and South. Supporting information was requested and added to the data on an iterative basis, including details of the number of dwellings served at each site, food waste bins allocated and postcode information; and
- Inclusion in the master data such that it could be included in pivot table analyses with the rest of the trade customers.

As an output from the above data preparation exercise, an additional 82 site entries were added to the model, representing 1,750 individual dwellings. Of the 82 communal sites added, all have residual bins, 79 have mixed recycling bins and 74 have food waste bins.

Completing the communal data preparation, the weekly equivalent volumetric containment capacity provided at each site, as an average weekly volume (litres) per dwelling, was calculated. Numbers were calculated on the basis that residual bins are emptied fortnightly, and recycling, food bins are serviced weekly. The results, presented below in terms of overall range applicable to each of the existing streams lifted, were subsequently used to inform the allocation of future containment capacity in option 2. The data shows a wide range of containment levels assigned, presumably in response to site-specific constraints.

Figure 5.1 presents summary statistics from the modelled option 1. For consistency with the baseline model outputs presented in Figure 4.1, the results apply to the variant of the model where it is assumed that DCC undertake the residual collections directly and where ongoing container replacement costs are dealt with as Capex. Within the equivalent variant where Veolia deliver the residual waste service the total costs are reduced by approximately £3k, which elevates the surplus by the same amount. Financial summaries for all of the modelled variants can be found in Appendix 3.

Figure 5.1 Option 1: Integrated trade and communal collections, existing service design

Option 1	This option takes the existing trade waste and recycling service, collecting residual waste, co-mingled dry recycling (including separately presented cardboard) and food waste, and adds recycling and food waste from communal sites. Residual waste from communal sites continues to be collected on the domestic service and as such is excluded from this model. The service design does not alter from the baseline, other than that food waste now being considered collected on a dedicated trade/communal round, meaning the service no longer has any operational ties to the domestic collections. All streams are collected on a weekly cycle, albeit existing customers receiving fortnightly or monthly lifts continue to do so; in the case of sacks (residual and mixed recycling) and cardboard bundles, customers set material out 'as needed'. All collections are made using single compartment vehicles. A simple 'per lift' charging model applies, with no additional or hidden costs. The model is built on the baseline, adopting the same underlying data / assumptions.				

Service Element	Residual Waste	Mixed Recycling	Cardboard	Food	Service Totals	Commentary
Customers						
Unique customers/sites	499	513	54	126		All customer and lift statistics are taken from the Council's cleansed customer database extract issued August 2020, updated to include Communal sites. Key model inputs are generated from pivot tables applied to the customer data, covering those lift types making up the majority of collections undertaken across the service, i.e. garden waste is excluded. <u>Unique customer numbers (by name), including duplicate canteens on schools sites, is 714.</u>
Collections	Residual Waste	Mixed Recycling	Cardboard	Food		
Lifts per annum	27,897	36,769	655	17,987	83,308	Based on quantity of sacks and labels used, bins contracted (including number and collection frequency). Each sack is classed as a single lift
Annual volume lifted (litres)	14,603,480	20,717,074	58,950	1,435,887	36,815,391	
Waste Flow	Residual Waste	Mixed Recycling	Cardboard	Food		Service Recycling Rate
Tonnes lifted per annum	976	657	4	328	1,964	**50%**
						Waste flows calculated 'bottom-up' based on lifts and combination of recorded (residual) and apportioned (residual sacks, recycling and food) unit weights
Resources	Residual Waste	Mixed Recycling (including Cardboard)		Food		
Days work per week	5.8	7.5		2.5		Modelled resource
Vehicles	1.2	1.5		0.5		Estimated vehicles apportioned to each service
Crew level	D	D		D		Assumed crewing levels
Day length (hrs)	6.5	6.5		6.5		Assumed
Work allocation to trade (%)	100	100		100		All trade / communal lifts are undertaken on dedicated rounds
Sites serviced per day (per round)	86	76		51		Site counts needing to be achieved based on apportioned resources to trade and current round profile data
Lifts per day (all containers)	93	96		140		Back-calculated from annual totals. Each sack = single lift. Higher food lifts reflect near 50/50 split of bins:caddies (caddies being quicker to empty)
Financial Summary	Residual Waste	Mixed Recycling	Cardboard	Food		
Total Income	£305,467	£97,458	£1,402	£18,569	£422,896	Includes all income from customer charges. No change from baseline
Costs	£223,227	£149,743	£47	£55,093	£428,110	No material incomes apply to the mixed recycling
[gate fees/haulage]	£117,518	£52,193	(in Recycling)	£12,362	£182,073	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	-£5,214				-1%	Based on DCC undertaking the residual collections inhouse and container costs managed as CAPEX.

Supporting metrics and commentary:

- Service recycling rate = 50%, an increase of ten percentage points vs the baseline which is a function of the waste flow impact of the incoming flats recycling and food;
- The inclusion of flats adds approximately 340 tonnes of material to the managed system, comprising c.230 tonnes of mixed recycling and c.110 tonnes of food;
- Modelled recycling resource increases to an estimated 1.5 vehicles (7.5 days work);
- Modelled dedicated food resource is estimated at half a vehicle (2.5 days work).

The addition of the flats (communal) complexes, with no additional income generated, sees the modelled £64k surplus in the baseline turn to a £5k annual loss.

5.4.2 Option 2(a): Integrated trade and communal (recycling / food) service, mixed recycling split into fibres, containers and glass, food 'as is'

Within option 2(a) the combined trade customers and communal sites see their dry recycling arrangements migrated from mixed recycling to an Environment Act-compliant service separately targeting fibres, containers and glass. Within the model set up it is assumed that these streams are collected along with food waste, through the introduction of pod RCVs[37].

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[37] http://www.ntm-gb.com/fk-pod/

Figure 5.2 presents summary statistics from the modelled option 2(a). For consistency the results apply to the variant of the model where it is assumed that DCC undertake the residual collections directly and where ongoing container replacement costs are dealt with as Capex. Within the equivalent variant where Veolia deliver the residual waste service the total costs are reduced by approximately £7k, which elevates the surplus by the same amount. Financial summaries for all of the modelled variants can be found in Appendix 3.

Figure 5.2 Option 2(a): Integrated trade and communal collections, transformed dry recycling to provide alignment with the Environment Act. Existing food service coverage

Option 2(a)	This increased separation option sees the mixed recycling at trade / communal sites split into fibres (mixed paper / card), containers (mixed plastics / cans) and glass streams. Residual waste remains separately collected, whilst fibres / glass and containers / food are collected on pod RCVS. All streams are collected on a weekly cycle, albeit existing customers receiving fortnightly or monthly lifts continue to do so; in the case of sacks (residual and mixed recycling) and cardboard bundles, customers set material out 'as needed'. A simple 'per lift' charging model applies, with no additional or hidden costs.							
Service Element	**Residual Waste**	**Fibres**	**Cardboard**	**Glass**	**Containers**	**Food**	**Service Totals**	**Commentary**
Customers								
Unique customers/sites	499	502	54	150	502	126		Key model inputs are generated from pivot tables applied to the updated customer data, covering those lift types making up the majority of collections undertaken across the service, i.e. garden waste is excluded. Unique customer numbers (by name), including duplicate canteens on schools sites, is 714.
Collections	Residual Waste	Fibres	Cardboard	Glass	Containers	Food		
Lifts per annum	27,897	26,981	655	12,545	23,010	17,987	109,075	Based on quantity of sacks and labels used, bins contracted (including number and collection frequency). Each sack is classed as a single lift.
Annual volume lifted (litres)	14,603,480	13,400,900	58,950	2,857,400	9,759,500	1,435,887	42,116,117	
Waste Flow	Residual Waste	Fibres	Cardboard	Glass	Containers	Food		Service Recycling Rate
Tonnes lifted per annum	976	391	4	185	127	328	2,010	**51%**
								Waste flows calculated 'bottom-up' based on lifts and combination of recorded (residual) and apportioned (residual sacks, recycling and food) unit weights
Resources	Residual Waste	Fibres and Glass (pod)			Containers and Food (pod)			
Days work per week	5.8	5.0			5.0			Modelled resource
Vehicles	1.2	1.0			1.0			Vehicles apportioned to each service
Crew level	D	D			D			Assumed crewing levels
Day length (hrs)	6.5	6.5			6.5			Assumed
Work allocation to trade (%)	100	100			100			All trade / communal lifts are undertaken on dedicated rounds
Sites serviced per day (per round)	86	111		30	100	25		Site counts needing to be achieved based on modelled resources
Lifts per day (all containers)	93	106		48	89	69		Back-calculated from annual totals. Each sack = single lift.
Financial Summary	Residual Waste	Fibres	Cardboard	Glass	Containers	Food		
Total Income	£305,467	£70,509	£1,402	£8,830	£58,742	£16,080	£461,030	Includes all income from customer charges. No change from baseline
Costs	£224,448	£97,301	£234	£1,764	£79,666	£20,837	£424,248	Incorporating any separate material incomes
[gate fees/haulage] / incomes (-ve)	£117,518	-£11,824	(in Fibres)	-£3,512	-£27,673	£12,362	£86,871	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	£36,782						8%	Based on DCC undertaking the residual collections inhouse and container costs managed as CAPEX.

Note: the above costs do not include any 'one-off' costs associated with providing additional containers to facilitate the switch from mixed recycling to separate streams. Based on the assigned bin profile this requires an additional 631 bins to be purchased, at an estimated total cost of just under £20k. Appendix 3 includes the basis of this calculation. No other 'transformation' costs have been accounted for in the modelling. These are expected to include Communications and marketing costs, bin delivery and swaps, and resource costs associated with customer engagement in the run up to making a change – potentially requiring 6 months of an additional FTE working alongside the trade waste officer.

Supporting metrics and commentary:

- Improved financial position vs option 1 due to increased customer revenue from the increased suite of bins (and thus lifts) for separate recycling;
- Operational costs for recycling remain broadly similar to option 1, with increased collection costs being offset by material incomes;
- Modelled based on 2 pod vehicles working fulltime to collect the 4 dry recycling and food streams. This is aligned with DCC's budgeted position for the future service, albeit pod RCV purchase costs are higher than standard RCVs.

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The main operational risk with this option is linked to the pod vehicle crewing levels. With increased lift numbers at sites the additional time taken to load vehicles (at the front and rear of the vehicle) may prove challenging.

The underlying assumption linked to this option is that the overall mass balance of recycling material produced by customers does not significantly change, hence the modelled recycling rate stays within a single percentage point of option 1. It is difficult to predict how different businesses will respond to a change of service design such as this. Key influencing variables will be the extent to which the separate collection requirements of the Environment Act are enforced on the ground, and availability of space at business premises to support greater levels of material segregation. The reality is that many smaller or space constrained businesses may respond by picking a primary recycling bin, e.g. fibres, whilst using sacks for the ad hoc recycling of other streams. The change might prompt certain businesses to recycle more as it drives realisation of an increased potential to divert material from the higher cost residual waste service. Conversely, it may prompt (price-sensitive) businesses to seek alternative, single-bin, outlets for their waste (including competitor operators or through backhauling of packaging).

Assigning segregated recycling containers: risks and long term aims

A key task underpinning the future options modelling, as applied to both the existing trade customers and communal properties co-collected on the rounds, was an estimation of how the existing mixed recycling stream will split out into separate fibres, containers and glass streams. This is challenging, as different business sectors produce higher or lower quantities of each stream (e.g. Retail generates proportionately more cardboard, Hospitality more glass), and not all locations will have sufficient space on site to accommodate multiple bins. As such, the approach set out in Appendix 2 represents a starting point, the detail of which would need to be refined on an individual customer and communal site basis.

In the longer term, the ideal position to be in as an operator would be to have a formulaic approach to assigning the optimum mix of containers to both communal and trade sites, based on factors such as size (driving waste production) and type (influencing waste composition). An attempt to do this has been applied in this study, but through necessity this has been semi-manual. Adopting a formula-based approach, combined with knowledge of the financial margins achieved per lift, would enable DCC to accurately forecast the service performance based on the customer profile. This should be retained as a long-term aim for the service, driving decisions around data capture and analysis. As stated previously, the private sector will actively target or avoid certain businesses as a result of having a good understanding of their waste production profiles. This knowledge and ability to flex the commercial offer may become increasingly important as new UK policy proposals, including EPR (Extended Producer Responsibility) for packaging, apply to Non-Household Municipal (NHM) waste.

5.4.3 Option 2(b): Integrated trade and communal collections, transformed dry recycling to provide alignment with the Environment Act. Expanded food service coverage

Option 2(b) extends the position modelled in option 2(a) by expanding food service uptake across all relevant businesses involved in providing food-related hospitality services, including schools-based catering departments. Figure 5.3 presents summary results from the model. For consistency the results apply to the variant of the model where it is assumed that DCC undertake the residual collections directly and where ongoing container replacement costs are dealt with as Capex. Whereas for all previously modelled options outsourcing of the residual service to Veolia is seen to be financially beneficial, within this option the equivalent variant costs increase by approximately £10k. This is because where DCC collects and manages residual trade waste inhouse, the diversion of food waste out of the affected residual bins results in lower gate fees at Parc Adfer. Financial summaries for all of the modelled variants can be found in Appendix 3.

Figure 5.3 Option 2(b): Integrated trade and communal collections, transformed dry recycling to provide alignment with the Environment Act. Expanded food service coverage

Option 2b	This increased separation option sees the mixed recycling at trade / communal sites split into fibres (mixed paper / card), containers (mixed plastics / cans) and glass streams. Within this variant option 2b food waste uptake is maximised across applicable Accommodation and food services & Arts, entertainment and recreation customers. Diverted food waste tonnages are taken off of the residual waste weights. Residual waste remains separately collected, whilst Fibres / Glass and Containers / Food are collected on pod RCVS. All streams are collected on a weekly cycle,albeit existing customers receiving fortnightly or monthly lifts continue to do so; in the case of sacks (residual and mixed recycling) and cardboard bundles, customers set material out 'as needed'. A simple 'per lift' charging model applies, with no additional or hidden costs.							
Service Element	**Residual Waste**	**Fibres**	**Cardboard**	**Glass**	**Containers**	**Food**	**Service Totals**	**Commentary**
Customers								
Unique customers/sites	499	502	54	150	502	282		Key model inputs are generated from pivot tables applied to the updated customer data, covering those lift types making up the majority of collections undertaken across the service, i.e. garden waste is excluded. Unique customer numbers (by name), including duplicate canteens on schools sites, is 714.
Collections	Residual Waste	Fibres	Cardboard	Glass	Containers	Food		
Lifts per annum	27,897	26,981	655	12,545	23,010	25,713	116,801	Based on quantity of sacks and labels used, bins contracted (including number and collection frequency). Each sack is classed as a single lift
Annual volume lifted (litres)	14,603,480	13,400,900	58,950	2,857,400	9,759,500	1,994,213	42,674,443	
Waste Flow	Residual Waste	Fibres	Cardboard	Glass	Containers	Food		Service Recycling Rate
Tonnes lifted per annum	838	391	4	185	127	466	2,010	**58%** Waste flows calculated 'bottom-up' based on lifts and combination of recorded (residual) and apportioned (residual sacks, recycling and food) unit weights
Resources	Residual Waste	Fibres and Glass (pod)			Containers and Food (pod)			
Days work per week	5.8	5.0			5.0			Modelled resource
Vehicles	1.2	1.0			1.0			Vehicles apportioned to each service
Crew level	D	D			D			Assumed crewing levels (need for additional food loader?)
Day length (hrs)	6.5	6.5			6.5			Assumed
Work allocation to trade (%)	100	100			100			All trade / communal lifts are undertaken on dedicated rounds
Sites serviced per day (per round)	86	111		30	100	56		Site counts needing to be achieved based on modelled resources
Lifts per day (all containers)	93	106		48	89	99		Back-calculated from annual totals. Each sack = single lift.
Financial Summary	Residual Waste	Fibres	Cardboard	Glass	Containers	Food		
Total Income	£305,467	£70,509	£1,402	£8,830	£58,742	£34,641	£479,592	Includes all income from customer charges, including extra food lifts
Costs	£207,058	£96,556	£221	£1,417	£79,030	£29,040	£413,322	No material incomes apply to the baseline
[gate fees/haulage] / incomes (-ve)	£100,899	-£11,824	(in Recycling)	-£3,512	-£27,673	£17,566	£75,455	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	£66,269						14%	Based on DCC undertaking the residual collections inhouse and container costs managed as CAPEX.

As with option 2(a) there will be additional rollout costs associated with this option (including the estimated £20k investment in recycling bins, plus additional food waste bins). These costs will also need to include marketing and engagement with hospitality establishments to encourage food waste uptake.

Supporting metrics and commentary:

- Improved financial position vs option 2(a) due to increased customer revenue from food waste collections;
- Resources have been modelled at the same level as option 2(a), based on there being spare capacity within the vehicles. For reference, the average daily modelled food waste weight in option 2(a) was 1.26 tonnes; in this option it is 1.79 tonnes. A 4CuM pod is estimated to have capacity to carry 2.6 tonnes of food.

The operational risk applicable to option 2(a) is increased with this option. It is increasingly likely that an additional loader will be needed to support collection of the extra food waste and maintain productivities at a level enabling all sites to be passed in the available time. An additional fulltime loader would reduce the modelled surplus by £26k, based on costs assumed in the model. The true ability to service participating locations in this option depends on the geographical spread of uptake. This is something DCC should look to drive / influence, as opposed to respond to – if proceeding with this option[38].

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[38] Private sector operators will target customers along primary routes as a way of maximising route density and return on investment. DCC has many disperse customers which it may service at a loss based on the current fixed pricing strategy.

5.4.4 Option 3 (Microsite analysis): identifying micro-businesses that might be suitable to be serviced on future RRV recycling / food rounds

By co-collecting from businesses on the domestic rounds it is possible to service remote or disperse collection points along routes being travelled by the domestic vehicles; this represents the most efficient operational practice, particularly in areas where trade customers are not in close proximity to one another. The proposed change to the domestic service, comprising 4-weekly residual collections and weekly multi-stream dry recycling and food (on RRVs) limits the extent to which co-collection remains a viable practice for DCC. However, it is recognised that there will be a population of micro-businesses in the existing customer base that produce material at levels that make them feasible to be serviced via RRVs, i.e. utilising Trolleybocs', food caddies and potentially bundled cardboard. As such, participating businesses would automatically be offered a level of recycling materials segregation that is aligned with the Environment Act, owing to the design of the kerbsort scheme. If pursuing this option, DCC may choose to create a new 'all-in' microsite recycling and food waste contract, providing a price incentive for small businesses to move from a single DMR bin to multiple boxes, and reflecting operational efficiencies realised by the Authority through co-collection.

Whilst the extraction of microsites from the trade recycling and food service was not formally modelled, analysis of the Master customer data was undertaken to quantify the potential scale of the opportunity, i.e. the number of businesses and material weights that might transfer. Appendix 4 contains the sequential filters applied to the customer data to identify and quantify those businesses that it might be appropriate to service on future RRV rounds. The analysis applies to existing trade customers only; communal sites identified as needing to be serviced on the trade rounds are excluded from the assessment.

Dry recycling analysis

The underlying premise for recycling is that only those with 240ltr mixed recycling bins (or less, including sacks) would be appropriate to consider. *There is also a subset of businesses who are registered as using the cardboard labels service, but the extent of each customers' use is not consistently recorded.*

The headline output indicates 222 (microsite) dry recycling customer locations that may be feasible to service via the domestic RRV rounds, generating an estimated 732kg of recycling each week (in total), i.e. <1tonne.

Food waste analysis

The food waste analysis involved iterative filters being applied to the Master customer data, targeting those currently using 23ltr food caddies. The current food service is small, with just 52 unique sites receiving trade food lifts. Those customers serviced via 23ltr caddies number just 10, generating c.61kg of food waste each week. It is noted there are many customers with a single 120ltr food bin, which could potentially be moved over to 4/5 caddies each if it was concluded that the only viable way of maintaining a trade food service was to service them on the RRVs. This set of filters was not included in the analysis but could be, subject to DCC's decisions on a preferred way forward.

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Modelling outputs: servicing micro-businesses on RRV rounds

The analysis summarised above (and detailed in Appendix 4) indicates that approximately half of the existing recycling customers (222 sites, out of a baseline number of 434) may be of a scale that would support them moving onto a 'domestic' model collected on RRV rounds. This is not an insignificant number, which could free up significant time on future dedicated trade recycling rounds to deliver increased recycling and/or win new, potentially larger customers. This may create commercial opportunities for DCC should the separate collection requirements be enforced (e.g. by Natural Resources Wales) and competitors are slow to respond to the changing market. There will be other 'cardboard' label customers that may also be appropriate to service on the RRV rounds, although the potential uptake has not been assessed in this study due to the lack of robust data defining individual customer usage levels.

The existing trade food service is considerably smaller than the dry recycling, with just 52 unique sites currently recorded as having food waste caddies/bins (though some have multiple visits per week). Those customers using just the 23litre caddies number 10 in total. The majority have a single 120litre wheeled bin, who potentially (subject to audit) could manage with caddies as an alternative, which may be worth of consideration if it is concluded that a separate trade food service is not viable going forward. As concluded during the baseline review the market conditions for growing the trade food service should be strong. DCC has 170 unique 'Accommodation and food service activities' customers, which includes 42 school-based catering departments. Only 35 of these currently take up a food waste collection, 19 of which are the school caterers. This would indicate a sizeable number of existing customers (135) that could benefit from food waste collections, which would help boost the service recycling rate.

The focus has been on those businesses that might be appropriate to service on recycling and food via the RRVs. However, there may also be some small businesses that could accommodate a 4-weekly residual waste collection, supported by provision of a larger bin. This analysis has not been completed as part of this study, but could be considered as follow-on work through agreement of appropriate residual containment volume cut-off thresholds to apply in the Master data that underpins the trade model.

It is understood that to date, micro-businesses that could be co-collected on the new RRV rounds have not been factored into the domestic round design and associated resource planning. The analysis completed here, along with the supporting .csv files supplied to WRAP Cymru as outputs from the exercise, should enable the inclusion of these microsites in the new recycling round designs.

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6.0   Summary and recommendations

This review of DCC's trade waste and recycling service has been prompted by changes to the domestic kerbside collection service due to take place in 2023. These changes will limit the extent to which the historic co-collection of trade and domestic food waste can continue, as well as requiring communal (flats) recycling and food waste to be serviced on the trade rounds. Furthermore, the proposed requirement for non-domestic premises in Wales (such as businesses, charities and public sector bodies) to have specified recyclable materials managed separately from each other requires the existing trade waste and recycling service design to be revised. This study has considered a range of future options, placed in the context of the current (baseline) service design and performance.

6.1   Baseline position

The performance of the current service (as modelled) is summarised in Figure 6.1.

Figure 6.1 Existing service performance headlines.

6.1.1 Operational delivery

The historic approach to operating the trade service, through outsourced residual lifts, inhouse mixed recycling and co-collected food waste, has influenced how the trade service is budgeted, delivered and internally managed. The mix of arrangements across the different streams offers both advantages and drawbacks. Overall, the residual waste contract with Veolia is seen to represent a reliable, cost-effective option in the short term, generating accurate weight information. Whilst mixed recycling from trade customers is collected separately, weights are not recorded by DCC, which represents a missed opportunity. Co-collection of food waste on the domestic rounds has provided operational flexibility whilst uptake of trade food has been relatively low. If this service is to operate standalone and be commercially viable, it needs to be grown.

The true resource requirements and performance profile of the trade service is difficult to quantify, due to lack of data, resulting in a lack of transparency upon which future service decisions can be based. This has been a significant challenge for this study and should be a top priority to be addressed as the service moves to a point where its design needs to change. **Collecting and analysing accurate, real-time data will be critical as the Authority seeks to become more commercial in its approach.** It will also be important to ensure there is effective internal ownership (and accountability) of the service, which is likely to come through the reinstatement of a formal trade waste officer post.

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6.1.2 The market within which DCC operates

The market appraisal presented in section 3 indicates significant potential to grow the service. Whilst the geography and demographics of Denbighshire create certain challenges, DCC should be well placed to deliver a recycling-led service focused (in the short to medium term) on smaller businesses. DCC's service is regarded as being relatively stable. If the authority can move to a position where services are actively targeted at customers, as opposed to being wholly reactive, opportunities to increase recycling and revenue exist.

6.1.3 SWOT analysis

Figure 6.2 presents a high-level SWOT analysis of the existing service.

Strengths	Weaknesses
- Flexible containment options provide a good level of choice to customers, including those with limited storage space - Co-collection methodology enables efficient incremental growth of the food waste service - Access to local low cost and sustainable food waste treatment infrastructure - In-county depot/bulking infrastructure - Lack of local competition in the South of the County - High margin residual waste service - Competitive recycling and food waste service pricing provides a platform for delivering improved recycling performance - Trusted supplier with a stable customer base	- Lack of income for recycling - Service brand and bin labelling. With bins being lifted by subcontractors the Authority's function is potentially unclear to customers - Blurred lines between domestic and trade bins (on the ground) - Limited internal accountability and lack of clear communication channels with customers - Customer contract provides limited commercial protection to the Authority - Lack of trade-specific operational performance metrics and transparency, including validated collection productivities - Budget lacks detail, and it remains unclear whether all costs are being recovered / apportioned - Lack of real-time data capture and analysis - Lack of control and integration between operations and business support functions - Commercial understanding, e.g. of margins achieved per lift - Absence of a strategy or future service 'vision' - Limited service marketing and promotion. No apparent sales targets and protected time for new business development, service website is not outward-looking
Opportunities	**Threats**
- Cross or upselling services to existing customers - Ability to 'influence' internal customers - Potential to go beyond providing 'waste' services to local business, e.g. expansion to include resource efficiency training, support around adoption of the Circular Economy - Growth potential due to market size, including potential to drive up recycling levels whilst still delivering a surplus - Transition to a service design that is fully compliant with the Environment (Wales) Act, creating the basis for a key marketing message and market differentiator. This might include the option to co-collect domestic and business WEEE, textiles from 2022 onwards - Targeting high value (clean) streams for separate collection	- Ability to respond (quickly) to competitor promotions (e.g. lift rate discounts) - Ability to control potential future outsourced contract costs - Recycling contamination levels - Ability to respond quickly to the separate collection requirements of the Environment (Wales) Act - Lack of dedicated resource to manage change, which will become increasingly important as the domestic service is transformed - Increasing cost of mixed recycling processing

6.2   Future options

Through a combination of data analysis and modelling this study has evaluated a number of alternative service delivery options, as follows:

- Option 1 adds recycling and food lifts from 82 communal (flats) complexes to the trade service. The overall design of the enlarged service remains 'as-is', but with trade/communal food lifts now made on a dedicated vehicle. All collections are made on a weekly basis, albeit retaining any existing trade customer variations captured in the baseline model;
- Option 2 sees the mixed recycling collections transformed to a service targeting separate fibres (mixed paper and card), containers (mixed cans and plastics) and glass streams. These are assigned in proportions that are tailored to the business type, ensuring at least the current level of recycling capacity is provided. Collections of the four dry recycling and food streams are modelled through use of pod RCVs. In model variant (a) food waste remains focused on those currently receiving this service, in variant (b) food uptake is assumed to expand across all relevant Hospitality (including catering departments at Education establishments) and Arts, entertainment and recreation businesses; and
- Option 3 analyses the potential scale of the opportunity to collect recycling and food presented in low quantities from micro businesses on the future RRV rounds.

Figure 6.3 presents the headline results from the formally modelled options (1, 2(a), 2(b)) and option 3 analysis. These are shown sequentially as transitional steps away from the baseline. Care is needed when interpreting the vehicle numbers as these are cumulative totals across all services.

Figure 6.3 Headline results for the modelled / analysed options 'at a glance'.

Modelled Option Metrics and supporting commentary	Baseline Current service with estimated / apportioned collection resources	Option 1 Current service plus Communal (flats) recycling / food	Option 2(a) Mixed recycling transformed to separate fibres, containers, glass, collected with food in pod RCVs	Option 2(b) As per option 2(a) with food waste expansion	Option 3 Microsite analysis assessing potential for small recyclers to move to a Trolleybocs service
Arisings (tpa):	1,622	1,964	2,010	2,010	< 50 (recycling & food)
No. Vehicles	2.2	3.1	3.2	3.2	Not modelled
Recycling Rate (%)	40	50	51	58	
Annual service turnover (rounded to £1k)	£423k turnover	£423k turnover	£461k turnover	£480k turnover	232 dry recycling customers, out of a baseline number of 434, may be of a scale that would support them moving onto a 'domestic' model collected on RRV rounds Existing food customers using just the 23litre caddies number 10 in total
Net revenue position (rounded to £1k)	£58k to £67k surplus	-£2k to -£14k loss	£28k to £43k surplus	£47k to £66k surplus	
Commentary on variants	Modelled variants include residual inhouse vs outsourced and containers capex vs opex. Outsourced residual = £3k better	Modelled variants include residual inhouse vs outsourced and containers capex vs opex. Outsourced residual = £3k better	Modelled variants include residual inhouse vs outsourced and containers capex vs opex. Outsourced residual = £7k better	Modelled variants include residual inhouse vs outsourced and containers capex vs opex. Outsourced residual = £10k worse	

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Subject to the previously stated data limitations and assumptions that have been applied, the results indicate:

- An existing service that generates a healthy surplus, with an overall margin level that most private sector operators would aim for. This position is driven by high margins per lift on residual waste. Despite high MRF processing costs the standalone mixed recycling collections also deliver a modest margin. Whilst food waste collections are operated at a loss, the small number and operational approach whereby they are co-collected on the domestic rounds means the impact is marginal. The baseline recycling performance is modest at 40% (as modelled). With 58% of lifts (by volume) and 72% of income coming from the residual waste service it cannot be said that the service is 'recycling-led, despite recycling being cheaper and with a flexible range of options on offer;

- Comparing the baseline with option 1, the inclusion of communal (flats) recycling and food collections impacts the service margin as there is no extra income assumed[39]. The additional resource required to service these sites and downstream material processing / treatment costs result in a service that is predicted to make a small loss (of between £2k and £14k per annum);

- Transformation of the mixed recycling service in option 2a drives higher income levels, as it is assumed the extra bins lifted are all charged at standard rates. Whilst the number of bins lifted goes up, the weight lifted increases only marginally (adding a single percentage point to the recycling rate). Despite the inclusion of additional supervision time and use of more expensive vehicles, the pod RCVs provide better alignment with modelled arisings of recycling and food streams. Uncertainty remains around the productivity impact of a switch to pod vehicles and whether an additional loader may be needed on both of the modelled rounds – which would bring the service closer to operating at a cost neutral position. Acknowledging the risks around workload balancing, an alternative delivery model might be to collect fibres and containers on alternate weeks using single-compartment RCVs and to collect food and glass on a toploader vehicle – recognising that arisings of these two streams are maximised in hospitality businesses; and

- Expansion of food waste coverage in option 2(b) further drives up revenue and has the effect of reducing residual costs in the variant where DCC operate this service inhouse. This is because the residual waste weight reduces, resulting in lower gate fees at Parc Adfer. This benefit is not realised in the variant where residual waste remains outsourced to Veolia, as the contractor gets this benefit. As such, this is the only modelled option where it appears cheaper to operate the residual service inhouse. Increased food waste coverage, and linked diversion of this material from the residual stream, boosts the recycling rate to 58% overall, which would take DCC's service from somewhere at the bottom end of Welsh LA observed trade recycling rates to a position much closer to the top. Whilst the collection resources have been kept consistent with option 2(a), it is increasingly likely that an additional loader would be needed on the food pass under this scenario to enable the rounds to be deliverable.

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[39] In reality a revenue transfer from the domestic budget might apply, recognising that the trade service is in effect subsidising the servicing of communal (recycling and food waste) bins.

6.3 Suggested actions and further work

Future activities to be considered by DCC as outcomes from this review are presented below.

Table 6.1 Suggested actions and further work.

Review Aspect	Suggested actions and further work
Baseline service	Review existing customer contract (E-Forms) to make it clearer what the responsibilities are on both sides. Consider introducing a 3-month notice period and/or a bin bond as mechanisms to provide greater commercial protection to the authority
	Undertake a review of back-office systems and processes, and linked customer interfaces (e.g. One Stop shops, website, customer services), in order to improve service messaging, marketing and response times. Ensure common data building blocks are used across systems, e.g. UPRN's, and create reports that enable improved service data capture. Examples include capturing SIC classifications for all customers, analysing Veolia weight data to understand trends by customer type, and recording mixed recycling weights.
	Consider making recycling compulsory for all (or all incoming) customers and undertake checks on customers to ensure they are complying with Duty of Care across all waste streams. The scale of the opportunity can be framed by considering DCC's top 3 sectors and the level of recycling uptake: - Of the 170 unique Accommodation and food service entries, 49 are without any form of dry recycling; - Of the 142 unique Retail entries, 21 are without any form of dry recycling; and - Of the 62 unique Human health and social work entries, 30 are without any form of dry recycling.
	Create an improved service budget and financial reporting structure to aid transparency of reporting and monitoring, ensuring the service bears all costs it should. Explore discrepancies between budgeted incomes and modelled income levels.
	Undertake a sample trade recycling weighing exercise, e.g. over a period of 1 month, to check the modelling assumptions applied in this study. Aswell as the weight this should record details of containers / streams lifted on each day / round - to ensure an accurate set of revised apportionment factors are derived from the exercise.
	Reinstate a formal trade waste officer post and revisit internal policies, including practical considerations such as use of bin locks (especially when the domestic service moves to a 4-weekly frequency) and branding of bins.
Future options	Undertake further work to assess possible uptake levels if the recycling service were to be transformed, e.g. through customer outreach. Put in place a fully resourced 'transformation plan' that recognises the risks linked to uncertain customer responses and identifies proactive steps the authority could take to ensure uptake levels align with the available resources. This requires a proactive, rather than reactive, approach to marketing the service and a refresh of the service brand.
	Consider financial incentives and/or new contract options that encourage a shift in behaviour to recycling. This is needed if the trade service is not to have the effect of pulling down the overall Authority recycling rate. Linked to the assessed transformation of the mixed recycling service (option 2(a)) and expansion of the food waste service (option 2(b)) there may be a need to cap short term cost increases to incentivise uptake, ideally coinciding with putting in resource to audit and rationalise residual waste arrangements on a customer-by-customer basis. This work should form part of a wider review of DCC's approach to pricing on the service. Balanced against this aim, it is understood that growing a recycling-led service may be restricted owing to the space restriction and space allocation for trade within the new depot.
	Extend the microsite analysis and model the impact of removing these sites from the trade system in order to quantify the spare capacity (and cost reduction) generated. This needs to go hand-in-hand with ensuring sufficient capacity is built into the new RRV round designs to support their future inclusion.

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Appendix 1 Baseline modelling assumptions

This appendix sets out the key input assumptions applying to the existing trade service. Overarching assumptions and modelling principles are covered first, followed by a tabular summary of specific parameter values. The majority of these assumptions and underlying rules carry over to the future options, additional (option-specific) assumptions for which are set out in Appendix 2.

Core assumptions

A number of core assumptions and principles apply. These are listed below:

- All modelled options have been applied to the current customer base as supplied in early August 2020;
- Service uptake levels, i.e. numbers of sacks and labels used are based on estimates of quantities used (as opposed to quantities sold) where it has been possible to identify or infer this from the supplied data. The modelled number of residual sacks used in the model has been calculated by applying the arithmetic mean of recorded sacks sold (in 2019/20) and Veolia's recorded sacks lifted (in 2019). The average represented a 13% increase in the Authority's sack sale numbers, which was then applied to the equivalent recycling and cardboard labels sales figures in order to derive numbers populate din the model. All PAYT lifts (residual/recycling sacks and cardboard bundles) are distributed evenly across the businesses identified in the customer data as using these services;
- All model outputs relate to annual figures. As applied to yields unit container weights are multiplied by the total number of labels/sacks used in the year, or bins/caddies lifted;
- The standard working week is taken as being 5 days (Monday – Friday). Any rounds working for part of the week, e.g. recycling over 4 days, are apportioned as a percentage of the standard 5 day pattern, which in this example would mean 80% of vehicles and staffing costs are pulled through to the model summary calculations; and
- The productive time spent picking (actively collecting waste and recycling), which drives the daily site count calculations, has been assessed on the basis that all rounds make 1 tip per day (on average). The assigned productive picking time is then calculated assuming the average overall duration of each round (from start to finish) is 6.5 hours, with 1.25 hours deducted to allow for lunch breaks, transit times to and from the round and for material tipping.

Key (baseline model) inputs

The following table summarises key modelling inputs and their sources.

Modelling parameter	Units	Figure	Basis / source
Baseline			
Sack volume (residual, mixed recycling)	litres	80	Previous studies, WRAP C&I waste apportionment tool
Cardboard bundle average volume set out	litres	90	Previous studies, description of customer behaviour
Residual bin yields	kg/lift	See table 2.5	Veolia lift weight analysis covering 12 months of 2019 data

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Modelling parameter	Units	Figure	Basis / source
Residual sack yield	kg/lift	See table 2.5	WRAP C&I waste apportionment tool
Mixed recycling, cardboard and food yield	kg/lift	See table 2.5	WRAP C&I waste apportionment tool with adjustments for expected void levels
Customer charges (internal & external)	£	See table 2.1	DCC 2019/20 price information and customer data, e.g. where customer-specific variants apply (such as the £2.50 food lift charge for 120litre bins at hospitals)
Customer charges (charities)	£	See table 2.1	Assumed by removing estimated disposal portion of standard charge based on DCC pricing principles
Residual waste collection vehicles	No.	1.15 (5.8 (6) days work)	Derived from a conservative target lift count of 80/day, which in turn was benchmarked against Monmouthshire which covers a similar area, with a similar number of customers and proportional uptake of sacks vs bins
Recycling collection rounds	No.	0.8 (4 days work)	DCC specified
Food waste collection rounds	No.	0.3 (1.5 days work)	Inferred from assumed 5% of domestic resource (32 rounds) being dedicated to trade food lifts
Crew level	No.	Driver only Driver only Driver + 1	Residual (DCC-specified) Recycling (DCC-specified) Food (average assumed)
Liners used per food caddy lifted	No.	2	Assumption
Residual waste, mixed recycling wheeled bin replacement rate	%	10	Assumption based on past projects
Food waste container replacement rates	%	15	Assumption based on past projects where caddies are subject to a higher loss rate
Residual waste, mixed recycling wheeled bin CAPEX depreciation period	Years	10	Assumption based on past projects
Food waste container CAPEX depreciation period	Years	5	Assumption based on past projects; lower value assets, food bins subject to shorter lives due to heavy weight/loadings
Recycling vehicle 'all-in' cost	£	22,500	DCC specified, based on 15t RCV owned outright (incorporating £10,500 per annum fuel costs)
Residual waste vehicle 'all-in' cost	£	49,000	Assumed based on other projects. Leased or purchased/depreciated 18t RCV (incorporating £14,000 per annum fuel costs)
Food waste vehicle 'all-in' cost	£	24,500	Assumed, based on 7.5t vehicle leased or purchased/depreciated (incorporating £6,500 per annum fuel costs)
Supervisor 'all-in' cost	£	36,000	Assumption based on past projects
Driver 'all-in' cost	£	32,815	DCC specified (grade 5)

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Modelling parameter	Units	Figure	Basis / source
Loader 'all-in' cost	£	26,000	Assumption based on past projects
Service administrator 'all-in' cost	£	31,128	DCC specified (technical waste officer)
Service (corporate) overhead	£	0	DCC specified
IT/in-cab system costs	£	0	Assumed, not applicable
Veolia lift charges	£/lift	Redacted	DCC specified, covering collection and disposal
Residual waste treatment gate fee	£/t	105	Assumed - where DCC deliver the waste to Parc Adfer
Mixed recycling processing fee	£/t	79.01	DCC specified, including £5.52 contamination uplift
Food waste treatment gate fee	£/t	30	Assumed
Residual waste bulking/haulage	£/t	15.43	DCC specified – where DCC deliver the waste to Parc Adfer
Food waste bulking/haulage	£/t	15.43	DCC specified – applying to 50% of food waste arisings not direct delivered

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Appendix 2 Future options assumptions report

This 'assumptions report' sets out the key inputs to the future options modelled as part of the DCC trade waste review. Overarching assumptions applying to all models are covered first, followed by a tabular summary containing option-specific commentary. Unless amended by figures presented here, all options build on the baseline data and assumptions set out in Appendix 1, reflecting the service as currently operated.

Core assumptions

A number of core assumptions apply throughout the modelled options, underpinned by the data and approach applied to the baseline review. These are listed below:

- All modelled options have been applied to the current customer base (supplied August 2020). No growth or decline in customer and lift numbers has been modelled unless specifically tested as part of the modelled changes. Similarly, service uptake levels, i.e. numbers of bin lifts, sacks and cardboard labels used are kept at levels consistent with the baseline, except where option-specific changes in service design dictate. All model outputs relate to annual figures;
- The modelling is based on verified (e.g. through the Veolia bin weights) or assumed yields for each type of container and material lifted. Revised yield profiles have been applied to the domestic communal (recycling and food) bins added to the system. The basis of the communal yields is set out below;
- All future options assume each stream is collected weekly, as the default collection frequency, which also applies to communals. Where existing trade customers are serviced at a revised frequency, e.g. fortnightly or monthly, as identified in the supplied customer database, these arrangements are already factored into the baseline modelling upon which the future options are based, i.e. by influencing the total annual lifts (from which weekly equivalents the resources are tested against are then calculated). The reality is that if a revised service design is rolled out, e.g. based on a greater level of recycling materials segregation, the balance between container provision (allowing for space constraints on site) and collection frequencies would need to be revisited on an individual customer basis. It would be possible to test the impact of alternative collection frequencies as part of future modelled option variants if required as additional work by DCC;
- Education catering establishments receive 42 lifts per annum, in line with the baseline. This also applies to expanded food waste uptake assessed in option 2a;
- All locations (trade and communal) are assumed to be accessible via 18 – 22t GVW vehicles. No vehicle access information was supplied or incorporated into the baseline model development, and this is something that would need to be considered prior to developing fully costed proposals to introduce new vehicles;
- Where vehicles or crew are modelled as being needed for just part of the week, only that proportion of the costs attributable to the time spent working on trade is assigned in the model. This adopts the principle that any part-time resource will be deployed to other tasks / services for the remainder of the week, and thus the costs associated with the balance of that time will be borne by those other tasks / services. This is viewed as the most consistent way of comparing costs between the baseline and modelled options, avoiding the need for grossing up of resource costs to cover whole crewed rounds. By way of example, should 7 days of collections be modelled, this equates to 1.4 rounds and thus a multiplication of the unit cost of a full vehicle and crew by 140%;

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- Service infrastructure, in terms of supporting depots and tipping points, are assumed to remain the same as they are now. It is recognised that a new depot is due to come online, and that whilst this may have capacity constraints regarding acceptance of significant quantities of segregated trade recycling, it is assumed that a site capable of handling the modelled material will be available within close proximity. Where a proportional split of received waste flows through different facilities applied to the baseline, e.g. where trade food waste is assumed to be 50% direct delivered to Biogen and 50% via transfer station, the same proportional split applies in future models;
- Unit lift/customer charges have been applied based on those used in the baseline model, providing a basis for making direct comparisons between the 'before and after' financial positions of the modelled options. Further work could be done to assess the impact of price adjustments on service margins, however this has not been included as part of this study;
- Unit costs for elements such as labour, container purchase and gate fees remain fixed at baseline levels, unless specifically altered as a result of the modelled option; and
- Consistent with the baseline, no service overhead costs are applied to the trade service. Where option-specific adjustments to supervision or IT costs apply these are described below.

Option-specific workflow and assumptions

The following table introduces, for each future option, key steps associated with the modelling, assumptions required to complete the assessment and supporting caveats.

Modelling approach and key parameters	Option overview and assumptions
1: existing trade service with Flats included	■ Existing trade service and customer lift profile modelled to include the addition of mixed recycling and food lifts from 1,750 flats (communal bins) across 82 sites ■ All streams collected on dedicated rounds, which in the case of food means these lifts are no longer made on the domestic rounds. Instead, a dedicated trade/communal food round is put in place, operated using its own 7.5t food waste vehicle
Modelling steps / approach	■ Collation of Communal site data (property name, location, current bin provision), supplied separately for the North / South ■ Addition of dwelling numbers, postcodes and food bin details, not provided in original data ■ Formatting and inclusion of Communals in Master customer data as a new customer group ■ Analysis of the range of capacity (litres/dwelling per week) assigned across the communal sites by stream (residual, mixed recycling, food) ■ Assignment of assumed unit lift weights to communal bins based on dwelling numbers ■ Development of assumptions regarding the productivity impact of adding the population of communal sites to the existing trade service and recalibration of the estimated resource calculations (days work) needed to service the larger customer base ■ Reconstruct model ■ Results collation and analysis

Modelling approach and key parameters	Option overview and assumptions
Communal bin yields	The addition of residual, mixed recycling and food waste bins at communal sites (flats) required new unit yields to be populated, as they do not feature in the baseline. Whilst the decision could have been taken to simply apply the existing trade bin yields, past project experience, anecdotal evidence and reported research points to the fact that is likely to over-estimate the true amount of waste produced by flatted properties. Applying standard property yields is also likely to be inaccurate due to the effect of the average household size being smaller in flatted properties, reduced internal space to store waste and recycling and the effect of transient populations (socio-demographics). As a result, assumptions were developed for an average set of yield figures (kg/dwelling/week), as follows:

Assumed unit yield per dwelling (kg/hh/wk): recycling	Assumed unit yield per dwelling (kg/hh/wk): food
2.5	1.1

These were subsequently mapped onto the different container types, as shown below:

Recycle	kg/lift	Food	kg/lift
140	2.9	23	3.1
240	5.0	120	16.1
360	7.5		
660	13.7		
1100	22.8		
1280	26.6		

On the basis that DCC, in the communals data, identified those complexes recognised as being above average, average and below average recyclers, the above unit dwelling yields and mapped container weights were adjusted.

For above average recyclers, the figures are as follows:

Assumed unit yield per dwelling (kg/hh/wk): recycling	Assumed unit yield per dwelling (kg/hh/wk): food
2.8	1.3

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[40] Which includes experience gained incorporating communal properties into trade recycling in Pembrokeshire, reported work by LWARB (Making recycling work for people in flats, January 2020) and WRAP (Barriers to recycling: A review of evidence since 2008, December 2014).

Modelling approach and key parameters	Option overview and assumptions

Recycle	kg/lift	Food	kg/lift
140	3.3	23	3.7
240	5.6	120	19.0
360	8.4		
660	15.3		
1100	25.6		
1280	29.7		

For below average recyclers, the figures are as follows:

Assumed unit yield per dwelling (kg/hh/wk): recycling	Assumed unit yield per dwelling (kg/hh/wk): food
1.7	0.5

Recycle	kg/lift	Food	kg/lift
140	2.0	23	1.4
240	3.4	120	7.3
360	5.1		
660	9.3		
1100	15.5		
1280	18.1		

The model has been configured so that it 'looks up' the appropriate unit bin weight for its designated communal recycling performance classification.

Flats income and costs	No new income is assumed to flow into the service through the addition of flats. N.B. in some LAs private landlords/agents are charged for the provision of bins. Therefore, as modelled the trade service absorbs the costs of managing waste and recycling from flats, including container maintenance/replenishment (assumed to be at the same rates as the wider trade service), collection (either through Veolia (where the 140ltr WB lift charges are assumed to be the same as 240ltr WBs) or collected inhouse) and treatment/disposal of the collected material. As such, the impact is a significantly reduced operating margin/surplus for the service. Depending on how DCC handles budget and cost code reconciliation, in reality there may be an element of revenue transfer from the domestic service to trade, reflecting the contribution from Authority tax receipts for the domestic portion of the overall service costs.

Modelling approach and key parameters	Option overview and assumptions
Vehicle selection	Vehicles remain the same as the baseline for the residual waste and mixed recycling collections. For the separately collected food waste a 7.5t PBUV (with the same cost profile as the baseline co-collected food rounds, i.e. £24.5k all-in annual capex/opex) was applied with a maximum achievable food payload of 2.75t (derived from Terberg data sheets). It is noted that under the revised modelled yield and pass rate assumptions, all vehicles are able to complete rounds with 1 tip per day.
Collection productivities	The addition of flats to the existing population of external and internal trade customers collected jointly on the trade service has the effect of increasing the overall customer density. This in turn should increase the collection productivities, i.e. lift rate, achievable as collections are now closer together – with less driving time in between. The true productivity impact will depend on the clustering of properties on any given day/round, which it is not possible to determine in a strategic model of the type used in this study. Despite the challenges, the following assumptions were developed to inform the potential effect on productivities against each service (residual waste, mixed recycling and food waste): ■ On residual waste the benchmark lift rate has been increased by 15%, from 80/day (the conservative baseline figure) to 92/day. The reality is that Veolia will be able to achieve higher route densities still (due to the effect of their own customers being serviced also on the rounds) ■ On mixed recycling the lift rate (assessed as an hourly figure) has also been increased by c.15%, consistent with residual. Most communal sites have both residual waste and recycling bins so it is appropriate to increase rates on these services by a similar amount ■ Within this option it is assumed that food waste at trade customer sites and communal complexes is collected separate from other domestic food (as was the case in the baseline). As such, a new set of productivities needed to be applied. The true rate achievable will depend on the spread of locations to be serviced. There is also the issue of the general hospital needing to be serviced multiple times per week. A conservative staring point of 50 sites/day was selected as the target benchmark (which is the rate achieved on another LA commercial food waste standalone collection (where uptake is relatively low)). Across these sites 140 individual container lifts are needed, which may seem high but c.50% are via caddies which will be quicker to load than bins. A high level of caution is urged when viewing the modelled resource profile arising from these assumptions. The map below shows the distribution of the combined (trade/communal) food collection locations. Judgement based on the visual distribution would suggest the work can perhaps be collected over 2 days (average c.70 site visits/day). However, with the need to service the hospital 5 days/week, the modelled outcome of 2.5 days of resource is perhaps reasonable.

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Modelling approach and key parameters	Option overview and assumptions
2(a): enhanced recycling service (greater segregation)	■ Additional level of customer dry recycling materials segregation targeting fibres (paper/card), containers (cans/plastics), glass. ■ Food remains at existing levels across trade and communal sites
Modelling steps / approach	The modelling of this option required greater upfront work to recast the customer demand profile, in recognition of the increased level of recycling materials segregation now applied. This required any customer with an existing DMR collection to be reviewed and an exercise completed to split the material into 3 streams (fibres, containers and glass). A bespoke methodology was developed to generate the split (as described below), tailored according to the property type (communal vs trade) and sub-sector (e.g. Hospitality vs Office-based). Specific steps comprised: ■ Development of a container allocation approach applicable to the option 1 communal and sector-specific mixed recycling configurations ■ Assignment of yields to the revised communal bin profiles ■ Calculation of new total tonnage and income figures ■ Consideration of overall waste flows to determine the 'best fit' vehicle type to model ■ Iterative assessment of resource profiles that best balance productivity considerations with compartment capacities ■ Reconstruct model ■ Results collation and analysis
Materials segregation and yield	A rules-based approach to assigning containers to communal complexes was taken, taking the current level of mixed recycling provision as a starting point. Through a manual, iterative assignment process bins were assigned to fibres, containers and glass collections until such time as either a minimum of 200 litres capacity per

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Modelling approach and key parameters	Option overview and assumptions
assumptions: <u>communal properties</u>	dwelling per week had been achieved, or the revised recycling capacity (per dwelling per week) had exceeded 150% of the original level. Whist it was the original intention to give each dwelling the same level of minimum capacity as applies to standard households under the Blueprint service, in many cases it was apparent that this would require numbers of recycling bins that individual sites may simply be unable to accommodate (due to constraints around space). The general approach adopted was to assign greater levels of capacity to fibres, followed by containers and then to glass. This was a desk-based exercise undertaken with no access to site plans for each complex or local knowledge. A full survey of sites would need to be undertaken to verify the optimum mix of containers, which in some cases may mean rationalising existing levels of residual capacity in order to support increased recycling. By way of a worked example (showing how the assignment exercise worked in practice), Laurie House on West Parade, Rhyl comprises 9 dwellings and currently has 5x360 mixed recycling bins delivering an average 164ltrs of recycling capacity per dwelling per week. Under the increased separation model this complex has been assigned 3x360 fibres bins, 3x360 containers bins and 2x240 glass bins, delivering 207 ltrs of recycling capacity per dwelling per week. Wherever possible a sensible transition that utilises and builds on the existing bins at each site was adopted. Once the new suite of dry recycling bins had been assigned to each flats complex, it was necessary to configure a new set of weights for the separate streams. This was completed taking the option 1 weight profiles as a starting point and assigning weights based on reference flats performance data and material bulk densities. Retaining the average, low and high performing recycling designations, the following unit yield and mapped bin weights are as follows (for flats regarded as average recyclers):

Assumed unit yield per dwelling (kg/hh/wk): fibres	Assumed unit yield per dwelling (kg/hh/wk): containers	Assumed unit yield per dwelling (kg/hh/wk)- glass
1.7	0.5	0.8

Resulting in the following yields per container lifted when mapped across:

Fibres	kg/lift	Containers	kg/lift	Glass
140	2.8	140	1.2	140
240	4.9	240	2.1	240
360	7.3	360	3.1	
660	13.4	660	5.7	
1100	22.3	1100	9.5	
1280	25.9	1280	11.1	

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Modelling approach and key parameters	Option overview and assumptions
	The equivalent figures for above average recyclers are as follows: 	Communal Fibres +	Communal Containers +	Communal Glass +
---	---	---
2.1	0.7	1.2 | | Fibres	kg/lift	Containers	kg/lift	Glass	kg/lift
---	---	---	---	---	---
140	3.5	140	1.7	140	6.9
240	6.0	240	2.9	240	11.8
360	9.0	360	4.4		
660	16.5	660	8.0		
1100	27.5	1100	13.4		
1280	32.0	1280	15.5		| For below average recyclers, the figures are as follows: | Communal Fibres -	Communal Containers -	Communal Containers -
---	---	---
1.4	0.4	0.5 | | Fibres	kg/lift	Containers	kg/lift	Glass	kg/lift
---	---	---	---	---	---
140	2.3	140	1.0	140	2.9
240	4.0	240	1.7	240	4.9
360	6.0	360	2.5		
660	11.0	660	4.6		
1100	18.3	1100	7.6		
1280	21.3	1280	8.9			 No changes were made to the food waste yields developed for the option 1 model.
Materials segregation and yield assumptions: <u>trade properties</u>	For trade customers the underlying assumption is that the assigned fibres, containers and glass capacity should be no less than what is currently collected as mixed recycling. The more a business is asked to separate streams into fewer material types, the harder it becomes to efficiently utilise all of the volume (void space) within the assigned container(s). Hence, overall you tend to need more overall capacity to accommodate a multi-stream service compared to one that is co-mingled. Whilst the simplest approach would be to apply a blanket rule that splits the existing DMR out into fibres, containers and glass across all businesses, this fails to recognise the significant variations in composition of material produced by different business types. By way of example, whilst it is wholly appropriate to give a

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Modelling approach and key parameters	Option overview and assumptions
	pub a glass bin, for most retail businesses this won't be needed. Hence, when going through the assignment process a sector-based guide was used to help inform where the containment bias should fall. The guide is focused on the business sectors that make up the majority of DCC's customer base. As the largest sector, Accommodation and food services have been further sub-divided for the purposes of assigning recycling capacity, because of the variable expected demand for glass at each. The guide provides a 'rule of thumb' indication of how the volume has been split (by stream). Glass bins are assigned to just a few business types (pubs, restaurants and entertainment (e.g. social clubs)). For food, this option (2(a)) applies the existing level of service uptake (across the combined flats/trade customer base). Within option 2(b) below all hospitality and arts/entertainment businesses are assumed to have a food waste service. *Please note that catering departments within Educational establishments have been categorised as Hospitality entities within the baseline model and linked market analysis (as already reported).* The guide is shown below:

STREAM BIAS

(if 6 bins of capacity needed assigning, what would the proportional split look like?)

	Fibres	Containers	Glass	Food
Accommodation and food service activities				
(Pubs)	2	1	3	2
(Takeaway / Quick Service Restaurant)	3	3		2
Cafe / Restaurant	2	2	2	2
Educational catering	3	3		2
Wholesale and retail trade; repair of motor vehicles	4	2		
Human health and social work activities	3	3		
Education	4	2		
Public admin and defence, social security	3	3		
Arts, entertainment and recreation	2	2	2	2

For both glass and food, as heavy materials, bin sizes were capped at 2-wheeled options, i.e. 240 litres. Any larger is expected to result in manual handling and vehicle loading safety issues.

For those customers currently recycling via sacks it is assumed that there is no change in total sacks numbers used; customers simply pick and choose their split use of fibres vs containers sacks (assumed to be distinctly branded) to suit their needs. No sack customers are assigned glass bins.

Modelling approach and key parameters	Option overview and assumptions
Income from lifts and material	Consistent with option1, no new lift-based income comes from the flats recycling / food waste collections. For trade customers (internal and external) the same lift charges apply to the fibres, containers and glass collections as currently apply to mixed recycling. This inevitably results in extra service income overall and higher bills for customers, unless they are able to rationalise collection frequencies or their residual waste service. DCC may choose to adopt a pricing strategy whereby clean streams are charged at a discount to the outgoing mixed recycling, subject to the overall service economics and as a mechanism to defend against potential customer losses should the wider market still be offering DMR collections. With fibres, containers and glass now being collected as clean streams, the existing MRF processing costs no longer apply. Consultation with WRAP Cymru and DCC informed alternative figures to apply to the segregated streams. The selected figures were based upon pre-Covid (Sep'19 – Feb'20) inputs applied in the KAT household models and brokerage data for mixed fibres (over the same period), all of which were supplied by WRAP Cymru. The highlighted cells show the new unit (£/t) data, below that previously agreed and applied to the baseline, option 1. All figures are ex works prices (i.e. collected from DCC by the off-taker), with negative numbers indicating where an income is received. Within the model these figures apply to the total tonnages flowing out of the transformed service. A nominal £10/t contribution to the container processing costs incurred by DCC separating plastic and cans at the depot has also been assumed.

Disposal Costs/Revenue (per tonne)	Residual Waste	Fibres	Cardboard	Glass	Containers	Food	
Waste Treatment / Disposal Gate Fee	£105.00					£30.00	Residual = assumption, based on partnership average. Food = assumption (Thorncliffe). Biogen treat
Mixed Recycling Processing Fee		£79.01					UPM gate fee + average contamination charge. AR email 21/08/20
Mixed Recycling Income		£0.00					No income received. AR telcon 20/08/20
Materials Bulking & Haulage	£15.43					£15.43	AR email 21/08/20. A proportion of food waste would also need to be bulked (see row 282)
Containers Processing Fee (DCC site separation)					£10.00		Assumption, so trade / communal bears a share of the depot sorting costs
Stream Revenue - Fibres (mixed paper & card)		-£30.00					Derived from WRAP brokerage prices Sep'19 - Feb'20 (ex works incomes)
Stream Revenue - Glass				-£19.00			KAT reference data Sep'19 - Feb'20 (ex works incomes)
Stream Revenue - Plastic bottles, pots, tubs & trays					-£212.00		KAT reference data Sep'19 - Feb'20 (ex works incomes)
Stream Revenue - Aluminium cans					-£828.00		KAT reference data Sep'19 - Feb'20 (ex works incomes)
Stream Revenue - Steel cans					-£98.00		KAT reference data Sep'19 - Feb'20 (ex works incomes)

	On the basis that unit incomes for containers were supplied according to the constituent materials making up this stream, an exercise was undertaken to estimate their constituent proportions - drawing on the composition profile (described in section 3 of this report). Based on this assessment, the total estimated tonnage of containers coming out of the model is assumed to break down (by material weight) as follows: ■ 50% plastic, 10% aluminium, 40% steel

Modelling approach and key parameters	Option overview and assumptions
Vehicle selection and operational costs	Based on the modelled waste flows from the revised system and the splits between fibres, containers, glass and food streams consideration was given to the optimum vehicle configuration that minimises the number of customer site passes needed, whilst satisfying rules around compaction (applicable to fibres, containers but not food, glass) and bin sizes needing to be lifted (max. 2 wheeled bins on food and glass). The conclusion from this was that compacting RCVs with a front pod provide the 'best fit. On the basis that all streams are collected weekly the most even load distribution comes from pairing fibres (main compartment) and glass (pod) on one pass, and containers / food on a second. The vehicle assigned is nominally an 18 or 22t pod RCV with a minimum 4CuM front pod. A large commercial operator is known to favour the NTM pod vehicle around this size, deploying a 6CuM front pod and 17CuM rear compacting compartment. Checks that this configuration would not run out of capacity were undertaken based on uncompacted bulk densities, and it was confirmed accordingly that under the modelled resources and daily tonnage estimates this vehicle would require just 1 tip across all streams. The payload capacity calculations underpinning these checks are shown below for food and glass across a range of pod sizes:

Pod size (Cum)	Glass bulk density (t/m3) - 2 wheeled bin	Calculated pod payload capacity (t)
2.5	0.277	0.69
4	0.277	1.11
6	0.277	1.66

Pod size (Cum)	Food bulk density (t/m3) - 2 wheeled bin	Calculated pod payload capacity (t)
2.5	0.667	1.67
4	0.667	2.67
6	0.667	4.00

The cost of the pod vehicles was assigned in the model as an 'all-in' value, incorporating any capital depreciation, maintenance, fuel etc. This was derived from similar vehicle types and costs modelled elsewhere as it remains unclear how DCC would finance new vehicle purchases. The assigned annual cost in the model is £60k, compared with £49k assigned to an 18t single body RCV where it is assumed DCC undertakes residual collections inhouse.

The pod vehicles continue to be crewed by a driver only, as per DCC instructions.

An allowance for supervision time, costed at 2 days/week (0.4FTE) was included in this option, due to the increasing complexity of the service.

Finally, an additional (annually depreciated) cost of £4.6k per pod vehicle was included in the modelled financial summary to cover in-cab technology. This cost was derived from a previous local authority trade waste review.

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Modelling approach and key parameters	Option overview and assumptions
2(b): enhanced recycling service (greater segregation) + expanded food service	■ Dry recycling is as per option 2(a), i.e. incorporating the additional materials segregation targeting fibres (paper/card), containers (cans/plastics) and glass. ■ Food uptake is expanded to all Accommodation and Food Service, and relevant Arts, Entertainment & Recreation customers
Modelling steps / approach	■ Filter of Accommodation and Food service plus Arts, Entertainment and recreation customers in the master data ■ Sub-filter of those without food lifts already ■ Exclusion of sites not appropriate to supply with food bins ■ Assignment of either a food bin or caddy to each customer – based on business size ■ Assigned unit food lift weights (kg/lift) to new entries and calculated updated total annual weight of food waste collected ■ Removal of equivalent weight from residual waste stream for affected customers ■ Assigned new food lift incomes ■ Reconstruct model ■ Results collation and summary
Assignment of additional food bins, weights and incomes	■ Filtering the master data against the two target sectors retuned 201 unique customer entries. Of these, 36 have food bins or caddies currently ■ A review of the list to remove sites that do not appear appropriate to have food bins, e.g. School field, Meiford Wood, left 157 additional sites to which food waste is applied ■ All customers have been assigned a single food waste container, collected weekly. These have been assigned based on the scale of existing collections (capacity); all those on sacks have been assigned 23ltr caddies ■ For education-based catering customers food collections have been assigned based on 42 (vs 52) lifts per annum, i.e. term time only ■ Unit food lift weights have been assigned at levels consistent with other options ■ For those customers with newly assigned food bins that have residual waste collected by DCC, the estimated annual food waste weight was taken away from the equivalent residual waste quantity, i.e. it is assumed that the food is diverted directly from the residual waste stream. Downward adjustments were subsequently made to the annual food yield figure at each site where this was seen to exceed the model-estimated residual tonnage; reasons for this include where residual is collected at a reduced frequency, e.g. fortnightly/monthly ■ Whilst the residual weights of affected customers have been reduced, no reduction in residual lift income is assumed, consistent with the current pay per lift (vs pay by weight) charging model
Collection resources	■ No changes to the vehicle types or collection resources were made, although tests were undertaken to confirm the additional food waste weight could still be accommodated with the modelled pod vehicles based on a 1 tip strategy ■ The daily lift count on food needs to increase to accommodate the additional bins set out. As such, it is acknowledged that on one of the modelled pod vehicles there may be a need for an additional loader – to avoid the need to increase the number of rounds

Appendix 3 Modelled variant financial summaries

For each modelled option four variants of the financial summary were generated. These cover the variable situations where DCC operate the residual trade collections inhouse vs outsourced, and where the financial reporting of annual container replacements is dealt with as either a Capex item (where costs are depreciated over time) or Opex (where the costs of replacement are borne in full on the year they occur). Whilst none of these variant options affect the modelled resources or performance, they do affect the balance of costs and thus the service margin (surplus or deficit).

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Baseline model

Financial Summary	Residual Waste	Mixed Recycling	Cardboard	Food		
Total Income	£305,467	£97,458	£1,402	£18,569	£422,896	Includes all income from customer charges
Costs	£230,018	£88,544	£47	£39,984	£358,593	No material incomes apply to the baseline
[gate fees/haulage]	£117,518	£33,660	(in Recycling)	£8,292	£159,471	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	**£64,303**				15%	Based on DCC undertaking the residual collections inhouse and container costs managed as CAPEX.

Financial Summary	Residual Waste	Mixed Recycling	Cardboard	Food		
Total Income	£305,467	£97,458	£1,402	£18,569	£422,896	Includes all income from customer charges
Costs	£233,407	£91,303	£47	£40,079	£364,836	No material incomes apply to the baseline
[gate fees/haulage]	£117,518	£33,660	(in Recycling)	£8,292	£159,471	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	**£58,061**				14%	Based on DCC undertaking the residual collections inhouse and container costs managed as OPEX.

Financial Summary	Residual Waste	Mixed Recycling	Cardboard	Food		
Total Income	£305,467	£97,458	£1,402	£18,569	£422,896	Includes all income from customer charges
Costs	£227,054	£88,544	£47	£39,984	£355,629	No material incomes apply to the baseline
[gate fees/haulage]		£33,660	(in Recycling)	£8,292	£41,952	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	**£67,268**				16%	Based on Veolia managing residual and container costs managed as CAPEX.

Financial Summary	Residual Waste	Mixed Recycling	Cardboard	Food		
Total Income	£305,467	£97,458	£1,402	£18,569	£422,896	Includes all income from customer charges
Costs	£230,442	£91,303	£47	£40,079	£361,871	No material incomes apply to the baseline
[gate fees/haulage]		£33,660	(in Recycling)	£8,292	£41,952	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	**£61,025**				16%	Based on Veolia managing residual and container costs managed as OPEX.

Option 1

Financial Summary	Residual Waste	Mixed Recycling	Cardboard	Food		
Total Income	£305,467	£97,458	£1,402	£18,569	£422,896	Includes all income from customer charges. No change from baseline
Costs	£223,227	£149,743	£47	£55,093	£428,110	No material incomes apply to the mixed recycling
[gate fees/haulage]	£117,518	£52,193	(in Recycling)	£12,362	£182,073	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	-£5,214				-1%	Based on DCC undertaking the residual collections inhouse and container costs managed as CAPEX.

Financial Summary	Residual Waste	Mixed Recycling	Cardboard	Food		
Total Income	£305,467	£97,458	£1,402	£18,569	£422,896	Includes all income from customer charges. No change from baseline
Costs	£226,616	£154,194	£47	£55,434	£436,291	No material incomes apply to the mixed recycling
[gate fees/haulage]	£117,518	£52,193	(in Recycling)	£12,362	£182,073	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	-£13,394				-3%	Based on DCC undertaking the residual collections inhouse and container costs managed as OPEX.

Financial Summary	Residual Waste	Mixed Recycling	Cardboard	Food		
Total Income	£305,467	£97,458	£1,402	£18,569	£422,896	Includes all income from customer charges. No change from baseline
Costs	£220,263	£149,743	£47	£55,093	£425,146	No material incomes apply to the mixed recycling
[gate fees/haulage]	£0	£52,193	(in Recycling)	£12,362	£182,073	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	-£2,249				-1%	Based on Veolia managing residual and container costs managed as CAPEX.

Financial Summary	Residual Waste	Mixed Recycling	Cardboard	Food		
Total Income	£305,467	£97,458	£1,402	£18,569	£422,896	Includes all income from customer charges. No change from baseline
Costs	£223,651	£154,194	£47	£55,434	£433,326	No material incomes apply to the mixed recycling
[gate fees/haulage]	£0	£52,193	(in Recycling)	£12,362	£182,073	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	-£10,430				-2%	Based on Veolia managing residual and container costs managed as OPEX.

Option 2(a)

Financial Summary	Residual Waste	Fibres	Cardboard	Glass	Containers	Food		
Total Income	£305,467	£70,509	£1,402	£8,830	£58,742	£16,080	£461,030	Includes all income from customer charges
Costs	£224,448	£97,301	£234	£1,764	£79,666	£20,837	£424,248	Incorporating any separate material incomes
[gate fees/haulage] / incomes (-ve)	£117,518	-£11,824	(in Fibres)	-£3,512	-£27,673	£12,362	£86,871	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	£36,782						8%	Based on DCC undertaking the residual collections inhouse and container costs managed as CAPEX.

Financial Summary	Residual Waste	Fibres	Cardboard	Glass	Containers	Food		
Total Income	£305,467	£70,509	£1,402	£8,830	£58,742	£16,080	£461,030	Includes all income from customer charges
Costs	£227,836	£100,238	£234	£2,119	£81,788	£21,178	£433,393	Incorporating any separate material incomes
[gate fees/haulage] / incomes (-ve)	£117,518	-£11,824	(in Fibres)	-£3,512	-£27,673	£12,362	£86,871	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	£27,637						6%	Based on DCC undertaking the residual collections inhouse and container costs managed as OPEX.

Financial Summary	Residual Waste	Fibres	Cardboard	Glass	Containers	Food		
Total Income	£305,467	£70,509	£1,402	£8,830	£58,742	£16,080	£461,030	Includes all income from customer charges
Costs	£217,800	£97,301	£234	£1,764	£79,666	£20,837	£417,601	Incorporating any separate material incomes
[gate fees/haulage] / incomes (-ve)	£0	-£11,824	(in Fibres)	-£3,512	-£27,673	£12,362	£86,871	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	£43,429						9%	Based on Veolia managing residual and container costs managed as CAPEX.

Financial Summary	Residual Waste	Fibres	Cardboard	Glass	Containers	Food		
Total Income	£305,467	£70,509	£1,402	£8,830	£58,742	£16,080	£461,030	Includes all income from customer charges
Costs	£221,189	£100,238	£234	£2,119	£81,788	£21,178	£426,746	Incorporating any separate material incomes
[gate fees/haulage] / incomes (-ve)	£0	-£11,824	(in Fibres)	-£3,512	-£27,673	£12,362	£86,871	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	£34,284						7%	Based on Veolia managing residual and container costs managed as OPEX.

Separate recycling container outlay cost calculations:

Commentary	Fibres	Glass	Containers	Total Separate Stream Bins	Total Mixed Recycling Bins	Difference	Unit purchase cost	Container outlay
	Profile of Fibres (paper, card) bins	Profile of Glass bins	Profile of Containers (plastic, cans) bins	Sum of adjacent columns to the left	Taken from Option 1 model	Note, the population of 1280 litre bins actually reduces betweeen the 2 options (by 73). These are not easily redeployed to offset the 1100 litre bins, so are assumed to be kept as spares	Used in model and based on a mix of WRAP / LA sources	Total outlay cost of additional / new containers
140ltr recycling WB	-	41	-	41	10	31	13.2	409
180ltr recycling WB	127	-	151	278	1	277	13.2	3,656
240ltr recycling WB	67	218	64	349	214	135	15.0	2,018
360ltr recycling WB	175	-	162	337	253	84	25.0	2,100
660ltr recycling WB	107	-	79	186	90	96	110.0	10,560
1100ltr recycling WB	20	-	5	25	17	8	147.5	1,180
1280ltr recycling WB	66	-	38	104	177		147.5	-
						631	SUM	19,924

Option 2(b)

Financial Summary	Residual Waste	Fibres	Cardboard	Glass	Containers	Food		
Total Income	£305,467	£70,509	£1,402	£8,830	£58,742	£34,641	£479,592	Includes all income from customer charges, including extra food lifts
Costs	£207,058	£96,556	£221	£1,417	£79,030	£29,040	£413,322	No material incomes apply to the baseline
[gate fees/haulage] / incomes (-ve)	£100,899	-£11,824	(in Recycling)	-£3,512	-£27,673	£17,566	£75,455	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	£66,269						14%	Based on DCC undertaking the residual collections inhouse and container costs managed as CAPEX.

Financial Summary	Residual Waste	Fibres	Cardboard	Glass	Containers	Food		
Total Income	£305,467	£70,509	£1,402	£8,830	£58,742	£34,641	£479,592	Includes all income from customer charges, including extra food lifts
Costs	£210,447	£99,493	£221	£1,773	£81,153	£29,516	£422,603	No material incomes apply to the baseline
[gate fees/haulage] / incomes (-ve)	£100,899	-£11,824	(in Recycling)	-£3,512	-£27,673	£17,566	£75,455	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	£56,989						12%	Based on DCC undertaking the residual collections inhouse and container costs managed as OPEX.

Financial Summary	Residual Waste	Fibres	Cardboard	Glass	Containers	Food		
Total Income	£305,467	£70,509	£1,402	£8,830	£58,742	£34,641	£479,592	Includes all income from customer charges, including extra food lifts
Costs	£217,274	£96,556	£221	£1,417	£79,030	£29,040	£423,538	No material incomes apply to the baseline
[gate fees/haulage] / incomes (-ve)	£0	-£11,824	(in Recycling)	-£3,512	-£27,673	£17,566	£75,455	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	£56,054						12%	Based on Veolia managing residual and container costs managed as CAPEX.

Financial Summary	Residual Waste	Fibres	Cardboard	Glass	Containers	Food		
Total Income	£305,467	£70,509	£1,402	£8,830	£58,742	£34,641	£479,592	Includes all income from customer charges, including extra food lifts
Costs	£220,662	£99,493	£221	£1,773	£81,153	£29,516	£432,818	No material incomes apply to the baseline
[gate fees/haulage] / incomes (-ve)	£0	-£11,824	(in Recycling)	-£3,512	-£27,673	£17,566	£75,455	These figures are incorporated in the total Cost line above
Net Revenue & Service Margin	£46,774						10%	Based on Veolia managing residual and container costs managed as OPEX.

Appendix 4 Microsite analysis steps and outputs

Mixed recycling

Step	Action	No. unique sites	No. unique sack sites (80ltr)	No. unique bin sites (180, 240ltr)	Total equivalent weekly volume (ltrs)	Total equivalent weekly weight (kg)
a)	Filtered master data for all active mixed recycling customers with 80, 180, 240ltr containers	233	139	94		
b)	6 of the above sites have multiple recycling bins on site. Each was assessed in turn (Bodelwyddan depot, NFU Mutual, Orakel, Pavilion Theatre, Rhyl Town Hall, Ysgol Bro Dyfrdw). The Pavilion has 1280, 660, 240 ltrs bins so can be discounted straight away. The others have a mix of 660, 360ltr, 240ltr bins and sacks. The only site retained in the data set was NFU Mutual, which has sacks and 1 240ltr bin, but collected fortnightly – so overall has a low total volume lifted.	228	138	90		
c)	On the basis that some of the above filtered sites have multiple smaller bins on site, a review of the total volume lifted in the year was assessed. Any sites with more than 13,000ltrs (1 single 240ltr bin lifted 52 times being equivalent 12,480ltrs) lifted per year were subsequently excluded.	222	138	84	14892 *Caution urged as sack usage averaged across all customers.*	732 *Caution urged as sack usage averaged across all customers.*
d)	The analysed data was combined with CodePoint data (for postcode regions ll, ch) from the Ordnance Survey to generate Easting/Northing grid references that could be mapped. Of the sample data points (222), 6 have no (or incomplete) postcodes assigned in the DCC database. These were manually searched (via Google) and postcodes added. Mapped output below.					

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Food waste

Step	Action	No. unique sites	Total equivalent weekly volume (ltrs)	Total equivalent weekly weight (kg)
a)	Filtered master data for all active food waste customers with 23ltr caddies or 120ltr bins. *N.B. General hospital has multiple entries due to being visited every day of the week*	58		
b)	Filtered just those sites with 23ltr caddies	10	120 *Caution urged as a couple of entries are for fortnightly/monthly (seasonal) lifts with no actual visits recorded in the database*	61.4 *Caution urged as a couple of entries are for fortnightly/monthly (seasonal) lifts with no actual visits recorded in the database*
c)	The analysed data was combined with CodePoint data (for postcode regions ll, ch) from the Ordnance Survey in order to generate Easting/Northing grid references that could be mapped. All 10 postcodes were successfully assigned a grid reference form the CodePoint lookup			

www.wrapcymru.org.uk/relevant link

Helpu Cymru i leihau
ei Hôl Troed Carbon

Help Wales reduce
its Carbon Footprint

recycle
ailgylchu

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Appendix 2: Trade Waste and Recycling Delivery Plan

ACTION TRACKER as of 04/03/2021				
Total	complete	green	amber	red
59	6	52	1	0
PROGRESS TRACKER				
1.24%				

TRADE / COMMUNAL BIN WASTE & RECYCLING DELIVERY PLAN						
	Task Name	**Start**	**Finish**	**Project Links**	**% Complete**	**Status**
GOVERNANCE AND MANAGEMENT						
	Monthly updates to Waste Project Board	01/02/2021	30/12/2022		4%	**GREEN**
	Monthly meetings with Project Team	01/04/2021	31/12/2022		0%	**GREEN**
	Performance Scrutiny Trade Waste update report		18/03/02021		100%	**COMPLETE**
TWRR	**Trade Waste External review**	01/07/2020	09/01/2021	Internal Audit	100%	**COMPLETE**
TWRR	**Prepare and Present Trade Waste findings and recommendations to Project Board**		24/03/2021		50%	**GREEN**
	Develop and adopt Communal Collection point waste collection policy	01/03/2021	30/06/2021	To enable co-collection on trade rounds	20%	**GREEN**
IA	**Internal Audit rescheduled from 2020 to 2021**	TBC	31/03/2021	Internal Audit	10%	**GREEN**
	Communities Scrutiny update report	01/04/2021	10/05/2021	Project Board Action	0%	**GREEN**

GENERAL TRADE WASTE SERVICE IMPROVEMENTS (PHASE 1)

RECOMMENDATIONS FROM TRADE WASTE REVIEW

TWRR	Develop a medium to long term commercial strategy (to March 2025) including adoption of Environment Act (Wales) 2016 requirements	01/04/2021	31/03/2022		0%	**GREEN**
TWRR	review pricing structure to aid service transition	01/04/2021	08/08/2021	Annual budget setting process	0%	**GREEN**
TWRR	review customer contract Ts and C's to reduce risk of customer loss	01/04/2021	31/12/2021		0%	**GREEN**
TWRR	Ensure customer contact details are up to date including email addresses and business "sic" codes	01/02/2021	31/04/2021		30%	**GREEN**
TWRR	Introduce Periodic Invoicing Management to ensure regular and timely billing	TDB	31/03/2022		0%	**GREEN**
TWRR	Review C360 web forms to ensure relevant and essential data capture	01/04/2021	31/05/2021	CSSR Review	0%	**GREEN**
TWRR	Expand suit of KPIs to include Recycling Operations and back office functions	01/011/2020	31/04/2021	Team Objective	10%	**AMBER**
TWRR	Monitor suit of KPIs to include Recycling Operations and back office functions	01/05/2020	ongoing	review at W & R Management Meetings	0%	**GREEN**
TWRR	Back office staffing review including implement dedicated "contracts and commercial team"	01/03/2021	01/07/2021	HR Training and Recruitment Plan	5%	**GREEN**

TWRR	**Identification of resources to implement dedicated trade waste officer**	01/03/2021	01/07/2021	HR Training and Recruitment Plan	0%	**GREEN**

SERVICE CHANGE MOBILISATION (PHASE 2)

PROCUREMENT

	Specify, procure and award new Trade Waste (Residual only) contract	01/04/2021	01/07/2021		0%	**GREEN**
	Mobilise new Trade Waste contract	01/08/02021	31/08/2021		0%	**GREEN**
	Manage new Trade Waste Contract through quarterly meetings	01/08/2021	31/03/2024		0%	**GREEN**
	Arrange trial vehicle for April to test access issues	09/03/2021	01/04/2021	Routing mobilisation plan	0%	**GREEN**
TWRR	**Specify 2 x Trade Recycling vehicle requirements inc. bin weigh system**	01/05/2021	30/07/2021		0%	**GREEN**
	Procure and order 2 x Trade Recycling fleet vehicles	01/08/2021	31/08/2021		0%	**GREEN**
	Delivery and prep of new Trade Recycling vehicles (including branding and vehicle wrap and in cab technology)	01/08/2022	31/08/2022	Comms Plan	0%	**GREEN**
	Determine new /refurbished bin requirements for existing customer database	01/04/2021	30/06/2021		0%	**GREEN**
	Determine new /refurbished bin requirements for communal bin locations	01/04/2021	30/06/2021		0%	**GREEN**
	Prepare specification for all new bin/ refurb procurement for service change	01/07/2021	30/09/2021	Circular Economy funding potential	0%	**GREEN**

	(Wheeled bin customers and communal collection points					
	Design Branding new bin/ refurb bins for trade and communal locations to add to bin specification	01/06/2022	01/09/2021	Comms Plan	0%	**GREEN**
	Procure and deliver new bins and refurbishment contracts	TBC	TBC	Circular Economy funding potential	0%	**GREEN**
DATA COLLATION						
	Confirm all communal locations		01/11/2020		100%	**COMPLETE**
	Confirm all communal bin quantities and types existing		01/11/2020		100%	**COMPLETE**
	Confirm all communal bin quantities and types required	01/04/21	31/04/2021		0%	**GREEN**
	Confirm all Trade container quantities and types Bins existing	01/04/21	31/04/2021		50%	**GREEN**
	Confirm all Trade container quantities and types Bins required	01/04/21	31/04/2021		0%	**GREEN**
	Collect all contacts for communal bin store "managers"	01/04/2021	31/07/2021		0%	**GREEN**
TWRR	**Confirm all trade customer microsites (to be serviced on domestic round)**	15/03/21	31/04/2021	Routing mobilisation plan	0%	**GREEN**
	Add all communal bin locations to details to Webaspx		31/12/2020		100%	**COMPLETE**
	Add all bin trade waste customer locations to Webaspx		31/12/2020		100%	**COMPLETE**

TWRR	**Confirm recycling weights currently collected and feed into routing work**	15/03/2021	30/04/2021	Routing mobilisation plan	0%	**GREEN**
OPERATIONAL						
TWRR	**Introduce In-Cab Technology with C360 Integration**		01/04/2022	In Cab technology Work Stream	0%	**GREEN**
	Routing of Trade/communal Rounds	01/05/2022	31/06/2021	Routing Mobilisation Plan	0%	**GREEN**
	Rolling 4 wheeled bin refurbishment programme				0%	**GREEN**
	Deliver new recycling bins		31/08/2022		0%	**GREEN**
TWRR	**Review food rounds due to planned expansion**	01/09/2021	ongoing	Comms Plan	0%	**GREEN**
	Initiate new trade bin rounds		01/09/2022		0%	**GREEN**
	Monitor and review new trade/communal bin rounds (route optimisation)	01/09/2022		Routing Mobilisation Plan	0%	**GREEN**
	Confirm vehicle tracking and tipping sequence at new depot and contingency site	15/04/2021	01/05/2021		0%	**GREEN**
	Complete round risk assessments and SSOW	01/07/2021	01/09/2021		0%	**GREEN**
	Driver training / vehicle familiarisation	08/07/2021	31/08/2021	HR Training and Recruitment Plan	0%	**GREEN**
TWRR	**All microsite trade recycling customers to move to a trolley box system**	2023 onwards		Linked to domestic rounds roll outs and routing	0%	**GREEN**
COMMUNICATIONS						
TWRR	**Develop and produce branding and marketing**	01/04/2021	01/07/2021	Comms Plan	0%	**GREEN**

	materials for existing service					
TWRR	**Develop and deliver Customer Surveys (recycling consultation)**	01/06/2021	31/07/2021	Comms Plan	0%	**GREEN**
	Consult household bin store property managers on collection policy	01/09/2021	01/02/2022	Link to Budget Saving on bin charging	0%	**GREEN**
TWRR	**Develop and implement marketing plan for Food Waste Recycling Service sales**	01/05/2021	01/07/2021	Comms Plan	0%	**GREEN**
TWRR	**Develop comms materials for Trade Food Waste Service promotion**	01/05/2021	30/06/2021	Comms Plan	0%	**GREEN**
	Develop comms materials for Trade and communal Service change to source segregate	01/02/2022	01/05/2022	Comms Plan	0%	**GREEN**
	Deliver comms service change to bin customers / residents source segregate	01/06/2022	31/07/2022	Comms Plan	0%	**GREEN**
	Deliver comms service change to Trolley Box customers source segregate	01/04/2023	01/07/2023	Link to Domestic Rounds Mobilisation	0%	**GREEN**

KEY

TWRR =   WRAP Trade Waste and Recycling Review Action or recommendation

IA = Internal Audit

Appendix 3a Residual Waste Performance Management

Monthly Performance Score Card (January 2021)

PERFORMANCE STANDARD	CRITICAL CRITERIA	MEASUREMENT	SCORE, 0 MARKS IF INSTANCES =	SCORE 1, MARKS IF INSTANCES =	SCORE 2 MARKS IF INSTANCES =	SCORE, 3 MARKS IF INSTANCES =	SCORE, 4 MARKS IF INSTANCES =	ACTUAL SCORE	COMMENTS
Recovery - Collection rectifications	Veolia fault missed collections not recovered next working day	Number of incidents per month of Veolia fault missed services not recovered the next working day	0	1-5	6-10	11-15	16+	0	Non
New customer service within 5 days of notification from DCC	First time strike for new customer / service change, achieved the week following delivery on agreed collection date	Number of incidents of new customer strike rate, failing collection in the week after container delivery	0	1-3	4-6	7-9	10+	0	All first time strike customers achieved
Reporting	Provide the DCC reporting pack by the 10th working day of each month	Missed reporting pack deadline by days	0	1-2	3-5	6-7	8-9	1	Report sent 02/02/2021- Day 2
Customer Termination	All terminations to be complete as per DCC timescale	Number of days exceeding termination date	0	1-3	4-6	7-9	10+	0	N/A
Health & Safety reporting (RIDDOR)	All Riddor events to be reported within 24 hours	Number of days exceeding 24 hours deadline following the incident being reported to RIDDOR	0	<5	<10	<15	<20	0	No Riddor reportable incidents
Other Service Complaints	All other customer complaints relating to the collections and service other than missed lifts	Number of justified Veolia fault complaints relating to the collection service other than missed services	0	2-5	6-10	11-15	16+	0	No Complaints received via DCC

Performance deduction: Score 2= £50; Score 3 = £250; Score 4= £1000

(Capped at £6000 per month)

NB: Veolia would have to miss 10 or more collections in any month to trigger performance deductions. Approximately 1770 containers are scheduled for collection every month so a minimum of 99.4% of bins must be emptied on time to avoid performance deductions in any month.

Appendix 3b

Performance deductions triggered January 2019 to December 2020 (two-year period)

PERFORMANCE STANDARD	CRITICAL CRITERIA	MEASUREMENT	Penalty liability
Recovery - Collection rectifications	Veolia fault missed collections not recovered next working day	Number of incidents per month of Veolia fault missed services not recovered the next working day	£0
New customer service within 5 days of notification from DCC	First time strike for new customer / service change, achieved the week following delivery on agreed collection date	Number of incidents of new customer strike rate, failing collection in the week after container delivery	£0
Reporting	Provide the DCC reporting pack by the 10th working day of each month	Missed reporting pack deadline by days	£1100 relating to 3 occaisions not applied
Customer Termination	All terminations to be complete as per DCC timescale	Number of days exceeding termination date	£0
Health & Safety reporting (RIDDOR)	All Riddor events to be reported within 24 hours	Number of days exceeding 24 hours deadline following the incident being reported to RIDDOR	£0
Other Service Complaints	All other customer complaints relating to the collections and service other than missed lifts	Number of justified Veolia fault complaints relating to the collection service other than missed services	£0

Appendix 4

Proposed Trade Recycling vehicle types

Appendix 4a

Example of a typical duel compartment trade recycling vehicle for servicing trade recycling customers on wheeled bins (pod plus one compaction compartment).

Appendix 4b

Examples of a typical source segregated recycling collection vehicles, to service smaller trade recycling customers (microsites) on the domestic rounds

Appendix 5

Trade Recycling Container Types

Appendix 5a

Example of 1100l/ 660l recycling bin to be provided to larger trade recycling customers (Body to be DCC blue in colour and branded)

240l, 360l two wheeled bins also available

Appendix 5b

Example of recycling trolley box to be provided to smaller trade recycling customers know as microsites (boxes to be DCC blue in colour and branded) Capacity 165L to be collected on the domestic rounds.

Appendix 6: Trade Waste Review (Risks)

Financial (rating medium)

1.1. It is likely that many businesses will not comply with the requirements of the Environment Act (Wales) 2016 until they are forced to. The timing of introducing our new source segregated service "offer" is therefore very important. If we evolve to the compliant model too early, customers may simply shop elsewhere with non-compliant operators and our income will reduce. In order to mitigate this risk, it may be necessary to delay the launch of our Trade Recycling Source Segregated Service or to subsidise it (with the £60K profit of the residual Trade Waste Service) for a significant period (12 months+) to encourage customers to stay with us and "do the right thing". The benefit of the latter is that by being the first commercial source segregated provider we will has a Unique Selling Point, likely to attract new customers away from non-compliant operators once the legislation is enforced.

Financial (Medium)

1.2. By implementing one of the recommendations to "mandate" our customers to recycle through us (in order to improve recycling performance) we reduce the risk of failing to meet future statutory recycling targets but this could also increase the risk in the short to medium term of losing customers to the private sector who are exempt for recycling performance targets.

Financial (medium to low)

1.3. The WRAP Trade Waste Review has used a number of modelling assumptions that underpin the financial values and resource levels estimated in their report (around recycling tonnages). In order to enhance confidence around the financial modelling it will be prudent to carry out a weighing and fill level exercise on all trade recycling customers. However, due to the number of customers in current service suspension (due to Covid related closures, this has not yet been possible to carry out).

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Report to	Performance Scrutiny Committee
Date of meeting	18th March 2021
Lead Member / Officer	Lead Member for Housing and Communities/Head of Communities and Customers
Report author	Principal Librarian
Title	Library Service Standards and Performance

1. What is the report about?

1.1. The report highlights the Library Service's performance against National Standards

2. What is the reason for making this report?

2.1. To provide information regarding the Council's performance against the 6th Framework of Welsh Public Library Standards 2017-20 and the progress made in developing libraries as places of individual and community well-being and resilience.

3. What are the Recommendations?

3.1. That the Committee considers and comments on the performance against the 6th Framework of Welsh Public Library Standards and considers requesting a progress report in January 2022.

4. Report details

4.1. **Welsh Public Library Standards**

4.2. Library authorities in Wales have a statutory duty under the Public Libraries and Museums Act 1964 to deliver a 'comprehensive and efficient' service to its residents. The Framework of Welsh Public Library Standards enables Welsh

Government Culture and Sport Division (WGC&S) to measure and assess how authorities are fulfilling their statutory duties.

4.3. Library Services submit an Annual Report, noting performance for the previous financial year, following which WGC&S responds with a formal assessment in the autumn. The most recent Annual Assessment Report covers 2019-20 and performance against the second year of the 6th Framework 2017-20, and consists of 12 Core Entitlements and 16 Quality Indicators. The report is attached as Appendix A.

4.4. Denbighshire continues to meet all 12 Core Entitlements.

4.5. There are 16 quality indicators (QIs), of which 10 have constituent targets. Due to the impact of Covid-19, 3 quality indicators were removed for the 2019/20 reporting year (QI3, QI6 and QI15), of which QI6 had a constituent target. Of the **9** remaining targets for 2019-20 Denbighshire achieved 7 in full, 1 in part and did not achieve 1 of the indicators. (details in paragraph 2.2 of the assessment report).

4.6. Denbighshire has maintained its performance in this third year of the sixth framework, with no significant change since the first year in 2017/18. The report notes the strong commitment to health and wellbeing, the increasing importance of digital resources, and that the intention to focus on the development of staff should enable Denbighshire libraries to remain at the heart of their communities and continue to deliver services effectively.

4.7. We partially met QI13 on staffing levels and qualifications but did not achieve this fully. The staff per capita level is below the target (we reported 2.44 FTE per 10,000 population when the target is 3.6) and the number of staff holding a recognised library qualification is below target (we reported 0.48 FTE when the target is 0.65). Frontline and managerial staff working in our libraries and one stop shops deliver a wide range of additional customer services which are not included within the requirements of the Standards. We report 50% of the total staffing levels and expenditure on staffing under the Library Standards.

4.8. We did not meet QI9 on up-to-date reading materials: we acquired 135 new items (the target is 243), spending £1307 (target £2180), per 1000 population.

4.9. WGC&S do not publish a comparative data table across Wales, but each authority is ranked on its performance against the Quality Indicators (section 2.4 of the assessment report). In 2019-20, of the 22 Welsh authorities, Denbighshire was 1st for the number of Welsh books borrowed per capita, 5th for the number of active borrowers and for the number of virtual visits per capita, and 9th for physical visits.

Update on recent developments: Library services during the pandemic

4.10. The Service continued to provide a valued service during the first lockdown, despite the buildings being closed. The staff team were redeployed to provide the council's Proactive Calls service to residents who were shielding – a recognition of their skills in engaging with people, understanding their needs and referring them to support.

4.11. The Digital Library offer was expanded and promoted. A new digital newspapers service was launched and the e-reading offer was strengthened by a £250k investment from WG into the all-Wales Borrowbox service of downloadable e-books to increase the range of stock available to meet increasing demand. Digital borrowing in Denbighshire increased by 118% during the year, and 812 new library members have joined online.

4.12. The Bookstart team switched their service to online immediately in mid-March and have delivered to date 33 weekly live rhymetimes (viewed on average by 734 families each week), 30 weekly YouTube videos (each viewed on average 1003 times), and 12 Siarad Babi videos to support parents (154 average views each) – with a total of 73,932 views across all the output. They have thus maintained regular contact and close links with families and engaged new ones (over 300 new followers on Facebook). One parent said *"Thank you for helping to bring a little normality to our little ones' lives"*. The team's sector leading practice was recognised when they were asked to deliver a webinar to the early years sector in Wales in February.

4.13. As restrictions eased in the summer, the service created a new Order and Collect service for access to library books, and gradually re-opened buildings to offer PC access, One Stop Shop services and limited browsing. During the

subsequent lockdowns, Order and Collect services have been allowed to continue and One Stop Shop services are provided by phone and online. Since early January staff have handled 4541 incoming calls from customers, made over 1050 proactive calls to library customers and new shielding residents to keep in touch and inform them of current services, and made a further 2251 calls to arrange collection appointments. Feedback from residents has proven how valuable access to books and help from library staff has been to people during this time of isolation:

"I have missed a few things. I've missed my choir, but I think I've missed the library most of all"

"I just wanted to say how wonderful it is that even though it is closed the library is doing an Order and Collect service. I've been so alone, my family live abroad and all I have are books. It's wonderful to see the friendly faces of the staff, but most of all the books. It's like having friends returning from a long trip, and the gift is the stories locked up inside them. The library is an essential service for a lonely man living in uncertain times."

4.14. A Digital Transformation project, funded from Welsh Government's Cultural Recovery Fund, will see the creation of solo digital rooms at all our libraries to enable customers to participate in 1-1 virtual consultations, interviews and meetings in relative privacy. The project will also provide portable devices to enable library staff to work in a more flexible and safe way.

4.15. The staff development focus during Covid-19 has been on digital skills, to deliver the Proactive Calls service, and to deliver and promote digital library services. Denbighshire's Principal Librarian is leading on a successful bid by SCL Cymru (Society of Chief Librarians) to Welsh Government's Cultural Recovery Fund for an all-Wales collaborative project to develop library staff skills and confidence in delivering virtual library activities.

4.16. The service's activity in Health and Wellbeing has continued to be a particular focus. The Reading Well Books on Prescription scheme for children was launched in Wales in October 2020. The Reading Well: Books on Prescription mental health collaborative project with Conwy, funded by the Healthier Wales Transformation programme, was redesigned to focus on reaching potential

beneficiaries directly rather than via GP surgeries. The Age Connects Community Navigators have embedded the scheme into the toolbox of options for social prescribing to support people dealing with mental health challenges. Over 2600 Reading Well books have been borrowed in Denbighshire since first scheme launched in 2018.

5. How does the decision contribute to the Corporate Priorities?

5.1. The Library Service is a statutory responsibility of the Authority, and its service delivery contributes to a number of corporate priorities such as fostering community resilience, service modernisation, digital inclusion, literacy, lifelong learning and community engagement.

6. What will it cost and how will it affect other services?

6.1. The transformation of libraries into community focal points for services enables a range of other council services and partners to reach out to local communities through the existing network of premises and facilities. There are no financial proposals involved with this report.

7. What are the main conclusions of the Well-being Impact Assessment?

7.1. A Well-Being Impact Assessment has not been undertaken, but the 6th Framework of Library Standards is set up to demonstrate that libraries have a clear contribution to make to the seven goals of Well-being of Future Generations Act.

8. What consultations have been carried out with Scrutiny and others?

8.1. Performance Scrutiny Committee in January 2020 considered the Welsh Government's Assessment of the Library Service's performance for 2018-19. There have been no further consultations regarding this particular report.

9. Chief Finance Officer Statement

9.1. Not applicable

10. What risks are there and is there anything we can do to reduce them?

10.1. Not applicable

11. Power to make the decision

11.1. Section 21 of the Local Government Act 2000.

11.2. Section 7.4.2(b) of the Council's Constitution stipulates that scrutiny may "review and scrutinise the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas."

Welsh Public Library Standards 2017-2020: Denbighshire County Council

Annual Assessment Report 2019/20

This report has been prepared based on information provided in Denbighshire's annual return, case studies and narrative report submitted to the Culture and Sport Division of the Welsh Government.

1   Executive summary

Denbighshire met all of the 12 core entitlements in full.

Of the 9 quality indicators which have targets, Denbighshire achieved 7 in full, 1 in part and did not achieve 1.

Denbighshire's vision is to ensure that "libraries are the beating hearts of the communities they serve – trusted neutral places where everyone is welcome regardless of their age, background or financial circumstances". Denbighshire has broadly maintained its performance throughout the sixth framework and has a strong commitment to health and wellbeing. Although there has been an overall decrease in usage, the increasing importance of the digital resources offered by Denbighshire can be clearly seen. Staffing levels have broadly been maintained, although the service notes that ongoing budget pressures will impact on future development. The development of a volunteering strategy launched in 2019 should continue to positively impact on the sustainability of the service. There are likely to be further budget pressures in the immediate future, but the intention to focus on the development of staff should enable Denbighshire libraries to remain at the heart of their communities and continue to deliver services effectively.

- A children's survey was undertaken in February/March 2020. The rating out of ten awarded by users 7-16 has increased and is above the median in Wales.

- Although figures for many areas of library use have fallen since the first reporting year of the framework this can in part be attributed to the impact of Covid-19. Denbighshire still records an above average performance per capita in these areas and remains above the median for Wales. Electronic downloads have increased by 153% since 2017/18.

- Although there has been a slight decrease in the materials budget in 2019/20, the materials budget is 9.5% higher than the first reporting year of the framework.

- Denbighshire achieves the Welsh language provision target and ranks first in Wales for issues per 1,000 Welsh speaking resident population.

- There has been no significant change to staffing since 2018/19. Figures remain largely the same as reported in the first year of the framework. The targets for staffing (QI 13) are partially met.

- There has been no significant change to opening hours since 2018/19. Figures remains largely the same as reported in the first year of the framework and the target is met.

2 Performance against the standards

The standards framework comprises of core entitlements, quality indicators with targets, quality indicators with benchmarks and impact measures. Section 2 summarises achievements against these areas. A narrative assessment of the authority's performance is provided in Section 3. The assessment has been limited to some degree by the fact that local authorities were only asked to comment on any changes to the previous year's return, alongside additional commentary on of partially/not met core entitlements.

2.1 Core entitlements

Denbighshire continues to meet all 12 of the Core Entitlements in full. Links with health and well-being partners have been strengthened with Denbighshire receiving funding from the Betsi Cadwaladr University Health Board to raise awareness of the successful Reading Well scheme and embed it within the primary care service. The service has a continued commitment to ensuring customers can access the information sources they need and a regional delivery system has been developed to enable more effective interlending in North Wales.

2.2 Quality indicators with targets

There are 16 quality indicators (QIs), of which ten have constituent targets. Due to the impact of Covid-19, three quality indicators have been removed for the 2019/20 reporting year, five, six and fifteen, of which number six had a constituent target. Of the **nine** remaining targets for 2019-20 Denbighshire achieved 7 in full, 1 in part and did not achieve 1 of the indicators.

Quality Indicator	Met?	
QI 3 Support for individual development:		Met in full
a) ICT support	√	
b) Information literacy and skills training	√	
c) E-government support	√	
d) Reader development	√	
QI 4 (a) Support for health and well-being		Met in full
i) Book Prescription Wales scheme	√	
ii) Better with Books scheme	√	
iii) Designated health & well-being collection	√	
iv) Information about healthy lifestyles and behaviours	√	
v) Signposting to health & well-being services	√	
QI 7 Location of service points	√	Met in full
QI 9 Up-to-date and appropriate reading material		Not met
Acquisitions per capita	x	
or Materials spend per capita	x	
QI 10 Welsh Language Resources		Met in full
% of material budget spent on Welsh	√	
or Spend on Welsh per capita	√	
QI 11 Online access:		Met in full
a) i) Public access to Internet	√	
ii) Wi-Fi provision	√	
QI 12 Supply of requests		Met in full
a) % of requests satisfied within 7 days	√	
b) % of requests satisfied within 15 days	√	
QI 13 Staffing levels and qualifications:		Partially Met
i) Staff per capita	x	
ii) Qualified staff per capita	x	
iii) Head of service qualification/training	√	
QI 16 Opening hours per capita	√	Met in full

Denbighshire has maintained its performance in this third year of the sixth framework, with no significant change since 2017/18.

2.3 Impact measures

The framework includes three indicators aimed at assessing the impact of library use on people's lives. These indicators do not have targets, and authorities are only required to carry out user surveys for QI 1 once over the three-year period of the framework. However, this measure has been affected by Covid-19 and some authority plans to undertake a survey in the first quarter of 2020 were cancelled. The summary figures (lowest, median and highest) are therefore based on those authorities indicating they completed their user survey during framework 6. Rankings reflect the numbers of respondents, where 1 is the highest scoring authority.

Denbighshire completed its adult user survey in November 2018 and the children's survey in February/March 2020 on paper and online. The percentage of children who think that the library helps them learn and find things out has improved since the previous survey undertaken in framework five.

Performance indicator		Rank	Lowest	Median	Highest
QI 1 Making a difference					
b)	% of young people who think that the library helps them learn and find things out:	87%	16/19	60%	90%	97%
e)	% of adults who think that the library has made a difference to their lives:	78%	=16/19	41%	85%	99%

Authorities are also asked to provide up to four case studies describing the impact which the library service has had on an individual or on a group of individuals during the year. Denbighshire provided four such case studies:

- Employment partnership – Denbighshire's partnership with Working Denbighshire. The close partnership with *Working Denbighshire* is highlighted. Mentors from this organisation meet participants in the library. The value of the library space to a young adult is highlighted. The library was able to provide this individual with a safe and friendly environment, of which he had no knowledge prior to meeting his mentor.

- Volunteering – Denbighshire's libraries volunteering strategy. The strategy aims to increase and improve volunteering opportunities for people in libraries. For many people, volunteering provides an opportunity to contribute to the local community, whilst at the same time, volunteers enable the library to be more responsive and flexible in their approach.

- Safe Space – library staff have supported a number of different generations within the same family in obtaining information for their hobbies and pursuits. The important role that libraries play in the lives of their communities is emphasized and through this, the role of Librarians as navigators through the world of information.

- Social isolation – the impact of a library craft club on one individual. For one individual new to the area, the craft group in the library has been a lifeline.   She now has a support network that wouldn't have materialised without this initiative. This has resulted in an improvement to her wellbeing.

2.4   Quality indicators and benchmarks

Whilst Covid-19 restrictions remain challenging to all library services in Wales, staff resilience, professionalism and care for the community they serve has been outstanding. Although digital services have increased, we know from evidence provided that customers are missing their library services. They are missing the staff, browsing the shelves, IT provision, community spaces and groups such as knit and natter. The importance of the library as a physical place and the impact on the wellbeing of their customers through interaction with library staff cannot be underestimated.

The remaining indicators do not have targets, but allow services to monitor and benchmark their performance over time, in comparison with other authorities. The following table summarises Denbighshire's position for 2019/20. Ranks are included out of 22, where 1 is the highest, and 22 the lowest scoring authority, unless stated otherwise. Indicators where

fewer than 22 authorities supplied data are those where relevant data was not available to some authorities. Figures from the second year of the sixth framework or relevant previous surveys have also been included for comparison. Indicators 'per capita' are calculated per 1,000 population unless otherwise noted.

Performance indicator		Rank	Lowest	Median	Highest	2018/19
QI 1 Making a difference						*[Framework 6]*
a) % of adults who think that using the library has helped them develop new skills	55%	17/18	25%	76%	94%	55%
c) health and well-being	44%	18/18	38%	69%	96%	44%
d) enjoyable, safe and inclusive	93%	17/17	10%	92%	100%	93%
QI 2 Customer satisfaction						*[Framework 6]*
a) 'very good' or 'good' choice of books	82%	16/18	78%	91%	99%	82%
b) 'very good' or 'good' customer care	96%	15/18	88%	97%	100%	96%
c) 'very good' or 'good' IT facilities	65%	17/17	65%	85%	99%	65%
d) 'very good' or 'good' overall	94%	16/18	85%	96%	100%	94%
e) users aged 16 & under rating out of ten	9.3	=7/19	8.0	9.1	9.5	n/a
QI 8 Library use[1]						
a) visits per capita	4,031*	9/22	2429	3987	6874	4,216
b) virtual visits per capita	1,383	5/22	239	909	2131	1,318
c) active borrowers per capita	186	5/22	78	145	244	192
QI 10 Welsh issues per capita[2]	1468	1/22	311	680	1468	1424
QI 11 Online access						
b) Computers per 10,000	10	8/22	4	9	14	10
c) % of available time used by the public	21%	15/22	14%	30%	64%	10
QI 14 Operational expenditure						
a) total expenditure per capita	£12,901	9/22	£7,260	£12,368	£23,333	£9715
b) % on staff,	60%	10/22	48%	61%	76%	69%
% on information resources	10%	=15/22	5%	13%	22%	20%
% on equipment and buildings	5%	=11/22	0%	8%	28%	2%
% on other operational costs	25%	=8/22	1%	18%	35%	9%
c) capital expenditure per capita	£590	9/22	£0	£1,567	£13,027	£486
QI 16 Opening hours[3]						
(iii) a) % hours unplanned closure of static service points	0.00%	=1/22	0.00%	0.23%	3.96%	0.00%
b) % mobile stops / home deliveries missed	0.00%	=1/22	0.00%	1.07%	5.41%	0.00%

[1] figures for co-located services are marked with an asterisk; performances for these services are likely to reflect higher footfall, and will not therefore be directly comparable with stand-alone library provision [2] per 1,000 Welsh speaking resident population [3] Rankings here have been reversed, so that 1 is the lowest scoring (best performing) authority

3 Analysis of performance

The core entitlements and quality indicators can be divided into four key areas. This section of the report outlines performance under these areas, and compares this performance with the first and second year of the sixth framework (2017/18 and 2018/19).

3.1 Meeting customer needs (QI 1-5)[i]

Denbighshire completed its adult user survey in November 2018. Figures for customer satisfaction remained at a high level. A children's survey was undertaken in February/March 2020 in paper and online. The rating out of ten awarded by users 7-16 has increased and is above the median in Wales. All static libraries provide the full range of support for individual development and health and well-being, with all libraries stocking the full set of Reading Well: Books on Prescription for Mental Health.

3.2   Access and use (QI 6-8)[ii]

Library usage has also been impacted by the closure of all Libraries on March 20th 2020 due to Covid-19. Denbighshire continues to meet the target for easy access to service points with no changes since the first reporting year of the framework. Although figures for many areas of library use have fallen since the first reporting year of the framework this can in part be attributed to the impact of Covid-19. Denbighshire still records an above average performance per capita in these areas and remains above the median for Wales. In line with the majority of service in Wales, the number of electronic downloads has increased by 153% since 2017/18.The service notes that this is now 11.25% of total borrowing. There has also been an increase of 5.2% in the number of virtual visits to the library's web site since 2017/18.

3.3   Facilities and services (QI 9-12)[iii]

There has been a slight decrease in the materials budget in 2019/20, but the materials budget is 9.5% higher than the first reporting year of the framework However, neither target under QI 9 is met, with the service noting that this budget has been affected by the spend on acquiring the full sets of Reading Well titles in both English and Welsh at every library. Denbighshire is one of seventeen authorities who have not met the acquisitions target (QI 9) in 2019/20. Despite a slight decrease in expenditure on children's resources the service remains above the median for children's book issues per capita. The service records the highest level of Welsh language issues per capita in Wales, with all requirements for QI 10 met. PC provision has remained the same since 2018/19, with usage falling slightly, in line with much of Wales as more people use their own devices and the library Wi-Fi. Performance in relation to supply of requests has continued to be met.

3.4   Expertise and capacity (QI 13-16)[iv]

There has been no significant change to staffing since 2018/19. Figures remain largely the same as reported in the first year of the framework. The targets for staffing (QI 13) are partially met. Denbighshire staffing levels are slightly below the median in Wales. The service notes that only 50% of the actual staffing levels are reported as some staff spend 50% of their time on customer service roles. Qualified leadership remains in place.

Total revenue expenditure has increased by 5% on 2018/19, mainly due to staff pay awards and increments. Expenditure per capita remains above the median level. Aggregate annual opening hours have remained the same and above the median level in Wales. There has been no disruption to the static or home delivery service.

4   Strategic context

As part of the return authorities are asked to report on how the library service is contributing to wider Welsh Government priorities and strategic goals. The service has provided a comprehensive narrative on its contribution in this area. Priorities included are: health; employability; digital inclusion; literacy; the Welsh language and community resilience. Health and wellbeing is a strength of the Service and it is noted that strategic partnerships with a number of organisations ensure that the library service contributes well to a number of strategic priorities in this area, particularly the Well-being of Future Generation (Wales) Act 2015.

5   Future direction

Reporting on the authority's future direction and plans for the library service over the following year, Denbighshire notes the challenges of re-introducing services during the Covid-19 pandemic, particularly in relation to group activities and training sessions. Denbighshire continues to be committed to the priorities outlined in the Denbighshire Library Strategy 2019-22, those of reading; health and well-being; digital services and culture. The impact of the pandemic means that service will now focus on further developing the health and wellbeing offer; developing a new library website, enhancing the service's digital offer, the professional development of staff and ensuring buildings are safe as libraries gradually reopen. Digital resilience will be a key priority for all services in Wales in the immediate future.

6   Conclusion

Denbighshire's vision is to ensure that "libraries are the beating hearts of the communities they serve - trusted neutral places where everyone is welcome regardless of their age, background or financial circumstances". Denbighshire has broadly maintained its performance throughout the sixth framework and has a strong commitment to health and wellbeing. Although there has been an overall decrease in usage, the increasing importance of the digital resources offered by Denbighshire can be clearly seen. Staffing levels have broadly been maintained, although the service notes that ongoing budget pressures will impact on future development. The development of a volunteering strategy, launched in 2019, should continue to positively impact on the sustainability of the service. There are likely to be further budget pressures in the immediate future, but the intention to focus on the development of staff should enable Denbighshire libraries to remain at the heart of their communities and continue to deliver services effectively.

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[i] *Due to Covid-19, local authorities were only asked to report any change in provision since the last reporting year for QI 3&4.*

[ii] *Due to Covid-19, QI 5&6 were removed for the 2019/20 reporting year.*

[iii] *E-resources purchased through centrally-funded subscriptions have been included in the acquisitions figures for QI 9 in 2019/20. Each authority has added 201 to their total acquisitions from centrally funded subscriptions. CIPFA Statistics Returns continue to include figures for centrally-procured resources.*

[iv] *Due to Covid-19, QI 15 was removed for the 2019/20 reporting year, alongside training and volunteer hours.*

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County Council

Report to	Performance Scrutiny Committee
Date of meeting	March 18, 2021
Lead Member / Officer	Cllr Julian Thompson-Hill, Deputy Leader and Lead Member for Finance, Performance and Strategic Assets Alan Smith, Head of Business Improvement & Modernisation
Report author	Iolo McGregor, Strategic Planning & Performance Team Leader
Title	Corporate Plan Update, Quarter 3, 2020 to 2021

1.   What is the report about?

1.1   This report presents an update on the delivery of the Corporate Plan in 2020 to 2021 as at the end of quarter 3 (October to December 2020).

2.   What is the reason for making this report?

2.1   To provide information regarding the Council's progress as at the end of quarter 3, 2020 to 21, in delivering the Corporate Plan outcomes.

2.2   Regular reporting is an essential monitoring requirement of the Corporate Plan to ensure that the Council exercises its duty to improve. Quarterly performance reports are routinely shared with the Senior Leadership Team (SLT), Cabinet and Performance Scrutiny Committee.

3.   What are the Recommendations?

3.1   It is recommended that Performance Scrutiny Committee considers the report and any further actions required to respond to any performance related issues highlighted within the report.

3.2   Subject to any agreed changes, Performance Scrutiny Committee confirm the content of the draft report.

4.   Report details

4.1   The Council's Corporate Plan 2017 to 2022 sets the strategic direction for the Council and its priorities for the five-year period. The detail about what the Council intends to do each year to help deliver these priorities is set out in annual service plans. The projects originate from Service and Programme Plans. Progress is reported to SLT, Cabinet and Performance Scrutiny Committee through our quarterly reports.

4.2   Within this report, a summary of data and project updates is provided, together with data tables outlining our current position in full. Recent case studies are also presented that demonstrate our support of the Well-being of Future Generations Act, the Equality Act, and the Socio-Economic Duty.

5.   How does the decision contribute to the Corporate Priorities?

5.1   This report is about our progress in delivering the Corporate Plan. Any decisions made should contribute to the successful delivery of our Corporate Priorities.

6.   What will it cost and how will it affect other services?

6.1   There is no cost associated with this report.

7.   What are the main conclusions of the Well-being Impact Assessment?

7.1   A Well-being Impact Assessment (WIA) is not required for this report. This report provides a retrospective evaluation of the Council's performance and has no potential impact on people sharing protected characteristics. A WIA was undertaken on the Corporate Plan itself, and was presented to County Council when the Plan was approved in October 2017.

8. What consultations have been carried out with Scrutiny and others?

8.1 The report has been compiled by the Strategic Planning Team, in consultation with other Council services. The performance information contained within the document has been provided by services, and has been drawn from the Verto performance management system. The report was considered by SLT on March 4. Following Performance Scrutiny Committee on March 18, it will be shared with Cabinet on March 23.

9. Chief Finance Officer Statement

9.1 There are no significant financial implications arising from the report.

10. What risks are there and is there anything we can do to reduce them?

10.1 There are no specific risks attached to this report. It is the role of our Corporate and Service Risk Registers to identify (and manage) the potential risk events that could lead to the Council being unable to deliver its Corporate Plan.

11. Power to make the decision

11.1. Performance management and monitoring is a key element of the Wales Programme for Improvement, which is underpinned by the statutory requirements of the Local Government Act 1999 and the Local Government (Wales) Measure 2009.

11.2 Section 21 of the Local Government Act sets our Scrutiny's role and powers. Section 7 of the Council's constitution outlines the role of Performance Scrutiny Committee to review and scrutinise the Council in relation to its policy objectives, performance targets and / or particular service areas; including performance management and the Corporate Plan.

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Corporate Plan Performance October to December 2020

This document presents the council's performance against its priorities during October to December 2020, including our application of the Sustainable Development principle, the Public Sector Equality Duty, and Socio-Economic Duty.

Contents

For more information, or to let us know what you think about anything in this report, contact us:

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Rydym yn croesawu galwadau ffôn yn Gymraeg / We welcome telephone calls in Welsh.

By POST:

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We welcome correspondence in Welsh. There will be no delay in responding to correspondence received in Welsh.

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Continuing our Response to Covid-19

Delivery of our services has been affected by both the all Wales 'firebreak' lockdown of 17 days from October 23 to November 9, and the more recent move into level 4 from December 20. Once again this has seen some of our public buildings and sites close their doors. However, the council has continued to deliver essential services to its residents, and during this time we revisited our innovative work from the first lockdown to place calls to the most vulnerable in our communities to ensure that their needs are being met. We are grateful for the continuing understanding and patience of residents and staff during these difficult times, and thank residents for everything that they have done this year to keep people safe.

Great efforts are continuing to try to reduce the number of coronavirus cases in the County. There are teams working on the Test, Trace and Protect service right across Denbighshire, tracing the contacts of positive cases and providing advice for people to self-isolate. It's an extremely demanding job but completely essential in our efforts to try and reduce the spread of coronavirus in our communities. In November two testing centres were opened to the public in the County. One opened at County Hall car park in Ruthin on November 18, and remained open for two weeks providing a no appointment necessary for a walk-on and drive-in service. A further walk-in testing centre also opened (by appointment only) in Rhyl, the testing centre being located on Quay Street car park, near the blue bridge. The council administers self-isolation / discretionary £500 payments to individuals that have lost income as a result of being told to isolate. Details are available on our website, in addition to a great deal of helpful information to support residents through the pandemic.

Staff have continued to work hard to ensure the continued safety of our care home residents, and once again volunteers from our wider staff and the community stepped up to support provision during the difficult Christmas and winter period. We have also been delighted with the news that all residents in both Cysgod Y Gaer and Dolwen were vaccinated in January. It is a positive and very much welcome step forward.

The Autumn Term was not an easy one for our schools, which fought hard to keep provision open and safe for pupils. However, despite best efforts, a number of cohorts did have to isolate, and some schools did close temporarily. The pressure that the virus has

placed and continues to place on our teachers, support staff, pupils and parents is considerable, and the council is doing all it can to support their well-being. Unfortunately, face-to-face learning was once more suspended in December, apart for the children of critical workers and vulnerable learners, for which provision has been made available. Remote learning has been put in place for all pupils to access.

The council has continued efforts to support businesses during this difficult time. In December the Restrictions Discretionary Grant for businesses was made available for hospitality businesses and supply chain businesses linked to the sector. The scheme, which the council administers on behalf of the Welsh Government, has now been extended to any business that meets the eligibility criteria set out in the latest guidance. Details of available support grants can be found on our website.

Following nearly a year of dealing with the coronavirus pandemic, which has put an additional strain on resources, the council welcomed the draft budget settlement announced on December 22 by the Welsh Government, which builds on a similar settlement last year. The announcement suggests Denbighshire's budget will increase by £5.5 million in cash terms on a like for like basis, an increase of 3.6% for the 2021 to 2022 financial year. However, as we have pressures that amount to £10.6 million, we must still find savings in order to achieve a balanced budget. These pressures include, for example, continued pressure on social services, schools, children's services and waste services. The Council is currently reviewing its budget for the next financial year and proposals to identify efficiencies across the authority are currently being considered. Although this year's settlement is welcome, there has been no indicative settlements for future years announced, and with the current economic uncertainty the medium-term outlook remains a concern for local government finances.

Summary position for our Corporate Plan October to December 2020.

The measures evaluation for each priority has been determined through the performance management framework that we have in place. The projects evaluation has been determined by the status of our projects.

Housing: Everyone is supported to live in homes that meet their needs

Measures: Good

Projects: Good

Connected Communities: Communities are connected and have access to goods and services locally, online and through good transport links

Measures: Priority for improvement

Projects: Good

Resilient Communities: The council works with people and communities to build independence and resilience

Measures: Acceptable

Projects: Good

Environment: Attractive and protected, supporting well-being and economic prosperity

Measures: Good

Projects: Excellent

Young People: A place where younger people will want to live and work and have the skills to do so

Measures: Priority for improvement

Projects: Good

A Note on Measuring Performance

In Denbighshire, our default approach to setting performance thresholds is to take the upper-quartile (best performing) from nationally comparable information as the point where performance is considered 'Excellent'. The 'Priority for Improvement' threshold is usually the median. Midway between these two values determines the threshold between 'Acceptable' and 'Good' performance.

If no data is available that we can compare ourselves with (either nationally or by comparable grouping), then we will take a local view on what we feel reasonably determines 'Excellent' and 'Priority for Improvement'. This should represent our ambition.

For more information on how we manage performance, view the Performance Management Guide on our website.

Housing: Everyone is supported to live in homes that meet their needs

Measures: Good

Projects: Good

Corporate Plan Performance Framework: Measures Update

As at the end of December 2020 there were 1,937 people registered on the SARTH waiting list, continuing a steadily increasing trend that we have seen since the same period last year. The reasons for an increase is currently being reviewed and more clarity can be provided in the next period. It can be assumed at this point that Covid-19 will have had an impact due to issues such as poor property conditions, and an increase in domestic violence.

The full survey of current housing register applicants was planned for early 2020, but due to Covid-19 this was postponed until late 2020. A total of 3,277 surveys were then sent out and we have received 381 responses. These are currently being analysed and the results will be shared in our next report.

All other measures in this priority are collected annually and have been reported previously, so there are no further updates for the meantime.

Corporate Plan Performance Framework: Project Update

Extra Care Housing

Development of Ruthin's extra care housing has been delayed substantially, however, things are starting to move forward once again. A short term lease has been drawn up and we are presently agreeing this with Grwp Cynefin in order for responsibilities for the Awelon building to be passed through to them for pre-demolition works to start. Meanwhile, building works on the Denbigh extra care housing project remain on track to be completed by April 2021, and following a 3-month handover period is scheduled to open late July 2021.

Additional Council Homes

It is anticipated that work will commence in January 2021 on four energy efficient apartments in Prestatyn with an expected completion by the end of September 2021. Denbighshire Housing will be starting construction on four, one-bedroom apartments on the site of the former Bodnant School canteen on Caradoc Road. The low carbon apartments, which will be built and certified to the energy-efficient Passivhaus standard, are part of the Council's target to provide 170 more council homes by 2022, and their construction is being part funded by the Welsh Government through its Innovative Housing Programme.

Housing and Homelessness Strategy

The Housing Strategy has been reviewed and revised to form a new Housing and Homelessness Strategy for the County. This was formally adopted by Council on 8th December 2020 and will provide the framework for all relevant council functions to successfully address this priority. The Strategy provides a clear statement of the Council's vision and aims for housing in the county for the next 5 years.

Affordable Housing

We are continuing to work with RSLs and private developers to ensure there is suitable affordable housing in the county, as well as progressing with our own programme of building council homes. Cartrefi Conwy have purchased 4 new build homes at Parc Aberkinsey, Rhyl, and 6 houses under empty homes criteria, all to be provided as affordable homes. 2 Home-buys have been facilitated by Grwp Cynefin, 2 Planning Obligation S106 properties have been sold and Clwyd Alyn have developed a small site in Rhyl providing a small new build bungalow. This puts the affordable housing outturn to 15 units for 2020-21, with Rent to Own Schemes and the remaining 13 units on the Llanbedr DC site due to be brought forward by the end of January 2021. The development in Trefnant by Adra was completed on 6th December 2020, but Welsh Water and SPP Networks are only dealing with emergencies and urgent work at the moment, so are unable to connect the properties until February 2021. When these final steps are taken, the development will provide another 13 units towards the affordable housing target. As a result, the Corporate Plan target of 260 additional properties is expected to be achieved by March 2021.

The impact of Brexit and Covid-19 is still affecting the mortgage market, with one S106 Shared Equity sale failing in November 2020, due to the smaller than usual pool of S106 lenders who are currently more risk averse. The Rent to Own scheme may assist this type of potential home owner as the actual purchase of the property is deferred and the short-term issues in the mortgage market should be resolved before sales on these properties are progressed.

Empty Homes Back into Use

The Empty Homes matching service has now gone live and a new webpage has been created. The project group is currently working closely with the homelessness team to explore how they can work together to make the most of the new Welsh Government Rapid Rehousing Grant Scheme. The project remains on target to bring 500 empty homes back into use by the end of the Corporate Plan.

Annual or Biennial Measures

Measure	2018 to 2019	2019 to 2020	Status
The percentage of residents reporting they felt satisfied with the availability of housing in their area – **Benchmarked Locally**	42	Does not apply No Survey	Priority for improvement
The percentage of residents reporting they are satisfied with the standard of housing in their area – **Benchmarked Locally**	52	Does not apply No Survey	Acceptable
The number of people who were on the Complex Disabilities Specialist Housing Needs Register for whom supported housing has been secured – **Benchmarked Locally**	10	9	Good
The additional supply of council houses provided – **Benchmarked Locally**	4	10	Does not apply Count only
Number of additional homes provided in Denbighshire – **Benchmarked Locally**	124	242	Excellent

Measure	2018 to 2019	2019 to 2020	Status
Number of empty properties brought back into use (old definition) – **Benchmarked Locally**	181	179	Excellent
The number of private sector homes improved in standard and quality due to intervention from the council – **Benchmarked Locally**	819	810	Good
The additional supply of affordable housing, including social housing, provided during the year – **Benchmarked Locally**	23	139	Excellent
Percentage of households successfully prevented from homelessness (Section 66 duty) – **Benchmarked Nationally**	58	57	Priority for Improvement
Percentage of households successfully relieved from homelessness (Section 73 duty) – **Benchmarked Nationally**	38	30	Priority for Improvement

Our measure concerning additional Extra Care Homes supported by the council will not be reported until those schemes are completed.

Quarterly or Biannual Measures

Measure	Quarter 3 2019 to 2020	Quarter 4 2019 to 2020	Quarter 1 2020 to 2021	Quarter 2 2020 to 2021	Quarter 3 2020 to 2021	Status
Number of people on SARTH waiting list – **Benchmarked Locally**	1,000	1,152	1,508	1,791	1,937	Priority for improvement

Project Progress

The following projects are on target:

- Additional affordable homes

- 500 empty properties back into use

- Denbigh extra care housing

- Ruthin extra care housing

The following projects are experiencing obstacles:

- Additional council housing

Well-being and Equality

Housing and Homelessness Strategy

An immediate priority for the council has been to develop a corporate approach to tackling homelessness as the Covid-19 pandemic has caused far greater pressures on the service, recognising a lack of suitable emergency and temporary accommodation, plus an over reliance on Bed & Breakfast / Hotel accommodation, and extended stays in emergency accommodation. The approach is refocusing on providing more accommodation solutions to assist homeless people. The Strategy will be the vehicle for agreeing homelessness priorities and monitoring progress against them.

The needs of those with protected characteristics, such as **age**, **disability** and those who are **socio-economically disadvantaged** are addressed in the Housing and Homelessness Strategy and action plan. People with protected characteristics are more likely to suffer homelessness and be denied access to private housing. Our strategy seeks to prioritise these groups and ensure that they have access to secure, quality housing at an affordable price. This will enable improved **integration** and corporate ownership of work on homelessness. Denbighshire's Housing and Homelessness Strategies have been developed around the **long-term** visions of everyone being supported with pride to live in homes that meet their needs, within vibrant and sustainable communities. The council aspires to end homelessness in Denbighshire. To deliver these ambitious visions the overarching strategy has been devised into six themes which are all linked, including: **preventing** and ending homelessness in Denbighshire, and creating a supply of affordable homes. To achieve these themes, we will **collaborate** with a range of development partners, both social landlords and the private sector to create a supply of affordable homes.

Rent to Own

The council administers the Rent to Own grant for Welsh Government, a scheme that supports applicants who do not have the minimum five per cent deposit to buy a home, but are otherwise able to access a mortgage. The scheme in Denbighshire, which is operated through Registered Social Landlords (RSLs), was initially allocated £1.8m over a three-year period between 2018 to 2021; however, due to the success of the scheme in the County, in December 2020 an additional £5.8m was secured from Welsh Government. The funding is used by Registered Social Landlords (RSLs) to build new homes specifically for the Rent to Own Scheme and currently includes new build sites in Rhyl, Rhuddlan, Meliden, St Asaph, Denbigh and Llanfair DC. Applicants rent one of the new build properties and after a period of up to five years they buy the property, with 25 per cent of the rent paid being returned to the applicant as a deposit for the home.

This great initiative will potentially help those who are struggling to get onto the property ladder or at a **socio-economic disadvantage**. It is a good example of the council working **collaboratively** with housing providers and **integrating** with the Welsh Government's goal to support individuals into modern, **long-term,** sustainable housing, **preventing** homelessness, unaffordable debt, and poor, detrimental living conditions.

Efficient Housing

Creating the lowest possible energy profile to deal with climate change is at the heart of the sustainability approach. The Ruthin extra care housing project is taking a 'fabric first' approach with high levels of insulation and natural ventilation, and will be aspiring for a BREEAM 'Excellent' rating. To achieve a BREEAM rating the building owner will have to prove to the Assessor (Building Research Establishment) that they have taken a sustainable approach to procurement, will be monitoring the energy and water consumption pre and post construction, have resourced the materials responsibly, and mitigated any ecological development by advocating a robust approach. Materials, wherever possible, will be chosen carefully for their green sustainability credentials, long-life and positive appearance.

Our commitment to this sustainable approach of delivering a modern standard of home will help to tackle inequality issues by supporting those at a **socio-economic disadvantage,** and those with certain protected characteristics such as **age** and **disability**. This approach

contributes to three of the sustainable development principles by taking a **long-term** approach in **preventing** the negative effects of climate change and poor quality housing, being delivered in **collaboration** with housing associations.

Private tenant's survey

Councils in North Wales have set out to find out how the Coronavirus pandemic might be affecting people who rent their homes from private landlords, by asking tenants to complete a short questionnaire to share their experience. The survey, which launched in December, will allow Denbighshire to better shape our services to meet the needs of those residents who rent privately. With partners, we offer a range of services for private tenant such as advice and assistance to private tenants to prevent the loss of tenancies; help with budgeting and maximising income; signposting for support for domestic abuse; tenancy rights and, if it is not possible to save a tenancy, help to find alternative accommodation.

Involving private tenants to have their say will ensure that diversity is reflected when shaping services, and possible outcomes of the survey will focus on **long-term** aspects of change, as well as the **prevention** of any further problems occurring, or perhaps getting worse. All views will be heard by Local Authorities, the Welsh Government and Landlord Organisations when the results are published, and we will seek **collaborative** solutions where possible.

Connected Communities: Communities are connected and have access to goods and services locally, online and through good transport links

Measures: Priority for improvement

Projects: Good

Corporate Plan Performance Framework: Measures Update

As at December 2020, the coverage of superfast broadband (>30mbps) in Denbighshire was at 91.87%; a small increase of 0.4% since the previous period. It remains a priority for improvement.

As at December 2020, 4.71% of premises had broadband of 10mbps or below. This is a 0.5% improvement on the previous period; however, we have not seen significant improvements in performance in this area since January 2020 and it remains a priority for improvement for us. The Wales figure is at 3%.

Performance is also a priority for improvement for 4G signal from all operators being available (49.8%) on Denbighshire's A and B roads. Our ambition at this stage was to have 60% availability as a minimum.

New data on the use of the internet by adults in Denbighshire and Conwy was anticipated in May 2020, but has still not been published. For the time being the only available data remains that which was published in May 2019. It will be particularly interesting in the months ahead as data becomes available to review internet use for the months of March to December 2020, and hopefully identify those at risk of becoming digitally excluded in our communities.

50% of transactions were undertaken via the web during October to December 2020, compared to the total number of transactions undertaken using all access channels. This is a 3% increase from the same period in 2019 (up from 47%).

Due to Covid-19 we are unable to provide any new data for category 1 defects or the 6 monthly road condition score.

Corporate Plan Programme Board: Project Update

Superfast Broadband and Mobile Networks

Work on our community pilot is continuing, which is one of the worst areas for digital exclusion in the County – Nantglyn and the surrounding villages. A quote has been requested from Openreach based on 400+ properties and the team continue to push for the final quote to be received to progress the project and make use of the Gigabit Vouchers.

The Digital Officer has to date seen and advised 91 individuals (33 of which described themselves as a business), 32 of which have now found permanent solutions to their needs, either through the advice received or by purchasing new equipment / services. The Digital Officer is also assisting 15 active groups through Openreach's Community Fibre Partnership Scheme.

Digital Exclusion

Despite Covid-19 some positive outcomes were achieved during 2020 including: training 32 staff in digital skills to aid residents with simple digital problems (more training will take place in 2021); some digital volunteers were used at libraries; IT kit and resources were acquired or reviewed by libraries, housing and residential care; and we began scoping projects to help the economically vulnerable.

Infrastructure for Events

The project recommenced towards the end of last year following a period of uncertainty during the Covid-19 pandemic. Workstreams 2 (targeted support packages) and 4 (promoter engagement) have been put on hold with a decision being made at the January Board on how best to progress them. Workstream 1 (mobile equipment inventory) has restarted with approval being given last month to the purchase of the mobile equipment.

Travel to Work, Education and Services

Our approach in regard to this project has been agreed to shift its focus fully towards green modes of transport. Whilst there will continue to be a role for initiatives like community car schemes and demand responsive transport in rural areas, it is recommended that the focus of this project should align with the corporate work being

undertaken on carbon reduction. The project will therefore aim to produce a Sustainable Transport Plan for Denbighshire.

Access to Information and Services

The council's new website went live on September 16, 2020. A closure report for this project has been approved by the Corporate Plan Programme Board. What went well included engagement with internal and external digital and digital accessibility experts, to ensure the new platform would be fully accessible; a 'multi-disciplinary team' approach to procurement was particularly effective; teams supporting people with learning difficulties and also the visual impairment teams were involved in the procurement process for the screen reader software. Lessons learned included commencing procurement of a replacement website well before the expiry of the current contract; the value of adequate project management being in place as early as possible; the importance of clarity around project roles and expectations, and working with those affected by the changes early on in the process. The project report concluded by saying it is important when making operational decisions about a project to consider the long-term resource implications attached to those actions beyond the lifetime of the project. This project clearly demonstrates the sustainable development principles at work.

Roads and Bridges

During 2020 to 2021 the council continued to deliver the fourth year of a 10-year maintenance programme for bridges and other highway structures. The aim of this programme is to minimise the need to implement weight restrictions on our bridges. The floods of February 2020 and the following Covid-19 pandemic have continued to dominate the year so far and as a result many projects were deferred or interim developments arranged for many delayed projects. This is primarily because the delivery window for most bridge related projects is narrow (due to the risk of high river levels), and hence most work is usually done in the summer months to reduce the access risk.

January 2021 brought with it further considerable damage, not least the destruction of the Llanerch Bridge. The full extent of the damage to our road and bridge network will need to be assessed when it is safe to do so.

Annual or Biennial Measures

Measure	2018 to 2019	2019 to 2020	Status
The percentage of principle A roads that are in overall poor condition – **Benchmarked Nationally**	3.4	3.6	Acceptable
The percentage of non-principal/classified B roads that are in overall poor condition – **Benchmarked Nationally**	4.7	5.3	Priority for improvement
The percentage of non-principal/classified C roads that are in overall poor condition – **Benchmarked Nationally**	8.2	8.2	Good
The percentage of adults (aged 16 or over) who have used the internet within the last 3 months (Conwy and Denbighshire) – **Benchmarked Locally**	87.7	Data pending	Acceptable

Measure	2014	2019	Status
Percentage of Lower Super Output Areas (LSOAs) in Denbighshire in the 10% most deprived in Wales in terms of Access to Services (Wales Index of Multiple Deprivation - WIMD)	14	14	Does not apply Count only

Quarterly or Biannual Measures

Measure	Quarter 3 2019 to 2020	Quarter 4 2019 to 2020	Quarter 1 2020 to 2021	Quarter 2 2020 to 2021	Quarter 3 2020 to 2021	Status
The percentage of Superfast Coverage in Denbighshire (>30 Mbps) – **Benchmarked Locally**	91.3	91.29	92	91.83	91.87	Priority for improvement
The percentage of premises with Broadband of 10	6.54	4.93	4.63	4.76	4.71	Priority for improvement

Measure	Quarter 3 2019 to 2020	Quarter 4 2019 to 2020	Quarter 1 2020 to 2021	Quarter 2 2020 to 2021	Quarter 3 2020 to 2021	Status
Mbps or below – **Benchmarked Locally**						
The percentage of transactions undertaken via the web, compared to the total number of transactions undertaken using all access channels	47	46	52	48	50	Does not apply Count only
The percentage of mobile 4G road signal (all operators) – **Benchmarked Locally**	45.68	45.31	45.48	Data pending	49.8	Priority for improvement
Percentage of damaged roads and pavements made safe within target time (CAT1 - Category 1 defects dealt within timescale) – **Benchmarked Locally**	92.8	89.7	No data due to Covid-19	No data due to Covid-19	No data due to Covid-19	Priority for improvement
6 monthly Road Condition Score for around 75% of the remaining network (some C roads and almost all unclassified roads)	No data	Does not apply 6 monthly	No data due to Covid-19	Does not apply 6 monthly	No data due to Covid-19	Does not apply Baseline year

Project Progress

The following projects are on target:

- Superfast broadband and mobile network

- Digital exclusion

- Infrastructure for events

The following project is at the business case stage (revised):

- Travel to work, education and services

The following project is closed:

- Access to information and services

Well-being and Equality

Digital exclusion

Good digital connectivity has been always been important, but never more so since the start of the Covid-19 pandemic. For many residents (those with the skills, equipment and infrastructure like decent broadband for instance), good digital connectivity has made working from home, home schooling, and keeping in touch with friends, family and services possible. Life for those without digital access can be incredibly difficult and isolating. Our project, to 'target those most likely to be digitally excluded so they have the skills and means to use digital services', was always an important part of our approach to ensuring Denbighshire's communities are connected; but it has become increasingly important as a consequence of the 'stay at home' order and the introduction of social distancing measures.

The pivot from face-to-face services to digital services was rapid. Common to all partners is the desire to ensure people can continue to access the services and information they need online (**integration**). The gaps between digitally excluded and digitally included people may have grown. We want to **prevent** problems of digital exclusion from worsening. Our project team has been working **collaboratively** with partners to ensure that those likely to be experiencing digital exclusion could be supported to get online. For example, through the provision of iPads to older people (**age**) or people needing specialist

care in care homes; or through the availability of digital volunteers in libraries. We have been training front line staff in digital skills to help residents with simple digital problems, and we will be looking into the different ways we can support people who are **socio-economically disadvantaged**.

The pandemic has also tested those that previously had no internet access issues. With an increasing number of devices being in use at the same time, sometimes even decent broadband has struggled to cope with the demands placed upon it. Our Digital Connectivity Officer has been providing advice to residents and businesses, and is working with community groups (**collaboration**) to apply for Fibre to the Premise (FTTP) through the Openreach Community Fibre Partnership Scheme. The groups range from small clusters of houses (4 to 10 premises) to very large clusters of more than 400.

Active travel

In November 2020, work started on an 18-month trial of town centre improvements after a successful bid for Welsh Government funding. The funding, part of the Local Sustainable Transport Covid-19 Response Fund 2020 to 2021, will be used to introduce improvements that facilitate social distancing and make it easier for people to travel actively within town centres. For example, more than 400,000 trips are already made on foot and by bike along Rhyl promenade every year. This trial will encourage more people to travel actively and to cross from the promenade into the town centre, providing opportunities for journeys using different modes of transport.

Encouraging active travel helps reduce car journeys, improves air quality and offers safe, accessible (**disability**) routes for pedestrians and cyclists, as well as providing important health and well-being benefits. Active travel is good for our climate and our health. It also complements the Rhyl Vision (**integration**); with the aim of regenerating the town centre and promenade areas. The aim is to make **long-term** improvements to the town centre's economy and vibrancy, to people's health and well-being, and to our air quality. The project will be under constant review and members of the public will be able to give feedback throughout the trial period using our online public engagement portal (**involvement**), while officers will continue to engage with businesses and Rhyl Town Council.

Resilient Communities: The council works with people and communities to build independence and resilience

Measures: Acceptable

Projects: Good

Corporate Plan Performance Framework: Measures Update

Disruption to reporting caused by Covid-19 means that there is no new data for a number of this priority's measures. These have been highlighted in the tables below with our last known position.

Domestic Crime in Denbighshire has increased at the end of the reporting period; in terms of the overall trends, the levels in the county fluctuates on a weekly basis. As a whole, North Wales saw an 8.1% increase in domestic crime from October to December. Covid-19 restrictions are likely to have had an effect on domestic crime, with intra-familial tensions being raised due to lockdowns and travel restrictions.

Despite the increases in the overall level of domestic crime in Denbighshire, there has been a decrease in the *cumulative* number of repeat victims of domestic violence being identified for this period; repeat victims are people who have been a victim of crime three or more occasions in 12 months; therefore, the value for each month is a snapshot of the previous 12 months. Figures have decreased from a cumulative 380 in the same period 2019 to 2020, to 371 (a decrease of -2.4%) during this reporting period. As a whole, North Wales saw a -4.7% decrease in repeat victims of domestic violence at the end of December 2020.

Repeat offenders are people who have committed a domestic abuse offence on three or more occasions in 12 months; therefore, the value for each month is a snapshot of the previous 12 months. The cumulative number of repeat offenders of domestic abuse has decreased in Denbighshire up to the end of December 2020, from 72 in the same period last year. This equates to a decrease of -2.8% (now 70 offenders). The overall picture for North Wales at the end of the October to December period shows repeat offenders of domestic abuse has decreased by -12.7%.

Within the Dewis Cymru Platform for Denbighshire we can see that the number of resources has increased in this period from 543 to 562. The Council encourages all services and service users to look to this platform for community information. As at end of December 2020 there were 2,610 resources for North Wales (increased from 2,517 during the last quarter) and 10,181 in total for Wales (increased from 9,934 last quarter).

The number of carer assessments for the report period is 537. Figures recorded for July to September were 320 cumulatively, which offers an increase of 217 assessments (67.81%) on the previous period. However, for the same reporting period last year, the number of assessments was higher at 876. We are not absolutely clear yet about the impact of Covid-19 on carers, and although figures appear less we are not exactly sure of the reasons for this when more people are known to have taken on caring responsibilities during the pandemic. Support for carers has continued and community support has been available regardless of whether carers have received an assessment. Third Sector / Community Support during the crisis has been reaching carers and helping them to continue their caring responsibilities, and it is possible that this has made a difference. Working patterns have also changed and more people are working from home or furloughed, and some people have declined or cancelled formal support because they didn't want home visits to protect the vulnerable people that they care caring for. Carers themselves continue to show amazing resilience and maybe have been managing through their own creativity instead of seeking formal assistance. Carer Assessors have continued to find remote telephone and online support, and last summer were able to offer garden visits. However, activities may have moved online but digital exclusion is an issue that has become more pronounced.

Data for the average length of time adults (aged 65 or over) are supported in residential care homes has increased to 1,046 for the reporting period. This is an increase of 1.75% on the previous figure of 1,028, and also higher than the same time last year (where 977 adults were recorded). It is likely that the increased figure is due to the Covid-19 pandemic guidelines around isolating and shielding of vulnerable residents. Although we remain high in relation to the Wales average (800), it is understood that Denbighshire has a high average age population. We are still on target to remain below 1,200.

Corporate Plan Programme Board: Project Update

Involvement in shaping and improving services

Little work was possible during November, however, Engagement Champions met in December to discuss year 1 findings by ONEDAY Ltd, a research consortium commissioned to carry out our street survey work. The sustainability of new ways of working as a result of Covid-19 were also discussed and are anticipated to have a longer-term impact on the draft engagement policy and supporting framework for the Council. Throughout December meetings were held to begin planning for year two research work, which will take place in February and March 2021, devising a draft plan offering various options moving forward, dependent upon Covid-19 restrictions.

Supporting Carers

The last Supporting Carers Project Team meeting was held on 26 November, 2020. The meeting offered discussion and updates on Covid-19 impact on support for carers, including an overview of what has been happening and priorities for individual services. This information is used to inform Adult and Young Carers action plans and update the risk register. Face-to-face and group activities are still curtailed due to the Pandemic but online activities are continuing to be successful; for example, STAND North Wales Parenting Forum and Denbighshire Connects Family Members Forum for parent / carers of children with disabilities.

There are ongoing concerns about the impact of Covid-19 and winter pressures on carers. Support with contingency planning is available and discussed with carers as part of the What Matters / Assessment process. Third sector partners are coordinating the Carers Support Grant, recently launched by Welsh Government to support carers who are experiencing hardship this winter. Application forms are available from Carers Trust Crossroads and NEWCIS for additional financial support and / or equipment to help carers in their caring role.

Community Resource Teams (CRT)

In December 2020 the Regional Transformation Board closed the CRT project and moved it to 'business as usual' under the Community Support Services monthly Integrated Health

and Social Care Localities Meeting. The closure report for the project will, however, be shared with the Corporate Plan Programme Board.

Community Planning, Windfarms

All milestones are now on track and the project is delivering the benefits anticipated. The reach of the project continues to broaden as more groups engage for support with community project development and funding advice. For example, the community development team supported the launch of the first Clocaenog Windfarm Funding Round. Eight applications were received in total, two of which were cross county applications and four were Denbighshire based projects. Three of the Denbighshire projects were awarded funding and one has been deferred with intention to fund.

Reduce Domestic Abuse

We continue to develop a county-wide approach to reducing domestic abuse against women and men as part of this Corporate Plan, as well as supporting the North Wales strategy to tackle all aspects of violence against women, domestic abuse and sexual violence. A project expected to span the next two years aims to contribute to the reduction of domestic abuse across the county by raising awareness of domestic abuse with staff and service users; providing training and development for staff to recognise the signs of domestic abuse, and support for children affected by domestic abuse. As part of this work we supported White Ribbon Day on 25 November 2020 by lighting up two of our landmarks, the Rhyl Pavilion and Rhyl Sky Tower in white. White Ribbon Day works to raise awareness of violence against women, encourage men to support women's groups and raise awareness in schools and workplaces, of violence against women.

Project summaries include the following:

- Early intervention for children: DART and STAR programmes will run in collaboration with the Domestic Abuse Safety Unit. Delivery after training is due in April 2021.

- Spectrum training in schools: Hafan Cymru will work will the Council on a two-year training programme delivering healthy relationships in schools. Schools that have not engaged previously will be targeted initially. Start date is April 2021.

- Ask and Act training: Dates for level 2 and 3 training have been supplied by Welsh Women's Aid for March and April 2021. A plan for which staff are trained first requires development.

- Make a stand housing: A domestic abuse policy for housing residents is being written and a draft plan should be ready by the end of January 2021.

- Council Safeguarding process: Further meetings are required to determine any changes required to the Council adult safeguarding process to incorporate domestic abuse concerns and incidents.

- Council domestic abuse policy: A draft policy was presented at the December domestic abuse board meeting, and small changes are still required.

- Domestic Abuse Safety Unit (DASU) staff now have support from the council, with access to the Employee Assistance Programme.

Dementia Friendly Council

The project team has recently developed a page on the council's intranet to share with staff useful information relating to dementia, including what is available to assist people, and their families, living with dementia. Staff were asked to share the information among colleagues and to contribute anything that they were aware of locally that could help improve its usefulness, such as dementia friendly locations and groups.

Dementia awareness / Friends training has been provided for staff and councillors and the Team is currently seeking ways to continue this through on-line sessions. Currently Dementia Champion training from the Alzheimer's Society is unavailable but the project team will seek to offer this in the future.

Rhyl Community Development

The Council has been successful in gaining 10 West Rhyl residents to become involved with the Safer Streets Project as 'Community Champions'. The residents have met with officers of the Council, North Wales Police and Clwyd Alyn Housing to discuss potential

projects they would like to create and deliver in their communities. A number of the project ideas have been chosen to utilise the Safer Streets Project fund and be implemented and complete by the end of March 2021. Project ideas being explored include the creation of a community food garden at the Marine Lake; living rooves on the concrete promenade shelters; and addressing parking issues around the Gerddi Heulwen Park. Meetings are underway and quotations for works are being sought so that final decisions can be made and funding allocated appropriately.

County wide Community Development

Guidance was provided to 60 different groups / projects during quarter three, and two webinar sessions were delivered; one themed around developing community play areas, and the other about Open Space Commuted Sums funding. Work was also undertaken to organise and promote the annual round of Open Space Commuted Sums funding and a number of groups from across the county have been supported to develop project ideas and applications.

The Community Development team and Rhyl Lead have supported work to strengthen the Council's working relationship with foodbanks (and similar provision) across the county, better enabling us understand and help address any challenges faced.

Annual or Biennial Measures

Measure	2018 to 2019	2019 to 2020	Status
The percentage of people reporting they have received the right information or advice when they needed it – **Benchmarked Locally**	88	No data due to Covid-19	Acceptable
The percentage of carers reporting they feel supported to continue in their caring role – **Benchmarked Locally**	55	No data due to Covid-19	Priority for improvement
The percentage of people reporting that they know who to contact about their care and support – **Benchmarked Locally**	84	No data due to Covid-19	Acceptable

Measure	2018 to 2019	2019 to 2020	Status
The percentage of people who agree "my local area is a place where people will pull together to improve the local area" – **Benchmarked Locally**	59	Does not apply No Survey	Acceptable
The percentage of people who feel able to influence decisions affecting their local area – **Benchmarked Locally**	27	Does not apply No Survey	Priority for improvement

Quarterly or Biannual Measures

Measure	Quarter 3 2019 to 2020	Quarter 4 2019 to 2020	Quarter 1 2020 to 2021	Quarter 2 2020 to 2021	Quarter 3 2020 to 2021	Status
The cumulative (year to date) number of repeat victims of Domestic Abuse including non-crime occurrences (3 or more in 12 months, measured as year to date)	380	475	126	247	371	Does not apply Count only
The cumulative (year to date) number of repeat offenders of Domestic Abuse (3 or more in 12 months)	72	98	23	43	70	Does not apply Count only
The number of live resources on the Dewis Cymru Platform – **Benchmarked Locally**	531	536	470	543	562	Excellent

The number of assessments of need for support for carers undertaken during the year	876	1224	111	320	537	Does not apply Count only
The average length of time adults (aged 65 or over) are supported in residential care homes – **Benchmarked Nationally**	977	970	984	1,028	1,046	Priority for improvement

Project Progress

The following projects are all on target for completion:

- Community planning, windfarms

- Dementia Friendly Council

- Act to reduce domestic abuse

The following projects are experiencing obstacles:

- People are involved in shaping and improving services

- Supporting carers

The following project is now closed:

- Community Resource Teams

Well-being and Equality

Supporting Carers

Across Wales 370,000 people are carers, supporting a loved one who is older, disabled or seriously ill, with 11,600 of those in Denbighshire. The theme for Carers Rights Day 2020 was 'Know Your Rights'. Each year, Carers Rights Day helps us: ensure carers are aware of their rights; let carers know where to get help and support; raise awareness of the needs of carers. For National We Care Week (16 to 22 November) shared articles and messages in a bid to support the sector. One of the main aims of the week, along with promoting the campaign, aims to raise awareness and understanding of social care, early years and childcare, and to attract more people with the right skills and values to work in caring roles with children and adults.

On 26 November 2020, Carers Rights Day, we launched our Carers' Charter. The charter, produced in consultation with local adult and young carers and Denbighshire Carer's Strategy Group, sets out our commitment to carers. This charter is our public statement of commitment to carers and we hope local businesses, third sector and community organisations will sign up and make copies available in their workspaces and offices to ensure the role of informal unpaid, carers are recognised and respected. The Charter, and the campaign, enabled us to show the importance of involving people who offer care to loved ones and meeting long term needs for the future. It sets out the Council's pledge for carers to have the right to be treated with courtesy, respect and dignity, as well as the right to an individual assessment separate from the person for whom they are caring so that their voice is also heard.

Our work on the Charter and support for National Carers Week is a great example of our commitment to tackle key equality concerns, in this case particularly relating to **age**, **disability**, and **gender**. Those in care are also often suffering the greatest **socio-economic disadvantage** too, and it is important that they are supported to have equal opportunity and access to services and information. As a council we strive to work **collaboratively** with community groups and organisations that can help, and at all times **involve** and support people through the caring decisions that will impact them.

Community Champions

Within Rhyl, residents have been invited to join a police community scheme that aims to prevent crime. These Community Champions form part of the West Rhyl Safer Streets project, led by North Wales Police and the Council, and volunteer to assist officers to set up crime watch groups, offer practical advice to other residents, carry out crime prevention surveys, and distribute crime prevention packs.

This work contributes well to at least four of the ways of working within the Sustainable Development principle – **collaboration, integration, involvement** and **prevention** - and also helps to protect some of our most vulnerable community members in an area of **socio-economic disadvantage**.

Safeguarding and Domestic Abuse

During November the council supported two important national campaigns around Safeguarding, and Domestic Abuse. In collaboration with local Safeguarding Boards, the Welsh Government, and the National Independent Safeguarding Board, National Safeguarding Week sought to promote key messages and a single set of guidelines to help protect children and adults at risk, also launching the Wales Safeguarding procedures mobile app. Similarly, the 'White Ribbon' campaign sought to raise awareness of domestic abuse and to signpost where help is available.

Supporting such campaigns is a small contribution to make to such big problems, but we are committed to defending the rights of vulnerable residents, no matter their **age, gender, disability** or background. We gladly **collaborate** and **integrate** our common goal with partners to **prevent** any harm coming to anyone.

Environment: Attractive and protected, supporting well-being and economic prosperity

Measures: Good

Projects: Excellent

Corporate Plan Performance Framework: Measures Update

Our measures framework for this priority is at the moment entirely concerned with annual data. Three measures are derived from our Residents' Survey, which was not planned to take place this year; and two further measures, highlighted in the table below, are not yet ready to report on.

The Strategic Planning and Performance Team has been working with the Climate and Ecological Change Programme to understand what key measures exist around that area of work. Pending the approval of the strategy in February, our existing Carbon Emissions measure within this priority will be replaced from the next report by four measures important to the success of the programme. Service Plans are also prepared to receive three key measures to capture the contribution needed by individual services for the council to achieve Net Carbon Zero by 2030.

Corporate Plan Programme Board: Project Update

Tree Planting

The tree planting areas in Rhyl were prepared and fenced off ahead of the planting that commenced in late November 2020. To date 2,000 trees and 500 hedging species have been planted and the remainder will be completed by end of February 2021.

Additional funding has also been secured via the Denbighshire and Conwy PSB that will see the boundaries to Glan Morfa being secured against illegal off-road motorbikes, which has been an ongoing risk to the project. This funding will also improve the access points to the site and encourage increased usage by residents who live in Rhyl West.

A community orchard has been planted in Upper Denbigh, where the Vale of Clwyd and Denbigh Plum feature strongly. The intention is to extend the size of the orchard going forward.

East Rhyl Coastal Defence

The East Rhyl flood defence construction remains on target with a third of the rock armour now in place, improving the standard of flood protection to residencies at this point. Besides continued rock placement on the shore, other work to create beach access steps is also continuing. The financial spend remains on target with 47% of the project budget now spent.

Improving Biodiversity and Nature Corridor

By helping community councils, schools and local groups plant up wildflower habitats, we are working towards protecting key pollinator species such as bees and increasing biodiversity. As part of our Bee Friendly project, 1,500 wildflowers were delivered to the Llanbedr Dyffryn Clwyd, Llanferres and Maeshafn community councils to develop their own wildflower habitats. The wildflowers were grown at Bodfari Woodland Skills Centre and were sourced from seed gathered from our network of roadside nature reserves. Each of the new sites will become a seed bank of local provenance seeds to be gathered, grown or sown on new sites across the county as the project grows.

We also continued our work with partners in Flintshire and Conwy to deliver year 2 of our nature corridor delivery plan, nurturing healthy and resilient ecosystems along a large habitat corridor that links some of the most deprived populations in Wales to the wider countryside.

Carbon and Ecological Change Programme

Work has been carried out to draw together actions and performance measures that the council can take forward in the next ten years and a Climate and Ecological Change Strategy has been drafted. The strategy went out to public consultation between 13th November and 7th December 2020. The final strategy will now be presented to Cabinet and Full Council in February 2021 for approval.

Reducing Plastics

Phase 1 of the project to avoid and reduce the use of single use plastics in our civic offices has been completed. Phase 2 around School Catering and wider procurement has been

on hold during the pandemic, but County Council is due to consider recommendations from Performance Scrutiny on a way forward for this work in February's meeting.

Moorland Management

Restrictions allowing, North Wales Fire & Rescue Service are due to hold Wildfire Training sessions with Denbighshire Countryside Service's staff and Natural Resources Wales staff in February / March 2021. The restoration works are scheduled to take place on Llantysilio Mountain in March 2021 with aerial seeding and transportation of heather brash.

Living Assets

The two Tree Inspectors continue to survey and inspect trees on a daily basis, with over 600 being recorded in parks, suburban streets and highway corridors. Their current activity is concentrated on the gritting routes in the North of the county. Areas of Denbighshire land is being explored for potential tree planting or natural regeneration of woodland habitat. This work strongly links with our ambition of Denbighshire becoming carbon neutral and ecologically positive.

Energy Efficient Council Homes

In October 2020 work started on 22 new council homes which will be built to the energy efficient Passivhaus standard using a modular construction method, and they will incorporate additional features to minimize carbon emission such as ground source heat pumps and photovoltaic arrays. In January 2021 work is planned to start on the construction of four apartments in Prestatyn, which will also be built to the Passivhaus standard, but using a more traditional masonry method. All 26 new homes are expected to be ready for occupation in the autumn, 2021.

Annual or Biennial Measures

Measure	2018 to 2019	2019 to 2020	Status
Percentage reduction - from a 31/03/17 baseline – in carbon emissions (tonnes) from council assets – **Benchmarked Locally**	13.69	15.69	Excellent

Measure	2018 to 2019	2019 to 2020	Status
STEAM - Total Economic Impact of Tourism (£ million) – **Benchmarked Locally**	509.01	Data pending	Excellent
The percentage of existing and acquired council housing stock (1st April 2017 baseline) achieving an EPC (Energy) rating of C or above – **Benchmarked Locally**	33	Data pending	Priority for improvement
The annual cumulative number of trees planted to increase canopy cover in Rhyl and Denbigh – **Benchmarked Locally**	5800	4300	Excellent
How satisfied are people with their local open spaces? – Countryside – **Benchmarked Locally**	87	Does not apply No Survey	Excellent
How satisfied are people with their local open spaces? – Beaches – **Benchmarked Locally**	70	Does not apply No Survey	Good
How satisfied are people with their local open spaces? – Parks – **Benchmarked Locally**	64	Does not apply No Survey	Good

Our measure around the number of properties with a reduced risk of flooding (1,000s) will not be reported until the completion of identified flood schemes, starting in 2020.

Quarterly or Biannual Measures

Our measure on the percentage of all new build council housing achieving an EPC (Energy) rating of A will not be reported until the completion of new builds in 2021.

Progress on projects

The following projects are on target:

- Climate and ecological change programme

- East Rhyl coastal defence

- Urban tree planting

- Protect and enhance Denbighshire's 'living assets'

- Moorland management and wildfire prevention

The following projects are experiencing obstacles:

- ENRaW Nature Corridor

- Improving biodiversity

- Reduce the council's use of plastics (phase 2)

The following project is at risk:

- Improving energy efficiency in council houses

Well-being and Equality

Protecting the Environment

Supporting our commitment to protecting the environment, an accessible viewing platform was installed in December 2020 as part of our wetland restoration project in Prestatyn. The 35-acre wetland site was purchased after securing Welsh Government funding. As well as the wooden viewing platform to allow enhanced access to the site, further work is planned, including the excavation of ponds that will attract a host of wading birds and insects, while grazing will be extended to other parts of the site to bring down the vegetation levels as part of the Welsh Government's Sustainable Solutions project. This work will help the site mature and return to its natural state as a wetland, which will further

enhance this fantastic resource for Prestatyn and Denbighshire as a whole. The protection and enhancement of the wetland is also essential in mitigating against climate change.

Our commitment to protect, preserve and enhance the environment supports well-being and economic prosperity for those in **socio-economic disadvantage**, whilst also targeting the protected characteristic of **age** by providing more volunteer work opportunities for young and old alike. Building accessible platforms also increases access to our natural assets for those with **disabilities** or infirmities. We carry our all our work in **collaboration** with regional partners, **integrating** with their ambitions for the area, and securing our ability to meet our needs in the **long-term** and for future generations.

Reducing Supply Chain Emissions

Ensuring pupils at Denbighshire schools get healthy, varied and nutritious meals to improve learning and development is a priority for the council. Pupils in Denbighshire eat 7,500 meals a day and each week the head cooks in each of the 55 schools (7 secondary and 48 primary) in Denbighshire place their orders for some 35,000 meals. November 2020 saw our school meals contract being awarded to a North Wales firm promising more Welsh produce, including beef sourced from farms in North and Mid Wales. The company, Harlech Foods, believe it is important that they supply schools in North Wales with food from North Wales to support the local community and regional economy. They also offer a bilingual service which is important so that orders can be taken in Welsh.

By purchasing local sustainable food in this manner, as well as supporting the **protection** of our environment for the **long-term**, we are also hopefully helping to stimulate and strengthen the regional economy, which in turn will support those in **socio-economic disadvantage.**

Well-being Impact Assessment

We will be launching an updated version of the Well-being Impact Assessment In January 2021. The changes are slight but they will ensure we pay due regard to some really important issues following the Council's declaration of a climate and ecological emergency; and the introduction of the new Socio-Economic Duty, which comes into effect from 31 March 2021 to reduce inequalities derived from socio-economic disadvantage. Sessions on the new Duty will be held throughout February for staff and Members.

It is important that the council assesses all of its decisions in the context of protected characteristics, the socio-economic duty, and the sustainable development principles. This ensures that we maximise our resources as a council by at all times seeking **collaborative** opportunities that allow us to **integrate** goals with our partners. It also ensures that **everyone** is treated fairly, is **involved** in the decisions that affect them, and that we work together to **prevent** harm coming to what is important to us in the **long-term**.

Young People: A place where younger people will want to live and work and have the skills to do so

Measures: Priority for improvement

Projects: Good

Corporate Plan Performance Framework: Measures Update

The pandemic's impact on the delivery of services naturally has implications on a wide variety of measures that we collect. This is especially true within education where there have of course been significant ongoing challenges during this period. Attendance has been adversely affected as class cohorts self-isolate or schools were made to close; and attainment data of course is no longer comparable, being based on teacher assessment and not examination results. There will be a temporary suspension therefore of our measures for attendance and attainment, but we will seek to report any relevant data that may be published in the meantime, and resume all measures when it is appropriate to do so. Naturally this poses a real challenge to the council in understanding how our schools are performing, but we will continue to work with our School Improvement partners in GwE to ensure that the very best outcomes are being achieved by our pupils.

There are two measures with new data in this update. Firstly, 2020 to 2021 data for the number of schools providing education through suitability and condition categories C and D shows a decrease from 30 to 27. Band B of the 21st Century Schools Programme of course will reduce this figure further.

Secondly, the 18 to 24 work related claimant count remains a significant area of concern for us. As at December 2020, Denbighshire's claimant count increased slightly from 13.2% to 13.4%. We remain well behind the Wales average, which is now at 8.7%. Prior to the pandemic, Denbighshire was 2% behind the Wales average. However, for the first time, the UK claimant count average has risen beyond Wales, now at 8.9%. It is a situation that we will continue to monitor, but it underlines the importance of all our recovery efforts and support for businesses.

Corporate Plan Programme Board: Project Update

Modernising Education

Following Cabinet approval in September 2020 for the revisions to Band B of our Modernising Education Programme, confirmation of approval was received from Welsh Government in November. This will allow feasibility and design works to be commenced during 2021 to 2022. This is excellent news for our continued work delivering modern education facilities for our Young People. In the meantime, work continues to deliver improved facilities for both childcare and Welsh Language provision in the County.

Childcare Settings

Following Planning's approval of the extension of the Oak Tree Centre in July, approval and confirmation was received from the Welsh Government in November for the application to vary its funding. Subsequently the Strategic Investment Group (SIG) has scrutinised and approved the proposal, which will now allow us to proceed to tender.

Similarly, Ysgol Twm o'r Nant's childcare facility may now proceed to planning by the end of January, following the relevant approvals received from Welsh Government and SIG in November.

Welsh Language Centre

The construction phase of the project was completed in September. However, the project continues to be impacted by Covid-19 restrictions, the building only being sparsely used during the autumn term. Until restrictions are eased the full benefits of the project will not be realised.

School Nutrition Project

5 new schools have been recruited to the project in year 2 of its delivery, with some further expressions of interest. Year 1 schools also continue to be engaged and deliver what is appropriate and safe to do so during Covid-19 restrictions. This is excellent given the circumstances. Our partners in the Health Board have been working to re-develop the training for the Level 2 Community Food and Nutrition Skills qualification so that it can now be safely delivered online, and dates for these sessions have now been confirmed. It is anticipated that the move to online learning and meetings will improve our ways of staying

in touch with schools and will save travel time and costs. We have also developed a new online platform for sharing resources with schools.

Support for Parents

Online and telephone support continues to help parents during the pandemic, seeing a strong take up of our offer. In partnership with Betsi Cadwaladr University Health Board (BCUHB) the Solihull course has been made available online for parents until November 2022.

Entrepreneur Space

Work on transforming the former Costigan's pub into a co-working hub for entrepreneurs has been completed. Denbighshire County Council used £312,000 of funding through the European Regional Development Fund and the Welsh Government to create the office accommodation at the semi-derelict Costigan's building on Bodfor Street, Rhyl. Start-up and co-working experts, TownSq has been chosen by Denbighshire County Council to take on the building, which is expected to be used to support businesses, create jobs and grow the local economy. Accommodation for around 20 business start-ups in flexible accommodation has been created with space to host events and a coffee shop on site.

TechZone

This project has been on hold for a significant period of time, waiting for external funding to be identified. It is now proposed, given the financial situation, to move this project towards closure. However, the project may be restarted should funding be identified in future or if the need for the project changes.

Young Person Employment Bursary

The pandemic continues to affect take-up of the bursary project. Few applications have been submitted this financial year, receiving only 8 compared to 53 the previous year. Further restrictions have also made things difficult again, as potential applicants are unable to leave their home to undertake training / assessments, etc. It has also been a year of readjustment for training providers of course, having to re-develop their content to deliver courses through different mediums e.g. online as opposed to face-to-face. Finally, it was found that the Bursary's online presence had not been uploaded to the council's new

website in September; this was corrected in December but will have impacted applications. Two applications have been received subsequently, which is encouraging, and the project will now work with the Communications team to promote the bursary's availability again.

Pupil Attitude to Self and School (PASS)

We felt that it was important during these difficult times to continue to offer our schools the opportunity to access the Pupil Attitude to Self and School (PASS) Survey so that the well-being of pupils could be monitored and appropriate interventions identified as necessary. Because of the circumstances, schools were given more time during the autumn term to complete the survey, running up until the Christmas period. Results will therefore be slightly delayed this year, but are anticipated by mid-February.

Working Start

There have been a couple of obstacles recently to the delivery of Working Start, one being the secondment of a Placement Officer to the Tract, Trace, Protect Team; and another being a decrease in the number of candidate applications to the scheme. Nonetheless, the new model of delivery for the project is fully operational and providing placements. Two paid placements have been successfully recruited to since its relaunch, and a further 9 paid and 2 unpaid placements have been secured with managers / employers and sent out for advertisement. The Work Start Scheme is able to support council departments during the current Covid-19 pandemic by offering additional capacity within teams. The Scheme is currently recruiting a Admin Assistant placement to support the Council's Community Equipment Service, organising and delivering PPE equipment to our Social Care teams.

Placements have been extended to micro and small businesses in Denbighshire as part of our remodel, and they are all advertised through our denjobs.org platform, as well as shared with the Working Denbighshire service and our wider partnership networks, including both the Denbighshire Employment Network (DEN) and the Denbighshire Employment Engagement Partnership (The DEEP). Next steps will involve further developments to the communications and marketing plan for the scheme to maximise the pool of applicants, and increase the chances of recruitment to the placements identified.

Working Denbighshire Ready for Work

The project is experiencing obstacles because of ongoing restrictions posed during the pandemic and the lack of ICT availability for students. Schools are hugely supportive of the project and want it to continue; however, they are not at this stage able to engage in any planning for events due to pressures. Nonetheless, the project is working to develop feasible timeframes and delivery models, working, for example, with Jobcentre Plus and Careers Wales to utilise the resources they are developing for their January Jobs Fair, which includes videos of employers etc. These can be used as part of the Careers Fairs in schools going forward. The Ready for Work Project will submit its remodelled plans for delivery to the Corporate Plan Programme Board in April.

Community Benefits Hub

The Hub has undertaken an outreach drive to increase awareness of its aims with staff. Training sessions have also been provided for teams on community benefits awareness and the application of benefits to projects. As a result, a number of significant projects have engaged support from the Hub at an early stage. The development of the on-line portal is still in lag due to furlough implications with the supplier. New processes have also been put in place around S106 agreements and Certificates of Completion.

Volunteering

Work has continued on the development of a new volunteering policy, revised documents being shared with Trade Unions and the Senior Leadership Team for input. These will be presented for Cabinet approval in March. The website has also been reviewed and revamped to coincide with the relaunch of the updated policies and handbooks.

Annual or Biennial Measures

Measure	2018 to 2019	2019 to 2020	Status
Percentage of pupil attendance in primary schools – **Benchmarked Nationally**	94.5	94.9	Acceptable
Percentage of pupil attendance in secondary schools – **Benchmarked Nationally**	93.5	93.4	Priority for improvement

Measure	2018 to 2019	2019 to 2020	Status
The percentage of children aged 4-5 years who are a healthy weight or underweight (reported one year in arrears) – **Benchmarked Nationally**	67.7	Data pending	Priority for improvement
Local Authority Points Score Average - KS4 Welsh Baccalaureate Skills Challenge Certificate Indicator – **Benchmarked Nationally**	32.4	33.8	Priority for improvement
The percentage of children achieving 5 GSCEs A*-C (Level 2, Key Stage 4), including English or Welsh (1st language), Maths and English Literature, by the end of secondary school, against the percentage that achieved the expected standard at the end of primary school (Level 4, Key Stage 2) – **Benchmarked Nationally**	48.7	50.9	Priority for improvement
The percentage of residents that are satisfied that there are job opportunities for young people at the start of their career – **Benchmarked Locally**	19	Does not apply No survey	Priority for improvement
The percentage of residents that are satisfied that there are opportunities for young people to develop their skills – **Benchmarked Locally**	28	Does not apply No survey	Priority for improvement
The percentage of residents that are satisfied that there are leisure opportunities that appeal to young people – **Benchmarked Locally**	50	Does not apply No survey	Acceptable

Measure	2019 to 2020	2020 to 2021	Status
The number of schools providing education through suitability and condition categories C and D – **Benchmarked Locally**	30	27	Priority for improvement

Quarterly or Biannual Measures

Measure	Quarter 3 2019 to 2020	Quarter 4 2019 to 2020	Quarter 1 2020 to 2021	Quarter 2 2020 to 2021	Quarter 3 2020 to 2021	Status
Percentage of the population aged 18 to 24 claiming Job Seekers Allowance – **Benchmarked Nationally**	6.7	6.9	13.6	13.2	13.4	Priority for improvement
The percentage of pupils (using Pupil Attitudes to Self and School - PASS) who respond positively against pupils' feelings about school – **Benchmarked Locally**	86.1	Does not apply Bi-annual	No data due to Covid-19	Does not apply Bi-annual	Data pending (expected in February)	Good

Project Progress

The following projects are on target:

- Entrepreneur space, Rhyl

- Pupil Attitude to Self and School Survey

- School Nutrition Project

- Community Benefits Hub

The following projects are experiencing obstacles:

- Working Denbighshire Ready for Work

- Modernising Education Programme

- TechZone

- Supporting Parents

- The Denbighshire Working Start Scheme

The following project is at risk:

- Young Person Employment Bursary

Well-being and Equality

North Wales Growth Deal

In December, a significant milestone was achieved with Denbighshire signing up to the North Wales Growth Deal, which aims to create up to 4,200 new jobs by 2036, and support an uplift of £2bn-2.4bn for the economy over that same period. UK and Welsh governments have pledged £240m to the Deal with the ambition that this will secure over £1bn in investment through match funding from private investors. The first tranche of money will be released in the spring with hopes that it will help sell the region to investors. The first funds will be released by the end of the financial year with three initial projects from a list of 14 the frontrunners to kick-start the investment in the region.

Strengthening the economy will support those in **socio-economic disadvantage**, also targeting the protected characteristic of **age** by providing more work opportunities for young and old alike. We are doing so through **collaboration** with regional partners, **integrating** with their ambitions for the area, and securing our ability to meet our needs in the **long-term**. This investment may also **prevent** any rise in deprivation in the region.

Remote Learning

Denbighshire schools, supported by Denbighshire's Education Services, have worked tirelessly and with great collaborative effort to ensure that no pupil is adversely disadvantaged by the impact of Covid-19 on their learning. Our partners in GwE have praised Denbighshire schools for the way that they support and work together in their

clusters, sharing good practice and advice during what has been a terrifically stressful time with tumultuous uncertainty from one day to the next. October to December was a time when schools did all they could to remain open safely, and often times it seemed against all odds. Now in December, once again, in addition to providing face-to-face learning for the children of key workers, all pupils have been supported with the offer of remote learning from home, teachers and parents having to adapt to the most difficult of expectations. Schools and education colleagues have also worked hard to ensure that pupils continue to engage with the learning offer and are being kept safe. We know that there will be educational inequalities, however. This is a sad reality of a pandemic that hits those with the greatest need hardest. As a council we are working hard to do all that we can to help.

Our work in this area of course again supports the protected characteristic of **age**, but it is not limited to that, issues of **socio-economic disadvantage, gender, sexuality** or **disability** also being also adversely impacted by the pandemic. As an authority we need to make sure that teachers and education staff feel supported to help everyone struggling with their well-being during this period of significant stress. It is especially important that we maintain the strong **collaboration** that exists between schools as a mechanism to support that goal, which ultimately will ensure the short and **long-term** needs of our young people are not neglected. Young people need to be kept **involved** in the evolving delivery of their education throughout; and where issues can be identified early, appropriate interventions put in place to **prevent** their worsening. This **integrates** well with the agendas of both the Police and the local Health Board too as our partners, seeking to address negative or harmful behaviours early.

Community Benefits

Our new Hub has worked with a number of significant projects in recent months to encourage greater benefits for the community. Working together with Working Denbighshire and the developer, trainees have been supported to work on the new Tan y Sgubor Housing Development in Denbigh. The developer has also participated in on-line mentoring sessions and will be producing construction career information, in the form of videos, in both Welsh and English. The Hub is also liaising with Denbigh Town Council and Denbigh in Bloom to secure place based benefits that will add value to the local community in Denbigh. Similarly, the Hub has been supporting the Rhyl East Sea

Defences project to bring about some retrospective benefits such as access to training placements, engagement with schools, support for local food bank, and help with a Countryside Services project by moving and re-siting dredged materials. Support for schools will include outreach on STEM subjects including access to the Balfour Beatty Academy, which contains a range of teaching resources supported by a STEM Ambassador.

Still in its early days of being operational, the Hub has already demonstrated its ability to deliver important, lasting outputs, such as an invaluable step-up to young people seeking to start their training and careers (**age**), as well as helping those with **socio-economic disadvantage** of course. The hub's **collaborative** approach has a focus on community well-being that seeks to preserve and build on what is good for **long-term** benefit and **prevent** what is bad. It **involves** and is sympathetic to the needs of residents, and **integrates** the ambition of partnership groups to achieve the best outcome. The regular Community Benefit themed meetings are creating a best practice model for future Denbighshire projects.

Report to	Performance Scrutiny Committee
Date of meeting	March 18, 2021
Lead Member / Officer	Alan Smith, Head of Business Improvement & Modernisation
	Julian Thompson-Hill, Lead Member for Finance, Performance and Assets
Report author	Iolo McGregor, Strategic Planning & Performance Team Leader and Emma Horan, Strategic Planning and Performance Officer
Title	Corporate Risk Register Review, February 2021

1. What is the report about?

1.1. An update on the February review of the Corporate Risk Register.

2. What is the reason for making this report?

2.1. This report is to update the Committee on the latest review of the Corporate Risk Register.

3. What are the Recommendations?

3.1. That Performance Scrutiny consider the amendments to the Corporate Risk Register (appendix 1), including the status of each risk against our Risk Appetite Statement (appendix 2).

4. Report details

4.1. The Corporate Risk Register is developed and owned by the Senior Leadership Team (SLT) alongside Cabinet. It is formally reviewed twice yearly by Cabinet at Cabinet Briefing.

4.2. Following each formal review, the revised register is presented to Performance Scrutiny Committee, and is shared with Corporate Governance.

4.3. The last review was undertaken in September 2020. [Papers relating to that review are available online](#).

4.4. The Council's risk appetite approach (appendix 2) has been applied to the discussions that we have had with risk owners, and our risk exposure (based on the score) is analysed within the Corporate Risk Register (appendix 1).

4.5. During this latest review there have been quite a number of updates around risk descriptions, impacts / consequences, and actions. A couple of risks have been newly scored. These changes have been made to the risk register and are specified at the start of each risk in appendix 1.

4.6. In summary:

- There are no new risks.

- Our risk concerning the Local Development Plan (LDP) timeline (risk 46, added during the last review) has now been removed from the Corporate Risk Register following correspondence from Welsh Government that confirms the current LDP will continue to be applied until the adoption of a new Plan. The risk that our new timeline is rejected is now thought to be minimal, but this will be managed through the relevant Service Risk Register.

- Risk 14 (health and safety) has increased slightly in its residual likelihood, to reflect Covid-19, from E2 – Moderate Risk: Rare / High impact to D2 - Major Risk: Unlikely / High Impact.

- Risk 35 (Regional Growth Deal) has decreased in its likelihood and severity, owing to the fact the Growth Deal has been signed-off and robust governance arrangements are in place, from C2 – Major Risk: Possible to High Impact to D3 - Moderate Risk: Unlikely / Medium.

- Risk 36 (European Union) has been updated to reflect the fact that the UK has moved beyond the transition period. The residual risk has been

downgraded from B1 – Critical Risk: Likely / Very High Impact to B2 – Critical Risk: Likely / High Impact.

- Risk 44 (Ash Dieback) has been updated to reflect the shift in approach given that a collaborative solution is no longer being pursued.

- Risks 1, 6, 13, 14, 21, 27, 33, 34, 36, 37 and 44 (see appendix 1) are currently inconsistent with the Council's Risk Appetite Statement (appendix 2). These have been reviewed in discussions with risk owners, their current scorings being agreed as appropriate. This discrepancy justifies their inclusion to be monitored as corporate risks. Our September 2020 review included a total of 11 risks (out of a total of 21) that were inconsistent with our risk appetite. This review includes 11 (out of a total of 20), owing to the removal of risk 46 (LDP), but the increased severity of risk 14 (explained above). Therefore, 55% of corporate risks are inconsistent with the Council's risk appetite statement.

- Where applicable, financial information has now been updated to reflect the latest budget position.

- All risks have been reviewed to reflect the latest position as regards to Covid-19, which will continue to be an immediate priority for the Council.

5. How does the decision contribute to the Corporate Priorities?

5.1. The purpose of the Corporate Risk Register is to identify the potential future events that may have a detrimental impact on the Council's ability to deliver its objectives, including its corporate priorities. The identified controls and actions are therefore crucial to the delivery of the corporate priorities.

6. What will it cost and how will it affect other services?

6.1. The cost of developing, monitoring and reviewing the Corporate Risk Register is absorbed within existing budgets.

7. What are the main conclusions of the Well-being Impact Assessment?

7.1. This Corporate Risk Register documents identify risks and mitigating actions. The process of developing and reviewing the document itself does not impact adversely on any of the well-being goals. However, any new process, strategy or policy arising as a result of a mitigating action will probably require a well-being impact assessment.

8. What consultations have been carried out with Scrutiny and others?

8.1. Individual discussions have been held with Risk Owners (Chief Executive Officer, Corporate Directors, relevant Heads of Service), also including input from officers leading on further actions for instance.

8.2. The register is then discussed with SLT and Cabinet to agree and / or make further amendments.

8.3. The updated register is then considered by Performance Scrutiny Committee, and shared with the Corporate Governance and Audit Committee.

9. Chief Finance Officer Statement

9.1. There are no financial implications arising from developing, monitoring and reviewing the Corporate Risk Register.

10. What risks are there and is there anything we can do to reduce them?

10.1. There are no risks associated with this review.

11. Power to make the decision

11.1. Local Government Act 2000.

11.2. Section 21 of the Local Government Act, 2000 sets out Scrutiny's powers, whilst Section 7.2.1 of the Council's Constitution stipulates that Scrutiny should review or scrutinise decisions made or actions taken in connection with the discharge of any of the Council's functions whether by Cabinet or another part of the Council.

Corporate Risk Register (February 2021)

Additions, deletions and amendments are included in the text below. Changes are summarised under each Risk title summary.

Risk 01: The risk of a serious safeguarding error where the council has responsibility, resulting in serious harm or death

Lead Member(s): Cllr Bobby Feeley, Cllr Huw Hilditch-Roberts and Cllr Mark Young

Risk Owner: Nicola Stubbins

February update:

The action date for the risk below has been extended to 31/03/2022.

Description

This risk - concerning children and adults at risk - is increasing as the environment is changing, with growing expectations around our duties in relation to third party provision. The cumulative impact of reducing resources across the public sector may impact agencies' ability to appropriately recognise safeguarding risks which may also create extra pressures for the Local Authority.

Impact / Consequences

- Individual(s) experience significant harm or death.
- Significant reputational loss.
- Possible intervention by Welsh Government.
- Legal/compensation costs.

Inherent Risk

B2 – Critical Risk: Likely / High Impact

Corporate Risk Register (September 2020 including January 2021 edits)

Controls to Manage Risk (in place)

- Safeguarding policy & procedures are in place

- Corporate Safeguarding Training Programme.

- Framework of self-assessment for schools in relation to safeguarding has been established.

- Section 28 audit tool in place for voluntary sector to ensure safeguarding practices are in place.

- Compliance with safeguarding practises is part of the annual HR audit of schools.

- Regional arrangements for safeguarding a) children and b) adults at risk are in place. The regional safeguarding boards set priorities and actions regionally, e.g. training and policies & procedures. This includes, for example, working in partnership with North Wales Police on such issues as County Lines.

- Risk assessments in place for recruiting staff who require a DBS check and/or references and this is monitored and scrutinised by the Corporate Safeguarding Panel.

- Safeguarding policy review has taken place with Schools and new guidance has been developed

- Corporate Safeguarding Panel has been reviewed including the terms of reference, roles and responsibilities.

- Heads of Service have been asked to ensure they consider safeguarding when reviewing their risk registers and that safeguarding be included in service challenge where appropriate.

- Key posts within the Council that could have an impact on safeguarding have been identified and Heads of Service are reviewing the posts to ensure that adequate checks are undertaken by the Council or and external body. All new employee contracts make reference to safeguarding.

- Briefing sessions on safeguarding and Child Sexual Exploitation have been delivered to County Council. Safeguarding features in three Cabinet Members' portfolios.

Corporate Risk Register (September 2020 including January 2021 edits)

- Improvements have been made to safeguarding arrangements with contractors including (i) DBS contract checks, (ii) ensuring that Council staff responsible on site for the contractor and managing the tendering / contract process are clear of their responsibilities in respect of safeguarding, (iii) ensuring contacts terms and conditions (including JCT) in relation to DBS checks are appropriate, (iv) ensuring that self-assessment arrangements as part of contract management are appropriate.
- The Corporate Safeguarding Policy has been reviewed and updated in line with new legislation.
- Safeguarding e-learning module in place and compliance is monitored and scrutinised by the Corporate Safeguarding Panel.
- Recording and sharing safeguarding incidents and near misses is a standing item of the Corporate Safeguarding Panel. It also shares case reviews where there is a corporate perspective for lessons learned. Service representatives are responsible for reporting any key messages from panel meetings to members of staff within their services.
- Adoption of new Wales Safeguarding Procedures.

Residual Risk

D2 – Major Risk: Unlikely / High Impact

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Major risk. Risk Appetite suggests that this should be at most a minor risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

Corporate Risk Register (September 2020 including January 2021 edits)

Further Actions

1. Monitor performance in relation to the percentage of eligible staff (corporate and schools) that have an up-to-date DBS and reference check or risk assessment

Safer recruitment stats are monitored for new employees and figures provided to the Corporate Safeguarding panel on a quarterly basis.

Action Due Date: 31/03/2022

Person Responsible: Nicola Stubbins

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 06: The risk that the economic and financial environment worsens beyond current expectations, leading to additional demand on services and reduced income.

Lead Member(s): Councillor Julian Thompson-Hill

Risk Owner: Judith Greenhalgh

February update:

The risk description has been amended to reflect Covid-19 and anticipate income losses.

The action end date has been extended to 30/09/21.

Description

Although the latest draft budget settlement (4.3% increase in Revenue Support Grant) is welcome, it still falls short of the 10% that would have been required in order to fund all the pressures that the Council is facing. The levels of future settlements are unknown yet and we await the UK Budget in March 2020.

The potential consequences of Brexit could include an economic downturn in the short to medium term and reduced funding over the medium to long term, which could lead to increased demand for council services.

The Section 151 Officer is responsible for producing a balanced budget.

There are significant pressures associated with social care, waste budgets, benefits and inflationary increases in pay and pensions. These pressures are all monitored closely and regularly by senior managers, including the Section 151 Officer.

The Council is facing a significant in-year financial pressure due to Covid-19, having incurred financial costs and lost income. Income lost is unlikely to be reimbursed and future financial settlements will also be affected. Our risk to income because of Covid-19 is

Corporate Risk Register (September 2020 including January 2021 edits)

an ongoing risk over the next year. We are anticipating reduced levels of income for the next 12 months and possibly beyond. This affects a number of income generation initiatives across the Council. The Council is likely to face income losses that could be in excess of £2million.

Impact / Consequences

The council suffers from a significant reduction in income, leading to an inability to deliver current levels of service provision.

Inherent Risk

B1 – Critical Risk: Likely / Very High Impact

Controls to Manage Risk (in place)

- The council has no control over the global economy or the WG settlement. Therefore, the inherent risk score likely to remain high.
- Annual, detailed budget setting process that considers economic environment
- The Medium Term Financial Plan (MTFP) contains different scenarios to ensure it can deal with changes in the external environment, and is considered on a quarterly basis: it has revised its expectations further downwards.
- A robust budget-setting process raises awareness of implications of significantly reduced income due to the economic environment. It also identifies a range of proposals should cuts be incurred.
- Regular (usually monthly) financial planning meetings between services and management accountants are in place.
- Service's budgets and budget proposals are scrutinised by the Lead Member for Finance and the Head of Service during budget-setting talks.
- Establishment of the 'Reshaping the Council Budget (RTCB)' programme board.
- RTCB has considered risks associated with population estimate inaccuracies and the potential impact on future funding. There is a Welsh Government funding floor

Corporate Risk Register (September 2020 including January 2021 edits)

which would help mitigate any impact, if this issue should transpire (in which case impact would be felt in 2022-23). RTCB will continue to monitor this risk.

- SLT will actively manage risks associated with Brexit on a monthly basis, until such time the risks can be managed corporately or at a service-level.

Residual Risk

B2 – Critical Risk: Likely / High Impact

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Critical risk. Risk Appetite suggests that this should be at most a moderate risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

Further Actions

1. The Council will take all steps to reclaim funding from WG

Action Due Date: 30/09/21

Person Responsible: Steve Gadd

2. Throughout the recovery process, look at new ways of working

Action Due Date: 30/09/21

Person Responsible: Judith Greenhalgh

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 11: The risk of an ineffective response to a serious event, such as severe weather, contamination, public safety (including cyber-attack), or a public health event (such as Covid-19).

Lead Member(s): Cllr Richard Mainon

Risk Owner: Graham Boase

February update:

Risk controls have been updated.

The action concerning the development of a policy to ensure staff take essential equipment home at the end of each day has been removed as it no longer relevant.

Description

Serious unexpected events can occur at any time. Services plan for the impact of expected seasonal variations in weather, but severe weather events, including wild fires as has recently been experienced, can impact on public safety and service delivery.

Similarly, we put plans in place to monitor food, water and air quality, but any contaminations can impact on service delivery, as would any viral pandemics.

Cyber-attacks can affect our ability to provide services electronically, putting our business continuity plans to the test, and the same applies to major IT service failures.

Public health events, such as Covid-19, puts terrific strain on organisations such as ours, impacting on service delivery, project timescales, staff capacity, and of course finances. It also challenges the resource capacity of partners and providers that we work with.

Corporate Risk Register (September 2020 including January 2021 edits)

Impact / Consequences

- Significant disruption to core services.
- Serious injury or fatality due to road network closure, poisoning or infection.
- Reputational risk to the council if unable to deal with issues.
- Inability to deliver front line services (as a result of staff shortages for example).
- Temporary loss of data.
- Significant cost pressures to our budget.

Inherent Risk

A2 – Critical Risk: Almost Certain / High Impact

Controls to Manage Risk (in place)

- The control environment in this area is the Regional Emergency Planning Service (Wrexham, Flintshire, Denbighshire, Conwy, Gwynedd and Anglesey), and local emergency management response groups have been established. There is significant partnership working with a regional emergency planning team coordinating plans and responses across North Wales.
- We also continually review our procedures for winter highways maintenance and flood response. Secondary rota established and operational.
- Service disruption is minimised through our arrangements for business continuity and emergency planning, with separate Directors responsible for Response and Recovery.
- There's an emergency on-call rota in place.
- An annual Emergency Planning Response report is taken to SLT, the Lead Member and Partnerships Scrutiny, as requested, every year.
- Vulnerable people mapping tool is in operation.
- New chairs for the Communications and Operational Response Groups have strengthened arrangements.

Corporate Risk Register (September 2020 including January 2021 edits)

- Gold & Silver training in place for new representatives.
- Deputies for Chairs of response teams appointed.
- Trial business continuity exercise took place in the council in October 2017. Overall the exercise was successful.
- Planning and Public Protection has plans in place to manage responses to pandemics such as bird flu or foot and mouth for instance, with a focus on how we will work with partners in such times.
- The Corporate Director: Economy and Public Realm chairs quarterly meetings of all the chairs of various response groups in emergency planning and is also attended by regional emergency planning representatives. The purpose of this group includes to provide assurance that systems are in place and to test procedures.
- We have set up a WhatsApp Business Continuity communication network, which has been tested in an internal council Business Continuity exercise (April 2019).
- We attended a joint regional Business Continuity Exercise with Gwynedd in February 2020. Another one was planned but has not taken place due to Covid-19.
- Covid-19 Control: SEMT has been meeting on a regular basis and has responded to the initial Covid-19 emergency and has agreed a number of Covid-19 recovery themes for which members of SLT are leading. These are monitored regularly at SLT and have political input by Lead Member and Cabinet. SEMT has recommended to manage the latest escalation in the Covid-19 situation.
- Once we are out of the emergency response phase of the pandemic we will ensure we will learn from the experience alongside our partners.

Residual Risk

C3 – Moderate Risk: Possible / Medium Impact

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Yes

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 12: The risk of a significantly negative report(s) from external regulators.

Lead Member(s): Councillor Hugh Evans

Risk Owner: Judith Greenhalgh

February update:

No changes are being recommended to the risk as a result of this review.

Description

Negative reports from regulators could lead to a range of impacts that could be negative for Denbighshire County Council. The council is committed, however, to responding to reports and working with partners, including external regulators, to addressing any concerns that may arise.

Impact / Consequences

- A wider lack of confidence in council services.
- Reputational damage.
- Potential intervention by the WG.
- Significant resources may be required to be diverted to deliver immediate and substantial change.

Inherent Risk

C2 – Major Risk: Possible / High Impact

Corporate Risk Register (September 2020 including January 2021 edits)

Controls to Manage Risk (in place)

- The corporate performance management framework (PMF) is the main control in this area.
- Head of Business Improvement & Modernisation, Strategic Planning Team Manager and Head of Audit meet monthly with Wales Audit Office to understand and respond to their concerns.
- Regulators sit on Service Performance Challenges.
- Research & Intelligence team creates Needs & Demands, and Comparative reports to support service self-assessment and Service Performance Challenges.
- Annual Governance Statement and Performance Self-Assessment now combined.
- Protocol developed for addressing recommendations from WAO national studies: services' response will be the subject of performance scrutiny and service challenge.
- Regulation we're subject to includes: CIW (Care Inspectorate Wales); WAO Office; Estyn; HSE (Health & Safety Executive); ICO (Information Commissioner's Office).

Residual Risk

D3 – Moderate Risk: Unlikely / Medium Impact

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Yes

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 13: The risk of significant liabilities resulting from alternative models of service delivery

Lead Member(s): Councillor Julian Thompson-Hill

Risk Owner: Judith Greenhalgh

> **February update:**
>
> The risk description now includes a statement on income losses.

Description

Liabilities could arise due to financial, HR, safeguarding, or governance problems and could impact on the sustainability of service provision.

This risk will now also be impacted by Covid-19 and we have already seen a significant loss of income within our leisure ADM (Alternative Delivery Model) as a result.

Welsh Government has funded losses incurred during 2021 but we have not yet received confirmation for 2022. The income loss would have occurred regardless of the establishment of the ADM – we still would have lost income.

Impact / Consequences

- Financial liabilities.
- Property Liabilities.
- Reduction in levels / quality of service provided to the community, or increased revenue costs to continue delivery.
- Collapse of company
- Reputation damage to the council
- Safeguarding to include protection of all assets (physical & intellectual Information)

Corporate Risk Register (September 2020 including January 2021 edits)

Inherent Risk

B2 – Critical Risk: Likely / High Impact

Controls to Manage Risk (in place)

- A rigorous process is in place to ensure appropriate governance arrangements are in place as ADMs are established.
- Effective contract management arrangements are in place and appropriate monitoring is carried out throughout the life of the contract.
- Council is entitled to representation on Boards, and Heads of Service providing strategic advice to facilities.
- Heads of Service advise the council on any emerging issues and risks.
- Financial support and/or subsidies being provided.
- Processes are in place to manage relationships between the council and Arm's Length organisations.
- Intervention measures are exercised by the council if relationships with Arm's Length organisations are difficult to manage.
- Resources have been committed to improve financial monitoring of facilities and services
- Register of all ADMs
- Ensure best practice / lessons learned is applied to our robust contract and relationship management of ADM models.
- Compliance with current legislation and approved accredited standards as appropriate.

Residual Risk

C2 – Major Risk: Possible / High Impact

Corporate Risk Register (September 2020 including January 2021 edits)

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Critical risk. Risk Appetite suggests that this should be at most a moderate risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 14: The risk of a health & safety incident resulting in serious injury or the loss of life. (Where H&S is referred to, this incorporates fire safety)

Lead Member(s): Councillor Julian Thompson-Hill

Risk Owner: Steve Gadd

February update:

Controls have been added to include the measures put in place under the Covid-19 buildings recovery theme and the measures put in place by schools.

The residual risk score has been upgraded from E2 – Moderate Risk: Rare / High impact to D2 - Major Risk: Unlikely / High Impact (suggested increase because of Covid-19). This is no longer consistent with our new risk appetite statement concerning safeguarding.

Description

This could be as a result of unsafe acts, unsafe work places or ineffective H&S management.

Impact / Consequences

- Serious injury or death of an employee and/or any other person.
- Significant reputational damage
- Substantial legal/litigation costs.
- Criminal prosecution of staff or the organisation.

Inherent Risk

C2 – Major Risk: Possible / High Impact

Corporate Risk Register (September 2020 including January 2021 edits)

Controls to Manage Risk (in place)

- Strategic leadership is provided by the Head of Finance & Property, with delegated responsibility for Health and Safety.
- Competent H&S advisors are employed by the organisation to provide support, guidance and training on H&S.
- A Corporate Health and Safety Policy is in place, which defines the H&S organisation and arrangements in the council.
- There is an established H&S Management System in place.
- An established Corporate H&S Committee is in place which is a forum for the employer and employee representatives to discuss and consult on H&S.
- A number of service level H&S committees meet to provide a forum for service managers and employee representatives to discuss and consult on H&S.
- H&S training program focussed on council activities and the way we manage H&S.
- "Managing safely in Denbighshire" training is mandatory for all managers.
- The corporate H&S team carry out a program of targeted monitoring
- An online accident, incident reporting process is in place. There is an expectation that all accidents and incidents are reported
- Significant H&S related accidents, incidents and near misses are investigated internally
- A Covid-19 buildings recovery theme (excluding schools and housing stock) has put measures in place to ensure workplaces are safe to work in. These apply to the three main offices and ancillary offices across Denbighshire. Wherever possible, staff are working from home and particular guidance is in place for staff who have been advised to "shield". Guidance for staff or family members who are displaying Covid-19 symptoms is in accordance with the latest government advice. Where staff are required to attend the office workplace, social distancing of 2m (6ft) should be adhered to at all times, including breaks. Offices have one-way systems, signage on toilets to ensure one person can use facilities at any one time, sanitising stations and 'high risk' areas like clocking stations are out of use. Detailed guidance is available for all staff.

Corporate Risk Register (September 2020 including January 2021 edits)

- Schools have effective health and safety practices. However, schools are reliant on families to follow Welsh Government and school guidance. Schools have had to close as part of wider efforts to reduce community transmission and keep communities safe. There is a wealth of guidance held on a bespoke SharePoint. There are weekly meetings with Education managers. There are safeguarding processes to check the safety and well-being of pupils who are not engaging with school.

Residual Risk

D2 - Major Risk: Unlikely / High Impact

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Major risk. Risk Appetite suggests that this should be at most a minor risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 16: The risk that the impact of welfare reform (Universal Credit) is more significant than anticipated by the council.

Lead Member(s): Councillor Bobby Feeley and Councillor Julian Thompson-Hill

Risk Owner: Steve Gadd

February update:

Impact/Consequences:

A summary of the impact and consequences of more people accessing Universal Credit has been added to the Impact/Consequences and Controls sections below.

Description

Welfare reform (Universal Credit) has potentially significant implications for a large proportion of residents, and also on the council in terms of increased demand for services and reduced income.

Impact / Consequences

- Potential increase in demand for services: e.g. homelessness and homelessness prevention services; housing (especially for stock which is currently scarce); benefits support / advice, etc.
- Reduced income from rents and council tax payments with reduced cash flow and an increase in bad debt for the authority.
- Potential rise of council tax reduction scheme claimants.
- We expect to see a significant increase in the number of customers requiring digital support from our Library / One Stop Shop Service.
- Also an impact to Social Services due to Disability Living Allowance changes.
- This could also impact on our ability to deliver our Corporate Priorities.

Corporate Risk Register (September 2020 including January 2021 edits)

- A consequence of the Covid-19 pandemic is that more people are accessing Universal Credit than ever before. It hasn't caused the council any issues; it has accelerated what was going to be a slow process. The consequences of increased uptake have resulted in more people accessing the Council Tax Reduction Scheme and increased access to free school meals. The losses in council tax income together with the increased free school meal provision have been funded by Welsh Government this financial year. We are uncertain whether this financial support will continue (we anticipate levels of access to Universal Credit staying the same or increasing). A report is going to Scrutiny at the end of January 2021.

Inherent Risk

B2 – Critical Risk: Likely / High Impact

Controls to Manage Risk (in place)

- A Cross-Authority / Multi Service Universal Credit Board has been established and is working to address, as far as possible, the risks and issues associated with the impact of Universal Credit.
- A proactive management of risk is involving identifying those likely to be affected to reduce the risk/mitigate any negative impacts.
- The Board has developed a Risk Register and Activity Plan to cover all strategic and operational risks as a result of Universal Credit, these include detailed Actions and Controls with owners assigned to each risk.
- This register is reviewed on a frequent basis and updates provided at each Board meeting.
- The roll out plan is risk averse and limits the risk that the impact will be more significant than expected, but the approach (determined by Westminster) could change. The intended approach though is that by the time all other benefits are phased out, existing claimants will have naturally become eligible for Universal Credit as a result of a change in their circumstances.

Corporate Risk Register (September 2020 including January 2021 edits)

- Demand for the Council Tax Reduction Scheme has increased for some years. We have a £350k budget contingency in place.
- Community Housing has implemented predictive analytics software to enable us to identify tenants at risk of falling into rent arrears. The software identifies risk cases at an early stage and allows us to focus resources on early intervention to prevent households from falling into arrears.

Residual Risk

D3 – Moderate Risk: Unlikely / Medium Impact

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Yes

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 18: The risk that programme and project benefits are not fully realised.

Lead Member(s): Cllr Julian Thompson-Hill

Risk Owner: Judith Greenhalgh

February update:

No changes are being recommended to the risk as a result of this review.

Description

The council currently does not consistently deliver all benefits from projects. Some of the issues include: inconsistent management; resistance to change; staff behaviour and processes not changing as planned. Programmes to be mindful of include: Corporate Plan Board, Corporate Support Services Review (CSSR), Reshaping the Council Budget.

This risk encompasses risks associated with the council making changes that result in a greater negative impact than we anticipated (formerly risk 00028). When deciding where to make changes, we endeavour to ensure the quality of key services. There is a risk that we haven't identified the correct services as being 'key', and/or that the changes we make are more disruptive than we anticipated.

It is understood that a number of programmes and projects will be facing delays as a result of Covid-19.

Impact / Consequences

The forecast changes that were alluded to in business cases do not materialise and, hence, neither do their benefits.

In relation to changes having a greater positive or negative impact than anticipated could result in:

Corporate Risk Register (September 2020 including January 2021 edits)

- Services that are important for our residents are no longer available

- Performance in important areas of our business (for our residents) deteriorates

- Reinstatement/correction in performance is difficult and slow to achieve

- Reputation can suffer if performance deteriorates

- Reputation can suffer if messages are not managed

Inherent Risk

B2 – Critical Risk: Likely / High Impact

Controls to Manage Risk (in place)

- Corporate Programme Office established.
- Leadership Strategy in place.
- Strategic Planning team will support the Corporate Plan Board, and also support performance management in the organisation, therefore there's a strong alignment between 'change' and BAU.
- Impact assessments are undertaken and form part of the cover report for decisions.
- Risk are considered and form part of the cover report for decisions.
- Use of Verto to record benefit tracking and significant outcomes from projects will be picked up as part of Service Planning process.
- Change toolkits, together with factsheets, are on the intranet to support managers.
- Finance remove savings from budgets to ensure financial savings are delivered.
- Change Management Guidance has been developed.
- Quarterly Performance Reports on the Corporate Plan are sent to SLT, Cabinet and Scrutiny.
- SLT reviews key projects every three months.
- Programme Board members have attended Programme Management training.
- Lead Member for Finance, Performance & Strategic Assets now chairs the Corporate Plan Board, also sitting on the Budget Board. Their involvement in both boards ensures a coherent approach to our programmes and financial planning.

Corporate Risk Register (September 2020 including January 2021 edits)

- The Corporate Plan was reviewed during its second tranche review in July during which the impact of Covid-19 and current project progress was analysed. Senior managers and Cabinet confirmed their continued commitment to existing projects.

Residual Risk

D2 – Major Risk: Unlikely / High Impact

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Yes

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 21: The risk that effective partnerships and interfaces between BCU Health Board and Denbighshire County Council (DCC) do not develop, leading to significant misalignment between the strategic and operational direction of BCU and DCC

Lead Member(s): Councillor Bobby Feeley

Risk Owner: Nicola Stubbins

February update:

The description has been updated to reflect the latest position with our partnership with BCUHB.

The further action to deliver the Community Resources project (to include delivery of two further sites in Denbigh and Prestatyn) has been closed by the Regional Transformation Board. It is being managed as business as usual under Community Support Services' monthly Integrated Health and Social Care Localities meeting.

Description

Whilst BCUHB is no longer in special measures, health at a local level, and the effectiveness of health and social care working together, is subject to increased political and regulatory scrutiny. This requires a level of scrutiny and a strong commitment to partnership. There is a national agenda to drive effective partnership working.

Impact / Consequences

- Inefficient services
- Gaps in service provision
- Delays/failure to deliver joint projects

Corporate Risk Register (September 2020 including January 2021 edits)

- Reputational damage
- Ability to meet statutory duties - Well-being of Future Generations Bill, Social Services and Well-being Act

Inherent Risk

A1 – Critical Risk: Almost certain / Very high impact

Controls to Manage Risk (in place)

- Council presence in key meetings and Boards looking at implementing integrated new approaches.
- Central Area Integrated Services Board is in place.
- NWWSIC has reviewed its governance arrangements in partnership with BCUHB.
- BCUHB Area Director in place.
- Two Community Resource Teams have been established.
- The Regional Partnership Board is in place to progress cooperation and integration.
- BCUHB is a member of the Conwy/Denbighshire PSB, which has shared priorities and a shared governance vision.

Residual Risk

C2 – Major Risk: Possible / High Impact

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Major risk. Risk Appetite suggests that this should be at most a moderate risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 27: The risk that even if the settlement is as anticipated, decisions that are necessary to identify and deliver the savings programme and enable a balanced budget are not taken or implemented quickly enough

Lead Member(s): Cllr Julian Thompson-Hill

Risk Owner: Judith Greenhalgh

February update:

A new control has been added to highlight risks associated with the budget in future years.

The action due date has been extended to 30/04/2021.

Description

As our financial settlement reduces, we need to identify savings and gain approval for, and deliver, plans as to where to reduce or withdraw financial resources. Even if the budget we anticipate is the settlement we receive, there is still a risk for funding our services and savings identified may not be delivered as expected or in-year demand/pressures arise.

Any plans require the approval of Council, and must be implemented in a timely manner that complies with legislation. While the budget process has been successful to date there are still substantial future savings to be made by the local authority and the political environment remains sensitive.

Impact / Consequences

- Denbighshire overspends on its budget.
- Denbighshire cannot deliver savings.
- Denbighshire has insufficient time to ensure good financial monitoring and robust planning.

Corporate Risk Register (September 2020 including January 2021 edits)

Inherent Risk

B1 – Critical Risk: Likely / Very High Impact

Controls to Manage Risk (in place)

- The budget setting process involves Members, so they understand that difficult decisions are necessary, and they are involved with developing the proposals. This should make them more likely to support the recommendations made.
- As decisions are becoming harder then lead in times are becoming longer.
- The better than expected settlement for 2020/21 means that only savings with minimum impact on service delivery and staff have been accepted.
- The Reshaping the Council Budget board has been established, which is likely to make some controversial suggestions that will require political support. Therefore, there may be increased risk of not achieving approval for the service changes required to deliver a balanced budget.
- Early identification of the budget gap and potential actions to address it are managed through the Reshaping the Council Budget Board and SLT.
- A workshop involving Cabinet and SLT took place in September 2019 to discuss the principles behind the budget and services budgets, and to identify areas where there is political will to make savings.
- The Balanced Budget report is going to Council. There is no risk for the budget this current year. However, there are risks associated with the budget for 2022 to 2023. It is unlikely we will receive similar levels of funding to previous years.
- All of these controls are in place to ensure good financial monitoring and robust financial planning.

Residual Risk

C2 – Major Risk: Possible / High Impact

Corporate Risk Register (September 2020 including January 2021 edits)

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Major risk. Risk Appetite suggests that this should be at most a moderate risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

Further Actions

1. Review Strategic Investment Group (SIG) process.

Action Due Date: 30/04/2021

Person Responsible: Steve Gadd

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 30: The risk that Senior Leadership capacity and skills to sustain service and corporate performance is not available

Lead Member(s): Councillor Julian Thompson-Hill

Risk Owner: Judith Greenhalgh

February update:

The description and impact/consequences sections now include acknowledgement of the pressures our Senior Leadership Team is facing, which can lead to stress and poor health and well-being.

An additional control has been added to outline how we are supporting our staff through this period.

Description

The current structure of the Senior Leadership Team has been built on the strength and experience of current potholders. As the number of posts at SLT has reduced there is a concentration of key roles that are critical to the successful delivery of services, and the organisation's ability to respond to policy and legislation. There is a risk that individuals with particular skill sets would be difficult to replace, and there is also a risk that the organisation is not flexible enough to keep up with the pace of change required in light of new corporate priorities and future budget pressures. There is great pressure on the Senior Leadership Team, who are managing services remotely through the pandemic, whilst trying to manage business as usual.

Impact / Consequences

- Reputational damage.
- Declining performance.
- Poor performance against new priorities.

Corporate Risk Register (September 2020 including January 2021 edits)

- Stress and poor health and well-being.

Inherent Risk

C3 – Moderate Risk: Possible / Medium Impact

Controls to Manage Risk (in place)

- Greater opportunities for Middle Managers to 'act up' to key posts in order to gain experience at a more senior level
- Leadership Strategy is in place
- Heads of Service are tested on their succession plans through Service Challenge
- Quarterly Leadership Conferences held to develop middle managers.
- Training Needs Analysis for SLT & Middle Managers is now complete, with an emphasis on leadership now being led through the council's Leadership Conferences.
- Heads of Service are encouraged to rethink their service plans against context of new corporate plan, budget decisions, and any new legislation, etc.
- The establishment of an alternative delivery model for leisure includes within the project the need to reduce the risk of knowledge and skills loss. The senior leadership team restructure took place in September 2019.
- Additional support has been put in place through occupational health.

Residual Risk

D3 – Moderate Risk: Unlikely / Medium Impact

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Yes

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 31: The risk of fraud and corruption resulting in financial and reputational loss and possibly impacting on service delivery.

Lead Member(s): Cllr Julian Thompson-Hill

Risk Owner: Judith Greenhalgh

February update:
No changes are being recommended to the risk as a result of this review.

Description

Denbighshire County Council employs 2,362 staff as at the last staff survey (2018/19), with a gross revenue budget of £305.8million for 2018/19. It commissions and provides a wide range of services to individuals and households and works with a wide range of private, public and voluntary sector organisations. As with any other large organisation, the size and nature of the council's services mean that there is an ongoing risk of loss due to fraud and corruption from both internal and external sources. There is also an ongoing risk of bribery as the council provides and procures goods, works and services.

The council recognises that as well as causing financial loss, fraud is also detrimental to the provision of services, and damaging to the reputation of, and confidence in, the council and public bodies in general.

Impact / Consequences

- Financial loss.
- Loss of reputation and confidence in the council and public bodies in general.
- Negative impact on service provision / delivery.
- Legal / compensation costs.
- Criminal prosecution.

Corporate Risk Register (September 2020 including January 2021 edits)

- Negative audit / inspection reports.

Inherent Risk

C2 – Major Risk: Possible / High Impact

Controls to Manage Risk (in place)

In its policies and procedures the council gives out the clear message that it will not tolerate any impropriety by employees, elected Members or third party organisations. It has put in place appropriate and proportionate systems to minimise this risk and these are kept under constant review, including:

- The Code of Corporate Governance
- The Code of Conduct for Elected Members
- The Employees' Code of Conduct
- Financial Regulations including Contract Procedure Rules
- The Whistleblowing Policy
- The Anti-Money Laundering Policy
- Recognition and monitoring of the risk of fraud in service risk registers
- Systems of internal control
- Recruitment processes
- Annual review by the council's Internal Audit team
- Regular internal and external review of our systems and procedures
- Review of council's anti-Fraud arrangements against the CIPFA Standard 2016 (checklist)
- The risk of fraud and corruption is also managed at a service level
- Engagement with the National Fraud Initiative (NFI)
- Strategy for the prevention and detection of fraud corruption and bribery which includes fraud response plan
- E-learning modules on Whistleblowing and Code of conduct

Corporate Risk Register (September 2020 including January 2021 edits)

Residual Risk

E2 – Moderate Risk: Rare / High impact

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Yes

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 33: The risk that the cost of care is outstripping the council's resource

Lead Member(s): Bobby Feeley & Huw Hilditch Roberts

Risk Owner: Nicola Stubbins

February update:

A new control has been added about the pay and conditions of the social care workforce. We have also updated the budget situation to reflect that a £2.4million pressure has been approved as part of the 2021 to 2022 budget setting process.

Description

The continued inflationary pressure resulting from the cost of domiciliary and residential care means the cost of care could outstrip our budget.

Impact / Consequences

Overspends in Social Care place significant budget pressures on the council and could result in the scaling back or withdrawal of non-statutory services.

Inherent Risk

B1 – Critical Risk: Likely / Very High Impact

Controls to Manage Risk (in place)

Demand needs to be managed in order to maintain current levels of expenditure. The following controls are currently being embedded:

- A focus on prevention and early intervention so people don't need to go into care.
- Third Sector grant programme.
- Talking Points.

Corporate Risk Register (September 2020 including January 2021 edits)

- Community Navigators.

- Supporting Independence Strategy.

- Being innovative and maximising use of grant monies.

- New approach to supporting people to achieving outcomes.

- Improved partnership working with BCUHB and integrated assessment as well as managing continuing health care.

- Identification of the pressures as part of the medium term financial process.

- Opportunities arising from the Healthier Wales Transformation Programme.

- Our Corporate Director: Communities is a member of WG's Social Care Forum and is examining pay and conditions of social care workforce.

- The social care budget is consistently overspent by over £1million per year, which up until recently, has been mitigated somewhat by the use of reserves of £0.5million per annum towards the overspend. However, the reserves are now depleted. The annual budget process has taken into account the projected pressure in this area: £2.6million was included as a pressure for 2020 to 2021 and the Budget for 2021 to 2022 included a pressure of £2.4million. It is, however, recognised that growth in demand will also continue in future years.

Residual Risk

C2 – Major Risk: Possible / High Impact

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Major risk. Risk Appetite suggests that this should be at most a moderate risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

Corporate Risk Register (September 2020 including January 2021 edits)

Further Actions

1. Development of additional extra care housing (corporate plan priority)

This is being project managed by the Corporate Plan Board.

Action Due Date: 31/01/2022

Person Responsible: Phil Gilroy

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 34: The risk that demand for specialist care cannot be met locally

Lead Member(s): Cllr Bobby Feeley, Cllr Huw Hilditch-Roberts

Risk Owner: Nicola Stubbins

February update: We have added a new control about the use of grant monies. A new action has been attached to this risk.

Description

Availability of some specialist adult and child places can be scarce, leading to the requirement to provide expensive services that aren't available locally. Reduction in availability of domiciliary care provision meaning they are unable to provide services needed (particularly in the south of the county)

Impact / Consequences

- High cost
- Individuals with eligible needs unable to receive suitable domiciliary care due to lack of resources and service provision
- If far from home, there is a detrimental impact on a client's well-being (and that of their family)
- Unable to meet need in preferred language

Inherent Risk

B2 – Critical Risk**:** Likely / High Impact

Corporate Risk Register (September 2020 including January 2021 edits)

Controls to Manage Risk (in place)

- Single Point of Access now fully established and proving successful in providing advice and information to individuals in order for them to access community services themselves.
- Community Led Conversations 'What Matters' project changing the way staff support individuals enabling them to take control of their own well-being and utilising other external resources where possible.
- Developing a range of staff skill mixes through workforce development in order to enable staff to work in new ways that complement the new government agenda.
- Series of meetings with providers across CSS underway to negotiate increasing fees.
- Review and re-assessment project to ensure individuals are still eligible under new criteria
- Further development of support budgets
- Recruitment fayres taken place in county to highlight the need for specific health and social care staff.
- CIW national review of domiciliary care - implementing recommendations.
- Regional project considering issues.
- Recommissioning domiciliary care project in progress - this includes the implementation of the new regional domiciliary care framework in Denbighshire to include patch based commissioning for difficult rural areas.
- New care team in CSS South Locality (reablers providing longer term support whilst identifying appropriate agency)
- The North Wales Transformation Programme is in place and we are leading one of the four projects.
- Continue to look at the use of grant monies in creative and combined ways to deliver better solutions.

Corporate Risk Register (September 2020 including January 2021 edits)

Residual Risk

C2 – Major Risk: Possible / High Impact

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Major risk. Risk Appetite suggests that this should be at most a moderate risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

Further Actions

1. Develop a new Children's Assessment Centre jointly with Conwy CBC

We are working in partnership with Conwy County Borough Council to develop a new Children's Assessment Centre (currently known as 'Meadow Lodge'), using ICF capitol monies and other transformation monies. Once in place, this should give better quality local care and reduce inappropriate, high cost and out of county placements.

Action Due Date: 31/07/2022

Person Responsible: Rhiain Morrlle

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 35: The risk that the return on investment that Denbighshire receives from the Regional Growth Deal is disproportionate

Lead Member(s): Cllr Hugh Evans

Risk Owner: Graham Boase

February update:

The description has been updated to reflect the fact that the Growth Deal has now been signed.

A new control has been added to encompass the governance systems that are in place.

The residual risk has been downgraded in light of these updates, from C2 – Major Risk: Possible to High Impact to D3 - Moderate Risk: Unlikely / Medium.

Description

The Growth Deal has been signed off. The programmes and their associated projects have not yet started. The regional Growth Deal offers opportunity to develop Denbighshire's economy, but there is a risk that there is insufficient engagement to capitalise on these opportunities. Conversely, there is a risk that the council puts in a lot of effort but doesn't receive a proportionate return on investment.

Impact / Consequences

- Disproportionate return on investment.
- Failure to maximise opportunities for the benefit of communities and businesses in Denbighshire.
- Failure to agree a regional approach to funding projects.

Corporate Risk Register (September 2020 including January 2021 edits)

Inherent Risk

C2 – Major Risk: Possible / High Impact

Controls to Manage Risk (in place)

- We ensure we have senior-level representation at Board meetings. The North Wales Economic Ambition Board is attended by Denbighshire's Leader. Director-level representation is in place for the officer groups that support the Board and relevant key officers are represented on workstream meetings.
- Regular reports to council committees.
- The Strategic Employment Manager is a key member of the 'People' workstream.
- A programme of work has been developed. We have recruited a Regional Portfolio Office to ensure robust management and governance systems are in place.

Residual Risk

D3 - Moderate Risk: Unlikely / Medium

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Yes

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 36: The risk that any negative impacts of leaving the European Union cannot be mitigated by the council

Lead Member(s): Councillor Hugh Evans

Risk Owner: Judith Greenhalgh

> **February update:**
>
> The description, impact/consequences and controls have been updated to reflect the fact that the UK has moved beyond the transition period.
>
> The residual risk has been downgraded from B1 – Critical Risk**:** Likely / Very High Impact to B2 – Critical Risk: Likely / High Impact.

Description

The UK has now left the EU and the transition period has come to an end. The implications of the 'light' trade deal that was reached with the EU are not yet fully understood, but we can anticipate, at least in the short-term, disruption to trade to and from the EU as businesses adapt to new requirements. This could have repercussions on the council in terms of purchasing goods and supplies. Specific long-term implications on Denbighshire businesses, particularly agriculture and the food industry, also need to be better understood. The council must continue, therefore, to be braced for any implications of Brexit in terms of funding (e.g. State-Aid / Shared Prosperity Fund, and current WEFO funded projects), and the likely impact on demand for services. This is developing into an issue but there are risks associated with our exit. Whilst a deal with the European Union is now in place, it is too early to quantify impacts; positive or negative.

Impact / Consequences

- Lack of clarity on the status of EU citizens living in Denbighshire.

Corporate Risk Register (September 2020 including January 2021 edits)

- EU funded projects (e.g. skills, poverty and regeneration projects; rural and business funding).
- Impact on supply chains and procurement of goods and services.
- Impact on farming and agriculture.
- Potentially negative impact on broader public sector provision.
- Foreign Direct Investments in Denbighshire could be affected.
- Legislative change could result in delays and uncertainty for legal proceedings.
- Impact on university education in the region and research.
- Impact on recruitment across public services.
- Denbighshire businesses that import / export to European Union areas. For example, Cefndy exports medical equipment products.

Inherent Risk

B1 – Critical Risk: Likely / Very High Impact

Controls to Manage Risk (in place)

- As requested by the Welsh Local Government Association, Denbighshire have two named Brexit lead contacts: Corporate Director: Economy and Public Realm and the Leader.
- Workforce planning is in place.
- Regular contact with Welsh Government and the Welsh Local Government Association.
- Teams within Planning, Public Protection and Countryside Services are available to advise businesses, including the agricultural sector,
- Citizen's Advice Denbighshire have been contracted to engage with EU Citizen's to apply for Settled Status.
- HR have identified and are supporting those within our own workforce who need to apply for Settled Status.
- SLT and Cabinet are regularly briefed on emerging areas of concern.

Corporate Risk Register (September 2020 including January 2021 edits)

- Services have identified supply chains that could be at risk.
- SLT actively manages risks associated with Brexit, until such time the risks can be managed corporately or at a service-level.
- The Chief Executive is the North Wales representative on the WLGA Brexit Working Group.
- The Statement of Accounts considers Brexit and the impacts of Brexit.

Residual Risk

B2 – Critical Risk: Likely / High Impact.

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Critical risk. Risk Appetite suggests that this should be at most a moderate risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 37: The risk that partners don't have the resources, matching priorities or commitment to support delivery of shared plans and priorities

Lead Member(s): Councillor Hugh Evans

Risk Owner: Judith Greenhalgh

February update:

Impacts/Consequences:

The impact/consequences and controls sections include updates on regional working to manage the Covid-19 pandemic and the pressures facing the front line.

Description

With finite resources and competing priorities, there is a risk of a lack of commitment or capacity available to support realisation of shared plans and priorities.

Covid-19 has put external pressure on the council and its partners to deliver services; this is likely to be the case into the medium term.

Impact / Consequences

- Objectives not delivered.
- Issues/problems that provided justification for the priorities continue or deteriorate.
- Failure to maximise opportunities to collaborate to resolve issues no single organisation is responsible for or capable of resolving on its own.
- Ineffective management of expectations among partners/public leading to reputational damage.
- Investment of council resources with minimal return.

Corporate Risk Register (September 2020 including January 2021 edits)

- There will be greater demands this year to manage recovery from Covid-19, with pressures on the front line.

Inherent Risk

B1 – Critical Risk: Very Likely / High Impact

Controls to Manage Risk (in place)

- Denbighshire is represented at collaborative boards by senior managers and / or political leadership, for example, at the Regional Partnership Board, Economic Ambition Board, and Regional Leadership Board.
- Collaborative plans and priorities (for instance, the PSB's Well-being Plan) has been developed to reflect broader public sector priorities across the two counties.
- Regional working to manage the Covid-19 pandemic through the Strategic Coordination Group is working well with all partners present and working together.

Residual Risk

C2 – Major risk: Possible / High Impact

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Major risk. Risk Appetite suggests that this should be at most a moderate risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 43: The risk that the council does not have the funds or resources to meet its statutory obligations under the Additional Learning Needs and Education Tribunal (Wales) Act 2018

Lead Member(s): Cllr Huw Hilditch-Roberts and Cllr Bobby Feeley

Risk Owner: Geraint Davies

February update:

New controls summarise the Senior Leadership Team's role in monitoring the situation and highlights that budgetary pressures are expected to lessen in the future.

The action concerning consideration of pressures in the 2021 to 2022 budget setting process is complete and has been removed.

Description

The Act places a range of duties on local authorities in relation to additional learning needs (ALN), which can be grouped as follows:

Specific duties - in relation to individual learners (usually those in their area) such as duties to maintain individual development plans (IDPs) for some learners (including learners who are dual registered and those with more complex needs) and the duty to reconsider decisions made by school governing bodies.

General duties - to support the functioning and effectiveness of the ALN system – including the duty to provide information and advice and the duty to keep additional learning provision under review.

In addition, local authorities have general education functions - related to maintaining schools and the provision of education, including intervention powers where schools fail to perform their duties.

Corporate Risk Register (September 2020 including January 2021 edits)

Local authorities will be directly responsible for meeting the needs of children and young people with the most complex and/or severe needs, those who do not attend a maintained school or FEI in Wales (including those below school age).

This risk has been escalated from the Education and Children's Service Risk Register to reflect the wide-ranging implications for other areas of the council (adult's services, legal, procurement and so on).

Impact / Consequences

To not meet the requirements of the Act could have an impact on learners with ALN and would have regulatory and reputational consequences for the authority, including potential legal and financial implications. There is also the potential for increased demand on services.

Inherent Risk

B2 – Critical risk: Likely / High Impact

Controls to Manage Risk (in place)

- Corporate Director: Communities (Statutory Director of Social Services) to ensure that the council's Senior Leadership Team (SLT) is making necessary preparations for implementation of the Act.
- SLT will monitor progress through the Corporate Risk Register. The Head of Education and Children's Services gave a presentation to SLT in the autumn of 2019.
- The risk is also managed closely at a service level by Education and Children's Services.
- SLT will monitor progress through the Corporate Risk Register. The Head of Education and Children's Services will be attending SLT on the 18th February 2021, to discuss progress in implementing the Act.

Corporate Risk Register (September 2020 including January 2021 edits)

- There is budget allocation but it will be reviewed annually, although the pressure is expected to be less in subsequent years.

Residual Risk

D3 – Moderate risk: Unlikely / Medium Impact

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Yes

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 44: The risk of Ash Dieback Disease (ADB) in Denbighshire leading to significant health and safety issues that represent a potential risk to life

Lead Member(s): Cllr Tony Thomas

Risk Owner: Tony Ward

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February update:

The controls have been updated to reflect the budget situation and the shift in approach given a collaborative approach is no longer being pursued.

The action to develop and adopt a corporate action plan has been adjusted and the action to "Agree detail of collaborative project with Conwy to enable our 2 tree inspectors to begin work on 1st Sept 2020" has been closed.

</div>

Description

ADB is already present in Denbighshire. The range and frequency is unknown at this present time. The frequency is currently low but will inevitably increase over the next few years. Also, the number of ash trees in the County is similarly unknown. ADB will not be "business as usual" and the scale must be assessed and there will be a need for changes in management practice.

Impact / Consequences

The impact is likely to be far reaching, across various council services and communities themselves.

- Considerable impact on landscape - dead and dying ash trees across the County.
- Increased liability.
- Impacts on statutory functions and service delivery.

Corporate Risk Register (September 2020 including January 2021 edits)

- Public safety.

- Staff safety.

- Significant budgetary implications.

- Disruption to infrastructure and communities.

- Political and reputational impact.

Inherent Risk

A1 – Critical Risk: Almost certain / Very high impact

Controls to Manage Risk (in place)

A proactive approach is necessary to understand how many ash trees are in the County and prepare an ADB action plan. Capacity and resources will need to be secured to achieve this.

- A briefing paper on our approach went to Cabinet in December 2019.

- Project brief is being drawn up (through Verto) outlining our approach to developing our action plan over the coming months, and agreeing procedures to identify and deal with trees (including replanting initiatives).

- The Head of Service has decided not to pursue a collaborative project with Conwy on ADB. The associated costs of undertaking this work collaboratively, over the long term, were prohibitively expensive. We will instead have our own Project Manager and whilst no formal collaboration will be in place, we will work with Conwy informally. We have agreed to meet regularly to discuss progress informally; to learn from one another's experiences, and to ensure we deal with the problem efficiently - doing things once.

- 2 tree inspectors have been appointed (on 12-month secondments from Countryside Services) to start to inspect/map our tree assets. Our priority is to gain a good sample of the highways network (which pose the highest risks), from which we can extrapolate to determine the overall scale of the problem. The delays due to Covid-19 have resulted in tree inspections taking place during Winter, which is

Corporate Risk Register (September 2020 including January 2021 edits)

- not the optimum time to inspect trees. This work will become much easier during the coming spring and summer, when ash trees will be in leaf.
- The aim is to have a draft corporate ADB Plan in place by the end of the 2021 calendar year, but the impact of ADB will need to be managed for the next 5-10 years.
- A £250k one-off cash amount was allocated within the 2020 to 2021 budget to support initial development of Action Plan. The Head of Service has discussed the implications of ADB for the medium term financial plan. Welsh Government may fund interventions to tackle ADB, although this is conjecture at this stage.
- £250k base budget is included in the budget proposals for 2021 to 2022 to further develop and commence the project.

Residual Risk

A2 – Critical Risk: Almost Certain / High impact

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Critical risk. Risk Appetite suggests that this should be at most a moderate risk. Our management of this difficult risk is in its early stages. Our current score reflects this and the serious potential for death or injury. As our mitigating actions progress over the next 12 months, we would expect to see the risk come more under our control, and the scoring reduce towards our accepted appetite.

Further Actions

1. Draft Corporate Ash Dieback Action Plan

Action plan will be informed by detailed mapping of the council's ash tree population and condition information, identifying those trees that need to be made a priority based on the level of risk.

Corporate Risk Register (September 2020 including January 2021 edits)

Action Due Date: 31/12/21

Person Responsible: Tony Ward

2. Secure further funding for the delivery of the action plan

Ash Dieback is anticipated to have the greatest impact over the next ten years. Our action plan to tackle the issue will require resourcing.

Action Due Date: 31/03/2022

Person Responsible: Tony Ward

Corporate Risk Register (September 2020 including January 2021 edits)

Risk 45: The risk that the council is unable to deliver the agenda of Council and external organisations within existing resources

Lead Member(s): Cllr Hugh H Evans

Risk Owner: Judith Greenhalgh

February update:
A new control has been added to highlight the development of a new Corporate Plan.

Description

As resources have reduced, there is less capacity to additionally respond to new, emerging and unplanned issues of importance to residents, councillors or partners.

Impact / Consequences

- Damage to reputation
- Financial liabilities
- Regulatory liabilities
- Deteriorating Staff morale
- Inability to meet statutory obligations

Inherent Risk

A3 – Major Risk: Almost Certain / Medium Impact

Corporate Risk Register (September 2020 including January 2021 edits)

Controls to Manage Risk (in place)

- The content of the Corporate Plan was developed and agreed with officers and Members at the start of the new council year. This document should capture the ambition of Elected Members for their term of office.
- The council partakes in government consultations on new legislation (either directly or through the WLGA).
- Heads of Service assume responsibility for the implementation of new legislation, supported by the Strategic Planning Team where appropriate.
- The development of the new Corporate Plan will be an opportunity for residents, businesses, councillors and partners to consider what to prioritise for the next five years, and to put in place ambitious but deliverable plans.

Residual Risk

C4 – Moderate Risk: Possible / Low Impact

Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Yes

Appendix 2: Risk Scoring Matrix

Grading the likelihood of an event

Grade	% chance	Description
A: Almost Certain	Over 70%	Event is almost certain to occur in most circumstances
B: Likely	30% to 70%	Event likely to occur in most circumstances
C: Possible	10% to 30%	Event will possibly occur at some time
D: Unlikely	1% to 10%	Event unlikely and may occur at some time
E: Rare	Under 1%	Event rare and may occur only in exceptional circumstances

Rating the impact of an event

Rating	Time / cost / objectives	Service performance	Reputation	Financial cost
1: Very High	More than 50% increase to project time or cost. Project fails to meet objectives or scope.	Unable to deliver core activities. Strategic aims compromised.	Trust severely damaged and full recovery questionable and costly.	Over £5million

Rating	Time / cost / objectives	Service performance	Reputation	Financial cost
2: High	20% to 50% increase to project time or cost. Impact on project scope or objectives unacceptable to sponsor.	Significant disruption to core activities. Key targets missed.	Trust recoverable at considerable cost and management attention.	£1million to £5million
3: Medium	5% to 20% increase to project time or cost. Major impact on project scope or objectives requiring sponsor approval.	Disruption to core activities / customers	Trust recovery demands cost authorisation beyond existing budgets.	£350,000 to £1million
4: Low	Less than 5% increase to project time or cost. Minor impact on project scope or objectives.	Some disruption to core activities / customers	Trust recoverable at modest cost with resource allocation within budgets	£50,000 to £350,000
5: Very Low	Insignificant increase to project time or cost. Barely noticeable impact on project scope or objectives.	Minor errors or disruption.	Trust recoverable with little effort or cost.	Less than £50,000

The combination of impact and likelihood results in a risk exposure rating of:

Risk Score	Risk Severity	Escalation Criteria
C5, D4, D5, E4, E5	**Minor**	Risk easily managed locally – no need to involve management
A5, B4, B5, C3, C4, D3, E2, E3	**Moderate**	Risk containable at service level – senior management and SLT may need to be kept informed
A3, A4, B3, C2, D1, D2, E1	**Major**	Intervention by SLT with Cabinet involvement
A1, A2, B1, B2, C1	**Critical**	Significant SLT and Cabinet intervention

Summary of Denbighshire's Risk appetite statement (as agreed September 2020)

Denbighshire County Council's risk appetite in relation to different aspects of council business is summarised below:

- **Reputation and Credibility** – Open risk appetite, willing to consider all options and choose one that is most likely to result in successful delivery with an acceptable level of reward (and value for money). This means we will tolerate minor, moderate or major risks.

- **Operational and Policy Delivery** – Open risk appetite, willing to consider all options and choose one that is most likely to result in successful delivery with an acceptable level of reward (and value for money). Again, this means we will tolerate minor, moderate or major risks.

- **Financial Projects** - Open risk appetite, willing to consider all options and choose one that is most likely to result in successful delivery with an acceptable level of reward (and value for money). As above, we will tolerate minor, moderate or major risks.

- **Financial Treasury Management** – Cautious risk appetite, preference for safe options that have a medium degree of inherent risk and may have some potential for rewards. Within this risk appetite, we will only tolerate minor or moderate risks.

- **Compliance and Regulation - Safeguarding** – Minimalist risk appetite, preference for ultra-safe options were the well-being of individuals is concerned, with a low degree of inherent risk and have a potential for only limited (safe) reward. This means we will only accept minor risks in this area.

- **Compliance and Regulation - Other** – Cautious risk appetite, preference for safe options that have a medium degree of inherent risk and may have some potential for rewards. Again, we will only tolerate minor or moderate risks in this area.

- **People (Workforce) Learning and Development** – Cautious risk appetite, preference for safe options that have a medium degree of inherent risk and may have some potential for rewards. As above, minor or moderate risks only will be tolerated.

- **People (Workforce) Terms and Conditions** – Minimalist risk appetite, preference for ultra-safe options that have a low degree of inherent risk and have a potential for only limited reward. This means we will only accept minor risks in this area.

Report to	Performance Scrutiny Committee
Date of meeting	18 March 2021
Lead Officer	Rhian Evans, Scrutiny Co-ordinator
Report author	Rhian Evans, Scrutiny Co-ordinator
Title	Scrutiny Work Programme

1. What is the report about?

The report seeks Performance Scrutiny Committee to review its draft forward work programme. In doing so the Committee is asked to reflect on the implications of the focus on business critical operations during the emergency phase of the COVID -19 pandemic and the programmes of work underway or being planned under the recovery phase, whilst also having regard to items of business already on its forward work programme prior to the pandemic.

2. What is the reason for making this report?

To seek the Committee to review and agree on its programme of future work, and to update members on relevant issues.

3. What are the Recommendations?

That the Committee

3.1 considers the information provided and approves, revises or amends its forward work programme as it deems appropriate; and

3.2 identifies key messages and themes from the current meeting which it wishes to publicise via the press and/or social media.

4. Report details

4.1 Section 7 of Denbighshire County Council's Constitution sets out each Scrutiny Committee's terms of reference, functions and membership, as well as the rules of procedure and debate.

4.2 The Constitution stipulates that the Council's scrutiny committees must set, and regularly review, a programme for their future work. By reviewing and prioritising issues, members are able to ensure that the work programme delivers a member-led agenda.

4.3 For a number of years it has been an adopted practice in Denbighshire for scrutiny committees to limit the number of reports considered at any one meeting to a maximum of four plus the Committee's own work programme report. The aim of this approach is to facilitate detailed and effective debate on each topic.

4.4 In recent years the Welsh Government (WG) and Audit Wales (AW) have highlighted the need to strengthen scrutiny's role across local government and public services in Wales, including utilising scrutiny as a means of engaging with residents and service-users. From now on scrutiny will be expected to engage better and more frequently with the public with a view to securing better decisions which ultimately lead to better outcomes for citizens. AW will measure scrutiny's effectiveness in fulfilling these expectations.

4.5 Having regard to the national vision for scrutiny whilst at the same time focussing on local priorities, the Scrutiny Chairs and Vice-Chairs Group (SCVCG) recommended that the Council's scrutiny committees should, when deciding on their work programmes, focus on the following key areas:

➤ budget savings;
➤ achievement of the Corporate Plan objectives (with particular emphasis on their deliverability during a period of financial austerity);
➤ any other items agreed by the Scrutiny Committee (or the SCVCG) as high priority (based on the PAPER test criteria – see reverse side of the 'Member Proposal Form' at Appendix 2);

> Urgent, unforeseen or high priority issues; and

> Supporting the Council's recovery work in relation to the effects of the COVID-19 crisis on Council services, the local economy and the county's communities

4.6 <u>Scrutiny Proposal Forms</u>

As mentioned in paragraph 4.2 above the Council's Constitution requires scrutiny committees to prepare and keep under review a programme for their future work. To assist the process of prioritising reports, if officers are of the view that a subject merits time for discussion on the Committee's business agenda they have to formally request the Committee to consider receiving a report on that topic. This is done via the submission of a 'proposal form' which clarifies the purpose, importance and potential outcomes of suggested subjects. No officer proposal forms have been received for consideration at the current meeting.

4.7 With a view to making better use of scrutiny's time by focussing committees' resources on detailed examination of subjects, adding value through the decision-making process and securing better outcomes for residents, the SCVCG decided that members, as well as officers, should complete 'scrutiny proposal forms' outlining the reasons why they think a particular subject would benefit from scrutiny's input. A copy of the 'member's proposal form' can be seen at Appendix 2. The reverse side of this form contains a flowchart listing questions which members should consider when proposing an item for scrutiny, and which committees should ask when determining a topic's suitability for inclusion on a scrutiny forward work programme. If, having followed this process, a topic is not deemed suitable for formal examination by a scrutiny committee, alternative channels for sharing the information or examining the matter can be considered e.g. the provision of an 'information report', or if the matter is of a very local nature examination by the relevant Member Area Group (MAG). No items should be included on a forward work programme without a 'scrutiny proposal form' being completed and accepted for inclusion by the Committee or the SCVCG. Assistance with their completion is available from the Scrutiny Co-ordinator.

4.8 When determining their programme of future work it is useful for scrutiny committees to have regard to Cabinet's scheduled programme of work. For this purpose, a copy of the Cabinet's forward work programme is attached at Appendix 3.

Progress on Committee Resolutions

4.9 A table summarising recent Committee resolutions and advising members on progress with their implementation is attached at Appendix 4 to this report.

5. Scrutiny Chairs and Vice-Chairs Group

5.1 Under the Council's scrutiny arrangements the Scrutiny Chairs and Vice-Chairs Group (SCVCG) performs the role of a coordinating committee. The Group's next meeting is scheduled to be held on 11 March 2021. Any matters that arise from the Group's meeting that impact on the Committee's forward work programme will be reported verbally at the meeting on 18 March.

5.2 With a view to raising Scrutiny's profile and encouraging public engagement the Group recently decided that all three scrutiny committees should, for a trial period, identify key themes or messages arising from their meetings for publication via the Authority's social media pages and the local press. The Committee is therefore asked to identify which themes or messages it wishes to highlight from the current meeting.

6. How does the decision contribute to the Corporate Priorities?

Effective scrutiny will assist the Council to deliver its corporate priorities in line with community needs and residents' wishes. Continual development and review of a coordinated work programme will assist the Council to deliver its corporate priorities, improve outcomes for residents whilst also managing austere budget and resource pressures.

7. What will it cost and how will it affect other services?

Services may need to allocate officer time to assist the Committee with the activities identified in the forward work programme, and with any actions that may result following consideration of those items.

8. What are the main conclusions of the Well-being Impact Assessment?

A Well-being Impact Assessment has not been undertaken in relation to the purpose or contents of this report. However, Scrutiny's through it work in examining service delivery, policies, procedures and proposals will consider their impact or potential impact on the sustainable development principle and the well-being goals stipulated in the Well-being of Future Generations (Wales) Act 2015.

9. What consultations have been carried out with Scrutiny and others?

None required for this report. However, the report itself and the consideration of the forward work programme represent a consultation process with the Committee with respect to its programme of future work.

10. What risks are there and is there anything we can do to reduce them?

No risks have been identified with respect to the consideration of the Committee's forward work programme. However, by regularly reviewing its forward work programme the Committee can ensure that areas of risk are considered and examined as and when they are identified, and recommendations are made with a view to addressing those risks.

11. Power to make the decision

11.1 Section 21 of the Local Government Act 2000.

11.2 Section 7.11 of the Council's Constitution stipulates that scrutiny committees and/or the Scrutiny Chairs and Vice-Chairs Group will be responsible for setting their own work programmes, taking into account the wishes of Members of the Committee who are not members of the largest political group on the Council.

Contact Officer:

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Note: Any items entered in italics have <u>not</u> been approved for inclusion at the meeting shown by the Committee. Such reports are listed here for information, pending formal approval.

Meeting	Lead Member(s)		Item (description / title)	Purpose of report	Expected Outcomes	Author	Date Entered
29 April 2021	**Cllr. Bobby Feeley**	1.	Draft Director of Social Services Annual Report	To scrutinise the content of the draft annual report to ensure it provides a fair and clear evaluation of performance and clearly articulates future plans	Identification of any specific performance issues which require further scrutiny by the committee in future	Nicola Stubbins	April 2020 (require to submit at the end of 2019/20 was lifted due to COVID-19)
10 June	**Cllr. Huw Hilditch-Roberts**	1.	*Implementation of the Donaldson Report 'Successful Futures' – Independent Review of Curriculum and Assessment Arrangements in Wales* **[Education]** *(tbc)*	*To consider and monitor the plans to implement the agreed measures adopted by WG following the consultation on the review's findings*	*Better outcomes for learners to equip them with jobs market skills*	*Geraint Davies*	*April 2015 (provisionally scheduled for June 2021 in October 2020)*
	Cllr. Julian Thompson-Hill	2.	Corporate Plan (Q4) 2020/21 Annual Performance Review	To monitor the Council's progress in delivering the Corporate Plan 2017-22	Ensuring that the Council meets its targets to deliver its Corporate Plan and the Council's services in line with its aspirations and to the satisfaction of local residents	Alan Smith/Iolo Mc Gregor/Heidi Barton-Price	March 2020 (amended October 2020 due to COVID-19)
	Cllr. Bobby Feeley	3.	Cefndy Healthcare Annual Reports 2019/20 & 2020/21 and Annual Plan 2021/22 & Options Appraisal for future business delivery	To consider: (i) the company's performance during 2019/20 & 2020/21 and its Annual Plan for 2021/22; and (ii) the findings of the Project Board's work in drawing up an options appraisal for future	(i) An assessment of the company's performance in delivering its business within budget and meeting targets will assist with the identification of future trends and requirements;	Phil Gilroy/Ann Lloyd/Simon Rowlands/Nick Bowles	September 2019 (Options Appraisal element originally scheduled for 30 April

Meeting	Lead Member(s)		Item (description / title)	Purpose of report	Expected Outcomes	Author	Date Entered
				delivery of the company's business	(ii) Formulation of recommendations in relation to a future business model that will support the delivery of the Council's priority relating to Resilient Communities		2020 but rescheduled due to COVID-19/rescheduled again due to COVID-19 December 2020)
15 July	**Cllr. Brian Jones**	1.	Draft Sustainable Travel Plan	To consider the draft sustainable travel plan (including the Council's role in facilitating the locating of vehicle charging points across the county, its work with other local authorities and stakeholders with respect of their availability and in relation to other potential alternative travel modes, and in supporting the community to switch to sustainable fuels)	To provide observations and recommendations that will support the delivery of the corporate priorities relating to the environment and connected communities by reducing CO2 emissions and improving travel connectivity	Emlyn Jones/Mike Jones	By SCVCG June 2018 (rescheduled February & November 2019 & October 2020 due to COVID-19)
	Cllr. Bobby Feeley	2.	*Hafan Deg, Rhyl (tbc)* **Representatives from KL Care to be invited to attend**	*To monitor the effectiveness of the transfer of the facility and services to an external provider and the provider's progress in growing and expanding the services available at the centre (the report to include an updated Well-being Impact Assessment)*	*To evaluate the impact of the transfer of the facility and services on all stakeholders and to assess whether the services provided at Hafan Deg are in line with the contract specification, support the Council's vision for adult social care and the five ways to well-being and the requirements of the Social Services and Well-being (Wales) Act 2014*	*Phil Gilroy/Ann Lloyd/Katie Newe/Ben Chandler*	*September 2019 (Rescheduled October 2020 & January 2021 due to COVID-19)*

Meeting	Lead Member(s)		Item (description / title)	Purpose of report	Expected Outcomes	Author	Date Entered
30 September	*Cllr. Huw Hilditch-Roberts*	1.	*Provisional External Examinations and Teacher Assessments [Education]* *Education Update???* *(tbc)*	*To review the performance of schools and that of looked after children*	*Scrutiny of performance leading to recommendations for improvement*	*Geraint Davies/GwE*	*October 2020*
25 November	**Cllr. Julian Thompson-Hill**	1.	Corporate Risk Register	To consider the latest version of the Council's Corporate Risk Register and risk appetite statement	Effective monitoring and management of identified risk to reduce risks to residents and the Authority	Alan Smith/Iolo McGregor/Emma Horan	November 2020
	Cllr. Huw Hilditch-Roberts	2.	*Customer Relationship Manager (CRM) System* *(tbc)*	*To review* *(i) the implementation of the new CRM/360 system and its performance in delivering efficient and effective customer focussed services in line with the product specification and the Council's expectations; and* *(ii) service demand in terms of supporting recovery from COVID-19 by moving requests on to C360*	*An efficient and effective customer enquiries system that deals with enquiries quickly, to a high level of customer satisfaction, whilst realising value for money for the Authority*	*Liz Grieve/Ffion Angharad*	*September 2018 (rescheduled November 2019/rescheduled again March/Oct 2020 & January 2021 due to COVID-19)*
January 2022 *(date tbc)*	*Cllr. Huw Hilditch-Roberts*	1.	*Verified External Examinations [Education]*	*To review the performance of schools and that of looked after children; and GwE's impact on the educational attainment of the County's pupils.* *The report to include actual figures in addition to percentages along with school absenteeism and exclusion data.* *The report to incorporate GwE's Annual report and information on*	*Scrutiny of performance leading to recommendations for improvement*	*Geraint Davies/GwE*	*October 2020*

Meeting	Lead Member(s)		Item (description / title)	Purpose of report	Expected Outcomes	Author	Date Entered
				the 5 year trend in relation to educational attainment in Denbighshire			
	Cllrs. Tony Thomas/ Bobby Feeley	2.	*Denbighshire's Housing and Homelessness Strategy Action Plan*	*To examine the progress made to date in delivering the revised Strategy and Action Plan approved by County Council in December 2020*	*The identification of actions that will support and ensure the delivery of the Council's Corporate Priorities relating to Housing, Environment, Young People and Resilient Communities and ultimately the Corporate Plan*	*Emlyn Jones/ Angela Loftus*	*By SCVCG January 2021*

Future Issues

Item (description / title)	Purpose of report	Expected Outcomes	Author	Date Entered
School Categorisation according to Welsh—medium Provision *tbc (late 2021/early 2022) dependent upon WG* **Education**	*To outline the conclusions of the recent Welsh Government consultation and its implications for Denbighshire schools and pupils*	*Identification of potential changes to the Council's education policies and any associated costs and budget implications*	*Geraint Davies/James Curran*	*January 2021*
Learner Travel Measure (Wales) 2008 *tbc (late 2021/early 2022) dependent upon WG* **Education**	*To outline the conclusions of the recent Welsh Government consultation on the Measure and its implications for Denbighshire schools and pupils*	*Identification of potential changes to the Council's learner travel policy and any associated costs and budget implications*	*Geraint Davies/Ian Land*	*January 2021*
Dolwen Residential Care Home	*To consider the Task and Finish Group's recommendations relating to the future provision of services at Dolwen Residential Care Home, Denbigh*	*Pre-decision scrutiny of the task and finish group's findings and the formulation of recommendations for presentation to Cabinet with respect of the future provision of services at Dolwen with a view to ensuring that everyone is supported to live in homes that meet their needs and are able to live independent and resilient lives*	*Task and Finish Group/Phil Gilroy/Abbe Harvey*	*July 2018 (currently on-hold due to COVID-19)*
Post 16 provision at Rhyl College (suggested for scrutiny during service challenge) Date tbc following the easing of COVID-19 restrictions	*To examine the post 16 provision at Rhyl College*	*The development of an effective working relationship between the College and the Council to secure the delivery of courses required to support the delivery of the North Wales Growth Deal and improve the future prospects of the area's students*	Rhyl College (and invite Geraint Davies & John Evans – post 16 officer from DCC)	*By SCVCG July 2020*

Information/Consultation Reports

Date	Item (description / title)	Purpose of report	Author	Date Entered
September 2021 & March 2022 [Information]	Corporate Plan 2017/22 Q1 2021/22 & Corporate Plan 2017/22 (Q3) 2021/20 To monitor the Council's progress in delivering the Corporate Plan	Ensuring that the Council meets its targets and delivers its Corporate Plan and the Council's services in line with its aspirations and to the satisfaction of local residents	Alan Smith/Iolo McGregor/Heidi Barton-Price	September 2018
Feb/May/Sept/November each year [Information]	Quarterly 'Your Voice' complaints performance to include social services complaints	To scrutinise Services' performance in complying with the Council's complaints and identify areas of poor performance with a view to the development of recommendations to address weaknesses. The report to include: (i) a comprehensive explanation on why targets have not been met when dealing with specific complaints, reasons for non-compliance, and measures taken to rectify the failures and to ensure that future complaints will be dealt with within the specified timeframe; (ii) how services encourage feedback and use it to redesign or change the way they deliver services; and (iii)details of complaints which have been upheld or partially upheld and the lessons learnt from them. ***Consideration of the information provided will assist the Committee to determine whether any issues merit detailed scrutiny***	Kevin Roberts/Ann Lloyd/Phil Gilroy	November 2018
Information Report **(June 2020 rescheduled to December 2021)**	Housing Services – Review of the effectiveness of the new working model for Housing Officers and the development of new ways of working with residents from the lessons learnt through COVID-19	To review the effectiveness and impact of the new Housing Officer model in delivering personal advice and support to tenants, particularly those who reside in older people's schemes	Geoff Davies	March 2019 (rescheduled May 2019 & then Jan 2021 at officers request due to COVID-19 pressures)

Note for officers – Committee Report Deadlines

Meeting	**Deadline**	Meeting	**Deadline**	Meeting	**Deadline**
29 April	**15 April**	10 June	**27 May**	15 July	**1 July**

Performance Scrutiny Work Programme.doc
<u>Updated 05/03/2021 RhE</u>

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Member Proposal Form for Scrutiny Forward Work Programme	
NAME OF SCRUTINY COMMITTEE	
TIMESCALE FOR CONSIDERATION	
TOPIC	
What needs to be scrutinised (and why)?	
Is the matter one of concern to residents/local businesses?	YES/NO
Can Scrutiny influence and change things? (if 'yes' please state how you think scrutiny can influence or change things)	YES/NO
Does the matter relate to an underperforming service or area?	YES/NO
Does the matter affect a large number of residents or a large geographical area of the County (if 'yes' please give an indication of the size of the affected group or area)	YES/NO
Is the matter linked to the Council's Corporate priorities (if 'yes' please state which priority/priorities)	YES/NO
To your knowledge is anyone else looking at this matter? (If 'yes', please say who is looking at it)	YES/NO
If the topic is accepted for scrutiny who would you want to invite to attend e.g. Lead Member, officers, external experts, service-users?	
Name of Councillor/Co-opted Member	
Date	

Consideration of a topic's suitability for scrutiny

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┌─────────────────────────────────────────────────────────────┐
│                                                             │
│              Proposal Form/Request received                 │
│                                                             │
│     (careful consideration given to reasons for request)    │
│                                                             │
└─────────────────────────────────────────────────────────────┘
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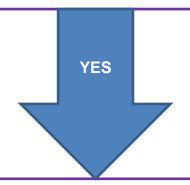
Does it stand up to the PAPER test?

- **P**ublic interest – is the matter of concern to residents?
- **A**bility to have an impact – can Scrutiny influence and change things?
- **P**erformance – is it an underperforming area or service?
- **E**xtent – does it affect a large number of residents or a large geographic area?
- **R**eplication – is anyone else looking at it?

YES

NO

No further action required by scrutiny committee. Refer elsewhere or request information report?

- Determine the desired outcome(s)
- Decide on the scope and extent of the scrutiny work required and the most appropriate method to undertake it (i.e. committee report, task and finish group inquiry, or link member etc.)
- If task and finish route chosen, determine the timescale for any inquiry, who will be involved, research requirements, expert advice and witnesses required, reporting arrangements etc.

Cabinet Forward Work Plan

Meeting		Item (description / title)	Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
23 March	1	Awel Y Dyffryn Extra Care Housing – Appointment of Care Providers	To seek approval to appoint 2 care providers for ECH older persons and Learning Disability	Yes	Councillor Bobby Feeley / Phil Gilroy / Emily Jones-Davies
	2	Volunteering Policy	To discuss the new Volunteering Policy and supporting process of recruiting and managing volunteers within the Council to ensure meaningful volunteering experiences for all.	Yes	Councillor Richard Mainon / Felicity Chandler / Nicola Kneale
	3	Corporate Plan (Oct to Dec)	To consider a performance update on the Corporate Plan	Tbc	Councillor Julian Thompson-Hill / Iolo McGregor
	4	Graphic Design and Print Framework	To approve the tender refresh of the design and print framework and to move it to a dynamic purchasing system	Yes	Councillor Huw Hilditch-Roberts / Liz Grieve / Sian Owen
	5	Sub Regional Children's Residential Assessment Centre Project Update	To update Cabinet on the progress of the Sub Regional Children's Residential Assessment Unit (CRAU)	Yes	Councillor Huw Hilditch-Roberts Rhiain Morrlle / Joe Griffiths

Cabinet Forward Work Plan

Meeting		Item (description / title)	Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
			and to seek approval to sign the Partnership Financial Deed to allow the contract to be awarded for the construction of the development		
	6	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Councillor Julian Thompson-Hill / Steve Gadd
	7	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator
27 April	1	Contract Procedure Rules	To consider the reviewed contract procedures rules which will require adoption and form part of the council constitution	Tbc	Councillor Julian Thompson-Hill / Lisa Jones
	2	Replacement LDP revised Delivery Agreement and Covid Impact Assessment	To seek Cabinet approval for revisions to the Replacement LDP Delivery Agreement and accompanying Covid19 impact assessment for submission to Welsh Government	Yes	Councillor Mark Young / Angela Loftus

Cabinet Forward Work Plan

Meeting		Item (description / title)	Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
	3	Contract Award – Phase 1 Colomendy Industrial Estate including DCC Waste Transfer Station	To award the contract for delivery of Phase 1 of the proposed extension of the Colomendy Industrial Estate	Yes	Councillor Brian Jones / Tony Ward / Peter Clayton
	4	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Councillor Julian Thompson-Hill / Steve Gadd
	5	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator
25 May	1	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Councillor Julian Thompson-Hill / Steve Gadd
	2	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator
29 June	1	Annual Performance Review	To consider the Annual Performance Review	Tbc	Councillor Julian Thompson-Hill / Iolo McGregor
	2	Replacement LDP - Report back on Preferred Strategy consultation	To report back on the responses to the Replacement LDP Preferred Strategy consultation and seek approval for	Yes	Councillor Mark Young / Angela Loftus

Cabinet Forward Work Plan

Meeting		Item (description / title)	Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
			subsequent proposed amendments to the Preferred Strategy		
	3	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Councillor Julian Thompson-Hill / Steve Gadd
	4	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator
27 July	1	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Councillor Julian Thompson-Hill / Steve Gadd
	2	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator

Note for officers – Cabinet Report Deadlines

Meeting	*Deadline*	Meeting	*Deadline*	Meeting	*Deadline*
April	*13 April*	*May*	*11 May*	*June*	*15 June*

Updated 24/02/2021 - KEJ
Cabinet Forward Work Programme.doc

Progress with Committee Resolutions

Date of Meeting	Item number and title	Resolution	Progress
28 January 2021	**5. WORK PROGRAMME AND SUPPORT TO SCHOOLS DURING THE COVID PANDEMIC**	*Resolved*: - *subject to the above observations –* (i) *to accept the comprehensive information received on how the regional consortium, in partnership with the local authority, had evolved and adapted their support to schools during the COVID-19 pandemic and how schools had adapted to the new ways of working in response to the restrictions in force, along with the lessons learnt and the impact on future education delivery practices;* (ii) *to commend all GwE, Local Authority Education and Children's Services staff and all school based staff on their achievements in adapting and delivering high quality education to the county's pupils both remotely and in safe school environments whilst also providing well-being support; and* (iii) *that a message be sent to all local authority Education and Children's Services staff along with all staff involved with delivering services to schools to thank them for their diligent work in securing the safe delivery of education and well-being services to pupils during the course of the pandemic*	Lead Member, GwE and Council Officers advised of the Committee's observations and recommendations. The Chair sent an e-mail on behalf of the Committee to all Education and Children Services staff, and all the County's Head teachers to thank them for all their efforts in delivering education and support to the County's pupils throughout the pandemic period. Senior officers and head teachers were asked to share the e-mail with all staff in any way associated with the opening and safe operation of schools and the delivery of learning opportunities during this period.

| | | **6. LEARNER TRANSPORT: PROVISION FOR WELSH MEDIUM EDUCATION AND THE DEFINITION OF CATEGORY 1 SCHOOLS IN THE COUNTY** | **_Resolved_**: - subject to the above observations to confirm that no change was currently required to the Authority's Policy due to:

i). the Learner Transport Policy 2018 fully meeting the current statutory requirements under Learner Travel (Wales) Measure 2008; which had been tested legally prior to being adopted in 2018;

ii). currently changing how Category 1 & 2 Welsh Language Secondary Schools were dealt with in terms of transport would undermine the provision of Education in Denbighshire's Category 2 Welsh Schools.

iii). the risk of making the Authority open to be challenged in regard to decisions previously made, or future decisions made if they contradicted Legislation, Policy and Guidance.

iv). the fact that the Welsh Government had recently consulted on potential future changes to The Learner Travel (Wales) Measure 2008 in January 2021, and the outcome of that process could again change future requirements across a number of areas, including Welsh medium schools.

v). the fact that Welsh Government was currently undertaking a consultation on 'School categories according to Welsh-medium provision' and the outcome of that process may also change the | Lead Member and officers advised of the Committee's observations and recommendations |

			current categorisation for all Welsh medium schools and any linked Legislation; and vi). *that a letter be sent to Welsh Government emphasising the need for them to ensure that all legislation relating to education provision and Learner Transport provision dovetail to support the delivery of the widest possible choice of educational opportunities for pupils in Wales;* vii). *that further reports are provided to the Committee upon the publication of the Welsh Government's revised Learner Transport Measure and the conclusions of the Review of School Categorisation According to Welsh-medium Policy outlining the respective reviews' implications for Denbighshire schools and pupils; and* viii). *that the Lead Member for Education, Children and Young People discuss with parents of pupils attending Ysgol Bro Cinmeirch how best to meet their needs for access to secondary education provision of their choice.*	vi) a letter was sent to Welsh Government Ministers and the Deputy Minister responsible for recent consultations highlighting the Committee's concerns and its observations (copy circulated to members as part of the Information Brief for this meeting) vii) the requested reports are listed under the 'Future Items' area on the Committee's forward work programme (see Appendix 1)

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