

REPORT OF COMMERCIAL SERVICES JOINT COMMITTEE

(Meeting held on 9 June 2005)

1. CHAIRMAN AND VICE-CHAIRMAN

Councillor Thierry has been elected Chairman of the Joint Committee, and Councillor Busk (Test Valley Borough Council) Vice Chairman for the remainder of the municipal year.

2. DIRECTOR'S REPORT FOR THE PERIOD 1 APRIL TO 31 MARCH 2005

(a) Financial Position

New Forest District Council

The provisional financial results for 2004/05 showed an overall surplus of £182,154 (General Fund £158,404 & Housing Revenue Account £23,750). This compared favourably against the target for the year of £138,000 and the previous year's outturn results of £107,584.

Both the Engineering Works and Grounds Maintenance sections achieved healthy surpluses, Engineering Works being achieved mainly through works for external partners and Grounds Maintenance through underspends on salary, wages and transport costs achieved as a result of efficiency measures.

The Building Works and Refuse sections had returned small deficits; Building Works arising from various costing issues relating to reactive maintenance works and Refuse from continuing pressures on manpower budgets due to covering for high sickness levels and holiday cover.

Test Valley Borough Council

The Test Valley sections were also performing well with a strong provisional year end surplus of £159,502 reported. All business units had made positive contributions to this overall financial position which was similar to the 03/04 outturn on £153,991.

(b) Operational Issues

Work continues to secure the new depot site at Yokesford Hill, Romsey. A Public Enquiry was held by the Traffic Commissioners for 15 June and a decision is awaited.

Good progress is being made at Test Valley Borough Council to move employees to single status. Agreement has been reached for the implementation of a 38 hour week from 1 April 2005 and the standardisation of holiday entitlement and overtime payments.

Agreement has been reached at New Forest District Council for a pilot scheme to introduce the payment of Statutory Sick Pay only where individuals take unacceptable levels of short term sickness absence. Application of the new scheme has been built into the Council's Capability Procedures to ensure consistency and fairness.

Work to address the legal requirements for managing the risks associated with machinery that creates harmful vibrations (Hand/Arm Vibration – HAV) was progressing well with all machinery now tested and surveys and risk assessments due to be undertaken during the summer months.

Arrangements to take over the gas servicing and breakdown response to domestic appliances to the whole of the Council Housing stock are now fully in place. The work, which commenced on 1 April 2005, is being undertaken by a new team of 6 servicing engineers, a supervisor and a clerical assistant. The section recently achieved formal CORGI accreditation and early indications suggest that the new arrangements were working well. This new area of work will make a positive contribution to the recovery of an element of the section's overheads.

The Test Valley Building Works section was in the process of recruiting two new directly employed painters to undertake the Council's planned maintenance painting programme. This work had previously been sub-contracted out. The new arrangement will provide better value for money as well as greater flexibility and control over this area of work. These resources may also be shared with New Forest District Council.

The Grounds Maintenance section at Test Valley was able to report success in retaining a grass cutting contract with Testway Housing. The work, valued at £30,000, provides a seamless approach to grass cutting in the Andover area as well as making a useful contribution to the section's overheads.

Progress with the introduction of the new garden waste collection scheme at New Forest was reported as being slightly behind schedule but this was mainly due to the cold, late start to the gardening season.

At Test Valley the fundamental review of the refuse collection service is continuing with the final outcome of the review likely to be determined in July 2005. A Member Panel has been established to look at each of the options available and to determine the way forward.

Approval was granted to increase the number of established posts within the Test Valley refuse service by five posts, the need resulting from five of the existing pool staff being permanently transferred to the green garden waste scheme.

The New Forest Central Purchasing Unit (CPU) has been closely involved with Building Works in the setting up of arrangements for the new gas servicing team. Preferential contracts have been negotiated with key suppliers for the provision of spares. As the works develop it is hoped that further procurement improvements can be delivered particularly through closer working with Housing colleagues in the planned maintenance section.

A joint procurement (New Forest /Test Valley) contract for the provision of fuel has been negotiated by CPU. Annual savings estimated at £4,000 per annum to each Authority should be achieved.

(c) Members resolved to:

- Note the report
- Approve the increase in establishment of 5 TV waste collection posts
- Revise the hourly rate for TV HGV Mechanical Sweeper drivers to £8.15
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3. JOINT INTERNAL AUDIT ANNUAL REPORT 2004 – 2005

The Joint Committee has Members considered and noted the joint annual audit report. The Internal Audit teams at New Forest and Test Valley have worked together to provide a comprehensive and effective audit service to meet the legal requirements for both authorities to maintain an internal audit of their financial affairs.

The report gives an overview of the audits conducted in 2004/05 and sets out planned reviews for 2005/06. The main conclusion from the review is that the internal controls and record keeping within the systems reviewed were generally sound and that there were no matters of significance or consequence to be reported to the Joint Committee.

**Cllr M H Thierry
CHAIRMAN**