

Appendix 1

Veolia Performance Report

1. Contract overview

- 1.1 Camden's Environment Services contract with Veolia Environment Services commences on 1 April 2017, for an initial period of 8 years with the option to for the Council to extend for up to a further 8 years. The annual value of the contract delivered a £5m savings target, in line with and set out in Camden's Financial Strategy (2015-18).
- 1.2 The contract is based around 4 outcomes, each focusing on Camden's needs, which inform Veolia of the service standards that must be met but does not prescribe the methods of delivery needed to achieve these outcomes. The 4 outcomes are:
- Increased local employment opportunities and local economic development
 - Managing Camden's local environmental quality to an agreed standard
 - Maximum recycling - minimising waste and driving up reuse and recycling
 - Driving extra surplus from business recycling and waste services
- 1.3 Service performance is measured through 24 key outcome targets, each of which have performance deduction costs for any target failures. These are reviewed and agreed with Camden on a monthly basis.

2. Environment Services Contract Performance (Years 1-6)

- 2.1 The Contract overall has performed well with total deductions falling from £421k in 2017/18 to £104k in 2022/23, despite several challenges, as illustrated in Table 1.

Table 1: Contract performance deductions

Contract Year	Monthly Deductions	Annual Deductions	Total Deductions	Key Challenges
1: 2017/18	£236,033	£185,000	£421,033	
2: 2018/19	£103,275	£107,500	£210,775	
3: 2019/20	£44,911	£45,000	£89,911	
4: 2020/21	£19,268	£37,500	£56,768	Covid/ Brexit
5: 2021/22	£20,351	£57,500	£77,851	HGV driver/ cleansing crew shortage
6: 2022/23	£20,860	£83,350	£104,210	HGV driver/ cleansing crew shortage

- 2.2 Following a drop in 2019/20, which was due to changes in transfer station operations, data management and procedure, Camden's recycling rate has steadily increased and maintained similar levels since 2020/21.

Table 2: Camden Recycling Rates 2016-2023

2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
26.6%	30.3%	31.1%	25.9%	28.6%	28.2%	27.5%

- 2.3 Keep Britain Tidy (KBT), as an independent body, undertake Local Environmental Quality 'Ni195' surveys 3 times per year to assess and score Camden's street scene standards. The scores measure the percentage of street sections surveyed that are below a 'grade B', in line with the [Code of Practice on Litter and Refuse](#). The survey results, summarised in Table 3, are used to measure Veolia performance, and annual financial deductions are made for any scores that are below the contract targets.

Table 3: Camden Ni195 scores 2017-2023

	Litter	Detritus	Flyposting	Graffiti	Fly Tipping	Leaf/ blossom fall
2017/18 (1)	5.7%	5.0%	4.8%	7.2%	5%	6%
2018/19 (2)	3.8%	6.3%	2.1%	6.2%	1%	8%
2019/20 (3)	5.3%	5.3%	3.4%	7.9%	3%	5%
2020/21 (4)	4.0%	4.3%	4.2%	14.1%	4%	4%
2021/22 (5)	4.5%	5.5%	3.5%	11.7%	3%	8%
2022/23 (6)	7.3%	5.0%	5.6%	11.8%	2%	9%
Contract target	6%	5%	1%	3%	n/a	n/a
Deduction per %	£20k	£10k	£2.5k	£5k	n/a	n/a

3. Key contract performance successes

- 3.1 The outcomes-based approach has enabled the contract to flex and change to enable continued delivery through challenging circumstances. Services were maintained through the pandemic and continuing Heavy Goods Vehicle (HGV) driver shortages and responded well to extreme weather events such as flooding, heatwaves and high winds.
- 3.2 The contract responds well to service requests, meeting Service Level Agreements (SLAs) for most requests and is responsive to urgent and high-level incidents such as the flooding in Belsize 2022 and offensive graffiti reports.
- 3.3 The Love Clean Streets App and its integration into systems and continued development has worked well in providing a quality, fast way for residents to report issues and for the contract to respond, report data and action service requests.
- 3.4 Although fly-tipping reports for Camden are one of the highest in the country, this is due to the ease and methods for reporting than the state of the street scene. There is no national standard way to measure and report fly-tipping, therefore all boroughs report differently which is reflected when comparing data borough to borough. Veolia have however recorded crew, Camden officer and resident reports of fly-tipping since Year 2 of the contract and consistently remove over 99% of fly tipped waste within SLA. The KBT Ni195 survey scores Camden well for incidents of fly tipping, highlighted in Table 2.
- 3.5 The contract has delivered social benefits to Camden including offering employment to Camden residents, HGV training programme, apprenticeships and student placement, supporting charities, Veolia sustainable schools programme and community sustainability fund, wellbeing events, providing Christmas meals, and using local suppliers where possible.

- 3.6 Veolia's call centre is the primary channel through which residents can contact Veolia, via phone or email. An independent customer satisfaction survey found that 89% of callers were satisfied with the quality of service provided by the call centre operatives.
- 3.7 Veolia's Education, Communications and Outreach (ECO) team leads on face-to-face customer interaction and developing and leading on effective projects and communications to increase resident engagement and contract performance. Various projects have been completed, such as the Peabody estate recycling project which tested interventions that might influence behaviours to increase recycling such as testing alternative containers, signage and communications. The contract also assisted with projects to remove chewing gum in Camden Town, fly tip reduction plans, clear panel bins to reduce contamination, coffee cup recycling, targeted food waste campaigns to increase food recycling and reduce food waste, and testing alternative collections for flats above shops and sturdy bags to prevent spillages.
- 3.8 Winter maintenance has performed well during the contract period, with no deductions for under performance.

4. Key areas for improvement

- 4.1 Whilst the contract has performed well there are areas of improvement and opportunities that can be explored.
- 4.2 Table 2 highlights graffiti and flyposting scores have increased since 2018/19. The closure of shops during the pandemic resulted in graffiti on shutters being on display all day, at survey times, when usually they would be open and hidden, leading to a large jump in failing areas across the borough. This issue was reflected in other boroughs also. In response, Veolia are developing a graffiti/ flyposting action plan for year 7 to bring scores back down, with tools such as annual waivers, maps of hotspot areas, a shift from re-active to pro-active cleansing and anti-graffiti paint.
- 4.3 Whilst missed collections have stayed below the service level target of 60 per 100,000 households, as set out in the contract, there are some ongoing issues at complex collection points which could be improved through better collaboration to determine long term solutions.
- 4.4 Cleansing schedules could be more flexible to meet the changing needs of the borough with a greater focus on retail, commercial and areas of high footfall.
- 4.5 Some features were offered by Veolia on commencement with the contract however were not implemented and introducing them could aid improving performance:
- Underbody vehicle weighing to enable street-by-street weighing
 - Estates bin weighing and tagging

5. Performance comparison with other London boroughs

- 5.1 In 2023, ReLondon were commissioned to undertake benchmarking of services and their findings showed that Camden was inline or exceeding comparable contracts across London. The key findings were:

- Levels of litter and detritus were better when compared with the London benchmark, but worse for flyposting and graffiti.
- Daily sweeps of all main roads/high footfall areas are the minimum standard across benchmarked boroughs.
- Camden provides a good recycling and waste service, but this could be improved on estates.
- Camden has low waste and recycling levels which reflect local trends.
- Camden faces challenges in increasing recycling due to high number of flats, low home ownership and low garden waste levels (few gardens).

5.2 The full report is provided in Appendix 3.