

Agenda item: FC 56/23

WOUGHTON COMMUNITY COUNCIL

Full Council

Monday 26th June 2023

PURPOSE OF REPORT:

To update council on the Landscape contract for September 2023, with details now provided for funding offered.

RECOMMENDATION:

1. That council considers this report and the options available.
2. That councillors submit any queries or questions regarding the contract to the Council Manager before 17th July, for consideration in July's meeting.
3. That councillors are prepared in July to make a final decision on the contract and the approach that WCC will take.

MAIN ISSUES AND CONSIDERATIONS:

Background

Woughton Community Council (WCC) has been delivering landscaping services across the parish for the past 8 years. These are 'devolved' from the principal authority and WCC has been paid to perform these duties.

The original agreement has been extended and expanded and, with the wholesale recommissioning of ALL waste services by Milton Keynes City Council (MKCC – the principal authority), there is now a new contract that has been proposed. The contract itself is similar to previous – grass, shrubbery, copses, some tree work (low level), with some minor changes.

The main contract has been awarded to SUEZ, who it is believed will be subcontracting the landscaping work to a third party – this company will be delivering the majority of landscaping across the city. The exceptions will be those parishes, such as WCC, who have agreed to the devolved service.

Finances – new contract vs old

The figures that WCC has been waiting for have now been confirmed, with the new contract amount set at £173,669.41. This is a reduction on the contract extension amount for April – September which equates to £174,058.09 (a cut of £388.68 per year). This is based upon the following 'pro rata' rates:

*“The amount we have for the April – September payment (£72,524.21) is for 156 day period, meaning a daily amount of £464.90. If this amount was for the year as a whole (£464.90 x 356), the amount payable would be **£169,688.05**.*

*The amount that we have been allocated is **£173,669.41** for the new contract period. This equates to a rise of **£3981.36***

This follows two years of staffing cost increases of just under £9,000 per year (£1925 per employee, for 4 Landscape operatives, plus half a Manager, equating to £18,000 base increase, plus additional NI and pension contributions (approximately £4,000 further costs), meaning an increase of around £22,000 on staffing alone.

In addition to this, inflationary pressures mean that further cost increases have been inevitable – fuel, replacements and repairs, new equipment, etc. all have increased. Based on 10% inflation on service costs plus vehicles, plus buildings, this is a further £3,000 per year.

Total increases to service delivery costs are, therefore, around £25,000 per year.

The funding allocated for the new contract does not reflect this change.

There are some reasons for the lack of increase, which are based upon decision made in 2017, where the other contracts were significantly reduced. Due to negotiations between the former leader and former Council Manager of WCC, these reductions were 'staggered' for WCC, and the final reductions were not implemented. This means that over the past few years, WCC have received more funding than MKCC feels they should have. The cuts previously proposed would have seen around £12,000 per year cuts to payments.

Finances – cost of current delivery model

The costs of the current model of delivery for the landscape contract include staffing (half a manager, senior landscape operative and three landscape operatives), service delivery costs (equipment, fuel, repairs, chemicals, etc.), vehicles, and building costs for the depot (currently Fishermead – rent, service charge, utilities).

This breaks down as (approximate costs, rounded):

Staffing	£163,533
Vehicles	£6,000*
Service Costs	£18,000
Building Costs	£6,000**
Total	£193,311

* Vehicles costed at 60% of organisational total to Landscape

** Based on previous years costs for Fishermead depot

There will be changes over the coming year, with vehicle costs reducing (due to buying, rather than leasing the pickup) and building costs changing, due to the move to the purpose-built compound on Rochfords.

It should be noted that the costs noted above do not include any organisational costs (management, reception, finance, HR, IT, insurance, training, etc.). Assuming a 20%

'overhead', this would add a further £39,000 per year to the overall costs. *It should also be noted that these costs will remain*

relatively static whether we are delivering landscaping or not. There would be some cost reductions in terms of insurance, IT and telephony, but staffing costs would not reduce hugely – this means that in reality, the 'overhead' saving would probably be around £5,000 per year).

Based on all the detail noted above, it is likely that the costs for the second half of this financial year (when the new contract is due to start) will be as above, but with building costs reduced to around £3,000 per year (depending on any rates demands from MKCC) and vehicles reduced to a similar amount of £3,000. However, these savings are likely to be eclipsed by the additional costs associated with fuel, servicing and similar. Given this, the amounts above are approximately what should be expected for the coming year***.

***This does NOT include any investment or 'unforeseen' costs, such as new mowers, van, chipper, etc. See below.

Decisions

The options now are difficult decisions for Council to make. There is no question that there will be an additional 'top up' needed to deliver the services *to the current level*, and discussions continue with MKCC around any additional monies that may be available. However, at the current time, the decisions need to be made based upon the information known:

- Contract is for five years, starting 4th September 2023.
- Contract can be extended for a further 5 years if all are happy – this will happen in September 2028. If agreed, the contract would then run until September 2033.
- The base amount for the contract is £173,669.41 per annum, increasing by the DTI Index (Department of Trade Index) each April. *It should be noted that this is NOT the headline inflation figure and the Council Manager has been unable to find any detail of where this DTI figure comes from).* The period of April 2023 – September 2023 saw an increase of 5%, with headline inflation at a significantly higher level.
- The costs of delivering the contract *to the current level* are between £20,000 and £50,000 more than the contract amount, depending on what council consider costs associated (i.e. the 'overhead' costs and investment repayment – see point below).
- This amount does NOT include any investment costs, which, over the course of the contract, are likely to be in excess of £100,000. This includes a new landscape truck, new mowers, a new chipper and ongoing replacement of hand tools and similar. Based upon a 10 year contract, this equates to an additional £10,000+ per year.

The 'top up' amount, whilst significant. Is lower than the costs of many other aspects of WCC delivery. Community Centres, Youth Services, Environment Team and

Community Services all have budgets higher than the 'top end' of the figures noted above.

Options

1. That Council agrees to continue with the current arrangements, subsidising the delivery of the landscape contract and agrees to the level of financial support that they feel is suitable / manageable.
2. That Council agrees to continue with the contract but reduce the level of service such that it fits within the agreed funding. This will mean significant cuts to the landscape service, reduced staffing and reduced ability to be as responsive and reactive as the team currently are.
3. That Council agrees to the new contract, but with some provisos around additional funding from MKCC, from whichever pot (e.g. LCTRS has been a mitigating factor in supporting the landscape – if this is confirmed / guaranteed, it may be sufficient to reduce concerns about double taxation, for example). These provisos may also include a 'break clause' so that WCC delivery is linked to this funding but, in the event that there is no mitigation for the loss of precept due to the parish's demographics, that the contract returns to MKCC.
4. That Council feels that the level of funding is insufficient and 'hands back' the contract to MKCC to pass over to the new contractors. The Council Manager has requested information from Nick Hannon around this, to clarify the situation with TUPE obligations for current staff and how this might happen, if this is the decision council reaches.
5. That there are other ideas from council that can be considered, prior to any final decision being made.

Due to the delays in MKCC providing this crucial information, there is now considerable pressure for a decision to be made swiftly. The final Full Council meeting before the new contract commences is on 24th July, with papers being published the week before – on the 19th July at the latest. This means that all relevant information will be needed in advance of this, so that Council can make a final decision at this point.

The Council Manager, alongside the Ward Councillors / Chair and Leader of WCC, will continue the discussions with the officers and members at MKCC around this situation with a view to finding a suitable resolution. It is likely that this will be a compromise agreement with both parties making concessions, but with all involved sufficiently happy.

STAFFING IMPLICATIONS:

There are currently four officers directly involved in the decisions – the landscape manager and the three current officers (we currently have one vacancy). This process is likely to lead to some unsureness within the team and as such, discretion and understanding is essential. The Council Manager will discuss the situation with the team so they are aware of the situation prior to these public discussions, on the understanding that any decision and outcome will have the wellbeing and security of all officers as a major consideration.

FINANCIAL IMPLICATIONS:

The contract states that the funding will be:

8 FINANCIAL DETAILS

8.1 The Council will pay to the Parish Council/Town Council the Grant as specified, including VAT where applicable, which will confirm the Agreement for the provision of the Service during the Term.

8.2 Subject to clause 8.2 (b) and 8.2 (c), the Council shall in consideration of the provision of the Service pay to the Parish Council/Town Council over the Term, the Grant which for the purpose of this Agreement shall be:

2023/24 - £XXXXXX

(pro ~~rated~~ for the period 4 September 2023 to 31 March 2024 at ~~£xxxxxxxx~~)

8.2 (a) The Grant for subsequent years (i.e. 2024/25 to 2027/28, and for the period 1 April 2028 to 3 September 2028 inclusive) shall be the base Grant amount of 2023/24 (£XXXXXX) revised to take into account any inflation based on the Department for Trade Index (DTI index) rate as at 1 April each year. Inflation will be applied on 1st April to subsequent years' Grant payments. Notification of any change to the Grant as a result of inflation will be issued in March of each year. Inflation rates will be based on DTI index

The remaining financial considerations are all noted above and form the basis of this paper.

OTHER IMPLICATIONS:

The Council Manager would encourage councillors to consider the political impact of any decision. The Landscape contract is one of the few services that WCC delivers that is universal – it impacts everyone who lives, works or visits the parish. Whilst any additional funding towards this service means that there is less for other areas, other service delivery has a smaller reach and impacts fewer people.

The Council Manager would also encourage councillors to talk to the residents of the parish to gauge their views on this decision; are residents supportive of WCC providing the landscaping? Are there benefits to the approach that is currently taken? Would there be a negative impact if the contract was passed back?

One example of the difference would be response times. Currently, if there is a query raised, the landscape team is likely to respond within a few days and, where work is needed, undertake that within a week or so. If the contract is being managed to the level stated, this approach would change to a 'we will check it next time we are on your estate and, if there is work needed, it will be booked in as part of the annual programme of works'. Whilst this would be compliant with the contract, it would be a departure from the current approach.

BACKGROUND PAPERS:

May 2023 Draft Parish Landscape Specification Clean Copy.

AUTHOR

Steve McNay – Council Manager

Agenda item: FC 57/23

WOUGHTON COMMUNITY COUNCIL

Full Council

Monday 26th June 2023

PURPOSE OF REPORT:

To inform council of the upcoming B&MKALC Conference.

RECOMMENDATION:

- 1. That council note the invitation below.**
- 2. That councillors consider whether they would like to attend and, if so, inform the Committee and Member Services Officer by 31st July 2023. It should be noted that there are only two tickets per council allocated at this point.**
- 3. That, if necessary, a 'lottery' is drawn and tickets are then bought for those who are selected to attend.**

MAIN ISSUES AND CONSIDERATIONS:

The following email invitation has been sent to the Council Manager by Buckinghamshire and Milton Keynes Association of Local Councils (B&MKALC).

Dear Clerk,

We are currently in the process of finalising our Conference for 2023 on the topic of Communities: Enrichment & Resilience. Local Councils play a significant role in shaping our communities which impacts the lives of its residents. Whether devolved or not; local councils are increasingly responsible for delivering services and managing community assets. Many of which will directly affect the health and wellbeing of residents.

The social wellbeing of a community relies strongly on the services, facilities, and activities available and on the opportunity for community engagement, interaction, development of a sense of inclusion and community cohesion. As the first tier of local government, this is an area where we are best placed to make a positive impact.

Communities: Enrichment & Resilience

Date: October 17th

Location: The Oculus, The Gate Way Conference Centre, Gatehouse Rd, Aylesbury HP19 8FF

During this conference we will be focussing on four key areas Community Support, Partnerships, Funding and Youth. You will come away with the ideas, skills, and practical tools you need to achieve more for your community.

The event offers delegates the opportunity to build connections, resource anchor organisations and empower their councils and community leaders to develop and deliver a diverse range of community enhancement projects and support.

Our programme includes peer led keynote addresses, speakers from our principal authorities Buckinghamshire Council and Milton Keynes City Council, panel discussions, peer to peer workshops and Q&A sessions to enable delegates to share best practice and inspire future collaboration while highlighting new opportunities. Our exhibitors will offer not only practical advice and solutions, but also act as springboards to our delegates.

Note: Tickets will be available shortly through our soon to be launched dedicated website conference page at a cost of £25 per ticket per delegate and will be limited to two per council, workshop attendance, lunch and refreshments are included in the ticket price and free parking is available on site.

STAFFING IMPLICATIONS:

The Council Manager, Youth Manager and Communities Manager have been invited to present at the conference, showcasing the community approaches that WCC take.

OTHER IMPLICATIONS:

None.

BACKGROUND PAPERS:

None.

AUTHOR

Steve McNay – Council Manager

Agenda item: FC 58/23

WOUGHTON COMMUNITY COUNCIL

Full Council

Monday 26th June 2023

PURPOSE OF REPORT:

To inform council of an opportunity to become a 'governor' at Charles Warren school.

RECOMMENDATION:

- 1. That council notes the invitation below.**
- 2. That if any councillor or officer is interested in the position, that they inform the Council Manager.**
- 3. That if more than one person is interested, that all parties' details are passed to Charles Warren for them to decide who is most suited.**

MAIN ISSUES AND CONSIDERATIONS:

The following email was received by the Council Manager:

Good afternoon

I'd like to introduce myself as the Chair of the Academy Council for Charles Warren Academy. Our catchment area extends within your Community Council boundary, with a large proportion of our children living within your patch. The school has recently changed its Governance model to one of an Academy Council instead of the regular one used in public education bodies and that fundamentally changes the way the governor/council membership works. One of the benefits of this change being the open eligibility of its spaces within the Council, more specifically its aim to actively include the community in its check/challenge process. The HR/people management is handled centrally within the trust, which allows us to focus on the children and streamline meetings.

As a former Parish Councillor, I would have found it beneficially to be aware of the challenges the schools in my patch were facing before they became a deep issue, and I'm sure you all would feel the same. To aide that openness I'd like to extend the invitation to one of your council members (elected or staff) to join our Council.

Unsurprisingly it's an unpaid, voluntary position with 3 meetings a year (Winter, Spring and Summer), our last being scheduled tomorrow so I'd be happy to send you're the notes and arrange access to historical meeting data over the summer holiday.

If you or anyone on the council would be interested, please reply and I'd love to go through the details.

Kind regards,

Peter Brown
Charles Warren Academy
Chair Academy Council

STAFFING IMPLICATIONS:

The Council Manager is unaware of any officers interested in this position at this time.

OTHER IMPLICATIONS:

Whilst Charles Warren is not on parish, it does serve significant numbers from local estates, with particular focus on Netherfield and Tinkers Bridge.

BACKGROUND PAPERS:

AUTHOR

Steve McNay – Council Manager