

LEISURE AND ENVIRONMENT COMMITTEE

THURSDAY 16 SEPTEMBER 2010 7.30PM

APPENDICES

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LEISURE SERVICES
FINANCIAL MONITORING STATEMENT
 Figures to the end of August 2010

PROJECTED BUDGET AND FORECAST

| | 2010/11 Budget £'000 | Future Years | | |
|---|----------------------------|------------------|------------------|------------------|
| | | 2011/12 £'000 | 2012/13 £'000 | 2013/14 £'000 |
| Approved Budget: | | | | |
| Egham Leisure Centre | 372 | 372 | 372 | 372 |
| Addlestone Leisure Centre | 347 | 347 | 347 | 347 |
| Leisure & Sports Development | 169 | 169 | 169 | 169 |
| Play & Youth Activities | 190 | 190 | 190 | 190 |
| Chertsey Museum Service | 181 | 181 | 181 | 181 |
| Allotments | 34 | 34 | 34 | 34 |
| Public Halls | 287 | 287 | 287 | 287 |
| Parks and Open Spaces | 1,390 | 1,390 | 1,390 | 1,390 |
| Cemeteries | 111 | 111 | 111 | 111 |
| Closed Churchyards | 19 | 19 | 19 | 19 |
| Total approved budgets | 3,100 | 3,100 | 3,100 | 3,100 |
| Approved and reported changes: | | | | |
| <u>Planned Underspends carried forward from 2009/10 (CMC - May 2010):</u> | | | | |
| Public Halls - Design and printing of new folders | | 1 | | |
| Public Halls - Works to Thorpe Village Hall car park | | 1 | | |
| Cemeteries - Supply and erect bowtop fencing | | 1 | | |
| Cemeteries - Replacement noticeboards | | 4 | | |
| Closed Churchyards - Specialist memorial restoration work | | 1 | | |
| <u>Changes approved in Financial Forecast (CMC - October 2009):</u> | | | | |
| Egham LC - All Weather Pitch contract with Azzurri Sports | | -24 | -35 | -35 |
| Cemeteries - Increase in income - Target 19 (CMC - Dec 2008) | | -10 | -40 | -40 |
| General - Increase charges by 3% more than inflation | | -10 | -10 | -10 |
| <u>Other approved changes:</u> | | | | |
| Charitable Trust for Leisure Centres (CMC - Apr 2010) | | -150 | -150 | -150 |
| Addlestone LC - Reduced opening hours (CMC - Apr 2010) | -20 | -50 | -50 | -50 |
| Egham LC - Grounds maintenance staffing (CMC - Apr 2010) | -10 | -10 | -10 | -10 |
| Parks - Staggared hours & other measures (CMC - Apr 2010) | | -50 | -50 | -50 |
| Parks - Removal of RPG income & expenditure (CMC - Apr 2010) | 37 | 37 | 37 | 37 |
| Cemeteries - Further increase in income (CMC - Sept 2009) | -20 | -20 | -20 | -20 |
| Other potential changes: | | | | |
| Play & Youth Activities - Charges no longer subject to VAT | -8 | -8 | -8 | -8 |
| Play & Youth Activities - Repayment of VAT on prior year charges | -35 | | | |
| Chertsey Museum Service - Contributions now subject to VAT | 9 | 9 | 9 | 9 |
| Latest Budget Projections | 3,061 | 2,814 | 2,773 | 2,773 |

LEISURE SERVICES
FINANCIAL MONITORING STATEMENT
 Figures to the end of August 2010

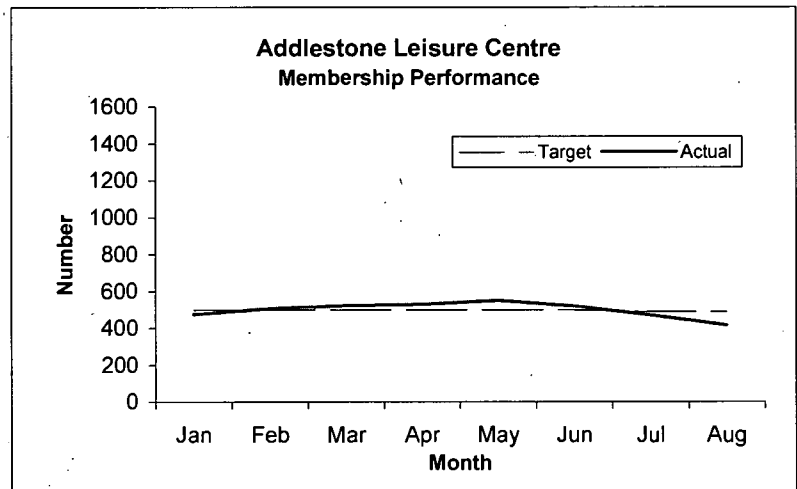
CURRENT YEAR KEY BUDGET INDICATORS

| | 2010/11 | Budget | Actual | Variance to date | |
|--------------------------------------|---------|---------|---------|------------------|---------|
| | Budget | to date | to date | £ | % |
| | £ | £ | £ | £ | % |
| Income from: | | | | | |
| Egham Leisure Centre - Membership | 460,300 | 191,700 | 194,899 | 3,199 | 1.7% |
| Addlestone Leisure Centre Membership | 168,500 | 69,500 | 66,599 | -2,901 | (4.2%) |
| Public Halls fees and charges | 194,300 | 76,300 | 73,208 | -3,092 | (4.1%) |
| Cemetery fees and charges | 155,000 | 53,900 | 48,221 | -5,679 | (10.5%) |

LEISURE CENTRE MEMBERSHIP INFORMATION

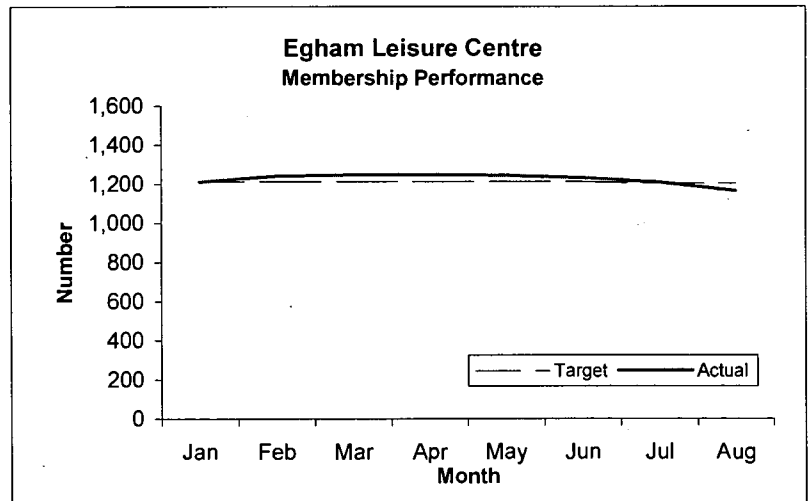
Addlestone LC - No of members

| Month | Target | Actual |
|-------|--------|--------|
| Jan | 498 | 477 |
| Feb | 498 | 507 |
| Mar | 498 | 523 |
| Apr | 498 | 530 |
| May | 498 | 551 |
| Jun | 498 | 519 |
| Jul | 488 | 471 |
| Aug | 488 | 415 |
| Sept | 498 | |
| Oct | 498 | |
| Nov | 498 | |
| Dec | 498 | |



Egham LC - No of members

| Month | Target | Actual |
|-------|--------|--------|
| Jan | 1,213 | 1,212 |
| Feb | 1,213 | 1,242 |
| Mar | 1,213 | 1,248 |
| Apr | 1,213 | 1,249 |
| May | 1,213 | 1,245 |
| Jun | 1,213 | 1,233 |
| Jul | 1,203 | 1,209 |
| Aug | 1,203 | 1,166 |
| Sept | 1213 | |
| Oct | 1213 | |
| Nov | 1213 | |
| Dec | 1213 | |



ENVIRONMENTAL SERVICES FINANCIAL MONITORING STATEMENT

Figures to the end of August 2010

PROJECTED BUDGET AND FORECAST

| | 2010/2011 | Future Years | | |
|---|-------------------|------------------|------------------|------------------|
| | Estimate £'000 | 2011/12 £'000 | 2012/13 £'000 | 2013/14 £'000 |
| Approved Budget: | | | | |
| Pollution Control | 268 | 268 | 268 | 268 |
| Local Air Pollution | 31 | 31 | 31 | 31 |
| Occupational Health, etc | 137 | 137 | 137 | 137 |
| Food Safety and Hygiene | 170 | 170 | 170 | 170 |
| Pest Control/Dog Warden | 39 | 39 | 39 | 39 |
| Recycling and Environmental Issues | 371 | 371 | 371 | 371 |
| Green Waste Collection | 45 | 45 | 45 | 45 |
| Refuse Collection | 1,005 | 1,005 | 1,005 | 1,005 |
| Street Cleansing and Litter Squad | 617 | 617 | 617 | 617 |
| Abandoned Vehicle Collection | 31 | 31 | 31 | 31 |
| Anti-Graffiti & Street Care Team | 72 | 72 | 72 | 72 |
| Public Conveniences | 35 | 35 | 35 | 35 |
| Total approved budgets | 2,821 | 2,821 | 2,821 | 2,821 |
| Approved and reported changes: | | | | |
| <u>Planned Underspends carried forward from 2009/10 (CMC - May 2010):</u> | | | | |
| Pollution Control - Signage and monitoring of air quality | | 1 | | |
| Pollution Control - Contaminated land software and consultancy | | 8 | | |
| Occupational Health - Smoke free signage (grant carried fwd) | | 11 | | |
| <u>Changes approved in Financial Forecast (CMC - October 2009):</u> | | | | |
| Refuse - Vehicle maintenance costs | | -36 | -21 | -6 |
| Street Cleansing - Vehicle maintenance costs | | -24 | -14 | -4 |
| General - Increase charges by 3% more than inflation | | -17 | -17 | -17 |
| <u>Other approved changes:</u> | | | | |
| Recycling - Replacement recycling contract (Council - Apr 2010) | | -226 | -238 | -213 |
| Other potential changes: | | | | |
| Reduction in Trade Waste income | 50 | 40 | 30 | 20 |
| Latest Budget Projections | 2,891 | 2,558 | 2,561 | 2,601 |

ENVIRONMENTAL SERVICES FINANCIAL MONITORING STATEMENT

Figures to the end of August 2010

CURRENT YEAR KEY BUDGET INDICATORS

| | 2010/11 Estimate | Budget to date | Actual to date | Variance to date | |
|--|---------------------|-------------------|-------------------|------------------|---------|
| | £ | £ | £ | £ | % |
| Income from: | | | | | |
| Trade Refuse collection | 511,900 | 461,400 | 398,271 | -63,129 | (13.7%) |
| Green Waste - Subscriptions to service | 180,500 | 177,400 | 182,675 | 5,275 | 3.0% |

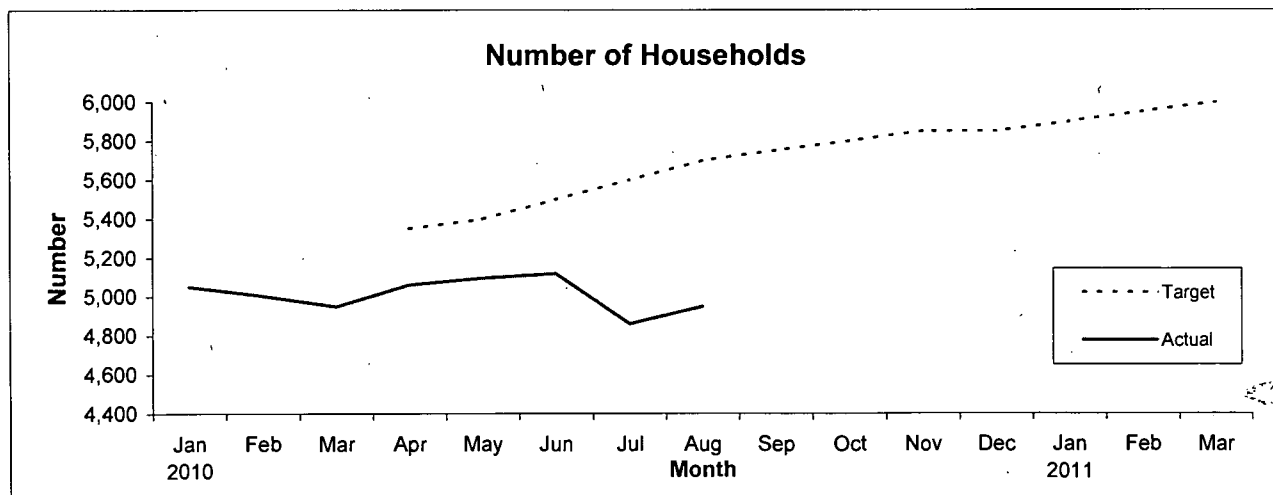
GREEN WASTE SUBSCRIBERS

| Number of households | | |
|----------------------|--------|--------|
| Month | Target | Actual |

| | | |
|----------|-------|-------|
| Jan 2010 | | 5,052 |
| Feb | | 5,005 |
| Mar | | 4,949 |
| Apr | 5,350 | 5,062 |
| May | 5,400 | 5,095 |
| Jun | 5,500 | 5,119 |
| Jul | 5,600 | 4,861 |
| Aug | 5,700 | 4,949 |
| Sep | 5,750 | |
| Oct | 5,800 | |
| Nov | 5,850 | |
| Dec | 5,850 | |
| Jan 2011 | 5,900 | |
| Feb | 5,950 | |
| Mar | 6,000 | |

| Wheeled bin take up | | |
|---------------------|------|---|
| Bags | Bins | % |

| | | |
|-------|-----|-------|
| 4,805 | 247 | 4.9% |
| 4,698 | 302 | 6.0% |
| 4,549 | 400 | 8.1% |
| 4,605 | 457 | 9.0% |
| 4,589 | 506 | 9.9% |
| 4,578 | 541 | 10.6% |
| 4,288 | 573 | 11.8% |
| 4,324 | 625 | 12.6% |





Runnymede Borough Council

DSO Health Check

July 2010

(Final Draft 12th July 2010)

CONFIDENTIAL

WasteConsulting: working in partnership with

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Improvement and Efficiency
South East



Document Control Sheet
Project Name: DSO Health Check, Runnymede Borough Council

Report Title: DSO Health Check

Date: August 10

| | Name | Position | Signature | Date |
|---------------------|--|----------------------------------|-----------|-------------------------|
| Prepared by: | Matt Bench Roger Hills Terry Leahy | Partner Consultant Partner | | 28 th May 10 |
| Reviewed by: | Chris Stannard | Partner | | 8 th July 10 |
| Approved by: | Paul Bridger | Partner | | 9 th July 10 |

| Revision | Date | Description | Prepared | Reviewed | Approved |
|----------|--------------------------|---------------------------------|------------|----------|----------|
| 1 | 28 th May 10 | Internal Review Draft | MB /RH /TL | CS | PB |
| 2 | 14 th Jun 10 | Initial Draft for Client Review | MB /RH /TL | CS | PB |
| 3 | 12 th July 10 | Final Draft | MB | CS | PB |
| 4 | 30 th Jul 10 | Final | MB | CS | PB |
| 5 | | Revised Final | | | |

Acknowledgements

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Disclaimer

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| | |
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Executive Summary

A health check review of the Runnymede Borough Council (RBC) DSO waste and street cleansing service was conducted in spring of 2010. The process evaluated where cost savings, efficiencies and service quality improvements could be made, material risks could be addressed or mitigated and how services compared with the best performers.

RBC is operating a low cost service, which is generally adequate but facing risks that need to be addressed, particularly if the aspirations to improve on the quality of services are to be achieved.

However, the review has identified operational efficiencies of £200,000 with potential scope for further efficiencies in the region of £200,000.

These potential efficiencies highlight one of the distinct advantages of operating an in-house service, especially in the current financial climate. Considerable cuts to public services have been outlined by the Coalition Government in the Queen's Speech and the DSO is providing a flexible and cost-effective way of delivering ongoing changes when compared with a contracted out service. However a 'baseline' of service provision needs to be established, to allow services to be monitored and challenged so that the DSO does not become inefficient over time. Moreover, this helps minimise the potential conflicting service demands that are often requested by Members, which can at times result in an uneven distribution of resources across the authority area.

The baseline will also identify key areas of the service that can be evaluated in terms of partnership working within and across Surrey. With established links to the Surrey Waste Partnership and Spelthorne Borough Council, RBC must place itself in the best position to take advantage of the possible partnerships available and the current work within Surrey will give rise to opportunities to pursue these aims.

The recent contract arrangements entered into for the delivery of recycling services will hinder the partnership approach in some ways, and reduce the opportunity for efficiencies in the short term. In addition it could require the establishment of new contract management arrangements which will need to be carefully considered to ensure service delivery. However, the approach to partnership should not ignore this service in its long term commitment to partnership working.

1. Introduction

The DSO 'health check' review and report was commissioned by Improvement and Efficiency South East (IESE) and Runnymede Borough Council (RBC), to assess the waste and recycling service operated by Runnymede DSO.

The DSO health check is designed to provide a high-level 'executive' style overview of the strategic, financial and operational performance of the waste operations being run internally by an Authority.

The review aims to clearly establish:

- where cost savings, efficiencies and service quality improvements can be made
- material risks to be addressed or mitigated
- how services compare to the best performers
- proposals for short, medium and longer-term action

The report examines the operations and relative working capacity of the refuse and recycling service, the budgets and finances of the service as well as the policies, strategies and CRM system. To put this into context for the authority moving forward, the waste strategy and council position with regard to service delivery and achievement of stated targets is also examined. The process and report therefore aims to clearly identify actions that RBC should look to address in order to improve performance over the short, medium and longer term.

2. Review process

The review method involved an initial stage of examining existing RBC documentation and performance data, such as BVPIs/ NIs, Audit Commission reports, waste strategy documentation, waste compositional analyses, council website, press information and other recent and appropriate reports.

The second stage involved meetings with waste management staff including contract officers and operational managers to discuss the service performance in more detail. The purpose is to review the levels of service offered, collect primary data on workforce performance, quantities of waste and recyclables collected, scheme performance, data from the CRM system, current and future strategies, political support etc. Conversations were also conducted with finance officers to review accounts and budgets for the service and obtain key cost data.

The information was then analysed by WasteConsulting and used to make recommendations and to prepare an action plan for RBC going forward. In the following section the main findings from the review are summarised against advised actions for RBC. The supporting information and relevant service dimensions is provided in detail in **Appendix 1**.

3. Review of operational efficiency: refuse, recycling and garden waste

3.1. Refuse collection

The service currently operates a weekly collection on 5 main rounds and 1 rural round i.e. 6 rounds in total. Efficiencies were made in this service approximately 18 months ago with the removal of 1 vehicle round. The Council is giving consideration to moving to an alternate weekly system of collection (AWC).

Having reviewed the drive-by rates and crew finishing times, and employing our knowledge and understanding of wheeled bin collection services provided by other authorities, there appears to be scope to reduce the rounds to 4 should AWC be introduced.

This could potentially provide further vehicle and crew savings of up to £210,000 if two vehicles and crews are removed, (assuming the Runnymede quoted costs of around £105,000 per vehicle and crew).

This proposed move to alternate weekly residual waste collections would be a positive step in tackling waste minimisation and should lead RBC to achieve significantly higher recycling rates.

RBC Action 1: In switching to AWC, household rounds should be analysed against the RBC GIS database to identify optimum household numbers for each collection round. This will verify that the current proposed £210,000 potential vehicle savings cannot be improved upon.

3.2. Garden waste

The authority currently operates 1.5 garden waste collection rounds with an annual charge to customers of £45.00 for a 240l wheeled bin. Increasing the subscription charges from the previous £40.00 p.a. keeps Runnymede charges in line with neighbouring authorities and providing an incentive for subscribers to switch to Direct Debit (DD) is encouraging.

The net cost of the service at £107,354 (2009/10 budget) appears high for the amount of waste collected, being £67 per tonne for 1600 tonnes. The aim should surely be to provide a service that breaks even and is not subsidised. RBC should therefore be looking to improve participation in the scheme so that the collection resources are fully utilised, or else scale the service back. It may be necessary to amend the collection days so that drive by rates are improved and they are not constrained by current recycling collections to achieve this.

RBC Action 2: to review the green waste collection service resources and decide to either drive forward increased participation and scheme expansion or otherwise scale the service back to one round. Key service aim should be to break even and operate at a zero net cost.

3.3. Kerbside Recycling Contract

The kerbside recycling service is operated by a contractor and was in the process of going out to tender at the time of the review. Consequently this component of the service was largely excluded from the health check. However, the implications of a separate contract and issues for future service alignment and partnership have been given consideration.

It appears that up till now, the Council's view of recycling was one of service provision at minimal cost and investment rather than maximising recycling levels. Consequently this has resulted in the current kerbside sort service which looks to maximise revenue from recycle so that the net cost is minimised. Whilst this is a worthwhile aspiration, the recycling scheme currently provides the lowest recycling rate in the county and is suffering from reportedly low participation levels and corresponding material capture rates. The proposed move to alternate weekly residual waste collections will be a positive step in tackling waste minimisation which should lead RBC to achieve significantly higher recycling rates. However, in terms of future risks, if the recycling rate does not increase substantially, it could have an impact on any negotiations for joint working on a county wide basis if the costs associated with bringing it up to the higher levels is seen to be prohibitive.

Furthermore, Runnymede is in effect running the recycling service separately from refuse collection and incurring additional overheads from two separate management teams and effectively two vehicle fleets. Savings would be achievable if both refuse and recycling were brought together and participation levels could be raised if a simpler commingled scheme were to be introduced and combined with improved education and enforcement. Savings would also be achievable by procuring cheaper vehicles. Different options on the generation of revenues from recycle would still be possible, for example, by using split bodied vehicles the authority could maintain good revenues from paper collection.

While it is understood that the two services will operate individually for the period of the new recycling contract, a longer-term strategy should be prepared to seek the benefit of combining the functions in 2018. A business case should be prepared for bringing refuse and recycling together at the end of the new contract period. It should also look to include partnership working with Spelthorne.

RBC Action 3: bring the recycling and refuse functions together under the same management team

However, it is important to ensure that the recycling contract is as flexible as possible to cope with changes throughout the term and that should there be opportunities for partnering that it does not unduly hinder them.

At the same time there needs to be an understanding of the implications of contract management in terms of monitoring and inspection, data capture, and management and so on. A robust management team approach with procedures to ensure that the specification and management information are fully delivered should be developed.

It would be beneficial to prepare an implementation plan with the contractor and a working practice document alongside that for the services that are being retained in house to identify any overlap or areas that could cause conflict and to manage these. It will also be important to ensure that this reflects the policies of the authority and identifies who will enforce and to what level.

Once the contract has settled down (3-6 months) it would be advisable to review the operational aspects of all of the services including the DSO and look for any areas that can be rationalised to provide initial efficiency opportunities.

4. Vehicle Procurement and Maintenance

The procurement of vehicles in the Borough is performed on the basis of the most cost effective option following financial appraisal at the time any vehicle needs to be replaced. This provides flexibility to either lease or buy to achieve the best deal but can result in older vehicles not being covered by a repair and maintenance contract. Consequently, the DSO still has to provide facilities for repair and maintenance of older vehicles at an ongoing cost to the service. It has not been possible to calculate the impact of this yet; however, it appears the 'extra' cost was not factored into the original financial appraisal before purchase. It is recommended that in future the Council adopts a whole-life cost approach when considering one method of procurement against another.

5. Street Cleansing

The Council is reportedly providing the lowest cost service in Surrey with the expectation that only an adequate level of cleansing will be provided, despite reasonable levels of public satisfaction. Whilst Runnymede is to be commended for its operation of a low cost service it is questionable if this is 'cost effective' or sustainable over the medium to longer-term i.e. the low standards present considerable issues and future risks to the council.

Some of the major issues with the service are:

- Cleansing resourcing appears to be influenced by political will (e.g. the dedicated barrow rounds rather than operating more flexible deployment into EPA zones)
- Ageing fleet of vehicles which is increasingly costly to repair and will potentially become more unreliable, further impacting service delivery
- Lack of Enforcement

A more strategic view of cleansing standards and management needs to be taken. Consideration should be given to redistributing some of the current costs of service provision to Enforcement in order to target problem areas of litter accumulation.

RBC Action 4: Consideration given to redistributing some of the current costs of service provision to Enforcement in order to target problem areas of litter accumulation. An educational campaign should be launched to 'Respect Runnymede' and present a much tougher line on outbreaks of littering.

6. Trade waste

There is apparently capacity within the existing trade collection to expand to more customers on the existing round, thereby increasing revenues without incurring increased staffing costs.

RBC Action 5: To review trade waste capacity with a view to expansion of its customer base without incurring additional staff costs.

7. Strategy and Policy

It is noted that the policies that underpin the collection services (including recycling) are currently under review. Final policies need to clearly reflect the council's aims and include the level of enforcement that will be implemented.

The focus on strategy has been on delivery through the SWP rather than a more detailed strategy for recycling and minimisation in Runnymede that is suited to the budget and demographics of the borough.

RBC Action 6: Develop a flexible strategy that delivers the aims and objectives for RBC and aligns to the key aims and objectives of the Surrey Waste Partnership where appropriate to support partnership working. Identify policies to underpin the strategy.

8. Performance

On the basis of the most recently available NI statistics for England, RBC is amongst the lowest performing authorities in England for recycling and residual waste. Further information is provided in Appendix 1.

9. CRM/ Back Office

The council uses ROCC for managing waste enquiries and this is generally a good system. However, the operation of 2 separate contact lines and systems for the waste and recycling services does not appear to be an efficient use of resources. At this stage we have only broadly estimated the possible saving of combining this function but it is considered savings could be in the region of £10K by the reduction of half a FTE.

RBC Action 7: amalgamate the two contact centre telephone lines for recycling and refuse

10. Partnership Working

There is considerable emphasis placed on partnership working by central Government and local authorities alike.

RBC understands that benefits can accrue from this approach being an active member of the SWP, and is already seeking to work with Spelthorne Borough Council (SBC) to deliver efficiencies.

The following service aspects have been discussed at an operational level between RBC and SBC and represent areas with scope for partnering (noting the need to consider the operating restrictions imposed by the Chertsey Bridge):

- Garden waste, with possibilities for vehicle sharing on Saturdays
- Bulky waste- capacity on both councils rounds
- Clinical waste
- Fly tips
- Vehicle procurement- now that the uncertainty over the recycling contract and provision of food waste in the residual collection has been lifted, the DSO should look to the replacement of its fleet for refuse and streets through joint procurement where possible with Spelthorne.
- Education and Enforcement
- CRM/ back office functions
- Traffic management
- Grounds maintenance
- Emergency response (e.g. flooding)
- Commingled collections (post 2018)
- AWC refuse

However, the wider opportunities that could flow from partnership working across the SWP should not be ignored.

Therefore, RBC should critically look at the options for partnership identified in this report and develop a timeline for action, identify potential partners and develop the relationship opportunities with those having similar aims, objectives and desire to deliver efficiencies.

RBC Action 8: develop a joint timeline for partnership and prioritise the services/functions in terms of the earliest opportunities

A Business Case should be prepared to assess the matrix of benefits from joint working across the SWP, including combining all waste services across both Districts post 2018. This should include a convergence plan with detailed costing and benefits.

RBC Action 9: prepare a business case for assessing the benefits from joint working. Where necessary, prepare business cases for each opportunity – detailed for the earliest ones and basic outlines for the long term ones.

11. Action plan

The health check review has made a number of recommended actions throughout the report and these are summarised into an action plan with time frames below.

| RBC Action Plan | Short term (1 year) | Medium term (2-3 years) | Long term (4+ years) | Potential saving/ income |
|--|---------------------|-------------------------|----------------------|--------------------------|
| RBC Action 1: In switching to AWC, household rounds should be analysed against the RBC GIS database to identify optimum household numbers for each collection round. This will verify that the current proposed 2 potential vehicle savings of £210,000 cannot be improved upon. | | | | £210,000 |
| RBC Action 2: To review the green waste collection service resources and decide to either drive forward increased participation and scheme expansion or otherwise scale the service back to one round. Key service aim should be to break even and operate at a zero net cost. | | | | >£100,000 |
| RBC Action 3: Bring the recycling and refuse functions together under the same management team | | | | >£40,000 |

| | | | | |
|---|--|--|--|----------|
| RBC Action 4: Consideration should be given to redistributing some of the current costs of service provision to Enforcement in order to target problem areas of litter accumulation. An educational campaign should be launched to 'Respect Runnymede' and present a much tougher line on outbreaks of littering. | | | | |
| RBC Action 5: To review trade waste capacity with a view to expansion of its customer base without incurring additional staff costs. | | | | >£10,000 |
| RBC Action 6: Develop a flexible strategy that delivers the aims and objectives for RBC and aligns to the key aims and objectives of the Surrey Waste Partnership where appropriate to support partnership working. Finalise policies to underpin the strategy. | | | | |
| RBC Action 7: amalgamate the two contact centre telephone lines for recycling and refuse | | | | >£10,000 |
| RBC Action 8: develop a joint timeline for partnership and prioritise the services/functions in terms of the earliest opportunities | | | | |
| RBC Action 9: prepare a business case for assessing the longer term benefits form joint working post 2018. | | | | >£50,000 |

12. Conclusions

The decision by RBC to undertake this health check review and to scrutinise service areas that could benefit from further improvement is welcome. A range of actions have been identified that will assist the authority in enhancing its service and freeing up financial resources for investment in new initiatives. Indeed the review has identified in the order of £200,000-£400,000 of potential efficiencies. These range across operations, education/ awareness, enforcement and management.

Like many DSOs, RBC has the advantage over contracted out services of being able to change service provision and associated costs quickly, avoiding the need to negotiate with a contractor. The DSO can operate more services with minimal changes in its overhead base, is able to respond to new business opportunities and is better equipped to provide a more 'local' service orientated ethos than an externalised service. The flexibility that this provides is particularly pertinent in the current financial climate.

There are considerable opportunities for Runnymede to deliver efficiencies and improvements in the DSO and the wider waste/ environmental services area over the short, medium and longer term. In taking this forward, there is a clear need for a business case to:-

- Detail the extent of potential savings from joint working
- Inform and get 'buy-in' from Members
- Identify ways in which to develop partnership opportunities with neighbours, such as Spelthorne.

In addition, Surrey County Council as the Waste Disposal Authority has a considerable role to play in supporting the desire of Runnymede to achieve further efficiencies and improvements both directly and through the Surrey Waste Partnership. Significant savings and discernible service improvements have been achieved in Councils where, with the commitment of Members, Chief Officers and the WDA, partnerships have successfully been brought together.

Decisive commitment to improve on current performance has the potential to offer cashable efficiencies and service enhancements. A detailed list of actions is presented for RBC to take forward and cashable efficiencies in the order of £200,000 to £400,000 could be achievable.

APPENDIX 1

1.1 Service dimensions

The service is delivered to approximately 33,600 households in the Borough, comprising a population of 78,240.

Table 1.1: Service dimensions and relevant statistics

| | | | |
|-------------------------------|--|---------------------------|--|
| Domestic Households | 33,600 | Population | 83,400 |
| Residual Collection | 240l w/bin weekly | Disposal point | Transfer Station |
| Current Recycling rate | 25% - 2009 | Target Rec/Rate | 40% - 2011/12 |
| Recycling method | Box/Bin weekly | Materials | Paper, glass, cans, textiles New scheme: plastics, card, Tetrapak, food waste, batteries, ink cartridges, mobile phones, spectacles |
| Garden Waste | Opt in Fortnightly | No of GW customers | 5000 |
| GW Charge | Container purchase costs : £34.00 240l bin Annual subscription: £45.00 (if not DD) £25.00 sack (if not DD) | Trade W Charge | Charges applied for container hire, collection and disposal across full range of bin sizes (e.g. 240l bin = £301.00 p.a.) |
| Socio economic issues | Affordable housing | Deprivation Index | Ranked within least deprived 10% nationally |
| Politics | Conservative | | |

1.2 Service structure

The collection service operates a total of 6 RCVs and a further 7 vehicles as detailed in the table below.

Table 1.2: vehicle types according to service structure

| Area | Vehicle Type | Number | Comment |
|--------------------------|-----------------|-----------|--|
| Refuse | 26 t RCV | 5 | Urban rounds |
| Refuse | RCV | 1 | Rural round |
| Recycling | Stillage | N/a | Contracted out |
| Green waste | RCV | 1.5 | |
| Bulk Bin Waste household | 7.5t HGV | 1 | 0.6 FTE shared with clinical |
| Trade Waste | RCV | 1 | |
| Clinical waste | 7.5t HGV | - | 1 day fortnightly FTE shared with clinical |
| Support team | n/a | n/a | |
| Spare vehicles | 26t RCV | 1 | For refuse breakdown coverage |
| | Rotary body RCV | 0.5 | For green waste breakdown and high season coverage |
| Total | | 11 | |

1.3 Working hours

The paid working day for all operatives and drivers commences at 06:00 and finishes at 14:00. Breaks are not included for within the paid 7.24 hour working day.

1.4 Service tipping analysis

Round information on tip times was supplied for a period of 2009/10. A selection of the data was analysed to determine the amounts of spare capacity in the working day and the results are summarised in the following tables.

1.4.1 Waste quantities collected

Based upon the data supplied collected residual and recycling tonnages are on a par with other urban authorities, as is the average number of properties per crew per day of 1,200 for wheeled bin collections. Garden waste tonnages are low but this probably reflects seasonal influences.

Table 1.3: quantities of waste (taken from February, 2010)

| Service | Total Tonnage Collected in period tonnes | Average Tonnage per day tonnes | Average Tonnage per tip tonnes |
|-----------|--|--------------------------------|--------------------------------|
| Refuse | 1397.8 | 11.2 | 6.5 |
| Recycling | n/a | n/a | n/a |
| Garden | 207.5 | 5.06 | 3.1 |
| Trade | 212.8 | 10.6 | 10.1 |

1.4.2 Tip times by service area

Overall based on the sample data provided, crews are generally completing quite high levels of their working time capacity. Completed collection capacities ranged from 68% to 89% of the average working day across the services.

Table 1.4: tip times according to service area

| Service | Total number of tips analysed | Average Finish time | Average Percentage of paid day |
|-----------|-------------------------------|---------------------|--------------------------------|
| Refuse | 214 | 13:05 | 89% |
| Recycling | n/a | n/a | n/a |
| Garden | 66 | 12:05 | 76% |
| Trade | 21 | 11:37 | 68% |

Note: An allowance of 30 minutes has been added after the final weighbridge time to allow for crews to complete their tip, return to depot and wash down.

Of the data analysed for refuse collection, the crew with the largest amount of available capacity was Round 6 at 82%, whilst the crew with lowest capacity, at 94%, was Round 2. RBC is planning to introduce an alternate weekly collection in 2011 to reduce costs further. This is advisable, particularly on the basis of the projections for recycling under the new contract, which would include food and see the amounts of residual waste fall to 50%.

In the order of 3 collection rounds would be suitable for an AWC system going forward, although it may be advisable for RBC to maintain the rural collection initially until recycling levels have

stabilised. On the basis of saving 2 vehicles, RBC could anticipate cashable efficiencies of £210,000. However, an optimised set of rounds should be created on a GIS or suitable software so that there is confidence that the resources have been reduced appropriately and any subsequent changes to collections can be brought in over time with minimal disruption to residents.

1.4.3 Household numbers by round

Household numbers on daily collection rounds across refuse, recycling and garden waste collection services were not provided at the time of this report. Therefore further comparison between tonnages and households in order to assess performance was not possible.

1.4.4 Overall summary

It was not possible to review the recycling round structures for this report since the service was being tendered at the time. Generally levels of performance on refuse collection are good and well placed for the switch to AWC.

1.5 Garden waste

The service is operating with 1.5 vehicle rounds in the high season and there are aspirations for the garden waste service to collect from 6,000 houses in 2010/11. Presently the collections cover 5,300 households and in this form the drive by rates are low and in comparison with other authorities would normally represent enough work for 1 round rather than 1.5. Consequently the average number of households per collection day per vehicle of approximately 700 is low

The authority charges £34 for the supply of a 240l wheeled bin with an annual subscription charge of £20-35 for 1-2 sacks and £40-45 p.a. for wheeled bin. Whilst these charges are on a par with other authorities, typically 4-5,000 customers are needed when charging in the region of £40 per bin to pay for one vehicle and crew.

Consequently the net cost of the service at £125,600 (2009/10 budget) appears high for the amount of waste collected, being £78 per tonne for 1600 tonnes. The aim should surely be to provide a service that breaks even and is not subsidised. RBC should therefore be looking to improve participation in the scheme so that the collection resources are fully utilised, or else scale the service back. It may be necessary to amend the collection days so that drive by rates are improved and they are not constrained by current recycling collections to achieve this.

1.6 Trade waste

The trade waste collection comprises one collection round with driver and one loader which starts at 6am. The service was typically operating at around 68% of its available capacity. RBC has recognised the need to increase its charges for trade waste collection to keep in line with competition from the commercial sector. The charges take account of container hire, collection and disposal. Therefore, now that the charging structure has been re-aligned with the commercial

sector, further efforts should be made to maximise the revenue from the service. On the basis of the spare capacity recorded, some additional customers could be added to this service without the requirement for more resources, increasing the profitability of the trade service further.

1.7 Street Cleansing

RBC recognises that their Street Cleansing service is the lowest cost service in Surrey with the expectation of providing only an adequate level of cleansing. There are 19 staff plus 1 chargehand, with duties not only including street cleaning but the servicing of 6 public toilet facilities. In terms of structure, 2 ½ posts are allocated to rural locations, 2 posts are used on a late shift 07:30 > 19:00 on a 4 on, 4 off shift pattern providing a late bin run, servicing the 15 recycling centres and providing weekend cover.

There are 6 shopping centres in the Borough, each of which has a dedicated barrowman. Five of the posts work together as a 'hot spot' deep cleansing team. The following are also included in the service:

- Cleansing of the main truck roads A30, A320 and A317
- Graffiti and fly tips removal.

There is no budget for overtime and any additional time working is compensated by time off in lieu. There is a high level of sickness caused by 2/3 on long term sick although day to day absence isn't a problem. Capital expenditure is also not a common feature in the service as RBC purchases the vehicles and operates them until they are at or approaching end of life.

Whilst Runnymede is to be commended for its operation of a low cost service it is questionable if this is 'cost effective' or sustainable over the medium to longer-term i.e. the low standards present considerable issues and future risks to the council.

Some of the major issues with the service are:

- Cleansing resourcing appears to be influenced by political will (e.g. the dedicated barrow rounds rather than operating more flexible deployment into EPA zones)
- Ageing fleet of vehicles which is increasingly costly to repair and will potentially become more unreliable, further impacting service delivery
- Lack of Enforcement

RBC would benefit from taking a more strategic view of cleansing standards and management in order to address material risks.

1.8 Health and safety

The Risk assessment register records were not inspected but there is confidence in local management that Health and Safety systems are in place and robust.

1.9 Sickness management

The sickness rates and records were not reviewed in detail. Long term sickness, particularly in street cleansing is an issue and the percentage is skewed by the small workforce.

1.10 Finance and budgets

A high level review was undertaken of the 2009/10 budget Annual Estimates for Refuse Collection and Street Cleansing. The 2010/11 Annual Estimates were also briefly reviewed since they contained updated information on variations from the 2009/10 budget.

1.11 The 2009/10 performance

The Actuals for 2009/10 show that Environmental Services achieved its 2009/10 Original Budget.

Table 1.5: 2009/10 performance by service area

| By Service Area | 2009/10 Performance £k | | |
|--|------------------------|------------------|------------------|
| | Estimate | Probable | Actual |
| Refuse collection (inc Trade waste & clinical) | 994,200 | 1,003,200 | 988,565 |
| Green waste | 125,600 | 113,800 | 107,354 |
| Recycling | 340,200 | 339,000 | 328,128 |
| Street cleansing & litter squad | 624,900 | 674,000 | 676,743 |
| Abandoned vehicles | 51,200 | 37,900 | 34,084 |
| Anti graffiti and street care | 61,000 | 61,900 | 50,311 |
| Total | 2,197,100 | 2,229,800 | 2,185,185 |

1.12 Employee costs and numbers

The average daily number of collection routes is 7.5 (covering Garden and Residual Collections). Additionally, there is 1 bulky domestic/ clinical collection route, and 1 trade plus street cleansing. A full review of baseline crew requirements that cover all collection routes, adjusted for holiday and sickness cover, to compare against budgeted employee numbers was not possible due to missing detail in the budgets such as on costs, chargehands, supervisors etc. Moreover, since the service is going to change to an AWC configuration in 2011, any analysis performed now will not be relevant to the staff numbers going forward.

The costs of staff including oncosts and managers time totalled £1,257,748. However, the average salary of a street cleansing operative has been provided by RBC at £14,316. This pay level is at the lower end of the range that is normally awarded by authorities.

Table 1.6: Total employee costs and operative numbers for 2009/10

| | Council Staff Budget (09/10) | |
|----------------------------|---------------------------------|------|
| Staff Costs and Numbers | Total £ | No's |

| | | |
|------------------|------------------|-----------|
| Refuse + Trade | 663,120 | 20.5 |
| Green Waste | 123,698 | 3.5 |
| Street cleansing | 470,930 | 18 |
| Total | 1,257,748 | 42 |

1.13 CRM system

RBC use ROCC for waste management:

Waste services covered by Front Office:

- Bin requests
- Assisted collections
- Clinical waste
- Street Cleansing
- Trade waste sacks

1.14 CRM review

The RBC system presents a good option for managing waste related enquiries. However, the operation of two separate contact lines and systems for the waste and recycling services does not appear to be an efficient use of resources. At this stage we have only estimated the possible saving of combining this function.

1.15 Performance: Waste minimisation

Table 1.7: BVPI/NI performance

| BVPI 2008/09 | NI Title | RBC performance: | RBC ranking: England (Total out of 273 WCAs from Waste Data Flow) |
|--------------|---|------------------|--|
| 84a | Total Waste Collection Per Head (Kg per head) | 362.13 | 67 |

The BVP indicators taken from Waste Data Flow for 2008/09 suggest that the amount of waste per head of population places Runnymede amongst the top performing WCAs in England.

1.16 Performance: Re-use, recycling and composting

Table 1.8: NI performance 2008/09

| NI 2008/09 | NI Title | RBC performance: | RBC ranking: WCAs England (Total out of 273 WCAs from Waste Data Flow) |
|------------|---|------------------|--|
| NI 191 | Total Residual Household Waste per Household (kg/household) | 661.7 | 238 |
| NI 192 | Percentage HH waste sent for Reuse, Recycling or Composting | 25.09% | 256 |

The overall recycling performance (NI 192) of RBC ranks amongst the lowest in England, with correspondingly low performance for residual household waste per household (NI 191). The authority is also the lowest performer in Surrey for both indicators.

1.17 Benchmarking

In preparing this section on benchmarking, consideration has been given to where RBC currently is and what the authority has the potential to achieve. As already presented in the Section 6 on performance, in terms of waste and recycling NIs 191 and 192 nationally in 2008/09 the performance of Runnymede can be summarised as:

- Ranked amongst the lowest performers in England

According to research conducted by WRAP¹ there is no single variable or characteristic that can explain variations in kerbside dry recycling performance. A combination of factors, depending on

¹ WRAP 2009 Analysis of kerbside dry recycling performance in England 2007/08

the type of authority influences outcomes. Therefore deprivation, affluence and degrees of how rural or urban an authority may be are not that significant for a council provided it is not at the extremes of such variables.

Perhaps of greatest significance, is that in general those authorities offering a fortnightly collection of residual waste performed better than those offering a weekly residual waste collection, irrespective of the dry recycling scheme type. Therefore, this advice has been used to provide a range of councils to compare with RBC that differ demographically but are not at the extremes of any particular variable. Of most significance though is that the higher performing authorities presented are operating alternate weekly collections.

Table 1.9: comparison with similar performing authorities: 2008/09 data

| Authority | Total recycling % | Residual waste and Kerbside Recycling Collection system | Materials collected at kerbside | Contracted/ DSO |
|---------------------------|-------------------|--|--|-------------------------|
| Runnymede Borough Council | 25.09 | Weekly refuse, Fortnightly Kerbside sort, kerbsider vehicles | Paper, Cans, Textiles, Glass, Garden (charged) | Split DSO and recycling |
| Lewes District Council | 25.19 | Weekly refuse, Fortnightly Kerbside sort, black box, stillage vehicles | Paper, Cans, Plastic, Glass, Foil | DSO |
| Gosport Borough Council | 25.17 | AWC commingled; wheeled bin | Paper, Cans, Plastic Garden (charged) | Contracted out |
| Gravesham Borough Council | 24.92 | Weekly refuse and commingled recycling, bags | Paper, Cans, Plastic, Foil | DSO |

Table 1.10: comparison with higher performing authorities with contracted out recycling: 2008/09 data

| Authority | Total recycling % | Residual waste and Kerbside Recycling Collection system | Materials collected at kerbside | Contracted/ DSO |
|----------------------------|-------------------|--|---|--|
| Mid Devon District Council | 48.37 | AWC with sacks for residual, box for recycling, wheeled bin for organics | Paper, Cans, Plastic, Glass, Foil, textiles Garden and food commingled | Split DSO refuse, contracted recycling |
| Craven District Council | 35.8 | Switched to AWC Feb 2010, bag for paper & card, bin for commingled | Paper, Cans, Plastic, Glass, Foil, Garden free of charge to selected areas | Split DSO refuse, contracted recycling |
| Shepway District Council | 38.4 | AWC wheeled bin, kerbside sort with kerbsider vehicles | Paper, Cans, Plastic, Glass, Foil Garden charged for | Both refuse and recycling contracted out |



Spelthorne Borough Council

Runnymede Borough Council

DSO Health Check: Partnering Options

July 2010

(Final Draft V2 - 23rd July 2010)

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Improvement and Efficiency
South East



Document Control Sheet

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Disclaimer

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Executive Summary

Health Check reviews of Spelthorne Borough Council (SBC) and Runnymede Borough Council's waste and recycling Direct Services Organisations have recently been completed. They evaluated where cost savings, efficiencies and service quality improvements could be made, material risks could be addressed or mitigated and how their services compared with the best performers. The reviews also focussed on partnership working between the two authorities as this has demonstrated efficiencies between many councils over the years.

Whilst the identification of detailed savings from joint working is beyond the scope of this report, evidence from existing partnerships that operate within other parts of the country provide a reasonable guide to the level of efficiencies that could be achieved in Spelthorne and Runnymede. Typically, WCAs have saved between 12 and 15%, with up to a further 5% if back-office and administrative functions are combined. Given that the total gross expenditure on refuse, recycling and garden waste is around £4.7m (excluding income), SBC and RBC would have potential for between c£570k and c£950k savings pa. Evidence from combined working on street cleansing is less well developed but it would not be unreasonable to assume savings in the region of 5%, which translate to c£80k pa. This provides a realistic benchmark for total joint working savings of between £0.65m and £1m pa based on the current combined expenditure of more than £6.5m on all services in both districts.

It is clear that not all of these benefits would be realisable until the new RBC recycling contract expires. However, there are opportunities for early savings to be accrued while working towards full convergence.

Partnership Working: A number of service aspects have been discussed at an operational level between Spelthorne and Runnymede and at least twelve areas with scope for partnering were identified. A timeline for implementation and business case now needs to be completed. However, consideration should be given to establishing a joint DSO management structure to manage the services on behalf of both authorities to deliver further efficiencies and to implement the efficiencies already identified. A joint DSO operation could be considered either at the same time or at a later date.

Actions: Decisive commitment to deliver the efficiencies and savings that partnership working will bring by engaging closely with each other and to take advantage of any opportunities that may be available through Surrey County Council (SCC) and the Surrey waste Partnership (SWP). A list of actions is presented for the authorities to take forward.

1. Introduction

The DSO Health Check reviews for Spelthorne Borough Council and Runnymede Borough Council were commissioned by Improvement and Efficiency South East (IESE). A key requirement was to identify opportunities for partnership working in waste between the 2 organisations. The DSO Health Check is designed to provide a high-level 'executive' style overview of the strategic, financial and operational performance of the waste operations being run internally by an Authority.

The review aims to clearly establish:

- where cost savings, efficiencies and service quality improvements can be made
- material risks to be addressed or mitigated
- how services compare to the best performers
- proposals for short, medium and longer-term action

The Health Check report examines the operations and relative working capacity of the refuse and recycling service, the budgets and finances of the service as well as the CRM system. To put this into context for the authority moving forward, the waste strategy and council position with regard to service delivery and achievement of stated targets is also examined. The process and report therefore aims to clearly identify actions that the DSO should look to address in order to improve performance over the short, medium and long term.

2. Review process

The review method involved an initial stage of examining existing SBC & RBC documentation and performance data, such as BVPIs/ NIs, Audit Commission reports, waste strategy documentation, waste compositional analyses, council websites, press information and other recent and appropriate reports.

The second stage involved meetings with waste management staff including contract officers and operational managers to discuss the service performance in more detail. Therefore, the purpose is to review the levels of service offered, collect primary data on workforce performance, quantities of waste and recyclables collected, scheme performance, data from the CRM system, current and future strategies, political support etc.

The information was then analysed by WasteConsulting and used to make recommendations and to prepare an action plan for each. The results of the analysis and further information about the process are detailed in individual reports to each council.

Due to the desire of the two authorities to work together and identify areas for partnership and efficiencies, WasteConsulting held a joint meeting between the operations management of both

councils DSOs. The aim of the meeting was to identify areas where there was real scope for partnership and to understand what the barriers to implementation could be.

3. Review of partnership opportunities

A key issue with Runnymede is their contracted-out weekly recycling sort and food collection service which will be in place until 2018. Wider operational partnering will also need to consider the restrictions on Chertsey Bridge. These issues aside, the key areas that were examined for partnership between the authorities and were agreed as having potential are outlined below:

3.1 Refuse collection

With the changes due to take place in Runnymede, both authorities will soon be on AWC for residual waste. However, Spelthorne use their vehicles in the alternate week for recycling collections, whilst Runnymede have a contracted-out weekly recycling service which limits the DSO fleet to residual waste collection only. Therefore, whilst options for combining collection operations in the near future appear limited, it would be useful to construct a business case to review the possibility as the potential savings from combining fleets and reducing spare vehicles could be worthwhile if the logistical constraints could be overcome.

3.2 Garden waste

Both authorities are currently operating with excess capacity on their kerbside garden collection. Possibilities for partnership include sharing of vehicles and rounds, particularly on Saturdays. Benefits would include staff savings and vehicle costs. Back office savings as well

3.3 Bulky waste

Although the logistics of the collections vary, there is scope for both to introduce common working practices. Vehicle sharing, linking in with other services (e.g. clinical waste) or operation of the service by one council on behalf of the other may also be feasible.

3.4 Clinical waste

As above, spare capacity exists and it may be possible for resources to be shared. There could also be advantages in both authorities looking at charging opportunities for nursing homes etc.

3.5 Fly tips

There is scope for sharing of a grab HGV between both SBC and RBC.

3.6 Vehicle procurement

Procuring vehicles jointly should have cost benefits that could potentially be extended to maintenance contracts.

3.7 Education and Enforcement

A joint enforcement opportunity should be examined since both SBC and RBC need to provide more resources to this function. In terms of education, collaborative efforts for working with schools are currently being considered.

3.8 CRM/ back office functions

Spelthorne have yet to install a CRM system. They would benefit from visiting Runnymede and evaluating the suitability of their ROCC system.

3.9 Traffic management

This is an area where both authorities should be looking to operate a co-ordinated approach and savings should be fairly straightforward to deliver.

3.10 Grounds maintenance

Grounds maintenance represents an area with scope for partnership and cost savings provided the authorities are able to work together and agree on similar operational requirements.

3.11 Emergency planning (e.g. flooding)

SBC and RBC are already working together in this area through a joint Emergency Planning Officer.

4. Refuse and recycling

Due to the Runnymede contracted out recycling sort service which will be in place until 2018, a Business Case should be prepared by the completion of this contract in 2018 for combined refuse and recycling operations with the most appropriate and cost-effective methods available at that time, working with Spelthorne or others.

Combining vehicle fleets could save 1-3 vehicles and crews from both authorities resulting in savings of £105,000 to £315,000 based upon Runnymede vehicle costs.

A further Business Case should be prepared to assess the longer-term benefits from joint working post 2018, combining all waste services across both Districts. This should include a convergence plan with detailed costs and benefits. Typical benefits are going to include savings in staff costs, vehicle operating and maintenance costs and the potential for savings in procurement.

If the commitment to work together is further developed, there could be scope for a joint DSO management. This would offer considerable savings and represents an approach that would be supported by the SWP.

5. Joint DSO Management/Operation

Both authorities operate a DSO function, albeit that they differ to some extent in services covered, and that Runnymede will have a client function for its contracted out services. Notwithstanding this, there will be a duplication of a number of functions and processes that are operated, and to a large extent an overlap in management structure. Consideration should be

given at an early stage to the feasibility and willingness to bring the services together under a joint DSO management arrangement. A single DSO operation could be considered at the same time or at a later date.

Whilst the identification of detailed savings from joint working is beyond the scope of this report, evidence from existing partnerships that operate within other parts of the country provide a reasonable guide to the level of efficiencies that could be achieved in Spelthorne and Runnymede. Typically, WCAs have saved between 12 and 15%, with up to a further 5% if back-office and administrative functions are combined. Given that the total gross expenditure on refuse, recycling and garden waste is around £4.7m (excluding income) SBC and RBC would have potential for between c£570k and c£950k savings pa. Evidence from combined working on street cleansing is less well developed but it would not be unreasonable to assume savings in the region of 5%, which translate to c£80k pa. This provides a realistic benchmark for total joint working savings of between £0.65m and £1m pa based on a current combined expenditure of more than £6.5m on all services in both districts.

It is clear that not all of these benefits would be realisable until the new RBC recycling contract expires. However, there are opportunities for early savings to be accrued while working towards full convergence.

6. Partnership Working Action plan

The action plan lists the activity and relative timeframes that should be adopted in moving forward. The potential savings have been provided for guidance at this stage and are based upon experience from other councils.

| Partnership Action Plan | Short term (1 year) | Medium term (2-3 years) | Long term (4+ years) | Estimated Potential saving/ income (-) per authority |
|---|------------------------|----------------------------|-------------------------|---|
| Action 1: Prepare a timeline for working together on the partnership opportunities identified in Section 3. Consider the option for a joint DSO management to deliver the opportunities identified. | | | | |
| Action 2: Prepare individual business cases for each area to assess the potential cost savings and / or service improvements. Implement the most promising projects. | | | | >£40,000 |
| Action 3: Prepare a business case for assessing the longer term benefits from joint working in both street cleansing and | | | | >£650,000 (based on figures from |

| | | | | |
|--|--|--|--|--|
| waste collections post 2018. Give consideration to necessary policy alignment. | | | | other partnerships) |
| Action 4: Engage with SCC and SWP | | | | >£70,000 (based on data from other authorities) |

7. Conclusions

The decision by SBC and RBC to undertake these health check reviews and to scrutinise service areas that could benefit from further improvement and partnership working is welcome. A range of actions have been identified that should assist the authorities enhance services and generate efficiencies.

Primarily, there is a clear need for an overarching business case to:-

- Identify the potential savings
- Inform and get 'buy-in' from Members
- Identify ways in which to fully develop partnership opportunities with each other or even other Surrey neighbours

In addition, Surrey County Council as the Waste Disposal Authority has a considerable role to play in supporting the desire of SBC and RBC to achieve further efficiencies and improvements both directly and through the Surrey Waste Partnership. In particular, both should look to engage closely with SCC and the SWP on the 'World Class Waste Solutions' approach so that they remain fully in control throughout the inevitable negotiations. Significant savings and discernible service improvements have been achieved in Councils where, with the commitment of Members, Chief Officers and the WDA, partnerships have successfully been brought together.

7. LEISURE SERVICES REVIEW (DAL)
(Ref: Minutes of Corporate Management Committee, November 2009, page 412, para 437 and April 2010, page 734, para 700)

1. Purpose of Report

- 1.1 **The purpose of this report is to update Members on progress to date on the review of Leisure Services and specifically the Leisure Centres and Parks.**

2. Background Information

- 2.1 In November 2009, Corporate Management Committee agreed that a series of Service Reviews would be undertaken. One of these reviews covers Leisure Services and includes all the sections of the service including Leisure Centres, Parks, Community Halls, Chertsey Museum, Leisure Development, Allotments and Cemeteries.

- 2.2 The two largest spending areas are Leisure Centres and Parks. After consultation on the initial project document it was agreed that these two services would be targeted first with work starting in January 2010. The other smaller service areas would then be looked at over the following six to nine months.

- 2.3 A project group was set up including the Director of Administration and Leisure, Head of Leisure, Service Managers and 'critical friends' including the Head of Law, Head of Community Services, Director of Technical Services and the Business Transition Manager.

- 2.4 The project group, together with those for other service reviews, reports to a project board of Directors and Members and there have been two updates to the group. In addition, there has been an interim update and consultation process involving the Chairman of this Committee and Councillor P Taylor. A report on the options to be further pursued was agreed at Corporate Management Committee in April 2010. This report aims to explain the recommendations and outline the progress that has subsequently been made.

- 2.5 Leisure Services are multi-faceted and make an important contribution to many objectives of the Community Strategy, in terms of:

- Health and Wellbeing
- Quality of Life
- Community Cohesion
- Diversionary Activities
- Employment and volunteer opportunities

3. Report

- 3.1 The larger Leisure project group has met on a number of occasions since inception but the bulk of the background work has been carried out by smaller teams who identified the options available and the advantages and disadvantages of these.

Leisure Centres

- 3.2 Egham Leisure Centre (ELC) and Addlestone Leisure Centre (ALC) are still operated in house. However, the management of Leisure Centres across the country is still mixed. There are a number of authorities who continue to

manage their facilities in house and local examples include Woking and Guildford, although both are currently going through a joint options analysis. Some authorities use leisure trusts, including Tandridge and Slough, while private operators are also a major player in the market; for example Elmbridge and Spelthorne use DC Leisure and SLM respectively.

3.3 A number of options were considered for the leisure centres. These were:

- Status Quo
- Enhancement of the Status Quo
- Partnership Working
- Closure
- Demolish and re-provide
- Outsourcing
- Leisure Trust

Status Quo

3.4 This would maintain operations as they are and carry out minor refurbishments to enable the centres to continue developing their offer and retain members. The risk in this case is still with the Council if the market changes and there is no prospect of any savings being made.

Enhancement of the Status Quo

3.5 The enhancement option would see the centres continuing to be run in house but making a change to the offer through improved facilities. One of the possible enhancements, and one of the things that residents always ask for, is a swimming pool which could be provided along with other additional facilities. In addition to the capital costs (upward of £2.5m), there would be ongoing revenue implications through additional staffing and other costs incurred. Additional costs could be offset to some extent by increased usage; however, there is no guarantee and it could be some time before the full financial implications of any developments could be provided.

Partnership Working

3.6 The use of partnership working would enable overheads and management costs to be shared, however, there would be a need to agree the service delivery, which varies in each Borough. With many authorities in Surrey and the surrounding Counties already tied to external service suppliers the scope is limited. Woking and Guildford have looked at a joint options appraisal and could end up procuring a service together. However, currently it is not guaranteed and this Council was unable to get involved in the process due to the timescales. At the present time with disposable household income being squeezed, as well as the Council's financial position, this option was not explored any further.

Closure

3.7 The closure of both Leisure Centres would save all the direct costs but leads to lost income of approximately £1.4m per year. The direct net saving of closure would be approximately £100,000 for ALC and £30,000 for ELC. Savings from central costs could also be achieved but structural changes would be required within the relevant departments. This will be addressed once the outcome of all the service reviews has been undertaken and the implications of the Surrey First initiative are known. Disposal of the sites and consequent realisation of capital receipts could also be problematic as Egham is in the Green Belt, making disposal other than for the current or similar use uncertain, and Addlestone is at Jubilee High School with a

number of practical and legal issues to overcome in order to achieve a disposable asset. Closure would also have a negative impact on a number of performance indicators; for example participation in sport and anti social behaviour as well as leading to negative feedback locally from customers and residents.

Demolish and re-provide

- 3.8 A radical idea would be to demolish the existing facilities and provide new ones that are fit for purpose. This could be combined with an outsourcing, trust or partnership option. It would require substantial capital investment of up to £15m and there would be a significant lead in time. It is something to consider for the future as ELC will ultimately need replacing. The dual use centre at ALC has had considerable investment in the fitness facilities but improvements to the school's main hall and outdoor facilities will be required in the future.

Outsourcing

- 3.9 Outsourcing the centres would lead to a contract for their management being let to the private sector. There are a number of experienced contractors, some of whom work locally. Included in any agreement could be some form of capital investment for refurbishments. Any management fee agreed could provide some financial certainty but there could be a request to re-negotiate this if circumstances change. The Council would still have some form of control over the service through the contract monitoring required and existing Leisure Centre staff would initially be protected through TUPE. One thing that may put off potential applicants is the lease through which Azzurri runs the 5-a-side pitches at Egham. It is likely that any contractor would wish to operate the pitches but the current operation is guaranteed annual income to any contractor and the Council has made a capital provision to replace the pitches in the future. ELC was last subjected to market testing in 1997 and the in-house bid won by some margin.

Leisure Trust

- 3.10 The final option considered was passing the services provided at both leisure centres to a Leisure Trust. This involves management of the services by an outside not-for-profit body, most likely with charitable status. Popular vehicles include companies limited by guarantee, and Industrial and Provident Societies. The Council has a number of options here which are to set up its own local Trust (the preferred option), link up with an existing Trust or tie up with the Trust arm of a private sector operator.
- 3.11 There are a number of advantages of setting up a Trust. There is the managerial ability to focus on a single service area, and more freedom and flexibility than is available to a local authority. Funding for improvements or new initiatives may be obtained more readily by a charity than by a local authority or commercial business, particularly with tax relief available on donations. Privately accessed finance would not affect the authority's capital finance allocation or revenue expenditure. If the objects are drawn appropriately, the Trust can take on additional facilities and services in the future and this is not limited to leisure centres or to Runnymede, so it could expand beyond the Borough. The Trust, once established as a charity, would be entitled to mandatory business rates relief of 80% and could apply (subject to the Council's policies), for discretionary relief on the remaining 20%. The net result of VAT exemption on entrance fees and other changes in VAT treatment would be favourable. Officers estimate that savings of at least £150,000 are available from the business rates and VAT changes. The Trust as a charity is not able to make a profit so all income over and above

running costs will need to be invested back into the service for example with improvements to the facilities. Furthermore, it would be less directly affected by financial pressures imposed on Local Government.

- 3.12 There are disadvantages for the Council and the most significant is that, whilst it will retain some influence, it loses control over the operation as it will only be able to have 20% of the board membership of an external company without becoming subject to a number of the same controls which apply to local authorities. A charity must be independent and the Charity Commission will closely scrutinise attempts to maintain control by other means, such as contractual or grant conditions. (The corollary of this is that there is greater potential for harnessing local public and private expertise and involvement of community interests in running the Trust). There will have to be careful compliance with the regulatory regime for charities as well as any others applicable, such as company law. If property is given to the charity, the transfer is irreversible. If the Trust should fail the Council would face a public expectation that it would continue the operation at least until another provider was identified. Some costs, for example public liability insurance, might increase for a stand-alone operation. Furthermore, the task of planning the handover, managing internal and external expectations of the new operator, and defining a clear identity and role for the Trust, should not be underestimated. It will be critical to identify the best vehicle, set up sound governance and managerial arrangements, and create a good business plan. The Committee may be aware that when the Trust option was last reviewed during the 1990s, Members were unwilling to accept the loss of control over a service which the public might still expect the Council to provide were it to fail.
- 3.13 Notwithstanding the disadvantages and need for caution, the project group believes that the balance of advantage in the current circumstances favours the setting up of a Runnymede Leisure Trust. This option should allow the delivery of the same level of service to the public at a clear financial saving, along with the other advantages identified in paragraph 3.11 above. A change to Trust operation is also recognised as relatively benign by both public and staff. A suitable entity will take approximately 12 months to set up and begin operation. During this time arrangements must be put in place to comply with the EU procurement law and the nature of the contract between the Council and the Trust settled.
- 3.14 It is envisaged that initially the Council would support the Trust with grant aid to approximately the level of its previous net expenditure on the Leisure Centres, less the savings that the Trust can realise from business rates relief and VAT changes. This sum could be tapered to reduce over the first few years of operation, depending on the content of an agreed service/business plan which would also be aimed at ensuring that the Council's key policy aims and objectives were met. As these would be compatible with charitable objectives, there would not be a problem with this in principle.
- 3.15 The Trust would also be free to employ or buy in its own support services from whomever it wished. The impact on the Council would not be known until the Trust had determined what services it would purchase from the Council and those it would source externally. If there was a significant reduction in the level of support work required from the Council, the authority would need to reprioritise or reduce its resources in the affected areas.

Addlestone Leisure Centre

- 3.16 Since its refurbishment in 2006, ALC has been slowly improving in terms of its financial performance. However, it is unlikely to ever meet the projections of the original over optimistic business plan produced by consultants.

- 3.17 Opening hours were increased when the new facilities were built. However, many dual use Leisure Centres operate on the basis that they are open evenings and weekends only and it is proposed that Addlestone does the same to make savings. Use of the centre during the day is limited to a few classes, gym usage and school use of the gym. A breakdown of customer off peak usage showed that 44 members used the centre more than 30 times over a 12 month period and only one member used it 3 times a week over that year. One of the regular complaints about using the centre during the day is the lack of car parking, owing to the two schools on site which is a particular problem at the start and end of the school day.
- 3.18 The impact on many centre members is likely to be limited, as the majority of members use the centre during peak hours. However, it is appreciated that some people do like to use the facilities during the day. Taking into account savings from the need to reduce the staffing hours and any potential loss of income from customers ceasing to attend or cancelling their memberships, it is estimated that closure during the day could save approximately £50,000 per year.
- 3.19 There are some key groups that need to be consulted on both the Trust and Addlestone day time closure options. The first is staff and a meeting has been held with staff from both sites to outline the options and deal with any questions. Subsequently, meetings have been held with specific staff groups at Addlestone i.e. duty managers, fitness and reception. The proposal is not to make any redundancies but with reduced hours available staff will be required to cover at Egham to make up their hours and new shifts have been discussed. It is anticipated that any future changes would occur through natural wastage as staff move on to new posts. The second group will be customers who will need to be advised of changes to the operation of the facilities and opening hours. At Addlestone specifically the school will need to be consulted on the impact the changes may have on their curriculum and arrangements made for the use of the gym which is convenient to both parties.
- 3.20 At Corporate Management Committee in April 2010 a supplementary estimate of £70,000 was approved to obtain legal services to progress setting up the Leisure Trust. This will include advice on the best vehicle and its constitution, regulation, and tax position, securing charitable status, ensuring the lawful availability of support services from the Council, transfer of staff and the protection of their pension rights, advising the trust as it prepares for operation and settles documentation with the Council, and briefing and training for Council and Trust staff. Once the Trust has been created the solicitors will be advising it rather than the Council. Officers hope to have appointed a firm of Solicitors with an appropriate track record and expertise before the Committee meets.

Parks

- 3.21 The net parks budget is £1.6m per year and the service area includes 361 hectares (892 acres) of open space including 5 manned parks at which 9 staff work, and 84 unstaffed open spaces managed by 2 members of staff. The service also provides a Tree Officer (offering advice for Planning purposes as well as oversight of Council trees) and a Project Officer who works on play area developments and other improvements. The budget for 2010/11 includes a savings target of £15,000 from the staffing budget agreed as phase 3 of the net revenue reductions programme approved in December 2008. At the meeting of Corporate Management Committee in April it was agreed that £50,000 be saved from the parks budget in 2011/12

through changes to working practices inclusive of the £15,000 already agreed.

- 3.22 The review of the service area focused on a number of key issues:
- Was the service fit for purpose?
 - What are the potential different models of provision?*
 - The management structure
 - Asset management and disposal
 - Economies that could be made
 - Potential to increase the level of income.
- 3.23 The parks are well regarded. In the 2009 place survey reported to Corporate Management Committee in September 2009, for quality of life, Parks and Open Spaces were overall the second most important service to residents provided directly by Runnymede (the first being clean streets). 74% of residents were satisfied with the provision available. The parks and open spaces are used by 75% of residents at least monthly, with about half using them at least weekly. The fact that the main parks are staffed has always been seen as a positive feature of the provision. The use of permanent staff on site is one that a number of other Councils dispensed with some years ago, deciding to use contractors or handing facilities over to clubs to do all the fine turf works such as preparation of bowling greens and cricket pitches. The danger of this can be a deterioration of the facilities over time. However, savings can be delivered if the authority is prepared to accept a lowering of standards.
- 3.24 When looking at the manned parks, the project group was always conscious of the wider public views. Set against this was the need to look for savings and best use of resources. To continue with the current structure and manning parks throughout daylight hours all year round would not deliver any savings, unless there were cuts in other areas for example maintenance and improvements to the facilities.
- 3.25 Another option looked at was to develop roving maintenance teams with staff working in teams across the 5 manned parks preparing the facilities for use and carrying out maintenance. Any savings would be related to a potential reduction in the number of staff. The actual staffing levels required have not been investigated and if this were to be considered there would be additional ongoing vehicle costs as well as the one off capital cost for the purchase of transport. These mobile teams could also be used to do other maintenance works across the parks that may currently be done by contractors. After considering the option it was felt any savings would be limited and staff would lose the affiliation they have to their individual parks which leads to a high level of commitment and very good standards of work.
- 3.26 It was felt that savings could be made by reviewing the current staffing of the five manned parks. Currently most of these are staffed by at least one person all the time they are open (8.30am to around dusk). During normal working hours the permanent staff carry out maintenance within the parks, ensuring they are well presented and safe to use; they also prepare sports facilities for use. Outside normal working hours (weekends and light evenings) an Attendant is present on site. They prepare sports facilities, oversee games, sell tickets and provide an official presence. They also lock up at the end of the day. Some of the Attendant duties are covered by permanent staff working additional hours and some by casual staff. Savings on casual staff wages could be realised by reducing the cover provided when there were no formal games being played on site. Permanent staff who currently have the opportunity to make up their income through doing attendance duties outside normal working hours would retain this option.

- 3.27 Discussions have taken place with the permanent staff on this change and also the possibility of moving towards staggered working hours when the days are longer and the parks are open later. Out of these discussions it was identified that locking up the parks in the evening, if no staff were on site, would need addressing. During the winter this is not a problem as it can be done as part of the park supervisors' normal duties. With the lighter evenings there would be occasions when there are no formal games and therefore no Attendant to lock up. One option is to look at using a member of staff as a mobile supervisor at these times and at weekends where duties would include locking up. The mobile supervisor would also be tasked with monitoring the use of all the parks so, even if there is no one on site, there will be regular visits during a shift period. This would also allow for opening up and checking paddling pools, as required during the summer. One other option may be to keep the parks open permanently as at Heathervale but this would have implications locally and some extensive consultation would be required with local residents.
- 3.28 The changes in staffing of the parks could deliver a saving of up to £30,000 through the removal of a significant proportion of the casual budget. As part of the negotiations with staff the rate of pay for attendance duties will be reviewed, especially in light of the new mobile supervisor position being paid for out of the attendance budget. There would also need to be access to a vehicle from the Leisure Division.
- 3.29 The facilities available at the manned parks are well regarded. There are regular cricket, football and bowls teams utilising the pitches and greens provided, however, the prices charged do not really reflect the true cost of the provision. This is particularly true of the cricket and bowls clubs. One thing that will be investigated is whether there is scope to increase charges to recoup more of the costs, bearing in mind that the Council cannot afford to lose users due to the service being too expensive. Current lease agreements for the use of pavilions are also being looked at again to see if there is scope to re-negotiate agreements.
- 3.30 A considerable amount of maintenance work is carried out in the parks by external contractors. For example maintaining machinery and minor works such as fencing. There is a proposal to look at bringing some of this work in house for the parks staff to carry out, equipment and skills permitting. Some of the tasks will require staff to attend training courses. However, it is estimated this could deliver a small annual saving and provide staff development opportunities. This proposal originated with the staff and is supported by management.
- 3.31 There are a small number of open spaces around the borough, which are under used and may be of little amenity value, which could be incorporated into the Council's disposal strategy. A full assessment of their value, location and use would need to be made before disposal could be recommended and this option does rely on a number of factors, including the status of the land (for example is it held in trust), however, it is something to consider and could provide a capital receipt and reduction in maintenance costs if a site was sold.
- 3.32 More likely income streams are through the development of links with commercial operators, for example paint balling and adventure facilities. Some initial discussions have taken place with providers and this will continue to be investigated. An agreement with an ice cream vendor has recently been entered into for delivery across all the manned parks and this will be monitored in the coming months. The Valuer's section has also started looking at the possibility of promoting parks and open spaces as

filming locations and have started speaking to producers. Some of these options are not likely to produce regular guaranteed income but could provide more flexible use of the resources.

- 3.33 Within the parks service a number of options are being considered to deliver the savings required. Negotiations will continue with staff as to where changes in service can be made without having too detrimental an effect on the quality of service. There is also a need to ensure that permanent staff will not be disadvantaged financially by any changes introduced.

4. Resource Implications

- 4.1 The aim of the review of leisure services has been to identify opportunities to operate more cost effectively and various savings have been identified.

- 4.2 Transfer of the Leisure Centres into a Trust will deliver savings through the 80% relief on non domestic rates as a charity and the changes to the VAT treatment of some income streams. These will be savings to the Trust and not the Council but are likely to be in the order of £150,000. There is also additional potential tax relief for capital gains tax, corporation tax, stamp duty land tax, and donations.

- 4.3 Moving to a Trust will mean there are initial set up costs through the use of legal experts to draw up the relevant documentation and a sum of £70,000 has been allocated for this as a supplementary estimate.

- 4.4 Changes in the opening hours of ALC are estimated to deliver a saving of £50,000. This figure has been arrived at by looking at savings in the running costs less the loss of income anticipated due to cancellation by members who use the facility primarily during the day. Officers will try to minimize any loss of income by offering the option of off peak use of Egham Leisure Centre initially at no extra cost. Changes in operating hours are likely to take place in September 2010. There will be no redundancies so staff who are not required at ALC will cover at ELC, which may mean that in the short term savings may be limited. However, once there is turnover of staff, savings will be achieved, as they will not need to be replaced in specific roles such as duty managers and fitness instructors.

- 4.5 Changes to the operation of the manned parks is expected to deliver savings of £50,000 through reduction in casual staffing levels at the parks and reduced use of external contractors to carry out some maintenance tasks. £15,000 of these savings has already been factored into the 2010/11 budget as part of the phase 3 revenue reductions approved in December 2008.

- 4.6 A saving of £10,000 per annum has been secured by disestablishing the Grounds Maintenance post at Egham Leisure Centre following the ill-health retirement of the postholder, and its incorporation into the Council's general ground maintenance arrangements. This will result in the loss of some cover and service specific to Egham, but overall the effects are manageable.

- 4.7 All changes will be built into the 2011/12 budget during the estimates exercise later in the year.

5. Equality

- 5.1 Any changes to the operation of the parks and leisure centres will require an Equality Impact Assessment. This will be developed once firm proposals have been made on any changes to the operation of the service areas.

6. Council Policy

- 6.1 The Community Strategy states that the Council will take any opportunities to improve access to and enhance provision of parks and open spaces. The proposals for changes in the parks are not aimed at reducing the services provided. However, there cannot be a guarantee that they will not have an impact.
- 6.2 'Take opportunities to enhance formal leisure facilities' is another key action in the Community Strategy. The establishment of a trust would improve the opportunity of the Leisure Centres to access external funding to further develop provision and also re invest surpluses back into the service. This is important in a market which can change over short spaces of time.
7. UNISON Comments
- 7.1 UNISON has been involved in detailed discussions with the Parks staff and their Line Management regarding proposals for the manned parks and will continue to represent their interests and those of staff in the Leisure Centres in the event of their transfer to a Leisure Trust.
- 7.2 UNISON looks forward to further consultation on these issues and those areas to be covered in the next stage of the service reviews, as firm proposals are developed, with the aim of safeguarding the service and the staff.

(FOR INFORMATION)

Background Papers

Service Review Notes and Presentations to Members held on DAL files.

RUNNYMEDE BOROUGH COUNCIL

Runnymede Leisure Trust

Draft Advert for Board Members

Board Members for new Leisure Trust

Runnymede Borough Council is setting up a new non-profit-distributing organisation to [promote and provide its leisure service, including managing its two main leisure centres].

[The organisation will be working in partnership with public, private and voluntary sector partners to improve community leisure service provision in the area for the benefit of all.] The Trust will initially be responsible for the provision of leisure and recreation activities at Egham Leisure Centre and Addlestone Leisure Centre.

The organisation is seeking to recruit Board members to complement the skills of the executive management team and provide strategic direction for the organisation.

The organisation would particularly welcome applications from individuals with a commitment to and interest in community leisure provision in the Borough of Runnymede and also experience in business, health or education or additional skills such as financial, legal or personnel skills.

All positions will be unpaid, but expenses will be available.

This is a real opportunity to make a difference!

Expressions of interest and requests for an information pack (including an application form) should be directed to [*name and contact details*].

Application forms must be submitted to [*name and contact details*] by noon on [*date*] 2010.

An informal briefing session will be held for all interested applicants at 7pm on [*date*] at [*place*]. Interviews for those short-listed will take place during the day on [*date*].

For an informal discussion, please contact [*name and contact details*].

RUNNYMEDE BOROUGH COUNCIL

Runnymede Leisure Trust

| PERSON SPECIFICATION: BOARD MEMBERS | |
|-------------------------------------|---|
| Category | Criteria |
| Experience | <ul style="list-style-type: none"> ➤ Proven track record in business or a relevant profession (<i>essential</i>) ➤ Involvement in community service, paid or voluntary (<i>desirable</i>) |
| Skills and abilities | <ul style="list-style-type: none"> ➤ Specialist understanding – e.g. financial, legal, personnel, corporate, or trust management ➤ Commitment to objectives of new organisation ➤ Ability to act corporately with other Board Members in discussion / debate ➤ Communication skills – ability to express balanced opinions and listen to the opinions of others; ability to challenge and debate ➤ Analytical skills – ability to read and understand complex subject matter and to comment on it |
| Desirable skills for Chair | <ul style="list-style-type: none"> ➤ Knowledge of the facilities and user of one or more of them ➤ Experience of board or committee meetings ➤ Ability to provide focus for the Board ➤ Ability to keep an overview of organisation's performance ➤ Knowledge of and / or participation in some sporting activities ➤ Impartiality, fairness, and ability to respect confidences ➤ Ability to think strategically for the benefit of the community as a whole ➤ Experience of partnership working within the public and voluntary sectors |
| Other requirements | <ul style="list-style-type: none"> ➤ Residence in or connection with the Borough ➤ Commitment to the well-being of the Borough ➤ Awareness of local issues ➤ Appreciation of status and functioning of charitable organisation ➤ Not disqualified from acting as a trustee ➤ Must be prepared to give up time to attend evening meetings and (during the first twelve months) some daytime meetings |

Runnymede Borough Council

Runnymede Leisure Trust

List of Key Core Documents

1. Transfer agreement
2. Funding and management agreement
3. Pension admission agreement
4. Leases of premises
5. Equipment lease
6. Support Services Agreement

Runnymede Borough CouncilCABRERA TRUST MANAGEMENT COMMITTEEANNUAL GENERAL MEETING16 June 2010 at 8.00pm

Members of the Management Committee present: Councillors G B Woodger (Chairman),
Mr A M Pearson (Honorary Secretary),
Mr S Cawthorne (Honorary Treasurer)

The meeting was also attended by 13 members of the public and Mr P Winfield, Parks and Amenities Manager

Apologies for absence: The Mayor (Councillor Mrs Roberts) and Councillor Sohi

1. MINUTES

The Minutes of the Annual General Meeting held on 17 June 2009 were confirmed and signed as a correct record.

2. CHAIRMAN'S OPENING REMARKS

Owing to her civic duties the Mayor, Councillor Mrs M Roberts, was unable to attend the meeting, therefore Councillor Woodger chaired the meeting on her behalf.

The Chairman welcomed members of the public to the 2010 Annual General Meeting of the Cabrera Trust and introduced the members of the Management Committee. Cllr Woodger explained that this Committee was responsible for the administration of the Trust's funds and also the management of the two areas of Trust land in Virginia Water, namely, the Cabrera Open Space and the Riverside Walk. The purpose of the Annual General Meeting was to inform local residents of how the Trust had managed the land and how its funds had been spent over the past year together with a formal report on the current state of the Trust's accounts. The meeting would include a discussion forum during which residents could ask questions of the Trust Members and put forward their own views and suggestions.

3. ANNUAL REPORT 2009/10

The Honorary Treasurer presented the Trust's Annual Report which included the accounts for 2009/10. The Charities Act 1993 required charities with income or expenditure over £25,000 to be subject to an independent examination. The Trust's income and expenditure fell below this threshold in 2009/10 so the Management Committee had not submitted the accounts for an independent examination this year.

The work on the play area had been completed in 2009/10. The budget approved by Biffaward was sufficient to fund all expenditure. The Trust had investments in both Charities Official Investment Fund Income Shares and M & G Charifund Shares. These investments had produced dividend income of £9,506 during the year. The value of the balance sheet had recovered from the previous year.

The Honorary Treasurer expressed some concern as the present low interest rates gave the Trust no chance of balancing income and expenditure. Grant funding was an option for any expenditure incurred but it was noted that normally a contribution from the Trust would be required.

The Honorary Secretary gave the Trust's thanks to the Chairman and Members of the Riverside Walk Advisory Committee for their invaluable advice and voluntary work in relation to the environmental care of the Riverside Walk lands; to the Honorary Wardens, Mr T. Ashby, Mr K. Barkham, Mr A. Saunders and Mr P. Stephens. The decision on re-casting the input from the Riverside Walk Advisory Committee had been taken by the Trust this year. The Trust had seen a decline in attendance and interest from the group over recent years, so the decision had been taken to disband the Riverside Walk Advisory Committee in its current form. Expert advice would be taken as and when needed.

Councillor Woodger asked all members of the Riverside Walk Advisory Committee present if they were content with the proposals. It was agreed that the proposal was acceptable. Councillor Woodger gave particular thanks to Hannah Lane who had chaired the Riverside Walk Advisory Committee for a number of years. It was agreed that Mrs Hannah Lane become a co-opted member of the Cabrera Trust Management Committee, in her capacity as wildlife expert, along with the four Honorary Wardens.

The Trust's Annual Report for 2009/10 is attached, in full, at Annex '1' to these Minutes.

4. ANNUAL INSPECTION OF THE TRUST'S LANDS

This year the Annual Inspection of the Trust land had taken place on 2 June and was attended by Mr Roberts on behalf of Councillor Mrs Roberts, Mrs H Lane, Messrs Barkham and Saunders, together with three Council Officers. Apologies were received from Councillor Woodger.

Cabrera Open Space

The group had viewed the Cabrera Open Space. One of the recently planted trees had been vandalised and one had died. The damaged trees would be removed and the Trust would be asked if they would like the trees to be replaced in the Autumn. It was noted that there was a hole below one corner of the play area which required investigation, other than this the open space was noted to be in good order.

Riverside Walk

As the group had walked the site the following notes were recorded:

The signs at the entrance of the site from both Cabrera Avenue and the station car park required attention. Some foliage required trimming around the small Riverside Walk sign at the Cabrera Avenue entrance.

The boardwalk was now open. An application to AIR would be made to seek funds for re-routing the boardwalk away from the eroded section of the river bank.

The stone filled wire cages (gabions) which had been replaced last September were successful. The group did, however, note the pillar on the bridge required some attention. Some foliage around one of the benches needed removing.

The group walked the wetland area. The American 'Skunk Cabbage' had been mostly removed. It was noted that a few plants remained and these would be sprayed.

Council Officers discussed the possibility of six small Sycamore trees being removed. It was noted some dumping of garden waste onto Trust land from adjoining property owners was taking place. The Council's legal department would be asked to write to the owners of these properties asking them to remove it.

In general, the site was free of litter and graffiti. The main area for concern regarding litter was the station footpath which was outside of the Trust land.

5. DISCUSSION FORUM

The Skunk Cabbage needed attention. Peter Winfield, Parks and Amenities Manager at Runnymede Borough Council, confirmed that treatment would be carried out shortly.

It was noted that the work on the gabions had now been completed.

Several questions were raised:-

The Riverside Walk area had been designated as a Local Nature Reserve in October 2009. Peter Winfield was asked if the site had legal protection. Peter confirmed that this was not the case. Councillor Woodger stressed that the area was very valued locally.

Councillor Woodger asked if any work was due to be undertaken to control the Himalayan Balsam. Hannah Lane confirmed that a workparty was scheduled to undertake the work on Sunday 20th June.

A member of the public asked if the Trust had any policies on the type of fencing which could be erected by properties with boundaries on Trust land. Andrew Pearson informed the group that unless the fence breached planning regulations the Trust had no control regarding fencing.

A member of the public raised her concerns regarding the falling Alders in the area. Peter Winfield confirmed that any trees falling in the Trust area were left in order to create a natural habitat. All trees on the boundaries had been checked last year.

A member of the public asked what clearance work was currently being undertaken on the river by the Environment Agency. Peter Winfield had not been contacted by the Environment Agency regarding the work so was unaware this work was being undertaken. Councillor Woodger asked Peter Winfield to contact the Environment Agency to ascertain what work was being done.

6. PRESENTATION BY GUEST SPEAKER:

"Herpetology" by Mr M Preston, Weald Reserves Manager and Land Agent, The Amphibian and Reptile Conservation Trust

Mr Mike Preston, Weald Reserves Manager and Land Agent, gave an illustrated presentation on 'Herpetology'.

The Trust's activities included managing nature reserves, researching and monitoring species' populations in the wild, and working with other wildlife organisations, and the public, to influence wildlife legislation relating to amphibians and reptiles.

The presentation provided information on habitat management, effects of fire on heathland and facts and information relating to Lizards, Newts, Toads, Frogs and Snakes.

The Management Committee and members of the public thanked Mr Preston for a very interesting and informative presentation.

Chairman

(The meeting ended at 9.20 pm)

Runnymede Borough Council

CABRERA TRUST MANAGEMENT COMMITTEE

23 July 2010 at 2.30 pm

Members of the

Committee present: The Mayor Councillor Mrs M Roberts (Chairman), Councillors G B Woodger (Vice-Chairman), P S Sohi, Mr A M Pearson (Honorary Secretary)

Members of the

Committee absent: Mr S Cawthorne (Honorary Treasurer)

Mr P French (Principal Accountant) and Mr P Winfield (Parks and Amenities Manager) both attended in an advisory capacity, together with the following who attended by invitation following the cessation of the Riverside Walk Advisory Committee:

Mrs H Lane, Mr K Barkham (Honorary Warden) and Mr P Stephens (Honorary Warden).

The other Honorary Wardens, Mr T Ashby and Mr A Saunders had been invited but were unable to attend.

ACTION

1. ELECTION OF CHAIRMAN

Councillor Mrs M Roberts was elected Chairman to hold office until after the Annual General Meeting in 2011.

2. ELECTION OF VICE-CHAIRMAN

Councillor G B Woodger was elected Vice-Chairman to hold office until after the Annual General Meeting in 2011.

3. APOLOGIES FOR ABSENCE

Apologies were received from Mr S Cawthorne - Honorary Treasurer. Mr P French attended to report to the Committee on the financial status of the Trust.

4. MINUTES

The Minutes of the meeting of the Committee held on 15 January 2010 were confirmed and signed as a true record.

The draft Minutes of the Annual General Meeting of 16 June 2010 were noted.

5. APPOINTMENT OF OFFICERS

The Committee noted that the Leisure and Environment Committee, on 17 June 2010, had re-appointed Mr A. M. Pearson as Honorary Secretary and Mr S. Cawthorne as Honorary Treasurer.

6. CONSTITUTION OF THE MANAGEMENT COMMITTEE

The Committee welcomed Mrs Lane and the Honorary Wardens to their first attendance at the Management Committee. Under the proposals agreed at the last meeting, Mrs Lane and the Honorary Wardens were invited to attend all meetings of the

Committee in a non-voting capacity. This gave them the opportunity to assist and contribute their knowledge to the discussions without legal duties and obligations.

There were four Honorary Wardens at present all of which wished to continue in this role. In addition, Mr J Midwinter had expressed an interest in becoming an Honorary Warden. The Committee was pleased to invite Mr Midwinter to do so.

Carol Holehouse

The Committee was advised of the need to alter the Management Committee's existing Constitution to reflect the changes. The proposed alteration would be to add a new paragraph (4) to clause 1, as follows:

' All persons who are for the time being Honorary Wardens of the Riverside Walk, together with one person selected by the Committee as having appropriate knowledge of local ecology, flora or fauna, shall be invited to attend meetings of the Committee. The persons so invited shall not be Members of the Committee but will assist the Committee in its decisions on the management of the Trust land'

The Committee unanimously agreed to the change to the Constitution. It was noted that the Council's Leisure and Environment Committee would be formally asked to consider the amendment at its next meeting.

Andrew Pearson

7. ACTIONS TAKEN SINCE LAST MEETING

(i) Local Nature Reserve Status

Peter Winfield informed the Committee that an item regarding the Local Nature Reserve launch had been included in the Spring edition of the Runnymede Voice.

(ii) Erosion of Riverbank

The Committee had agreed at it's last meeting that re-routing the boardwalk away from the eroded river bank was the preferred way forward and an application was to be made to AIR for funding, as the estimated cost was £9,000. Officers had been unable to progress the application to date but hoped to submit the application over the next few months.

Peter Winfield

In the meantime, the boardwalk was being monitored regularly. It was in a safe condition at present and would be kept open until such time it was considered a risk to visitors.

(iii) Volunteers

The Egham branch of the British Trust for Conservation Volunteers (BTCV) had organised a working party for late February when they intended to coppice some of the riverside trees. However, due to wet weather and subsequent high water levels the work could not be carried out at that time.

A further working party was organised for Sunday 20 June which went ahead as planned. The volunteers concentrated on pulling Himalayan Balsam from two areas. Plants had been pulled ahead of flowering and seeding so their efforts should be

effective. The Volunteers had indicated that they intended to work on more areas in due course.

Encroachments on Trust Land

102 Harpesford Avenue

Photographs were circulated to the Committee which showed the continued cultivation of the land to the rear of this property as domestic garden. The owners had previously signed a letter which indicated the boundaries. Officers considered that there were 3 options available to the Trust for dealing with this persistent encroachment;

- 1) Do nothing and rely on the acknowledgement of title
- 2) Take court action
- 3) Erect a fence

The Committee strongly felt that it was not acceptable to let this encroachment continue. The Committee discussed the other options available and agreed that erecting a fence was the most simple and long term solution to this encroachment. However, the cost of installing a 1.8 metre high chain link fence would be £1,000, and the Committee was unwilling to move to this option immediately.

The Committee agreed that the Council's legal department write to the owners drawing attention to the continued encroachment and informing them that if it continued, the Trust would erect a fence and/or take court action. A report on the outcome would be made at the next meeting. The Committee would decide at that meeting how to progress.

Rachel Pugh

24 Cabrera Avenue

A site inspection on 30 June found that logs were no longer being stored on the Trust's land to the rear of the property, so no further action was required.

Sleeper Bridges

The sleeper bridge to the rear of 50 Cabrera Avenue appeared not to be currently used as the boundary between the Trust's land.

There was still a sleeper bridge apparently being used to the rear of 52 Cabrera Avenue. The Committee requested that the Council's legal department write to owners regarding issuing a licence.

Rachel Pugh

8. LAND MANAGEMENT ISSUES

(i) Riverside Walk

In March a member of the public had reported a sewage leak at the Riverside Walk from a broken sewage pipe on the northern back of the Bourne. Thames Water were immediately informed by Officers and an emergency team had been dispatched to make the necessary repairs. There was no long term damage caused.

In June staff from the Environment Agency had entered the Riverside Walk to clear the river of debris. The Bourne, at that point, was designated as 'Main River' and therefore the Environment Agency had powers of entry. The work had included the removal of woody debris. The Environment Agency had confirmed that the removal of the woody debris was to ensure that it was not washed downstream, subsequently to cause a blockage under the railway.

The dumping of green waste was still a problem in certain locations. Officers would write to the relevant properties asking for the waste to be removed.

Rachel Pugh

One of the brick pillars on the upstream footbridge needed some work as the top courses of brick had become loose and could be pushed into the river. The cost of this work was £364.00. The Committee agreed that work be undertaken from the maintenance budget.

Peter Winfield

(ii) Cabrera Open Space

Annual Village Fete

The Virginia Water Community Association had held their annual village fete, Carnival Capers, on the Cabrera Avenue open space on 26 June. Officers had inspected the site during the week after the event and there was a small amount of damage to the grass. Officers would monitor this area and re-seed in the Autumn if necessary. It was agreed that it would be prudent to take a small deposit in future to cover such eventualities. Officers would write to the organisations as soon as possible to notify them.

Peter Winfield

Trees

Three of the recently planted trees close to the play area needed replacing. One had been snapped off, one was missing completely and one had died. The cost was expected to be about £500. In addition, one tree had recently been vandalised. The Committee agreed that Mr Winfield be authorised to replace some or all the trees in the Autumn as he felt necessary taking into consideration the available budget at that time.

Peter Winfield

9. FINANCIAL MONITORING STATEMENT AND THE TRUST'S INVESTMENTS

The Committee noted the Financial Monitoring Statement for the period ending 30 June 2010. Net expenditure to 30 June stood at £128 and the market value of the Trust's investments on that date was £205,579.

10. OTHER BUSINESS

- i) The Committee was informed that a resident had suffered vandalism to her fence which was adjacent to the Cabrera Avenue Open Space. The Committee was disappointed to hear of the damage, but unfortunately the Trust was unable to financially assist residents who incurred such damage.
- ii) The preferred theme of the annual talk would be "Water Voles". If a suitable speaker could not be arranged, the agreed alternative was a talk on "*stag beetles*".

Mrs Holehouse

11. DATE OF NEXT MEETING AND MEETINGS SCHEDULE FOR 2011

It was noted that the next meeting of the Management Committee was scheduled to be held on **Friday 7 January 2011 at 2.30pm.**

Mrs Holehouse

The following dates were also agreed:

- (i) Date of 2011 Annual General Meeting

It was agreed to hold the **AGM on Wednesday 15 June 2011.**

Mrs Holehouse

- (ii) July 2010 **Cabrera Trust Management Committee** meeting: **Friday 22 July 2011 at 2-30pm.**

Mrs Holehouse

Chairman

(The meeting ended at 3.29 pm)