

STATES OF ALDERNEY

AUDIT REPORT

STATES WORKS DEPARTMENT



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1. Introduction

This report presents the findings from a detailed audit review of the States of Alderney Works department. The review was requested by the Chief Executive in order to assess the controls in place and value for money in respect of States Works which is the largest department in the States.

States Works is the responsibility of the States Engineer and managed on a day to day basis by a Superintendent of Works. At the time of review, the staff totalled 27 plus 1 temp with two staff providing clerical support. Other staff are employed as required on a seasonal basis. The employees cover the whole range of public works functions. The public perception in terms of quality of service and effectiveness for some services is at times poor which reflects on the whole organisation.

1.1 Scope of audit

The aim of the audit was to review the management and operation of States Works functions and make recommendations for improvement to the Chief Executive. This includes both structures and processes.

The audit covers all aspects of States Works including:

- Management,
- Waste Management,
- Agriculture,
- Sewage,
- Workshops, and
- Projects and maintenance.

Within the above areas, the review has considered:

- Labour costs,
- Materials costs and management,
- Vehicle costs and maintenance,
- Working practices and work rate,
- Sickness rates,

- Management,
- Quality Control,
- Management information, and
- Organisation and structure of workforce.

1.2 Methodology

The following methodology has been used to complete the audit:

i. Discussions

1. Separate discussions on current issues, challenges and potential improvements with:
 - a. Chief Executive,
 - b. States Engineer,
 - c. Superintendent of Works,
 - d. States Treasury,
 - e. Office staff, and
 - f. A large selection of States Works employees
2. Workshop with States Engineer, Superintendent, Office Manager and others to consider optimum workforce on the basis of current workloads.
3. Discussions (separate) with Agriculture Foreman, Waste Charge hand, Sewer Operative and States Mechanic about current issues and potential improvements in specific areas.

ii. Document Review

1. Review of key documentation relating to labour costs:
 - a. Timesheets,
 - b. Payroll
 - c. Wage rates
 - d. Sickness records
2. Review of key materials documentation:
 - a. Orders
 - b. Invoices
3. Brief review of vehicle maintenance records.

iii. Observation

Observation of working practices and quality control procedures whilst on the island in order to form an independent view on working practices and quality.

iv. Analysis

Analysis of current delivery model and consideration of alternative models in liaison with Chief Executive and States Engineer.





I am grateful to all staff for their assistance and support in carrying out this review.

2. Executive Summary

In arriving at a conclusion from an internal audit review, it is common for the auditor to make a judgement on the adequacy of the internal control environment. The internal control environment comprises the governance, management, risk management and internal control arrangements in place to ensure that States objectives are met and public money is spent wisely with due regard to value for money. The audit judgement on adequacy of controls and compliance with these controls therefore aims to provide assurance to States Members and management.

The internal control environment rating for States Works is:

Exhibit 1: Assurance judgement

	Performing well	There is a sound system of control in place and the controls are consistently applied.
	Adequate	There is sound system of control in place with some gaps and/or non-compliance which put some of the system objectives at risk
	Inadequate	There are weaknesses in controls and/or non-compliance which place the system objectives at risk.
	Unacceptable	Controls are weak and/or significant non-compliance which leaves systems open to error or abuse.

There are a number of weak controls at present and poor working practices that have evolved over time and are not challenged. This leads to the conclusion that many aspects of States Works are inefficient and more discipline will realise savings and improvement.

There is significant scope for improvement to controls and value for money reflected in a wide range of recommendations which, if implemented could enhance controls within systems as well as the efficiency and effectiveness of States Works over time.

2.1 Potential savings

Potential savings have been estimated in the report as far as possible although it is acknowledged that there may be costs in realising some of the savings. Costs have been estimated to give an idea of the potential although it must be recognised that the estimates are made on the basis of available data and it is not claimed that all are realisable.

3. Recommendations

Detailed recommendations are included within the text for States Members to consider and implement. All of these are capable of being delivered in the short to medium term in a proportionate way to be commensurate with the size of the States Works Department.

Recommendations are summarised in Appendix A.

4. Background

4.1 Organisation

States Works currently comprises 27 employees plus one temp and two part-time office staff. The Works employees are grouped into five areas for most operational activity, namely:

- Agriculture –open space maintenance and pest control,
- Waste Management- collection, disposal, recycling and street sweeping,
- Projects and maintenance – building maintenance, roads and pavements and projects.
- Sewage – sewage and toilet cleaning,
- Workshop – vehicle and plant maintenance.

Alongside these functions, although not part of SWD, one member of the volunteer fire service is also managed by the States Engineer and is responsible for maintenance of the fire station.

Overall management is the responsibility of the States Engineer and operational management rests with the Superintendent of Works.

4.2 Overview

Whilst there are a number of functions that the Works department does well and are praised by members of the public, it is fair to say that the balance of perception in some functional areas is historically negative.

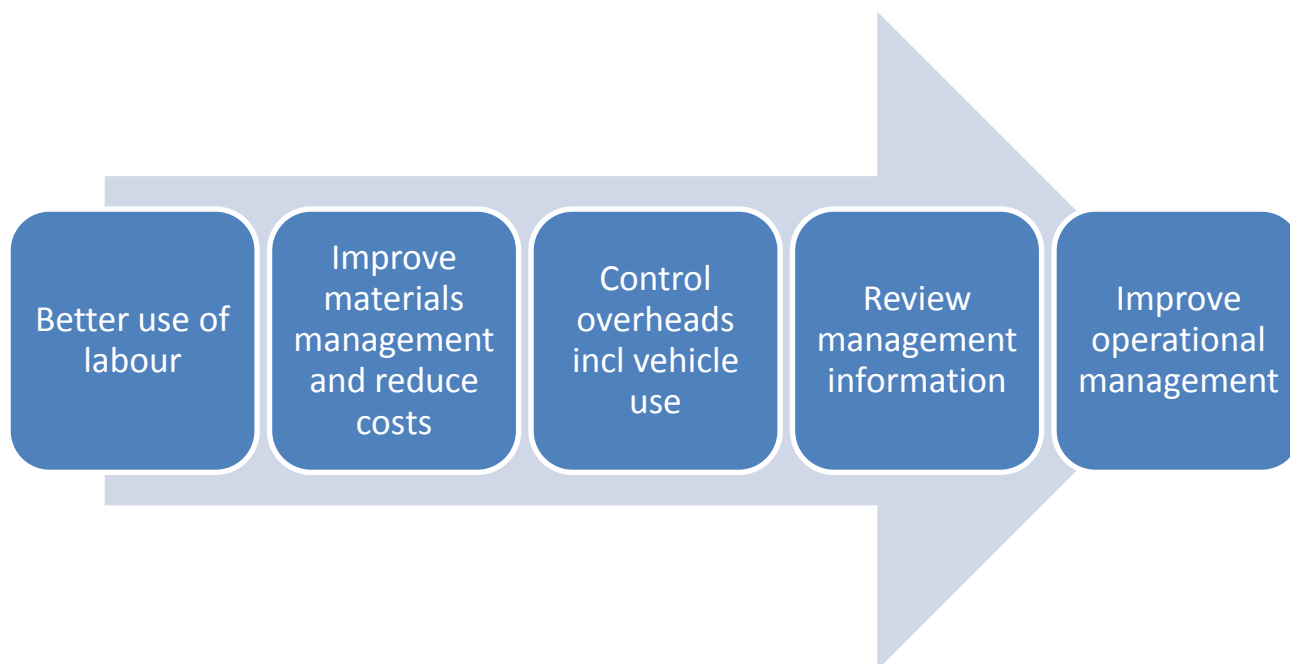
Some States Members lack confidence in States Works and staff in other departments feel that the organisation is inefficient and not cost-effective. Even those close to States Works acknowledge that the public perception will be of an organisation characterised by some poor working practices and untidy appearances.

As a public service and the most sizeable and visible States presence on Alderney, it is important that these perceptions are addressed as they will influence individual views of the whole of the States government.

4.3 Five steps to improvement

There are opportunities to improve performance in all aspects of States Works and the exhibit below shows the key areas to be considered:

Exhibit 3: Five steps to improvement



Alongside all of these areas, effective management of the workforce is critical to enable change and improvement to be implemented.

4.4. Culture

This report examines a range of issues with a view to improvement in States Works. In order to implement change successfully it is essential that the culture is correct and this was not evident during the review.

- i) In discussions within States Works employees, there was limited recognition of the fact that public money is being spent and some acknowledged a lack of urgency in what they do. All workers should be conscious of this and a culture of economy and efficiency should be promoted and encouraged.
- ii) Similarly, a number of employees had ideas on how things could be done better but there is no culture of sharing these. There is States wide change group but only 3 SWD employees joined this despite it being the largest staff group. Some staff felt that their views would not be listened to but seeing that they are the future, some of the younger and enthusiastic members of SWD should be encouraged to participate more actively in promoting change.
- iii) There are times when management needs to be consultative and times when management needs to be directive. At present, some staff groups feel too controlled but work is not programmed in advance. Staff would prefer a longer work programme and the responsibility to get on with it and be accountable for the outputs. There was also a feeling that some staff are not challenged for less than acceptable performance or attendance.

- iv) Communication from line management to the workforce is limited and feedback on performance is poor, although the Chief Executive provides a regular newsletter for all staff.

Recommendation

R1. Ensure that all SWD employees are aware of the cultural change required and the context for this review:

- *Regular face to face communication by States Engineer;*
- *Focus on cost consciousness;*
- *Greater sense of urgency;*
- *Commitment to improve public perception;*
- *Invite ideas from workforce;*
- *Act on recommendations in this report.*

5. Use of labour

5.1 Overall resources

The overall resource level in States Works has not been challenged or justified adequately. The States lost its housing stock to the local Housing Association some years ago and numbers were not reduced at the time to reflect this. It is acknowledged that SWD took on additional responsibilities which had not previously been undertaken and lost a significant income stream at this time. In addition, the population and therefore demand should have reduced and more efficient working practices should have evolved over time.

The workforce has largely been stable since 2011 with the only addition being two apprentices. Whereas some trades are no longer included in States Works, such as a plumber, the major growth area since 1999 is in recycling.

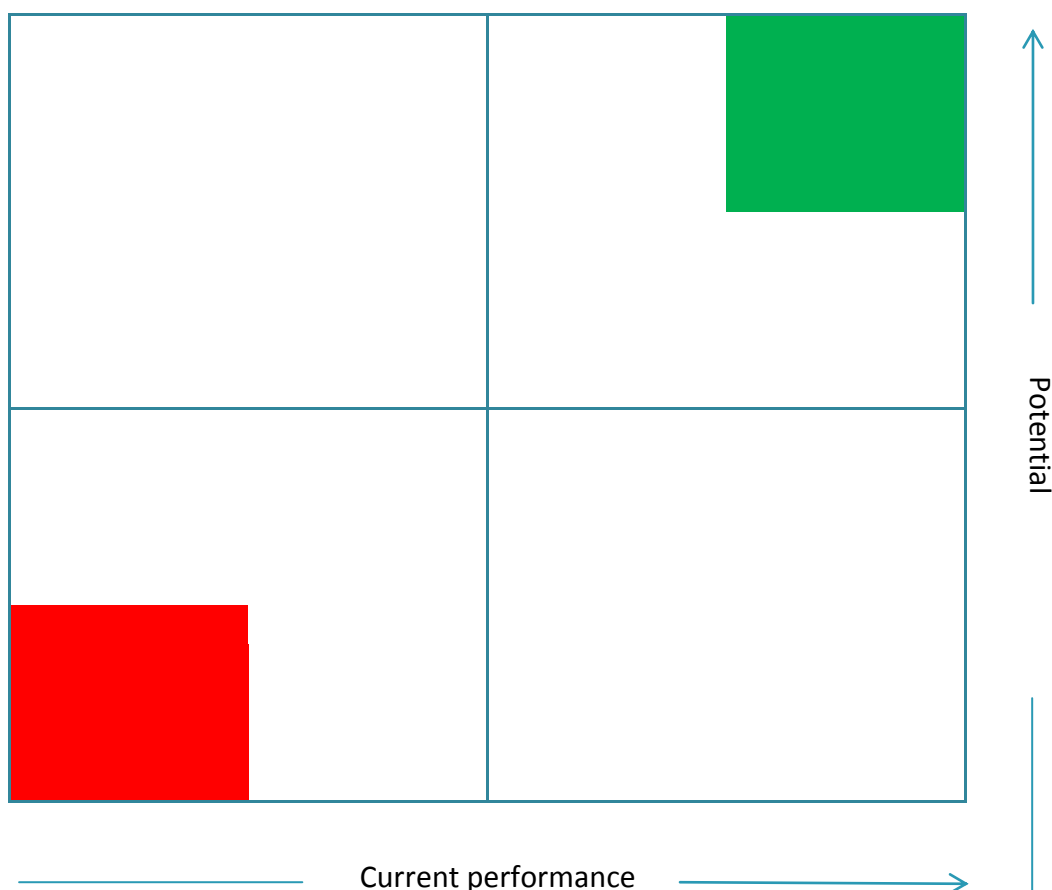
Anecdotal evidence suggests that some staff are less busy than others and also that some employees would welcome the opportunity to use their skills in more appropriate areas.

5.2 Succession Planning/Talent management

The average age of the workforce is approximately 48 and within the next three years, 7 members of staff or a quarter are due to retire (aged 65). There are also a small number who could choose to retire at age 60. This gives the States a real opportunity for succession planning so that the right numbers and trades could be in place in the medium term.

These issues should be considered alongside a wider review of the current performance of all SWD employees which should also assess their potential. Performance appraisal for all States of Alderney staff is being considered. A matrix is shown below which will enable SWD management to indicate how they feel each employee is performing and what the development potential is. This exercise should be discussed with each employee who should also do a self-assessment. Differences can then be discussed and the outcome will be a clear picture of performance and potential for each employee. Where individuals are identified as having potential, development opportunities should be agreed so that this potential can be realised to mutual benefit.

Exhibit 6: Talent management matrix for SWD



Recommendation

R2. Develop a plan for the future using the findings from this review to:

- *confirm the skills and trades required in the medium term;*
- *carry out a skills audit and identify any gaps;*
- *prepare a training programme with budget;*
- *agree a succession plan for all employees retiring in the next three years;*
- *undertake a talent management exercise to identify key employees to be developed for the future.*

5.3 Work planning and organisation

Work planning and organisation is managed by the Superintendent of Works and is considered to be weak in some areas. Most of the day to day organisation for agriculture and waste is delegated to the section heads and is considered by staff to work reasonably well. This is covered later in the report.

Planning and organisation for projects and maintenance and sewage and toilet cleaning is weaker as the sections do not have any leadership in place and therefore are not supervised in the same way as agriculture, for example. In some instances there is little or no management control over daily activities and employees can be hard to locate.

Project planning is undertaken for many activities by the Superintendent on a daily basis which is inefficient. A well-managed works department would plan for a few days on the basis of over-programming so that employees can move to another job if there are any issues such as weather, materials etc. with the initial job. The rationale for daily programming at present is to enable States Works to deal with changing priorities and new demands which can often mean resources being switched. However, weekly programming would force more challenge to these new demands to ensure that they were priorities and also allow able employees to take responsibility to organise themselves to best effect. The small size of the island would still enable flexibility to deal with real changes to priorities.

The lack of any forward planning contributes to the inefficient working practices.

5.4 Working practices

Working practices are an area recommended for change as they are variable and give rise to some of the poor public perceptions when observed on a regular basis.

The contract time for all employees specifies 38 hours per week to be organised to fit with operational demands. The standard working day is 8 until 5 with an hour for lunch and breaks in the morning and afternoon. In practice, employees work a varying pattern depending on personal preference. Variations include:

- Earlier start and finish times;
- Morning and afternoon break times;
- Going home for lunch, and
- Working through lunch.

The law does not specify minimum breaks for workers but organisations should ensure that they are included and working straight through the day with no break should be discouraged on welfare and safety grounds. UK law specifies 20 minutes where employees work over 6 hours a day. Where employees finish at 4 and effectively get paid to work through lunch, there is clear evidence that this is not always the case. Breaks are taken which is an abuse of the system.

A number of staff meet at the Butes depot in the morning to take instruction, meet colleagues, load equipment and materials before travelling to site. Employees may then return at lunchtime in order to go home for lunch before repeating the process in the afternoon and unloading at the end of the day to allow departure at 5. In discussing working practices with a range of staff, it was felt by a number that practices are very relaxed. Breaks tend to be longer than expected in some cases and

the return to depot at lunchtime and at the end of the day is earlier than necessary to allow unloading. It was also reported that a cooker near the joiner's workshop can be the focal point for breakfast in the morning. Whilst this was not observed, there is a cooker in the workshop and management may wish to question whether this is desirable, including on safety grounds. As lunch time is staggered this can lead to ongoing disruption in the joiner's workshop.

This pattern of working, where employees meet at the start of the day and receive daily instructions is not efficient and a rough estimate suggests that actual productive time could be reduced in these cases by up to 10 hours a week or 26%.

The same hours are worked in the winter although low light means that outdoor operations will be restricted after 4pm and time is therefore spent on equipment maintenance or unspecified miscellaneous activities.

The Works Superintendent would prefer a more uniform approach to the working day for the majority of employees. This could be in line with the Guernsey approach which has a start time of 7:45 and finish at 4pm with a minimum of 20 minutes for lunch and an earlier finish on Friday. The department should also discourage the practice of packing up at lunchtime and returning employees and equipment to the depot as this wastes time. Common working practice elsewhere is that employees take their lunch with them and take breaks on site.

It is acknowledged that the "Black Book", the staff handbook, allows flexibility in the working day but it is important that States Works determines this flexibility rather than individual employees.

Recommendations

R3. Move all employees on 38 hour week contracts to a standard working day from 7:45 to 4 with 20 minute lunch and earlier finish on Friday.

R4. Look for opportunities to maximise work on site by reviewing lunch time arrangements where staff return to depot.

5.4.1 Time on materials purchases

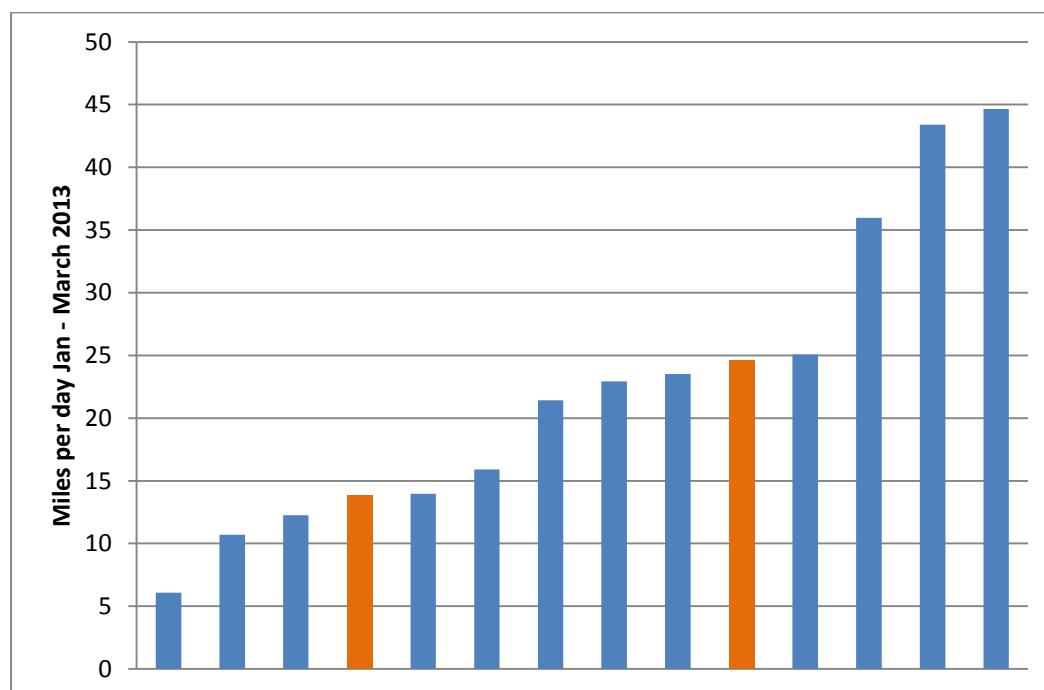
There are currently no adequate stores so, in the absence of forward planning which would allow bulk buying, a lot of ad hoc material purchases are made on a daily basis. This takes time out of the daily routine and contributes to inefficiency. The majority of purchases are made from Blanchards store and in one sample month of April 2013, a total of 141 items were purchased in around 100 separate visits to the store. Some employees rarely visit Blanchards but records show some employees visiting 2 or 3 times in the same hour. Other employees take time out from a job to buy single low value items. On a sample day 30 April, 23 visits were made during the

day. Assuming each visit with travel time takes 30 minutes, this represents 600 hours a year lost time or a cost in terms of lost productivity of around £7,000. Furthermore, the frequent presence of SWD employees in Blanchards is noted by the public and reflects in the perception referred to earlier.

5.4.2 Travel time

Travel time is also considered to be excessive in some cases and also commented on by the public who often see SWD employees driving around the island. Records are available for the fourteen States vehicles which show some significant mileage figures on a daily basis between January and March 2013. The data is shown in the graphs below.

Exhibit 8: Average daily mileage from Jan- March 2013



The graph above shows high daily mileage from a small number of users which has not been challenged. There is significant 'wasted' mileage from a number of employees visiting Blanchards on a regular basis.

Some high mileage will be necessary, for example in the agriculture team related to grass cutting, spraying and baiting. However, travelling over 40 miles on the island in a day is not efficient and requires challenge.

If the average mileage per day is extrapolated and assuming average travel of 20 mph, the levels above translate into significant 'lost' time over the year.

The fuel cost associated with the vehicles is estimated at around £23,000 per annum and if reduction in mileage were to be encouraged without damaging operational effectiveness, the States could save money.

Recommendation

R5. Target reductions in SWD mileage where usage is currently high. Every 10% would increase productivity by £4,500 and save fuel cost of around £2,300.

5.5 Overtime and wage allowances

Employees in SWD are paid largely according to the States of Guernsey “Black Book” which sets out seven pay grades with 3 pay points each plus an apprentice rate. The grades are incremental regardless of performance and as most employees have long service, most are at the top of their particular grade.

In addition to the basic hourly rate, employees are paid overtime rates at time and a half or double time and a number also receive additional allowances in the form of dirt money, sewer money or tool allowances. Dirt money represents an additional 50p per hour for doing dirty work and the sewer allowance is an additional 50% where the work involves dealing with raw sewage. These are arrangements local to Alderney and do not reflect the Guernsey Black Book. Dirt money is higher in Guernsey and sewer money no longer exists. Tool money is also paid as an allowance against wear and tear where an employee uses their own tools for States functions. Overtime is largely related to the opening hours of the Impot and Recycling centres as well as weekend cleaning. With the exception of some toilet cleaning time, overtime is not seasonal.

Analysis of the additional allowances shows some peculiar rationale for dirt and sewer money and some anomalies and inequities.

Detailed analysis of overtime will be covered in reviews of operations of individual sections later in this report.

Recommendation

R6. Bring additional allowances into line with Guernsey Black Book:

- *Clarify purpose and application of dirt money;*
- *Phase out all payments of sewer money.*

5.6 Time off in lieu

Overtime has been reduced as much as possible and now is confined largely to fit with the hours at the impot and recycling centre, and weekly cleaning. Hours paid in a year are around 3600 which is low for a workforce the size of SWD.

However, the review shows that additional overtime is worked but not paid. Instead, a separate record is maintained of 'booked hours' and these are taken as time off at a later date. It is acknowledged that this method has the advantage of saving the States overtime payments but there are also disadvantages in control and value for money. The manual records show that 187.5 hours or 27 days were still to be taken at the end of June 2013 and in May, 12 employees booked overtime which would not be disclosed in formal records.

Overtime and time off in lieu should be open, transparent and properly controlled regardless of the fact that the second example may save money at the enhanced rate. The process should be discouraged because:

- The time off in lieu is taken at the inflated rate. Eg: 5 hours not paid at double time counts as 10 hours time off in lieu. This reduces productivity;
- Keeping informal 'books' means that management information is distorted as the true amount of overtime is understated on timesheets;
- The informal system can result in less challenge over the real need for overtime;
- In order to generate pay for the time taken off in lieu, timesheets are "falsified" to show employees working when absent;
- Failure to comply with management restrictions on overtime;
- As it is not universally supported and used (for example, the Agriculture Foreman does not allow it), the system causes resentment between colleagues;
- Inherent lack of control over manual records.

Recommendation

R7. Stop the current practice of time off in lieu so that all overtime is controlled and managed.

5.7 Performance management

There is currently no performance management in the States as a whole and this has been recommended as a wider issue. There is frustration with a number of employees that, in the absence of a structure, poor performance is tolerated. As part of the new HR strategy, performance management should be introduced alongside the new competency framework. In time, all States employees including SWD should have:

- a revised and standard job description that fits with the new framework;
- objectives and targets that follow from the individual business plans agreed earlier; and
- periodic discussions with managers to get feedback on performance in a particular period.

Recommendations

R8. Introduce performance management with standard job descriptions and competencies for all staff;

R9. Ensure periodic meeting opportunities to discuss performance with managers.

5.8 Sickness levels

Sickness levels are low in total. An analysis from January to May 2013 shows a total of only 33 short term absence days for all employees. This equates to an annual average of only 3.5 days per employee compared to the UK public sector average of 5 days. There are felt to be isolated cases of abuse of the system by regular short term absence and where this is the case, management should challenge the absences and/or involve occupational health professionals.

Recommendation

R10. Challenge any employee where frequent absence periods are evident.

6 Materials

6.1 Procurement

Procurement of materials is a significant area of concern in terms of lack of control and value for money.

SWD is responsible for its own orders and each order must have a purchase order number. Goods are then delivered to the department who can check them against the purchase order. The invoice is sent directly to Treasury which represents a recent change and a positive move in terms of control by reducing the risk of invoices going missing. This is entered on to the system before being sent to SWD for approval and coding at which point it will be processed.

Treasury are also currently finalising a preferred supplier list by consolidating existing accounts and ensuring that only the account with the most favourable discount is used.

There is no control currently to stop a SWD employee from setting up a new account with an existing supplier and therefore compliance will need to be monitored between SWD and Treasury to take action where necessary.

This review has also identified a number of issues where lack of control and failure to co-ordinate or order in advance has led to a waste of resources. It is acknowledged that there will be freight charges and therefore it is incumbent on SWD to minimise these by planning in advance to secure value for money.

There is also evidence of poor order documentation in some cases which means that the item is difficult to allocate to a job when it arrives.

Recommendation

R11. Introduce pre-authorisation for all orders to ensure proper documentation, co-ordination of purchases and preferred supplier list used.

6.2 Material planning

The daily work planning means that material planning is poor and can often be last minute. For example, the tiles for the Longis toilet refurbishment were not ordered in time which added to the project time. Staff interviewed during this audit universally agreed that project planning was an area for improvement. More effective forward planning would enable bulk purchasing and eliminate some of the time spent getting supplies locally or waiting for materials. This is discussed further in the 'Projects' section.

6.3 Stores

The lack of an adequate store is an issue but space is currently wasted storing materials that are no longer needed or obsolete. SWD have clothing and cleaning equipment stores which are well organised but there are three other random stores with timber and piping and miscellaneous items that could be rationalised. It is not clear what stores are available in the Butes given the disorganisation and it is therefore likely that resources are wasted procuring items that may already be on site.

By creating some space at the Butes in the above areas or with another solution, SWD could set up a store for regularly used items.

Recommendation

R12. Review all current stores to:

- *Create an inventory of items held;*
- *Make space for a proper store of regular items;*
- *Dispose of unwanted items including sale to the Housing Association where appropriate.*

6.4 Builders merchant purchases

Alongside the larger purchases from the UK or Guernsey, there are significant concerns about the routine daily purchases from Blanchards mentioned earlier.

SWD spends a considerable amount per annum with Blanchards and control over this is very poor. Any individual in SWD is authorised to purchase from Blanchards who have been instructed that all purchases must have an order reference so that the item(s) can be allocated to jobs properly. Evidence shows that this is not always the case and there are a number of examples where purchase order details are limited or non-existent.

No approval is required to purchase in Blanchards and there is limited accountability for the purchase. Given the number of visits to the store and the volume of purchases, the overall control is very poor. The current system is wide open to abuse and whilst there was no firm evidence to support this during the audit, it was a common comment from a number of staff interviewed.

Some employees use their own vans for work and employees often do private work outside of States Works. This gives rise to a perception of conflict of interest and management may wish to consider whether it is desirable that individuals in these positions have free access to the SWD account at Blanchards. It would protect these employees as well as States if controls were put in place for routine purchases of materials and fuel in future. There was no evidence of abuse in this area.

Ideally and if it is operationally possible, SWD should consider centralising the order process and pre-authorising all Blanchards orders once they have been properly

scrutinised. In the period of review, the vast majority of purchases relate to projects being undertaken where there is criticism of poor planning. If more materials were ordered in advance with proper project planning, this would also reduce both the cost and time spent purchasing locally.

On a value for money issue, it is important to look for ways of minimising the purchases by forward planning as the prices are retail and many volumes purchased are more suited to DIY projects. The States currently receives a discount from suppliers which is considered to be very low and a level that would routinely be available to a private individual. SWD should therefore negotiate with the supplier with a view to increasing the discount. A 10% increase would mean a saving of £3500.

Recommendations

R13. Introduce pre-authorisation for all purchases as part of an overall improvement in project planning;

R14. Meet with supplier management to confirm to see if an improved discount can be negotiated.

6.5 Use of contractors

On the island, SWD procure resources and equipment from local contractors. Hire of labour and equipment is done on the basis of agreed rates with quotes invited for larger jobs.

The volume of work undertaken is significant and is correctly disclosed in the accounts as a related party transaction. It is however recommended that the States periodically test the market to ensure that this represents the best value for money.

Recommendation

R15. Periodically test the market in order to demonstrate that rates from contractors are competitive.

7 Vehicles, plant and equipment

SWD has a small fleet of vehicles and plant as well as a range of smaller equipment and tools. Most vehicles are nominally allocated to an individual or team who will be responsible for the routine upkeep and cleaning of the vehicle. During this review, it is evident that compliance with this requirement is variable and a source of frustration. A number of vehicles are dirty and not routinely cleaned which is particularly important given the island environment and the need to wash salt off. In addition, it is alleged that the weekly checks on levels and tyre pressures are not universally carried out and examples of vehicle abuse were quoted which can contribute to maintenance problems. One example quoted was a vehicle used to tow a piece of equipment which exceeded the recommended towing weight. The view was this would damage the clutch but the rationale from management was that a replacement clutch and down time would be more cost effective than an alternative solution. This may be true in cost terms but is surely not a satisfactory response. This needs to be addressed by management so that SWD vehicles are properly looked after in future.

Equipment and small tools are not recorded on any inventory and therefore accountability and control is poor, particularly as a number of employees are free to make purchases including tools. There is a common perception amongst many in SWD and civil servants that tools and equipment routinely go missing and are used for personal use. No evidence was seen of this but the perception is strong and the controls to prevent it are weak. This needs to improve through an inventory and identification number for all SWD tools and equipment.

Recommendations

R16. SWD management to issue guidelines to all vehicle users on the need to carry out routine checking and cleaning of vehicles;

R17. States Mechanic to keep a record of any issues that need to be brought to the attention of management where abuse is evident;

R18. Prepare an inventory of all equipment and tools and allocate a unique number to each item.

Detailed operations

The following sections describe key issues from the review related to individual sections within States Works.

8 Waste

The Waste Management section comprises two operatives on waste collection, the impot disposal site, the recycling centre and two street sweepers.

The street sweepers keep the town centre area tidy only. It is acknowledged that there are limited opportunities to use these employees differently and it is encouraging that the States is seen to employ individuals who may otherwise find employment difficult on the island. This part of States Works has therefore been excluded from the review.

8.1 Refuse collection

Refuse collection is carried out on a daily basis with standard routes and residual collections on Saturday mornings. The collection round takes up to 6 hours per day and the remaining time is spent at the recycling centre. The number of properties with refuse varies significantly seasonally from around 900 to 1285 in summer.

Refuse is collected weekly and although fortnightly collections have been considered, this has been discounted as an option due to the need to store putrid waste prior to shipping.

The residual collection on Saturday costs £3900 in wage costs alone and SWD may wish to consider whether this could be avoided by different arrangements with the businesses generating the waste. Alternatively, the States could assess the possibility of levying an additional trade waste charge for weekends.

Recommendation

R19. Consider whether alternative arrangements could be made in relation to the Saturday waste collections.

8.2 Waste disposal

Waste disposal is carried out at the impot with two employees on site for most of the week and others providing cover at the weekend. It is understood that the employees at the impot do not take lunch and therefore every hour on site is paid

and hours beyond 4pm are paid as overtime every day. This should be reviewed as part of the standardisation of working days discussed earlier.

The impot is open for 54 hours a week all year round following a decision by States Members.

There is an opportunity to review the opening hours as the current arrangement means that the impot is open to receive waste in the winter when it is dark and therefore lighting is required. If the States revised the closing time to 4pm for 6 months, the saving in wage overtime costs for one employee would amount to £3,460 per annum.

It is understood that contractors use the impot at the end of the day but by proper communication of the change, it is hoped that any difficulties could be resolved.

The material collected at the impot is processed where possible but some material is more difficult to deal with. The current arrangements for major waste groups at the time of review are:

- Putrid waste – containerised prior to shipping;
- Timber – stockpiled for public collection and States use;
- Glass – crushed and dumped over cliff;
- Rubble – dumped over cliff;
- Tyres – no disposal at present;
- Green waste – stockpiled and awaiting solution;
- Cars – shipped to Guernsey;
- White goods – recycled via Guernsey.

Putrid waste is shipped to the Mont Cuet landfill site in Guernsey at a cost of £375 shipping plus £85 - £124 road transport and £152 per tonne gate fee. The landfill site is due to close in 2022 which means that Alderney will be part of a wider Guernsey solution in the future.

The situation with tyres needs resolving. It is estimated that 10,000 are stockpiled as they are too costly to ship. Piles of tyres exist at the impot and recycling centre and whilst the local scrambling club will take a large number shortly, a longer term solution is required.

Green waste is also a concern. The green shredder broke down some years ago and an alternative solution has yet to be agreed by States Members. In the meantime, green waste is stockpiled at the entrance to the impot and there is a significant risk of either fire or slippage into the sea where it would become a hazard.

Recommendations

R20. Review opening hours at the impot with a view to closure at 4pm in winter months;

R21. Identify a longer term option for removal of tyre waste in future;

R22. Find a solution for disposal of green waste with some urgency.

8.3 Recycling

The recycling centre is open every day except Sunday and employs a variable number of staff. In one week under review, a total of 148 hours were spent working at the recycling centre with 9 different staff, including one day when 8 staff booked time. As with the impot, the staff are paid for all hours on site with no lunch breaks being recorded. The centre is open for a total of 41 hours a week

It is recommended that the hours be reviewed so that the centre is only open on Saturday in daylight hours in winter.

Recycling material includes:

- Aluminium and steel cans – separated, crushed and baled for shipping;
- Cardboard and paper – baled for shipping;
- Polystyrene – compacted and packed for shipping;
- Plastics – sorted and baled for shipping.

The recycling centre is acknowledged as labour intensive, particularly in respect of plastics but in discussions during the review, it was widely felt that the recycling centre is overstaffed at times. This is because it is the one place where staff are sent when surplus to requirements elsewhere. For example, the two refuse collection operatives spend up to 2 hours at the recycling centre at the end of the day.

Some of the recycling operatives have skills that they would like to use elsewhere in SWD and their skill sets are under-utilised at present. These aspirations should be discussed as part of the longer term plans for SWD. At the same time, an optimum level of labour hours should be agreed for the centre each week and a rota agreed with a view to eliminating the possibility of too many people at the centre at any one time. If SWD moves to a more flexible work force, it would also allow employees with other skills to be redeployed in other areas such as Projects rather than using the Recycling Centre as a repository for spare resources.

Recommendations

R23. Review Recycling Centre Hours to limit them to daylight in winter;

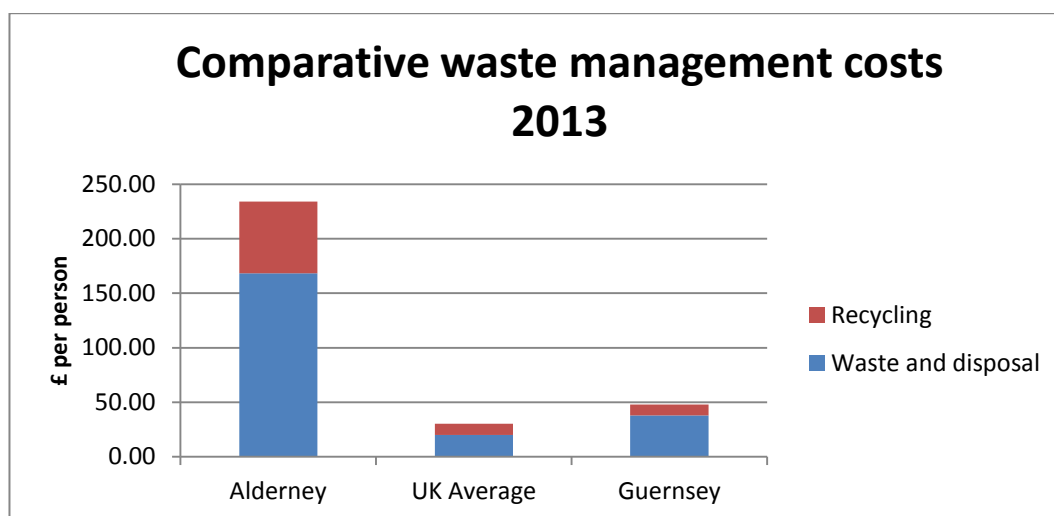
R24. Agree an optimum level of resources at the Recycling Centre and a weekly rota to provide the right level of staff at the right times and avoid over resourcing.

8.4 Waste data and costs

As part of the States Works audit, some analysis and benchmarking has been undertaken to compare Alderney data with available data from UK local authorities and Guernsey.

Exhibit 16: Comparative costs of waste disposal and recycling

	Alderney Costs	Cost per person Alderney	UK local authority average	Guernsey average
	£	£	£	£
Waste collection and disposal (net)	319,940	168.39	19.92	37.98
Recycling	124,550	65.55	10.47	10.02
Total	444,490	233.94	30.39	48.00
Data source	2013 budget		Audit Commission	Waste Strategy 2012



The collection and disposal costs of £319,000 in the budget include £180,000 disposal costs for shipping waste to landfill in Guernsey. However, disallowing this expense still leaves a cost per person of £73 which is significantly higher than others.

Recycling items are sent to Guernsey at no cost to the States and as a consequence no income is received. The rationale for this is the shipping and transport costs of up to £400 per container. At current prices, the notional value of recyclables is estimated at around £41,000 and an exercise is recommended annually, on the basis of current recyclables prices, so that States Members can be assured that the cost/benefit analysis remains valid and there is no lost income opportunity. Even after adjusting the figures for this level of income, recycling costs would be £43 per person and remain significantly higher than the comparators.

There will be other factors in the comparison which means the figures are not like for like but the conclusion from this analysis is that the labour costs are much greater due to diseconomies of scale and the labour intensive methods. Whether the difference compared to UK and Guernsey should be that great is an issue to consider further including the recommendations above.

Recommendation

R25. Prepare an annual confirmation for States Members to demonstrate that giving recyclables to Guernsey in return for free shipping remains the best option.

8.5 Volumes and disposal

SWD records indicate a total of 1600 tonnes of waste collected excluding end of life vehicles, oil, fridges, televisions and collected jumble. This is analysed as follows:

Main waste types annually

Main waste types	Data source	Tonnes 2012	How disposed
Putrid waste to landfill @ £152/tonne	Actual	572	Landfill
Bulky waste	Actual	232	Landfill
Scrap	Actual	119	Recycled
Cardboard	Actual	139	Recycled
Paper	Actual	94	Recycled
Plastic	Actual	34	Recycled
Steel cans	Actual	6	Recycled
Aluminium cans	Actual	3	Recycled
Polystyrene	Actual	1	Recycled
Glass - to sea	SWD Estimate	200	Sea
Green - piled no records	Est ave 200kg *1000 properties (1285 total 900 perm)	200	Other
Total Tonnes waste		1600	

Actual waste generated per person is in line with the UK average.

Comparison of waste generated

Alderney – assuming 1900 pop'n	UK average
842kg	841kg

The recycled v residual comparisons however show that Alderney is lower than both UK and Guernsey as glass and green waste are currently not recycled. The annual comparison on this basis is shown below:

SWD undertakes a number of initiatives each year to help educate the public and these are evidently working on trying to minimise waste and encourage recycling.

9 Agriculture

The agriculture team comprises 7 men with responsibility for mowing open spaces and verges, trees, insecticide spraying and pest control amongst other things. The section is managed by a Foreman who prepares a weekly rota for the Works Superintendent and then manages the weekly work. This is felt to generally work well although on occasions, employees may be diverted to another part of the island by the Works Superintendent if an issue arises. This is inefficient and should only be done where a clear rationale exists.

This team has the fewest issues in terms of compliance with States processes and tend to manage themselves with limited intervention. However, as noted earlier, efforts should be made to increase productivity by reviewing current working

practices and targeting reductions in travel time where possible. In time the Agriculture team may find that increased productivity and reduced travel time enables a reduction in overall numbers by one operative.

The agriculture store at Sharps Farm is small but tidy compared to other SWD premises and poisons are kept safely with clear records of what has been used and where. Supplies are ordered well in advance which enables savings to be made on bulk purchases.

The store above is limited in size and as a result, agricultural equipment tends to be left outside all year round which contributes to deterioration such as the example below

There is also no storage available at the cemetery for the grave digging box and a concrete base is recommended for this.

Recommendations

R26. Review longer term resource needs to assess more efficient working will allow reduction in the workforce;

R27. Prepare a business case for an agricultural plant and equipment store;

R28. Provide budget provision for a concrete base for the grave box at the cemetery.

10 Projects and maintenance

The projects and maintenance team include two joiners, a mason, a painter, two plant operators and one labourer and deal with property maintenance and projects. In discussions during the review, representatives from this team were the most frustrated and critical of SWD management. As noted above, the work of this team is not properly planned and as a result they feel that they are 'drip fed' work in an inefficient way so that, on occasions they are not aware of what they will be working on until the day. Materials are not planned and this team spends an inordinate amount of time travelling around the island and picking up supplies which should be available in bulk at the start of projects.

It would improve efficiency and effectiveness of this team if their work was programmed over a longer period and each individual was over-programmed. This would allocate responsibility to the individuals for planning their week more effectively and they would be judged on outputs rather than inputs. To help programme work, it is essential that a full asset register is prepared with condition surveys to allow for preventative rather than responsive maintenance. This was recommended in my earlier report to States in December but no progress has yet been made.

A number of recent projects have been subject of criticism by the public and press recently because of the length of time taken to complete them. This reflects badly on the Projects Team which increases the frustration as they feel that they could be more involved in the design and planning process. This would increase their awareness of specifications, budgets and deadlines. More site visits by the States Engineer and Works Superintendent are also recommended to improve monitoring, resolve problems and focus on completion.

In each case where projects over-run there are reasons offered for the delay whether it be waiting for materials or delays in trying to agree a best approach. In the case of Longis Toilet which is still on-going, this was 'planned' as a job to fill in time from other projects and therefore would be expected to take longer than normal. This is not an efficient approach to a project. Regardless of the rationale in all these case, the time taken to complete these projects is unacceptable. Without spending time on detailed analysis of the projects, it is fair to conclude that better planning and management of labour and materials would enable savings to be made in time and money by:

- Pre-ordering appropriate materials in bulk at the right quantities;
- Less travel time to suppliers;
- Less waiting time;
- Concentration on single projects rather than diversion to others.

Discussions in relation to some projects show that project planning and design are basic. Material quantities are estimated but not delivered in bulk prior to the job.

For some projects no post implementation reviews have been undertaken to agree what could have been done differently as learning for future projects and this is recommended.

Recommendations

R29. Move to longer term programming of the Projects Team with an emphasis on forward looking and over-programming;

R30. Prepare a complete asset register with condition survey of all States property assets with a view to developing a preventative maintenance programme;

R31. Undertake a post implementation review of recent projects to agree lessons learned;

R32. Apply proper and proportionate project management disciplines to all future projects;

R33. Involve the operatives in future project design and planning to gain the benefit of their experience.

There is only one painter in the Projects Team who also carries out slaughtering at the weekend. This is not paid as overtime and instead the employee is allowed time off in lieu under the informal system operated. This means that painting and road lining time is limited and the States may wish to consider whether outsourcing slaughtering is an option to allow painting time to increase.

Recommendation

R34. Review options for outsourcing slaughtering to maximise time available for painting.

11 Sewage and sanitation

Toilet cleaning is carried out on a daily basis depending on the season at the following sites:

- Marais Square
- Ollivier Street
- Butes
- Braye Beach
- Harbour
- Saye Bay
- Longis Bay
- Platte Saline (portaloo)

A total of 6 hours per day is allocated to this task. The toilets are used all year round and those at the Harbour and Longis Bay are felt to be the most frequently used in the summer.

The total cost of toilet cleaning could not be reconciled with the SWD costing system due to an anomaly which is being investigated. The potential total labour cost is considered to be excessive for a basic cleaning and maintenance task. The States may wish to consider whether outsourcing the toilet cleaning would be a preferable option in terms of value for money.

Outside of toilet cleaning the sewage team spend time on cesspit emptying and cleaning as well as pumping station maintenance. Where time allows, remaining time is also spent on gully clearing.

Pumping station maintenance is undertaken on Thursdays with a monthly rota to scrape the detritus from the inside of the walls. It is recognised as a dirty job and the operatives wear protective suits although they contend that the breathing apparatus is inadequate. The job takes a small amount of time in the morning.

The gully emptying is capable of being carried out using the sewer cart but emptying the cart is an issue and therefore it tends to be done by hand. There is a management wish recorded in the business plan to record and survey gullies and undertake preventative maintenance. However, time is currently not available for this. If the toilet cleaning were outsourced, the saved time could potentially be refocused on preventative maintenance and other tasks.

Recommendations

R35. Consider options for outsourcing toilet cleaning by preparing a specification and seeking quotes;

R36. Review pumping station routine to maximise productive time by rescheduling to the end of a day;

R37. Discuss equipment and safety requirements with operatives to agree what changes need to be made;

R38. Use any free time emerging to map existing gullies and prepare a cleaning and maintenance programme;

R39. Consider whether there are options for modifications to sewer cart to enable easier emptying.

12 Vehicle workshop

One mechanic is employed in the workshop together with an apprentice whose time is not yet allocated to vehicle repair jobs. When the mechanic is unavailable, the apprentice cannot work unsupervised so is 'lent' to a local mechanic to continue gaining experience rather than being diverted to other States functions.

The mechanic deals with maintenance and servicing of the States vehicle and plant fleet either at the Butes workshop or on site. Record keeping is in need of improvement with two systems currently being operated. A modern laptop is used to record maintenance on vehicles with computerised systems. This is relatively new and the mechanic is still getting to grips with the system. A separate laptop is maintained to record all other maintenance on older vehicles although the detail entered can tend to be limited.

The current fleet is 20 vehicles and plant items with responsibility also for maintenance of other equipment such as the impot burner and smaller items. Maintenance of 11 vehicles and plant items for the Harbour, Water Board and Fire Brigade are also included and recharged although responsibility for the new crane now rests with the harbour Master given problems with the previous crane.

With the small number of vehicles involved, a simple spread sheet should be created showing:

- Basic vehicle details- age, registration, mileage, user etc;
- Condition so that estimated replacement date and budget can be agreed;
- Standard maintenance and servicing checklist;
- Work undertaken to be allocated as vehicle costs;
- Any other comments.

Where the user is not part of States Works, this should form part of a service level agreement such as the one prepared by the Fire Service, which the Mechanic should use.

The lack of any such data in a structured form at the moment means that fleet management is rather haphazard and the recent crane incident and subsequent court case demonstrates the need for higher quality maintenance records. There are no condition surveys currently available and whilst some data is entered, it is not sufficient, it is not backed up and some records have been lost. The involvement of the mechanic in fleet replacement should also be formalised to enable views to be gathered on maintenance requirements and fleet standardisation. The relationship between the mechanic and Superintendent is poor and the mechanic is not keen on a fleet database that can be viewed and amended by others. This issue needs to be resolved by management.

In preparing the business plan, it was estimated by the mechanic that time spent on responsive maintenance is currently around 60% which is considered to be high and may be indicative of abuse of vehicles. The service frequencies are higher than recommended by manufacturers on the basis of the lower mileage and frequent

stop/starting and this would normally lead to an expectation of less responsive maintenance. The current schedule is typically an inspection every 6 months and an annual service. Standard practice is that newer vehicles normally only require an oil change after 6 months or 3,000 miles in severe conditions and inspection and maintenance over longer periods than one year. On this basis, it is possible that States vehicles are currently inspected and serviced more often than is necessary and rather than the current uniform approach, reduced intervention could be agreed by preparing a maintenance schedule for each vehicle based on current age and condition and enforcing the user maintenance requirements for tyres and levels.

The workshop keeps a large stock of tyres with 2 spares for most vehicles to take account of lead time for ordering. In 2012, a total of 20 tyres were purchased at a cost of £1,674 but in 2013 to June, a total of 18 tyres were purchased at a cost of £2,442. By moving to pre-authorisation of orders in future, tyre purchases can be more controlled to ensure that there is no over-stocking.

Costs of vehicle maintenance should be recharged to the vehicle but record keeping is not consistent and a lot of time is charged to general workshop time which means that true maintenance costs per vehicle are not currently available. This is crucial information to inform replacement programmes and needs to improve.

The mechanic is also rightly concerned about abuse of States vehicles when he observes this but is frustrated that it seems no action is taken by management. All users should be treated as 'customers' as the workshop is providing a business support service.

To improve the efficiency and effectiveness of the workshop, the time actually in the workshop should be maximised. At present, there is significant lost time in travelling for various non workshop related purposes. This involves both mechanic and apprentice and arguably time could be saved by looking for ways to eliminate it, or just one person going.

Recommendations

R40. Prepare simple database with a detailed vehicle inventory and maintenance schedule for each fleet item;

R41. Agree service level agreements for non SWD users;

R42. Review current inspection and maintenance frequencies and agree individual programmes for each fleet item;

R43. Ensure that all maintenance time is properly allocated to vehicles in future;

R44. Maximise workshop time by reducing time spent travelling on the island.

12.1 Taxis, Hire Cars and Buses

The workshop also provides a public service inspection function for taxis, hire cars and buses to comply with the requirements of States of Guernsey Police. This is considered to be a roadworthiness inspection but the mechanic has recently also commented adversely on the physical appearance of some hire cars. This is not considered to be part of the remit but the confusion suggests that the parameters for the work by the Alderney workshop should be clarified.

It is important that SWD make arrangements for the external vehicle inspections to fit with operational requirements as well as customer needs. This does not happen at the moment and the timing of hire car inspections can be random as a result and are led by the vehicle owner. A planned approach is therefore recommended in future through preparation of an annual inspection schedule by the workshop which should be communicated to users.

Recommendations

R45. Clarify the parameters for external inspections;

R46. Prepare an annual programme for external inspections to fit with operational requirements. Communicate this to external parties.

12.2 Workshop sustainability

The States Mechanic is one of the employees due to retire in the next two years which provides an opportunity to consider the future of the workshop. Ignoring the current apprentice time, assuming one mechanic working at 80% productivity would mean around 180 available days in the year. After allowing limited time for private inspections, this equates to 42 hours per annum for each States vehicle. Industry data suggests that this is high and whilst a complicated Fire Tender may require over 100 hours maintenance per annum, the norm for smaller vans and tractors is around 20 hours per annum.

As noted above, the current frequency of inspection and maintenance may be high and some working practices such as travel time are inefficient. The volume of work required by the current fleet does not justify two staff, although it is acknowledged that one is training. In the longer term, the States should consider whether outsourcing fleet maintenance is an option.

Recommendation

R47. In the longer term consider whether a States Workshop is justified or whether outsourcing the function is a better option.

13 Voluntary Fire Service

The Voluntary Fire Service operations were not reviewed as part of this exercise as they are not part of States Works but the opportunity was taken to visit the Fire Station to discuss various issues to inform this review.

The voluntary service uses resources who work for SWD and also receives funding from the States to cover limited staff costs and retained costs plus some equipment and materials. As it is an emergency service, the motivation and discipline related to processes is different from much of that observed in States Works.

The Voluntary Fire Service demonstrates:

- Good record keeping;
- Robust revenue and capital budgeting;
- Strong business cases for new proposals;
- A culture of cost-consciousness;
- Regular training;
- High standard of record keeping.

The Fire Service is also a customer of the SWD and in particular the vehicle workshop. It is fair to say that relationships here are not good and the Fire Service has had to put on record a number of instances where it feels the service has not been acceptable. A service level agreement was prepared by the Fire Service specifying the maintenance required by each vehicle and the process for taking vehicles off the road given the nature of their business. This is considered to be good practice but does not appear to be complied with by SWD. At the time of the review, a series of complaints had been referred to the States Engineer in relation to some maintenance work and these have not yet been satisfactorily resolved. This is important to clear up as the work is recharged to the Fire Service and any concerns will result in payment being withheld.

Recommendation

R48. States Engineer to meet with Fire Service representatives and other SWD staff to agree a way forward on vehicle maintenance in future.

14 Management and Administration

The management and administration of SWD is under the overall control of the States Engineer with a Superintendent of Works responsible for the day to day organisation and two part time office staff.

The Superintendent has a wealth of knowledge regarding all aspects of SWD and some good quality records are kept to support the operations. However, there was widespread criticism of management and leadership capabilities that the States need to consider if it wishes to implement change and make improvements.

Relationships with some employees are not good which means that challenge is avoided and issues not dealt with and whilst the Superintendent has some good ideas himself, he does not feel empowered to implement them due to the relationship with the States Engineer as the decision maker. It is understood that a number of the inefficient working practices and odd arrangements described in this report predate the States Engineer and Works Superintendent and have now become the norm because they have not been challenged and no opportunity has been taken to change them.

A group was in place to enable operational issues to be discussed routinely between the Chief Executive, States Engineer, SWD staff and Treasury. This has recently been reconvened as the States Works Operations Committee and regular meetings will help ensure direction from the Chief Executive, guidance from Treasury and feedback from SWD.

There are no proper quality control procedures and as a consequence, there is no feedback to employees on the standard of work completed.

Recommendations

R49. States to consider whether leadership and management skills are in place within SWD to drive changes and improve the structure in the longer term. If not, to consider how to implement changes.

R50. Introduce quality control visits and feedback to employees on work standards.

The office staff are part time with one doing one day a week and feedback from discussions during the review was positive. Systems are laborious requiring a lot of data entry and are prone to breakdown. The time on data entry includes the large volumes of invoices and orders from one supplier and it is hoped, in time that this will reduce by improved procurement processes. Timesheets are processed by the Superintendent although it is an administrative task that should be carried out by the office staff.

Time is also taken in filling the gaps where timesheet entries or order details are incomplete. This is a failure of employees to comply with processes and is largely addressed as it occurs. Where routines do not change, the timesheet can be pre-filled for signature to help employees.

Recommendation

R51. Allocate time sheet processing to office staff to allow Superintendent to devote time to other functions such as planning.

14.1 Management information

The SWD system provides detailed costing information following data entry of all costs. There are some anomalies in the way costing information is displayed which need to be resolved and it is not clear that management information is proactively used to inform decisions on a monthly basis. There is limited analysis and no benchmarking of costs and therefore the States has no idea of the reasonableness of current costs.

Current year data and the total figures from the previous year are used as a basis for the budget setting taking place at present but the initial output was fairly crude. A post implementation review of budget delegation is proposed by the States Treasurer and it is important that this identifies any further training needs so that SWD can improve its understanding of costs and budgets and the impact of service level changes on budgets.

Recommendation

R52. Agree key management information to be prepared monthly with key costing and performance indicators for SWD.

14.2 Insurance issues

There is evidence of some mis-management of insurance issues that were identified during the review.

Recommendation:

R53. Undertake an issues analysis to learn lessons from insurance claims with a view to improving in the future:

- *Update asset registers for insurance purposes;*
- *Ensure prompt communication to States Treasury and 3rd parties in relation to all incidents;*
- *Remind staff of the need for compliance with processes to ensure valid claims are settled promptly in future.*

14.3 Complaints and incident procedure

Reporting incidents out of hours is currently informal and due to the nature of the island, eventually any incident will come to the attention of someone who can resolve it. There is no on-call system and should an emergency require attention, out of hours, overtime will be paid. In order to formalise the system, the States should consider an out of hours phone number with a rota for simply answering any calls. This number should be published alongside the normal States Works number to remind members of the public how to report all issues.

There is an existing system for complaints which needs to be better publicised and on a wider point; the States should consider a separate E mail with protocols for dealing with complaints as they arise.

Recommendations

R54. Publicise the States Works number for incident reporting and a new out of hours number to be manned by rota;

R55. Re-issue States –wide formal complaints system with E mail address and protocols.

15 Branding and Structure

15.1 Structure

The current structure of SWD has two teams, Waste and Agriculture, where daily operations are controlled by a Foreman and Chargehand. As a result, these two sections are more compliant and in discussions with employees, there was a higher degree of satisfaction and no issues raised in relation to team management. This was markedly different to discussions with those in the projects team, a sewer representative and the mechanic who lack the day to day supervision and direction.

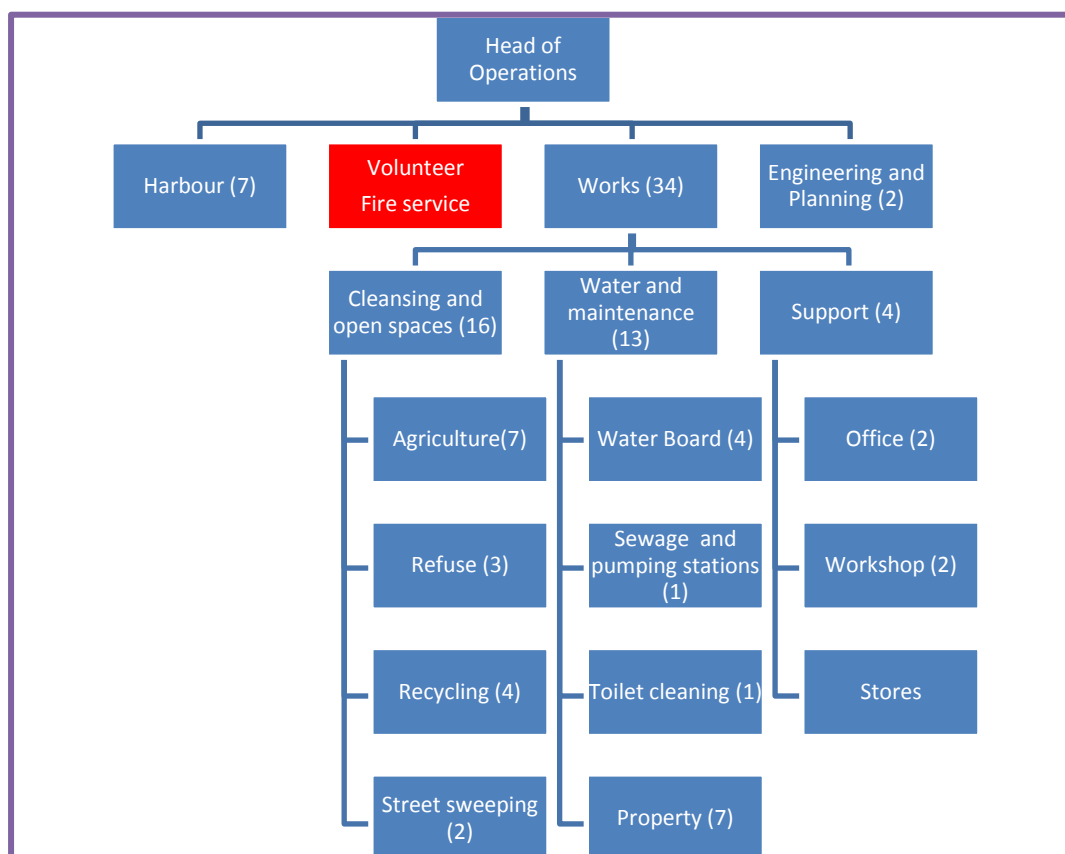
There is some flexibility in resourcing but this is limited and employees tend to work in their own area regardless of peaks and troughs in other areas.

As a result of this review, the States should consider options for rationalising the structure alongside the succession planning discussions mentioned earlier. The current structure is capable of being streamlined and given the size of the States, it is also felt that a single Operations Department including the Harbour, Water Board and Voluntary Fire Service would have merit in terms of management and flexibility of resources.

Within this, one option would be a single Works Department providing a pool of resources but notionally divided into three groups:

1. Cleansing and open spaces – bringing together the current agriculture and waste teams;
2. Water and maintenance – bringing together the current property maintenance functions, including sewage, with the Water Board;
3. Business support – those services that support the main business including office, vehicle workshop and a new stores function.

Exhibit 23: One possible future structure option (assumes continuity of all current functions)



Recommendation

R56. Consider options for a future structure which integrates all operational functions and allows for flexibility in resources.

15.2 Branding

As noted previously, the public perception of SWD can be poor. Whilst this may be without robust foundation, it is something that cannot be ignored and it is hoped that the public notice improvements over time. One of the perceptions is around untidiness of operatives and vehicles and this should be addressed by management.

Efforts are currently being made to standardise work wear and this is to be encouraged. To signal change to the public, SWD may also wish to think of other initiatives such as a new name for SWD and different vehicle livery for new vehicles given that the white colour currently shows more dirt.

Recommendation

R57. Demonstrate change to the public by standardising work uniform, changing livery on new vehicles and considering a new name for SWD.

Appendix A

16 Table of recommendations

Recommendation	Responsibility	Deadline
<p>R1. Ensure that all SWD employees are aware of the cultural change required and the context for this review:</p> <ul style="list-style-type: none">➤ Regular face to face communication by States Engineer;➤ Focus on cost consciousness;➤ Greater sense of urgency;➤ Commitment to improve public perception;➤ Invite ideas from workforce;➤ Act on recommendations in this report.		
<p>R2. Develop a plan for the future using the findings from this review to:</p> <ul style="list-style-type: none">➤ confirm the skills and trades required in the medium term;➤ carry out a skills audit and identify any gaps;➤ prepare a training programme with budget;➤ agree a succession plan for all employees retiring in the next three years;➤ undertake a talent management exercise to identify key employees to be developed for the future.		

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| <p>R3. Move all employees on 38 hour week contracts to a standard working day from 7:45 to 4 with 30 minute lunch and earlier finish on Friday.</p> <p>R4. Look for opportunities to maximise work on site by reviewing lunch time arrangements where staff return to depot.</p> <p>R5. Target reductions in SWD mileage where usage is currently high. Every 10% would increase productivity by £4,500 and save fuel cost of around £2,300.</p> <p>R6. Bring additional allowances into line with Guernsey Black Book:</p> <ul style="list-style-type: none"> ➤ Clarify purpose and application of dirt money; ➤ Phase out all payments of sewer money. <p>R7. Stop the current practice of time off in lieu so that all overtime is controlled and managed.</p> <p>R8. Introduce performance management with standard job descriptions and competencies for all staff;</p> <p>R9. Ensure periodic meeting opportunities to discuss performance with managers.</p> | | |
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| <p>R10. Challenge any employee where frequent absence periods are evident.</p> <p>R11. Introduce pre-authorisation for all orders to ensure proper documentation, co-ordination of purchases and preferred supplier list used.</p> <p>R12. Review all current stores to:</p> <ul style="list-style-type: none"> ➤ Create an inventory of items held; ➤ Make space for a proper store of regular items; ➤ Dispose of unwanted items including sale to the Housing Association where appropriate. <p>R13. Introduce pre-authorisation for all purchases as part of an overall improvement in project planning;</p> <p>R14. Meet with supplier management to confirm to see if an improved discount can be negotiated.</p> <p>R15. Periodically test the market in order to demonstrate that rates from contractors are competitive.</p> <p>R16. SWD management to issue guidelines to all vehicle users on the need to carry out routine checking and cleaning of vehicles;</p> <p>R17. States Mechanic to keep a record of any issues that</p> | | |
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need to be brought to the attention of management where alleged abuse is evident;

R18. Prepare an inventory of all equipment and tools and allocate a unique number to each item.

R19. Consider whether alternative arrangements could be made in relation to the Saturday waste collections.

R20. Review opening hours at the impot with a view to closure at 4pm in winter months;

R21. Identify a longer term option for removal of tyre waste in future;

R22. Find a solution for disposal of green waste with some urgency.

R23. Review Recycling Centre Hours to limit them to daylight in winter;

R24. Agree an optimum level of resources at the Recycling Centre and a weekly rota to provide the right level of staff at the right times and avoid over resourcing.

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| <p>R25. Prepare an annual confirmation for States Members to demonstrate that giving recyclables to Guernsey in return for free shipping remains the best option.</p> <p>R26. Review longer term resource needs to assess more efficient working will allow reduction in the workforce;</p> <p>R27. Prepare a business case for an agricultural plant and equipment store;</p> <p>R28. Provide budget provision for a concrete base for the grave box at the cemetery.</p> <p>R29. Move to longer term programming of the Projects Team with an emphasis on forward looking and over-programming;</p> <p>R30. Prepare a complete asset register with condition survey of all States property assets with a view to developing a preventative maintenance programme;</p> <p>R31. Undertake a post implementation review of Longis Bay toilet building to agree lessons learned;</p> <p>R32. Apply proper and proportionate project management disciplines to all future projects;</p> | | |
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| <p>R33. Involve the operatives in future project design and planning to gain the benefit of their experience.</p> <p>R34. Review options for outsourcing slaughtering to maximise time available for painting.</p> <p>R35. Consider options for outsourcing toilet cleaning by preparing a specification and seeking quotes;</p> <p>R36. Review pumping station routine to maximise productive time by rescheduling to the end of a day;</p> <p>R37. Discuss equipment and safety requirements with operatives to agree what changes need to be made;</p> <p>R38. Use any free time emerging to map existing gullies and prepare a cleaning and maintenance programme;</p> <p>R39. Consider whether there are options for modifications to sewer cart to enable easier emptying.</p> <p>R40. Prepare simple database with a detailed vehicle inventory and maintenance schedule for each fleet item;</p> | | |
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R41. Agree service level agreements for non SWD users;

R42. Review current inspection and maintenance frequencies and agree individual programmes for each fleet item;

R43. Ensure that all maintenance time is properly allocated to vehicles in future;

R44. Maximise workshop time by reducing time spent travelling on the island.

R45. Clarify the parameters for external inspections with Guernsey;

R46. Prepare an annual programme for external inspections to fit with operational requirements. Communicate this to external parties.

R47. In the longer term consider whether a States Workshop is justified or whether outsourcing the function is a better option.

R48. States Engineer to meet with Fire Service representatives and other SWD staff to agree a way forward on vehicle maintenance in future.

R49. States Members to consider whether leadership and management skills are in place within SWD to drive changes and improve the structure in the longer term. If not, to consider how to implement changes.

R50. Introduce quality control visits and feedback to employees on work standards.

R51. Allocate time sheet processing to office staff to allow Superintendent to devote time to other functions such as planning.

R52. Agree key management information to be prepared monthly with key costing and performance indicators for SWD.

R53. Use the analysis above to learn lessons from insurance claims with a view to improving in the future:

- Update asset registers for insurance purposes;
- Ensure prompt communication to States Treasury and 3rd parties in relation to all incidents;
- Remind staff of the need for compliance with processed to ensure valid claims are settled promptly in future.

<p>R54. Publicise the States Works number for incident reporting and a new out of hours number to be manned by rota;</p> <p>R55. Set up a States –wide formal complaints system with E mail address and protocols.</p> <p>R56. Consider options for a future structure which integrates all operational functions and allows for flexibility in resources.</p> <p>R57. Demonstrate change to the public by standardising work uniform, changing livery on new vehicles and considering a new name for SWD.</p>		
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