MINUTES OF PUBLIC REALM AND WORKS SERVICES UNIT TASK GROUP

9 SEPTEMBER 2010

PRESENT:

Members of the Group:

Councillors Gillias, Ms Robbins, Sewell and Helen Walton.

Officers:

Andy Smith (Works Services General Manager), Chris Worman (Parks and Open Spaces Team Leader), Paul Larcombe (Public Realm Manager), Joanne Birkin (Assistant Scrutiny Officer), Elizabeth Routledge (Democratic Services Officer).

38. MINUTES

The minutes of the meeting held on 14 July 2010 were approved and signed by the Chairman.

39. APOLOGIES

Apologies were received from Councillors Day, Mistry and Roodhouse.

40. DECLARATIONS OF INTEREST

There were none.

41. MAINTENANCE OF SPORT PITCHES

At its July meeting, the Task Group had requested further information on the quality of sports pitches within Rugby, managed and maintained by Rugby Borough Council.

The Group considered a report by the Open Spaces and Bereavement Services Team Leader (Part 1 – agenda item 4) concerning the maintenance of sport pitches.

The playing pitch strategy was currently under review and was due to be completed in September 2010. The report would consider the overall grass playing field requirements across the borough, and would look at the balance in supply and demand both across the authority as a whole, and within the different sub regions of the borough. It would identify all provision across the borough including parish, schools and private locations.
In general, all pitches across the borough were regularly used and in fair condition. However, there were some underlying issues of drainage/flooding that would need addressing in the short to medium term to ensure the pitches affected remained usable. The sites affected were Avon Mill, Addison Road, Freemantle Road, Boughton Road, Ashlawn and Hillmorton. Some complaints had also been received on the conditions of pavilions in the area.

Car parking was also an issue at a number of sites, and the surfacing and amount of spaces available could be improved if funds were available.

Members asked about the bowling green in Caldecott Park where drainage seemed to be an issue. Officers responded that a grant had recently been received by the club and the Council was working with the bowling club to improve the facility.

The current fees and charges for the hiring of sports pitches were detailed in an appendix to the officer’s report. The cost of maintaining the pitches was considerably higher than the income received from the clubs. Broadly speaking, sports pitch provision was subsidised by some 72%. Pitch bookings were not taken for training or informal use and charges were not made for such use. Members felt that charges should be made and asked whether it would be possible for bookings to be made using the current on-line booking system. Officers advised that this system was unsuitable for booking training sessions. The situation had also been investigated by the Head of Environmental Services; however, it had been concluded that administration costs in terms of staff time, etc would be prohibitive to introducing and monitoring a system to book training/informal sessions. Members considered that there should be further investigation into charging for training.

The charging of additional fees for use of pitches by non-borough residents was being investigated in an effort to redress the balance. Members were mindful that a balance had to be struck between the fees charged and the potential impact on usage; however, they considered it was important that efforts were made to reduce the gap between income and expenditure.

RESOLVED THAT- the Parks, Open spaces and Bereavement Services Team Leader be thanked for his report.

42. PARKS, OPEN SPACES AND GROUNDS MAINTENANCE

The Task Group considered a report (Part 1 – agenda item 5) concerning parks, open spaces and grounds maintenance.

At the last meeting of the Group, members had requested further information on the parks, open spaces and ground maintenance service. The report, together with the report on sports pitches, had been submitted for consideration as part of the final review.

The report gave a brief overview of the parks, open spaces, recreation grounds, sports facilities, cemeteries and closed churchyards, play areas, allotments and nature areas which the Parks and Open Spaces and Ground Maintenance Teams managed and maintained.

RESOLVED THAT- the report be noted.
The Task Group considered a report (Part 1 – agenda item 6) concerning charging and trading.

Members had previously been provided with details of charging and trading opportunities within Local Government. Further details had been requested on how the Council might proceed with offering services externally and available options allowing such services.

During discussion of the item the following points were raised:

- A number of officers had attended a one day income generation workshop provided by Eversheds to go through all of the available powers open to local authorities which would allow them to provide services externally.
- A number of powers were available; however, the key charging powers that would be applicable to the WSU were as follows:
  - Section 1 Local Authorities (Goods & Services) Act 1970
  - Local Government Act 2000 – Wellbeing Power
  - Section 111 Local Government Act 1972
  - Section 93 Local government Act 2003
  - A number of specific powers related to specific functions such as computer capacity, entertainment facilities, restaurants, land, etc
- It was noted that the new Decentralisation and Localism Bill might also open up new opportunities.
- The Local Government (Goods and Services) Act 1970 had introduced the power to supply goods, material and services between local authorities and to other public bodies. However, this did not include trading with the private sector or with local citizens.
- The well-being power contained in the Local Government Act 2000 had come into force on 18 October 2000. This power could open many avenues for alternative services that would be of benefit to the area in general. Examples could include renewable power generation providing reduced energy costs for the Council and some of its residents.
- Section 111 of the Local Government Act 1972 allowed local authorities to utilise any surplus capacity it might have to carry out functions for the general public and local businesses. It could not, however, hire additional labour or mechanical resources in order to carry out that work. Officers felt that this Act, almost 40 years old, was brought into force at a time when local authorities may have had surplus staff available – this was not the case currently.
- The Trading Order made under sections 95 and 96 of the Local Government Act 2003 provided powers to trade in function-related activities through a company. If the Council were to decide to establish a trading company, it should expect to receive income from that company either in the form of dividend payments or through the growth in value of its shares or other investments in the company, which it could subsequently release. Income from the trading company might be applied in any area of the Council’s activities to support expenditure, subsidise services, or reduce local taxation.
- Members expressed concern regarding the quality of the gulley emptying service being provided by the County and asked whether it might be possible to bring that service back in house and charge the County. There were in excess of 20,000 gullies in the borough. They were assured that if it were possible to bring gulley emptying back in house then the Work Services Unit would be able to carry out the work satisfactorily. Cllr Helen Walton, in her capacity as a County Councillor, would investigate this possibility further and report back.
The decision to charge for services should not just be for the purpose of income generation or cost savings. These should be incidental benefits arising from an activity being undertaken for the benefit of residents.

When considering opportunities, it would be necessary to consider the following:

- What aims/objectives would the Council hope to achieve? Increased revenue to be utilised to offset the Council’s costs in relation to the provision of statutory services, subsidise non statutory services or reduce local taxation.
- Has the relevant legal basis for this activity been identified clearly? Eversheds Solicitors have advised officers of all the available powers open to local authorities which allow them to provide services externally for the purposes of income generation.
- Has there been a market analysis that identifies the actual or potential opportunities? Market Analysis had not yet been undertaken. The Works Services General Manager commented that he would appreciate direction on this matter.
- How would this impact upon the local economy? Some local businesses might be affected.
- What is the business case for this activity? This had not yet been done.
- What are the risks associated to the venture? A risk assessment would have to be done.

Members endorsed the general principles of expanding “charged for services” provided they were accompanied by market analysis and a business case. It was felt that they would endorse the setting up of companies to provide specific services as trading experience was gained.

RESOLVED THAT- the WSU officers, together with the legal and accounting department explore in detail a suitable working business model in order to establish trading and charging options, both inside and outside the borough of Rugby.

44. DRAFT REVIEW REPORT

The Task Group considered a report (Part 1 – agenda item 7) concerning the draft review report.

Members commented that they felt the Task Group had been very productive and was an excellent example of teamwork between members and officers.

The Group agreed that the operations of the Works Service Unit be endorsed and kept as an in-house service.

RESOLVED THAT- a recommendation be added to the Review Report to agree that the operations of the Works Service Unit be endorsed and kept as an in-house service.

45. DATES OF FUTURE MEETINGS

The next meeting of the Task Group would be held on 12th October, as previously agreed.