

Commercial Operations Performance Report 2019/20



01. Progress in delivery of strategic outcomes

The Place Principle builds on a shared understanding of place. Place helps to build momentum and increase the pace of collaborative actions to achieve better outcomes for people, with a particular emphasis on those experiencing disadvantage. The Place Principle encourages better collaboration, resource utilisation and community participation in trying to change the culture of public service delivery so there is a presumption in favour of place-based approaches centred around communities and encourages local flexibility.

A Place approach provides all partners with a simple mechanism by which to encourage accountability over decisions taken about the way resources, services and assets are directed and delivered. It builds upon the Christie Commission report on the Future Delivery of Public Services which highlighted that in order to deliver good public services with positive outcomes for people and communities, there must be a reform process and new ways of working which have empowerment at their heart to ensure maximum impact of resources and strategic action in reducing inequalities.

Throughout 19/20, Commercial Operations has continued to consider how it can transform in order to improve outcomes for our communities by contributing to the Council's short to long term priorities whilst taking into account the financial challenges ahead.

To enable us to deal with future service demands of an increasing population the council will cut costs and redesign services. Progress in delivering outcomes across the key service areas that follow continue to be informed by applying the 'Delivering Excellence' continuous improvement approach with a focus on priorities and considering what could be changed or done differently.

In support of the Council's strategic approaches Commercial Operations continued to progress the following transformational activities throughout 19/20, aimed at maximising the use of assets and creating flexibility across the workforce:

- . Development of the Street Scene/neighbourhood model for service delivery to involve local communities and/or the criminal justice teams.
- . Maximising the utilisation of the Council's fleet and passenger transportation arrangements (including third sector providers) by reducing costs and contributing to the environmental agenda in reducing the travel carbon footprint.
- . Changing the way that Council Staff travel on behalf of the Council.
- . Seeking commercialisation opportunities and trading with a wide range of organisations including the Private Sector and public sector partners.
- . Reducing the volume of waste managed and maximise recycling from all sectors with a clear focus on Municipal Premises as detailed within a developed waste strategy.
- . Developing community participation opportunities with local organisations and groups, particularly in our parks and open spaces.

All services continue to contribute to environmental responsibilities, providing opportunities for young people through positive destinations work placements, supporting the economic growth of Midlothian and working in partnership with Communities and Voluntary Organisations.

Co-location to one depot site is planned for a leaner management team and a workforce where job profiles will be more generic in nature allowing greater flexibility and cross skilling at all levels. It is recognised that there are significant challenges in terms of recruiting into other skilled and professional positions particularly within the road services, vehicle maintenance and land service areas.

Delivery of the Waste Management Strategy will influence future direction of Waste Services as reviewed in the programme of cross party, cross cutting meetings. The Strategy ensures that Waste Services has sufficient plans in place to meet legislative and policy requirements to achieve landfill reduction targets. Long term disposal outlets for

residual, food and dry recycle waste streams are secured although the dry recycle market in particular continues to be volatile.

We will continue to explore options for future service delivery through partnerships (e.g. waste facilities with City of Edinburgh and work through the Edinburgh, Lothian, Borders, and Fife (ELBF) for Road Services, shared services (e.g. Health and Safety with East Lothian) and co-production with community partners (e.g. grounds maintenance, and winter service).

Towards the end of Quarter 4 of 19/20, focus for services was placed on the response to COVID 19 which resulted in transforming the way we work in order to provide essential services. Going into 20/21 services within Place will continue to align its priorities with those set out in the Covid recovery plan, ensuring we support recovery whilst retaining the best elements of transformation and making those changes permanent to the way we deliver council services.

Landscape and Countryside

In partnership with Education we developed Midlothian's Councils first Early years outdoor setting at Vogrie and other locations utilising our current facilities and staff resources.

In contributing positively to the council's improved health outcomes, with several play areas installed at Gorebridge Primary school and Nursery, St David's primary school and nursery, Woodburn Terrace and also at Mayfield Nursery extension.

Further project works include:

Scots Corner Early Learning and Childcare Centre in Penicuik involving Council and MOD where Play improvement works are complete.

Cuiken Primary: All weather surface works commenced.

Danderhall Pavilion, Early Years Playground Extension where the design and cost estimate are completed.

Burnbrae Primary: Playground design and outline costs have been undertaken.

Sacred Heart Primary and Nursery: Playground design process has commenced.

Improvement plans commenced for Lasswade Nursery Extension and other Skanska schools (Gorebridge, Tynewater, Stobhill and Strathesk).

Auld Gala Park Pump Track: preparing to take to tender producing the relevant documents.

Rosewell Park wheeled sport facility ground investigations have been completed. The tender for this project has been issued. This project is being funded from developer contributions.

Another successful Woodland Dance Project Event took place in Vogrie Country Park in October with more than 1,500 attendees and in addition this year's Outdoor Walking Festival had approximately 2017 attendees.

The Ranger Service has generated a total of 9,714 hours of volunteer time this year to maintain areas across the county.

This year, two sites were awarded Green Flags, Kings Park and Straiton Pond. This success was the first submission for Straiton pond. Only two sites out of a possible six were submitted due to financial restrictions. Two different sites will be submitted each year going forward.

A Final Draft of the Allotment and Food Growing Strategy 2020-30 was produced and the Audit Review of Existing Open Spaces was completed.

Towards the end of Quarter 4 and during COVID 19, Land services provided staff for front line services such as waste, ensuring the provision of waste collections and cleaning of town centres. In addition ensured social distancing signage was in place and adopted alternative working practices to ensure staff safety.

Waste Services

This year we completed a successful pilot for a reuse cabin located at Stobhill recycling centre which has now been extended as a result. The 'Making a Difference' idea submitted by a member of the waste team offers local charities the chance to reuse furniture and other bulky items left in our recycling centre.

This year SEPA verified the Midlothian 2018 recycling rate was 58.2%, which was the third highest performing Local Authority area in Scotland.

In keeping with objectives of the waste strategy to continually increase recycling rates, food waste recycling was introduced internally to staff offices at Fairfield House and Midlothian House after a successful month's trial. Food waste collected goes to the food waste plant at Millerhill to create energy and agricultural fertiliser.

An income of over £512,000 has been realised with over 14,000 households paying the new charge for the kerbside collection of garden waste. 12,600 joined before the initial subscription deadline. Additional promotion of the service by contacting customers by email is aimed to encourage early subscription in 2021.

Work was undertaken to prepare the tender specification for the contract for the disposal of bulky and inert waste with a closing date of 09 March.

Travel and Fleet Services

Grant funding was secured from Edinburgh ULEZ Fund to purchase four electric cars, install a further two rapid Chargers at Sheriffhall Park and Ride and £500,000 towards installation and replacement of bus shelters in Midlothian.

Utilising external funding from the Scottish Government, a new post of Sustainable Transport Project Officer was appointed this year. The project officer is responsible for the Electric Vehicle infrastructure and implementation of Electric vehicles into the Council Fleet to meet 2025 Deadline set by the Scottish Government to decarbonise Local authority Fleet.

Road Services

Good progress continued into Q4 with the capital programme for carriageway and footway renewal/improvement schemes. However, the onset of two severe storm events, winter conditions, and the Covid-19 pandemic, prevented the completion of the full programme. However, 85% of the 33 individual schemes programmed were completed, with a further 2 schemes part completed, and 3 schemes carried over to 2020/21. This resulted in a total of 5.80km and 3.34km of carriageway and footway resurfacing respectively.

For 19/20, the Capital Column and Lantern replacement programme exceeded their annual targeted total.

A bid was successful for £863,000 of LEZ (Low emission zone) Funding from Transport Scotland. Funding has been allocated against 5 projects that must be completed and claimed for end of financial year.

This year funding was received from Cycling Scotland for the purchase of approximately ten bikes to be used by staff members for commuting to work. This initiative aims to encourage staff to leave their car at home and improve their health through cycling. Staff will be able to hire a bike for free for a period of one or two months. It is hoped that the initiative will encourage staff to get their own bike and change their travel behaviour after the hire period.

The team were successful in bidding to Transport Scotland Smarter Choices Smarter Places (SCSP) fund to a value of £80,000. This enabled the team to take forward the active travel strategy and related sustainable travel initiatives and projects. In addition the team were also successful in bidding to Scotrail for a grant to market and publicise the electric Bike project for Dalkeith/ Eskbank Station. The Electric Bike Project is fully funded by SEStran with officer support from ourselves (SCSP funding).

A successful bid was gained for a support plus grant to the value of £20,680. This was used for bike maintenance and bikeability in schools, a cycle training programme about gaining practical skills and understanding on how to cycle on today's roads safely and with confidence.

Dalkeith High School have obtained their Cycle Friendly Secondary School Award.

The Roads operations team virtually eliminated category 1 defect backlog due to essential work during COVID-19.

Health, Safety and Civil Contingencies

The team have delivered the programme of training planned for 2019/20 including the large volume of CPC training required to support services to maintain driver CPC through the year. This additional training which also had places sold to private sector organisations and neighbouring local authorities assisted with the teams income generation target for the year.

The reviewed Council's Health and Safety Policy and Health, Safety and Wellbeing Strategy covering the next 4 year period was presented to CMT on 16th of October. A revised audit/review programme for management arrangements were also presented and approved.

Throughout the year the team have provided a lead to the preparations for a no-deal exit from the European Union. This has been supported by the full time Contingency Planning Officer and a Risk, Safety and Health Adviser supporting preparatory arrangements.

The Health and Safety team rose to the challenge of providing support to services faced with the workplace risk of COVID 19, this work continued into 2020/21.

Quarter 4 saw work progress in the procurement of an online business continuity system for the Council which will help transform the response to business impact events.

02. Challenges and Risks

Towards the end of Quarter 4, the most significant challenge facing all services was the outbreak of COVID 19. This will remain a challenge into 20/21 and for the foreseeable future.

Landscape and Countryside Services

Developing Customer Service Excellence systems and processes in conjunction with staff and other sections of the Council.

Resourcing monumental safety work. The recording system will also need to be upgraded to meet the new burials memorial legislation as there has been limited progress to date.

Ensuring a more holistic approach to tree safety issues for the Council going forward. The urban trees have not been inspected since 2011 due to staff reductions.

Improve the Playground inspection system and the knowledge of play inspectors.

Updating Grounds Maintenance recharging schedules for tasks and improvements to invoicing information.

Burial income is well down on the budget forecast as there are less burials and lair purchases than last year.

This year an increase in weed complaints have been received from customers and residents due to the impact on the environment after weed killer restrictions were implemented and the weed growth is evident. Alternative control methods are being trialled to evaluate cost and effectiveness with trial undertaken including clearing weeds by sweepers.

A challenge managing the change required to meet savings and communicating changes to Councillors, Staff and the Public, managing the closure of Vogrie Golf Course and seeking businesses to take over the running and marketing of the Golf Course and the redeployment of staff and increasing Vogrie Country Park income by £70,000. Further to this, the bottom up review has resulted in a number of changes within the service which will require the support of staff and communities alike.

The service is continuing to work closely with local communities in an effort to mitigate some of the changes which will impact on the visual amenity of Midlothian. This includes floral displays, grass cutting, allied to the positive work carried out by various groups in the parks around Midlothian. At the start of the financial year the majority of communities have taken on some floral maintenance in their communities. The maintenance of Floral displays at war memorials has been continued at previous levels which will result in an estimated overspend of £25,000. In addition, grass maintenance standards have also been continued at previous levels which will result in an estimated overspend situation for the section in the region of £75,000.

Galas and Events have also been supported by Land Services to previous levels despite budget cuts which is likely to result in a £25,000 overspend.

Similarly the service have been tasked with continued support for Christmas lights which is likely to result in a £60,000 overspend.

Continued challenges with the general lack of suitably skilled labour is impacting the work in the hard landscape squad. The team have had challenges in recruiting suitable staff this year and have lost two staff early in 2019.

Difficulties in delivering the core path plan review with a reduction in staffing and dealing with community asset transfer requests and their implications consulting with Fields and Trust.

There may be challenges ahead in dealing with the impact of Ash die back on the Midlothian Tree stock as current advice suggests that 75% of Ash tree stock may be lost.

Waste Services

Waste Services were unable to easily dispose of some waste streams collected over the festive and New Year period due to the availability and opening hours of outlets. Work may be required to liaise with other Council departments, namely Planning, to amend the site licenses, to which we can influence, to allow weekend opening.

The Millerhill Energy-from-Waste plant refused some loads of litter/street cleansing materials as they contained, what was considered to be, higher levels of dog faeces than those permitted under the contract. Bulking of this material within loads of Mixed Municipal Waste solved this issue but created an issue with the cleaning of compaction elements with the RCVs.

The impact of the charge for kerbside collections of garden waste will continue to be monitored in relation to overall tonnages collected, diversion to the residual waste stream and the impact on diversion to the Recycling Centres. The administrative and management burden on managing the chargeable garden waste service means office-based members of the Waste Services team are not able to devote time to other tasks, including wider community based waste aware activities.

The agreed increase in charges for kerbside trade waste collections for 19/20 have had an impact on customer retention and therefore projected income.

Contamination and non-target materials in the blue bins continues to be a challenge, especially with material now bulked for processing by re-gen, which makes identification of individual problem areas difficult.

The major challenges at the end of this period relates to the impact of the COVID-19 coronavirus. Kerbside collection of glass and garden waste, along with the kerbside bulky waste collection service, were suspended on 18 March. The two Household Waste Recycling Centres were closed on 24th of March.

Travel and Fleet Services

Recruitment of vehicle technicians is still a challenge to ensure maintenance of fleet. Challenge to reduce revenue spend across the whole of the services provided by the Travel Team and assist other services to reduce transport and vehicle operating costs.

Road Services

Within Street Lighting the challenge is the imputing of the updated Lighting Inventory within Lighting + as we take on new development lighting and the capital lighting.

Major challenge to Roads Operations is inability to complete the 19/20 Capital Works Programme due to COVID-19.

Ongoing constraints on the road maintenance budget and resources is a significant challenge to maintain the road network at current condition levels. This is further exacerbated with the impact from suspension of all "non-essential" routine roadworks and defect repairs in compliance with official government guidance during the Covid-19 Lockdown. Currently 35% of the road network in Midlothian is deemed to be in need of maintenance treatment. This situation leads to an ongoing increase in Complaints, VIP correspondence, and third part Claims for damage, due mainly to slower response times in dealing with reported defects and a perceived failure to meet customer's expectations.

Ongoing adoption of new legislation and government requirements, specifically the new Transport (Scotland) Act 2019, a One Scotland Gazetteer from the Improvement Services, and a new version of the Scottish Road Works Register, for improved coordination of all roadworks. Corresponding updating and replacement of existing internal systems, and training of staff will continue into Q1 of 2020/21 whilst maintaining Service level provision. The new TSA 2019 will have significant financial requirements to implement. New parking responsibilities (including pavement parking) as a result of the new TSA 2019 will require additional staff and financial resource.

Progression of Flood Studies and Surface Water Management Plans.

Production of Road Asset Management Plan (SCOTS Project) and updating of procedures to accord with new CoP (RBA approach).

Submission of annual performance reports to APSE and SCOTS.

Action internal Audit Report recommendations to make "better use" of CONFIRM Software for recording of inventory and updating network details.


Responding to the easing of lockdown on the transport network via two workstreams, Spaces for people and Transport transition plan. Both workstreams will require additional resources and will have an impact on planned works.

Health, Safety and Civil Contingencies

The capacity of the team to deliver against all of our priorities have been impacted as a result of a need to increase capacity in CPC driver training beyond the original programme in order to meet a greater element of the demand than had been envisaged at the outset of setting the team up to take on this new area of training.

The level of resourcing within the team presents an ongoing challenge to provide the desired income stream, adequately monitor health and safety performance and provide the range of support services provided by the team. Managing these services and providing adequate Risk Management support to Midlothian Council and Midlothian's Integrated Joint Board can prove challenging at times with completing demands.

Commercial Operations

Midlothian 

Successes and Challenges

Corporate Performance Indicators (latest)

● 7 ● 6 ? 0 ? 6

Service Plan Actions (latest)

● 3 ● 15 ? 0

Service Plan PIs (latest)

● 7 ● 8 ? 2 ? 0

Service Risks (latest)

▲ 16

Corporate PIs Off Target as at 31st March 2020

PIs ● 7

Performance against revenue budget

% of invoices paid within 30 days of invoice receipt (cumulative)

Average number of working days lost due to sickness absence (cumulative)

% of Service PIs that are on target/ have reached their target. (does not include Corporate PIs)

% of internal/external audit actions progressing on target.

% of service actions on target / completed, of the total number

Percentage of complaints at stage 1 complete within 5 working days

Service Plan Actions Off Target as at 31st March 2020

Actions ● 3

Develop additional work streams to achieve income for the Council

Undertake a programme of work to improve the standard of the road network

Explore shared opportunities, services and knowledge with the partners

Service Plan PIs Off Target as at 31st March 2020

PIs ● 7

Percentage of all street light repairs completed within 7 days (cumulative)

Income identified for the Council by sourcing third party opportunities through land & countryside working on hard and soft landscaping

Income achieved by providing additional training courses to external organisations (cumulative)

Income achieved by Commercialisation

Reduce expenditure on Travel costs (staff)

% of the footpath network resurfaced (cumulative)

% of total road network resurfaced (cumulative)

High Risks as at 31st March 2020

Risks ▲ 0

16 Risks at Medium and 0 Risks are high

Key
PIs

● Off Target
● On Target
? Data Only Indicator
? Data is not yet available

Key
Actions

▲ Off Target
● On Target/Complete
? Data is not yet available

Key
PIs

● Off Target
● On Target
? Data Only Indicator
? Data is not yet available

Key
Risks

▲ High Risk / Medium Risk
? Data is not yet available