

## **POLICY & FINANCE COMMITTEE**

**31 MARCH 2022**

### **BUDGET REQUESTS FOR ENVIRONMENTAL SERVICES**

#### **1.0 Purpose of Report**

- 1.1 To inform members about the extra labour/resource and capital expenditure required to carry out additional work that has recently been secured by the Street Scene Team and to gain approval for the additional staffing and resources required.
- 1.2 This follows successful contract negotiations by Officers within the unit. There is a mixture of internal and external works that will increase revenue income to the Council, as well as redirecting monies currently being spent with private contractors back to the authority.
- 1.3 To inform Members about the additional expenditure needed to establish a network of Green Champions in line with the commitments established in the Community Plan.

#### **Additional Service Capacity Investment**

#### **2.0 Background Information**

- 2.1 In 2018 parks, grounds maintenance, street cleaning and waste services were merged into a single Environmental Services Team. This merger provided opportunities to streamline services and identify new areas of working to increase income to the council.
- 2.2 This has allowed efficiencies to be created which have allowed the team to extend the provision of services to an increased number of internal and external parties.

#### **3.0 Internal Provision**

- 3.1 The grounds maintenance provision for NSDC housing was successfully brought back in house during April 2021. The SLA included provision for Gladstone house, playground works, tree works and general grounds maintenance for all areas of HRA land. In our last report on Street Scene income we reported that in the near future we expected the SLA to be expanded to include new areas such as the new Broadleaves development and many HRA sites that have been converted from garages to dwellings. It would be at this point that additional resources would be required in order to meet our existing high standards and to maintain parity of service for all our sites.
- 3.2 Service level agreements have now been agreed with, Car Parks & Asset Management. These areas are now serviced by the Street Scene team. Both areas had previously been using third party contractors the expenditure for these services now remains within the authority. The increased specification and service delivery has seen a higher quality of work and has undoubtedly increased the satisfaction of car park users and enhanced the offer of our industrial unit rentals.
- 3.3 In addition to the above we are now providing winter gritting services to other NSDC departments. This is run as a 'pay as you go' service dependant on the weather. This particular work is a vital service to Council operations where bad weather health & safety risks are ever present.

#### 4.0 External Customers

- 4.1 In addition to all of the external works highlighted in a previous report Street Scene have now agreed a new 3 year contract with Farnsfield Parish Council to include additional works, not included in previous contracts. There have been new agreements signed with Harby Parish Council as well as additions to the Active4Today SLA which now includes Southwell Leisure Centre.
- 4.2 Externally, grounds maintenance and associated services are now provided to the following parish councils within the district. Approximate income figures for 2021/22 are included for information:

Bilsthorpe Parish Council	£4,016.00
Chuter Ede School	£6,636.15
Farnsfield Parish Council	£8,696.00
Hoveringham Parish Council	£1,675.00
Kings Clipstone Parish Council	£875.00
Kneesall Parish Council	£470.00
Lowdham Parish Council	£13,942.00
Wellow Parish Council	£440.00
<b>Total:</b>	<b>£36,750.15</b>

- 4.3 In addition to the above we have managed to negotiate a 1 year extension with Newark Town Council that now sees our agreement with them run until March 2023. This contract brought in £165,902 to the Council last year. This contract covers grounds maintenance, parks and play areas, street cleansing and litter bin services. This is included in the Grounds Maintenance Budget.

- 4.4 Increases for the new Financial Year in addition to the above table are as follows

Harby Parish Council	£1,065
Farnsfield Parish Council (additions)	£3,010
Southwell Leisure Centre (addition to SLA)	£1,348.20
HRA SLA additions	£15,181.31
Millers Housing Development	£4,421.78
<b>Total:</b>	<b>£25,026.29</b>

#### 5.0 Growth of the Department

- 5.1 In addition to all works tabled above we also offer a suite of additional services to external customers. For example during 2020/2021 we have brought in an additional £4,835 in monthly, quarterly and yearly playground inspection fees. There is an opportunity to develop this further with additional resource.
- 5.2 As colleagues will be aware all of the increase in income has enabled internal investment. 7 full time members of staff have been recruited to work on the Housing SLA and 1 FT member of staff to cover the SLA with Asset Management. We have also recruited 1 member of staff on a zero hour relief contract to assist with Parish Council Tender Wins. This has enabled us to offer more jobs to local people.

## 6.0 Service Offering

6.1 The range of services that we are now able to offer to both external and internal parties are as follows:

- Street Cleansing
- Grounds maintenance
- Winter Gritting
- Litter and Dog Bin Servicing and Fitting
- Play area inspections and Repairs
- Arboricultural services
  - Tree surveys
  - Tree works

6.2 Recently the department has been able to offer arboricultural services in a collaboration with an external tree surgeon. This relationship allows us to act as “middle man” for many external clients, enabling us to help customers whilst adding an administration fee. At the same time our in-house Street Scene team has been able to conduct small tree works. It is anticipated that there will be further opportunities for additional works once the Council’s own Tree & Landscapes Officer is embedded in the role. Again we would need to be resourced sufficiently to absorb the extra work.

## 7.0 Limitations

7.1 The unit is now at a crossroads. To enable us to move ahead with the additional works tabled above and look to secure additional income we need additional resource in the form of 1 additional member of staff with the appropriate vehicle and equipment. The table below are approximate costings. The cost could fluctuate depending on timing.

Suitable vehicle complete with ramp & equipment	£30,000
Ride on mower	£9,000
Additional machinery	£4,000
<b>Total Capital</b>	<b>£43,000</b>
Estimated 2022/23 salary + oncosts of full-time employee at NS5, based on 2% pay awards in 2021/22 and 2022/23	£25,690
Uniform and sundries p.a (initial cost would be slightly higher)	£200
<b>Total Revenue</b>	<b>£25,890</b>

7.2 Any significant expansion of external or internal service offering will have to be met by internal investment or a reduction in internal service standards. Commercially it is not possible to wait until a “full order book” is achieved before resources are put in place to carry out the contracts. The current team is at full capacity so there is a need to scale up before we can start to bid for additional work to support this additional resource. Officers are confident that they can continue to grow the commercial side of the unit, but investment is needed now if the Council is committed to its commerciality agenda.

7.3 The additional work/tenders undertaken over the last 2 years has diminished our ability to be agile and the ability react in a timely manner is key to a good commercial response. Potential commercial customers/partners expect us to react in a similar way and time frame as the private contractors we are bidding against. This report highlights the current situation but if the council is to be more commercially active in the future, this is request for investment is unlikely to be the last. Officers feel that the response to this report could shape the way the unit moves forward in the future.

## **8.0 Green Champions**

- 8.1 Members will be aware of the Council's ongoing greening agenda and the important role volunteer groups play within our Cleaner, Safer & Greener programmes. The service relies on such groups to carry out ad hoc and prearranged visits as well as being the local eyes and ears as far as the environment is concerned.
- 8.2 Members will also be aware of the council's busy programme of community engagement and resident well-being initiatives. Area "walkabouts" and Days of Action being just a couple.
- 8.3 However, there are still areas of land which do not fall under the Council's direct area of responsibility or where residents want to make a positive contribution themselves. Over recent times through the popular Days of Action or national programmes such as the Great British Spring Clean, the Council has facilitated community litter picks from diverse areas of the district, with the aim of increasing local pride in places and putting more parts of the district under local management where appropriate to do so.
- 8.4 During the last two years we have noted changes in behaviour and lifestyle brought about by the Covid-19 pandemic and high profile news coverage of the Climate Emergency.
- More people than ever are out walking, visiting parks and green spaces and noticing litter.
  - More individuals than ever are asking us for equipment so they can help with litter collection.
  - Many volunteers are preferring to go out every day on their own to litter pick, whilst dog walking or during the school run rather than joining a larger group activity.
  - We have seen a surge in requests for help via phone calls, customer services requests, emails, text messages and social channels. Keeping track is getting harder.
- 8.5 Within the Community Plan there is a commitment to try to formalise this will from local volunteers and communities through what has been called a 'Green Champions' network and now, with the rollout of the MyAccount web system and the Green Rewards app, there is an opportunity to try to tie some of this together in a more efficient and strategic way.
- 8.6 Currently as part of a business unit collaboration (Community Relations and Environmental Services) we support around 100 event organisers or individuals with volunteer litter picking. However, we are proposing a more high profile branded scheme which encourages new volunteers, helps address increased demand and which helps us support environmental volunteers in a more efficient and manageable way.
- 8.7 In future, it is envisaged that anyone wanting to deliver a community litter picking activity or planting exercise, for example, could make the request via the MyAccount platform. This would enable the Council to arrange for the delivery of litter-pickers, branded high vis vests, litter hoops and bags, as well as agreeing the location for collection of waste collected through the activity. Crucially, what this will enable environmental services to do is develop a map to understand what parts of the district are benefiting from community involvement such as this, whilst then trying to build community capacity in parts of the district that are not.

- 8.8 As an incentive to sign up to the new MyAccount system we aim to recruit around 400 regular volunteers who will be supplied with equipment to litter pick their local area. The equipment being issued on an ongoing loan basis with the resident holding the kit for as long as they require. Information collected through the MyAccount platform will enable the Environmental Services Team to monitor who is utilising the equipment so that unused items can be returned for reuse.
- 8.9 With the advent of the Green Rewards app, there may be scope for these residents to be encouraged to log both these cleaner and greener activities, as well as those they do at home, on the app, so that further behaviour change is encouraged across the district as well as people being rewarded for the activities they have undertaken. If this scheme was approved, it would also be the intention to recognise individuals and groups who have made a difference in their communities through some form of annual award and recognition.
- 8.10 In order to facilitate the Green Champions scheme, there is a request for a one-off sum of £15,000 to purchase 400 litter pickers, hoops, bags and branded high vis vests, which the Council would make available to those in the scheme. Clearly, this is a finite sum. However, the aspiration would be that through the Green Rewards app or grants that become available, the Council would look to assist Green Champions into the future by purchasing their own replacement kit, whilst only making Council purchased kit available to new groups.

## **9.0 Future Opportunities**

- 9.1 **Investment in Capacity** - Currently the business unit has a number of works in the pipeline awaiting a decision on additional resource including a significant maintenance provision for the Middlebeck Housing Estate. Provision of additional staff, vehicle and equipment resource will ensure we are positioned to take advantage of the opportunities presented.
- 9.2 **Green Champions** – by encouraging residents to become Green Champions, we create a platform for the communication and implementation of future green initiatives. With key individuals throughout our communities already engaged with the Council's green ambitions.

## **10.0 Equalities Implications**

- 10.1 There are no equalities implications arising from this report which is about funding. However, should the funding being requested be granted, the schemes may be subject to their own equalities assessments.

## **11.0 Financial Implications (Additional Service Capacity Investment (FIN21-22/3387))**

- 11.1 This report requests the additional funding outlined in paragraph 7.1 above.

### Revenue

- 11.2 In terms of employee spend together with anticipated uniform costs, the anticipated cost at the bottom of the scale for NS5 is £25,890 which includes an allowance of 2% pay award for both 2021/22 and 2022/23. Where the pay award is awarded lower than this, there will be a slight variation to this.

- 11.3 The additional income as set out at paragraph 4.4 will therefore contribute towards offsetting this additional cost. The shortfall in 2022/23, based on the additional income generation of £25,026 will therefore be £864 which would need to be added to the general fund budget during 2022/23 and future financial years. This will however create capacity in order to generate further income as described at paragraph 5.1. Any additional funding generated, over and above the £25,026 will therefore reduce the additional requirement to the general fund of £864.
- 11.4 From an HRA perspective, £11,630 is currently within the budget for 2022/23 in respect of the additional cost, and hence the remaining £3,151.31 can be funded from within the miscellaneous expenses budget within the central support services cost centre.
- 11.5 The additional requirement in respect of the Green Champion scheme of £15,000 is not currently in the budget for 2022/23. The current forecast balance on the Cleaner, Safer and Greener reserve is £43,510, hence this could be utilised from this reserve.

#### Capital

- 11.6 The total requirement for capital comes to £43,000. There are currently sufficient capital receipts in order to be able to fund this additional expense.

#### **12.0 Community Plan – Alignment to Objectives**

- 12.1 The actions of the team support the following community plan objectives:
- Continue to maintain the high standard of cleanliness and appearance of the local environment.
  - Enhance and protect the district's natural environment.

#### **13.0 Leisure & Environment Committee**

- 13.1 This item was considered by the Leisure & Environment Committee at their meeting held on 22 March 2022 who recommended approval.

#### **14.0 RECOMMENDATIONS that:**

- (a) Members note the significant increase in income and work conducted by the Environmental Services Street Scene Team;**
- (b) Members note the capacity for expansion and approve the request for the additional funding outlined in 7.1 above to enable the Street Scene team to continue with improved service delivery standards and put in place the resources to continue with its commercial development;**
- (c) the proposal for an additional £870 budget to the Grounds Maintenance budget for 2022/23 funded from the Change Management Reserve in 2022/23 and in future years added into the Base budget (subject to any additional income generated during 2022/23) be approved;**
- (d) the proposal to allocate £43,000 into the capital programme for 2022/23, funded by capital receipts be approved; and**

**(e) the utilisation of £15,000 from the Cleaner, Safer & Greener reserve during 2022/23 in relation to the Green Champion scheme be approved.**

**Reason for Recommendations**

**To further develop the service through the provision of further resource.**

**Background Papers**

None.

For further information please contact Andrew Kirk – Business Manager – Environmental Services on extension 5566

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