

**THE MINUTES OF THE MEETING
OF THE RESOURCES SCRUTINY COMMITTEE**

HELD ON TUESDAY 22 APRIL 2008

Present: Councillor A Burnip (Chair)
Councillors Mrs M Baird, A Collinson,
J Haggan, Mrs J Maitland, R Taylor
and Mrs V M Williams

Apologies: Councillors D Maddison and M Nicholls

1 **THE MINUTES OF THE LAST MEETING** held on 1 April 2008, a copy of which had been circulated to each Member, were confirmed.

2 **THE MINUTES OF THE MEETING OF THE EXECUTIVE** held on 8 April 2008, a copy of which had been circulated to each Member, were submitted.

RESOLVED that the information contained within the Minutes, be noted.

3 **PUBLIC QUESTION AND ANSWER SESSION**

There were no members of the public present.

4 **FEEDBACK FROM SCRUTINY MANAGEMENT BOARD**

The Chair advised that there were no issues considered at the Scrutiny Management Board meeting held on 14 April 2008 which fell within the remit of this Committee.

RESOLVED that the information given, be noted.

5 **VALUE FOR MONEY REVIEW OF HORTICULTURAL SERVICES**

The Chair welcomed P Penman, Environmental Operations Manager and T Bleasdale, Senior Resources Officer who were in attendance at the meeting to provide an update on the value for money (VFM) review of horticultural services.

Members were advised that the project plan for the review was presented to this Committee in November 2007. Extensive consultation had also been undertaken with horticultural employees and Trade Unions.

Members were advised that an independent satisfaction survey by Vision Management Systems (VMS) was conducted with residents throughout the district. This had helped to establish and respond to residents views and determine their rating of current service provision. It also allowed the Council to compare itself against other Councils.

The Council was a member of the APSE and to establish performance in a number of key areas the project team submitted horticultural data to APSE. This benchmarking body was recognised by the Audit Commission for measuring performance between public service providers. Authorities were measured as part of a family group system comparing like authorities operating under similar circumstances to ensure a fair comparison.

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The Corporate Support Unit had also undertaken a satisfaction survey with external customers. This included Parish Councils, Schools, Businesses and private dwellings. This provided the Council with performance information on satisfaction, costs, outputs and areas where service improvement and efficiencies could be improved.

The project team also visited Chester-le-Street District Council to assess their current horticultural service, as their satisfaction performance was rated in the top quartile in a recent APSE report. This allowed the Council to compare and discuss current horticultural services and identified areas of good practice that could improve delivery and identified opportunities for efficiencies.

It was explained that the review of the horticultural service was broken down into the following three categories

- (i) Cost
- (ii) Performance
- (iii) Satisfaction

The team's initial assessment determined that the Council's position would be high cost, average performance and average satisfaction. This was based on information produced by the Audit Commission, which compared costs against population and satisfaction survey results carried out in 2006/2007.

- (i) Cost

The review identified that rechargeable contract work undertaken on behalf of a range of customers was fully recoverable with the exception of Durham County Council. It was explained that the Council undertook highways verge maintenance on behalf of the County Council. A high proportion of the County's verges closely boarded district open spaced grassed areas. The Horticultural Unit provided a significant contribution towards achieving the Council's corporate objectives of clean and tidy communities and keeping the district safe, which was why maintenance of the County Council areas was carried out to the same specification operated by the Council. If the Districts service standards were not applied consistently, areas within the district would appear significantly different giving a poor untidy appearance, which would attract complaints. It was explained that these areas were cut on 18 occasions, 13 times more than the contract specified at an additional cost to the Council of £44,500. Discussions with Durham County Council took place annually to agree rates for this work, during these discussions it was highlighted that there was a need to cut the grass more than the County specified and extra finance was required to cover the extra costs. The County maintained that the highways verges were cut for highways safety reasons and not environmental appearance and due to budget restrictions they were unable to fund any additional cuts.

Councillor A Collinson referred to the high standard of grass cutting in the district and hoped this would not decline following LGR. P Penman stated that the standards would be taken forward to the new Authority as an example of best practice.

The Horticultural Unit also provided a maintenance service for East Durham Homes (EDH). A soft market test was carried out by EDH on the horticultural services they required to assess if they provided value for money. The price submitted for horticultural services established that the Council was competitive against the outside market and demonstrated VFM. Following this process EDH decided to continue with the Council as

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their preferred service provider and a service level agreement was agreed for a further three years commencing in April 2008.

As part of the costing exercise the Council looked at pay rates within the family and national groups and identified that of the 14 authorities in the family group horticultural workers were the second highest paid. In the national group they were eighth highest paid from 57 Councils. There were a number of factors which could have contributed to the high pay which included job evaluation as part of the single status agreement and additional pension costs, details of which were outlined.

The review also looked at central establishment charges which were below average. Sickness was also identified as below average for this department. These factors did not place any undue cost or performance restrictions on front line operations. However, one area of concern was that the operation currently had 6 employees suffering from the occupational disease vibration white finger, which created restrictions in the use of certain equipment.

Councillor A. Collinson queried if the increase in fuel costs had affected the review. P. Penman advised that the outside market service providers were affected by the increase in fuel costs to the same extent as the districts services.

The Chair queried how many staff were employed in Horticultural Services. P. Penman advised that the service employed 60 staff.

Councillor Mrs. J. Maitland asked what grade employees were paid if they were re-deployed. P. Penman advised that they were paid the grade for the job they were doing and if they were re-deployed to a lower grade consideration would be given to wage protection.

(ii) Performance

All key horticultural areas subject to a maintenance programme needed to be quantified to get an accurate measurement of maintained land throughout the district. This was not completed in time for the APSE submission therefore, measurements that were established over ten years ago were used along with other accurate service information. These two areas of measurement were unreliable and comprehensive re-measurement was required as landscaped areas had changed following regeneration of the district.

Following the survey of the district it was established that the measurements of maintained land had increased from those submitted to APSE.

Appendix 2 showed that the Council were average for cost per hectare of maintained land and indicated an improved position towards the top quartile could be achieved with the new accurate measurements.

Appendix 3 outlined the number of hectares maintained per front line employee, which was average but improved when the accurate information was applied. This exercise had enabled a profile to be created in terms of quality, cost and service standard per hectare. Hectares maintained per front line employee were above average. The performance was measured from a family group of 17 authorities and from 73 authorities nationally.

(iii) Satisfaction

Members were advised that the BVPI 119e national satisfaction survey was undertaken independently every three years. The Councils result in 2003/04 was 67% of residents

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satisfied with parks and open spaces and in 2006/07 resident's satisfaction remained the same at 67%. This service was also rated as average against other authorities in the APSE family group indicating that the service had stood still over a three year period. The horticultural service and the street cleansing service were integrated in 2006 to form four teams dedicated to particular zones responsible for grounds maintenance and street cleansing functions. This integration had worked well and contributed to the improved BVPI 89, which indicated residents satisfied with the cleanliness standard in their area which had improved from 50% in 2003/04 to 69% in 2006/07.

As part of the examination of satisfaction amongst residents and customers two satisfaction surveys which focussed on current service position, were undertaken. The Corporate Support Unit also undertook a survey with external paying customers. The survey results from the customer satisfaction questionnaires indicated high levels of satisfaction on cost and performance. Particularly in relation to grass cutting and floral displays. Overall 82% of customers were happy with the service and only 17% had considered moving but had decided against it.

VMS carried out an independent survey in the district contacting residents who were part of a database willing to be consulted in relation to Council services. Of the 299 surveys issued to residents throughout the district 116 (39%) were returned. This above average response gave an indication of the importance attached to this service by residents. The survey asked a number of questions covering grounds maintenance with provision to give further comments. The service achieved a rating of 6.04 out of 10 as outlined in Appendix 4.

This information was benchmarked with six other Councils by APSE and the Authority's score was just below average. The survey information was then used to prepare rectification notices which were outlined in Appendix 5. This information allowed the Authority to identify potential service improvements along with quick wins that had been put into practice immediately. This process gave the Authority a better understanding of customer feed back which led to continuous improvement demonstrating that the Authority proactively learnt from customer feedback.

Councillor Mrs J Maitland referred to grass cuttings that were left on paths after the grass had been cut. P Penman advised that the Council had purchased 10 new grass blowers and each team was issued with two new machines.

Councillor A Collinson referred to the maintenance of horticultural vehicles and asked if the 4 day collection schedule had assisted with the maintenance of vehicles. P Penman advised that the 4 day schedule only applied to refuse collection and freed up one day for the maintenance of refuse vehicles. This did not apply to horticultural vehicles which worked 5 days a week with annualised hours.

RESOLVED that the information given, be noted.

JT/PH com resources/080402
24 April 2008