

REPORT OF COMMERCIAL SERVICES JOINT COMMITTEE

(Meeting held on 17 June 2008)

1. APOLOGIES

Cllr D Busk (TV), Cllr P Giddings (TV)

2. APPOINTMENT OF CHAIRMAN

Councillor Boulton (TV) was appointed Chairman of the Joint Committee for the remainder of the municipal year.

3. APPOINTMENT OF VICE CHAIRMAN

Councillor E Heron (NF) was appointed Vice Chairman of the Joint Committee for the remainder of the municipal year.

4. MINUTES

The minutes of the meeting held on 4 March 2008 were confirmed as correct.

5. DIRECTORS REPORT FOR THE PERIOD 1st APRIL 2007 TO 31st MARCH 2008

Consideration was given to the Director's Report which covered the period 1st April 2007 to 31st March 2008.

(a) Financial Position

The New Forest District Council (NFDC) accounts showed that overall business units returned an underspend of £126,000 for the full year against the net 2007/2008 budget of £10.11m. Specific reasons for variations in the business units were set out in the report with the main variation being due to higher than expected recycling income received for glass and plastics from Project Integra. It is anticipated that the recycling value will be lower in the next financial year due to the increase in fuel costs.

Test Valley Borough Council (TVBC) accounts to the end of the financial year showed a deficit of £61,000 against the net budget of £6.7m. Public Conveniences, Refuse Collection and Street Cleansing business units returned a surplus, all other business units returned a deficit. Specific reasons for variations in the business units were set out in the report.

(b) Operational Issues

The Committee were updated and discussed the following key issues:

- Systems were being enhanced to improve reconciliations between grounds maintenance systems and Forte for income due.
- Changes would be taking place following the departure of the Head of Environment and Health (TVBC) and the senior management restructure at NFDC. The Waste and Street Cleaning Manager (TVBC) had taken on the

temporary responsibility for corporate matters on behalf of Commercial Services at TVBC. Arrangements for the creation of the new Property Services section at NFDC were ongoing including the implications of this new structure on senior management resources available to the Partnership. The outcomes of this review would be reported to the next meeting.

- Accident statistics for the full year were presented, there being 55 at TVBC and 65 at NFDC. This included reportable, non reportable and near misses. This was seen as a low accident rate per work force for both Authorities.
- The annual sickness rates for both Authorities had shown that there had been a significant improvement for NFDC per employee in relation to 2006/07 due to a pilot scheme which dealt with repeated or long term sickness through the capability procedure. This scheme was likely to be rolled out throughout NFDC. TVBC had shown a high level of sickness due to a number of long term sicknesses. Robust sickness procedures had been put in place to address this.
- A capital bid had been submitted to refurbish and stabilise the office accommodation at Marsh Lane depot.
- The TV Building Maintenance Section had successfully completed the Rendezvous community venue project for TVBC.
- The Grounds Maintenance contract tender documents from East Dorset District Council had been evaluated but declined due to a fixed price contract which could only be achieved through a reduction in standards delivered.
- The present Romsey Schools contract was due to expire at the end of December 2008. Tender documentation had been received and members were asked to support the submission of a bid to Hampshire County Council by mid July.
- A report had been taken to NFDC Members regarding the increase in days taken to remove abandoned vehicles. Revised procedures were now in place to deliver an improved response time.
- Early indications were that the new TVBC Street Cleaning rounds structure was effective and delivering the desired results.
- The contract for the re-launch of the local recycling centres in Test Valley had been awarded to Recresco. The new arrangements involved the installation of modular recycling banks and commenced in early May 2008.
- NFDC's recycling rate was increasing year on year and this year it was clear that more residents had signed up to the green waste scheme.
- The NFDC Street Cleaning section had been successful in retaining the two Forestry Commission litter collection contracts which would run until March 2010.
- The NFDC Street Cleansing Service review had commenced and the first project team meeting had taken place. A number of working groups had been established. A project board would be set up after the next meeting of the project team on 27th June.
- NFDC were looking at appointing external cleaning services for the Recreation Centre Cleaning. The Street Cleansing section would continue with this until September when the results of the tenders were received.
- Arrangements were being finalised for the procurement of a fleet management software system. The system will provide vehicle data which will be a key tool in delivering both environmental improvements and financial efficiencies through the reduction in fuel used. The financial business case for NFDC indicated a broadly cost neutral position for year 1 followed by savings in the region of £30,000 per annum thereafter through reduced fuel spend. Employee side were being consulted and will be involved in the implementation of the system.

The Joint Committee agreed:

1. That the content of the report be noted.
2. That the submission of a tender for the Romsey Schools contract in accordance with the scheme of delegations, be supported.
3. That the 2008/09 Service Improvement Plan set out at appendix 2 of the report, be noted.
4. That the 2008/09 Service Key Performance Indicator Targets set out at appendix 3 of the report, be noted.

6. JOINT INTERNAL AUDIT ANNUAL REPORT 2007 - 2008

Consideration was given to a joint report by NFDC and TVBC on the opinion and summary of the audit work undertaken in the last financial year 2007/2008 and the audit programme planned for the current financial year 2008/2009.

The Audit work for 2007/2008 concluded that fundamental processes within the systems reviewed, were operating effectively and that there were no material issues arising from this work that needed to be reported.

The key areas of audit work undertaken during the year were:

- A joint review of Vehicle Workshops across both authorities. This review was commenced during the year and is due to be completed within the current financial year.
- A joint review of the financial arrangements for recharges across the partnership.
- A review of Building Maintenance at New Forest.
- Follow up reviews of Building Maintenance and Grounds Maintenance at TVBC.

A summary of performance in days for each audit in the 2007/2008 plan was shown at appendix 1 to the report, together with the audit plan for 2008/2009.

Members considered the summary of the main outcomes of the Audit work undertaken in 2007/2008. The review of the Building Maintenance action plan showed that duplication of administrative tasks remained under review with the intention to seek more sharing of electronic records within Commercial Services and Technical Services at TVBC.

Management fees would need to be re-assessed in light of senior management changes at both authorities. The recharges for this year were based on existing arrangements and will form part of the joint review of the Partnership by NFDC and TVBC.

The Joint Committee Agreed:

1. That the content of the report be noted.

Chairman