

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting11th March 2010

1. Title of Item/Report

Efficiency, Improvement & Transformation (EIT) Review - Commercial Trading Services

2. Record of the Decision

Cabinet considered a report that presented findings from the Efficiency, Improvement and Transformation (EIT) Review of Commercial Trading Services, which was undertaken from May 2009 to January 2010 by a Project Team reporting to the Executive Scrutiny Select Committee.

The overall aim of the EIT review was to investigate options for the future strategy and business development of the Commercial Trading Services. This would help to ensure that these services are commercially focused and at least maintain their market share and profitability during the economic downturn and were fully prepared to take advantage of the opportunities for appropriate growth afforded by economic recovery. Services included were:

Heating, Ventilation and Electrical works
Civic Catering
Fleet Management
Vehicle Maintenance
Highway Schemes and Improvements
Commercial Trade Waste collections

Cabinet noted the work undertaken by the Project Team and the reviews findings.

As a result of the EIT Review a number of proposals had been developed which were likely to lead to significant efficiencies. These proposals were detailed for Cabinet although it was accepted that further work would be required to fully appraise the financial benefits to the Council, as well as the impact on the service provided.

In addition to these key proposals, which were suitable for implementation in 2010/11, there were several other opportunities available, which could deliver additional efficiencies and/or generate

additional income over the medium term.

Partnering with one or more Tees Valley authority may be a viable option for some of the Commercial Trading Services, delivering savings through economies of scale and additional purchasing power. More detailed work is required to ensure that available efficiencies are achieved through these delivery vehicles.

Provision of additional services – options were discussed for expanding the Vehicle Maintenance Service to offer vehicle checks to members of staff who use their vehicles on Council business. This service could clearly link with the Council's plans to reduce carbon emissions, as well as producing benefits in reducing accidents and increased income to the service. However, given the current issues regarding the changes to car mileage allowances, it would be more appropriate to analyse this option at a later date.

Further work will be undertaken on these issues as the EIT Review enters its implementation phase.

The Executive Scrutiny Select Committee considered the draft report and proposals at its meeting on 16th February 2010. The comments from the Select Committee were provided to Members.

RESOLVED that:-

1.The Commercial Trading Services be utilised as the first choice provider by other services within the authority, with external providers used only in circumstances where the Commercial Trading Services were unable to effectively deliver that service due to capacity or other specific issues.

2.The Appointment of a dedicated procurement/contracts officer to generate savings through improved buying of materials and negotiation of contracts be endorsed.

3.Use of re-useable green waste sacks rather than disposable sacks be agreed.

4.Increase in charges for bulky household waste collection service from £10 to £15 for the removal of up to six items be agreed

5.Expansion of the customer base for commercial waste collection services be agreed

6.Retention of electrical works currently provided by external providers

in-house be agreed

7.Improved partnership working with Technical Services on Highways Improvement Schemes, reducing non-value adding processes and associated costs (proposal shared with EIT Review of Highways, Lighting and Network Management) be agreed

8.The rationalisation of catering provision in administrative buildings be agreed.

3. Reasons for the Decision

To ensure that the Commercial Trading Services are efficient and commercially focused and that the trading income generated assists the Council as a whole to deliver its key objectives.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

None

6. Details of any Dispensations

N/A

7. Date and Time by which Call In must be executed

Not later than Midnight on Friday, 19th March 2010

Proper Officer
15 March 2010