

# Medway Norse Ltd Update Report

Date: 23/05/2019



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## Executive Summary

1. This 6 monthly report includes updates on the ongoing service developments, improvements, efficiencies and projects that have been worked on in conjunction with Medway Council.
2. The report covers the operational and financial performance of the Partnership for Q3 September 2018 to end of Q4 March 2019 and snap shot of financial year.
3. Confirmation of the continued management of the company Health and Safety, Quality and Environmental Management Systems to maintain statutory compliance.

**Cabinet Member:**

Cllr Rupert Turpin - Chair

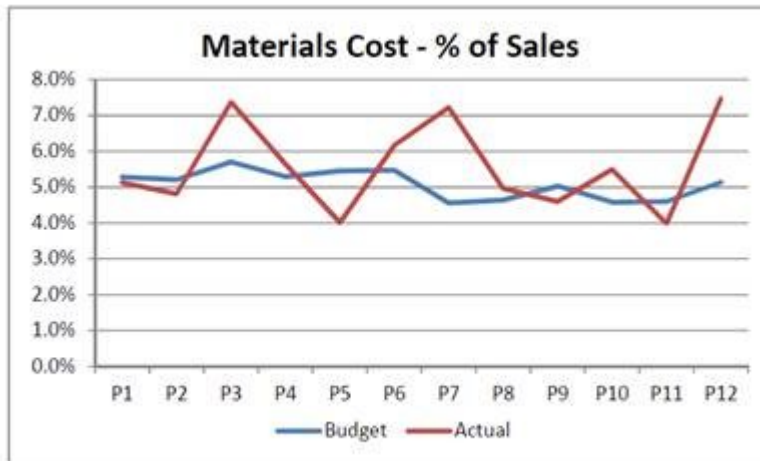
**Supporting Officer:**

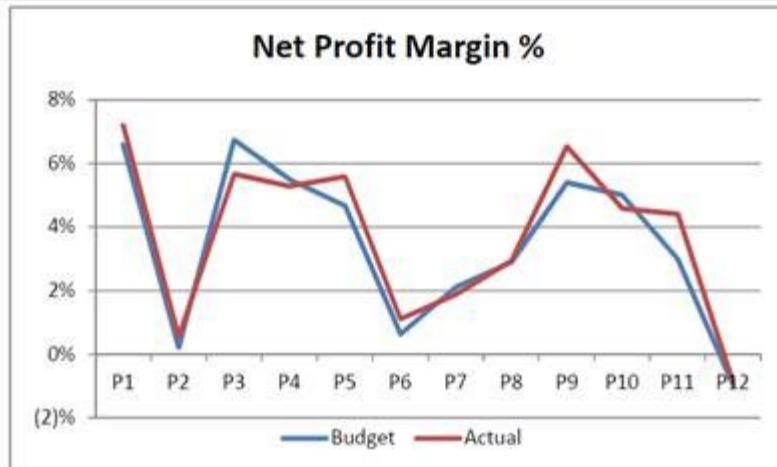
Mrs Ruth Du Lieu

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## Partnership Performance – Scorecard/KPIs

| KPI Differences -- Quarter/Quarter |                         |      |        |        |         |        |        |  |   |
|------------------------------------|-------------------------|------|--------|--------|---------|--------|--------|--|---|
| Output Metrics                     | In Process Metrics      |      | YTD    | Q1     | Q2      | Q3     | Q4     |  |   |
| SHEQ                               | Accident Free Time      | >95% | 97.35% | 91.60% | 99.60%  | 99.40% | 98.8%  |  | ↑ |
| SHEQ                               | Quality / Safety Audits | >90% | 99.70% | 98.60% | 113.00% | 90.00% | 97.2%  |  | ↑ |
| HR                                 | Attendance Rate         | >97% | 95.48% | 90.70% | 98.50%  | 95.30% | 96.77% |  | ↑ |
| HR                                 | Staff Turnover          | <3%  | 2.40%  | 1.80%  | 3.20%   | 2.30%  | 2.57%  |  | ↓ |





Accident free time is behind target for YTD but is an improving rate.  
Attendance rate affected by some longer term illness and operation issues, underlying attendance is actually at 98.2% with exceptions removed.

## 2. Financial Overview

### 2.1 Commercial Sales

Income for the quarter and YTD is in line with budget. All annual income streams have now been invoiced for 18/19. Growth is up against expectation.

### 2.2 Commercial Growth

#### Medway Norse - Summary

|               |                          |   | YTD Budget     | YTD Actual     | YTD Variance  |
|---------------|--------------------------|---|----------------|----------------|---------------|
| Income        | Sales                    | ♦ | 14,960,104     | 15,354,613     | 394,509       |
| Income        | Non MC Contracted Income |   |                | 1,924,147      |               |
| <b>Profit</b> |                          | ♦ | <b>522,725</b> | <b>569,456</b> | <b>46,729</b> |
| <b>Profit</b> | <b>50/50 Share</b>       |   | 261,362        | 284,728        | 23,366        |

Final year position ahead of budget due to non-contracted sales – the complete contract value of which is **£494,579**.

**2.3****Members Enquiries**

Direct Members enquiries logged and shown in service groups as per below.

| Service             | Sep-18 | Oct-18 | Nov-18 | Dec-18 | Jan-19 | Feb-19 | Mar-19 | Total |
|---------------------|--------|--------|--------|--------|--------|--------|--------|-------|
| Grounds Maintenance | 5      | 6      | 3      | 4      | 4      | 5      | 10     | 37    |
| Tree Maintenance    | 4      | 2      | 2      |        | 1      |        | 2      | 11    |
| Hard FM             |        |        |        |        |        |        | 1      | 1     |
| Urban Rangers       | 1      | 1      | 1      | 1      |        | 1      | 1      | 6     |
| Transport           | 1      | 1      |        |        |        |        |        | 2     |
| Soft FM             |        |        | 3      |        |        | 2      |        | 5     |
|                     |        |        |        |        |        |        |        | 62    |

Freedom of Information in the period totalled ten enquiries – one of which was not in our area. Freedom of Information and Subject Data Requests are completely up to date. All FOI's were closed off within the period. There were no Subject Access Request being actioned and or closed. Going forward, all are being completed within permitted timescales.

**2.4 Capital Schedule**

The BRMF (Building Repairs Maintenance Fund) – had a budget this year of £250k to spend in conjunction with MC on specific projects. Projects for this year are reported at the Medway Property Board.

**2.5 Future Partnership MTFP Savings Options & Budget Pressures**

The biggest pressure currently on the Partnership is identifying and sourcing suitable Yard space to be able to mobilise the Waste Contracts in 2019 – this process is still ongoing.

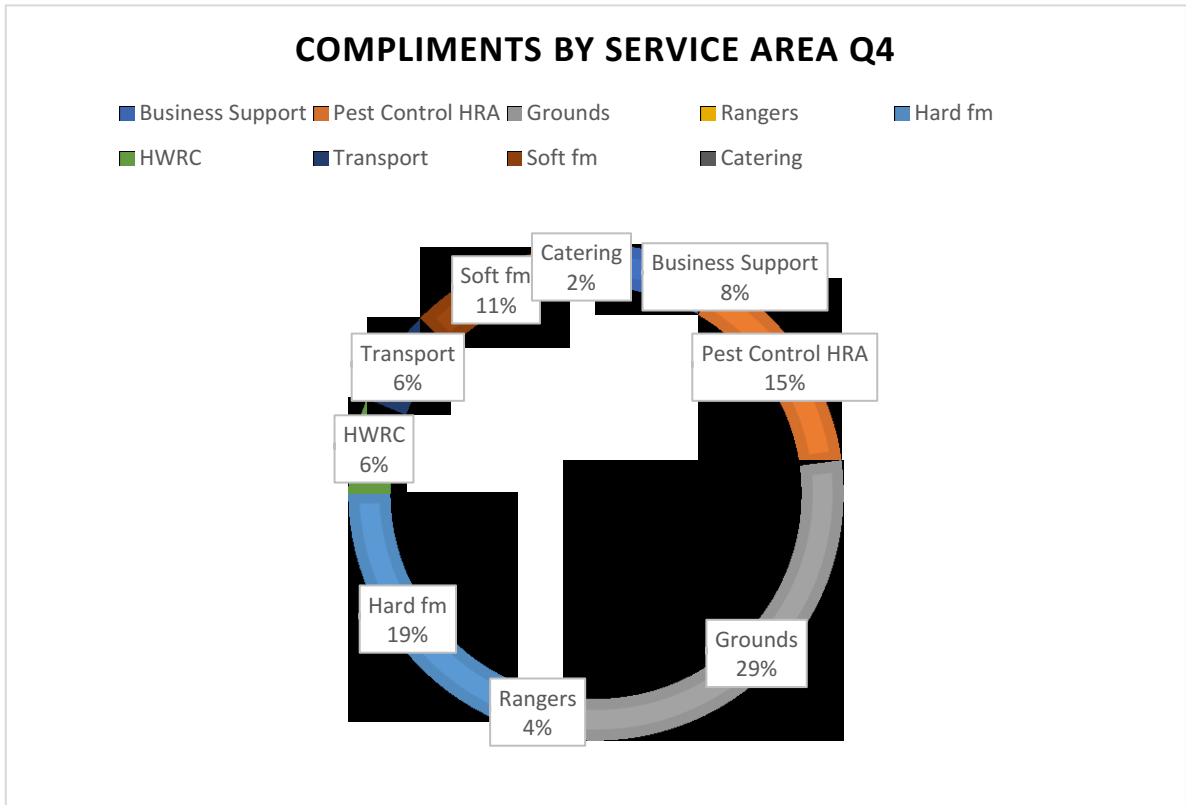
Strategy remains consolidation and costs control, firstly to continue to drive the Medway Council aged debt position towards zero, which is being carried out in conjunction with Phil Watts (MC). Pressures on labour costs and general MN facilities costs (rates and leases) brings the need to consolidate operations.

### Compliance Figures:

| Jan/Feb/Mar 19   | Catering | Cleaning Schools | Cleaning Corp | Countryside Rangers | Hard Fm | HRA | HFIL |
|--|----------|------------------|---------------|---------------------|---------|-----|------|
| Number of Supervisor Vehicle Safety Checks carried out         | 0        | 2                | 2             | 1                   | 7       | 12  | n/a  |
| Number of vehicles where health and safety issues were found   | 0        | 0                | 0             | 0                   | 2       | 8   | n/a  |
| Number of Supervisor site safety checks carried out            | 1        | 44               | 109           | 4                   | 10      | 15  | 1    |
| Number of sites where health and safety issues were found      | 1        | 1                | 0             | 0                   | 2       | 3   | 0    |
| Number of tool box talks carried out (count per subject)       | 4        | 2                | 1             | 5                   | 13      | 1   | 0    |
| Number of training sessions carried out (external or internal) | 1        | 2                | 1             | 5                   | 3       | 9   | 0    |

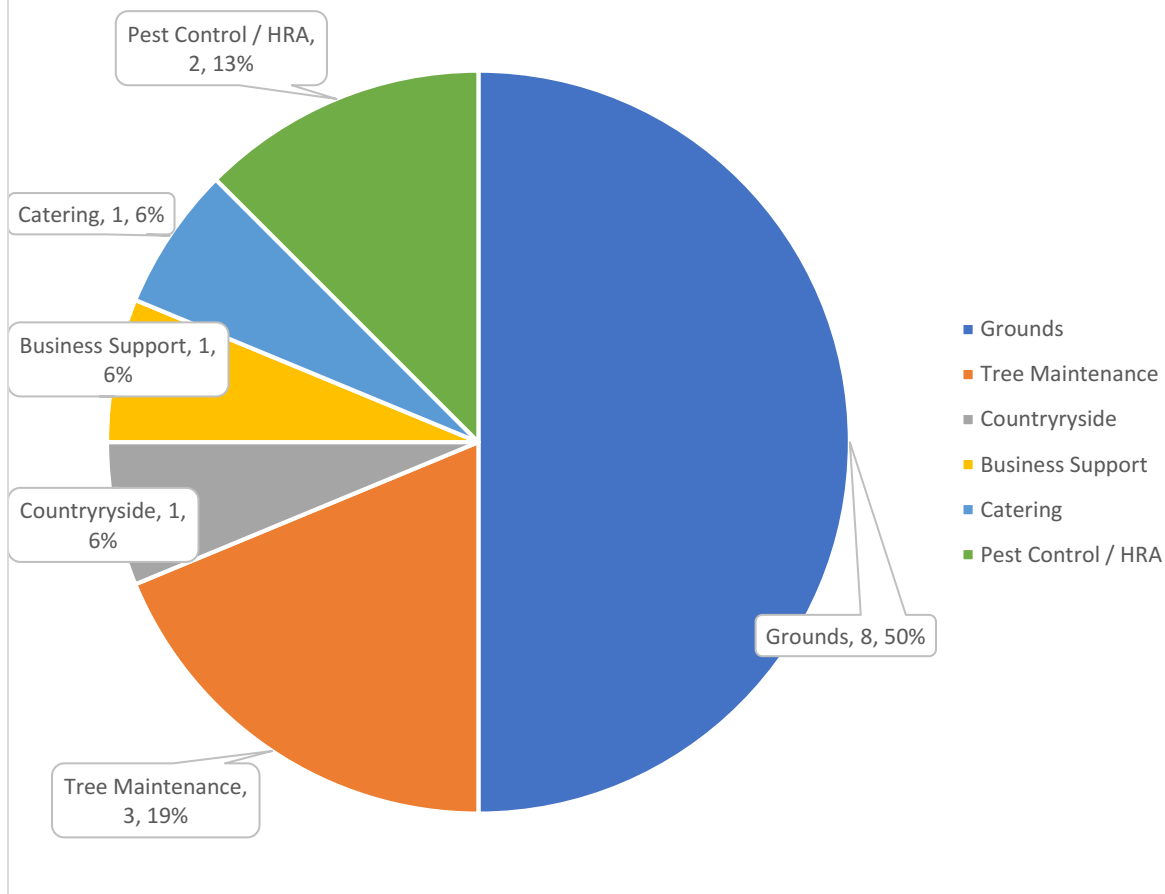
| Highways & Greenspace | HWRC | Pest Control | Print & Post | Park Locking | Transport | Trees | Urban Rangers | Totals     |
|-----------------------|------|--------------|--------------|--------------|-----------|-------|---------------|------------|
| 45                    | 12   | 4            | 0            | 1            | 25        | 0     | 2             | <b>113</b> |
| 2                     | 0    | 0            | 0            | 0            | 11        | 2     | 0             | <b>25</b>  |
| 15                    | 90   | 1            | 0            | 0            | 0         | 1     | 0             | <b>291</b> |
| 5                     | 0    | 0            | 0            | 0            | 0         | 1     | 0             | <b>13</b>  |
| 13                    | 3    | 1            | 0            | 7            | 1         | 1     | 4             | <b>56</b>  |
| 0                     | 1    | 2            | 0            | 0            | 20        | 0     | 1             | <b>45</b>  |

### 3. Compliments and Justified Complaints



| Compliments By Service Area | Performance                  |
|-----------------------------|------------------------------|
| Grounds                     | Areas Being Well Attended    |
| Hard FM                     | Going Above and Beyond Remit |
| HRA & Pest Control          | Excellent Work               |

Corporate Complaints By Service Area Q4



#### 4. Partnership Service Updates

##### 4.1 Grounds - Core

Winter horticultural works were completed – clearing lots of overgrown shrubs and spaying the shrub beds in preparing for spring.

Fine turf program winter renovating program has completed of the three grass bowls and the pitch and putt course.

Football sports renovation has been commenced early – this is due to the team working with the football leagues to get pitch access early. For the first time the sports team are self-delivering renovations this year – this is due to staff being upskilled and hiring in equipment for the works.

Travellers – there was a breach in Beechings way, the site is unsecured. When the travellers vacated the site crews were deployed to cleanse the site. A report for securing sites has been submitted to the Council and awaiting agreement of funding.



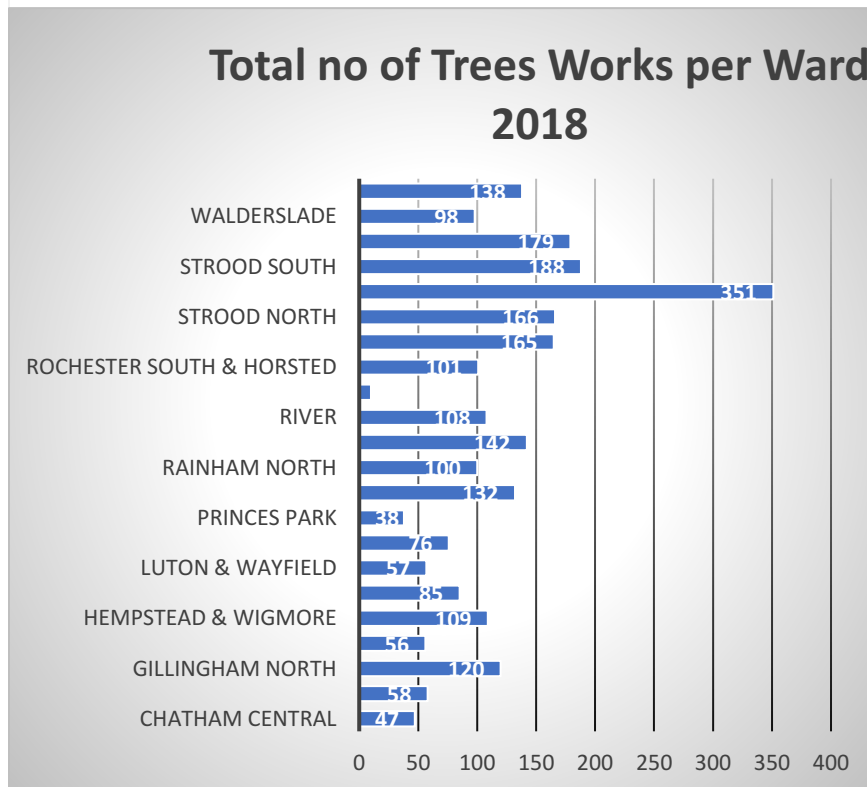
Grass – 20 Staff have been recruited and had 560 hours of training early to ensure grass cutting is delivered in the peak growing times. Spraying of tree bases / assets have also been completed.

**TREES**

We had some windy and snowy days in the last quarter and 34 tree fails being logged. (figures are not included figures /chart below)

With the past 6 years of inspections and works on trees – this has resulted in significantly less failures than previous storms and not such an incident as Walderslade road (KCC area)

There are still some significant concerns with trees on high speed roads which have historically not been inspected and we are starting on a program of inspection within the current budget model. We anticipate the works to be high risk and value – at the last High Speed trees report this works was estimated to be in excess of £500k due to the size of the trees and the road protection required to deliver any works. This exceeds any current budget capacity and therefore we are planning to deliver this on a phased approach over the next 3 to 5 years pending any urgent tree works and budget availability.



## 4.2 Soft FM

Medway Schools Contract is still progressing well, Schools and Corporate Clients are requesting additional works, Gutter clearance, Window cleaning and taking on some additional works from site teams / site Managers cleaning duties.

Monthly audits are showing good results. Quality monitoring with our Clients showing a positive trend analysis also this has built a good working relationship with all the schools.

Additions to the business

- St Margaret's School a new contract commenced on the in January 2019 (£5'546.59 PA)
- Open Road, new contract this will commenced in January 2019 (£5'867.17 PA.)
- Magic / UK School based at Cliffe commenced in February 2019 £6,808.66
- St Michaels School Commenced in January 2019 £10,669.84

**Total new business for quarter 4 = £28,892.26**

**Total value of new business to Soft services for the year £185,747.49**

## 4.3 Hard FM

Recently Medway Norse (Hard FM) and Medway Council (property team) have been working closely on works picked up on the condition surveys carried out on corporate buildings with an allocated budget of £250,000 from both sides totalling £500,000 spend. One of the larger projects was to renew the flooring within the main gymnasium at Medway Park and lay marking for the following:-

### **Medway Park Line Markings**



- 12x badminton courts – white
- 3x Basketball courts – black
- 3x 5 aside courts – Yellow
- 2x Handball courts – Blue
- 1x wheel chair rugby league court – orange.

#### 4.4 Countryside Management

##### Riverside & Capstone Country Parks

Work continue over the winter months to improve and maintain the park to a high standard. Recently volunteers have helped plan some whips. (A whip is a slender, unbranched shoot or plant. This term is used in forestry to refer to unbranched young **tree** seedlings of approximately 0.5-1.0 m in height and 2–3 years old, that have been grown for planting out.) A number of these were donated through various schemes run by numerous organisations and help to create shelter and habitat with in the country parks.

At Riverside play, a new trim trail was recently installed and opened to the public. A much-welcomed addition to the park and replaces the previous wooden structures  
Over winter, rangers cleared the worst of the weed that establishes in the pond, the result has great area of surface water.



##### Coppicing of trees in Albemarle Road, Lordswood

In January, the countryside Rangers carried out some coppicing works in wooded area Albemarle Road. Coppicing is a traditional method of woodland management, which exploits the capacity of many species of trees to put out new shoots from their stump or roots if, cut down. In a coppiced wood, which is called a copse, young tree stems are repeatedly cut down to near ground level, known as a stool. New growth emerges and after a number of years, the coppiced tree is harvested and the cycle begins anew

Over the coming years further works will be carried out here and at other coppice woodlands in Medway.

#### 4.5 Catering

New Area Catering Manager joined the business in February 2019, who has a sound knowledge in the marketing of catering establishments – improvements being made.

Miss Twinkletons trades well below budget and a marketing campaign has just begun to raise awareness of what we offer there.

The Parks continue to trade on budget and above – a summer menu will shortly be introduced

Gun Wharf – concentration here is on improving the quality of the offer focussing on increasing value- this has already delivered an increase in food sales as a % over overall income.

Theatres and events – discussions taking place with the events team to ensure greater exposure and a new upgrade hospitality menu is now on offer.




#### 4.6 Print and Post

This quarter the transition of the Post Room from using Neo Post to FP [Francotyp-Postalia Ltd] for the franking of the post under the Supervision of Clare Dooley was completed smoothly with no problems encountered.

#### 5. Risk Management

The Risk Register is still in the process of being updated.

#### 6. HR Update

| Key Stats          | Period | Trend   |
|--------------------|--------|---|
| Total employees:   | 544    |  |
| Current Vacancies: | 27     |  |
| Sickness rate:     | 3.23%  |  |