

# AES Service Delivery Overview HPBC Community Select Committee 20 November 2024

1. Reflections / KPI's
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4. Questions?



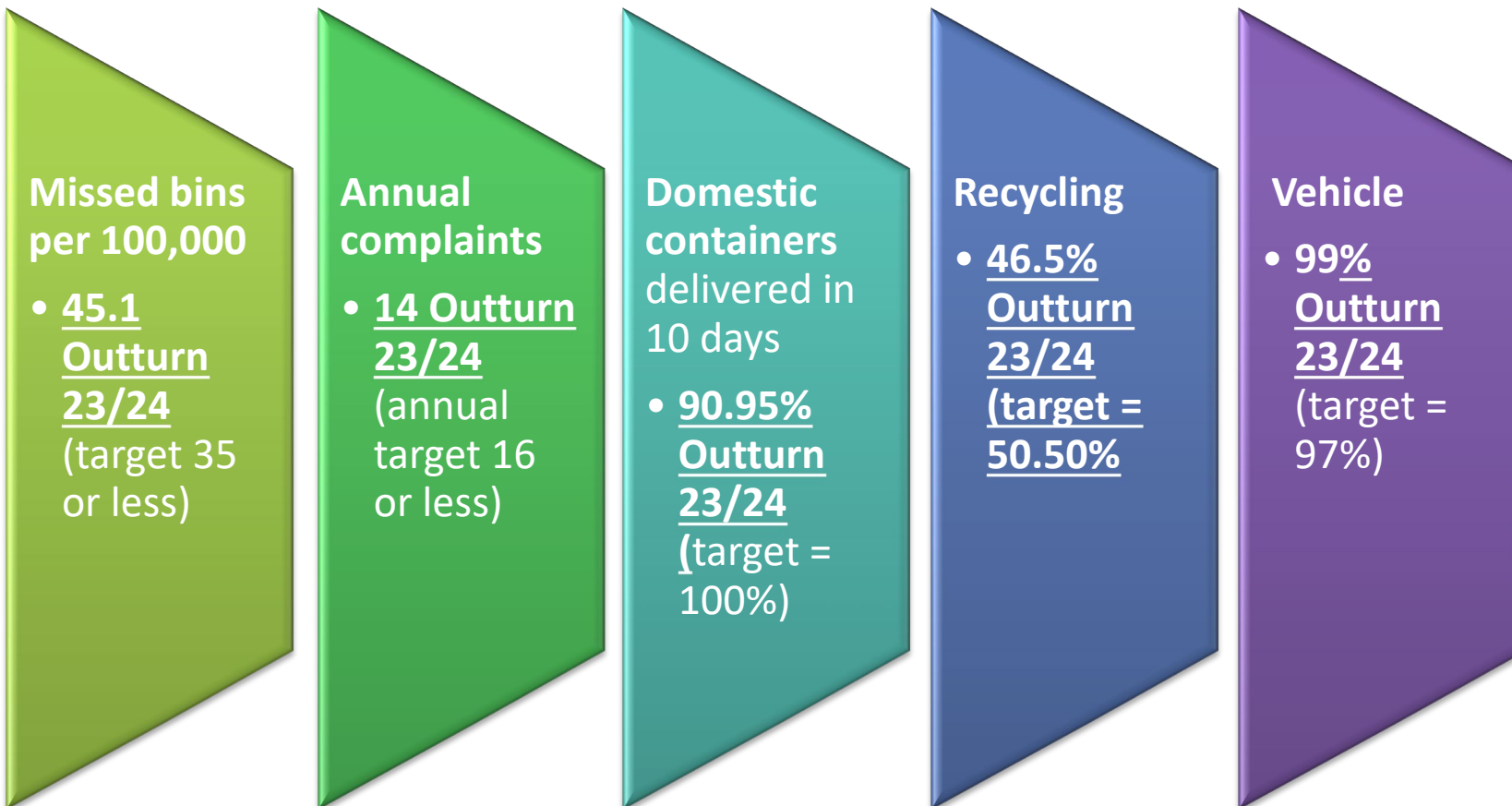
Photo: Extract from new AES Schools & Events Annual Report 2023/24

# 1. Reflections

- AES engaged with 2100+ people in 2023/24 & produced an annual report on Schools, Events and Community Engagement
- AES promotes bio-diversity and has rolled out more sustainable planting on a phased basis. Costs are typically higher in year one, but maintenance costs reduce in future years
- The new Orbitas collaboration began 1/8/2023 which supported 94 burials in the High Peak area
- Memorial safety testing & related works is taking place from 2024/25
- 650 services across both workshops and 70 MOTs took place in 2023/24
- Maintenance & servicing of parks equipment is now taking place in house
- AES continues to work closely with the Commissioners to deliver best value and support the client with budget mitigations and savings where practical.
- Work completed with Ansa and MBA interns to explore growth opportunities.

# 1.1. Contractual KPIs

**Waste & Fleet HPBC: 99.96% successful collections.**



\*Note domestic container delivery hampered by out of borough location of bin store

# 1.2 Street Cleansing, Grounds & Parks KPIs 2023/24 Outturn

- **Supporting our communities to create a healthier, safer, cleaner High Peak**
- Street Cleansing met its KPIs and target response times despite an increase in flytipping

Community Clean  
up campaigns

HP 288 (target 160)

Annual Playground  
inspections

HP 97.83\* (target  
100%)



Left Photo: Woodhead Road after 26/2/24  
overnight closure & street cleansing  
Right Photo: Young PickFit volunteers at Manor  
Park, High Peak

\*All inspections were completed however if adverse weather prevented on time inspection even by a few days it may fall into the following quarter

# 2. Finance

## 2.1 2023/24 Out-turn

2022/23 Actual £'000		2023/24 Budget £'000	2023/24 Actual £'000	2023/24 Variance £'000
(2,072)	Income	(3,066)	(2,055)	1,011
(9,427)	Management Fee	(10,579)	(12,132)	(1,553)
<b>(11,499)</b>		<b>(13,645)</b>	<b>(14,188)</b>	<b>(543)</b>
9,900	Cost of Sales	12,024	12,419	395
1,541	Administrative costs & Tax	1,541	1,740	199
<b>(58)</b>	<b>(Profit) for year</b>	<b>(80)</b>	<b>(28)</b>	<b>52</b>

	2023/24 £'000
Core Management Fee (MF) Services Provided	10,579
<b>Total Management Fee (Budget)</b>	<b>10,579</b>
Core Management Fee (MF) Services Provided	10,579
Risk Items - short term costs	-
Core MF - In year Adjustments	(184)
Notice of change / Additional MF	283
Inflation related pressures	275
Additional Management Fee - Recycling Shortfall	1,105
Additional Management Fee - Pension Review	111
Covid 19	0
Total Management Fee incl Agreed adjustments	12,169
<b>Agreed Mgt Fee Refunds (Savings Plan/Other)</b>	<b>(37)</b>
<b>Net Mgt Fee Paid (Out-turn)</b>	<b>12,132</b>
<b>Variance to Budget</b>	<b>1,553</b>

**Alliance –  
The  
Company  
£571k  
Retained  
Reserves  
31.03.24**

**Overall AES profit of £28k  
after rebating temporary in  
year savings £37k back to the  
Councils**

**Additional MF Pymts agreed  
£1.105m Recycling Income  
shortfall; £0.275m Inflation;  
£0.283m NOC; £0.111m  
Pension re-evaluation**

**Management Fee  
adjustment £0.184m re HVO  
Fuel (Revert back to Diesel)**

**Planned Savings Target £50k,  
£37k achieved**

## 2.2 2023/24 Saving Plan Update

AES Benefits Delivery to Date	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
Savings Plan Targets delivered - recurring savings	(65)	(89)	(80)	(246)	(50)	(50)	(37)	(617)
Risk Plan reductions (one off)	(46)	(74)	(16)	0	0	0	0	(136)
Additional efficiencies / reductions (one off)*	(39)	(77)	0	(136)	(1,000)	(568)	0	(1,820)
	(150)	(240)	(96)	(382)	(1,050)	(618)	(37)	(2,573)

\*£136K(20/21) to be held in Reserve by the respective Councils to fund later years fleet R&M costs as fleet ages

**£617k AES savings delivered to date  
£103k Temp**

**£136k AES risk plan reductions achieved (one off)**

**£1.820m extra efficiencies / reductions achieved (one off)**

**£1.175m Combined AES / Council Savings to 31.03.24**

**Original £1.2m Target in sight**

Combined Savings Plan - Update			Total Achieved to 31.03.23 £'000	2023/24 Actual £'000	Total Achieved to 31.03.24 £'000
<b>Operational Efficiency</b>	Introduction of kerbside comingling in SMDC and waste processed/disposal via AES UPM Contract	Waste	(247)		(247)
	Waste Round efficiency review	Waste	(65)		(65)
	Operating efficiencies - Waste/Fleet	Waste / Fleet	(80)		(80)
	Waste - reduce servicing regime for new RCV's from 6 to 8 weeks,	Waste	(10)		(10)
	Post Phase 3 bedding in, review utilisation of spare vehicles	All	(20)		(20)
<b>Procurement</b>	Fleet - review of parts following implementation of new waste fleet	Waste	(38)		(38)
	Procurement savings across equipment, materials, plants, trees, H&CS	Streets / Grounds	0		0
<b>Other</b>	Staff Turnover - Alliance Terms & Conditions	All	(45)		(45)
	Reduce overheads/corporate costs	All	(9)		(9)
	In Year Temporary savings (Indicative)	All	(66)	(37)	(103)
<b>Alliance Environmental Services Ltd - Recurring</b>			<b>(580)</b>	<b>(37)</b>	<b>(617)</b>
	Employee & Management Savings / Operating Efficiencies		(218)		(218)
	Fleet Purchasing		(340)		(340)
<b>Councils</b>			<b>(558)</b>	<b>0</b>	<b>(558)</b>
<b>Total Combined Savings</b>			<b>(1,138)</b>	<b>(37)</b>	<b>(1,175)</b>

Positive early market engagement affordable Staffordshire supplier for kerbside & kitchen caddies

Likely to use a framework to procure fleet

Route optimisation work is continuing to maximise efficiency & deliver best value

Investment in resident comms likely to be supported by S31 transitional funding

## 3. Simpler Recycling

- We are seeking to deliver the new fleet and caddies/bins within the S31 capital grant received
- Joint project team in place delivering economies of scale
- Joint Waste Group of Councillors to scrutinise and support process and timely decision making
- We will require new fleet, caddies, bins, comms and depot changes including fleet & employee parking
- Will need to distribute caddies
- Will need to amend the AES Operator's Licence due to fleet increases
- Other sites & depot changes are being investigated

## 4. Questions?



Photo: : New Trade Waste leaflet promoting our services & highlighting the Simpler Recycling law change from April 2025 requiring organisations with over 10 employees to recycle