MINUTES OF PUBLIC REALM AND WORKS SERVICES UNIT TASK GROUP
12 OCTOBER 2010

PRESENT:

Members of the Group:

Councillors Day, Gillias, Kirby, Roodhouse, Sewell and Helen Walton.

Officers:

Sean Lawson (Head of Environmental Services), Andy Smith (Works Services General Manager), Gill Russell (Environment and Waste Services Manager), Paul Larcombe (Public Realm Manager), Joanne Birkin (Assistant Scrutiny Officer), Linn Enticott (Democratic Services & Scrutiny Officer).

46. MINUTES

The minutes of the meeting held on 9 September were approved and signed by the Chairman.

47. APOLOGIES

Apologies for absence from the meeting were received from Councillor Ms Robbins.

48. DECLARATIONS OF INTEREST

There were none.

49. WSU EXTERNAL CHARGING PROPOSALS

The Task Group considered a report (Part 1 – agenda item 4) concerning proposals allowing the WSU to offer services to the general public and other bodies externally.

At this stage the WSU is actively investigating the possibilities surrounding the ability to charge for services in preference to trading.

It had not been possible to put together a business plan but the report covered proposals on the best way forward and gave an outline of the possible service areas that could be explored.

There was a need for caution to protect the Council from financial risk. The report proposes an internal assessment team as the initial way forward which would act as a safeguard and allow Cabinet to make informed decisions.

It was noted that other authorities have expressed interested in working with the Council.

During discussion of the item Members raised the following points and questions:
How much would the initial set up costs be?

Set up costs would vary for each service. For building maintenance this would be minimal. It would be necessary for an extension to be built before the vehicle maintenance and MOT workshop could be set up. This would require an initial outlay of approximately £250,000 though the return on this would be quick. Several services have already seen some initial work completed and it would be easy to set these up in a small way. Some services may be able to expanded their charged for services using existing budgets.

Are more precise costings available that would allow the Group to make more definite recommendations?

There are other issues that need to be taken into account such as the side operation and effectiveness and looking at all the available opportunities and this would take time this group does not have. The Group should consider the proposals for charging in principle and agree a procedure where the validity of each charging proposal could be considered, this would involve the proposed assessment team.

The Group would have to work through the finance and evidence would be necessary.

What profit margin is being aimed at?

The profit element is questionable as charging cannot be profitable. To make a profit the Council would have to trade. It was possible the operational costs of WSU could be reduced to increase revenue. Making a profit is only possible if we work with other public bodies. Trading should be left on hold and looked at further down the line. There is no intention to take on any services that would result in a loss.

Members commented that the proposed internal assessment team should have some form of member overview. A suggestion was made that the team be set up as a WSU board and to include members. It was pointed out that Cabinet would perform the member overview function.

Similar opportunities for charging or trading exist in other areas of the Council outside the WSU and therefore it would be beneficial if the board had a wider remit to look at all charging and trading opportunities whenever they arose.

Members commented that this process should not be rushed and asked if a charging structure across the Council could be worked into a better business case. Are funds needed and available for this?

The intention was that the final report and recommendations would be considered by Cabinet in November. These would be based on general principles and Cabinet could come back requesting that further work be carried out.

Officers were asked to comment on the best way forward and informed the Group that in their opinion this Group had completed its task and was ready to report to Cabinet and begin to inform the budget setting process. Whilst there is no detail in place yet a trading board would be a good way of tapping into the many opportunities that exist across the Council which could be of huge value. This work should be carried out on a continuous ad hoc basis.

This could be expanded further and a trading board could also look at existing charging across the Council, for example sports pitch hire.
RESOLVED THAT - the Group agreed that a trading/charging board be set up to look at all council services but primarily focusing on the WSU.

50. DRAFT REVIEW REPORT

The Task Group considered a report (Part 1 – agenda item 5) concerning the draft review report.

The draft report had been circulated to members prior to the meeting and the Group were asked to finalise the review report and complete the action plan and insert timescales.

Members discussed the report and action plan and agreed the following changes:

The review report be updated with the recommendations arising from the report on charging.

*Significant Proposals That Will Require Commitment of Time and/or Financial Resources*

Page 4, paragraph 2 should be expanded to include reference to Cabinet considering the example at appendix 1 to the Charging report as an illustration of the way an assessment team would operate.

*Improvements That Could be Made Quickly and at Low Cost*

Page 4, paragraph 2 – wording should be amended to include reference to the promotion of taking ownership and responsibility in relation to the environment.

Page 5, paragraph 5 – to be removed, paragraph 6 – should include reference to all services.

Officers be requested to insert suitable timescales into the action plan.

RESOLVED THAT –

(1) Officers to amend the review report and action plan to include recommendations outlined in minute 50 above; and

(2) the review report and action plan be submitted to Cabinet for approval.

Members were informed that Rugby Borough Council had been voted most improved Council on letsrecycle.com website.

It was considered that a new campaign based on a message showing the public if they help us we can keep costs low may be effective and could be displayed on refuse trucks.

CHAIRMAN