

The Highland Council
Community Services Committee

18 August 2016

Agenda Item	18
Report No	COM 37/16

Grass Cutting

Report by Director of Community Services

Summary

This report gives the background to the current grass cutting contracts and service delivery model and proposes that an Options Appraisal is undertaken, given the changes to Community Services and the Council's reporting and budgetary structure, with a view to providing a service which fits the needs of both.

1. Background

- 1.1 Grass cutting and burial ground maintenance forms part of the work of what is called Amenity Services, which also includes: war memorial maintenance, management of public conveniences, play park maintenance, and burial and cremation services.
- 1.2 Whilst amenity grass cutting is a non-statutory service it is viewed as important by the public (as reported to CS Committee on the 4 February 2016) and doubtless contributes to the overall wellbeing of the community.
- 1.3 This service transferred on the 1 April 2016 from Roads and Transport to Environmental and Amenity Services.
- 1.4 Prior to 2011 all grass cutting across Highland was carried out by Roads and Community Works (in what was then TEC Services), with the exception of Skye and Lochalsh which was privatised around a decade ago.
- 1.5 Contracting out the service was prompted by the need to cut costs and the tendering exercise realised a £600k plus recurring saving in revenue, which was removed from TECS budget in 2011/12.

2. Current Position

- 2.1 There are around 9.4Mm² of amenity grass which includes open space, playing fields and burial grounds.
- 2.2 Contractors maintain 60% (5.6Mm²) whilst the Service maintains the remainder (3.8Mm²).
- 2.3 Contracts were let in 9 lots, six of which were awarded as follows:

Golders Landscapes Ltd: Skye & Lochalsh
 ISS Ltd: Nairn, Badenoch & Strathspey, Lochaber,
 Inverness, Mid & West Ross

- 2.4 The in-house Service provides grounds maintenance in Caithness, Sutherland, and East Ross.
- 2.5 However there are also grassed areas (i.e. high amenity areas) in the contracted areas (including Inverness, West and East Ross) which were excluded from the tendering process and are maintained by the Service.
- 2.6 Current contract costs are £1.34M/yr.
- 2.7 As reported to Members on 4 February 2016, these services should have already been re-tendered according to the timetable given to Committee to enable contract mobilisation in February 2017 for a contract start in April 2017.
- 2.8 The manual staff establishment at July 2016 for all functions (i.e. not simply grass cutting) in the amenity area is shown as Table 1 below.

AREA	Operative	Foreperson	Vacancy	Charge hand	Other	TOTAL
B&S	7	1	0	0	0	8
Nairn	5	0.9	1	0	0	6.9
S&L	2	0	1	0	0	3
Lochaber	6	1	0	0	0	7
R&C	15	3	1	0	0	19
Sutherland	16	0	1	0	0	17
Caithness	6	1	0	0	3	10
Inverness	23	1	1	2	1	28
TOTAL	80	7.9	5	2	4	98.9

Table 1 : Manual Staff establishment involved in Amenities Work (July 2016)

- 2.9 Several areas of Highland currently only possess staff for burials.

3. Options Appraisal

- 3.1 There are a significant number of issues now prevailing on the service which necessitates a complete review of provision to ensure that it is configured according to the needs and wishes, as far as is practicable, of those who will have decision-making authority over budgetary provision.

- 3.2 The issues are:

- Member concern at standards;
- Community Services re-structuring and the appointment of a new Head of Service;
- The on-going re-design of the Council;
- Present and future budgetary position;
- Disaggregation of grounds maintenance budget to the new community

- based Local Committees; and
- Community/Third Sector involvement in service provision.

3.3 The options appraisal will examine the following and use as a baseline the current provision and budgetary position:

1. in-house provision;
2. full privatisation; and
3. mixed service (with a range of sub-options).

3.4 The latter option will be the most complicated (and will have a range of sub-options) and will by necessity take account of local conditions and need, and the configuration of mixed service provision which will not only deliver the service effectively, but will also do so efficiently.

3.5 Carrying out this exercise locally will enable local Members to be involved in the overall process and enable local conditions to be at the centre of the appraisal process.

3.6 It is anticipated that the Options Appraisal will be carried out during the autumn/winter with the intention to report to CS and local areas in the spring of 2017 (i.e. after the budgetary position for 2017/18 is confirmed).

3.7 Given the timetable it will be necessary to make arrangements for grounds maintenance work to be covered during the period 1 April – 31 October 2017.

3.8 Community Services and Procurement are working together to achieve this aim.

4. A Proposal for Skye and Lochalsh

4.1 The current contractual arrangements for Skye and Lochalsh expire at the end of the current season.

4.2 Given the small size of the contracted workforce and of the contract it would be feasible to bring this service in-house from 1 April 2017.

4.3 Arrangements to ensure service provision for the mainland would have to be examined and confirmed but this does not appear to be insurmountable.

4.4 It is therefore proposed to bring the entire amenity services provision in-house for Skye and Lochalsh from 1 April 2017.

4.5 The existing budget relating to the contracted works for 2016/17 for Skye and Lochalsh is £136k.

5. Implications

5.1 The proposal to bring grass cutting in-house for Skye and Lochalsh for April 2017 can only be delivered for Skye and Lochalsh at this time. The current contract with our other provider (ISS) is much more complicated and costly and cuts across several areas of Highland. A full options appraisal will require

time to be done properly and to ensure the best options are fully researched, discussed locally and presented to Members, as outlined in the report.

- 5.2 There are legal (procurement) and financial risks regarding the arrangements that might be made for these Amenity Services in 2017.
- 5.2 The risk relating to a challenge regarding the procurement process has been estimated as being low.
- 5.4 There are no other known equality, Gaelic, or rural implications arising from this report.

Recommendation

Members are invited to:

1. approve the scope of the Options Appraisal as detailed in 3.3 above;
2. approve the amenity service to be delivered by in-house staff on Skye and Lochalsh from 1 April 2017 within the existing budget available to Skye and Lochalsh at this time; and
3. note that a timetable for meetings with local Members to more closely define the scope will be developed and distributed to Ward Managers with a view to the options appraisal being presented to Community Services committee in spring 2017.

Designation: Director of Community Services

Date: 4 August 2016

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