



Kim Webber B.Sc. M.Sc.
Chief Executive
52 Derby Street
Ormskirk
West Lancashire
L39 2DF

Tuesday, 20 February 2018

**TO: COUNCILLORS I MORAN, Y GAGEN, C COOPER, J FORSHAW, J HODSON,
K WILKIE, K WRIGHT AND A YATES**

Dear Councillor,

An Extraordinary meeting of the **CABINET** will be held in the **CABINET/COMMITTEE ROOM, 52 DERBY STREET, ORMSKIRK L39 2DF** on **WEDNESDAY, 28 FEBRUARY 2018** at **6.00 PM** at which your attendance is requested.

Yours faithfully

A handwritten signature in black ink, appearing to be "Kim Webber", written over a horizontal line.

Kim Webber
Chief Executive

AGENDA
(Open to the Public)

- 1. APOLOGIES**
- 2. SPECIAL URGENCY (RULE 16 ACCESS TO INFORMATION PROCEDURE RULES)/URGENT BUSINESS**

If, by virtue of the date by which a decision must be taken, it has not been possible to follow Rule 15 (i.e. a matter which is likely to be the subject of a key decision has not been included on the Forward Plan) then the decision may still be taken if:

- a) The Borough Solicitor, on behalf of the Leader, obtains the

agreement of the Chairman of the Executive Overview and Scrutiny Committee that the making of the decision cannot be reasonably deferred,

- b) The Borough Solicitor, on behalf of the Leader, makes available on the Council's website and at the offices of the Council, a notice setting out the reasons that the decision is urgent and cannot reasonably be deferred.

3. DECLARATIONS OF INTEREST

1159 -
1160

If a member requires advice on Declarations of Interest, he/she is advised to contact the Borough Solicitor in advance of the meeting. (For the assistance of members a checklist for use in considering their position on any particular item is included at the end of this agenda sheet.)

4. PUBLIC SPEAKING

1161 -
1164

Residents of West Lancashire, on giving notice, may address the meeting to make representations on any item on the agenda except where the public and press are to be excluded during consideration of the item. The deadline for submissions is 10.00am Friday 23 February 2018.

5. MATTERS REQUIRING DECISIONS

- | | | |
|----|--|----------------|
| 5a | Sustainable Organisation Review
(Relevant Portfolio Holder: Councillor I Moran) | 1165 -
1176 |
| 5b | Forming a Development Company – Options Appraisal
(Relevant Portfolio Holders: Councillors J Forshaw and I Moran) | 1177 -
1202 |
| 5c | Review of Pay and Display Parking and Charges
(Relevant Portfolio Holder: Councillor J Hodson) | 1203 -
1214 |
| 5d | Review of Grounds Maintenance and Street Cleansing
(Relevant Portfolio Holder: Councillor K Wilkie) | 1215 -
1262 |
| 5e | Recycling/Garden Waste Bin Initiative
(Relevant Portfolio Holder: Councillor K Wilkie) | 1263 -
1272 |

6. EXCLUSION OF PRESS AND PUBLIC

It is recommended that members of the press and public be excluded from the meeting during consideration of the following item of business in accordance with Section 100A(4) of the Local Government Act 1972 on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 (financial/business affairs) of Part 1 of Schedule 12A to the Act and as, in all the circumstances of the case the public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.

(Note: No representations have been received about why the meeting should be open to the public during consideration of the following item of business).

Part 2
(Not open to the public)

7. MATTER REQUIRING DECISION

7a	Land to the south of Degrave House, Whitemoss Business Park, Skelmersdale (Relevant Portfolio Holder: Councillor I Moran)	1273 - 1278
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We can provide this document, upon request, on audiotape, in large print, in Braille and in other languages.

FIRE EVACUATION PROCEDURE: Please see attached sheet.

MOBILE PHONES: These should be switched off or to 'silent' at all meetings.

For further information, please contact:-
Sue Griffiths on 01695 585097
Or email susan.griffiths@westlancs.gov.uk

**FIRE EVACUATION PROCEDURE FOR:
COUNCIL MEETINGS WHERE OFFICERS ARE PRESENT
(52 DERBY STREET, ORMSKIRK)**

PERSON IN CHARGE: Most Senior Officer Present
ZONE WARDEN: Member Services Officer / Lawyer
DOOR WARDEN(S) Usher / Caretaker

IF YOU DISCOVER A FIRE

1. Operate the nearest **FIRE CALL POINT** by breaking the glass.
2. Attack the fire with the extinguishers provided only if you have been trained and it is safe to do so. **Do not** take risks.

ON HEARING THE FIRE ALARM

1. Leave the building via the **NEAREST SAFE EXIT**. **Do not stop** to collect personal belongings.
2. Proceed to the **ASSEMBLY POINT** on the car park and report your presence to the **PERSON IN CHARGE**.
3. **Do NOT** return to the premises until authorised to do so by the **PERSON IN CHARGE**.

NOTES:

Officers are required to direct all visitors regarding these procedures i.e. exit routes and place of assembly.

The only persons not required to report to the Assembly Point are the Door Wardens.

CHECKLIST FOR PERSON IN CHARGE

1. Advise other interested parties present that you are the person in charge in the event of an evacuation.
2. Make yourself familiar with the location of the fire escape routes and inform any interested parties of the escape routes.
3. Make yourself familiar with the location of the assembly point and inform any interested parties of that location.
4. Make yourself familiar with the location of the fire alarm and detection control panel.
5. Ensure that the zone warden and door wardens are aware of their roles and responsibilities.
6. Arrange for a register of attendance to be completed (if considered appropriate / practicable).

IN THE EVENT OF A FIRE, OR THE FIRE ALARM BEING SOUNDED

1. Ensure that the room in which the meeting is being held is cleared of all persons.
2. Evacuate via the nearest safe Fire Exit and proceed to the **ASSEMBLY POINT** in the car park.
3. Delegate a person at the **ASSEMBLY POINT** who will proceed to **HOME CARE LINK** in order to ensure that a back-up call is made to the **FIRE BRIGADE**.
4. Delegate another person to ensure that **DOOR WARDENS** have been posted outside the relevant Fire Exit Doors.

5. Ensure that the **ZONE WARDEN** has reported to you on the results of his checks, **i.e.** that the rooms in use have been cleared of all persons.
6. If an Attendance Register has been taken, take a **ROLL CALL**.
7. Report the results of these checks to the Fire and Rescue Service on arrival and inform them of the location of the **FIRE ALARM CONTROL PANEL**.
8. Authorise return to the building only when it is cleared to do so by the **FIRE AND RESCUE SERVICE OFFICER IN CHARGE**. Inform the **DOOR WARDENS** to allow re-entry to the building.

NOTE:

The Fire Alarm system will automatically call the Fire Brigade. The purpose of the 999 back-up call is to meet a requirement of the Fire Precautions Act to supplement the automatic call.

CHECKLIST FOR ZONE WARDEN

1. Carry out a physical check of the rooms being used for the meeting, including adjacent toilets, kitchen.
2. Ensure that **ALL PERSONS**, both officers and members of the public are made aware of the **FIRE ALERT**.
3. Ensure that **ALL PERSONS** evacuate **IMMEDIATELY**, in accordance with the **FIRE EVACUATION PROCEDURE**.
4. Proceed to the **ASSEMBLY POINT** and report to the **PERSON IN CHARGE** that the rooms within your control have been cleared.
5. Assist the **PERSON IN CHARGE** to discharge their duties.

It is desirable that the **ZONE WARDEN** should be an **OFFICER** who is normally based in this building and is familiar with the layout of the rooms to be checked.

INSTRUCTIONS FOR DOOR WARDENS

1. Stand outside the **FIRE EXIT DOOR(S)**
2. Keep the **FIRE EXIT DOOR SHUT**.
3. Ensure that **NO PERSON**, whether staff or public enters the building until **YOU** are told by the **PERSON IN CHARGE** that it is safe to do so.
4. If anyone attempts to enter the premises, report this to the **PERSON IN CHARGE**.
5. Do not leave the door **UNATTENDED**.

	This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority— (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	Any tenancy where (to M's knowledge)— (a) the landlord is the relevant authority; and (b) the tenant is a body in which the relevant person has a beneficial interest.
Securities	Any beneficial interest in securities of a body where— (a) that body (to M's knowledge) has a place of business or land in the area of the relevant authority; and (b) either— (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

"body in which the relevant person has a beneficial interest" means a firm in which the relevant person is a partner or a body corporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest; "director" includes a member of the committee of management of an industrial and provident society;

"land" excludes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income; "M" means a member of a relevant authority;

"member" includes a co-opted member; "relevant authority" means the authority of which M is a member;

"relevant period" means the period of 12 months ending with the day on which M gives notice to the Monitoring Officer of a DPI;

"relevant person" means M or M's spouse or civil partner, a person with whom M is living as husband or wife or a person with whom M is living as if they were civil partners;

"securities" means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

'non pecuniary interest' means interests falling within the following descriptions:

- 10.1(1)(i) Any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by your authority;
- (ii) Any body (a) exercising functions of a public nature; (b) directed to charitable purposes; or (c) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union), of which you are a member or in a position of general control or management;
- (iii) Any easement, servitude, interest or right in or over land which does not carry with it a right for you (alone or jointly with another) to occupy the land or to receive income.
- 10.2(2) A decision in relation to that business might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a connected person to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the ward, as the case may be, affected by the decision.

'a connected person' means

- (a) a member of your family or any person with whom you have a close association, or
- (b) any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;
- (c) any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
- (d) any body of a type described in sub-paragraph 10.1(1)(i) or (ii).

'body exercising functions of a public nature' means

Regional and local development agencies, other government agencies, other Councils, public health bodies, council-owned companies exercising public functions, arms length management organisations carrying out housing functions on behalf of your authority, school governing bodies.

A Member with a personal interest who has made an executive decision in relation to that matter must ensure any written statement of that decision records the existence and nature of that interest.

NB Section 21(13) of the LGA 2000 overrides any Code provisions to oblige an executive member to attend an overview and scrutiny meeting to answer questions.

PUBLIC SPEAKING – PROTOCOL

(For meetings of Cabinet, Overview & Scrutiny Committees, Audit & Governance Committee and Standards Committee)

1.0 Public Speaking

- 1.1 Residents of West Lancashire may, on giving notice, address any of the above meetings to make representations on any item on the agenda for those meetings, except where the public and press are to be excluded from the meeting during consideration of the item.
- 1.2 The form attached as an Appendix to this Protocol should be used for submitting requests.

2.0 Deadline for submission

- 2.1 The prescribed form should be received by Member Services by 10.00 am on the Friday of the week preceding the meeting. This can be submitted by e-mail to member.services@westlancs.gov.uk or by sending to:

Member Services
West Lancashire Borough Council
52 Derby Street
Ormskirk
West Lancashire
L39 2DF

- 2.2 Completed forms will be collated by Member Services and circulated via e-mail to relevant Members and officers and published on the Council website via Modgov. Only the name of the resident and details of the issue to be raised will be published.
- 2.3 Groups of persons with similar views should elect a spokesperson to speak on their behalf to avoid undue repetition of similar points. Spokespersons should identify in writing on whose behalf they are speaking.

3.0 Scope

- 3.1 Any matters raised must be relevant to an item on the agenda for the meeting.
- 3.2 The Borough Solicitor may reject a submission if it:
- (i) is defamatory, frivolous or offensive;
 - (ii) is substantially the same as representations which have already been submitted at a previous meeting; or
 - (iii) discloses or requires the disclosure of confidential or exempt information.

4.0 Number of items

- 4.1 A maximum of one form per resident will be accepted for each Agenda Item.
- 4.2 There will be a maximum of 10 speakers per meeting. Where there are more than 10 forms submitted by residents, the Borough Solicitor will prioritise the list of those allowed to speak. This will be considered having regard to all relevant matters including:
 - a. The order in which forms were received.
 - b. If one resident has asked to speak on a number of items, priority will be given to other residents who also wish to speak
 - c. Whether a request has been submitted in relation to the same issue.
- 4.3 All submissions will be circulated to Members of the relevant body and officers for information, although no amendments will be made to the list of speakers once it has been compiled (regardless of withdrawal of a request to speak).

5.0 At the Meeting

- 5.1 Speakers will be shown to their seats. At the commencement of consideration of each agenda item the Leader/Chairman will invite members of the public to make their representations. Residents will have up to 3 minutes to address the meeting. The address must reflect the issue included on the prescribed form submitted in advance.
- 5.2 Members may discuss what the speaker has said along with all other information, when all public speakers on that item have finished and will then make a decision. Speakers should not circulate any supporting documentation at the meeting and should not enter into a debate with Councillors.
- 5.4 If residents feel nervous or uncomfortable speaking in public, then they can ask someone else to do it for them. They can also bring an interpreter if they need one. They should be aware there may be others speaking as well.
- 5.5 Speakers may leave the meeting at any time, taking care not to disturb the meeting.

(Please see attached form.)



REQUEST FOR PUBLIC SPEAKING AT MEETINGS

MEETING & DATE

NAME

ADDRESS

Post Code

PHONE

Email

Please indicate if you will be in attendance at the meeting

YES/NO*

*delete as applicable

Note: This page will not be published.

(P.T.O.)



EXTRAORDINARY CABINET: 28 February 2018

COUNCIL: 28 February 2018

Report of: Chief Executive

Relevant Portfolio Holder: Councillor Ian Moran

Contact for further information: Kim Webber (Ext 5005)
(E-mail: Kim.Webber@westlancs.gov.uk)

Marc Taylor (Ext 5092)
(Email: Marc.Taylor@westlancs.gov.uk)

Sharon Lewis (Ext 5027)
(E-mail: Sharon.Lewis@westlancs.gov.uk)

SUBJECT: SUSTAINABLE ORGANISATION REVIEW

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To seek agreement for a review of the Council's operating model, and to identify opportunities for further income generation and efficiencies, with the aim of ensuring that the Council can deliver its vision, key priorities, maintain service provision, and is financially sustainable beyond 2020/21.

2.0 RECOMMENDATIONS TO CABINET

2.1 That the Council's financial position be noted, and either:-

2.2 That a Sustainable Organisation Review be undertaken adopting Option 3 at paragraph 6.1 of the report as the preferred approach;

2.3 That a Sustainable Organisation Review Cabinet Working Group be established, with the membership and functions set out at Appendix 1, and the respective Leaders provide to the Borough Solicitor details of named Councillors to fill the positions agreed;

2.4 That the Chief Executive be given delegated authority in consultation with the Sustainable Organisation Review Cabinet Working Group, to take all necessary steps to procure a suitable contractor or contractors to support the Sustainable Organisation Review, in accordance with paragraphs 5.1-5.3, 9.1 and 9.3 of the report;

2.5 That the Governance Arrangements set out at paragraphs 7.1-7.2 be noted, and that the Chief Executive report on the Sustainable Organisation Review as set out at paragraph 7.1;

or

2.6 That Members identify, and agree, an alternative approach to enable a balanced General Revenue Account position to be reached by 2020/21.

3.0 RECOMMENDATIONS TO COUNCIL

3.1 That the Council's financial position be noted, and either:-

3.2 That a Sustainable Organisation Review be undertaken adopting Option 3 at paragraph 6.1 of the report as the preferred approach;

3.3 That funding from the Policy Options/Sustainable Organisation Review Reserve and projected HRA favourable budget variance be used to enable a Sustainable Organisation Review to be commenced as set out at paragraphs 9.1 to 9.2;

3.4 That the Chief Executive be given delegated authority in consultation with the Sustainable Organisation Review Cabinet Working Group, to take all necessary steps to procure a suitable contractor or contractors to support the Sustainable Organisation Review, in accordance with paragraphs 5.1-5.3, 9.1 and 9.3 of the report;

3.5 That the Governance Arrangements set out at paragraphs 7.1-7.2 be noted, and that the Chief Executive report on the Sustainable Organisation Review as set out at paragraph 7.1;

or

3.6 That Members identify, and agree, an alternative approach to enable a balanced General Revenue Account position to be reached by 2020/21.

4.0 BACKGROUND AND CURRENT POSITION

4.1 Council at its meetings on 18 October 2017 and 13 December 2017 agreed Policy Options totalling £533,000. This follows decisions at Council on 19 July 2017, to agree reductions in expenditure totalling £557,000, and an increase in the projected income budget for garden waste charging of £140,000. Taken together these measures will deliver savings and additional income of £1.23m by 2020-21.

4.2 The Policy Options report presented to Council on 19 July 2017 set out a forecast budget gap of £1.925m for 2018/19, £0.590m for 2019/20, and £0.21m for 2020/21; a total of £2.725m by 2020/21. This budget gap represents the forecast difference between the spending required to maintain approved service levels and the resources that are expected to be available. This budget gap has been caused primarily as a result of ongoing reductions in government grant funding and loss of income from Lancashire County Council for the Waste Partnership Cost Share Agreement. Detailed work on updating the medium term financial

forecast is currently underway taking into account the policy options that have been agreed, the draft Local Government finance settlement for 2018-19, the current pay offer to NJC staff for 2018 and 2019 and other budget factors, for example budget issues and Council Tax assumptions, that will be considered at this meeting. It is expected that this updated forecast will show a remaining budget gap in the region of £1.5m to £2.0m by 2020/21.

- 4.3 Members will recall that over the last eight years, the Council has made savings and generated additional income totalling more than £10m. This includes a package of measures totalling around £1.2m that is being implemented in the current financial year.
- 4.4 The Council's financial position has been assisted by several large scale income and efficiency initiatives over recent years. In particular, since 2011/12 the Council's shared service arrangement with Lancashire County Council/British Telecommunications Services Lancashire has generated an ongoing saving/income of £0.5m, rising to £0.82m in 2017/18. Garden waste charging has generated a net income figure of £0.64m, and £0.28m of savings have been delivered for the General Revenue Account through management/staff restructuring savings since February 2016.
- 4.5 Initiatives, including considering the establishment of a Development Company, operating on a more commercial basis, and seeking further efficiencies, will it is anticipated generate further income/savings for the Council over the next few years. However it is not anticipated at this stage that these will be sufficient to bridge the residual gap identified above in the timescales required. Members therefore will need to consider other measures to do so.
- 4.6 In recent years the Policy Options approach has delivered sufficient expenditure reductions and increases in income to enable balanced budgets to be set. However, it is becoming increasingly difficult to identify options that Members would wish to take, and which would bring the Council into a sustainable financial position, whilst providing sufficient capacity and focus on delivering the Council's priorities. In order to generate the scale of savings and additional income required, it is suggested therefore that a new approach is needed.
- 4.7 Members will recall that at its meeting on 21 October 2015, the Council put in place a Council Plan for 2015-18, with a vision of being a Council which is ambitious for West Lancashire – our Economy, our Environment, and for Health and Wellbeing. The current Council Plan is subject to annual refresh, and runs until March 2018. The current Council Plan is therefore under review for the next plan period, with the intention of a new Council Plan being presented to Members for decision in March/April 2018 to cover the years 2018/19-2020/21. The Council Plan for 2018/19-2020/21 will set out the Council's vision and priorities, in the context of past achievements, performance and the financial context as described above. A new approach, as outlined in section 5.0 will assist the Council in putting in place the staffing structure and culture required to deliver these priorities going forward, in the current difficult financial context.
- 4.8 Members will be aware of an indication that Government intend to undertake a 'fair funding' review of Local Authority finance, to be implemented by 2020/21. Furthermore, proposals to introduce greater business rates retention have been mooted, and these two factors create ongoing uncertainty in relation to the

Council's financial position. However, the legal requirement to set a balanced budget each year remains.

- 4.9 Any future approaches to balancing the budget will need to be undertaken in the context of 4.8 above, and whilst it is not clear what impact, if any, there would be on the Council's financial position, in the light of national pressures on health, adult social care and children's services in particular, it is suggested that it would be prudent to take, at best, a neutral view in relation to the likely impact of these initiatives on the Council's finances. This means that going forward the Council will need to be more self-sufficient in terms of generating the income that it requires to provide services and less reliance will have to be placed on government grant funding.

5.0 A SUSTAINABLE ORGANISATION REVIEW

- 5.1 In order to put in place organisational arrangements to deliver the Council's key priorities, maintain service provision and secure a balanced budget position for the medium term, there would be merit in undertaking a whole organisation review; a 'Sustainable Organisation Review' (the Review), which would involve a study or studies and associated work e.g. lean process mapping, and which would consider:

- (i) How the Council's activities are currently organised and configured, its fitness for future purpose, and whether there is scope for further efficiencies and savings, that minimise the impact on front line service delivery;
- (ii) The scope to generate additional income to be able to continue to fund existing services or to develop new services;
- (iii) Good practice examples from other public sector organisations;

and provide:

- (iv) Recommendations in relation to income generation and efficiency including the future officer/staffing structure, and opportunities for a flatter structure and different organisational models. This could include different ways of organising work e.g. by separating operational management from people management, using a casework approach where multi-disciplinary and multi-skilled staff are complemented by professional specialists, improving efficiency and productivity.

- 5.2 Considerations in the course of the Review would include:

- How best to deliver the Council's vision and priorities going forward;
- Opportunities for innovation and income generation, not currently being utilised;
- The application of lean processes/techniques;
- The Council's ICT investment strategy and route map, and any opportunities that the better use of ICT going forward could afford;

- The impact of the partnership agreements/timescales in relation to Leisure Services and ICT/Revenues and Benefits services;
- Any opportunities for consolidation/maximising the use/income from Council accommodation, and agile working;
- The conclusions from the Corporate and Environmental Overview and Scrutiny Review on Community Involvement in Service Delivery;
- Any immediately obvious opportunities for further shared service delivery.

5.3 The outcomes sought from the Review would include:

- (i) A financially sustainable operating model, which delivers the Council's priorities and offers value for money;
- (ii) Embedding a driving, innovative and empowered staff culture, making best use of the capacity and capability in the organisation;
- (iii) The scope to secure further improvement in our Borough's economy; environment and health and wellbeing, whilst meeting statutory requirements;
- (iv) Ensuring a quality customer experience by providing effective, efficient, accessible services, right first time;
- (v) Sufficient ongoing strategic capacity to provide leadership and innovation, for both the Council as an organisation and West Lancashire as a place.

6.0 OPTIONS

6.1 There are a number of options as to how this Review could be undertaken. Some options, and the advantages and disadvantages of each are outlined below.

Option 1: Internal Consultancy Model

An 'internal' temporary consultancy could be established to undertake the Review outlined in 5.1-5.3 above. This would necessitate the creation of a new fixed term Director-level post, with the seniority to drive change, a background in organisational change and transformation, and the creation of a dedicated transformation team. To create the additional capacity to undertake this work, whilst continuing to deliver on existing priorities, it is envisaged that a number of other new posts would be required on a fixed term basis, covering lean processes, HR, Finance, Legal, ICT and communications specialisms together with administrative support.

The advantage of this approach is that it may be potentially less expensive than the other options. The disadvantages are that an internal team has the potential to be less independent, knowledgeable and flexible than Options 2 and 3 outlined below. There would also be a significant lead in time to recruit at Chief Officer level, and establish the team.

In addition it is unclear whether the skills/experience that would be needed could be attracted via external recruitment.

Option 2: Peer Consultancy Support Model

A partnership with another local authority with consultancy expertise could be sought, to support the review outlined in 5.1-5.3 above. This could involve developing a shared service arrangement for the provision of services and an appropriate procurement process.

Resources would be required to finance the shared service arrangement, and for additional internal staff resources to project manage and deliver the overall Review.

The advantage of this approach is that it may provide consultants with local authority experience. The disadvantages are that it is likely that the Peer Team would come from an upper tier authority and they may not understand the role and context of a District Council, and be less independent, knowledgeable and flexible than Option 3 below. There would also be a significant lead in time to procure and develop a shared service solution, which can be complex. In addition it is unclear whether the skills/experience and capacity needed would be forthcoming from this approach.

Option 3: External Consultancy Support Model

A (public or private sector) contractor or contractors could be sought with the relevant skills and experience through an appropriate procurement process, to support the Review outlined in 5.1-5.3 above.

Resources would be required to finance a consultancy study, or series of studies to inform the review. It is envisaged that the project management would be done in-house, and it is likely that additional resource would be required for this, and also for additional internal HR, Finance, Legal and ICT support to help deliver the overall Review at appropriate points. Some lean process re-engineering capacity may be available in-house, but further resource is likely to be needed, and it is suggested that this facility could be built into a contract on a 'draw down' basis.

The advantages of this option is that it can bring additional independent and flexible skills, knowledge of alternative/new approaches and capacity to complement in-house capability in a short time frame. This option is most likely to provide robust feedback, and it is anticipated that there are a number of potential providers, with a variety of approaches, that could be attracted to tender, and who would hit the ground running.

The disadvantage is that it may be difficult to appoint consultants with relevant local authority experience and knowledge.

It is envisaged that Members may wish to take a staged approach to the Review with appropriate reporting to Members at the end of each stage. To ensure value for money, the balance of work undertaken by in-house staff and consultants will be kept under review during the course of the process.

6.2 Of the options identified above, it is recommended that Option 3 represents the best fit with the Council's needs at this time, in terms of being able to successfully deliver a large scale savings/income programme within a reasonable timescale. Experience from other authorities who have undertaken large scale organisational review projects suggests that it can be of the order of 3 years, from the decision to commence a review, to completion of full delivery.

7.0 GOVERNANCE ARRANGEMENTS

7.1 It is proposed that the Review would be assisted by the following governance arrangements:

- Full Council – agree the initiating report (this report), with the prior assistance of Cabinet; the funding required; receive reports and make decisions in relation to the appointment of a contractor or contractors and the results of the Review;
- Cabinet – agree the initiating report (this report), for further consideration by Council; receive recommendations from the Sustainable Organisation Review Cabinet Working Group; receive reports and make decisions in relation to the appointment of a contractor or contractors and the results of the Review;
- Sustainable Organisation Review Cabinet Working Group – with the proposed terms of reference and membership as set out at Appendix 1. The named Councillors to fulfil the membership to be advised by the respective Leaders.

7.2 The above arrangements would be supported by an officer board, comprising senior officers and chaired by the Chief Executive, with the assistance of a dedicated Project Manager and input from other officers as required. In due course, it is envisaged that additional officer input would be needed, including dedicated HR, Finance, Legal and ICT resources, and that business analyst/lean process support would also be required. Where possible this would be found from existing resources, but additional resources are likely to be required. The board would provide oversight of the consultants engaged to undertake the study or studies and associated work, and internal staff communication, reporting to Members as appropriate. It would oversee the implementation of the recommendations of the Review, once agreed by Cabinet and Council. Overview and Scrutiny Committees will be engaged in regard to process as appropriate.

8.0 SUSTAINABILITY IMPLICATIONS

8.1 Undertaking a Review as proposed in this report will assist the Council in maintaining service provision and in ensuring it can deliver its priorities effectively and secure a sustainable budget position in the medium term. There are no direct effects on crime and disorder arising from this report.

8.2 Every effort will be made through this process to maximise positive impacts and minimise any other impacts.

9.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 9.1 To proceed with the proposals in the report, drawing on the experience of authorities who have undertaken large scale organisational review projects, it is anticipated that senior staff will need to devote a significant amount of time to the process during the Review period, as indicated at 7.2 above. This will require re-prioritisation of workloads. In addition, in order to support the Review, funding of £64,000 is required to enable the creation of a fixed term (initially for 2 years) 0.5fte Project Manager post. Further funding requirements will be identified through the Sustainable Organisation Review Cabinet Working Group and tender process, and as the project progresses, and sought via reports to Members as appropriate.
- 9.2 Undertaking such a Review is likely to require a significant investment but it is expected that the level of income, savings and efficiencies that could be generated would be at a level that would justify this expenditure. The cost will be split 80%/20% between the GRA and the HRA in line with staffing numbers/budgets, with the GRA element of the costs funded from the Policy Options/Sustainable Organisation Review Reserve, which is proposed in the Budget Requirement report elsewhere on the agenda, and the HRA costs funded from the current year projected favourable budget variance. The time and resources required to undertake the Review may also limit the amount of new activity that can be developed, and the amount of focus that can be given to non-priority areas. Any early wins in terms of savings, efficiency and income will be taken as they arise.
- 9.3 To afford sufficient flexibility to the project, and given the possible cost of the consultancy study or studies and associated work, a procurement process may be required to conform with the Public Contracts Regulations 2015 and the contract or contracts must be awarded to the tenderer or tenderers who have offered the most economically advantageous tender or tenders. Appraisal of contractors' tenders will be undertaken in line with agreed tender evaluation criteria and an agreed scoring methodology. In this regard it is proposed that the Chief Executive be given delegated authority in consultation with the Sustainable Organisation Review Cabinet Working Group. The Council's Contracts Procedure Rules require that price must account for a minimum of 60% of the overall tender score. However, given the importance of this study or studies the Chief Executive may authorise a reduction in the price weighting below 60% in order to give greater weight to the quality of suppliers' proposals. A recommendation as to any preferred contractor or contractors to be appointed would be made to Members, together with any recommendations as to the resources required to engage the recommended contractor or contractors, with decisions being made in accordance with the Council's usual arrangements, taking account of any delegations in place. If required, the selection of any contractors for tenders in excess of £50,000 will be reported to Council for approval. Any further resource implications will be addressed as necessary, subject to the business case, in further reports to Members. In particular there is likely to be a need for significant investment in ICT to enable more efficient and more customer-focused service delivery.
- 9.4 It is intended that the specification for the Review will concentrate on outcomes rather than processes, and this should help to promote innovative and creative approaches from prospective contractors. In addition where appropriate a tender or tenders will be subject to a formal OJEU process, which will be widely advertised and should help to attract the best quality consultants.

- 9.5 It is expected that the Review will take place in a number of stages, and that decisions will need to be made at the end of each phase on how to proceed with the Review. The Sustainable Organisation Review Cabinet Working Group will ensure that there is Member involvement with this process and to give direction to the Review.
- 9.6 The requirement to achieve a sustainable budget position will necessitate significant organisational change, including changes in staffing levels. This is likely to be assisted by a combination of the deletion of vacant posts, staff turnover, and a reduction in the usage of agency and temporary staff. Although in any large scale remodelling it will be impossible to discount compulsory redundancies at the outset, every effort will be made to seek to minimise the risk of compulsory redundancy by the use of redeployment, and by considering expressions of interest in voluntary reduced hours, voluntary redundancy, and other mechanisms as set out in the Council's HR policies. As part of this process it is anticipated that expressions of interest on voluntary reduced hours and redundancy will be sought from staff, but there will be no guarantee that these will be accepted, as this will depend on their business case. In addition there may also be staffing increases in some areas, especially where such an increase will assist in generating greater income than the costs associated with the posts. The savings generated from any redundancies will need to be sufficient to meet the associated exit costs within 3 years in line with standard Council policy.
- 9.7 The need to increase the Restructuring Fund, which is a reserve used to pay for staff exit costs arising from restructuring, as a result of the Sustainable Organisation Review will be considered as the Review progresses.

10.0 RISK ASSESSMENT

- 10.1 The difficult financial position facing the Council is a key risk that is included on the Council's Key Risk Register, and the Sustainable Organisation Review proposed within this report will assist the Council in mitigating this risk. In the alternative, the Policy Options approach could continue. The financial scenario facing all local authorities means that "doing nothing" is not an option, and that a large scale package of savings/income needs to be achieved over a medium term period.
- 10.2 In considering the budget gap to 2020/21, it is important to note that these are projections based on the best available information at the current time, using prudent assumptions. However, there is scope for considerable variation in the value/scale of the gap identified.
- 10.3 Undertaking a project of this nature will involve significant change, and has the potential to impact on staff morale, performance and capacity. These risks will be mitigated by communications throughout the process, and the project management arrangements decided at 7.2 and 9.1 of the report. A Sustainable Organisation Review Project Risk Assessment will be developed at an early stage for reporting to the Sustainable Organisation Review Cabinet Working Group.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

This is an initiating report, and does not make any recommendations with a direct impact on members of the public, employees, elected members and / or stakeholders, therefore an Equality Impact Assessment is not required at this time. Equality matters will however be taken into account during the appropriate stages of the Review.

Appendix

Appendix 1 – Sustainable Organisation Review Cabinet Working Group Terms of Reference (Draft)

DRAFT

SUSTAINABLE ORGANISATION REVIEW
CABINET WORKING GROUP

Terms of Reference

Membership: 7 Members – 4 Labour, 3 Conservative

Labour: (Chairman) Councillor
(Vice-Chairman) Councillor

Councillor , Councillor

Conservative: Councillor , Councillor

Councillor

Functions

1. To consider examples and presentations relating to a sustainable organisation review or similar reviews undertaken by other Councils.
2. To consider the specification for a Consultant's Study, or series of studies, and associated work, and the phasing of this to inform the Sustainable Organisation Review.
3. To consider the tender criteria, scoring methodology and tenders received for a Consultant's Study, or series of studies, and associated work, to inform the Sustainable Organisation Review, and make recommendations to Cabinet and/or Council as appropriate.
4. To consider the options for achieving a sustainable operating model for the Council, focussing on opportunities for further income generation and efficiencies that will deliver the Council's priorities in the current financial context.
5. To consider the findings of the Consultant's Study, or series of studies, and associated work, and make recommendations to Cabinet and/or Council as appropriate.



**EXTRAODINARY CABINET:
28 FEBRUARY 2018**

Report of: Director of Housing and Inclusion

Relevant Portfolio Holder: Councillor J. Forshaw / Councillor I. Moran

Contact for further information: Ms J. Sinnott-Lacey (Extn. 5200)

(E-mail: jacqui.sinnott-lacey@westlancs.gov.uk)

SUBJECT: FORMING A DEVELOPMENT COMPANY – OPTIONS APPRAISAL

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

- 1.1 To seek authority to further prepare the arrangements to form a Development Company which will drive forward the commercial ambitions of the Council.

2.0 RECOMMENDATIONS

- 2.1 That the Development Objectives set out in 3.2 be approved.
- 2.2 That the formation of a single Development Company (Option 2 at paragraph 4.2 of this report) be endorsed as the best approach to delivering the Development Objectives set out in paragraph 3.2 of the report.
- 2.3 That the indicative implementation plan to establish a proposed Development Company set out in Appendix 5 be endorsed.
- 2.4 That the Director of Housing and Inclusion in consultation with the relevant portfolio holders be authorised to put in place arrangements to form a Development Company in shadow format as identified at paragraph 7.8.
- 2.5 That a further report be presented to Council to consider finalising the establishing of the Development Company including presentation of a full business case and proposals for appointment of Directors to the Company.
-

3.0 Background

- 3.1 On 13th September 2016, Cabinet resolved that:

- (A) 'That the Director of Housing and Inclusion investigate further the benefits of forming a Development Company or other appropriate vehicle for delivery of achievement of the Council's ambitions for development and facilitating development as set out in paragraph 5 of the report'.
- (B) 'That up to £50,000 be made available to carry out initial investigations as set out in paragraph 6 of the report'.

Since this time, Government policy has moved to support greater development by local authorities.

- 3.2 The proposed objectives for the Development Company are as follows:
- Generate a financial return for the Council through development of profitable services/activities, recognising that this will take time to be realised.
 - Capture any financial benefits and tax efficiencies of dedicated delivery vehicles which are Council controlled but can benefit from agile operating arrangements.
 - Provide an income from the new vehicle that is substantial and the new ways of working so transformational that the cost of planning, due diligence advice and setting up and operating the vehicle outweigh the status quo.
 - Create profitable, complementary and transparent relationships with landowners, developers and investors which deliver financial and regeneration benefits.
 - Secure additional private and Government investment into the Borough, creating a focus on delivery and providing a mechanism to build new homes for sale and rent, regeneration and commercial and industrial schemes to the Council.
 - Maximise appropriate development, accelerate growth and take appropriate risks for the Council by providing dedicated delivery arrangements and property and commercial expertise.

(together known as the "**Development Objectives**").

- 3.3 In order to facilitate the Development Objectives, the Council has successfully bid for and received:
- £785,000 funding from DCLG towards enabling and capacity building to ensure future regeneration of Skelmersdale (bid 2031);

(together known as the "**Grant Funding**").

- 3.4 The purpose of the Grant Funding is to facilitate the delivery of the Development Objectives through supporting the formation of a Development Company.

4.0 OPTIONS AVAILABLE TO THE COUNCIL TO ACHIEVE THE DEVELOPMENT OBJECTIVES

- 4.1 Since the Cabinet approval of 13 September 2016 officers have been exploring how best to deliver the Development Objectives as set out in 3.2.

- 4.2 The options available to the Council include:

- **Option 1** - Council "in house" delivery;
 - **Option 2** - Formation of a Development Company;
 - **Option 3** - Formation of multiple Development Companies (e.g. Investment, Residential, Commercial/Industrial Objectives) to achieve the various Development Objectives.
- 4.3 The advantages and disadvantages of the options available to the Council to deliver its Development Objectives are set out in Appendix 1 to this report.
- 4.4 This report recommends adoption of option 2 for the following reasons:
- the initial financial viability assessments indicate that site development could deliver a sustainable and profitable enterprise;
 - the Council has received the Grant Funding to facilitate the formation and ongoing operation of a Development Company to deliver the Development Objectives;
 - the Development Company will create a separate legal entity which can attract further grant funding into the borough;
 - the Development Company will be controlled by the Council and will allow the Council to prioritise its Development Objectives.
- 4.5 Members are asked to note that there are risks with any form of development activity, whether conducted by the Council or its Development Company. The risks of pursuing Option 2 and setting up a Development Company have been added to the risk register and a detailed risk map has been attached at Appendix 3.
- 4.6 Members are also asked to note that the above risks will be monitored on a regular basis and the Council will be kept regularly informed on the performance of the Development Company. The Directors of the Development Company, will be able to take action to mitigate the likelihood of material external events affecting the financial viability of the Development Company.

5.0 BUSINESS PLAN FOR THE DEVELOPMENT COMPANY

- 5.1 The principal objectives of the Development Company will be to support the Council's priorities around economic growth, enhancement of the environment of the Borough and improving the health and wellbeing of local communities while improving the Council's financial position.
- 5.2 The Council wants to set up a successful and financially viable Development Company that delivers achievement through its objectives. It has therefore engaged Cushman & Wakefield to establish a draft Business Plan for the Development Company. A number of pipeline sites to support the establishment of the Development Company are currently being viability assessed however initial modelling demonstrates a positive financial return to the Development Company and in turn the Council, however this needs further work to robustly test the business assumptions.
- 5.3 It is important to point out that any future returns are not guaranteed and the actual amount and timings of the financial return to the Council will depend on

the performance of the Development Company, and other influences on expenditure and income. The purpose of the final Business Plan is to set out what the Development Company should look to deliver in its first few years of operation and to provide comfort to the Council that it will be solvent and has a coherent delivery plan.

- 5.4 Members are advised that the Development Company will not realise any of this return on its/the Council's investment until such time as the first housing sales complete. The Development Company will require up front funding to operate whilst the Council will also require a return on its initial investment. The Council will need to agree the proportionate split in proceeds between the two parties

6.0 POWERS TO ESTABLISH A DEVELOPMENT COMPANY

- 6.1 The Council has the power to deliver the Development Objectives pursuant to section 1 of the Localism Act 2011. In delivering the Development Objectives, the Council will act for a commercial purpose, as it will receive a financial return following works, so this power must be exercised through a company pursuant to section 4(2) of the Localism Act 2011. The Council therefore has the power to form a Development Company.
- 6.2 The Council is not procuring works or services from the Development Company and therefore the Public Contracts Regulations 2015 do not apply to the setting up of the Development Company. The Council has the power to do anything an individual may do (including acting for a commercial purpose through a company) without conducting a formal procurement.
- 6.3 The Articles of Association shall be drafted to satisfy the market economy investor principle (MEIP) and the Development Company will act for a commercial and industrial purpose. This means that the Council can invest in the same manner as a reasonable private sector investor, and on this basis the formation is regarded as a commercial transaction rather than State Aid and the Development Company is not considered a Body Governed by Public Law for the purposes of the Public Contracts Regulations 2015.
- 6.4 The Council shall appoint officers as Directors to sit on the board of the Development Company, and the day-to day operation of the Development Company will be controlled by its Directors. Whilst appointed to the board of the Development Company by the Council, the directors will as a matter of law be required to act in the best interests of the Development Company.
- 6.5 Pursuant to the Local Authorities (Indemnities for Members and Officers) Order 2004 the Council has the power to indemnify its officers and insure them where they carry on functions when acting as a Director of a company at the Council's request. The Council appointed Directors will therefore require a deed of indemnity from the Council to protect them from the personal liability arising out of fulfilling a role to which they have been appointed in their capacity as an officer of the Council. The terms of the indemnity will reflect the statutory limitations on the power to indemnify as set out in the 2004 Order.

- 6.6 The Development Company will likely be categorised as a "Local Authority Influenced Company" for the purposes of the Local Government and Housing Act 1989 and the Local Authorities (Companies) Order 1995. As such, the Development Company will comply with the propriety controls which relate to such companies.
- 6.7 Under section 123 of the Local Government Act 1972, on disposing of land the Council is required to obtain the best consideration reasonably obtainable. The properties in the final Business Plan may be transferred to the Development Company in accordance with section 123 of the Local Government Act 1972 or a building lease will be entered into to facilitate the delivery of the Development Objectives.
- 6.8 The Council's regulatory roles e.g. acting as planning authority will not be fettered by putting in place these arrangements.

7.0 GOVERNANCE

- 7.1 The Council has a choice of corporate vehicles that it could adopt to form a Development Company pursuant to section 1 of the Localism Act 2011. These include:
- Any type of company (private or public, limited or unlimited) registered in England; or
 - Society registered under the Co-operative and Community Benefit Societies and Credit Unions Act 2010 or the Industrial and Provident Societies Act (Northern Ireland) 1969.
- 7.2 The Council intends to form a company limited by shares, and whilst the detailed analysis is included in Appendix 2 of this report, the main reasons are because a company limited by shares:
- is one of the limited number of companies available pursuant to the Localism Act 2011,
 - will allow the Development Company to act for a commercial and industrial purpose,
 - will provide the Council with the greatest flexibility in terms of being able to exercise control or influence and recycle profits back into the next phase of development activity, and
 - (depending on financial performance) pay a dividend back to the Council.
- 7.3 The Council, as sole shareholder in the Development Company, will:
- Appoint and remove the Directors from the board of the Development Company;
 - Retain a control over the Development Company to realise the Development Objectives;
 - Specify the activities that the Directors of the Development Company can conduct as a matter of day to day business and those activities that require the Council's prior written consent (e.g. approval of the dividend, approval of the annual Business Plan, material transactions etc.)

- Finalise the list of the "Reserved Matters" which will be submitted with the Articles of Association; and
 - Have the ability to wind up the Company should it so wish.
- 7.4 The governance of the Development Company and how it will operate (including how it will report to the Council) is set out in Appendix 4 of this report.
- 7.5 The Council intends to transfer funding to the Development Company in consideration for its shares in the Development Company. This will provide the Development Company with working capital from day one to facilitate the delivery of the development objectives. The Directors of the Development Company will report back to the Council on performance through regular member updates.
- 7.6 The Council intends that the initial overhead and running costs associated with the operation and management of the Development Company shall be kept to a minimum. For example:
- The Council does not intend to TUPE transfer any employees to work for the Development Company. However in order for the Company to be successful it is essential that the company is able to recruit key staff with the appropriate experience and commercial acumen.
 - The Development Company will be supported by third party external appointments e.g. on HR, legal and tax matters to facilitate the delivery of the Development Objectives.
- 7.7 The activities required in order to set up the Development Company are as follows:
- Draft Articles of Association to set up the Development Company; including appropriate matters reserved for approval by the Council for example:
 - the approval of an annual Business Plan/annual Budget;
 - the increase in any indebtedness of the Development Company;
 - writing off bad debt in excess of a defined amount etc.;
 - any issue of new shares in the Development Company;
 - the devolution or transfer of all or part of the management of the Development Company;
 - the appointment, removal of Directors;
 - the letting of material works, supplies, services outside of those set out in the Business Plan;
 - Identify the Directors which the Council wishes to appoint to the Board and consider any conflicts of interests and any amendments required to the Council's constitution;
 - Provide a Director's mandate/deed of indemnity pursuant to the Local Authorities (Indemnities for Members and Officers) Order 2004, to cover the actions of the appropriate Directors and to ensure that the Directors of the Development Company are clear as to their remit and their authority to act;
 - Draft appropriate board minutes for the first Development Company meetings to:
 - form the company and adopt the Articles of Association;
 - appoint the Directors (lodging the appropriate forms at Companies House);
 - enter into the requisite agreements.

(together known as the "**Corporate Documents**").

- 7.8 If Members approve the recommendations of this report then further work will be undertaken on putting in place the arrangements required to set up the Development Company in shadow format. This means that work can commence on setting up the policies and procedures for the Company, proceeding with preliminary site investigation work which will in turn inform the final business case. A report will then be presented to Council prior to the Company being formally established. An indicative implementation plan for this process is set out in Appendix 5 of this report.

8.0 SUSTAINABILITY IMPLICATIONS

- 8.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder.

9.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 9.1 The financial position of the company will be based on commercial returns with the Council receiving full market value for its land invested, a margin over any borrowing provided to the company and a longer-term equity return on its investments. The Council will also benefit from the additional Council Tax receipts generated from the housing growth, new homes bonus grant and capital receipts from any Council owned land that is developed. The business model will also provide for the full operational cost of the company within its cash flow and repayment of any debt provided by the Council. Investments in developing sites will be agreed with the Council on a case by case basis to ensure that the appropriate returns are generated.
- 9.2 The Council have been working with external advisors Cushman Wakefield on a business case for the Development Company. This business case will be presented to Council which will need to approve the level of investment required and the formal creation of the company and the appointment of its Directors.
- 9.3 The business case will be based on a robust model of financing that will ensure a range of housing types and tenures can be provided at a level of sales and rents to ensure it remains as a going concern. Growth of the company will be based on building both on land owned by the Council and newly purchased land.
- 9.4 The Development Company will be able to pay a dividend to the Council after a period of time. The extent of any future annual dividend payments to the Council is not guaranteed and will:
- be made in accordance with an agreed dividend policy; and
 - depend on the performance of the Development Company.
- 9.5 Costs committed to date on the project are approximately £35,000. There are some short term financial/ resource implications arising from this report in respect of finalising the legal requirements which will be met using existing resources already identified in the September 2016 Cabinet report. In order to make further

progress on scheme viability and site investigation work to effectively inform the business plan, additional costs including interim staffing will be required. We estimate that these requirements will cost up to £250,000, and these costs will be met from the DCLG grant funding identified for this purpose.

10.0 RISK ASSESSMENT

10.1 The setting up of a new Company provides the Council with significant opportunities to deliver its development objectives, as well as a number of risks. Given its significance this issue will be included on the Council's Key Risk Register when the Company is ready to be established. A more detailed risk assessment is included in Appendix 3.

11.0 EQUALITY IMPACT ASSESSMENT

11.1 This is a key project for the Council, with the primary focus being the delivery of the Development Objectives. There is a direct impact on members of the public, employees, elected members and / or stakeholders, therefore an Equality Impact Assessment is required. A formal equality impact assessment will be completed prior to final approval.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

This is a key project for the Council, with the primary focus being the delivery of the Development Objectives. There is a direct impact on members of the public, employees, elected members and / or stakeholders, therefore an Equality Impact Assessment is required. A formal equality impact assessment will be completed prior to final approval.

Appendices

Appendix 1 - Advantages and disadvantages of various options available to the Council to deliver its Development Objectives

Appendix 2 - Headline features of the various corporate vehicles

Appendix 3 - Risk Register – Development Company

Appendix 4 - Question and answers relating to the governance and operation of the Development Company

Appendix 5 - Implementation Plan

Appendix 1 – The advantages and disadvantages of the various options

The advantages and disadvantages of the options available to deliver its Development Objectives are set out in brief below:

Option	Advantage	Disadvantage
<p>1. Council "in house" delivery</p>	<p>1. The Council has the powers to achieve the Development Objectives;</p> <p>2. Avoids the administrative costs of setting up a Development Company (<i>NOTE: That while this can be an issue in the Councils case this is not a factor due to grant funding</i>)).</p>	<p>1. Does not involve any "cultural change" gained through setting up a separate company distinct from the Council;</p> <p>2. Does not achieve the benefits of forming a company (for example, separate company ring fencing risk, bid for third party funding, owns land and more entrepreneurial business plan focus);</p> <p>3. Localism Act determines that any significant commercial development should be delivered through a Company structure.</p>
<p>2. Formation of a Development Company (DevCo) and/or a Trading Company</p>	<p>1. The Council has the powers to achieve the Development Objectives through the formation of a Development Company (see paragraph 8 of this report);</p> <p>2. The Council has received £785,000 from DCLG in order to fund the formation and operation of a Development Company;</p> <p>3. The Development Company will have its own governance arrangements, thereby allowing it to focus on the implementation of the Council's Development Objectives (via its business plans);</p> <p>4. The Development Company</p>	<p>1. Costs associated with setting up and monitoring of the Development Company (<i>NOTE: This is not a factor due to grant funding</i>)</p> <p>2. Additional governance arrangements involved in setting up the Development Company.</p>

	<p>is able to own land and enter into contracts with third parties (for example, local developers, RPs, etc) in its own name;</p> <p>5. The Development Company could bid for grant funding from third parties (for example, the HCA, LEPS etc);</p> <p>6. The Development Company, as a separate corporate body, ring fences the development risk which will not become the liabilities of the Council (although this may cause reputational issues for the Council);</p>	
<p>3. Formation of multiple DevCos</p>	<p>1. Achieves the same advantages as set out in the row above;</p> <p>2. Allows the Council to ring-fence risk in separate companies;</p> <p>3. Clarity between objectives of different Development Company (e.g. investment, housing, commercial, trading services).</p>	<p>1. Additional costs associated with setting up numerous Development Companies;</p> <p>2. Complex governance arrangements involved in setting up the Development Companies.</p>

Appendix 2 – Headline features of the various different corporate vehicles

Factor	Company Limited by Shares (CLS)	Company Limited by Guarantee (CLG)	Community Interest Company (CIC)	Industrial & Provident Society (IPS)	Limited Liability Partnership (LLP)
Regulator	Companies House	Companies House	Companies House <u>and</u> Office of the Regulator of Community Interest Companies	Financial Conduct Authority	Companies House
Historical context	Usual vehicle for trading entities	Common vehicle for social enterprise businesses and charities	Recent invention designed for businesses intended to trade with a social purpose or to carry out activities for the benefit of the community	History of being “for the benefit of the community” (for example, the co-operative movement, social landlords)	Recent invention for businesses wanting to have most of the characteristics of partnerships but the protection of having a separate legal entity able to enter into contracts in its own name – for example, being able to own land and borrowing
Constitutional Documents	Articles of Association	Articles of Association	Articles of Association	Rules	LLP Agreement
Can the entity be a charity?	No	Yes – depending on turnover will be required to register with the Charity Commission	No	Yes - currently exempt from registering with Charity Commission; though likely to change	No
Constitutional	Articles of Association	Articles of Association	Articles of Association	Rules	LLP Agreement

Factor	Company Limited by Shares (CLS)	Company Limited by Guarantee (CLG)	Community Interest Company (CIC)	Industrial & Provident Society (IPS)	Limited Liability Partnership (LLP)
Documents					
Minimum membership/s hareholding requirements	Able to have sole shareholder	Able to have sole member	Able to have sole shareholder (if established as CLS) or sole member (if established as CLG)	Minimum of 3 shareholders unless themselves IPS (in which case minimum of 2 shareholders); in this instance, minimum of 3 shareholders necessary, 1 of whom would be the Authority	Required to have minimum of 2 members on incorporation; though can have 1 member but if that remains sole member for more than 6 months the member will become jointly and severally liable for LLP's business.
Can the entity be a subsidiary of another corporate entity	Yes	Yes	Yes	Yes	No
Can the entity be a subsidiary of a local authority	Yes	Yes	Yes	Yes	Possible (the LLP would need to be justified using another specific statutory basis)
Ease of achieving "control" at shareholder/m	Straightforward as able to be sole shareholder; if have other shareholders, able to have different	Relatively straightforward as able to be sole member; if have other members, able to have	See comments for CLS and CLG	The FCA has traditionally expected IPS to adhere to principle of "one member, one vote"; therefore, more	This would need to be achieved through the LLP Agreement

Factor	Company Limited by Shares (CLS)	Company Limited by Guarantee (CLG)	Community Interest Company (CIC)	Industrial & Provident Society (IPS)	Limited Liability Partnership (LLP)
ember level	voting rights	different voting (weighted voting) rights		difficult to achieve control at general meetings but can incorporate some controls within rules – for example, Authority needs to be present for general meetings to be quorate	
Ease of achieving control at board level - if this is required	<p>If sole shareholder, it will normally appoint board members; though this could be left to the board on a day to day basis.</p> <p>If additional shareholders, need to agree mechanism (will be through Articles and, if relevant, a shareholders agreement).</p>	<p>If sole member, it will normally appoint board members; though this could be left to the board on a day to day basis.</p> <p>If additional members, the Authority will need to have right to appoint and/or remove a majority board members</p>	As for CLS and CLG	the Authority will need to have right to appoint and/or remove a majority board members	This will need to be achieved in the LLP Agreement
Funding entity	Able to raise funding through all normal equity and debt routes – for example, share capital, loan notes, loans.	Able to raise funding through all normal debt routes – for example, loan notes, loans. Unable to raise share capital.	As for CLS and CLG; though note earlier comments regarding asset lock	<p>Able to raise funding through all normal debt routes – for example, loan notes, loans.</p> <p>Able to raise limited amount of share capital (but less flexible than share capital within CLS)</p>	Able to attract member capital and enter into loans

Factor	Company Limited by Shares (CLS)	Company Limited by Guarantee (CLG)	Community Interest Company (CIC)	Industrial & Provident Society (IPS)	Limited Liability Partnership (LLP)
Asset lock and profit extraction	<p>Profits (see tax treatment) retained or distributed to each shareholder in relation to their relevant proportion.</p> <p>Profits generally extracted by way of dividend but cannot pay dividends or make distributions to shareholders in excess of distributable profits.</p>	No mechanism for extracting profit	Because of a statutory asset lock, there is no mechanism for extracting profit	No mechanism for extracting profit	Profits (see tax treatment below) attributed to each member in relation to their relevant proportion (irrespective of whether or not actually distributed).
Tax treatment – profits and gains	Not tax transparent. Is a taxable entity in its own right subject to corporation tax on profits and gains.	Not tax transparent. Is a taxable entity in its own right subject to corporation tax on profits and gains.	Not tax transparent. Is a taxable entity in its own right subject to corporation tax on profits and gains.	Not tax transparent. Is a taxable entity in its own right subject to corporation tax on profits and gains.	Generally tax transparent with each partner taxed on their share of net profits or gains unless in dissolution (i.e. it is the members not the partnership which are taxed).
SDLT	SDLT payable on purchases of UK property by the company	SDLT payable on purchases of UK property by the company	See CLS and CLG	See CLS and CLG Normally (because of the limited use of share capital), shareholders normally only hold one	SDLT payable on purchases of UK property by the members who are jointly and severally holders.

Factor	Company Limited by Shares (CLS)	Company Limited by Guarantee (CLG)	Community Interest Company (CIC)	Industrial & Provident Society (IPS)	Limited Liability Partnership (LLP)
	No stamp duty on issue or transfer of shares in the company but stamp duty (at a rate of 0.5%) is generally payable on transfers (but not the issue) of shares in the company.			share. No stamp duty on issue and, normally, shares are non-transferrable	Treated as a partnership for SDLT purposes and therefore special rules re contribution and distributions of land and transfer of partnership interests.
VAT	Registered for VAT in its own right.	Registered for VAT in its own right.	Registered for VAT in its own right.	Registered for VAT in its own right.	Registered for VAT in its own right.

Assumptions:


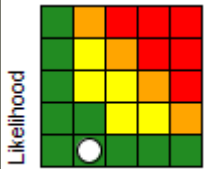
1. The Council would want as much flexibility as possible including funding options and extraction of profit
2. The Council wants a structure where it is able to exercise control over the vehicle and established as a subsidiary

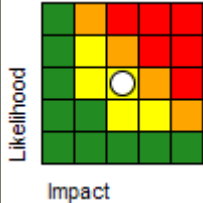
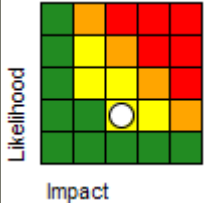
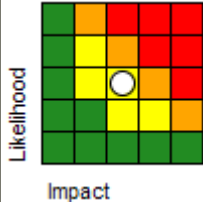
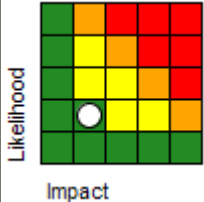
Appendix 3 - Risk Register - Development Company

Generated on: 29 January 2018



Code & Title	Assigned To	Potential Effect	Internal Controls	Latest Note	Current Risk Date Reviewed	Current Risk Matrix	Target Risk Matrix
<p>Page 1192</p> <p>H&I/HS01.1 Setting up Development Company</p>	Jacqui Sinnott-Lacey	<ul style="list-style-type: none"> - Dev Co staff structure not fit for purpose with lack of appropriate skills and knowledge - Insufficient commercial experience within the Council to challenge delivery of the business plan - Poor decision making and governance of the Dev Co. - The established Company fails to follow the agreed Business Plan objectives leading to 	<ul style="list-style-type: none"> Undertake research and comparisons with other similar Development Companies. Appropriate structure agreed to meet the needs of the programme with externally recruited commercial staff. Use of additional external expertise for legal, financial and construction advice to support the Business Plan - Identify skill set required by the board and appoint - Approval of Article of Association & Staffing to managed within business plan 	Action plan developed to ensure risk is minimised and possible effects addressed.	26-Jan-2018	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>

Code & Title	Assigned To	Potential Effect	Internal Controls	Latest Note	Current Risk Date Reviewed	Current Risk Matrix	Target Risk Matrix
		financial and reputational risk. - Failure to have clear roles and responsibilities defined - Failure to keep staffing cost profile within agreed Business Plan - Breach of legal powers	parameters Effect Governance training/ policies and procedures in place				
Page 1193 H&I/HS01.2 Development Preparation and Tendering	Jacqui Sinnott-Lacey	- Failure to follow good practice on property / scheme design & tenure - Land not being supplied on a timely basis, including site ownership issues - Failure to manage costs in original agreed specification and Business Plan - Community opposition to selected sites being developed - Failure to obtain competitive contractors to undertake housebuilding	- Appointment of property design experts & development of standard house types - Proposed housing valuation price advice obtained and included in Business Plan - Land disposals agreed in advance - Pipeline of future sites identified in the Business Plan - Commission preliminary site investigations - Procurement strategies put in place - Building cost index monitored closely & robust systems put in place - Inflation assumptions built into the financial model - Council / Company undertakes preplanning discussions and	Action plan developed to ensure risk is minimised and possible effects addressed	26-Jan-2018		

Code & Title	Assigned To	Potential Effect	Internal Controls	Latest Note	Current Risk Date Reviewed	Current Risk Matrix	Target Risk Matrix
			community consultations				
H&I/HS01.3 Construction Stage Page 1194	Jacqui Sinnott-Lacey	<ul style="list-style-type: none"> - Failure to anticipate decline in housing market - Failure to achieve planned sales targets price / volume / timing - Inflation costs higher than planned in the Business Plan - Site operation problems including site / site security / health and safety arrangements - Unexpected costs arising from third party claims - Design not compliant with planning requirements and or building regulation approvals 	<ul style="list-style-type: none"> Consistent market analysis in place with detailed risk analysis on potential sites. - Costs built into financial model - Planned phase development minimises infrastructure spend - options advice - Construction consultants engaged with planners / highway departments - Outline scheme / site proposals are compliant with planning policies - Business Case assumes prudent rates of construction completions and property sales - Site appraisals 	Action plan developed to ensure risk is minimised and possible effects addressed.	26-Jan-2018		
H&I/HS01.4 Marketing & Selling Units	Jacqui Sinnott-Lacey	<ul style="list-style-type: none"> - Failure to sell houses in accordance with the Business Plan - Poor company performance doesn't deliver expected returns to Council - Failure to establish Company as a trusted developer 	<ul style="list-style-type: none"> - Risk analysis to establish options in the event of market collapse including market rent / disposal to HRA or HA` s - Business Case assumes prudent property pricing and rate of sales assumptions, to ensure appropriate risk buffer - Marketing and branding strategies in 	Action plan developed to ensure risk is minimised and possible effects addressed.	26-Jan-2018		

Code & Title	Assigned To	Potential Effect	Internal Controls	Latest Note	Current Risk Date Reviewed	Current Risk Matrix	Target Risk Matrix
			place. - Good governance provisions / financial reporting - Approval of marketing strategy & Company branding				

**West Lancashire Borough Council
Development Company – Frequently Asked Questions**

Question	Answer
What are the benefits of a Housing Company?	Using a Company will mean that the direct profits which would ordinarily go to development parties will go to the Council instead.
How will the Development Company be funded?	<p>Funding will be provided by the Council through existing cash flow or from borrowing which will be lent to the Development Company at commercial rates.</p> <p>The Council plans to make a return on both interest payments on the loans and on dividends.</p>
Who owns the Development Company?	West Lancashire Borough Council will own the shares of the Development Company.
Who appoints the directors of the Development Company?	West Lancashire Borough Council has the ability to appoint and remove the directors of the Development Company.
How much will board directors be paid?	There will be no payment to board Directors.
Who controls what the Development Company does?	West Lancashire County Borough Council has the ultimate control over the activities as it can appoint and remove the Directors of the Development Company.
How will the Development Company make decisions?	<p>The Directors will be responsible for key decision making of the Development Company and will appoint staff to deal with the day to day business.</p> <p>The Directors of the Development Company will therefore have the capacity to enter into contracts with third parties.</p> <p>The Directors are required, as a matter of law, to act in the best interests of the Development Company.</p>
Who will act as Company Secretary?	A Company Secretary will be appointed

	within the staffing structure.
What checks and balances will there be on the powers of the Directors of the Development Company?	<p>The incorporation documents will contain "reserved matters" which require the Council's prior written approval before the Directors can bind the Development Company.</p> <p>For example, whilst the Directors will be responsible for the day to day decision making of the Development Company, material matters (such as the disposal of land, major construction contracts, dividends etc.) will require the prior written approval from the Council.</p>
How will the Directors report to the Council on how it has performed and its plans for the next few years?	The Directors of the Development Company will report to the Council regularly through members updates, and will produce a Business Plan that will be submitted to the Council in December in each year in order to allow the Council to consider the performance of the Development Company as part of its normal budget setting process, and approve next year's business activities.
Who will agree the Business Plan?	The Business Plan will be reviewed and agreed annually by the Council.
How will potential sites be evaluated to ensure they are viable?	Sites will undergo an initial feasibility assessment to establish if they are viable. If this proves to be the case further detailed work will be undertaken to establish if the site offers a development opportunity.
How do you ensure you have the right staff structure and skills for the Development Company?	Research and comparisons with other similar Local Authority Development Companies has been undertaken and initially staff levels will be kept to a minimum. External staff with commercial acumen will need to be appointed.
How do you ensure the Development Company is governed properly and is capable of making sound commercial decisions?	<p>Governance arrangements developed with legal advice and approved by elected Members.</p> <p>Staff and board members recruited with right skills set and provided with adequate training.</p>
Will the roles and responsibilities be	Yes, there will be a Board Members code

clearly defined?	of conduct and the governance arrangements and Articles of Association will set out clear roles, responsibilities and the agreements between relevant parties.
Will the Development Company have its own name, offices, systems and policies?	<p>The Development Company will need its own identity. It will be able to operate on a commercial basis and as such will not be required to comply with the same rules as a public authority, for example, rules relating to procurement will be simpler and quicker. The company will therefore require new policies which will need to be established.</p> <p>Decisions will be taken on office accommodation and buying specialist services, however these would initially be kept to a minimum.</p>
Why will it be necessary for the Development Company to establish its own brand?	The marketing strategy will play a critical role in ensuring the company brand gives buyers confidence and the properties sell in accordance with the Business Plan.
Could the Development Company breach legal powers or State Aid Rules?	External solicitors would be appointed to provide legal advice which, would be agreed with the Council's legal services and ensure there are no guidelines breached.
How will the cash flow into the Development Company?	The Council will need to fund the Development Company out of its cash flows or from borrowing until it becomes established. This will be agreed in the Business Plan.
What if the cash flow back to the Council does not match the loan repayment agreement?	<p>Back up plans will need to be agreed in case there is a need for short-term borrowing. Consideration could be given to putting charges on land or covenants on loans.</p> <p>Additional contingencies will be planned, for example, market rent of unsold properties, disposal of sites not completed to the HRA or Housing Associations.</p>
What level of return will be expected before a site is deemed viable?	<p>How a site will be assessed in relation to development will be outlined in the final Business Plan with assumptions about expected rates of return.</p> <p>The Council plans to make a return on both interest payments on any loans</p>

	provided and on dividends.
Will the Company buy in support services from the Council?	No as an independent Company, services or advice, including legal, IT, finance, marketing and tax would be bought in as and when required from the external market.
Will the new build units be for market sale or affordable rent?	The number, type and tenure of units will be agreed within the Business Plan and in accordance with planning regulations.
What will happen if there is opposition from the community to selected sites being developed?	The Development Company will be required to go through the planning process. Early engagement with the Planning Service at feasibility stage will ensure compliance and it might be necessary to consult with the local community.
What happens if there is a decline in the housing market or the build costs are higher than expected?	The Development Company will need to have a marketing strategy, including market intelligence and forecasting. A contingency plan will be developed to include the option of market rent for unsold properties or disposal to the HRA or a Housing Association.
What if inflation rises higher than expected?	Building Cost Index rates will be continuously monitored.
What if there are delays in hand over of sites for sales?	A prudent approach will be taken to site sales however robust systems will be in place to ensure schemes are managed effectively.
How will publicity be handled?	Arrangements will be put in place for a communications protocol
Who decides if the Company should be wound up?	The decision to wind up the company would remain with the Council.

**West Lancashire Borough Council
Development Company – Implementation Plan**

Date	Activity	Additional Notes
Feb 2018	Cabinet approval to complete pre-implementation stage	
Mar – May 2018	Creation of Shadow Board & Programme of Shadow Board meetings	<ul style="list-style-type: none"> ○ Agree board number & composition ○ Determine skill set ○ Identify the directors which the Council may wish to appoint(subject to Council approval) ○ Consider any conflicts of interests ○ Consider any amendments required to the Council's constitution ○ Agree recruitment process ○ Recruit to shadow board
April – May 2018	Provide a director's mandate / deed of indemnity	<ul style="list-style-type: none"> ○ To cover the actions of the appropriate Directors and ensure they are clear as to their remit and their authority to act.
Mar – May 2018	Appoint key interim staff; <ul style="list-style-type: none"> ○ Interim Project Director ○ Interim Development Manager ○ Interim Resources Manager 	<ul style="list-style-type: none"> ○ Agree job descriptions & person specification, employment terms & conditions and recruitment
Mar – Aug 2018	Prepare designs and financial appraisals of key sites identified to support and inform the Business Plan	<ul style="list-style-type: none"> ○ Submit to Board & Council for approval ○ Agree acquisition of sites from Council ○ Submit planning applications and obtain planning approval
May 2018	Draft initial Articles of Association & appropriate matters reserved for approval by the Council	<ul style="list-style-type: none"> ○ The approval of an annual Business Plan / annual Budget ○ Agree level of indebtedness of the Development Company ○ Writing off bad debt in excess of a defined amount etc. ○ Any issue of new shares in the Development Company ○ The devolution or transfer of all or part of the management of the Development Company ○ The appointment, removal of directors. ○ Procurement of material works, supplies, services outside of those set

		out in the Business Plan
May – July 2018	Agree shadow policies	<ul style="list-style-type: none"> ○ Procurement ○ Development ○ Employment ○ Sustainability
May – July 2018	Agree Company Name / branding	<ul style="list-style-type: none"> ○ Agree marketing strategy
May – Sept 2018	Set up Financial arrangements for Development Company	<ul style="list-style-type: none"> ○ Appointment of Auditors ○ Set up bank account ○ Ascertain tax advice ○ Agree loan arrangements ○ Carry out cash flow modelling ○ Consider external funding
July – Nov 2018	Procurement of professional design and construction services / works Long term Construction Procurement strategy options to be finalised	<ul style="list-style-type: none"> ○ Design strategy drafted & authorised ○ Construction procurement strategy options to be finalised ○ Draft Works Specifications ○ Procurement of main construction activities ○ Tender reports ○ Orders to suppliers
Sept 2018	Draft appropriate board minutes for the first Development Company meeting (subject to council approval)	<ul style="list-style-type: none"> ○ Form the company and adopt the Articles of Association; ○ Appoint the directors (lodging the appropriate forms at Companies House); <p>Enter into the requisite agreements</p>
October 2018	Approval from full Council for the formation of Development Company	<p>Report to include;</p> <ul style="list-style-type: none"> ○ Articles of Association ○ Deed of Indemnity ○ Board minutes ○ Transfer Grant Funding to the Development Company
Nov – Jan 2018	Procurement of Sales & Marketing	<ul style="list-style-type: none"> ○ Support to develop a strategic marketing plan ○ Service specification and tender for sales and market activity ○ Tender activity ○ Service provider to undertake marketing and sales of housing units
Nov – March – 2019	Undertake procurement of constructors	



EXTRAORDINARY CABINET: 28 FEBRUARY 2018

COUNCIL: 28 FEBRUARY 2018

Report of: Director of Development and Regeneration

Relevant Portfolio Holder: Councillor J Hodson

Contact for further information: John Harrison (Extn. 5132)
(E-mail: John.harrison@westlancs.gov.uk)

SUBJECT: REVIEW OF PAY AND DISPLAY PARKING AND CHARGES

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

- 1.1 To consider proposed changes to the existing charging structure of the Council's pay and display car parks in Ormskirk Town Centre.

2.0 RECOMMENDATIONS TO CABINET

- 2.1 That the Director of Development and Regeneration be authorised to make an Order to introduce revised pay and display and parking permit charges set out in paragraphs 6.1, 6.3 and 6.6 of this report on the Council's pay and display car parks in Ormskirk Town Centre.
- 2.2 That the Director of Development and Regeneration, in consultation with the Portfolio Holder, be given delegated authority to consider and determine any objections received to the Order made.

3.0 RECOMMENDATION TO COUNCIL

- 3.1 That the Director of Development and Regeneration be authorised to make an Order to introduce revised pay and display and parking permit charges set out in paragraphs 6.1, 6.3 and 6.6 of this report on the Council's pay and display car parks in Ormskirk Town Centre.
-

4.0 BACKGROUND

4.1 The Council currently maintains and operates nine pay and display car parks in Ormskirk town centre.

4.2 There are three long stay car parks – up to 9 hours:

Hutton Way
Hants Lane
The Stiles

4.3 There are six short stay car parks – up to four hours:

Park Pool
Lunesdale
Park Road
Bus Station
Market Way
Wheatsheaf Walk

4.4 Parking charges are made on all designated pay and display car parks Monday – Saturday inclusive, between the hours of 8.30 am – 5.30 pm. The first hour of parking is free on the Park Road car park.

4.5 Current charges on the Council's pay and display town centre car parks are as follows:

Short Stay (except Park Road, as outlined above)

Up to 1 hour	70p
Up to 2 hours	£1.10
Up to 3 hours	£1.60
Up to 4 hours	£2.00

Long Stay (except Hants Lane)

Up to 1 hour	70p
Up to 2 hours	£1.10
Up to 3 hours	£1.60
Up to 4 hours	£2.00
Up to 9 hours	£3.00

Long Stay (Hants Lane)

Up to 1 hour	40p
Up to 2 hours	60p
Up to 3 hours	£1.00
Up to 4 hours	£1.20
Up to 9 hours	£1.70

5.0 CURRENT POSITION

- 5.1 As set out in paragraphs 4.5 above, the current parking charges are not consistent across all car parks in Ormskirk Town Centre and this can cause some confusion for users.
- 5.2 Park Road car park was originally charged in line with other town centre car parks, however, when the Two Saints Retail Park was constructed an agreement was negotiated whereby the Council would manage and enforce on the new parking area in front of the retail park. A management fee was paid to the Council to cover this on the basis that we also provided a free 1 hour parking on the adjoining Park Road car park, which then became part of the overall Two Saints car park. The management fee coupled with the retention of parking charges on the retail car parking area offset the loss of income from the Park Road car park arising from the inclusion of a free parking period on this car park.
- 5.3 In 2012 notice was given to the Council by the owners of the Two Saints retail park to terminate the management agreement with the Council. The notice also required the Council to physically separate the Council owned car park from the Two Saints retail park car park. Whilst the separation of the two car parks was implemented, no action was taken in respect of the charging regime on the Council owned car park.
- 5.4 As set out in 3.5 above, Hants Lane car park offers discounted short and long stay parking which is inconsistent with other long stay and short stay pay and display car parks. In addition some 50 parking permits are also available on the Hants Lane car park which are currently charged at £195 per annum or £24 per month.
- 5.5 In 2014, in response to representations from local businesses, the Council reviewed the maximum length of stay in its short stay pay and display car parks and extended the time from 2hrs to 4hrs. The charging regime on the Councils car parks has not however been subject of review since April 2011.
- 5.6 As part of the Ormskirk Town Centre Strategy, the Council has been in discussions with local businesses to discuss measures/initiatives that might improve the vitality and attractiveness of Ormskirk to shoppers and other visitors.
- 5.7 From those discussions, it is clear that local businesses consider that the Council should review the current pay and display charging structure to make it more simple, consistent and easily understandable, i.e. through the implementation of a common charge across all the town centre pay and display car parks. They have also indicated that the current car parking regime does not encourage visitors to stay for an extended period and suggested that the vitality of the town centre would be helped by the introduction of low cost parking for short stay

shoppers/visitors. As a result of these discussions a suggestion of a car parking charge of £1 for three hours was put forward by a local business group, for consideration by the Council.

6.0 PROPOSALS

6.1 Having considered the representations of local businesses, I am of the view that the Council should amend its town centre pay and display car parking charges to provide a uniform and simple approach across all the town centre car parks, incorporating a £1 for 3hrs promotional charge. The effect of my proposals on charges would be as follows;

Short stay car parks (except Park Road)

	Existing	Proposed
Up to 1 hour	£0.70	
Up to 2 hours	£1.10	
Up to 3 hours	£1.60	£1.00
Up to 4 hours	£2.00	£2.00

Park Road

	Existing	Proposed
Up to 1 hour	Free	
Up to 2 hours	£1.10	
Up to 3 hours	£1.60	£1.00
Up to 4 hours	£2.00	£2.00

Long stay car parks (except Hants Lane)

	Existing	Proposed
Up to 1 hour	£0.70	
Up to 2 hours	£1.10	
Up to 3 hours	£1.60	£1.00
Up to 4 hours	£2.00	£2.00
Up to 9 hours	£3.00	£3.00

Hants Lane

	Existing	Proposed
Up to 1 hour	40p	
Up to 2 hours	60p	
Up to 3 hours	£1.00	£1.00
Up to 4 hours	£1.20	£2.00
Up to 9 hours	£1.70	£3.00

- 6.2 As can be gathered from the above, the implementation of a £1 for 3 hours car park charge would increase the charge for users only wishing to stay for 1 hour maximum, however, reduce the 2 and 3 hour charges. In looking at the charge across the 3 hours this equates to a charge of circa 33p per hour, which is inexpensive considering the standard of the parking facilities on offer.
- 6.3 In relation to the issue of parking permits, these have not been the subject of an increase for a number of years and as a result are extremely low in cost in today's market. I therefore propose that the annual cost of the permits be increased from £195 to £250 which would still provide a discounted charge equating to some 80p per day.
- 6.4 There are no statutory concessions for Blue Badge holders on private land, or in local authority car parks, but most car park operators will provide spaces for them. There are designated disabled spaces on all the Council's pay and display car parks and currently all blue badge holders can park for up to 3 hours free in marked disabled spaces or in any other available space. Payment is required for parking for more than 3 hours.
- 6.5 It is not unusual for blue badge holders to have to pay for parking in Council controlled car parks, privately operated car parks or NHS car parks. Locally St Helens Council charge blue badge holders to park and Wrexham Council has recently voted to introduce charges for the use of its car parks by Blue Badge holders.
- 6.6 The principle behind the blue badge scheme is that it is all about the provision of good accessibility, not affordability, for users. All of the Council's pay and display car parks provide good access to the town centre shopping and services for customers with mobility issues. As such I believe that in looking to introduce a consistent charging regime across all our town centre car parks that all users should be subject of the new charges.
- 6.7 The advantage of aligning the car park charges across all car parks is that the charges are then consistent and easily understandable whereby the public user is not confused by the fact that different tariffs exist for different car parks. The introduction of the £1.00 for 3 hours initiative will also send a clear message to the West Lancashire community and beyond that we are looking to provide inexpensive quality parking in support of the town centre business community.
- 6.8 Alongside the introduction of the new parking charges we would undertake a major marketing campaign to support the proposals.
- 6.9 As part of the Council's commitment to ensure good access to our town centre for all, we will review the design of each car park to ensure that all disabled bays are located in the most accessible part of the car

parks and continue to meet the guide lines for the number of spaces provided.

- 6.10 There are currently eighteen parking ticket machines located on the pay and display car parks and these machines are due to be replaced shortly. The machines will be the latest generation of ticket machines with additional functionality to help users and businesses.
- 6.11 The programmed installation of the new pay and display ticket machines will also provide additional further opportunities for promoting the town centre retail offer and providing a further conduit for working with the business community in providing vouchers and promoting other offers.
- 6.12 In conclusion, whilst car parking charges are primarily levied to encourage people to consider accessing town centres via means other than the car e.g. walking, cycling or public transport, that aim needs to be counterbalanced by the need to safeguard the vitality and viability of town centres. Car parking charges and operations do need to move with the times to reflect changes within the retail and visitor offers of town centres. The proposals contained within this report will in my view go some way to help achieve both objectives.
- 6.13 The Council is required to make an Order under the Road Traffic Regulations 1984 and the Traffic Management Act 2004 to bring the proposed changes into effect which incorporates a formal public notification of the proposals. Responses to that notification therefore need to be considered and determined accordingly and as such a relevant delegation is sought to enable this process to be undertaken and subsequent action taken on the proposals, as appropriate.

7.0 SUSTAINABILITY IMPLICATIONS

- 7.1 Efficient off-street parking management enables the Council to provide cost effective parking to users to the benefit of both the community and businesses alike. It also contributes to wider town centre traffic management operations by providing adequate parking spaces and controlling turnover of such spaces using parking time restrictions as appropriate. No significant effects upon crime and disorder arise from the proposals.
- 7.2 Fewer machine receipts will be issued thereby reducing the impact upon the environment and less cash collections and engineer call outs should reduce the carbon footprint.

8.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 8.1 The introduction of the proposals will reduce the number of over vends and the issue of Penalty Charge Notices (PCN) with a resulting detrimental effect on revenues associated with the car parks.

- 8.2 Due to the nature of the proposals, it is difficult to provide any exact figures in relation to the impact on car parking revenue of the taking forward the proposed changes to car parking charges. I anticipate however that the introduction of a £1 for 3 hours parking charge and a harmonisation of charging across all of the Council's town centre car parks will lead to an increase in revenue from the Park Road and Hants Lane car parks and no significant impact on car parking revenue for the remaining town centre car parks.
- 8.3 On balance, I consider that the increase in revenue from ticket sales set out in 8.2 will counterbalance the loss of revenue set out in 8.1 from a reduction in PCN's and over vends and consequently that the proposals set out in my recommendation will be cost neutral. Overall car parking revenue would however be closely monitored.

9.0 RISK ASSESSMENT

- 9.1 Car parking revenue is important in order to provide the funds required to maintain the car parks to a high standard and to facilitate maintenance and/or replacement of essential infrastructure such as lighting and ticket machines. A report will be submitted to Council should the introduction of the new pay and display charges on the Ormskirk Town Centre car parks have a significant adverse impact on car parking revenue.

Appendices

1. Equality Impact Assessment

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is a direct impact on members of the public, employees, elected members and / or stakeholders, therefore an Equality Impact Assessment is required. A formal equality impact assessment is attached as an Appendix 1 to this report, the results of which have been taken into account in the Recommendations contained within this report

Equality Impact Assessment Form



Directorate: Development and Regeneration		Service: Technical Services	
Completed by: Colin Brady		Date: 10 February 2018	
Subject Title: Review of Pay and Display Parking and Charges			
1. DESCRIPTION			
Is a policy or strategy being produced or revised:	Yes		
Is a service being designed, redesigned or cutback:	No		
Is a commissioning plan or contract specification being developed:	Yes		
Is a budget being set or funding allocated:	No		
Is a programme or project being planned:	Yes		
Are recommendations being presented to senior managers and/or Councillors:	Yes		
Does the activity contribute to meeting our duties under the Equality Act 2010 and Public Sector Equality Duty (Eliminating unlawful discrimination/harassment, advancing equality of opportunity, fostering good relations):	Yes		
Details of the matter under consideration:	Review of Ormskirk Town Centre Pay and Display Parking and Charges		
<p><i>If you answered Yes to any of the above go straight to Section 3</i> <i>If you answered No to all the above please complete Section 2</i></p>			
2. RELEVANCE			
Does the work being carried out impact on service users, staff or Councillors (stakeholders):			
If Yes , provide details of how this impacts on service users, staff or Councillors (stakeholders): <i>If you answered Yes go to Section 3</i>			
If you answered No to both Sections 1 and 2 provide details of why there is no impact on these three groups: <i>You do not need to complete the rest of this form.</i>			
3. EVIDENCE COLLECTION			
Who does the work being carried out impact on, i.e. who is/are the stakeholder(s)?	Visitors / customers who are looking to park in the Ormskirk town centre pay and display car parks and annual parking permit holders who are employed by businesses in the town centre.		
If the work being carried out relates to a universal service, who needs or uses it most? (Is there any particular group affected more than others)?	No		

Which of the protected characteristics are most relevant to the work being carried out? Age Gender Disability Race and Culture Sexual Orientation Religion or Belief Gender Reassignment Marriage and Civil Partnership Pregnancy and Maternity	No No Yes No No No No No No No
4. DATA ANALYSIS	
In relation to the work being carried out, and the service/function in question, who is actually or currently using the service and why?	Visitors / customers to Ormskirk town centre / retail premises and town centre workers wishing to park in the town centre pay and display car parks.
What will the impact of the work being carried out be on usage/the stakeholders?	Users of the car parks will now have a reduced fee for parking for up to three hours. All users will be now required to pay for parking and car parking charges will be amended on some car parks to bring them in line with one another making them consistent across the town centre, thereby making it much easier for customers to understand.
What are people's views about the services? Are some customers more satisfied than others, and if so what are the reasons? Can these be affected by the proposals?	No relevant collated data in relation to this question, however, see below with respect to further data / consultation.
What sources of data including consultation results have you used to analyse the impact of the work being carried out on users/stakeholders with protected characteristics?	Inspections of existing car park usage, discussions with town centre business representatives and other interested stakeholders.
If any further data/consultation is needed and is to be gathered, please specify:	In order to bring about changes to the existing car parking payment tariffs the draft Traffic Regulation Order will need to be advertised for a public consultation period of 21 days. Appropriate representations can be made to the Council during this period.
5. IMPACT OF DECISIONS	
In what way will the changes impact on people with particular protected characteristics (either positively or negatively or in terms of disproportionate	Blue badge holders will no longer be able to park free of charge for up to a maximum of three hours on the Council's pay and display

impact)?	car parks between the hours of 08.30 – 17.30, Monday to Saturday inclusive.
6. CONSIDERING THE IMPACT	
If there is a negative impact what action can be taken to mitigate it? (If it is not possible or desirable to take actions to reduce the impact, explain why this is the case (e.g. legislative or financial drivers etc.).	The purpose of the blue badge scheme is to allow on-street parking in convenient locations which thereby permits blue badge holders to park on the public highway making their final destinations more easily accessible, rather than it be a discount on-street /off-street parking scheme. Where charges are levied for the use of car parks then the cost of providing the off-street parking provision should be paid for by all those who use it.
What actions do you plan to take to address any other issues above?	No actions
7. MONITORING AND REVIEWING	
When will this assessment be reviewed and who will review it?	As part of the further development of the proposals Officers will continue to monitor usage of the car parks to identify any potential issues which could arise out of the implementation of the report recommendations.



EXTRAORDINARY CABINET: 28
February 2018

COUNCIL: 28 February 2018

Report of: Director of Leisure and Environment

Relevant Portfolio Holder: Councillor K Wilkie

Contact for further information: H McDougall (Ext 5191)
(E-mail: Heidi.mcdougall@westlancs.gov.uk)

SUBJECT: REVIEW OF GROUNDS MAINTENANCE AND STREET CLEANSING

Wards affected: Borough wide.

1.0 PURPOSE OF THE REPORT

1.1 To update on the progress of the grounds maintenance and street cleansing review, outline the findings and recommendations of the report and propose a way forward to deliver an action plan to achieve the proposed savings.

2.0 RECOMMENDATIONS TO CABINET

2.1 That the findings of the review, attached in Appendix 1 are noted.

2.2 That the action plan attached in Appendix 2 be agreed and Council be requested to provide funding for the capital items outlined.

2.3 That the efficiency savings of £30,000 in 2018/19 be agreed and a future report be brought to Cabinet and Council on completion of further works to outline the savings for 2019/20.

2.4 That delegated authority be given to the Director of Leisure and Environment to take all necessary steps to implement the recommendations of the review outlined in the action plan and section 8 of the APSE report in consultation with the relevant Portfolio Holder.

2.5 That this report is not appropriate for call-in due to the need to procure and implement a computer system and that this policy option was agreed through the budget process and it is being considered by Council.

3.0 RECOMMENDATIONS TO COUNCIL

3.1 That the findings of the review, attached in Appendix 1 are noted.

- 3.2 That the action plan attached in Appendix 2 be agreed and capital funding associated with implementing the plan be approved from the capital programme.
 - 3.3 That the efficiency savings of £30,000 in 2018/19 be agreed and a future report be brought to Cabinet and Council on completion of further works to outline the savings for 2019/20.
 - 3.4 That delegated authority be given to the Director of Leisure and Environment to take the necessary steps to implement the recommendations of the review in consultation with the relevant Portfolio Holder.
-

4.0 BACKGROUND

- 4.1 In October 2017, Council approved a policy option involving a review of the Ground Maintenance and Street Cleansing Service aimed at achieving savings of £150,000 by 2019/20 and awarded £25,000 to appoint a consultant to assist with the review process. A report on the findings of the review was to be reported back in February/March 2018.
- 4.2 A number of consultants were approached, requirements of the project were discussed and following quotations obtained, the Association of Public Sector Excellence (APSE) were appointed to undertake the review.
- 4.3 Between October and December 2017, APSE consultants undertook a diagnostics review of the service. This involved meeting with all levels of the Street Scene management, facilitating a workforce workshop, interviews with a number of internal stakeholders and holding a Members workshop. These stages aimed to gain some clarity about how efficient the services are currently operating and to identify the changes that will be most likely to drive improvements to achieve the savings required. Detailed service data has been analysed and benchmarked with other comparable authorities and service industry standards.
- 4.4 The findings of the review along with a number of recommendations have been presented in a report, produced by APSE, attached in Appendix 1. This report has been condensed to summarise the main findings and recommendations in section 5 below and produced into an action plan, attached in Appendix 2 to outline the action to be taken, capital funding required and achievable savings.

5.0 REVIEW FINDINGS AND RECOMMENDATIONS

- 5.1 The review has identified a number of key issues which need addressing, to enable the service to be driven forward to make the necessary savings and improvements in service delivery.
- 5.2 The lack of up to date digital information available within the service makes it impossible to quickly and effectively calculate the optimum numbers of staff required to deliver the service, and therefore it is recommended that the authority invests in a scheduling/asset management software system. This system will be used to store service data and map assets across the Borough to produce quantitative data and work programmes/schedules that the staff can deliver throughout the year. It is paramount that this system is implemented and used to determine the level of future resource needed to deliver the agreed standard of

work (see paragraph 5.4). Once the system is implemented it will need populating with service data and due to limited capacity within Street Scene additional administrative capacity will need to be sourced to complete this exercise in a timely manner. Without a system the process of collating all of the data required would have to be undertaken manually which would take a considerable length of time and risk a delay in the savings being achieved in the timescale set.

- 5.3 The system will enable the scale of the tasks to be quantified and when multiplied by the agreed service standard, determine the amount of hours that are required to complete the tasks. This total can then be used to equate this to the number of posts required to undertake the work.
- 5.4 The second element of calculating what resources are necessary is to agree a service standard that meet Members' expectations, is affordable in the context of the Council's difficult financial position, and can be widely publicised to manage customer expectations. Current service standards need to be better defined, predominately due to the fact that the contract document of 2012 has now expired. This contract set the service standard of maintenance across many land types and functions and the current resource is no longer adequate to deliver this standard. It is essential that service standards be developed with all relevant stakeholders and agreed by Members. It is proposed that once developed these service standards be agreed by Members and used to deliver the service in a much more proactive way to achieve greater efficiencies in service delivery.
- 5.5 The equipment currently used is largely determined by the standard of work being delivered through the agreed contract document of 2012 and consequently, a review of the equipment should be undertaken once the future agreed standards are known.
- 5.6 Staff across the service are currently deployed in isolation to undertake service tasks in the same geographic area, for example, grounds maintenance staff will maintain the land within a park and street cleansing will be deployed to empty the litter bins in the park. Greater productivity and efficiency can potentially be achieved by integrating staff together into area teams and widening their responsibility to have a more holistic approach to the work required in an area. To achieve this a new structure will need to be developed, with new roles and working hours to meet the demands of the service. Through the integration of teams and upskilling of the staff it is envisaged that one vacant posts can be removed from the establishment, saving £22,230 in 2018/19. Revising working hours to meet the demands of the service will reduce the reliance on overtime, which will be reviewed at a later date. It is hoped that many staff will embrace the opportunities that integrating the services will create, however, it may generate concern for some staff. Regular communication, adequate training and support and consultation with the Unions will be essential in this respect.
- 5.7 In addition, a skill matrix needs to be developed to ensure that the staff acquire the necessary skills to deliver the tasks required, ensuring sufficient cover for sickness and holidays, providing resilience and succession planning in the service. The existing service training budgets will be used to deliver a structured programme of training in future years.

- 5.8 The integration of teams and increases in productivity will also result in less use of agency workers allowing a reduction in budget of £7,700 in 2018/19.
- 5.9 To maximise the efficiency of the team, the use of mobile technology should be developed to create a paperless system, enable staff to both send and receive work tasks and update on action taken to provide 'live' data to customer services and back office staff. The training matrix will be used to identify those staff that will need additional support in the use of IT.
- 5.10 Productivity levels need to be increased with the production of proactive work schedules and effectively managed to ensure that the time afforded to the staff is best utilised. Responses to reactive work need to be reviewed, resourced and appropriate response times set to prevent staff being redeployed off scheduled work to deal with more reactive issues. Vehicles need to be adequately equipped with welfare equipment to prevent the need for staff to return to the depot during the day, including lunchtimes. Many of these issues will be addressed with the implementation of a system that can generate work programmes and by agreeing service standards. The agreed service standards will introduce a new way of working whereby tasks are undertaken more proactively and efficiently.
- 5.11 Raising the standards of cleanliness and making the area more attractive will be achieved by greater partnership working with Lancashire County Council and private businesses. The undertaking of the public realm agreement will provide greater control over local conditions and actively working with LCC and the business community to secure sponsorships will hopefully lead to the enhancement of gateways. Whilst this partnership arrangement is initially for three years, every effort will be made to secure future work providing adequate funding is available.
- 5.12 There is scope for further improvement in the standard of street cleansing, particularly the depth of cleaning undertaken across the Borough, for example, removal of detritus, chewing gum and cigarette ends. The role and deployment of staff needs to be reviewed in line with the integration of the teams and modern equipment such as vacuum barrows and back packs need to be considered to enable a more in-depth clean to be achieved.
- 5.13 Linked to the standard of cleanliness is the provision of litter bins. Currently, there is a multitude of bins across the Borough that vary in design, condition and capacity. To assist in raising the standards of the street furniture provided to assist with meeting a higher standard of cleanliness, decluttering of streets and providing an efficient servicing operation, a litter bin strategy should be produced, taking into consideration advances in technology now available in litter bins.
- 5.14 To implement the changes outlined in the attached action plan, over the next 12 months, regular communication, involvement and dialogue with staff and promotion of a new way of working, embedding a 'can do' attitude where staff take responsibility and wear the uniform with pride, will be key to driving forward the changes necessary to deliver a more efficient, sustainable service.
- 5.15 Regular communication will also allow issues that appear to go unresolved, for example quality of bin sacks to be resolved quickly.

- 5.16 To effectively monitor the performance of the works undertaken the current redundant NI195 regime for undertaking inspections should be reviewed and consideration given to using Land Audit Management System (LAMS) that could provide information for both services and not just street cleansing. The availability of staff to undertake inspection work should be reviewed across the new Leisure and Environment Directorate. Performance indicators will be reviewed as part of the corporate plan process.
- 5.17 Whilst the review primarily focussed on the work of the street cleansing and ground maintenance service, it became apparent during the review that lots of synergies exist across the new Leisure and Environment Directorate and further work will be undertaken to explore the opportunities to align services to achieve further efficiency savings.
- 5.18 Whilst the review has identified a number of possible efficiency savings it also highlights a number of opportunities for income generation. Evident from the stakeholder interviews, various services are employing contractors to undertake similar work that could be undertaken by Street Scene allowing monies to stay within the Council. In the future, a new approach should be adopted whereby a schedule of rates be produced and services offered to both internal and external stakeholders. In order to build capacity to source this type of work consideration should be given to employing a Business Development Officer to initially start this work in Street Scene then be used more widely across the Council. This post will require ICT system development skills and it has been suggested by the consultant that this post should be self-financing. It is essential that in the first instance Street Scene is able to deliver its own work before committing to undertaking work for other customers. There is a risk that should the work not be acquired by the Business Development Officer post the cost of the post would reduce the level of savings. This risk will be mitigated by appropriate supervision and keeping the role under review appropriately. A business case will be developed to assess whether or not there is any financial merit in creating this post.
- 5.19 The appropriate issuing of Fixed Penalty Notices should be reviewed and alternative ways of delivering this function should be explored in line with stated policy to ensure that best value is being achieved.
- 5.20 The recommendations outlined in the report are summarised in the action plan in appendix 2. It is recommended that these be agreed and that capital funding associated with the implementation of these actions be approved.

6.0 SUSTAINABILITY IMPLICATIONS

- 6.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder.

7.0 FINANCIAL AND RESOURCES IMPLICATIONS

- 7.1 The review has highlighted a number of recommendations that initially give rise to efficiency savings of £30,000 in 2018/19 that go some way to achieving the proposed savings target, of £150,000 per year agreed by Council through the policy options process in October 2017. Further work will be undertaken to

identify possible savings for 2019/20, in the context of the service standards that will be developed.

7.2 To move forward on implementing the recommendations investment of £78,000 needs to be sought from Council.

7.3 Appropriate Trade Union consultation and engagement will take place as part of the review process.

8.0 RISK ASSESSMENT

8.1 The main risk associated with the implementation of the recommendations is the procurement of a computer software system, capacity to populate it and the timeframe.

8.2 The installation of a new software system is going to require time and support of BTLS. A request has been submitted to BTLS to develop a proposal for the implementation of a new computer system.

8.3 Additional resources in the form of administrative support is needed initially to populate the computer system and additional support from the consultant may be necessary to ensure that timescales are met.

8.4 If the service standards are not agreed the service will continue to be delivered in a reactive way leading to inefficiencies in service delivery.

8.5 Change could impact on the morale of staff and lead to unrest within the service that may impact on service delivery. Regular communication and involvement will be necessary to ensure that the staff are engaged and performance is maintained.

Background Documents

APSE Solutions - Diagnostic Review of Street Scene Services, December 2017.

Equality Impact Assessment

The decision does have a direct impact on members of the public, employees, elected members and / or stakeholders. Therefore an Equality Impact Assessment is required.

Appendices

Appendix 1 - APSE Solutions - Diagnostic Review of Street Scene Services, December 2017.

Appendix 2 – Ground Maintenance and Street Cleansing Review Action Plan 2018-20

Appendix 3 – Equality Impact Assessment



Diagnostic Review of Street Scene Services

Report for West Lancashire Borough Council

This report has been prepared by Dave Henrys (APSE Associate)

December 2017





APSE (Association for Public Service Excellence) is a not for profit local government body working with over 300 councils throughout the UK. Promoting excellence in public services, APSE is the foremost specialist in local authority front line services, hosting a network for front line service providers in areas such as waste and refuse collection, parks and environmental services, leisure, school meals, cleaning, housing and building maintenance.

APSE provides services specifically designed for local authorities, such as benchmarking, consultancy, seminars, research, briefings and training. Through its consultancy arm APSE delivers expert assistance to councils with the overt aim of driving service improvement and value for money through service review and redesign. APSE delivers in excess of 100 projects a year and clients benefit from the consultancy's not for profit ethical approach to consultancy services.

Diagnostic Review of Street Scene Services

Report for West Lancashire Borough Council

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1.0 Introduction

- 1.1 West Lancashire is a non-metropolitan borough in Lancashire, England. The council was formed in 1974 as a merger of Ormskirk and Skelmersdale and Up Holland urban districts along with part of West Lancashire Rural District and part of the former Wigan Rural District.
- 1.2 The administrative base for the council is in Ormskirk, one of two towns in the borough, the other being Skelmersdale. The population of the borough is 113,400 (mid-2016 estimates) with 48,690 households (from latest Waste Dataflow) and covers 346.8 square kilometres.
- 1.3 Front line services are provided through the Street Scene directorate, including refuse and recycling services, grounds maintenance, street cleansing and fleet maintenance.
- 1.4 The council asked APSE to provide a diagnostic review of the grounds maintenance and street cleansing elements of the Street Scene service against a backdrop of low performance and issues with the deployment of staff. The review was undertaken by APSE Associate Dave Henrys with the assistance of APSE Senior Consultant Ben Parsons during November and December 2017.
- 1.5 The principal objective of the review was to examine service delivery to establish how well the service currently performs against requirements and make recommendations as to changes that will improve efficiency and drive service improvement. A particular area to be included was the potential for realising greater productivity and efficiency savings through integrating the two workforces.
- 1.6 The previous two-tier approach to grass maintenance with Lancashire County Council has seen reduced standards of verge cutting and weed control on the public realm. Driven by complaints and a need to improve the service, it has been proposed that West Lancashire BC will undertake the maintenance of the public realm land with effect from April 2018. The review was also to look at the potential staffing requirements for the additional work associated with this contract.
- 1.7 As with the majority of UK local authorities, cuts to core budget funding must be passed on to service departments. For this service, the target is a £150,000 annual reduction, £75,000 in 2018/19 and a further £75,000 in 2019/20. Despite this, some areas are recognised as needing to be improved for the overall good of the council, for example gateway routes into the borough and council housing areas.
- 1.8 The review took place at a high level and provides only a snapshot of the service and its key priorities. It should be recognised that a significant amount of work is needed to establish a detailed analysis of current levels of service provision to facilitate the introduction of a comprehensive improvement programme.

2.0 Executive Summary

- 2.1 The review found that grounds maintenance and street cleansing services currently operate independently of each other within Street Scene, despite the close synergies in the environmental tasks they perform and the areas of the borough in which they are undertaken. Both have been subject to efficiency savings over recent years that has reduced the workforce size, particularly grounds maintenance which also saw the loss of the public realm contract to the county council and the staff associated with it.
- 2.2 As part of the review, the workforce of both services completed "Service Improvement Questionnaires" and members of each, including trade union representatives, took part in a diagnostic workshop to illicit their views. The overarching theme of responses to both was the shortage of staff to enable a good standard of work to be achieved. Comparisons made with other authorities for the review found that the grounds service does have a lower budget per household than many others around the UK. However, street cleansing was found to be just above the average cost in a similar comparison.
- 2.3 Faced with further budget savings as part of the next round of cuts to the General Revenue Account, the review has focussed on achieving more with the current staffing levels, through greater productivity and efficiency of operation. Recommendations for savings for the next financial year are centred around not filling one vacant posts on the establishment and integrating the two workforces into area based Street Scene teams to provide a more efficient and effective service.
- 2.4 It should be possible to predict the number of employees that the service requires going forward, but that is dependent on having the right information. Although there is historical contract documentation for grounds maintenance and some routes for street cleansing that the operatives follow, none of the data that quantifies the work carried out is available in a digital format to enable proper scheduling to be undertaken. This needs to be addressed as a priority, not least to be able to provide work targets to help motivate the workforce, as anecdotally morale appears low at present.
- 2.5 Although the section is currently going through an exercise to digitally map the council's assets for Street Scene work, it needs to invest in suitable database technology to tie the geography to the work required and produce workforce projections and schedules. Such a system also needs to link to the council's new Customer Relationship Management software ('Service Now') and have a mobile capability to take advantage of current communications technology, which again will require 'invest to save' funding for smartphones, tablets or PDA's, as appropriate.
- 2.6 The main tasks for the grounds maintenance section are grass mowing during 6 months of summer and winter work such as shrub bed maintenance. The standards that the service is expected to achieve in summer is measured on the height of cutting and the number of cuts per annum. The specifications in the original contract documentation from 2007 have not been achieved for a number of years, resulting in pressures from complaints and bad

publicity. In addition, the county council work on the public realm was reduced in seasons 2016/17 and 2017/18 and this has also adversely affected the WLBC reputation, as the public do not tend to make a distinction between the two tiers of governance when it comes to this type of maintenance. This work is due to come back under borough council responsibility in April 2018 and needs including in new schedules.

- 2.7 To complete the scheduling process described above, frequencies need to be assigned to every work site in the borough and all associated tasks required there, for both grounds and street cleansing. It is imperative that these are set at an achievable level for the amount of staff that the budget will ultimately allow, and this will require elected members agreement and endorsement going forward to help manage public expectation, as would publishing the agreed standards as widely as possible. In addition, appropriate Service Level Agreements should be produced for internal clients such as Housing & Inclusion Services and Leisure and Wellbeing Services based on the agreed standards.
- 2.8 Having established the future demand for the service, there will potentially be a requirement for different equipment to carry out tasks such as grass cutting at a different frequency and the service needs to ensure that equipment is fit for purpose. The demand profile will also show that some of the operations, particularly around street cleansing, will be required over seven days per week and with a greater daily coverage than currently worked to. This will require negotiation on new working time rosters to ensure the right people are in the right place at the right time. Introducing these all at plain time offers the opportunity for savings on enhanced overtime rates currently paid at time and a third on Sundays. Payments for task based operations rather than the individuals substantive salary provides further opportunity to reduce overtime payments.
- 2.9 The integration of grounds maintenance and street cleansing offers the opportunity for a more efficient and effective service, tackling a wider range of tasks as area teams rather than two unconnected sections. The allocation of areas needs to be done on a geographical basis that also accounts for the apportionment of work sites and staffing requirements for the tasks therein. Again, this cannot be achieved until the scheduling has been completed, although the starting point should be to divide the borough into the appropriate number of wider areas of responsibility for supervision. The staff complements for each further divided area will also be dependent on competences of individuals. At present there is no definitive skills matrix to inform both this and future training needs.
- 2.10 The new integrated service will need to be more productive in order to meet targets set, as those will not take account of unproductive time currently spent in the depot at each end of the day or in returning to the depot at lunchtimes. This will likely require enhancement of welfare facilities on vehicles and for personal breaks in outlying areas. Further improvements in productivity should be made through the introduction of "hit squads" to tackle reactive work that is currently handled by redeploying operatives from their substantive work.

- 2.11 Area teams will need to be mentored to have a new approach to their work, not just to be blinkered to their immediate tasks but to take responsibility for all the site and anything needed to be done to either avoid further contact from the public or to minimise the need for a return visit.
- 2.12 Cleanliness standards within the borough can be enhanced by investing in 'smart bin' technology (improves bin capacity and reduces emptying requirements) and barrows for operatives with vacuum hoses to enable a deeper clean. Additionally, the service should trial mechanical blowers with vacuum suction capabilities to increase workforce versatility.
- 2.13 There are currently many different types of litter bin around the borough, requiring a number of different keys to be carried by crews designated the task of emptying them. The introduction of 'smart bins' should be linked to the production of a corporate Litter Bin Strategy that seeks to standardise the process.
- 2.14 Several issues that were raised through the review concern areas where improvements can be made in-house aimed at improving workforce morale. Both workforce and supervisory staff commented on the level of communication they have with what is still a relatively new management team. It appears that some of this is due to a different style of management than they have been previously used to. Despite a more regulated team meeting structure being introduced, they don't believe there is the same level of day to day engagement (whether it is necessary or not needs to be established) but coupled with uncertainty around future working arrangements, this has seemingly left staff with concerns and management needs to find a way to address this.
- 2.15 Small changes could have the dual effect of improving morale and increasing productivity, such as providing secure tool boxes on vehicles and improving the quality of bin sacks.
- 2.16 There are several areas that have been raised during the review that will require further review. This includes the link between Leisure & Wellbeing functions in parks, playgrounds and with park rangers and environmental enforcement functions within Environmental Protection.
- 2.17 The requirement for scheduling and the work involved in achieving that is going to need staff input that Street Scene don't currently have capacity for. This needs to be further examined alongside the future method of inspecting for cleanliness on streets and associated land zones (currently carried out to the now-defunct national indicator standard). Capacity may be released by adopting the Land Audit Monitoring System (LAMS) which also includes grounds maintenance inspections but at a reduced frequency.
- 2.18 At a time when the council is facing reductions in its core funding, it should ensure that Street Scene is the first choice for any work which it can carry out for other departments. The review has found that there are a number of such areas where external contractors are being employed, resulting in money going out of the authority.

2.19 Additionally, once Street Scene has successfully managed the in-house changes required, it should seek to maximise income generating opportunities for carrying out its work for other public bodies (such as the health service, education or emergency services) and other private companies. There are also opportunities to raise income through sponsorship of litter bins, verges and roundabouts (with buy-in from the county council) that should be further explored. It should be recognised that Street Scene's Management structure is very small and that extra capacity is needed for a technical person in addition to the business development post. Changes being introduced next year as a result of the new national 'Litter Strategy for England' will increase the fines that can be imposed for littering. The council should look to increase the income from environmental enforcement as a result, as this also should act as a deterrent that ultimately improves cleanliness standards across the borough. This could be optimised further by giving consideration to different delivery models to issue fixed penalty notices under a favourable contract arrangement.

3.0 Current Situation

- 3.1 There are currently two distinct service areas, grounds maintenance and street cleansing with one supervisor overseeing each section.
- 3.2 The grounds maintenance section provides the following primary services: -
- Grass maintenance
 - Flower beds
 - Shrub beds
 - Hanging baskets
 - Parks (and Country Parks)
 - Sports pitch and bowling green maintenance
 - Tree maintenance
 - Cemeteries maintenance and provision of graves
 - Hedge cutting
- 3.3 There are no current schedules driving the work of this section. The last standards document produced was the "Contract for Grounds Maintenance 2007 to 2012". At the beginning of that contract, the supervisor informed us that there were 30 staff. This was later reduced by 4 for efficiency savings before the loss of the Lancashire CC public realm contract saw a loss of 6 further members of the workforce. A further 3 staff have left the authority since, leaving a permanent staff level of 17 staff filling 20 posts. The two vacant posts (1 Chargehand and 1 Operative) have not been filled permanently pending the results of this review. The other vacant post (1 Chargehand) has been changed to enable two apprentice positions to be created in April 2018.
- 3.4 Because of the staff reductions, the contract standards for elements such as grass cutting have had to be reduced as they had become unachievable.

- 3.5 The service operates a 36-hour standard week with no seasonal variation as there is considered to be as much work in winter as summer due to the amount of established shrub beds requiring maintenance after the traditional growing season.
- 3.6 The street cleansing section provides the following services: -
- Litter picking
 - Road & footpath sweeping
 - Removal of fly tipping
 - Emptying litter and dog bins
 - Clearing dog fouling
 - Graffiti removal
 - Removal of fly posting
 - Removing dead animals
 - Autumn leaf clearance
 - November - Bonfire clearances / Prepare cenotaphs
- 3.7 The current service has 30 full-time posts, made up of;
- 4 x Team Leaders
- 6 x Mechanical Sweeper Drivers (2 of which are LGV qualified)
- 19 x Street Cleansing Operatives (2 posts are currently vacant currently temporarily filled)
- One further street cleansing operative post on the establishment will be reassigned to the Waste Transfer Station with effect from April 2018.
- 3.8 There are no dedicated staff or machinery to undertake a deep clean of areas. As a result, it is felt that the borough does not get the deeper clean that it needs to reach the grade 'A' standard that should be achieved immediately after cleansing.
- 3.9 The hours of work do not particularly meet the demand for the service, being predominantly a four-and-a-half-day service (finish 12:30 p.m. on Friday) with overtime paid after that time if required. On a rota basis, two employees work 8 hours each on Saturdays (on overtime but at plain time) and Sundays (at time and a third) in prestige areas. The service also currently deploys a small mechanical sweeper every Sunday for 8 hours (also at time and a third).

4.0 Performance Measures

- 4.1 During this review, West Lancashire Borough Council have become members of APSE's Performance Networks benchmarking service, now in its 20th year of comparing data

between local authorities across many front-line services and recognised as the largest benchmarking club for councils in the UK.

- 4.2 Street Cleansing and Parks & Open Spaces have their own individual data sets and performance indicators, some of which have been designated as “key”. Many of the key indicators are designed to provide a balance between cost, quality and customer satisfaction.
- 4.3 Data from 2016/17 is still being gathered in order to populate the relevant data templates. However, it has been possible to make some early comparisons based on financial data provided and performance measures already being reported as part of the corporate “Council Plan”.
- 4.4 Cost data analysis for street cleansing is shown below for the respective “Cost per Household” performance indicators. The indicators used are for both inclusive and exclusive of Central Establishment Charges (CEC). The top quartile mark shows the cut-off point that would place the authority in the top 25% in the country: -

Performance Indicator – Street Cleansing	Description	WLBC	APSE Average	Total no. of participants	Top Quartile
PI 03	Cost per household (incl. CEC)	£34.39	£31.25	44	£22.80
PI 04	Cost per household (excl. CEC)	£30.03	£29.12	51	£19.20
PI 19	Cost per head of population (incl. CEC)	£13.76	£14.03	45	£10.66
PI 05	Cost per head of population (excl. CEC)	£12.02	£12.53	51	£8.42

- 4.5 The data indicates that the street cleansing service is slightly above average in the cost of service performance indicators, although this is an area where the average has been reducing year on year for some time due to budget constraints.
- 4.6 The cost per household indicator for grounds maintenance is shown below. There are other cost indicators in the Performance Networks suite for this service, but they relate to the hectares of land maintained by the council. At the current time, this information is unavailable for West Lancashire.

Performance Indicator – Grounds maintenance	Description	WLBC	APSE Average	Total no. of participants	Top Quartile

Performance Indicator – Grounds maintenance	Description	WLBC	APSE Average	Total no. of participants	Top Quartile
PI 43	Maintenance cost per household (incl. CEC)	£26.78 (*£32.30)	£42.70	52	£29.16

(* This figure includes the LCC public realm sum of £250,360 for 2018/19 for a more accurate comparison of the total cost of maintaining WLBC land and LCC)

4.7 The figures show that the cost for grounds maintenance is comparatively low by national comparison, even bringing in the county public realm funding, potentially supporting the workforce's view about the under-resource suffered by the service.

4.8 A breakdown of the costs shows interesting comparisons on the proportion of expenditure, as shown in the tables below.

Street Cleansing					
Performance Indicator	Description	WLBC	APSE Average	Total no. of participants	Top Quartile
PI o6	Total staff costs as percentage of total expenditure	58.40%	67.39%	49	n/a
PI o8	Transport costs as percentage of total expenditure	32.18%	19.95%	46	n/a
PI o8	Central establishment costs as percentage of total expenditure	14.20%	7.67%	44	n/a

Grounds Maintenance					
Performance Indicator	Description	WLBC	APSE Average	Total no. of participants	Top Quartile
PI 14	Total staff costs as percentage of total expenditure	46.21%	66.59%	47	n/a
PI 31	Central establishment costs as percentage of total expenditure	3.16%	8.12%	38	n/a

(transport costs are not collected as a performance indicator on this service)

4.9 The staff costs figure for grounds maintenance shows a relative mismatch between cost of employees and the rest of the service (such as fleet and equipment) again backing up the

under-resourcing argument. The same can be said of Street Cleansing but certainly not to the same extent.

4.10 One of the measures of whether the street cleansing service is being affected by staff shortages is the results of the cleanliness inspections carried out under the old national indicator NI 195 as a corporate performance indicator. As can be seen from the data below, the results show the authority in a good light, although it should be recognised that the same areas are often inspected due to a lack of some of the required land use zones (e.g. Ormskirk town centre) which can result in a good score. Keep Britain Tidy used to carry out their own independent inspections every two years but their funding for this was cut. However, independent checks are always considered useful against self-inspection systems.

Performance Indicator	Description	WLBC	APSE Average	Total no. of participants	Top Quartile
PI 37a	Percentage of sites surveyed falling below grade B for cleanliness (litter & detritus)	1.62%	4.79%	17	1.07%

4.11 The third part of the triangular scorecard of performance measures that APSE Performance Networks ranks as key indicators, alongside cost and quality, is those relating to customer satisfaction. West Lancashire reports customer satisfaction ratings for both services as part of its 'Council Plan Annual Report'. The latest figures are shown below and, in comparison are comparatively moderate indicating that there is scope to improve both services.

Performance Indicator	Description	WLBC	APSE Average	Total no. of participants	Top Quartile
PI 39	Community / customer surveys undertaken – Street Cleansing	71.00%	69.69%	17	80.00%

Performance Indicator	Description	WLBC	APSE Average	Total no. of participants	Top Quartile
PI 38	Community / customer surveys undertaken - Grounds Maintenance	71.00%	78.62%	29	91.70%

4.12 The data comparisons shown above give a rough and ready view of the current position until the full data sets are completed, which is planned for early 2018. This will form a baseline for tracking the effects of reducing budgets as well as improvement progress which the regular completion of data in future years will be able to provide, showing the journey of travel against national trends.

5.0 Workforce Questionnaires / Diagnostic Workshop

- 5.1 The importance of the involvement of the workforce was agreed early in the review process and attempts have been made to engage with staff from both services. Firstly, all staff were invited to complete a "service improvement questionnaire", designed to establish both their level of understanding of the standards required of them and whether they feel that they can achieve those standards, as well as enabling them to make their own suggestions regarding improvement areas.
- 5.2 73% of the respondents say that they have not been made aware of cleansing standards for the borough.
- 5.3 There is a 47%/53% split on whether they are aware of the required standards for the rest of the services, with 63% saying that they would benefit from a better understanding of them.
- 5.4 74% do not feel that they have enough time "to deliver a high standard of service".
- 5.5 The recurring theme amongst the reasons given for this is that there is "not enough staff".
- 5.6 The following were raised as changes that they would like to see: -
 - Increased Communication
 - More mechanical sweepers
 - More areas need proper cleaning
 - More training is needed for those who want to further their careers
 - More involvement in choosing fleet and equipment
 - Weeds need clearing (needs co-operation of county council)
 - New litter bins are required
 - "staff need to take pride in their work and try and improve workplace morale"
 - More frequent mowing is needed
 - 'Hit Team' to do the other work they get redeployed to do
 - Better boots / PPE
 - Better mowers that don't struggle
 - Share grave digging work out amongst workforce
 - Equalise workloads across teams
 - Tool boxes needed for vehicles
- 5.7 A cross-section of the workforce from both services were invited to take part in a diagnostic workshop, the purpose of which was to examine the operation of the Street Scene service as part of the overall review, to identify strengths, weaknesses and the scope for service improvements and potential efficiency savings and find out what it is like to work for West Lancashire's Street Scene Service. Although the trade unions had

representation, none of the management team were in attendance in order to better facilitate open conversation.

5.8 In order to understand the influences that particularly affect Street Scene services, attendees were asked to think about the external factors that the section faces, using a P.E.S.T.E.L. analysis (political / economic / social / technological / environmental / legislation). The results are shown below (and are not intended to be a comprehensive list): -

<p>Political</p> <ul style="list-style-type: none"> • Members • Austerity / budget cuts • Individual Councillor requests • Certain areas get different response • Pressure to clear fly-tipping on private land • Community events 	<p>Economic</p> <ul style="list-style-type: none"> • Cuts • Less people to do the job • Less equipment (inc. sweepers) • Reduced County Council weed spraying programme affects sweeping • Reduced County Council grass cutting • Loss of free bulky waste collection service -> increased fly-tipping • Reduced resources for leaf clearance • Vehicle repairs and age of fleet
<p>Social</p> <ul style="list-style-type: none"> • New housing developments – more residents • Fly-tipping • Social attitudes in Skelmersdale • Anti-social behaviour 	<p>Technological</p> <ul style="list-style-type: none"> • Equipment not up to current technology • Chipping in dead animals (takes time to follow up)
<p>Environmental</p> <ul style="list-style-type: none"> • Weather conditions • Extended growing season • Weedkiller types • Leafing season changes (resource issue) • Shelter for mechanical sweepers in adverse weather • Placement of street furniture 	<p>Legislation</p> <ul style="list-style-type: none"> • Changes in weedkiller regulations • Asbestos • Traffic management (training required)

5.9 In addition, the attendees were asked to look at internal factors and complete a S.W.O.T. analysis of the service as they see it from their perspective, looking at strengths, weaknesses, opportunities and threats, by way of “what does the service do well?” and “what does the service not do so well?” The results are shown below – again they are in no way intended to be comprehensive.

<p>Strengths</p> <ul style="list-style-type: none"> • Prompt service • Polite service • Proper job with right resources • Customer interaction • Compliments passed down • Grounds supervision is spot on with H&S etc. 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Communication • Management not accessible • Supervision style – needs to be more dynamic • Supervisor morale seems low • Can’t provide the good quality service we would like to • Reactive working • Manpower shortages • Frequency of operations • Not enough qualified staff • Not enough training • Low morale • High average age – no young blood • Light duties workers from other services • Vehicle specs – not fit for purpose • Not got the right kit for the job e.g. grass heights • Skips are too old – need repairing or replacing • Don’t use people’s strengths – skills matrix needed • Relationship with workshop • Downtime for repairs / waiting for spares
<p>Opportunities</p> <ul style="list-style-type: none"> • Improved management communication • Better relationship with local press • Better equipment • Replacement policy for equipment • Job evaluation • Street Scene integration 	<p>Threats</p> <ul style="list-style-type: none"> • Public criticism • Negative press (from County Council operations) • Management perceptions • Reactive working • Low morale • Street Scene integration

5.10 The group then examined the resources that the service operates with in terms of people (including management), fleet and equipment and depot facilities, asking in each case whether they consider them to be fit for purpose.

5.11 The following were identified and discussed: -

Street Cleansing

- 2 x Johnston VT650 mechanical channel sweepers (one dual sweep / one single sweep – dual sweep rarely used) – about 5 years old.
- 1 x Scarab Minor mechanical pavement sweeper – predominantly used on footpaths in outlying areas (due for renewal – Feb 2018)
- 3 x Johnston CX201 compact mechanical sweepers – pavements and precincts (due for renewal February 2018)
- 2 x 7.5 tonne Linktip (dismountable) vehicles
- Ford Transit Tipper vehicles (9 on fleet list)

Grounds Maintenance

- Ford Transit Tipper vehicles (8 on fleet list) – 2 caged (no tool boxes, nowhere to store tools)
- 1 x John Deere 6330 tractor (used to be 2 - one was taken off-hire when county council work ceased. Used to have flail on one and trailer on the other)
- 3 x John Deere front-deck rotary ride-on mowers (“very good”) – two are cabbed. Slow road speed.
- 2 x John Deere ride-on mowers (Hi Tip) (“good for previous standards but not good enough on 3-4 weeks growth”)
- Scag 52” zero turn pedestrian mowers (2 on fleet list) – good on short grass, not on longer growth – need cutting blades not mulching.
- 8 x John Deere pedestrian mowers (rotary box mowers)
- 2 x Ransomes Greens Mowers (for bowling greens)
- Scag rotary pedestrian mowers (“not good enough”)
- Stihl hedgecutters (“used to have “Echo” which lasted longer”)

5.12 The main complaint around fleet and equipment was that they, as the operatives who use the machinery, do not get enough say in choosing which ones should be brought in. However, management suggest that Chargehands have recently been involved in the demonstrations of new kit.

6.0 Stakeholder Interviews

6.1 To gain a greater understanding and feedback on the Street Scene service from both an internal and external perspective, a series of interviews took place with key personnel and stakeholders on November 29th 2017 at the Robert Hodge Centre.

6.2 The interviewees were: -

- Cllr Kevin Wilkie – Street Scene Services Portfolio Holder
- Derek Hill – Operational Supervisory Officer (Grounds Maintenance)
- Graeme White – Operational Supervisory Officer (Street Cleansing)
- Simon Burnett & Steve Kent – Leisure & Wellbeing Services (includes park rangers and playground inspectors)
- Colin Brady & David Thornber – Development & Regeneration (includes technical services, town centre management, parking, markets and arboriculture)
- Jacqui Sinnott-Lacey, Nicola Bradley, Leigh MacFarlane and John Powell – Housing & Inclusion Services

6.3 In all cases, the interviewees were asked to say from their perspective what did Street Scene do well, what they don't do so well and where improvements could be made in relevant areas. Generally, the service received praise from the external stakeholders for improvements that had been made under the new management arrangements, but recognising that there was still much to do and that it was likely to be a lack of resources that was reducing standards.

6.4 From an internal perspective (including the political level) there is a recognition that productivity is not high enough and that standards are lower which is causing frustration as the resources aren't there. Better co-ordination of tasks was considered by the Portfolio Holder to be a requirement, not helped by different responsibilities in different departments and with the county council in the case of highway verges.

6.5 Internal consultation – what is done well?

- Good public interface;
- Good response, dealing with issues quickly;
- Small team gives value;
- Good knowledge and familiarity of area;
- Top of the range equipment, leased so serviced regularly and efficiently run;
- Proactive in leaf and fly-tipping removal;
- Litter picking in grass areas.

6.6 Internal consultation – what is NOT done well?

- Productivity can be further improved;
- Not enough staff to do a good job;
- Communication between management and supervisors and being consulted on things that affect specialist areas;
- Don't achieve a Grade 'A' clean. Deep cleansing not done often enough;

- Workforce don't take ownership of their areas;
- React too quickly to councillor complaints;
- Insufficient training to properly and confidently deal with complaints on trees.

6.7 Stakeholders from other council departments were asked whether there was duplication between work that their workforces carried out, whether there were services that they bought in from external sources that could be done in-house by the Street Scene team (in the right circumstances) and where improvements could be potentially made.

6.8 These are the summary points: -

Leisure & Wellbeing Services

- Some grey areas over responsibility for fly-tipping on Leisure Services land;
- 'Us and them' relationship between park rangers and grounds staff;
- Playground inspections will be delivered in-house shortly, two staff under park rangers. There may be some scope for carrying out LAMS inspections;
- Consider that an area-based approach working together is the way forward;
- Street Scene need to take wider responsibility than just contract specified work;
- Scope for letting some grass areas grow longer, but managing them not just leaving them;
- Standard of street trees (county council responsibility) is not up to those of parks trees;
- Some northern parishes have been handed areas of land to look after – a good model for further efficiency savings providing that parishes don't want paying or to receive a grant;
- Scope for cross-boundary working with neighbouring local authorities.

Development & Regeneration

- Arboriculture – some issues in past over standards of tree work which have been a bug-bear. Previous tree management has created issues where trees have been trimmed when probably should have been removed;
- Need to find a systematic way to deal with residents whose quality of life is being blighted by overgrown trees that don't meet the criteria for being dealt with (again, more often a county council responsibility);
- Don't find Street Scene particularly customer friendly – they need a code for everything. Is this necessary nowadays?
- No public consultation with residents where tree work affects them has led to complaints in the past;
- Tech services pay for outside contractors to erect street nameplates, signs, carry out painting etc. as well as man + van with jet washer. All could potentially be done by Street Scene (but on Tech Services terms).

Housing & Inclusion Services

- A customer-focussed Service Level Agreement (S.L.A.) is needed for grounds maintenance in Housing areas. There is nothing in place to inform standards;
- Some overlap with Housing's gardening team of 4 – Team leader (scale 4) and 3 operatives (scale 1) whose duties include mowing OAP gardens for £5 per week- *subsequently agreed to be moved to Street Scene from February 2018 as part of the corporate restructure*;
- Communication has improved in past 12 months but as there is no transparency, Housing don't know what they are paying for;
- Separate payments to external contractors are made to treat Japanese Knotweed, shrub beds, tree cutting and to maintain gardens in vacant properties;
- Would like to see a 'Parks' standard in sheltered Housing but know that isn't necessarily financially viable;
- Shrub beds are problematic, many being either overgrown or no longer have any plants in;
- Savings could be made by investing in mobile technology, tightening up on fly-tipping and being more geographically efficient;
- Potential to generate some income from cutting Housing gardens for tenants who don't meet the criteria for the subsidised service.

7.0 Key Issues

Area working / integrated service delivery / work scheduling

- 7.1 The predominate issue that threads through the review is the perceived lack of resources by the workforce to achieve the standards of work that would be preferred. Unfortunately, a lack of up-to-date information and without an information technology solution to process the amount of data involved, the optimum numbers cannot be calculated.
- 7.2 The instinctive feel, which is backed up somewhat by the benchmarking comparison in section 4, is that the grounds maintenance function is indeed under-resourced for the amount of work there is, whilst the street cleansing service is maybe staffed about right, but this needs properly calculating to prove either way.
- 7.3 A GIS exercise is currently ongoing to map all the assets that Street Scene is responsible for. This will be an invaluable exercise going forward, particularly if it can be coupled with the acquisition of scheduling/asset management software such as 'Mayrise', 'Composer' or similar established system. Failing that, a less sophisticated approach using spreadsheets, and/or a locally-developed database, will be a step forward that will allow the calculation of the resources required.

- 7.4 The second requirement for the calculation is an agreed frequency for each of the required tasks on both grounds maintenance and street cleansing. As there is no statutory requirement for grounds maintenance, the frequency should be based on what is acceptable aesthetically. For street cleansing, cleanliness standards are determined by the 1980 Environmental Protection Act and the relevant code of practice. Standard times can then be applied to these against each asset to produce weekly / monthly / annual employee demand. An agreed element of non-productive time is then applied to each task to cover travelling to and from site, personal time, dealing with the public etc. This would vary depending on the geography of each particular site although an average could be agreed and applied.
- 7.5 Work tasks are then allocated across the whole year and some smoothing out will usually follow before a core workforce requirement is known. At this point, if that figure exceeds current levels, the council may need to make adjustments to the standards it can deliver within budget or consider how to fund any additional posts that may be needed. Some suggestions on how this might be achieved are discussed further on. At the end of the process though, the council will be able to agree some affordable standards. It should consider publishing these in order to manage public expectation.
- 7.6 Scheduling software enables that demand-led information to be transferred on to daily / weekly / monthly worksheets as appropriate. Again, this is more easily facilitated via a specialist piece of software.
- 7.7 Once standards have been agreed for grass cutting in different areas and types, it is important to ensure that staff are provided with the best 'fit for purpose' equipment capable of dealing with grass growth at the level it will be maintained. The workforce are also best placed to have an input into the selection of the right machines, they know the job and they will have to use the equipment, this however needs to be balanced with cost.
- 7.8 The agreed standards also need to form the basis of a Service Level Agreement with Housing & Inclusion Services and Leisure and Wellbeing for work to be carried out on their land. At present they don't appear to know what standards Street Scene are working to and therefore can't control the financing of this part of the service. They also need to be part of the discussion on what the different standards should be in their areas, particularly where there is a knock-on effect in helping to let council properties, such as in sheltered accommodation.
- 7.9 Where tasks on both services are required in the same areas, teams from each are currently deployed in isolation. Greater productivity and efficiency can potentially be achieved by integrating staff together into area teams. It is envisaged that their responsibility would then be widened to cover all tasks of council responsibility in those areas, either to maintain / repair themselves or to report for further action (having made safe as necessary).

- 7.10 In order to work most efficiently, the teams need to take advantage of mobile technology to ensure that the status of tasks can be updated on site to keep the system "live" and work towards a future paperless operation. Linking in to the Customer Relationship Management (CRM) system (the council is due to change over to 'Service Now' which should support any established asset/scheduling system alongside it) it would allow reactive work to also be allocated to teams while they are in the vicinity when necessary.
- 7.11 Some training will be required to match work requirements to skill sets. There is currently no 'training needs' strategy based on a skills matrix of staff competencies. Having this in place helps greatly in planning cover for sickness, holiday and other absences, as well as for succession planning and service delivery resilience.
- 7.12 Following examples of successful implementation of area working in other areas, it is envisaged that West Lancashire may follow a model that sub-divides the borough into areas, resourced accordingly based on local demand. These then need to be sub-divided into smaller geographical zones of generally even workload, which would be overseen by an operational Team Leader in each. It would be their job to co-ordinate the workforce according to the required tasks, prioritise work, liaise with the local community and report back to the relevant supervisor on progress and any issues.
- 7.13 The results of the calculation of workload described above would dictate the number of staff required to cover each area and would also form the basis for changes in working time to meet the identified demand. One area where this will impact is street cleansing which currently receives minimal coverage from Friday lunchtime through to Monday morning (some overtime covers prestige areas only) despite the increased amount of footfall and associated rubbish being generated in that period. In line with service demand, working hours should be reviewed and demand led rota's developed. This would eliminate the current overtime requirements and it is envisaged that increases in productivity (see later in this section) will enable the additional work to be absorbed within the current workforce.
- 7.14 Specialist roles such as horticulture in parks and prestige areas, mechanical sweeping and tractor work would likely sit outside of the areas and work in partnership with them in rotation, as required.

Savings

- 7.15 The implementation of integrated roles and area working, as described above, may afford the opportunity to reduce the workforce to make the cost savings that the council is looking for. In the first instance, bringing the two workforces together could enable the upskilling of some of the street cleansing staff to build capacity.
- 7.16 On this basis there is a vacant post on street cleansing that can be removed from the establishment. It is envisaged that this could be done from the start of the next financial year (2018/19), realising an annual saving of **£22,230** (operative scale 3)

- 7.17 A review of working time arrangements for street cleansing will result in savings on overtime payments. This needs to be done once a new structure is known and the quantity of work to be delivered.
- 7.18 The additional support at area level that integrating the services would give, coupled with anticipated increases in productivity, should enable the budget for employing additional agency workers to be reduced by a sum of **£7,700** per annum.
- 7.19 Although there may need to be some adaptation for changes in working, different team sizes and different equipment requirements, it is envisaged that efficiency savings could be made to the vehicle and fuel costs. This needs reviewing once the new working arrangements have been agreed.
- 7.20 The savings achieved by the above changes total **£30,000** for 2018/19. Further savings will be apparent in 2019/20 once the further work has been completed.

Productivity

- 7.21 When there are perceived shortages in staff, it is important to ensure that productivity levels are high. This means getting as much out of the working day as possible and minimising non-productive time as much as possible. Travelling is one of the biggest elements of non-productive time, particularly where there are teams of staff to manoeuvre around the borough. Optimisation of routes for grass-cutting and mechanical sweeping should ensure that the most efficient method of travel is scheduled.
- 7.22 Anecdotal evidence suggests that there is a problem with the workforce getting out of the depot in the morning and arriving back early at the end of the day, endemic of not having targets to work to which allows slippage in productive working. Although this can be changed by introducing realistic schedules, management and supervisors should be looking to improve this situation as soon as possible.
- 7.23 Linked to this is the issue of the workforce returning to the depot at lunchtimes. Whereas this may be acceptable for those working nearby, there will be a number of employees who are travelling distances from their work site and back afterwards during working time. Staff argue that they don't have welfare facilities on their vehicles or at outlying sites, but given the amount of council-owned buildings around the area, there should be opportunities to negotiate for use of toilet and wash facilities closer to work sites. The council should also consider kitting out vehicles with wash facilities (wet or dry wash) or ensuring that provision is included in future specifications.
- 7.24 The additional time spent on site should enable targets to be met and standards to be adhered to, as well as the opportunity to ensure that all other Street Scene requirements on site are dealt with either there and then or reported as appropriate for further action.
- 7.25 The other area where productivity is lessened, that has been highlighted by staff through the review, is the amount of reactive work which is given out and results in staff being

taken off their core work. Agreeing service standards will reduce this demand and consideration should be given to introducing a "hit-squads" that have responsibility for carrying out this type of work. To ensure that there is enough cover every day, working times should be reviewed. It is envisaged that this works most effectively when daily duties are added to the start and end periods which can be carried out by a single operative (e.g. emptying litter bins). This minimises the period where two people work together, a period when two-person jobs can be allocated.

Improving standards

- 7.26 It is important that the standard of work to be achieved needs to be agreed and used to form the basis of the calculations for staffing levels. This will include frequency of cuts for grass, visits for sweeping, winter work etc. The standards should be agreed and signed off by elected members so that they are in a position to give informed advice to their constituents. The council should also consider publishing the agreed standards to help manage customer expectations.
- 7.27 Resuming delivery of the public realm contract from the county council should allow Street Scene to have sufficient control over the work required to ensure that the schedules are adhered to, which would improve the situation faced over the past two years. Management believe that they will be able to deliver this initially by sub-contracting work alongside high-speed roads that will require traffic management. This can be reviewed during the 2018 growing season.
- 7.28 This would leave a proportion of mechanical sweeping to be scheduled in with traffic management lane closures and pedestrian mowing to be completed in other areas. Although staffing levels are based on historic working arrangements, the remaining budget supports the employment of a number of temporary operatives on a seasonal basis for the grass cutting element and it is felt that the mechanical sweeping element can be absorbed within existing resources.
- 7.29 A priority for enhancing standards will be the gateway routes into the West Lancashire borough, important for "first impressions" of visitors and potential business investors.
- 7.30 Street cleansing standards are considered to require improvement, despite some impressive cleanliness inspection scores. Many of the street cleansing operatives only carry litter picking prongs and a bin sack which is ineffective at achieving a deeper clean. There are no traditional barrows in use that would facilitate the carrying of the tools necessary to provide a deeper clean as they were regarded as inefficient in the past. However, modernisation from manufacturers in recent years has seen several models appear on the market that are more than just a mobile tool station and bin sack container. Some have motorised vacuum hoses that enable smaller, harder to brush items of rubbish, such as cigarette butts, to be picked up.

- 7.31 At present, there are no storage facilities for barrows, so some lock-ups will need to be sourced in appropriate locations where possible and the vehicles or trailers reviewed to transport them around the Borough.
- 7.32 In addition to the barrows, there would be benefit in investigating the feasibility of investing in petrol powered blower vacuums which have dual use on the service in blowing or sucking litter and leaves as required.
- 7.33 There are many different types of litter bin deployed within the borough, not all in the right places and not all the right size. To avoid frequent emptying of litter bins in busy locations, many local authorities around the country are converting to "smart bins", such as the "Big Belly Bin" which has a solar powered sensor and compactor to extend the time before it needs to be collected. In addition, they take advantage of mobile technology to alert the department when they are at a certain fill level and need servicing. In other parts of the country, the installation of these bins has led to savings in the service which helps to justify the initial outlay. There is also sponsorship opportunities on the bins themselves to generate income.
- 7.34 To ensure better standardisation of litter bins and cut down on the number of keys that must be carried by personnel deployed to empty all the different bins, the authority should consider producing a corporate litter bin strategy for all departments to follow. This would ensure that bins were of the right type and quality.

In-house service improvements

- 7.35 The review found that morale is low amongst the workforce. They have seen a change in management over the past year which has seen new ideas and ways of working coming forward, but operatives (and supervisors) don't feel that they have been told enough about what is going on and what is being planned. Management suggest that they have been involved in the review and kept updated in meetings however, as well as looking at ways to improve communication, there are other issues that have been raised during the review and outlined previously that could help improve team spirit.
- 7.36 The afore-mentioned changes to integrate the grounds maintenance and street cleansing on an area working basis could be sold in a very positive manner, accentuating the need for teams to engender a "can-do" attitude to the work within their area, a "right first time" quality attitude and concentration on "avoidable contact" for the public by taking wider responsibility. A sense of ownership and subsequently pride in their work should result from this approach. There also needs to be a pride in being associated with Street Scene and wearing the uniform.
- 7.37 The provision of tool boxes on the vehicles for storing tools and equipment, which would reduce some of the non-productive travel between work site and depot as task requirements change through the day, would also be seen as a morale boost due to the strong feelings expressed about it.

- 7.38 Equally, this would be the case in considering improving the quality of bin sacks which was raised during discussions, the current design deemed to be too flimsy and too cheap to be of proper use inside litter bins, sometimes needing two at a time to make sure they are strong enough. An investigation should take place, again involving the workforce, to see if this is a false economy that needs improving and whether it is affordable to do so.
- 7.39 The continuation of the inspection process for cleanliness, even after the demise of national performance indicators, is key to measuring the success or otherwise of the service. Whether this function may be better sited within another area is being discussed, but there are several other members of staff, even across other departments, that could help out while they are in the area, such as Playground Inspectors. The council might also wish to look at the Land Audit management system (L.A.M.S.) that APSE have assisted in developing and reporting. Although this was originally set up to provide a cleanliness score for grounds maintenance sites, it was quickly recognised that it could easily be extended to cover cleanliness inspections on all aspects of the service while the inspectors are there (e.g. street cleaning, litter bin emptying, graffiti, fly-tipping etc.) with a slightly less onerous inspection regime than that demanded by the now defunct national indicator NI 195.
- 7.40 Although raised briefly within the review, the synergies with elements of the current Leisure & Wellbeing Department, such as formal parks, park rangers and playgrounds, which will soon transfer under a single Director with Street Scene services have not been covered in any great detail. However, it is recognised that there is potential for investigating the potential for restructuring some of the work under new arrangements to create better working arrangements and to avoid future duplication which could go toward savings for 2019/20.

Income generation

- 7.41 In addition to making savings to cover decreasing expenditure budgets, as detailed previously in this section, Street Scene could look to replace some of that funding through external funds. The first and most obvious of these was covered in interviews with stakeholders and concerns monies spent by other departments on external service provision where Street Scene would potentially be able to undertake the tasks and avoid the money being spent outside of the council. There appears to have been some history with previous regimes that has clouded other department's views on using Street Scene, which has resulted in silo working. However, current financial circumstances dictate that every effort should be made to try and make sure money remains in circulation within the council's overall budget, even if this raises the need for additional training within Street Scene.
- 7.42 Further opportunity to raise additional funds can come from work carried out for external clients. Legislation has changed in the past few years regarding trading and charging that allows the council to extend its operations much more into the private sector. The list of

tasks that are carried out on internal contracts includes many that could also be offered to other customers, both in other public-sector premises (such as hospitals, clinics, police and fire stations) and those of private companies (such as industrial units and car parks), particularly where such sites are in close vicinity to those of the council.

- 7.43 Other areas where external funding can be sought involves making use of potential advertising space on council assets, such as litter bins, verges and roundabouts (the latter two requiring county council buy in) .
- 7.44 There are several potential issues to raise on this topic. Firstly, it takes time and effort to liaise with potential customers and bring about profitable contracts. Where councils nationally have been successful in this area, they have often employed the skills of a business development specialist (on the basis that they can earn more for the council than they cost). There is also a wider remit within Street Scene that could potentially include Trade Waste as well. This position could be considered alongside the need for a technical post referenced earlier and enforcement (see below).
- 7.45 The council may also decide to increase its income from the enforcement of environmental crime, such as fly-tipping, litter offences and dog-fouling, all of which can be subject to fixed penalty notices (FPN's). Penalty charges for littering are set to rise in April 2018 as a result of the new National Litter Strategy (Defra) which will increase the potential income that could be achieved, whilst also providing a more effective deterrent that should ultimately improve cleanliness standards. This enforcement currently sits with Environmental Protection, but it may be more effective to bring it together with Street Scene who already deal with abandoned vehicles. They would also like to do more with Waste Carrier Licence enforcement, as this often links to fly-tipping by unlicensed carriers.
- 7.46 Quite a few local authorities in England and Wales have hired private enforcement companies to take on the role, some with notable financial success, although it is noted that the percentage of FPN income that council's take varies from contract to contract, even with the same companies, so comprehensive research and contract preparation is recommended to get the best possible deal.

8.0 Recommendations

Area working / Integrated service delivery / work scheduling

- 8.1 An asset management / scheduling solution is required. It is recommended that the council look to fund an established package, such as 'Mayrise' or 'Composer' etc. as an "Invest to save" opportunity. The system should be able to link the current GIS mapping work being undertaken and the new CRM 'Service Now' system.
- 8.2 The frequency of operations needs to be agreed for every task to be carried out, particularly those affecting grass cutting, road sweeping and litter picking.

- 8.3 Applying standard minute values to those tasks will enable optimum staffing levels to be established for different weeks/months of the year, based on demand. After allowing for elements of non-productive time, like travel and personal breaks, some levelling out would then need to take place before the size of the workforce required to undertake the work becomes known.
- 8.4 At that point, there may need to be some changes made to standards for some tasks and/or locations to make sure they are achievable. Once the standards are determined, approved and signed off by the Council, they should be published as widely as possible, including the council website, to better manage public expectations.
- 8.5 Once the standards are known, the council should ensure that the equipment required is the correct type for the conditions e.g. the right mower to cope with the height that grass is to be maintained.
- 8.6 The standard of operations for the Housing & Inclusion and Leisure & Wellbeing Directorates needs to form part of a Service Level Agreement with them so that they know what they are paying for and have something to monitor Street Scene against.
- 8.7 Grounds maintenance and street cleansing should be integrated into area teams, who then have a responsibility for all work required on the identified assets, be they grass sites, hard standing, flower beds, litter bins etc. in order to achieve greater efficiency and productivity by working and travelling together.
- 8.8 Area teams should be provided with mobile technology (either smart phone, PDA or tablet) to enable the council to work towards a paperless work solution. This should link to all the IT aspects, asset/scheduling system, GIS mapping and CRM system.
- 8.9 A skills matrix should be produced to track the competencies of current staff and to identify future training requirements, both for new working arrangements and for succession planning.
- 8.10 The area should be divided accordingly and supervisory resources allocated to manage each area. They need to be assisted by operational team leaders who will provide the focal point for the area working arrangements, the number to be determined by what is deemed to be the optimum geographical split.
- 8.11 Once the areas have been determined and the tasks in each are known, the workforce should be allocated to particular areas based on the work demands matched to the competences of individuals. There will be some (mechanical sweeper drivers, tractor drivers etc.) who will need to work across a number of different areas, as per demand requirements.
- 8.12 Working times need to be aligned to work demands. This will mean providing a demand led service for street cleansing operations in town centres and other areas of high weekend footfall.

Savings

- 8.13 The budget needs to be reduced by £75,000 for 2018/19 and a further £75,000 in 2019/20.
- 8.14 As there is currently one vacant post on street cleansing this should be removed from the establishment from 1 April 2018, saving £22,230 per annum in each of the years. More work is needed to determine the level of savings that can be achieved in 2019/20.
- 8.15 Overtime payments are currently paid to street cleansing for addressing town centre and prestige sites at weekends. This needs reviewing and negotiations on overtime rates on Sundays to be undertaken and the increases in overall productivity are anticipated to enable the work to be absorbed by the new service arrangements. Further options include reviewing and reducing the level of works undertaken and looking at task based payments rather than substantive post payments.
- 8.16 Further savings of £7,700 can be made each year from the street cleansing budget for agency workers, which it is envisaged won't be needed if productivity is improved on the service.
- 8.17 Integrating service teams is also expected to realise productivity and efficiency savings on fleet costs for vehicles and fuel. This needs exploring further once the new working arrangements have been embedded to understand if any cost reductions can be achieved.
- 8.18 The savings achieved by the above changes total **£30,000** for 2018/19. More work is required to realise the savings for 2019/20.
- 8.19 An element of the savings is expected to come from the capacity for generating income (see 8.38).

Productivity

- 8.17 Grass cutting and street cleaning routes established from the schedules should be optimised to ensure that they are operated in the most efficient geographical patterns to maximise productivity, which will require robust supervision.
- 8.18 Time spent in the depot at both ends of the day should be minimised as much as possible to increase the amount of work actually undertaken. The schedules will form targets that only include an appropriate amount of time for necessary functions at commencement and close of day.
- 8.19 Street Scene should ensure that wherever possible operatives are able to take their breaks out on site rather than spending time returning to the depot. This will mean providing adequate welfare facilities both on vehicles and near to work sites.
- 8.20 Team leaders and the operatives under their leadership must take responsibility and deal with all aspects of work when on site, either maintaining, repairing (or making safe) or reporting where it is outside the skill set.

8.21 To minimise the amount of reactive work that takes operatives from their scheduled tasks, it is recommended that “hit squads” be established to cover the borough. Litter bin emptying could be scheduled at both ends of the day to be completed either side of reactive work tickets.

Improving standards

8.22 It is important to adhere to agreed standards which is why it is important that elected members agree them and act on behalf of Street Scene in corresponding with their constituents on these matters.

8.23 The public realm work currently undertaken by Lancashire County Council is proposed to be delivered through a partnership agreement from April 2018. The budget with it allows for traffic management and grass cutting alongside high-speed roads to be sub-contracted out.

8.24 This leaves areas for pedestrian grass-cutting to be undertaken in-house, an estimate of three temporary seasonal staff being the requirement.

8.25 In order to maximise improvements on a contract that caused much bad publicity in the past year or so, priority should be given to working with the county council, ensuring that gateway routes into the borough are particularly well kept next year.

8.26 The manual street cleaning element needs to achieve a deeper level of cleaning than just litter picking. The operatives are currently ill-equipped for this and their equipment needs reviewing. It is recommended that the council invests in modern barrows that incorporate powered vacuum hoses to deal with cigarette butts and other small debris. It may be of benefit to trial one or two in the first instance.

8.27 If equipment changes it may need to be either transported out daily to site or the council needs to find suitable locations for them to be left overnight, the latter being the preferred option especially if use can be made of existing sites.

8.28 Further investment should be made in back-pack blowers that have both blow and vacuum suction options, making them much more versatile on site. Again, it may be of value to trial some in the first instance.

8.29 The council should consider investing in ‘Smart Bins’ such as the ‘Big Belly Bin’ with solar-powered compactor and fill sensor technology, which require less frequent emptying and can let you know when they are approaching full. The positioning of such bins is key to the greatest efficiency gains.

8.30 Furthermore, with a myriad of different litter bins on the streets and parks as there has been inconsistency in how bins have been procured and sited, the council needs to produce a corporate ‘Litter Bin Strategy’ that standardises specifications and the best types for each situation, aimed at having a much smaller selection in the future.

In-house service improvements

- 8.31 There is a perception from the workforce and supervisory staff that communication from management needs improving. Management need to take account of this discernment.
- 8.32 A change of culture is needed, driven by management, to engender more of a 'can do' attitude under the new working arrangements, underpinned by a 'right first time' quality approach and 'avoidable contact' mentality.
- 8.33 To maximise time on site and minimise return travel to the depot during the day, suitable secure tool-boxes should be fitted to vehicles so that everything needed for the tasks of the day (and other common eventualities) can be taken to site.
- 8.34 Street Scene should investigate the issue of the quality of bin sacks in current use as anecdotal evidence suggests that they are cheap and unsuitable as litter bin liners and for containing quantities of rubbish.
- 8.35 The service currently carries out cleanliness inspections to the old national indicator NI195 standard. With pressure on a small number of staff likely to increase with the introduction of technological solutions, at least in the first instance, the council should consider adopting the slightly less onerous LAMS approach, which covers grounds maintenance areas as well as street cleansing sites and who could undertake them.
- 8.36 The restructure of Leisure and Wellbeing Services alongside Street Scene presents the opportunity to investigate synergies and work overlaps on both sides, but particularly with formal parks, park rangers and playground inspectors where there is potential for efficiency improvements.

Income generation

- 8.37 The council should ensure that wherever possible Street Scene are the main supplier of relevant services for other departments, to avoid money going out of the council budget by being spent on external contractors.
- 8.38 Once Street Scene has implemented the necessary changes to allow it to work more effectively and efficiently, they should consider the potential for raising income from related tasks in other areas, such as with other public bodies or private companies.
- 8.39 Other opportunities for generating income should be investigated, including the potential for sponsorship on litter bins, roadside verges and roundabouts (with buy-in required from county council on the latter two).
- 8.40 The current staffing structure is fairly lean and the capacity to undertake the work required to bring in external funding is unlikely to be there. Street Scene should consider bringing in a business development specialist, possibly on a self-financing basis, to alleviate some of the work pressures, including other areas of the directorate like trade waste.

- 8.41 In light of the increases in individual fixed penalty fines that local authorities will be able to make from April next year under the new national litter strategy, the council may wish to look at the potential for increasing the amount of money raised through the further enforcement of environmental crime, such as those for litter offences.
- 8.42 That consideration should also include the option of hiring a private enforcement company to issue fines, as this has been shown to be quite lucrative in other areas, subject to agreeing a good deal on how income is to be split.

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Appendix 2 - Ground Maintenance and Street Cleansing Review Action Plan 2018-2020

Recommendation	Lead Officer	Timescale	Capital Costs	Savings/Income		Comments
				2018/19	2019/20	
Procurement and implementation of scheduling/asset management software	Director of Leisure & Environment Services Operational Manager Street Scene	June 2018	£55,000	n/a	TBD	
Source resource to input service data into scheduling/asset management software	Operational Manager Street Scene	October 2018	£13,000	n/a	n/a	
Develop Service Standards with stakeholders and agree with Members	Operational Manager Street Scene	December 2018		n/a	n/a	
Widely publicise agreed standards and agree SLA with stakeholders	Operational Manager Street Scene /Comms team	December 2018 - ongoing		n/a	n/a	
Review current	Operational Manager	April 2019	£10,000	n/a	n/a	

plant, machinery and equipment	Street Scene /Supervisors					
Produce new structure, integrating workforce to create area teams and produce generic job roles/working hours	Director of Leisure & Environment Services Operational Manager Street Scene	January 2019		£22,230	TBD	
Review overtime payments for prestige work	Operational Manager Street Scene	April 2019		n/a	TBD	
Determine mobile technology requirements of service	Operational Manager Street Scene	April 2019		n/a	TBD	
Develop skills matrix for service and produce programme of training	Operational Manager Street Scene / HR & Operations Manager	April 2019	Within existing service budgets	n/a	n/a	
Reduce use of agency workers	Operational Manager Street Scene	April 2018		£7,700	TBD	
Production of	Operational	April 2019		n/a	n/a	

work schedules for service tasks	Supervisory Officers					
Review resources and standards for reactive work	Operational Manager Street Scene	April 2019		n/a	n/a	
Equip vehicles with welfare provisions and create list of welfare facilities across the borough	Operational Supervisory Officers	April 2018	To be met within existing equipment budgets	n/a	n/a	
Deliver Public Realm Agreement on behalf of LCC	Director of Leisure & Environment Services Operational Manager Street Scene	April 2018		n/a	n/a	£250,360 agreed funding from LCC
Work with LCC to secure sponsorship of gateways	Operational Manager Street Scene	June 2018		n/a	n/a	
Produce litter bin strategy and review provision of bins	Operational Manager Street Scene	March 2019		n/a	n/a	
Regular	Director of Leisure &	Ongoing		n/a	n/a	

communication and promotion of change	Environment Services Operational Manager Street Scene					
Review quality of bin sacks and provide tool boxes	Operational Supervisory Officers	April 2018	Within existing equipment budget	n/a	n/a	
Review current performance management regime and devise new standard and PI's	Operational Manager Street Scene / Deputy Director Street Scene	April 2019		n/a	n/a	
Consider employing Business Development Officer. Produce Schedule of rates for services to offer to internal and external customers and consider resource capacity	Operational Manager Street Scene / Deputy Director Street Scene	April 2019		n/a	TBD	

Review scope for use of Fixed Penalty Notices and different delivery models	Director of Leisure & Environment /Environmental Protection & Community Safety Manager/ Deputy Director Street Scene	April 2020		n/a	TBD	
Total				30,000	TBD	

Equality Impact Assessment Form



Directorate: Leisure and Environment		Service: Street Cleansing and Grounds Maintenance	
Completed by: Philip Samosa		Date: 22nd January 2018	
Subject Title: Review of Grounds Maintenance and Street Cleansing			
1. DESCRIPTION			
Is a policy or strategy being produced or revised:	Yes	<i>*delete as appropriate</i>	
Is a service being designed, redesigned or cutback:	Yes		
Is a commissioning plan or contract specification being developed:	No		
Is a budget being set or funding allocated:	Yes		
Is a programme or project being planned:	Yes		
Are recommendations being presented to senior managers and/or Councillors:	Yes		
Does the activity contribute to meeting our duties under the Equality Act 2010 and Public Sector Equality Duty (Eliminating unlawful discrimination/harassment, advancing equality of opportunity, fostering good relations):	Yes		
Details of the matter under consideration:	A review of Ground Maintenance and Street Cleansing Service aimed at achieving efficiencies		
<i>If you answered Yes to any of the above go straight to Section 3</i> <i>If you answered No to all the above please complete Section 2</i>			
2. RELEVANCE			
Does the work being carried out impact on service users, staff or Councillors (stakeholders):	Yes	<i>*delete as appropriate</i>	
If Yes , provide details of how this impacts on service users, staff or Councillors (stakeholders): <i>If you answered Yes go to Section 3</i>	The service delivered will have a direct impact of the quality of the environment and residents of the borough		
If you answered No to both Sections 1 and 2 provide details of why there is no impact on these three groups: <i>You do not need to complete the rest of this form.</i>			
3. EVIDENCE COLLECTION			
Who does the work being carried out impact on, i.e. who is/are the stakeholder(s)?	Residents (including council tenants) of the borough and employees of the service related areas.		
If the work being carried out relates to a	Universal service, no particular group		

universal service, who needs or uses it most? (Is there any particular group affected more than others)?	affected more.
Which of the protected characteristics are most relevant to the work being carried out? Age Gender Disability Race and Culture Sexual Orientation Religion or Belief Gender Reassignment Marriage and Civil Partnership Pregnancy and Maternity	<i>*delete as appropriate</i> No No No No No No No No No
4. DATA ANALYSIS	
In relation to the work being carried out, and the service/function in question, who is actually or currently using the service and why?	Residents including Council tenants.
What will the impact of the work being carried out be on usage/the stakeholders?	Improved environmental surrounds.
What are people's views about the services? Are some customers more satisfied than others, and if so what are the reasons? Can these be affected by the proposals?	The 2016/17 Community/Customer satisfaction survey Street Cleansing of 56%. It is anticipated that the satisfaction level can be positively affected by the proposal.
What sources of data including consultation results have you used to analyse the impact of the work being carried out on users/stakeholders with protected characteristics?	It is a universal service that will not unduly disadvantage stakeholders with protected characteristics.
If any further data/consultation is needed and is to be gathered, please specify:	Consultation has taken place with service related employees, internal stakeholders and Members. The consultation was undertaken by APSE (Association for Public Service Excellence).
5. IMPACT OF DECISIONS	
In what way will the changes impact on people with particular protected characteristics (either positively or negatively or in terms of disproportionate impact)?	There is no anticipated disproportionate impact on people with protected characteristics.
6. CONSIDERING THE IMPACT	
If there is a negative impact what action can be	There is no perceived negative impact on

taken to mitigate it? (If it is not possible or desirable to take actions to reduce the impact, explain why this is the case (e.g. legislative or financial drivers etc.).	those with protected characteristics.
What actions do you plan to take to address any other issues above?	No actions <i>If no actions are planned state no actions</i>
7. MONITORING AND REVIEWING	
When will this assessment be reviewed and who will review it?	April 2019



EXTRAORDINARY CABINET: 28
February 2018

COUNCIL: 28 February 2018

Report of: Director of Leisure and Environment

Relevant Portfolio Holder: Councillor K Wilkie

Contact for further information: Heidi McDougall (Ext 5191)
(E-mail: Heidi.mcdougall@westlancs.gov.uk)

SUBJECT: RECYCLING/GARDEN WASTE BIN INITIATIVE

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

- 1.1 To seek agreement for a capital scheme that involves changing the use of the current green garden waste bin, using it for paper/cardboard and introducing a new brown bin for garden waste to improve both the recycling and garden waste service for residents and improve the future efficiency of the service.

2.0 RECOMMENDATIONS TO CABINET

- 2.1 That from 4 June 2018 the current green bin be used for the collection of cardboard/paper and a new brown bin be introduced as set out in sections 6, 7 and 8 of the report, for use by those residents that sign up to the garden waste service.
- 2.2 That the new charge of £25 for a wheeled bin, agreed in the policy options report at Council in December 2017 be implemented earlier than 1 April 2018, on 12 March 2018 to coincide with the launch of the garden waste service for 2018/19.
- 2.3 That delegated authority be given to the Director of Leisure and Environment in consultation with the relevant portfolio holder to take all necessary steps to implement this scheme.
- 2.4 That this report is not appropriate for call in due to the timescales involved in the launch of the new scheme, in time for the new growing season.

3.0 RECOMMENDATIONS TO COUNCIL

- 3.1 That from 4th June 2018 the current green bin be used for the collection of cardboard/paper and a new brown bin be introduced as set out in section 6, 7

and 8 of the report, for use by those residents that sign up to the garden waste service.

- 3.2 That the new charge of £25 for a wheeled bin, agreed in the policy options report at Council in December 2017 be implemented earlier than 1 April 2018, on 12 March 2018 to coincide with the launch of the garden waste service for 2018/19.
- 3.3 That funding of £440,000 be provided from the capital programme to fund the introduction of a new brown bin and associated costs.

4.0 BACKGROUND

- 4.1 The current two stream recycling service is operated on an alternative weekly basis using a variety of containers. The paper/cardboard mix is collected in a 35 litre blue bag and the glass/cans/plastic mix is predominantly collected in a 240 litre blue bin. Still in use but no longer issued is a blue box that some residents use for either recycling mix.
- 4.2 The refuse and garden waste are collected in 240 litre bins except where the property has remained on a sack collection.

5.0 CURRENT POSITION

- 5.1 The current collection of glass/cans/plastic in the blue bin is relatively straight forward and problem free, however, the paper/cardboard collections are cumbersome. The current blue bag is not large enough and inadequate for the collection of cardboard and therefore many residents resort to their own method of presentation, this usually involves leaving large piles of cardboard at the side of the road increasing the time it takes to undertake the collections. This results in the need to increase the number of staff on each round from two to three to ensure that the round is completed on the scheduled day, and the loaders having to lift and bend multiple times to collect the waste, often making multiple trips between the vehicle and residential property increasing the time it takes to carry out the collections. It also causes litter issues during high winds and wet weather resulting in untidiness and the use of additional resources, e.g. street cleansing having to be sent to the area of collections to clean up.
- 5.2 The constant bending and lifting activity of the crews is likely to have contributed to 422 days being lost in 2016/17 through sickness caused by muscular skeletal issues e.g. bad backs, pulled muscles and increased the costs of the service by approximately £38,000 through the use of agency workers. Every time a member of staff is absent due to sickness they have to be replaced which results in the council paying twice to deliver the service.
- 5.3 A more suitable solution would be to collect paper/cardboard in a bin. The use of a bin would greatly improve the service for residents making it simpler, whilst maximising their opportunities to recycle more by providing greater capacity, increasing the rate of recycling towards the 50% target. Using a bin would also more effectively contain the waste, reducing the need to deploy additional

resources e.g. street cleansing service to collect the scattered litter and it would make the operation much quicker, creating efficiencies.

- 5.4 Introducing a new wheeled bin for the collection of paper/cardboard, to all households would require significant investment of over £780,000. A more cost effective way of introducing a new bin would be to change the use of the current green bin, to collect paper/cardboard and issue a new brown bin for those residents that sign up to the garden waste service in 2018. It is proposed that this switch take place to coincide with the start of the garden waste service in early June 2018.
- 5.5 Without the introduction of an additional bin the service will carry on operating as it currently does and not be able to make any efficiency savings.

6.0 INTRODUCTION OF NEW GARDEN WASTE BIN (BROWN BIN)

- 6.1 The introduction of a new brown garden waste bin would only take place at residential properties when they sign up to the garden waste service in 2018/19. If a resident signed up to the new chargeable garden waste service in 2017 and re-subscribes in 2018, between 12 March 2018 and before the start of the service on 4 June 2018, they will receive a free brown garden waste bin. Thereafter existing customers will have to pay £25 for a new brown bin and any additional or replacement bins.
- 6.2 If a resident subscribed to the garden waste service in 2017 and subscribed for more than one bin or purchased additional bins and they subscribe for the same number of bins in 2018, the number of green bins in use will be replaced free of charge with the same number of brown bins, leaving one green bin at the property for the paper and cardboard collection. Any surplus green bins will be removed and where possible, returned to stock. Any additional bins required from those purchased in 2017, will incur a charge. It is therefore recommended that the increase of £23 to £25, agreed at Council in December 2017 as part of the policy options report be implemented earlier than agreed, on 12 March to coincide with the launch of the garden waste service.
- 6.3 The new brown bins will only be offered free of charge for a limited period of time (12 March to 4 June), any residents subscribing to the service after this date will need to purchase a brown bin which may generate some income to off-set the capital investment made. It is difficult to quantify this because the launch of the new scheme may encourage residents to subscribe before the 4 June. Using last year's subscription figures 17,317 residents subscribed before the service started on 5th June and 4,804 residents subscribed after, total of 22,121 residents. These figures could give a guide of how much income maybe achieved, although it is likely that many residents will subscribe early to avoid having to pay the fee for the bin.
- 6.4 Residents who sign up to the garden waste service for the first time in 2018 will need to purchase a new brown bin. This is because of the recommendation proposed to change the colour of the garden bin to brown and allow the green bin to be used for cardboard/paper and is in line with existing policy to charge for bins.

- 6.5 Issuing brown bins to only those residents that have signed up to the garden waste service also reduces the risk of the service being abused. There are many residents who currently have a green bin who have not signed up to the chargeable garden waste service and may try and present their bin for collection. These bins are currently stickered with a warning label. The risk of this happening reduces significantly with the introduction of brown bins, issued to only those properties that have signed up to the service. The properties that have presented garden bins are also cross referenced with the in-cab software technology on board the vehicle to confirm that the property has signed up to the service.
- 6.6 Brown bins will no longer need to have a subscription sticker attached to them to notify the crews of a valid subscription. Only properties that have signed up to the service will receive a brown bin reducing the administration costs associated with the service by an anticipated £5,000. In future years, if a residents does not subscribe to the service, this information will be displayed on the in-cab software technology on board the vehicle to advise the crews, if the bin is presented not to empty the bin. These bins will be stickered with a warning label. The bin will remain at the property for future use or if requested by the owner removed from the property.

7.0 EXISTING GREEN BIN

- 7.1 When the chargeable garden waste scheme was launched in June 2017, 49% of households signed up. This means that there are a number of green bins across the Borough currently not being used and sat redundant in resident's gardens.
- 7.2 If a new brown bin is introduced for the collection of garden waste, the existing green bin will be used to collect paper and cardboard. This will make the service much simpler for residents and less troublesome and time consuming for the crews. The use of the green bin to collect paper/cardboard will generate efficiencies savings that will be considered in the context of the route optimisation project.
- 7.3 When the garden waste service was launched in 2017, a small number of residents decided that they no longer required the service and requested that their green bin be removed from their property. In total, 139 bins were returned to the Council and where possible, returned to stock. This current stock of bins along with those that are suitable when retrieved from properties with more than one green bin, will be used to issue to those residents (free of charge) who returned their green bin to the council. Properties that do not currently have a green bin will be able to request one, free of charge once the switch takes place until 4th June after which the standard charge will apply. It is envisaged that these requests will be made from those households that did not receive a bin when garden waste collection was introduced several years ago because they do not have a garden. In a situation where a householder cannot securely store a bin due to its design or access cannot be gained by a vehicle with a tail lift, these properties will continue to be allowed to present paper/cardboard in the blue bag or box. Additional cardboard left at the side of bins will be collected, providing it is identifiable, however it is envisaged that the quantity of loose cardboard will drastically reduce due to the increased capacity provided in a bin.

- 7.4 The use of green bins to collect paper/cardboard will reduce the need for replacement blue bags. Between 1 April 2016 and August 2017, 2,219 requests for blue bags were made which were handled by the Customer Service Centre and incurred postage at a cost of approximately £1,442. The last order placed for blue bags cost £1,701. These costs will reduce in subsequent years.
- 7.5 Using a bin to collect cardboard/paper should also improve the service for residents, with bins being much more visible than the bags or loose cardboard. It should result in fewer missed collections, a cleaner environment and improve overall satisfaction with the service.

8.0 IMPLEMENTATION AND COMMUNICATION

- 8.1 The introduction of a new brown bin and change of use of the green bin will require a targeted communications campaign to inform residents. A leaflet has been designed to promote the relaunch of the garden waste service for 2018 and introduction of a brown bin which, if agreed will be delivered in March with the council tax bills. Information outlining the changes can also be included in the garden waste subscription pack, on the website and via press releases. Email and text messages can be sent to those residents who subscribed to the garden waste service in 2017.
- 8.2 Once the council tax leaflets have been delivered and residents start to subscribe to the garden waste service for 2018, residents will be advised that the brown bin will be delivered prior to the new service starting. This is due to the timescales involved in procuring the bins, following approval of the funding at Council. To deliver the bins it will be necessary to hire three vehicles and have three teams of staff delivering bins during a 4-6 week period. If delivery of the bins to the Council is delayed for any reason, by the supplier the switch will take place at a later date and the existing service will continue to operate.
- 8.3 In addition to the leaflet promoting the launch of the garden waste service and introduction of a new brown bin, an additional leaflet will be produced and delivered to all households to explain the change to the green bin. This leaflet will be delivered by the crews, supported by agency workers. Stickers will also be placed on the green bins to remind residents only to place paper/cardboard in them after the changeover. The website will be updated and a number of press releases issued to ensure that residents are informed of the change.
- 8.4 Training will be provided to the Customer Services Team and Street Scene Staff through the use of scripts, verbal updates and frequently asked questions. Additional agency workers will be employed in Customer Services, to support the increase in calls during the first few months of the garden waste scheme being launched.
- 8.5 The administration of the garden waste service and the delivery of bins will be coordinated by the Street Scene Services admin team. Training will be provided to the crews to ensure that the content of bins are checked during the changeover.

9.0 SUSTAINABILITY IMPLICATIONS

- 9.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder.

10.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 10.1 There are significant financial implications arising from this report in respect of the issues raised. The cost of purchasing and distributing the new bins, administering and communicating the changes amounts to £440,000.
- 10.2 The benefits of moving to a bin operated system will lead to efficiencies within the service in terms of time, and these efficiencies will be considered in-line with the route optimisation project to determine if any further savings to those already agreed through the policy options process can be achieved. A reduction in administrative costs and purchasing of consumables is anticipated to deliver a saving of £5,000.

11.0 RISK ASSESSMENT

- 11.1 There are a number of risks associated with the proposed service changes. A delay with the delivery of bins by the supplier, to the council will result in the changes being made later than anticipated after the garden waste service has been launched for 2018. If a delay is experienced the service will continue to operate as is until such time that the switch can be implemented.
- 11.2 The initial results of the route optimisation project should be known in April 2018, and it will not be able to estimate the potential efficiency saving until this information is available.
- 11.3 A lack of communication with the public could result in an increase in calls to the Customer Services Centre. A range of publications will be used to help minimise this.
- 11.4 Should residents not subscribe to the garden waste service before 4 June, the number of subscriptions could reduce due to the additional cost of the brown bin. This would result in a loss of income to the garden waste service. The service will be publicised to encourage existing customers to sign up prior to the service starting in June to qualify for a free bin.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

The decision does have a direct impact on members of the public, employees, elected members and / or stakeholders. Therefore an Equality Impact Assessment has been completed.

Appendices

Appendix 1: Equality Impact Assessment

Equality Impact Assessment Form



Directorate: Leisure and Environment	Service: Recycling Collection
Completed by: Heidi McDougall	Date: 14th February 2018
Subject Title: Recycling/Garden Waste Bin Initiative	

1. DESCRIPTION

Is a policy or strategy being produced or revised:	Yes <i>*delete as appropriate</i>
Is a service being designed, redesigned or cutback:	Yes
Is a commissioning plan or contract specification being developed:	No
Is a budget being set or funding allocated:	Yes
Is a programme or project being planned:	Yes
Are recommendations being presented to senior managers and/or Councillors:	Yes
Does the activity contribute to meeting our duties under the Equality Act 2010 and Public Sector Equality Duty (Eliminating unlawful discrimination/harassment, advancing equality of opportunity, fostering good relations):	Yes
Details of the matter under consideration:	Changing the use of the green bin to collect cardboard/paper and introducing a new garden bin

*If you answered **Yes** to any of the above **go straight to Section 3***
*If you answered **No** to all the above **please complete Section 2***

2. RELEVANCE

Does the work being carried out impact on service users, staff or Councillors (stakeholders):	Yes <i>*delete as appropriate</i>
If Yes , provide details of how this impacts on service users, staff or Councillors (stakeholders): <i>If you answered Yes go to Section 3</i>	The service delivered will have a direct impact of the quality of the environment and residents ability to recycle.
If you answered No to both Sections 1 and 2 provide details of why there is no impact on these three groups: <i>You do not need to complete the rest of this form.</i>	

3. EVIDENCE COLLECTION

Who does the work being carried out impact on, i.e. who is/are the stakeholder(s)?	Residents of the Borough and employees of the service related areas.
If the work being carried out relates to a universal service, who needs or uses it most? (Is there any particular group affected more than others)?	Universal service, no particular group affected more.

Which of the protected characteristics are most relevant to the work being carried out?	<i>*delete as appropriate</i>
Age	No
Gender	No
Disability	No
Race and Culture	No
Sexual Orientation	No
Religion or Belief	No
Gender Reassignment	No
Marriage and Civil Partnership	No
Pregnancy and Maternity	No
4. DATA ANALYSIS	
In relation to the work being carried out, and the service/function in question, who is actually or currently using the service and why?	Residents across the Borough.
What will the impact of the work being carried out be on usage/the stakeholders?	Improved recycling service and environment.
What are people's views about the services? Are some customers more satisfied than others, and if so what are the reasons? Can these be affected by the proposals?	The 2016/17 Community/Customer satisfaction survey Recycling Collection of 78%. It is anticipated that the satisfaction level can be positively affected by the proposal.
What sources of data including consultation results have you used to analyse the impact of the work being carried out on users/stakeholders with protected characteristics?	It is a universal service that will not unduly disadvantage stakeholders with protected characteristics.
If any further data/consultation is needed and is to be gathered, please specify:	Consultation has taken place with service related employees. In the Citizen survey in 2016/17 some comments were received to improve the service.
5. IMPACT OF DECISIONS	
In what way will the changes impact on people with particular protected characteristics (either positively or negatively or in terms of disproportionate impact)?	There is no anticipated disproportionate impact on people with protected characteristics.
6. CONSIDERING THE IMPACT	
If there is a negative impact what action can be taken to mitigate it? (If it is not possible or desirable to take actions to reduce the impact, explain why this is the case (e.g. legislative or financial drivers etc.).	There is no perceived negative impact on those with protected characteristics.
What actions do you plan to take to address any other issues above?	No actions

	<i>If no actions are planned state no actions</i>
7. MONITORING AND REVIEWING	
When will this assessment be reviewed and who will review it?	June 2019

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

