
SBc CONTRACTS TRADING OPERATION REPORT 2022/23

Report by Chief Officer Roads

EXTERNAL SERVICES/PROVIDERS MONITORING GROUP

20 September 2022

1 PURPOSE AND SUMMARY

- 1.1 **This report proposes a summary on the performance of SBc Contracts for the financial year 2022/23 up to 30th June. This report is to be considered in public prior to a further second paper to Members in private that considers sensitive commercial trading activity that SBc Contracts undertakes.**

2 RECOMMENDATIONS

- 2.1 **I recommend that the External Services/Providers Monitoring Group:**
- (a) Notes the report.**
 - (b) Considers the remainder of the report under private business.**

3 WORKLOAD AND MANAGEMENT UPDATES

Workload update

3.1 SBc Contracts delivers infrastructure improvements across the Council's roads and built estate. The work undertaken is funded by the Council's Capital budget, these include:

- Road Surface Treatment including surface dressing and patching
- Civil Engineering Works
- Internal Building works to SBC Estate
- Bond Coat Application
- Traffic Management
- Sign Manufacture

In addition, SBc Contracts carries out road maintenance and civil engineering projects for third parties throughout South and central Scotland.

3.2 In regards to road surfacing activity to 30th June 2022 we completed 12 Surface Dressing Patching Sites, 1 number Capital resurfacing scheme, 3 Civil sites at Chirnside Bridge, Ross High School and Eddleston Cycleway, 3 footway schemes at Reston and Peebles, 7 screed sites across the network and 2 private jobs at Milestone Garden Centre and Newhouses.

124,580m² of surface dressing has been applied across the network with 6 sites deemed as high stress also receiving the Secure Chip application.

In addition our specialist bond coat operation have had a good year to date delivering 90 orders to third party clients and performing well in financial terms for the Council.

3.3 The whole year picture for 2021/22 saw us active on 134 number of sites. Of which 122 are now concluded and 12 remain active at 30th June 2022

3.4 We have continued to meet demand by balancing the use of our own staff with that of external contractors, which in turn helps support and sustain the local economy when it comes to civil engineering/ground works and road surfacing. In October 2021 we successfully established a framework to facilitate this ongoing use of third parties, the framework includes 108 Contractors across 32 separate lots.

3.5 As has been previously reported to this group, supply chain issues, which we have been experiencing over the last 18 month, remain a challenge, we continue to work with clients, designers and suppliers to overcome delays in delivery which in turn impacts project performance.

3.6 Notable achievements in the first quarter of 2022/23 include the ongoing delivery of the Peebles to Eddleston cycleway, the continuation of the 20MPH transition, and the successful delivery of the surface dressing programme across the Scottish Borders, in what could be considered as challenging supply chain issues which arose as a result of the conflict in Ukraine.

- 3.7 The early outlook for 2022/23 has been positive and we have secured some contracts that extend beyond this financial year, which helps with workload planning and forecasting. Based on our current assessment of the forecast expected workload and performance we anticipate achieving or being close to achieving our expected financial target during 2022/23. Positively we are aware of a number of high value projects, which we are pursuing, and should we be successful in being awarded them then they will positively affect our position even further.

Management Update

- 3.8 The table below sets out the amount of recruitment that we have undertaken in 2022/23 and from this you can see that we have maintained an almost constant recruitment position across a number of posts, we have been able to successfully appoint into all of the posts however due to staff turnover we have just recently recommenced a recruitment process for 6 more front line staff.

| Post title | No. of positions | No. of applicants | Shortlisted/ interviewed | Appointment (Y/N) | Male or female |
|----------------------------|------------------|-------------------|--------------------------|-------------------|----------------|
| Signshop Operative | 1 | 6 | 5 | Y | Male |
| Quantity Surveyor | 2 | 4 | 4 | Y | Male |
| Modern Apprentice | 4 | 10 | 8 | Y | Male |
| Skilled Chargehand | 2 | 5 | 3 | Y | Male |
| Area Assistant | 1 | 2 | 2 | Y | Male |
| Specialist Plant Operator | 1 | 2 | 2 | Y | Male |
| Operator | 4 | 13 | 13 | Y | Male |
| Specialist Plant Operative | 1 | 8 | 4 | Y | Female |
| Site Technician | 1 | 1 | 1 | N | Male |

- 3.9 The roll out of staff appraisals in line with the corporate appraisal system continues. The majority of office based staff have received their initial objective setting meeting and preparations for delivery of appraisals to front line staff continue. We are of course inhibited by the lack of digital connectivity and access points for staff and this in the main will be the reason for us not making as rapid progress as we would have liked.

- 3.10 Pot holes continue to be a challenge for us to treat. However in April 2022 we took delivery of a Pot Hole Pro which is designed and manufactured by

JCB. The machinery is being deployed across the road network as we speak and has been undertaking permanent repairs to great effect. This forms part of our integrated response to road defects repairs which also includes jet patching and temporary repairs subject to weather conditions and resourcing issues. We aim to undertake more permanent and semi-permanent repairs over time. To date we have complete repairs works using the Pot Hole Pro (Photo Attached on Annex 2) on 10 sites on the A Class network repairing 522 potholes amounting to 2,064m² of asphalt.

3.11 With the Council declaring a climate emergency in August 2021 and the subsequent focus on carbon reduction members may wish to note the activity at Easter Langlee aggregate yard. Situated adjacent to the approach road to the recycling centre at Easter Langlee Galashiels. The roads service diverts construction waste material from landfill to the aggregate yard where it is stored, processed and then made available for re use both by the Council and the general public. On average 10,000 tonnes of construction waste is taken in annually with approximately 5,000 tonnes re used on council projects and 5,000 tonnes re sold to local contractors or the general public. Details of the materials available and their prices are appended to this report (Annex 1). The facility has saved the Council significant sums of money by diverting material from landfill and reduced the carbon footprint of the roads maintenance service as well as generated a modest income back to the service.'

4 IMPLICATIONS

4.1 Financial

There are no financial implication associated with the public section of this report.

4.2 Risk and Mitigations

There are risks and mitigations associated with the financial performance of SBc Contracts and these are discussed in the report to be considered in private.

4.3 Integrated Impact Assessment

An Integrated Impact assessment has been undertaken and there are no identified impacts, as a result of this report or the matters it refers to, identified at this time.

4.4 Sustainable Development Goals

Whilst not directly impacted by the recommendations in this report, SBc Contracts through its trading and project delivery employs where ever possible local suppliers and trades which in turn supports aspects of the UN Sustainable Development Goals. In addition, through use of local materials it reduces its impact on the environment because of the reduced miles the materials have to travel.

4.5 Climate Change

There are no significant carbon management implications arising from this Report.

4.6 Rural Proofing

There are no significant rural proofing implications arising from this Report.

4.7 **Data Protection Impact Statement**

There are no personal data implications arising from the proposals contained in this report.

4.8 **Changes to Scheme of Administration or Scheme of Delegation**

No changes are required because of this Report.

5 **CONSULTATION**

- 5.1 The Director (Finance & Corporate Governance), the Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Director (People Performance & Change), the Clerk to the Council and Corporate Communications are being consulted and any comments received have been incorporated into the final report.

Approved by

Name

John Curry

Title

Director – Infrastructure & Environment

Author(s)

| Name | Designation and Contact Number |
|---------------|--------------------------------|
| Jason Hedley | Chief Officer Roads ext 8037 |
| Mark Douglas | Commercial Manager |
| Peter McNulty | Works Manager |

Background Papers: nil

Previous Minute Reference: nil

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

Contact us at Jason Hedley Infrastructure and Environment, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA, Tel 01835 825431, Fax 01835 825071, email eittranslationrequest@scotborders.gov.uk.

ANNEX 1 – PRODUCT PRICE LIST, LANGLEE RECYCLING CENTRE

Site Address: Langlee Recycling Centre
 Scottish Borders Council Incoming & Outgoing Materials
 Easter Langlee (From 29th March 2022)
 Galashiels
 TD1 2NT



All prices **EXCLUDING** VAT
 EXTERNAL

| Product Codes | Product | Prices (Ex VAT) | Prices (Inc VAT) | |
|---------------|-----------------------------|-----------------|------------------|----------|
| P1E | Cover / Washed / Sharp Sand | £25.00 | £30.00 | Outgoing |
| P2E | Building Sand | £27.00 | £32.40 | |
| P3E | 6mm to 10mm Pipe Bedding | £16.50 | £19.80 | |
| P4E | 12mm to 25mm Pipe Bedding | £14.50 | £17.40 | |
| P5E | 25mm to 75mm Pipe Bedding | £11.00 | £13.20 | |
| P6E | Type 1 Sub-Base | £7.50 | £9.00 | |
| P7E | Concrete Mix | £16.00 | £19.20 | |
| P8E | Crusher Run 4" | £8.00 | £9.60 | |
| P9E | 4 by 2 Clean Stone | £10.25 | £12.30 | |
| P10E | Top Soil (as dug) | £7.00 | £8.40 | |
| P12E | Verge Soil | £5.00 | £6.00 | |
| P15E | Rubble | £8.00 | £9.60 | |
| P16E | Soil & Stone | £8.00 | £9.60 | |
| P17E | Slate | £8.00 | £9.60 | |
| P18E | Tar Cuttings | £8.00 | £9.60 | |
| P19E | Street Cleaning Residue | £29.10 | £34.92 | |

Annex 2 – Pot Hole Pro

