

Appendix 2

Nottinghamshire PFI Waste Contract - Value for Money Mechanisms

Contract Key Performance Indicators (KPI's)

The following KPI's are reported monthly or annually by Veolia;

Monthly performance:

- WCA vehicle turnaround time at Delivery Points;
- Facility capacity for Contract Waste delivery vehicles;
- Accuracy, completeness and timeliness of reporting;
- Contract Interface Obligations.

Annual performance:

- HWRC Service User satisfaction;
- Performance Standards for Recycling and Composting;
- Performance Standards for Contract Waste Landfill Diversion;
- Greenhouse Gas emissions;
- Operational and environmental performance;
- Sustainability performance;

2015-16 KPI information is shown in the Veolia Annual Report at Appendix 3.

Appendix 2

Nottinghamshire PFI Waste Contract - Value for Money Mechanisms

Benchmarking and Market Testing

The following services are subject to Benchmarking and/or Market Testing by Veolia throughout the Service Period;

- The HWRC Services (last completed April 2016, every 5 years);
- Residual Waste Treatment and/or Landfill Services of Market Tested Residual Waste (subject to certain exclusions – last completed April 2017, every 5 years);
- Management of Ad Hoc Waste (as required);
- Plasterboard, Chipboard and Asbestos (annually).

2015-16 Performance data (2016-17 not available until November) against Departmental and Corporate Targets is available as a background paper through the Environment and Sustainability Committee Report dated 3 November 2016 - Performance Report – Waste Management – 2015/16 outturn. The performance tables from that report are reproduced below;

It should be noted that a number of service changes have recently been implemented which will have an impact on both performance and costs in 2016-17 and 2017-18 including the free green waste collection service introduced in Ashfield, chargeable green waste services introduced in Bassetlaw and expanded in Newark and Sherwood, the commencement of operations at the Welshcroft Close Transfer Station in Kirkby in Ashfield (and associated new treatment subcontracts), the recently completed market testing of other residual waste disposal, and service changes at the Recycling Centre network.

Appendix 2
Nottinghamshire PFI Waste Contract - Value for Money Mechanisms

Waste Management Performance Information 2015-16




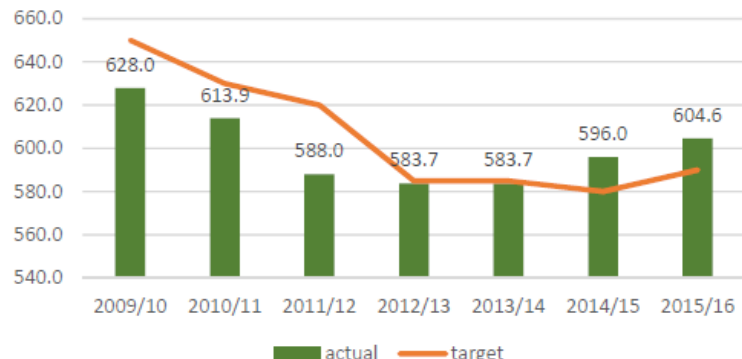
FINANCIAL


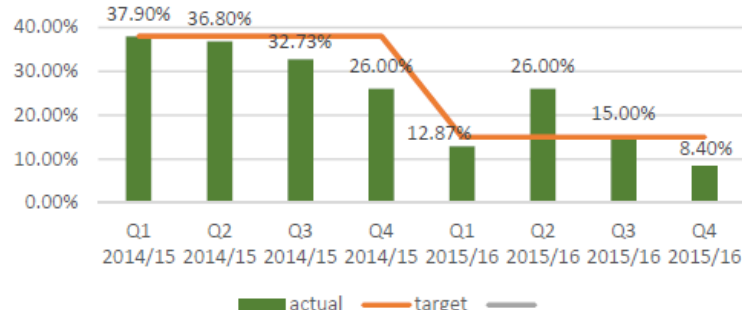
Indicator	Maximise or Minimise	Actual Versus Target	Trend Chart	Improvements																
Municipal waste disposal costs	Aim to Minimise	<p>Actual £74.21</p> <p>Target None</p>	<p>Municipal waste disposal costs</p> <table border="1"> <caption>Municipal waste disposal costs</caption> <thead> <tr> <th>Year</th> <th>Cost (£)</th> </tr> </thead> <tbody> <tr><td>2009/10</td><td>£71.00</td></tr> <tr><td>2010/11</td><td>£62.00</td></tr> <tr><td>2011/12</td><td>£65.80</td></tr> <tr><td>2012/13</td><td>£68.66</td></tr> <tr><td>2013/14</td><td>£72.78</td></tr> <tr><td>2014/15</td><td>£76.84</td></tr> <tr><td>2015/16</td><td>£74.21</td></tr> </tbody> </table>	Year	Cost (£)	2009/10	£71.00	2010/11	£62.00	2011/12	£65.80	2012/13	£68.66	2013/14	£72.78	2014/15	£76.84	2015/16	£74.21	Overall costs fell due to budget savings
Year	Cost (£)																			
2009/10	£71.00																			
2010/11	£62.00																			
2011/12	£65.80																			
2012/13	£68.66																			
2013/14	£72.78																			
2014/15	£76.84																			
2015/16	£74.21																			

PERFORMANCE


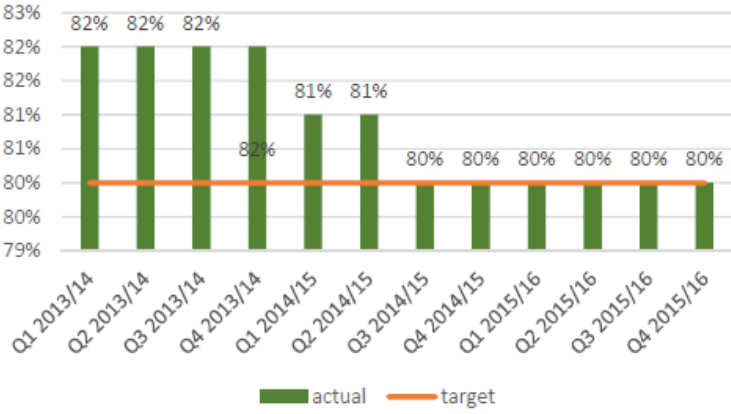
Indicator	Maximise or Minimise	Actual Versus Target	Trend Chart	Improvements																																				
Percentage of household waste sent for reuse, recycling and composting	Aim to Maximise	<p>Actual 42.50%</p> <p>Target 44.00%</p>	<p>Percentage of household waste sent for reuse, recycling and composting</p> <table border="1"> <caption>Percentage of household waste sent for reuse, recycling and composting</caption> <thead> <tr> <th>Quarter</th> <th>Year</th> <th>Actual (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr><td>Q1</td><td>2014/15</td><td>43.29%</td><td>44.00%</td></tr> <tr><td>Q2</td><td>2014/15</td><td>42.94%</td><td>44.00%</td></tr> <tr><td>Q3</td><td>2014/15</td><td>42.78%</td><td>44.00%</td></tr> <tr><td>Q4</td><td>2014/15</td><td>42.78%</td><td>44.00%</td></tr> <tr><td>Q1</td><td>2015/16</td><td>42.78%</td><td>44.00%</td></tr> <tr><td>Q2</td><td>2015/16</td><td>42.78%</td><td>44.00%</td></tr> <tr><td>Q3</td><td>2015/16</td><td>43.00%</td><td>44.00%</td></tr> <tr><td>Q4</td><td>2015/16</td><td>42.50%</td><td>44.00%</td></tr> </tbody> </table>	Quarter	Year	Actual (%)	Target (%)	Q1	2014/15	43.29%	44.00%	Q2	2014/15	42.94%	44.00%	Q3	2014/15	42.78%	44.00%	Q4	2014/15	42.78%	44.00%	Q1	2015/16	42.78%	44.00%	Q2	2015/16	42.78%	44.00%	Q3	2015/16	43.00%	44.00%	Q4	2015/16	42.50%	44.00%	<p>Performance is below the target due to the removal of statutory targets for district councils, the economic situation and light-weighting of recyclable materials and the transition from printed media to digital media. Measures have been taken to incentivise Newark & Sherwood District Council to collect kerbside green waste collections and that Bassetlaw will start their new scheme in April 2017.</p>
Quarter	Year	Actual (%)	Target (%)																																					
Q1	2014/15	43.29%	44.00%																																					
Q2	2014/15	42.94%	44.00%																																					
Q3	2014/15	42.78%	44.00%																																					
Q4	2014/15	42.78%	44.00%																																					
Q1	2015/16	42.78%	44.00%																																					
Q2	2015/16	42.78%	44.00%																																					
Q3	2015/16	43.00%	44.00%																																					
Q4	2015/16	42.50%	44.00%																																					

Appendix 2
Nottinghamshire PFI Waste Contract - Value for Money Mechanisms

Indicator	Maximise or Minimise	Actual Versus Target	Trend Chart	Improvements
Residual household waste (per household)	Aim to Minimise	<p>Actual 604.6kg</p> <p>Target 590.0kg</p> 	<p>Residual Household Waste (per household)</p> 	Figure was higher than target due to the economic recovery and the lack of statutory recycling targets on district councils

Indicator	Maximise or Minimise	Actual Versus Target	Trend Chart	Improvements
Municipal waste land filled	Aim to Minimise	<p>Actual 8.4%</p> <p>Target 15.0%</p> 	<p>Municipal waste land filled</p> 	Performance is good due to the increased use of Eastcroft ERF the use of Sheffield ERF as a result of the Newark and Worksop Transfer Stations coming on line and waste from Ashfield and Mansfield being sent for RDF production.

Appendix 2
Nottinghamshire PFI Waste Contract - Value for Money Mechanisms

Indicator	Maximise or Minimise	Actual Versus Target	Trend Chart	Improvements																																							
<p>% composted and recycled at HWRC</p>	<p>Aim to Maximise</p>	<p>Actual 80%</p> <p>Target 80%</p> 	<p style="text-align: center;">% composted and recycled at HWRC</p>  <table border="1"> <caption>% composted and recycled at HWRC</caption> <thead> <tr> <th>Quarter</th> <th>Actual (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr><td>Q1 2013/14</td><td>82%</td><td>80%</td></tr> <tr><td>Q2 2013/14</td><td>82%</td><td>80%</td></tr> <tr><td>Q3 2013/14</td><td>82%</td><td>80%</td></tr> <tr><td>Q4 2013/14</td><td>80%</td><td>80%</td></tr> <tr><td>Q1 2014/15</td><td>81%</td><td>80%</td></tr> <tr><td>Q2 2014/15</td><td>81%</td><td>80%</td></tr> <tr><td>Q3 2014/15</td><td>80%</td><td>80%</td></tr> <tr><td>Q4 2014/15</td><td>80%</td><td>80%</td></tr> <tr><td>Q1 2015/16</td><td>80%</td><td>80%</td></tr> <tr><td>Q2 2015/16</td><td>80%</td><td>80%</td></tr> <tr><td>Q3 2015/16</td><td>80%</td><td>80%</td></tr> <tr><td>Q4 2015/16</td><td>80%</td><td>80%</td></tr> </tbody> </table>	Quarter	Actual (%)	Target (%)	Q1 2013/14	82%	80%	Q2 2013/14	82%	80%	Q3 2013/14	82%	80%	Q4 2013/14	80%	80%	Q1 2014/15	81%	80%	Q2 2014/15	81%	80%	Q3 2014/15	80%	80%	Q4 2014/15	80%	80%	Q1 2015/16	80%	80%	Q2 2015/16	80%	80%	Q3 2015/16	80%	80%	Q4 2015/16	80%	80%	<p>Performance remains constant however recycling market instability and high costs of processing mean that at present opportunities for increasing performance remain limited.</p>
Quarter	Actual (%)	Target (%)																																									
Q1 2013/14	82%	80%																																									
Q2 2013/14	82%	80%																																									
Q3 2013/14	82%	80%																																									
Q4 2013/14	80%	80%																																									
Q1 2014/15	81%	80%																																									
Q2 2014/15	81%	80%																																									
Q3 2014/15	80%	80%																																									
Q4 2014/15	80%	80%																																									
Q1 2015/16	80%	80%																																									
Q2 2015/16	80%	80%																																									
Q3 2015/16	80%	80%																																									
Q4 2015/16	80%	80%																																									

Appendix 2 Nottinghamshire PFI Waste Contract - Value for Money Mechanisms

CUSTOMER SATISFACTION





Indicator	Maximise or Minimise	Actual Versus Target	Trend Chart	Improvements																								
% satisfied with local tips/Household Waste Recycling Centres (HWRCs)	Aim to Maximise	<p>Actual 98%</p> <p>Target 95%</p> <p>✓</p>	<p>Residual Household Waste (per household)</p> <table border="1"> <caption>Residual Household Waste (per household)</caption> <thead> <tr> <th>Year</th> <th>Actual (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr><td>2009/10</td><td>98%</td><td>95%</td></tr> <tr><td>2010/11</td><td>98%</td><td>95%</td></tr> <tr><td>2011/12</td><td>98%</td><td>95%</td></tr> <tr><td>2012/13</td><td>98%</td><td>95%</td></tr> <tr><td>2013/14</td><td>98%</td><td>95%</td></tr> <tr><td>2014/15</td><td>98%</td><td>95%</td></tr> <tr><td>2015/16</td><td>98%</td><td>95%</td></tr> </tbody> </table>	Year	Actual (%)	Target (%)	2009/10	98%	95%	2010/11	98%	95%	2011/12	98%	95%	2012/13	98%	95%	2013/14	98%	95%	2014/15	98%	95%	2015/16	98%	95%	<p>This measure has been deferred during the introduction of the Recycling Centre Registration Scheme and will be carried out early next year.</p>
Year	Actual (%)	Target (%)																										
2009/10	98%	95%																										
2010/11	98%	95%																										
2011/12	98%	95%																										
2012/13	98%	95%																										
2013/14	98%	95%																										
2014/15	98%	95%																										
2015/16	98%	95%																										

MEDIA COVERAGE

Indicator	Maximise or Minimise	Actual Versus Target	Trend Chart	Improvements																																																			
Number of composters sold - cumulative	Aim to Maximise	<p>Actual 461</p> <p>Target 1000</p> <p>●</p>	<p>Number of units sold</p> <table border="1"> <caption>Number of units sold</caption> <thead> <tr> <th>Quarter</th> <th>Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr><td>Q1 2012/13</td><td>260</td><td>260</td></tr> <tr><td>Q2 2012/13</td><td>457</td><td>457</td></tr> <tr><td>Q3 2012/13</td><td>668</td><td>668</td></tr> <tr><td>Q4 2012/13</td><td>960</td><td>960</td></tr> <tr><td>Q1 2013/14</td><td>145</td><td>145</td></tr> <tr><td>Q2 2013/14</td><td>443</td><td>443</td></tr> <tr><td>Q3 2013/14</td><td>574</td><td>574</td></tr> <tr><td>Q4 2013/14</td><td>736</td><td>736</td></tr> <tr><td>Q1 2014/15</td><td>200</td><td>200</td></tr> <tr><td>Q2 2014/15</td><td>350</td><td>350</td></tr> <tr><td>Q3 2014/15</td><td>471</td><td>471</td></tr> <tr><td>Q4 2014/15</td><td>662</td><td>662</td></tr> <tr><td>Q1 2015/16</td><td>141</td><td>141</td></tr> <tr><td>Q2 2015/16</td><td>257</td><td>257</td></tr> <tr><td>Q3 2015/16</td><td>347</td><td>347</td></tr> <tr><td>Q4 2015/16</td><td>461</td><td>461</td></tr> </tbody> </table>	Quarter	Actual	Target	Q1 2012/13	260	260	Q2 2012/13	457	457	Q3 2012/13	668	668	Q4 2012/13	960	960	Q1 2013/14	145	145	Q2 2013/14	443	443	Q3 2013/14	574	574	Q4 2013/14	736	736	Q1 2014/15	200	200	Q2 2014/15	350	350	Q3 2014/15	471	471	Q4 2014/15	662	662	Q1 2015/16	141	141	Q2 2015/16	257	257	Q3 2015/16	347	347	Q4 2015/16	461	461	
Quarter	Actual	Target																																																					
Q1 2012/13	260	260																																																					
Q2 2012/13	457	457																																																					
Q3 2012/13	668	668																																																					
Q4 2012/13	960	960																																																					
Q1 2013/14	145	145																																																					
Q2 2013/14	443	443																																																					
Q3 2013/14	574	574																																																					
Q4 2013/14	736	736																																																					
Q1 2014/15	200	200																																																					
Q2 2014/15	350	350																																																					
Q3 2014/15	471	471																																																					
Q4 2014/15	662	662																																																					
Q1 2015/16	141	141																																																					
Q2 2015/16	257	257																																																					
Q3 2015/16	347	347																																																					
Q4 2015/16	461	461																																																					

Appendix 2 Nottinghamshire PFI Waste Contract - Value for Money Mechanisms

Key symbols table:

Status	Indicators
	Below target by more than 10%
	Below target by up to 10%
	On or above target
	No reported data or no target