

**15 JANUARY 2007**

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**REPORT BY HEAD OF ENVIRONMENTAL SERVICES**

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**GROUNDS MAINTENANCE TRADING OPERATION**

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**1 Purpose of Report**

- 1.1 To update the members of the Trading Operations Sub-Committee of the activities of the Grounds Maintenance trading operation for the period 1<sup>st</sup> April to 30<sup>th</sup> November 2006.**

**2 Business Performance and Monitoring**

- 2.1 The Grounds Maintenance trading operation continues to perform contracted maintenance mainly for Parks and Open Spaces and Burial Grounds and also for local housing associations and private individuals.
- 2.2 The section is undertaking its winter work programme which includes shrub and hedge maintenance, litter picking, pitch maintenance, tree pruning and ad-hoc work in response to issues raised during the year
- 2.3 Appendix 1 provides an analysis of income and expenditure for the first eight months of the year and of the projected outturn for 2006/07 compared to budget. Forecast income for the year of £3,350k is £152k greater than budget. Forecast expenditure of £3,349k is £165k greater than budget. The resulting surplus of £1k is £13k less than budget. The additional income arises from an increase in client charges, to recover higher than expected depreciation, interest, maintenance and fuel costs.
- 2.4 Expenditure in excess of budget has been kept to a minimum by delaying replacement of both full time and seasonal staff throughout the year.
- 2.5 The section has been participating in its first year of APSE performance networks. This is a benchmarking exercise designed to give an indication of performance against other similar authorities throughout the UK. The report on our submission has just been received and committee will be updated on the headline information verbally by the Parks Manager on the day of the meeting.

**3 Business Update**

- 3.1 Grass cutting operations throughout the Borders have been ongoing up to and including the beginning of December. This requirement to carry on grass cutting has resulted in delays in undertaking shrub bed renovations and has the potential to delay further some other functions which are traditionally undertaken in advance of the Christmas break. However, we are confident that all of the winter work will be complete in time for the next season.

- 3.2 External works are now being managed by the parks works manager. No significant changes to performance are expected as a result of this change.
- 3.3 An audit of the pricing strategy of existing contracts is currently underway. The results of this audit may impact on financial performance in future. Committee will be updated on its completion.
- 3.4 A programme for upgrade and improvement of play facilities has commenced. Whilst it had been previously intimated that reports would be circulated to area committees, due to time constraints a decision was taken to consult locally with those ward members affected about planned upgrades. This is now been complete and all issues satisfactorily resolved enabling efficient delivery of the programme.
- 3.5 SB Local have successfully managed to support the programme for play area improvements by securing funds to contribute towards fencing of those sites identified as requiring fencing on safety grounds. This is seen as a significant help towards addressing the Councils duties under the relevant health and safety legislation.
- 3.6 Appendix 2 attached details the programme of play area improvements for the current year.
- 3.7 A significant training programme is in the process of being delivered to all FTE manual staff in the parks section. Appendix 3 attached details the types of training and the numbers of staff involved. Completion of the programme will result in a formal improvement to the Councils position under the relevant legislation governing the operations of the service. Discussions have commenced with providers in advance of delivering a similar programme in the winter period next year.

#### **4 Financial Implications**

- 4.1 The Grounds Maintenance trading operation is forecasting a surplus of £1k for 06/07. Full analysis of this forecast can be seen in Appendix 1.

#### **5 Consultation**

- 5.1 The Heads of Corporate Finance, Financial Administration, Corporate Administration, and Legal Services have been consulted and their comments have been incorporated into the report.

#### **6 Equality**

- 6.1 There are no equality issues directly associated with this report.

#### **7 Environment**

- 7.1 An audit has been completed on the issue of the bio-diversity duty, previously outlined at the last committee.
- 7.2 Discussions are now ongoing with colleagues in PED about those actions which are realistic and achievable and those which due to varying constraints are not. Committee can expect an update at the next round of monitoring meetings.

#### **8 Risk Commentary**

- 8.1 The question of bedding plant procurement continues to be challenged, in light of the proposed closure of the nursery at Glenraig, Peebles.
- 8.2 Short term the timing of the closure to facilitate the building of the school remains unclear. However, should the site be required late July then the plan is to de-cant to the nursery at Wilton Lodge park in Hawick, this will allow the winter/spring crop for 07/08 to be grown as usual. Discussions and decisions about this aspect of procurement which continue beyond March 2008 could result in the need to buy in a

proportion of the plants for the summer displays of 2008. Any potential for this to happen will be anticipated and the committee informed of any fluctuations in expenditure as a result of this action.

8.3 Work is ongoing with HR over the contractual options which may present themselves when employing seasonal staff. However management are making provision to employ seasonal staff earlier and for a longer period. This will be a significant step towards ensuring resources are available to cope with the climatic changes which effect the service. There could be significant financial pressures as a result, which will be managed subject to the outcome of the 2007/08 budget. However should no additional financial resource become available then members should be aware that the extended period of grass cutting experienced this year may not be able to be managed to such a high standard. This may inevitably lead to increases in complaints from the public.

## 9 Recommendation

9.1 I recommend that the Trading Operations Sub-Committee:

- a) agree the contents of this report
- b) approve the projected outturn as revised approved budget.

### Approved by

Name	Designation	Signature
Callum Hay	Director of Technical Services	[insert signature]

### Author(s)

Name	Designation
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### Associated Papers: Appendix 1, 2 & 3.

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Collette Lamb can also give information on other language translations as well as providing additional copies.

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