

Agenda Item 7i

Agenda Item	10.
Report No	RES/28/23

HIGHLAND COUNCIL

Committee: Corporate Resources Committee

Date: 6 September 2023

Report Title: Financial Assessment of Notice of Motion - No Mow May

Report By: Head of Corporate Finance

1. Purpose/Executive Summary

- 1.1 A Notice of Motion relating to “No Mow May” was reported to the Council meeting of 29 June 2023, along with an assessment by the Council’s Section 95 Officer which identified that financial implications relating to the Notice of Motion were anticipated.
- 1.2 Per Council Standing Orders *“If financial implications have been identified, the proposal will be referred to the next meeting of the Corporate Resources Committee for a full assessment and referral back to the next Council.”*
- 1.3 This report sets out the assessment of the Notice of Motion for consideration by Members.

2. Recommendations

- 2.1 Members are asked to:
 - i. Consider the financial assessment of the Notice of Motion relating to No Mow May.
 - ii. Note that the estimated additional costs associated with the motion are assessed as £348,240 consisting of the hire of specialists Mowers and the cost of dealing with Waste Arisings. There are likely additional but unquantified additional costs relating to roadside verge maintenance contacts also.
 - iii. Note that further to these additional costs, there would be the implications of existing staff salary costs during May, and the standing charge cost of machinery, which would represent costs that were being incurred regardless of the cessation of mowing activity. Steps would be required to consider options to minimise such costs or identify other productive activity to be undertaken.

- iv. Note the financial risks and implications as set out in the report, and that a clear and agreed funding solution would need identified for the Notice of Motion to progress.
- v. Note that the Notice of Motion and the financial assessment will be considered by Council on 14 September.

3. **Implications**

3.1 **Resource** - Staff and vehicles/plant/equipment used by the grounds maintenance function costs are largely fixed costs and would be incurred during May regardless.

The grounds maintenance season starts in April and staff are recruited during March. No Mow May would result in seasonal staff not being occupied in rechargeable work.

The implications of cutting of higher length grass in June would need to be considered as the current equipment is not specified to do this. This would incur additional costs in the short term to get grass cutting back to the seasonal standard that the plant/equipment is designed for. Cutting longer grass puts strain on the grass cutting equipment and results in breakdowns and damage, rechargeable to the Council.

Additional costs of dealing with waste arising is forecast. There are costs of transporting 1,855 tonnes of waste arising from site to a waste transfer station and a further cost of transfer from the waste transfer station to the Council's contracted service provider in Aberdeenshire where it is composted. This is estimated to be £296,040.

For the Roads Service, any delay in beginning the grass cutting season would impact other activities undertaken during the summer such as surface dressing. To alleviate this, contractors would have to be used which would require additional budget for the service as existing staff would also have to be utilised.

3.2 **Legal** – There are no legal implications arising from this motion in terms of grounds maintenance. The Roads Authority has a duty to manage and maintain the road network. Part of this would be keeping visibility splays clear so delaying cutting for May could have an impact on road safety.

3.3 **Community** – There will be a negative impact on what communities' think is acceptable standards for ground maintenance. The Service receives complaints during the season from communities if the grass is not cut to agreed service standards, and at a suitable frequency. This is particularly true in sensitive areas such as burial grounds. The Roads Service also receives complaints or comments that grass is not cut often enough.

3.4 **Climate Change / Carbon Clever** – There will be an impact on emissions from transportation of waste arising on 2 counts: one from site to a waste transfer station and second from the waste transfer station to Aberdeenshire for composting.

Not mowing in May would reduce our ability to use battery equipment, which is not designed for such heavy work in long grass. This recovery work would have to be carried out by diesel and petrol driven equipment.

- 3.5 **Risk** - There is a risk that not cutting grassed areas will impact on the quality of grass cutting in the following month and will affect the plant and machinery already leased.

Recovery of the grass to a usable lawn standard for public amenity use will be prolonged and green areas will look unsightly until fully recovered. There will be a higher repair costs for the machinery as the equipment is not designed to cut long grass.

Hiring 29 mowers capable of cutting and lifting this length of grass would be difficult, June is peak growing season, demand for mowers is at its highest and there is unlikely to be that volume of suitable mowers north of Perth. If they could be found, the hire costs would likely be driven up by the extra demand we would place on the sector, possibly making the hire cost prohibitive.

There is also the potential for increased risk of wildfire, arising from long dry grass in our increasingly dry and hot summers.

- 3.6 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – no specific implications to highlight.

- 3.7 **Gaelic** – there is no Gaelic implication arising directly from this report.

4. Background

- 4.1 The full text of the Notice of Motion reported to Council on 11 May is as set out below.

- 4.2 *To encourage biodiversity and address the nature emergency, and to save the Council's limited financial and staff resources, this Council agrees to support Plantlife's "No Mow May" campaign by publicising it and by not cutting verges and other green spaces until later in the year, except where it is necessary for public and road user safety.*

5. Current Service Position and Assumptions

Amenities Ground Maintenance

- 5.1 The Communities and Place grounds maintenance function maintains approx. 9,000,000m² or 900 hectares of grass between April and October each year.

The Service aims to cut grass at no more than 100-120mm high to prevent the costs associated with waste arising, and the cuttings are therefore allowed to mulch back into the ground.

5.2 Staffing Levels

Permanent and seasonal staffing levels are based on the volume of work to be carried out over the summer and winter seasons. Staff costs during May are £282,538. While staff could be allocated to other works, the cost remains.

5.3 Machinery

The machinery used for grounds maintenance is contracted for seven months of the year and costs £502,666 or £71,809 per month, of which 50% of the hire fleet would be standing, so downtime is £35,500. This is a fixed costs and is payable regardless of usage.

The equipment is specified for a pre-determined quality of cut, this is normally a maximum cut height of 125mm, and of lawn quality standard. Which is based on the maximum height Council mowers are capable of cutting.

If the grass is left and grows to a height the equipment is not designed for, it will simply flatten the grass without cutting, or it will put stress on to the machinery and cause damage which is rechargeable to the Council.

When drive belts are broken due to misuse of the mower (cutting long grass) the repair costs are borne by Highland Council, dependant on the mower, replacement belts plus labour costs can be more than £300.

Cutting long grass can damage other parts such as drive bearings, blades, hydraulics, and can put excessive strain on the engines, all of which can cause expensive damage, and specialist parts can be difficult to source causing delays to our schedule.

When there are machinery breakdowns, ideally, the Council gets a replacement unit, however since Covid this has become challenging. Quite often the Council must wait for the machines to be repaired, which can be delayed due to delays in the supply chain. Work then falls behind, and to catch up with the schedule, it normally takes as least a fortnight to get back on schedule.

5.4 Service Standards/Catch Up Costs

To bring the grass back to amenity standard would require the grounds maintenance function to cut the entire estate twice during June, one high cut and one low cut to get the grass into a condition for the contracted mowers to take it back-. The Service estimates it would need 29 mowers to achieve this. Estimated costs for this are approx. £450 per week per mower, £13,050 per week, £52,200 for the month of June.

Any reduction of fuel costs in May would likely be offset by the increase of fuel use in June during catch up work.

There may be overtime costs associated with catch up work in June, however it would be intended that all works would be carried out in normal working hours so overtime costs have not been factored in to the calculation.

5.5 Waste Arisings

As the Council does not generally uplift clippings there would be an additional cost associated with not cutting during May. In addition to the cost of transportation to the Council's waste Transfer Station, there would also be cost incurred for bulk haulage to Aberdeenshire and for the composting process. Based on 1,855 tonnes, this would result in an additional cost of £296,040.

5.6 Areas set aside for Rewilding

These areas would remain unaffected by this proposal.

5.7 Facilities Management Service Impact

The Facilities Management (FM) team only cut grass at a small number of sites, including Headquarters. The amenities team having the responsibility for the majority of sites as set out in the preceding paragraphs. The FM team have provided similar commentary regarding the unsuitability of their current equipment to deal with longer grass and the risk of increased work and cost associated with the proposed motion. It has not been possible to financially quantify the cost of this aspect of ground maintenance activity, but insofar as the scope of FM is a very limited number of sites, this is not considered significantly material.

The FM Service have also highlighted a further potential impact from the motion, relating to litter picking and that longer-grass may result in litter being 'caught' in longer grass and potentially more difficult/time consuming to deal with as a result. There is no financial quantification of this risk.

5.8 Roadside Verge Maintenance

In relation to Roads and Verge Maintenance, the commentary from Service Management is as follows.

The Roads Services cuts rural verges starting in May with the aim of undertaking at least one grass cut per year. This does not mean that all rural verges are cut in May and therefore, there is already a built-in delay to the programme. Normally, a 1m-1.2m swathe is cut from the carriageway edge to ensure vegetation does not encroach onto it. Wider cuts may be undertaken on visibility splays or for drainage purposes. Delayed cuts may already be undertaken for areas identified for biodiversity reasons. More detail is available in the 'Verge Maintenance Manual for Roads in Rural Areas' document produced by the Roads Service this year.

Levels of staff in the Roads Service are not dependent on grass cutting but any delay in implementing the cutting season would have an effect on subsequent activities such as surface dressing. To mitigate this, external contractors would need to be employed to deliver the verge maintenance programme as other activities are also seasonal and need to be completed in the summer months. As the same staff also cover winter duties, they require time in between summer and winter to take annual leave so delays cannot be caught up with at the end of the summer.

It is likely that a tender exercise would require to be completed to employ external contractors. This would be an additional cost, rather than utilising existing budgets (these would still need to be used to pay for labour, plant and materials for the existing workforce). Costs of this tender exercise are not known.

Arisings from roadside grass cutting are not usually uplifted. Longer cuttings may cause issues with blocking ditches/ drainage.

Roadside areas set aside for rewilding would remain unaffected by this proposal.

6. Assessment of Notice of Motion

6.1 As set out within this report there are a number of implications which have been considered regarding this Notice of Motion. The summarised quantified financial implications are as follows:

- Removal and haulage of clippings to transfer stations and green waste disposal charges and haulage to Aberdeenshire £296,040
- Hire of specialist mowers £52,200

Total of the above £348,240. This being additional costs over and above that which would normally be incurred, and which would need a funding source identified.

6.2 In addition, there is an expected, but unquantified cost associated with the potential additional contractor costs for roads verge maintenance following the month of May, when roads staff, equipment and resources would be deployed on other priority work.

In addition to the above, during the month of May the cost of amenity staff who would ordinarily be deployed on grass cutting activity would be £282,532. These costs would be incurred for these staff during May regardless, so are not additional costs arising from the motion. But the implication of 'No Mow May' would be the staff would not be deployed to their normal grass cutting activity. Alternative plans for utilisation of these staff would need considered and planned for. A similar scenario arises for roads staff whereby staff costs, not quantified, ordinarily related to verge and grass cutting, would instead need deployed to other activity. The Council would also incur a standing charge estimated as £35,500 for plant and equipment that would not be utilised for reasons as set out at paragraph 5.3. While not an additional cost, this is an opportunity cost, and a cost which would not relate to productive work or activity.

- 6.3 The position above represents the quantifiable financial impact as set out within this report, and based on a number of estimates and assumptions.

Designation: Head Corporate of Finance

Date: 25 August 2023

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Background Papers: