

The Highland Council
Community Services Committee
20 August 2015

Agenda Item	15
Report No	COM 43/15

Grounds Maintenance Service Delivery Strategy

Report by Director of Community Services

Summary

This report presents an assessment of the option for the delivery, supervision and performance monitoring of grass cutting. Members are asked to approve the strategy for the delivery of grass cutting activities from March 2017.

1. Background

- 1.1 Community Services is responsible for a wide range of horticultural-related activities including cutting 9.4 million m² of amenity grass, which is public open space, playing fields or burial grounds. External contractors maintain 60% or 5.6 million m² with the remaining 3.8 million m² maintained in-house. Of the latter some 2.7million m² was tendered and retained by the in-house teams.
- 1.2 The current mixed economy model for grounds maintenance involves contracts for grass cutting in 9 lots, 6 of which are awarded to contractors - 1 for Skye to Golders Landscapes Ltd (2014/15 & 2015/16); 5 for Nairn, Badenoch & Strathspey, Lochaber, Inverness, Mid & West Ross to ISS (2011/12 to 2015/16); with the remaining 3 for Caithness, Sutherland and Easter Ross delivered by the in-house workforce.
- 1.3 In Inverness, Wester Ross, Easter Ross, Sutherland and Caithness there are large areas of grass that are not included in contracts and where the in-house workforce deliver grass cutting. The Council has traditionally recruited seasonal staff resources in some areas to deliver grass cutting.
- 1.4 The previous competitive tendering in 2011 secured a saving of approximately £600k per annum which has been removed from budgets. In 2015/16 the overall expenditure, excluding income, on grounds and burial grounds is budgeted at £5.6M. The cost of the contracted grass cutting is £1.3M.

2. Priorities and Service Delivery Adjustments

- 2.1 During the current contract period a number of priorities have been confirmed and adjustments trialled variously across the Council. These are:
 - a) Maintenance of burial grounds, sports pitches and play areas are a very high priority for local communities.
 - b) Contractor business models involve summer seasonal working but they

- have difficulty retaining staff over the winter.
- c) Contractors have responded positively to performance issues and have worked with our contract management staff to address issues with additional resources.
 - d) In areas where seasonal workers have traditionally been employed for grass cutting only, there is potential to reduce expenditure and redeploy resources to high priority work such as burial grounds.
 - e) Use of technology by contractors to undertake self-monitoring has worked for the single contractor on Skye who submits invoices on work delivered and does not claim for failed or non-cut areas. ISS has been using a self-monitoring system for several years in parts of England and are using it this year in Highland at no extra cost to the Council.

3. Contract Monitoring and Management

- 3.1 Monitoring of the existing service delivery is predominately complaint based. Common issues are addressed with the contractor's management or the Council's in-house area management. This approach has allowed service delivery to be locally modified resulting in reduced levels of complaints and cost savings.
- 3.2 To manage contract monitoring costs it is intended to utilise the Council's mobile working IT system. Trials of the hardware are currently being arranged and these need to be completed to prove the technology can be used in the retender.

4. Contract Strategy and timescale

- 4.1 Delivery of grass cutting is under review at a local level to identify savings through modification to standards. During the remainder of 2015/16 Members will be presented, through Ward Business Meetings, with proposals for refinement of standards for plots. The specification as defined in the current SLA can be modified to produce savings, with approval through CS committee.
- 4.2 The Council's policy to support locally based SME's will be actively encouraged through the use of sub-contracting and the lotting strategy.
- 4.3 The quality section of the tender will include a requirement for contractors to show how they will utilise SME's. A high weighting score is proposed for this element to encourage locally based SME's.
- 4.4 To realise savings resulting from, refinement of standards for plots, modification of specification, introduction of the mobile working IT system and data improvements it is necessary to extend the existing contracts by an additional year to provide service in 2016/17.
- 4.5 A contract extension report is being prepared recommending continuation of the existing contract arrangements for one year. The contract for Skye & Lochalsh has an option to extend for an additional year. The other 5 contracts with ISS have previously been extended by two years; a VEET Notice will be

issued via the Procurement Scotland website confirming that the Council will make a direct award of an additional year's work for 2016/17.

- 4.6 The timescale for review of standards is tied into the future retender for grass cutting. In order to meet the statutory requirements, and allow a contractor sufficient time to mobilise to commence in Spring 2017, the key milestones set out below have to be achieved:

Review specification - CS Committee	November 2015
Review of standards (WBM's)	August 2015 to March 2016
Advertise for tenders	May 2016
Receive and evaluate	June 2016
Issue tender for pricing	July-August 2016
Evaluate tenders received	September-October 2016
Contract Awarded	October 2016
Contract mobilisation	November 2016 to February 2017
Contract commences	March 2017

5. Implications

- 5.1 A decision to extend the amenity grass cutting contracts for Lots 1-4 and 6-9 allows the completion of the review of standards for inclusion in the new contract and reduction in costs of service delivery into 2017.
- 5.2 A decision to amend the specifications for grass cutting would enable a saving to be secured.
- 5.2 There are no legal, equalities, climate change/carbon clever, gaelic or rural implications.

Recommendation

Members are invited to agree to:

- i) complete the on-going review of existing services to reduce costs where practicable during 2015/16 in advance of retender by agreement at Ward Business Meetings; and
- ii) progress the retender for grass cutting services in accordance with the timescale in 4.6 with commencement in March 2017

Designation: Director of Community Services

Date: 5 August 2015

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Background Papers: