

21 December 2023

OVERVIEW AND SCRUTINY BOARD

A meeting of **Overview and Scrutiny Board** will be held on

Wednesday, 10 January 2024

commencing at **5.30 pm**

The meeting will be held in the Grace Murrell Room C, Riviera International Conference Centre, Chestnut Avenue, Torquay TQ2 5LZ

Members of the Committee

Councillor Steve Darling (Chairman)

Councillor Cowell	Councillor Twelves (Vice-Chair)
Councillor Law	Conservative
Councillor Long	Conservative
Councillor Maddison	Conservative

Together Torbay will thrive

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, Town Hall, Castle Circus, Torquay, TQ1 3DR

Email: governance.support@torbay.gov.uk - www.torbay.gov.uk

OVERVIEW AND SCRUTINY BOARD AGENDA

1. Apologies

To receive apologies for absence, including notifications of any changes to the membership of the Board.

2. Minutes

To confirm as a correct record the minutes of the meeting of the Board held on 13 December 2023.

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3. Declarations of Interest

a) To receive declarations of non pecuniary interests in respect of items on this agenda

For reference: Having declared their non pecuniary interest members may remain in the meeting and speak and, vote on the matter in question. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.

b) To receive declarations of disclosable pecuniary interests in respect of items on this agenda

For reference: Where a Member has a disclosable pecuniary interest he/she must leave the meeting during consideration of the item. However, the Member may remain in the meeting to make representations, answer questions or give evidence if the public have a right to do so, but having done so the Member must then immediately leave the meeting, may not vote and must not improperly seek to influence the outcome of the matter. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.

(Please Note: If Members and Officers wish to seek advice on any potential interests they may have, they should contact Governance Support or Legal Services prior to the meeting.)

4. Urgent Items

To consider any other items that the Chairwoman decides are urgent.

5. SWISCo Annual Report

To carry out an annual review of the operation of SWISCo and hear from the Chair and Managing Director and Council Lead Officer on the effectiveness of the delivery of this wholly owned company against its agreed business plan.

(Pages 5 - 28)

(Note: Matt Reeks (Managing Director), Alan Denby (Chair), Lisa Tuck (Lead Offer) and Councillor Billings (Cabinet Member for Pride in Place, Culture, Events and Parking) have been invited to the meeting for this item.)

- 6. Councillor Call for Action - Review of Investigation into Removal of the Palm Trees at the Italian Gardens, Torquay**
To consider the above Councillor Call for Action received from Councillor Steve Darling and determine if the Board wishes Officers to prepare a full report on the matter.

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Minutes of the Overview and Scrutiny Board

13 December 2023

-: Present :-

Councillor Cowell (Chairman)

Councillors Fellows, Fox, Joyce, Law, Long and Tolchard

(Also in attendance: Councillor Maddison)

33. Apologies

It was reported that, in accordance with the wishes of the Conservative and Liberal Democrat Groups, the membership of the Board had been amended to include Councillors Tolchard, Fellows and Fox in place of Councillors Twelves (Vice-Chairwoman), Conservative Vacancy and Councillor Steve Darling (Chairman) respectively. In the absence of the Chairman and Vice-Chairwoman, Councillor Cowell was elected Chairman for the meeting.

Councillor Cowell in the Chair.

34. Minutes

The minutes of the meeting of the Board held on 8 November 2023 were confirmed as a correct record and signed by the Chairman.

35. Review of Political Balance of Overview and Scrutiny Review Panels

Further to the Council meeting held on 7 December 2023, where Members had reviewed the overall political balance of Council Committees and Working Parties following the creation of a new Political Group, Prosper Torbay, the Board considered the submitted report on a review of political balance of Overview and Scrutiny Review Panels. It was noted that, as the Panels were task and finish groups political balance was applied individually to each Panel.

Resolved (unanimously):

That, in accordance with the Local Protocol for Working Parties, the political balance of the three Overview and Scrutiny Review Panels as set out in Appendix 1 to the submitted report be approved.

Chairman/woman

Meeting: Overview and Scrutiny Board **Date:** 10 January 2024

Wards affected: All

Report Title: SWISCo Annual Report

When does the decision need to be implemented? N/A

Cabinet Member Contact Details: Cllr Adam Billings. Cabinet Member for Pride in Place, Culture & Events and Parking. Adam.billings@torbay.gov.uk

Director Contact Details: Alan Denby. Director for Pride in Place, alan.denby@torbay.gov.uk

1. Purpose of Report

- 1.1 To provide the Overview and Scrutiny Board with an annual report on the business activities of SWISCo, a Local Authority Trading Company (LATCO, wholly owned and delivering front line operational services on behalf of Torbay Council.
- 1.2 The Annual Report provides information on progress against the Business Plan, key achievement of the business in 22/23 and future opportunities and considerations.

2. Reason for Proposal and its benefits

- 2.1 The information in the Annual Report will allow the Overview and Scrutiny Board to test the viability and success of SWISCo, to be satisfied that suitable governance arrangements are in place and that it is delivering against the key ambitions of the Council in an efficient way.

3. Recommendation(s) / Proposed Decision

1. It is recommended that the Overview and Scrutiny Board note the contents of the Annual Report.

Appendices

Appendix 1: SWISCo Annual Report

Supporting Information

1. Introduction

- 1.1 SWISCo was established as a Local Authority Trading Company (LATCo) in 2020 to take over the work of the Joint Venture company TOR2 in delivery Council functions including Waste and Recycling, Waste Transfer Station and Household recycling Centre, Highways, Parks and Grounds Maintenance, Fleet Operations and Street Scene.

2. Options under consideration

- 2.1 This report is for noting.

3. Financial Opportunities and Implications

- 3.1 The Annual Report contains financial information relating to year end position 22/23 and current 23/24 financial forecast.

4. Legal Implications

- 4.1 SWISCo is registered under the Companies act 2006 as a private limited company with Torbay Council as the single shareholder.
- 4.2 SWISCo delivers services on behalf of Torbay Council under the TECKAL principle.

5. Engagement and Consultation

- 5.1 SWISCo regularly meets with the Shareholder Panel and has historically held bi annual Customer Liaison Panels.
- 5.2 SWISCo meets on a regular basis with relevant unions under a JCNC agreement.

6. Purchasing or Hiring of Goods and/or Services

- 6.1 N/A

7. Tackling Climate Change

- 7.1 SWISCo is committed to supporting the Councils Climate Change policy.

8. Associated Risks

8.1 N/A

9. Equality Impacts - Identify the potential positive and negative impacts on specific groups

	Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
Older or younger people			No differential impact
People with caring Responsibilities			No differential impact
People with a disability			No differential impact
Women or men			No differential impact
People who are black or from a minority ethnic background (BME) (Please note Gypsies / Roma are within this community)			No differential impact
Religion or belief (including lack of belief)			No differential impact
People who are lesbian, gay or bisexual			No differential impact
People who are transgendered			No differential impact
People who are in a marriage or civil partnership			No differential impact
Women who are pregnant / on maternity leave			No differential impact
Socio-economic impacts (Including impact on child poverty issues and deprivation)			No differential impact
Public Health impacts (How will your proposal impact on the general health of the population of Torbay)			No differential impact

10. Cumulative Council Impact

10.1 SWISCo contributes a positive impact by delivering front line Council functions.

11. Cumulative Community Impacts

11.1 SWISCo makes a positive impact on the local environment and services delivered to residents.

Annual Report

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Agenda Item 5
Appendix 1

Contents

- Foreword
- 22/23 at a glance
- Business Plan Review
- Service Delivery
- Governance
- Financial Position
- Health and Safety
- Commissioning Agreement Review
- Business Planning for the Future

Foreword

Torbay Council established SWISCo in 2020 as a LATCo (Local Authority Owned Trading Company) following the end of TOR 2 which was a joint venture with Kier.

The effects of the Covid 19 Pandemic, which had particularly serious implications on the continued operation of front line services, and the national HGV driver shortage had particular impact on the early development of SWISCo as it dealt with the many serious challenges left over from the management and investment approach adopted by TOR 2.

22/23 has seen the stabilisation of the Company and the roll out of a number of strategic projects focused on ensuring delivery of the agreed business plan. As per the aims of the business plan these have led to a noticeable improvement in the quality of services delivered by the company to the residents and communities of Torbay and a positive impact on the place.



Matt Reeks
Managing Director

22/23 at a glance

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5,305,560
Completed
domestic waste
and recycling
collections

225,000 Public
bins emptied

65,733 Tonnes of
waste processed

9783 Highway
repairs
completed

79 Winter gritting
operations

98.2% of waste and
recycling collections
on schedule

9498 Street
lighting repairs
completed

Over 360 staff
PROUD of what
they do

1930 Tonnes of
garden waste
collected at the
kerbside from 8350
green waste bins

£500,000 of profit
from external
commercial activities
put back into
delivering Council
services

Over 10,000 hrs
of volunteer
time in Parks
and Open
Spaces

Business Plan Review

WR1 Increase recycling rate towards the 45% target and reduce disposal tonnages and costs.

35.6% 20/21 – 37.9% 22/23 – Q1 23/24 41.7%

Residual household waste kg/Household reduced from 553 in 20/21 to 498 in 22/23

WR2 Gain the confidence of Torbay residents to work in partnership with SWISCo by providing a regular and consistent recycling and waste service.

On time collection rates: 60.1% 20/21 – 86% 22/23 - 98% + Q1 23/24

WR3 Identify from recycling service enhancements how we have positively contributed to Torbay Council's Climate objectives.

Vehicle telemetry data indicates a 5% reduction in idle time between 2020 and 2023

WR4 Show the efficiency of sorting materials in the right containers at the kerbside and recycling centres which have been promoted through a comprehensive education programme.

Over 400 interventions to date in 2023

38 significant events attended since 2020

HF1 Increase the level of planned highways works undertaken by SWISCo

By developing innovative routes to supply chain and bringing increased project management back in house SWISCo have delivered an increase of 15% in planned works .

HF2 Implement a strategy to upgrade and modernise the SWISCo fleet to support the business needs and to support Carbon reduction targets.

Phase 1 fleet review complete – leased vehicles now purchased so all compliant with EURO 5 emissions.

Electric vehicles trialled and HGV versions deemed not suitable due to battery life and reduction in carrying capacity.

Electric alternative considered as standard in any procurement exercise.

HF3 Improve the coordination and management of highway works by the introduction of a dedicated streetworks team and the implementation of street works permit scheme.

Complete – budget on target

HF4 Deliver Torbay Councils Annual Highway Maintenance scheme in accordance with the Asset Management Strategy to provide a more effective and efficient service

Asset Management Strategy was revised in 2021 to reflect current budget availability and commissioning arrangements

Annual Programme has been delivered within available budget

PG1 Deliver an award winning service that promotes public value and biodiversity through the implementation of Park Management Plans in collaboration with Friends of Groups

Torquay, Brixham and Babbacombe – GOLD 2022 SW in Bloom

Torquay – Winner of Tesco Cup (runner up) – 2022 Britain in Bloom

6 Green flag awards in 2023

PG2 Deliver a stronger approach to community working by establishing at least ten Parks Friends Groups and over 3000 hours of Community Volunteer hours

6 new Friends of groups, 12 new Focus Groups

In excess of 10,000 hours of volunteer hours

PG3 Deliver an inclusive Green Infrastructure strategy.

Tree and Woodland Strategy complete

Open Space Strategy complete in draft subject to changes in legislation due to introduction of Biodiversity Net Gain.

PG4 Deliver Torbay's Local Environmental Quality Action Plan

(50%) Increase in street cleansing resource.

Working against 'Right First Time' principle rather than monitored quality assessment.

Awaiting new Gov. Oflog policy guidance.

BC1 Achieve an Accreditation in Customer Service Excellence

Call abandoned rate dropped from 41% in 20/21 to 8.9% 22/23

Customer Call Centre now consolidated into central team

BC2 Achieve Accreditation for our Health and Safety and Environment Management Systems to ISO 45001, 45003 &14001

BC3 From Top to Bottom all staff will have a clear understanding of SWISCo's mission and be working to our values.

Establishment of staff forum meeting regularly with representatives from across the business

Development with staff of SWISCo core values and behaviours

Regular all staff briefings

Staff Survey in 2022 revealed that 70% of staff are satisfied with SWISCo as an employer and appreciate the core values of the company.

BC4 We will increase our 3rd Party revenue by at least 30%

20/21 = £1.48m 22/23 = £3.3m (44%)

Service Delivery Waste and Recycling

In 22/23 only Torbay (+1.1%) and Mid Devon (+1.8% due to the introduction of three weekly waste collections) saw an increase in recycling rates within Devon. All other authorities rates remained the same or decreased Q1 2023 recycling rate is 41.7%

Following an investment of £500,000 a new baler was installed at the waste transfer as the old one had reached end of life. The new unit is considerably more powerful and has created annual savings of approx. £28,700 on haulage costs and allowed hard plastics to be recycled and baled creating an additional income of approx. £460 per tonne and increasing the recycling rate.



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The Right Stuff Right Box campaign was rolled out during 22/23 to all 65,000 properties in the Bay. The campaign highlighted the opportunities for recycling and introduced the Blue Bag for Paper. As a result of the campaign collection times and overtime rates dropped by approx. 50%

Collections are now managed using live in cab scheduling, the result of this investment in technology has been a reduction in missed collections, particularly in narrow access areas, a reduction in overtime, better communication with residents and less miles travelled (CO2 emissions) for the fleet.

A paid for kerbside garden waste service was introduced in Nov 22 and to date has 8350 customers. Since Nov 1930 tonnes of garden waste has been collected kerbside and there has been no reduction in tonnage brought to the HWRC meaning this is additional material therefore saving disposal costs and having a positive impact not only the residents in terms of convenience but also the recycling rate.

TORBAY COUNCIL A service delivered by **SWISCo**

Orange box	Green box	Blue bag	Food caddy
<ul style="list-style-type: none"> mixed glass bottles & jars cardboard cooking oil cartons small appliances used engine oil 	<ul style="list-style-type: none"> fragile items & drink cans non-bleached plastic packaging aerosols foil batteries mixed textiles & clothes 	<ul style="list-style-type: none"> paper <p>This is for:</p> <ul style="list-style-type: none"> ✓ newspapers ✓ junk mail ✓ white envelopes ✓ shredded paper <p>Brown paper goes in your orange box with cardboard</p>	<ul style="list-style-type: none"> food pet waste grass leaves twigs small branches hedge trimmings soil pot plants eggshells

On collection day, please stack your boxes with your paper bag placed on top. Don't forget to use your nets! Need new boxes or nets? Visit torbay.gov.uk/newbin

Garden Waste COLLECTION SERVICE TORBAY COUNCIL

£50 a year!

Sign up now! www.torbay.gov.uk/garden-waste

Service delivered by **SWISCo** a Torbay Council company

Service Delivery

Parks and Grounds Maintenance

Spring and Summer 2023 saw some of the most creative planting in Torbay for many years. To celebrate the Kings Coronation SWISCo commissioned a 3D crown sculpture and Royal Crest bedding design

Following investment by Torbay Council, SWISCo purchased three new heavy-duty Tractors in Oct 2022. These unit replaced worn out and underpowered units and have revolutionised the work of the Parks and Grounds Maintenance team, carrying out tasks such as hedge flailing, beach raking and sports pitch mowing and maintenance more efficiently and effectively to improve the quality of the work and save time and money.

New machinery, additional staff and vehicles and a remapping exercise has created dramatic efficiencies in highway grass cutting and SWISCo is working towards a 6-cut frequency on all roadsides and two weekly for high profile roads. Suitable areas are being left as conservation verges to allow biodiversity to increase throughout the spring and summer with vegetation being cut and collected in autumn.

GPS tracked robotic mowers and line markers are being trialled at various sites across the Torbay to improve efficiency and quality of service. The units are fully automated and prevent many of the Health and Safety risks associated with these operations.

SWISCo is proud to work with over groups of volunteers who contribute significantly to the management of parks and open spaces within Torbay. A series of workshops are currently being delivered to ensure that partnership working is as effective and safe as possible



Service Delivery

Green Infrastructure

Green Recovery Challenge Fund - Westerland Valley.

The project delivered engagement with the local community, work experience for disadvantaged young adults and the creation of a wet woodland habitat in an ecologically depleted area. The willow trees were coppiced and some re-profiling of the existing stream to provide a flatter base and slow down the flow of the stream to create ponds. Leaky dams have been installed to attenuate the water flow and allow the areas to become 'flooded' encouraging flora and fauna to exploit the new resource available. Anecdotally there has been an increase in wildlife in the immediate area with further visits to be undertaken to assess the migration of plants and wildlife. Native hedgerow was also incorporated into the scheme to bolster existing hedgerows whilst vantage points for pedestrian access over one of the dam provides for public access to the area.



Woodland creation Fursbrake plantation Torquay.

Fursbrake plantation previously comprised of 80% Ash trees. Owing to the devastating impact of Ash dieback all of the trees became infected with the natural consequence of degradation of the woodland as an ecological asset. Working with the Forestry Commission we secured a felling licence and a replacement planting scheme to secure the succession planting of 3000 new trees needed to ensure the long term benefits of woodland habitat in the immediate area.



Service Delivery *Street Scene*

Three new 7.5 tonne compacting vehicles have been purchased to service the 862 public litter bins in the Bay. These vehicles can carry approx. 100% more waste than the old fleet and have replaced 6 old vehicles. This has led to a redeployment of staff into other areas of work, a saving in mileage and CO2 and less overflowing litter bins.

SWISCo now has a new fleet of sweepers, specifically selected against the varied needs of Torbay. A heavy truck mount unit looks after the major roads, 2 mid size units deal with residential area's and pavements whilst 2 small multifunctional units are targeted at town centres and seafronts. These small units are also equipped with scrub decks meaning the high traffic premier destination areas are wet cleaned daily during the season. The sweeper fleet operate 7 days a week and during autumn and winter are deployed on leafing and weed ripping duties. The large fleet is backed up with street vacuums and walk behind sweepers for pedestrian areas making the work of the street orderly team more effective and efficient.

Bin sensors are being installed to over 200 litter bins in outlying areas to make collection more efficient as they only have to be visited when they are approaching capacity as opposed to every day. This system will also allow the location of bins to be targeted to ensure provision is most efficient and appropriate.

Control and prevention of pavement and kerbside weeds will now improve thanks to the purchase of an electric quad bike weed spraying unit. This is now being deployed across the Bay on a daily basis and uses a low a Glyphosate chemical application which remains active in the seed bank to prevent regrowth.



Service Delivery

Highways

The Highways Inspection Manual is currently being reviewed and rewritten to allow a risk based approach to pothole and defect management. Instead of being bound to prioritise repairs against defect specifications a more agile and flexible approach will be possible to ensure high profile issues are dealt with more efficiently and quickly. The Inspection and Operation functions have been brought together as one team to create a more joined up approach to repairs and maintenance.

The line marking unit owned by SWISCo has been recommissioned. Recruitment for the role of operator is proving challenging but we hope to have the unit operational in the near future. Line marking using external contractors is particularly challenging due to lack of availability and also the specific weather and road conditions required for effective line marking. As soon as this unit is operational the flexibility of the in house service will allow more dynamic and reactive deployment.

Whilst emergency and essential roadworks by utility companies and developers cannot be unreasonably refused, they are now required to be permitted and scheduled to avoid other nearby issues. The street works permitting system introduced by SWISCo generated £191.4k of income during 22/23 and ensured that roadworks were managed as efficiently as possible to minimise disruption.

During the summer holidays several reconstruction schemes were completed including Shiphay Lane, Lymington Rd and Barton Hill Rd to take advantage of the lack of school traffic. All schemes were completed on or ahead of schedule and within budget.



Service Delivery

A whole business review of Terms and Conditions and Job Evaluation was undertaken during 22/23 which has delivered fair, equitable and competitive pay and conditions for staff. There is now a clear and transparent range of pay grades, a standard approach to sick and holiday pay and a visible route of progression throughout the business (this work was undertaken in line with Torbay Council HR policies and in negotiation and agreement with the Unions). The result of this work has been greater empowerment and retention of staff, improved recruitment and a reduction in absence and overtime.

Empowerment and engagement of the approx. 360 staff is an absolute priority for SWISCo to ensure that the highest value expenditure of the business is operating as efficiently as possible and fully bought into the culture of the business to deliver Pride of Place for Torbay. A staff forum for operational teams, regular all staff briefings and leadership development is a key priority and continues to be developed. The values of the business were collectively developed with these forums.

In Cab operating and scheduling software has now been procured for all service areas of the business. The investment in this technology will allow the business to operate in an agile and dynamic way, reacting to the constant changes in priority and being able to drive efficiencies through data capture and analysis.

Phase 1 of the fleet replacement strategy is now complete, an investment of approx. £16million via a Council loan facility has allowed over 45 previously leased vehicles to be purchased saving approx. £230,000 revenue per year.

The MOT Bay at the Aspen Way depot is currently being recommissioned to allow fleet MOT's to be carried out in house and also the development of an additional revenue generating commercial offer.

PROUD TO MAKE TORBAY THE BEST PLACE TO LIVE, WORK & PLAY
SOUTH WEST INTEGRATED SERVICES COMPANY Est 2020

PROUD
CELEBRATE SUCCESS

SWISCo
A Torbay Council Company

EFFICIENT
FUN

TEAM SAFETY
PROFESSIONAL
THINK POSITIVELY
CLEAR GOALS

INNOVATORS
MUTUAL RESPECT

OPEN HONEST

CLEAR OBJECTIVES

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Governance

SWISCo is a Private Limited Company incorporated on 18th September 2019 under the Companies Act 2006 with Torbay Council as the sole shareholder. Under the terms of the Memorandum and Articles of Association the Board of Directors has responsibility for the supervision and management of the Company and its business. The Managing Director of the company is accountable to the Board of Directors and also a senior representative from the Council acting in the client role to ensure performance against the Commissioning Agreement which forms the specification for the work the Company undertakes on behalf of the Council. The governance oversight of the SWISCo is provided by the Shareholder Panel which operates at a high strategic level and is classified as a Shareholder Board in terms of its governance status.

Board of Directors



Alan Denby
Chair of Board
Director of Pride in Place,
Torbay Council



Anne-Marie Bond
Director
Chief Executive,
Torbay Council



Matthew Fairclough-Kay
Director
Director of Corporate
Services, Torbay Council



Matt Reeks
Director
Managing Director,
SWISCo

Meetings 26.4.22. 24.5.22. 28.6.22. 26.7.22. 1.9.22. 22.11.22 24.1.23. 27.3.23. 18.4.23. 1.8.23.

Shareholder Panel



Cllr David Thomas
Leader of Torbay Council



Cllr Chris Lewis
Cabinet Member for Place
Development and Economic
Growth and Deputy Leader of
Torbay Council



Cllr Adam Billings
Cabinet Member for Pride
in Place, Culture & Events
and Parking



Cllr Alan Tyerman
Cabinet Member for
Housing, Finance and
Corporate Services



Anne-Marie Bond
Chief Executive,
Torbay Council

Meetings 23.5.22. 12.8.22. 7.11.22. 14.8.23

Financial Position

Full Year Position 22/23

**P&L SUMMARY
BUDGET**

	22-23	22-23	22-23		
	Actuals	Forecast	Budget	Actuals - Forecast	Actuals - Budget
	£000's	£000's	£000's		
Revenue					
Internal	721.0	737.6	746.6	(16.5)	(25.5)
Cyclical	14,789.4	14,789.4	14,224.4	(0.0)	565.0
Ordered	3,318.9	2,643.8	2,009.0	675.1	1,309.9
External (Commercial)	1,946.5	2,069.6	1,783.1	(123.1)	163.5
External (Material Sales)	1,459.5	1,408.0	1,210.0	51.5	249.5
Total	22,235.3	21,648.3	19,972.9	587.0	2,262.4
COST OF SALES					
Perminant Staff	(8,711.7)	(9,213.4)	(8,735.4)	501.7	23.7
Agency	(1,860.4)	(1,739.4)	(1,223.9)	(121.0)	(636.4)
Subtotal Labour	(10,572.0)	(10,952.8)	(9,959.3)	380.7	(612.7)
Plant	(3,724.7)	(3,396.1)	(3,035.1)	(328.6)	(689.6)
Materials	(2,423.1)	(2,287.2)	(2,371.6)	(135.9)	(51.5)
Sub-Contract	(1,582.1)	(1,308.0)	(921.3)	(274.1)	(660.8)
Other Costs	(402.1)	(372.0)	(313.4)	(30.1)	(88.7)
Total Cost of Sales	(18,703.9)	(18,316.1)	(16,600.7)	(387.9)	(2,103.3)
Gross Profit	3,531.3	3,332.3	3,372.3	199.1	159.1
Overheads	(3,319.8)	(3,292.3)	(3,326.5)	(27.4)	6.7
Finance Charges	(181.8)	(39.9)	(45.5)	(141.9)	(136.3)
Profit/(Loss) after Finance	29.8	(0.0)	0.2	29.8	29.5

Financial Position

Budget and Forecast 23/24

SWISCO LIMITED

Aug 23 (Period 5)

P&L SUMMARY

	23-24		23-24	22-23	Forecast - Budget
	Forecast	Budget	Actuals		
	£000's	£000's	£000's		
Revenue					
Internal	0.0	0.0	721.0	0.0	
Cyclical	15,131.0	15,131.0	14,789.4	(0.0)	
Ordered	3,360.5	2,707.1	3,318.9	653.4	
External (Commercial)	2,142.7	2,111.0	1,946.5	31.7	
External (Material Sales)	1,255.9	1,380.0	1,459.5	(124.1)	
Total	21,890.1	21,329.1	22,235.3	561.0	
COST OF SALES					
Permanant Staff	(8,596.5)	(9,079.4)	(8,711.7)	482.9	
Agency	(2,069.0)	(1,666.8)	(1,860.4)	(402.2)	
Subtotal Labour	(10,665.5)	(10,746.2)	(10,572.0)	80.7	
Plant	(3,275.5)	(3,183.8)	(3,724.7)	(91.7)	
Materials	(2,077.6)	(1,847.2)	(2,423.1)	(230.3)	
Sub-Contract	(1,348.6)	(981.4)	(1,582.1)	(367.2)	
Other Costs	(406.4)	(386.4)	(402.1)	(20.0)	
Total Cost of Sales	(17,773.5)	(17,145.0)	(18,703.9)	(628.5)	
Gross Profit	4,116.6	4,184.1	3,531.3	(67.5)	
Overheads	(4,025.7)	(3,885.8)	(3,319.8)	(139.9)	
Finance Charges	(282.5)	(297.2)	(181.8)	14.8	
Profit/(Loss) after Finance	(191.6)	1.0	29.8	(192.6)	

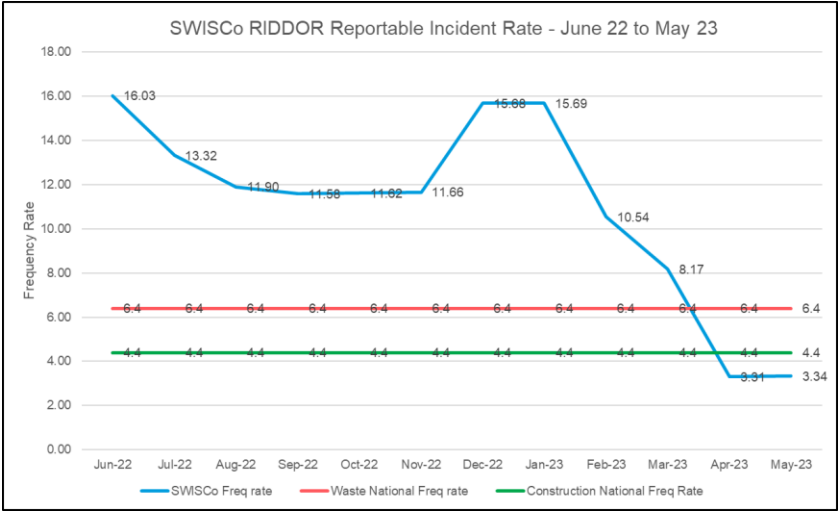
Highlevel reasons
Driven by additional ordered works in Highways.
Market forces dictate the price received for recylate materials and there is little SWISCO can do to influence.
Lower staff FTE plus budgeted payrise not yet appearing in the cost of sales line. Additional agency costs to assist in covering for vacancies.
TBC plant hire not budgeted for. MVV costs, charges for processing materials, general inflation. Increase driven by additional effort in Highways Ordered works.
Budgeted Payrise accrual (£139k Aug) being managed in the overhead line.

The current negative forecast position (approx. 1% of turnover) is primarily due to a drop in the value of recycalite materials and an increase in material disposal costs, both of which are international circumstances that are beyond the control of SWISCO. The budget is currently being reforecast to account for this with the aim of improving the year end position.

Health and Safety

SWISCo put Health and Safety at the very core of the business and have developed a culture where everyone understands their responsibility to carry out their work safely. Safety is a priority above all else and staff are comfortable raising issues and working with the business to develop the safest working practices in what is a very dangerous industry.

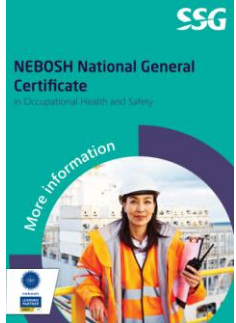
Following a number of Reportable incidents in 2021 an investigation by the Health and Safety Executive resulted in an Intervention Notice being served on SWISCo. The notice required a number of key measures to be introduced to reduce risk to manual workers. These measures were introduced ahead of schedule and our innovative approach to reducing risk was noted by the HSE inspector.



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SWISCo operates the EVOTIX Health and Safety management system where all hazards, near misses and incidents are recorded as well as Safe Operating Procedures, Risk Assessments and training resources. This system has created a coordinated and auditable approach to risk management that is managed and developed in partnership with staff through risk management groups, incident review panels and a health and safety committee

During 22/23 25 members of the SWISCo leadership team undertook and passed the NEBOSH General Certificate in Occupational Health and Safety. This internationally recognised Level 3 qualification provides a broad understanding of Health and Safety and provides the background for managers to be able to manage risks effectively.



In 2022 SWISCo were the first UK waste operator to introduce and provide smart hearing protection for operational staff. Staff are regularly exposed to noise in excess of the safe maximum limit and the new system not only dynamically reacts to prevent damage to the ears but also monitors and records individual exposure levels



Commissioning Agreement Review

The cyclical work undertaken by SWISCo on behalf of the Council and the relationship between the Company and the Council is set out and managed by the Commissioning Agreement. This was first established in 2020 and includes the requirement for the agreement to be regularly reviewed to ensure that governance arrangements and wider processes are working satisfactorily.

A review of the Commissioning Agreement is currently being undertaken by the Divisional Director for Economy, Environment and Infrastructure and the Managing Director of SWISCo and a number of key stakeholders. The review aims to:

- To consider whether the governance and commissioning structures are providing sufficient direction for the management of SWISCo balanced with the Council's requirement for control and effective commissioning.
- To make appropriate recommendations relating to the above where there is the potential for improving the efficiency and or the effectiveness of the commissioning and delivery of services.
- To ensure that the review intended to begin prior to March 2024, to determine whether the agreement should be extended until March 2030, and the updated SWISCo business plan, are informed by this interim review and that lessons learnt to date are captured.

The review will achieve these aims by undertaking the following tasks:

1. To consider whether the commissioning arrangements are operating with sufficient transparency and effectiveness.
2. To clarify the responsibilities of the SWISCo board and ensure a clear demarcation between the role of the board and the shareholder panel.
3. Confirm the appropriate corporate and service KPIs.
4. To consider whether the current provision of support services (HR/Comms/H&S/procurement advice) is meeting the needs of SWISCo and allow the company to deliver the best outcomes for Torbay.
5. Identify other issues that may arise and which present a risk to the effective operation of SWISCo.

It is anticipated that the review will be shared with the Board of Directors and the Shareholder Panel in October 2023 and the Councils Overview and Scrutiny Board in due course.

Business Planning for the Future

The current SWISCo Business Plan will be refreshed and updated in 2024 to reflect the development of the company since its inception in 2020, changes to the external environments in which it operates and interacts and the service and financial requirements of Torbay Council. A number of key opportunities have been identified during the initial scoping for the review and these include:

- That the business continues to grow and develop in a sustainable way with a culture of putting Pride in Place for Torbay at the heart of the way staff work and think. Ways of working will be refined to deliver further efficiencies and opportunities will be identified and delivered in terms of increasing current service levels and/or developing new service functions.
- Investment in a new Waste Transfer Station to overcome the serious Environmental and Safety challenges of the current facility, to ensure that the facility is able to meet increasing demands in terms of scale and required level of recyclable material processing and operate more efficiently to increase income. Whilst it is recognised this would be a significant multi million pound project involving purchase of additional land it would create a state of the art facility capable of processing waste from other authorities, potentially generating energy and also free up other sites currently used by SWISCo for disposal by sale.
- To date SWISCo have built a significant portfolio of private clients but have always prioritised, above all else, the stabilisation and improvement of Council services. As these services begin to become resilient and established there is potential for further increasing commercial activity to generate external income for reinvestment in Council services. Commercial business waste is the primary focus with the added benefits it creates on improving the environment and economy of the local area.
- There is still much work to do to provide clear and transparent messaging to residents and communities about the work that SWISCo does and what levels of service standard they should expect. With the development of the in-cab operating and scheduling systems and the SWISCo website a more accessible and interactive relationship will be developed
- Whilst great progress has been made with the phase 1 fleet replacement initiative there is still a need for further strategic investment to ensure that the required fleet of vehicles and plant operates as effectively, efficiently and in as environmental sensitive a way as possible. A phase 2 fleet replacement strategy will be developed to ensure that complaint routes to supply chain and funding are readily available, unnecessary spend or service disruption are avoided and realistic and feasible opportunities for alternative fuelled vehicles are identified and realised.

Agenda Item 6

Councillor Call for Action - Review of Investigation into Removal of the Palm Trees at the Italian Gardens, Torquay

In accordance with Standing Order D13 (Overview and Scrutiny), Councillor Steve Darling has given written notice that he wishes an item to be considered at a meeting of the Overview and Scrutiny Board on a review of the investigation into the removal of the palm trees at the Italian Gardens, Torquay. This will enable a discussion to be held on the governance around the decisions made and action taken to remove the palm trees.

This matter is included on the agenda for the meeting of the Overview and Scrutiny Board on 10 January 2024 for the Board to determine whether to request officers to prepare a full report on the matter for submission to a future meeting of the Overview and Scrutiny Board.

Councillor Steve Darling will be requested to explain his rationale for the item at the meeting.