

REPORT OF COMMERCIAL SERVICES JOINT COMMITTEE

(Meeting held on 7 December 2006)

1. APOLOGIES

Apologies were received from Councillors Arnell and Beck

2. MINUTES

The minutes of the meeting on 7th September 2006 were confirmed and signed as correct.

3. DIRECTORS REPORT FOR THE PERIOD 1st APRIL 2006 TO 30TH SEPTEMBER 2006

Consideration was given to the Director's Report which covered the period 1st April 2006 to 30th September 2006.

Circulation of the draft 2007/08 Service Plan had been delayed to enable this to be considered by both Authorities Management Teams.

(a) Financial Position

Financial information for the period was presented and included a summary of income and expenditure by section, with variations of actual income and expenditure shown against profiled budgets.

The Committee were updated on areas of the report as follows:

- New Forest District Council's financial summary showed that engineering works were behind the surplus target for the year. This was primarily due to reduced margins on the HCC Highways Term Maintenance Contract. A £20,000 bid had been made to NFDC's Cabinet to reduce the overspend.
- Public Conveniences showed a £25,000 overspend due to additional notional internal interest recharges for which the budget had not been increased.
- Refuse Collection and Street Cleansing was showed a £65,000 overspend against budget. This was due to high levels of absenteeism and a major vehicle accident. A £14,000 insurance claim had been submitted to compensate for the write off of one of the vehicles. This would reduce the deficit.
- Test Valley Borough Council's financial summary showed a surplus of £180,000 against a profile budget of £108,000. There were two areas which showed a surplus;
- Grounds Maintenance (£166,000). This was a significant surplus which would be eroded during the winter months although it was anticipated that this would not be as much a previous years.
- Refuse Collection (£4,700). Spending on refuse collection would start to decrease during the last three months of the financial year as ABC is fully introduced.

(b) Operational Issues

Reports for the operational sections focused on key activities that had been undertaken during the last quarter, achievements against agreed key performance

indicators and progress on service objectives identified in the Service Plan for 2006/07. Progress against the 2006/07 Service Improvement Plan was also included.

- The engineering works team had carried out emergency cover in response to flooding and strong winds. They had delivered a significant amount of sand bags to hotspots and cleared a number of fallen trees.
- The Committee noted the high satisfaction rates with regard to the in-house gas servicing contract and requested the Assistant Director of Commercial Services – Technical to pass on their congratulations on providing a first class service.
- The invitation from Hampshire County Council (HCC) to the Grounds Maintenance section to transfer responsibility for weed treatment function for urban hard highway surfaces is no longer being pursued. HCC could only offer the contract on a one year basis however, in order to cover the depreciation of the specialist plant needed; a five year contract would be required.
- A review of short and long term absence for NFDC Refuse Collection and Street Cleansing sections had taken place and 20 employees had been referred to occupational health.
- It was reported that a long term plan was now in place to deal with the Brown Tail Moth problem at Barton on Sea.
- The roll out of the ABC scheme in TVBC had gone very well. Work would continue into January to ensure residents understood what could be recycled. The Committee extended its congratulations to the Head of Environment and Health, Laura Taylor, and requested her to pass their congratulations on to her team.
- Consultants had been appointed to undertake the review of the street cleaning service and a report was expected shortly. The street cleaning team were working with Testway Housing to clean up the estates and credit was given to the team.
- NFDC Central Purchasing Unit had offered up procurement saving of £20,000 for 2007/08 which was anticipated to be achieved through better procurement contracts through the improved use of the Hampshire Marketplace.

Feedback was given on the review of the financial and operational performance of the TVBC workshops. The report showed all the action points identified and progress made. It was predicted that the business unit was likely to have a deficit of £30,000 at the end of the financial year and TVBC Executive had agreed to build this into the budget.

Members resolved:

- (1) That the content of the report be noted.
- (2) That a temporary post of Business Support Officer (Commercial Services), to be funded from existing budgets be approved.
- (3) That the permanent creation of the post of Business Support Officer (Grounds Maintenance) at a cost of £21,300 to be funded through a contribution from NFDC, additional income from HCC and through growth in turnover of the section, be approved.
- (4) That the purchase of a mini digger and specialist shoring to deliver the new burial service be approved.

- (5) That the creation of two new posts of Grounds Maintenance Operatives (TV) at a cost of £37,500, to be funded from additional income to the business unit, be approved.
- (6) That the creation of the post of Building Cleaning Working Chargehand at a cost of £4,100, to be funded from existing budgets, be approved.

Chairman