

EAST AYRSHIRE COUNCIL

SPECIAL AD HOC COMMERCIAL STRATEGY REVIEW COMMITTEE

**MINUTES OF MEETING HELD ON MONDAY 23 NOVEMBER 1998 AT 1410 HRS
IN THE MEETING ROOM, COUNCIL HEADQUARTERS,
LONDON ROAD, KILMARNOCK**

PRESENT: Councillors David Sneller, Drew McIntyre, Gordon Cree, Jane Darnbrough and Eric Jackson.

ATTENDING: David Montgomery, Chief Executive; Fiona Lees, Depute Chief Executive; Bill Stafford, Director of Community Services; Stephen Chorley, Director of Development Services; Alex McPhee, Director of Finance; John Hillis, Director of Housing; William Taylor, Acting Director of Commercial Operations; Robin Gourlay, Depute Director of Commercial Operations; Graham Haugh, Depute Director of Personnel Services; Tom Wilkie, Head of Contracting and Technical Services; Helen Dick, Head of Performance; Douglas Campbell, Head of Public Relations and Marketing; John Donohoe, Building and Works Manager; Robert Pollock, Operations Manager, Cleansing; David Mitchell, Principal Solicitor; David MacMillan, Senior Accountant; and James Lally, Senior Administrative Officer.

APOLOGIES: Councillors David Macrae and Tommy Farrell.

CHAIR: Councillor Sneller, Chair.

FUTURE TIMETABLE

1. There was submitted report dated 19 November 1998 (circulated) by the Chief Executive updating the timetable for submission of reports to future meetings of this Committee.

It was agreed:

- (i) that with regard to the report on the outcome of the benchmarking exercise for grounds maintenance currently being carried out by Capita, Trade Union representatives should be consulted at an early stage and that Capita should be advised of ADLO's Grounds Maintenance database prior to completion of the benchmarking exercise;
- (ii) that with regard to the report on the proposed establishment of an MOT station at the Crookedholm Depot, early consultation should take place with Trade Union representatives to allow their input into the report; and
- (iii) to otherwise note the contents of the report.

DATE OF NEXT MEETING

2. It was reported and noted that the Meeting Room, Council Headquarters had been reserved for Monday 14 December 1998 at 1030 hrs for the next meeting and that for any other meetings notice would be given in the normal way.

**LOCAL GOVERNMENT PLANNING AND LAND ACT 1980:
SECTION 19(b) - DIRECTION TO EAST AYRSHIRE COUNCIL**

3. There was submitted report dated 20 November 1998 (circulated) by the Chief Executive advising of the announcement made by the Secretary of State on the Council's response to his Direction and to detail the actions the Council were now being asked to take by the Secretary of State.

It was agreed:

- (i) to indicate the Council's broad acceptance of the proposals issued by the Secretary of State;
- (ii) to express disappointment at the requirement that the Council shall not undertake any capital works other than works under £50,000;
- (iii) to request that the Secretary of State reconsider the specific requirement that winter maintenance of roads and associated works should, after a period, be subject to open competition for the winter of 2000/01 on the basis that any review should simply be seen as an integral part of the Council's Best Value programme which requires in any event the widest possible consideration of all options for service delivery;
- (iv) that the multi-trade area based response repair contracts (including electrical testing and boiler maintenance), for Kilmarnock South and Doon Valley and, separately, the gas soundness and maintenance contracts for these areas, be put out to private sector tender with no DLO bids;
- (v) to approve the contract tendering timetable as detailed in Appendix 1 of the report;
- (vi) to request that the Director of Personnel Services and the Acting Director of Commercial Operations, in consultation with the Trade Unions, collate the information with regard to TUPE for inclusion in tender documents;
- (vii) to extend the engagement of Capita to provide support in respect of tender evaluation, TUPE and asset management, the production of the financial plan and a benchmark framework for building maintenance services;
- (viii) to extend the appointment of the management consultant to 30 June 1999 to provide support to the Building and Works DLO during the implementation process;
- (ix) to request that the Director of Personnel Services commence consultation with Trade Unions on the proposal to establish a consultative forum to manage the implementation process and report on the outcome of the consultation to a future meeting of this Committee;
- (x) to note that the Policy and Resources Committee at its special meeting to be held on 24 November 1998 would be asked to agree to a post of General Manager for the Building and Works DLO Business Unit being included within the establishment of a new Department of Homes and Technical Services; and
- (xi) otherwise to note the terms of the report.

EXCLUSION OF PRESS AND PUBLIC

4. The Committee resolved that under Section 50A(4) of the Local Government (Scotland) Act 1973, as amended, the Press and public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in the paragraph of Schedule 7A of the Act as shown against each item.

NOTE OF MEETING WITH TRADE UNION REPRESENTATIVES REGARDING SPECIAL AD HOC COMMERCIAL STRATEGY REVIEW COMMITTEE (PARA 11)

5. There was submitted and noted Minutes of Meeting held on 26 October 1998 (circulated).

BUDGETARY CONTROL SUMMARY STATEMENT - COMMERCIAL OPERATIONS TO 9 OCTOBER 1998 (PERIOD 7) (PARA 6)

6. There was submitted and noted joint report dated 17 November 1998 (circulated) by the Director of Finance and the Acting Director of Commercial Operations advising of the current budgetary control position and the projected out-turn for the year for the Commercial Operations Department for the period ended 9 October 1998 (Period 7).

During discussion of the above report Councillor Sneller enquired as to the position on timber infestation works. In this respect it was reported and noted that a key member of staff who had received specific training in timber infestation works had left the DLO and the Acting Director of Commercial Operations considered that in practical terms the necessary capability could not be re-established within the Department in the course of this financial year.

Members also requested further information in relation to the under-recovery of income for central heating maintenance carried out by the DLO and it was agreed that the Acting Director of Commercial Operations in consultation with the Director of Housing report to a future meeting of this Committee with further information in relation to the number of houses covered by the Central Heating Maintenance Service contract and the reason for the under-recovery of income to date.

SERVICE LEVEL AGREEMENT FOR THE PROVISION OF SCHOOL CROSSING PATROL SERVICES (PARA 6)

7. The Chair agreed to consider this item which appeared as item 13 on the Agenda at this stage.

There was submitted joint report dated 20 November 1998 (circulated) by the Acting Director of Commercial Operations and the Director of Development Services recommending approval of a Service Level Agreement for the provision of school crossing patrol services by the Commercial Operations Department.

It was agreed to approve the Service Level Agreement as detailed in Appendix I of the report for the provision of school crossing patrol services to the Development Services Department by the Site Services Business Unit (currently located within the Commercial Operations Department).

BUILDING AND WORKS INVOICES (PARA 6)

8. There was submitted and noted report dated 16 November 1998 (circulated) by the Acting Director of Commercial Operations informing of the progress made in clearing Building and Works invoices.

BUILDING AND WORKS INCOME RECOVERY (PARA 6)

9. There was submitted and noted report dated 17 November 1998 (circulated) by the Acting Director of Commercial Operations informing of the amount of income recovered by Building and Works.

BUILDING AND WORKS STORES UPDATE (PARA 6)

10. There was submitted report dated 4 November 1998 (circulated) by the Acting Director of Commercial Operations providing an update on continuous stocktaking and the reduction of obsolete stock within the Building and Works Stores.

Having noted that Section 4.1 of the report should have referred to 3,000 items of stock instead of 10,000, it was agreed to note the contents of the report and that it be remitted to the Acting Director of Commercial Operations in consultation with the Director of Finance to ensure that the method of continuous stocktaking currently in operation within the Building and Works stores would ensure accurate monitoring of stock within the stores and report thereon to the next meeting of this Committee.

GROUNDS MAINTENANCE SERVICE - SUMMER SERVICE LEVEL AGREEMENT - FINAL PROGRESS REPORT (PARA 6)

11. There was submitted and noted joint report dated 18 November 1998 (circulated) by the Acting Director of Commercial Operations and the Director of Community Services advising of the final situation with regard to the delivery of the Summer Service Level Agreement by the Commercial Operations Department, Grounds Maintenance Service and progress in delivery of the Winter Service Level Agreement.

STREET CLEANSING - EQUIPMENT REPLACEMENT (PARA 6)

12. There was submitted report dated 17 November 1998 (circulated) by the Director of Community Services advising of the current condition, ownership and maintenance status of the existing seven small street cleansing machines and seeking approval to go to tender with a view to obtaining options on the replacement and future maintenance of this type of equipment.

It was agreed to approve the preparation of suitable tender documents following due EEC procedures, including advertising in the European Journal, and to consider the tender returns in due course.

CLEANSING VEHICLE REPLACEMENT (PARA 6)

13. There was submitted a report dated 18 November 1998 (circulated) by the Director of Community Services requesting acceptance of tenders for the provision of one refuse collection vehicle, one street sweeping vehicle and four 3.5 tonne pick-ups.

Having noted that the four 3.5 tonne pick-ups would be fitted with a number of accessories which would provide a more versatile fleet of vehicles than was currently

offered, it was agreed to approve acceptance of the following tenders being the lowest bids which fully met the award criteria:-

- (i) the refuse collection vehicle tendered by Jack Allen at a capital cost of £121,387.00;
- (ii) the street sweeping vehicle tendered by Kerr & Smith at a capital cost of £70,866.00; and
- (iii) the four pick-ups tendered by Colin Hutton at a capital cost of £63,110.00.

It was further agreed to instruct the Director of Finance to secure operating leases of seven years in respect of the refuse collection and street sweeping vehicles and five years in respect of the four pick-ups.

The meeting terminated at 1525 hrs.