

POLICY & FINANCE COMMITTEE

26 NOVEMBER 2020

GROUNDS MAINTENANCE OF HRA LAND

1.0 Purpose of Report

- 1.1 To present to Members a business case for Newark & Sherwood's Street Scene Service to deliver the Grounds Maintenance of HRA (Housing Revenue Account, or Housing Service land) land going forward, rather than contracting to a third party for this service.
- 1.2 To share the recommendations from the Leisure & Environment Committee and Homes & Communities Committees that are to consider this item at their meetings in this cycle with an in principle decision to bring the existing contract to an end and bring the service in-house, understanding the growth in the existing NSDC Street Scene service and the potential TUPE implications of bringing the service back in house.
- 1.3 To present Members with details of enhanced levels of service available, which will form part of a future consultation (with tenants subject to approval of business case as outlined in paragraph 1.2).
- 1.4 To approve the financial implications enclosed in this report.

2.0 Background Information

2.1 Background on the Maintenance of HRA Land

There are four aspects to the Grounds Maintenance of HRA land:

- Programmed grounds maintenance such as grass cutting, shrub/ hedge maintenance, and weed treatment of HRA green spaces and hard surfaces (such as parking and pathways). This is 79% of the current budget.
- A fixed budget for programmed tree works, which is the arboriculture maintenance of trees on HRA land. This is 9% of the current budget.
- A fixed budget which caters for responsive clearing and (as required) reporting and enforcement against fly tips on HRA land, including green spaces, playgrounds and other areas. This is 8% of the current budget.
- Regular playground inspections and maintenance of playgrounds on HRA land. This is 4% of the current budget.
- The current annual cost (for 2019/20) to tenants for grounds maintenance, based on 5,497 homes, is £50 per house (per annum). The costs of this service are paid for through tenants rents and not charged as a separate service charge (with the exception of Gladstone House).

Grounds Maintenance Contracts	Budget 2020/21	Estimated Budget 21/22
Programmed Works Grounds Maintenance	£209,580	£215,870
Gladstone House Grounds Maintenance	£11,780	£12,130
Main Contract (Contract currently held by ID-Verde)	£221,360	£228,000
Major Tree Works	£25,000	£25,750
Playground Maintenance	£11,680	£12,030

Fly Tipping Clearing	£21,660	£22,310
Additional Contracts (outside the ID-Verde Contract)	£ 58,340	£ 60,090
Total Grounds Maintenance Spend	£279,700	£288,090

Programmed Grounds Maintenance of HRA Land

2.2 The contract for the programmed works (79% of budget) is currently held by ID-Verde and the initial term on the contract ends in April 2021. Therefore, it was timely for Housing to conduct a review of the service and set out options for this service going forward.

Review of the Current Service

2.3 In September 2020 a tenant survey (containing 10 questions) was sent to 250 tenants, who had expressed an interest in being involved with consultation. The survey was completed by 150 tenants, a strong response rate of 60%.

2.4 The feedback was as follows;

- 68% were fairly or very satisfied with the overall appearance of their neighbourhood with 24% being fairly or very dissatisfied.
- Respondents rated the key aspects of grounds maintenance individually. Areas highlighted as requiring improvement were maintenance of paths and hard-standing, the standard of weeding and litter clearance, maintenance of flower beds and tree pruning.
- Respondents were asked 'how things can be improved' and the key themes were cleaning (of hard surfaces), weeding flower beds and removing rubbish.
- Respondents also picked from a list areas they would like to see enhanced. The most picked were; increased litter picking, followed by flower bed maintenance.
- 107 comments were given on the topic of 'improving the neighbourhood' with key themes around improving paving, parking and roads, ensuring trees are more regularly pruned and an increase in communal gardens that are better maintained.

2.5 This feedback shows that some aspects of the contract such as grass cutting is generally acceptable. The quality and swiftness of the fly-tipping removal is also good and it should be noted that NSDC Street Scene carries out the fly tipping removal provision, this is chargeable between the two departments. There is room for improvement in the maintenance of hard standing areas, cleaning and regularity of weeding. There is also a wish from tenants for more frequent/better litter picking, more flowerbeds in communal gardens, improved maintenance of communal gardens and more regular pruning of trees. These service enhancements would need to be delivered either by changing the contract specification, using the contract management procedure, or by amending the specification before bringing the service in-house.

2.6 Due to the timeline for procurement of a new contract there are two options available.

Option 1. Extend the current contract with ID-Verde (two-year extension option)

Option 2. Bring the current contract to an end and deliver the service in-house using Newark and Sherwood District Council's Street Scene Service

2.7 Option 1 will increase costs by 4% as per the existing contract. Option 2 has been given detailed consideration due to the potential positive impact on customer satisfaction, greater accountability and the synergies available across the street scene in NSDC.

3.0 Proposal

3.1 This section of the report will outline the business case for bringing the HRA Grounds Maintenance service back in-house. This proposal will cover the follow areas:

1. An overview of what the service with the Council would cover
2. A summary of the positive impacts bringing the service in-house could have
3. Service delivery details
4. An overview of enhanced levels of service available with the impact on costs

3.2 As outlined in 2.1 the grounds maintenance contract is separated into four key areas. If Newark & Sherwood's Street Scene Service were to take on the service they would deliver the programmed grounds maintenance, responsive fly-tipping management and the regular playground inspections and maintenance of playgrounds on HRA land. The programmed tree works would be part of the service contracted but NSDC Street Scene would sub-contract this work, as ID Verde currently also do.

3.3 The Impact

It is expected that the impact of bringing this service in house through NSDC Street Scene Service would improve tenant satisfaction; both with the service and the satisfaction with their neighbourhood. This would be achieved by delivering a measurable high quality, consistent and reliable service that can be held to account and be more responsive due to their local presence to address issues swiftly. In addition, a greater sense of pride and ownership, as our in house team will not "walk by" and take full responsibility for service delivery.

3.3.1 Impact on Tenants

- Reduced response times on customer requests and complaints using the Council's existing Customer Relations system. This means requests will go directly to customer services meaning all issues are processed through a single number and sent directly to the NSDC Street Scene service. This enables a quicker response than currently (as an issue, request or complaint has to pass to a third party). The feedback would also simultaneously go to the responsible authority helping increase responsiveness and shape service improvement.
- Litter picking is currently delivered under the ID-Verde contract by sub-contractors. Under NSDC Street Scene, employees of the Council would deliver this service (the street scene team contains grounds maintenance and street cleansing). This would allow the service to be joined up across the district providing consistent service quality and response times as well as a single point of contact for customers.
- As part of the service, tenants would have access to community engagement opportunities from the Environmental Development Team within the Council including communal gardening days, wildlife workshops, gardening workshops and diversionary activities to help with tackle anti-social behaviour. This service would be provided as part of the contract at no extra cost.
- NSDC Street Scene would offer 'Job roadshows' in the community showing careers within the service, as well as providing employment, apprenticeship and work experience opportunities for housing tenants (as well as general residents). This could help develop a sense of local pride and ownership.

- NSDC Street Scene are able to provide a wider offer to tenants such as reduced rate gardening and arboriculture services to protect vulnerable tenants from rogue operators. This cost would be outside of the contract and payable addition to the contract available anytime.

3.3.2 Impact on Residents

- A 'single number' approach for all issues. A fly tip or fallen tree will be reported and managed the same whether on Council or HRA land. This is a clearer and simpler reporting process for the resident.
- Currently Council and HRA land are treated differently, as they are subject to different contract quality standards, having services delivered by the same organisation to the same standards means a uniform quality to the public eye. This will enable a green space to be the same for a tourist visiting the castle grounds and a resident using the open space in Boughton (HRA land).
- Better environmental service delivery, with one contractor visiting all sites environmental efficiencies can be made, for example saving fuel and enabling the Council to deliver services an environmentally considerate way.

3.3.3 Impact on the Council

- Effective joined up delivery of services such as play park inspections and tree management using a common risk management approach reducing the Council's risk.
- Fixed and transparent service costs, and no negotiations with an outside organisation.
- No requirement for future procurement at the end of the contract. This will achieve substantial savings as extensive resources are taken up in tendering such a large programme of works.
- Greater control over the service and service costs as working with colleagues.
- Significantly reduced requirement for contract management (as service delivery and contract management around from one organisation) enabling housing colleagues (and tenants) to focus on scrutiny on quality and value of service.
- Efficiencies by streamlining communications through a single point of contact.
- Street scene is vital to the Council as its scene impacts the lives of residents every day both in their homes and as they walk through the district's streets and parks. These front line services, and their performance in the streets and green spaces across the district, are valued by our residents. This is demonstrated in the 2018 Resident Survey when residents were asked 'what is the most important service?' and they selected 'refuse collection and recycling' as fourth most important closely followed by 'keeping streets and public areas clean and tidy.' Similarly, one of the largest themes in the resident comments was that the Council should address 'cleaner' issues, most notably fly tipping, littering and dog fouling. This ties into the legacy of the "Cleaner, Safer, Greener" campaign, launched in July 2018, which saw Newark and Sherwood District Council pledge to make the district a Cleaner, Safer and Greener Place. The campaign's Council wide focus on the front line issues that impact residents every day was a great success and it re-energised and refocused the Council on the streets and green spaces across the district. Therefore, bringing this service back in-house, and delivering the impacts to residents and tenants outlined above, fits these priorities and meets with the Council's objective of a "high standard of cleanliness and appearance."

3.4 Service Delivery Details

This section will outline how the NSDC Street Scene service would deliver an excellent, responsive and high quality service for tenants. They would;

- Work closely with housing colleagues to increase the speed of response times.
- Work with colleagues and tenants to ensure customer needs are met rather than a third party organisation that could independently interpret the specification.
- Offer a dedicated, well trained team to work solely on delivering the housing grounds maintenance service.
- Set out a clear programme of actions for meeting the service specification (with frequency of operations and achievable standards via a Service Level Agreement) and be held accountable to these standards with monthly reporting of KPI's plus tenant scrutiny (in a format to be agreed)
- Give tenants community engagement opportunities.
- As a Council service, be accountable to the public rather than boards or investors allowing the service to be directed by public need for example, by enabling a flexible works schedule taking into account customers' need.
- Improve the customers experience by being one service provider across the district improving responsiveness on communications, reporting and complaint management.
- Offer direct reporting through the Customer Service Team.
- Aim to improve response times on littering and graffiti removal.
- Operate with a culture of care offering training and a good health and safety culture, thus ensuring an energised, dedicated and safe workforce delivering the service.

Finally, operating the service in-house would mean minimum disruption to the service. The Council's existing knowledge base and infrastructure mean the service could be delivered from day one without negatively affecting customer experience.

3.5 **Levels of Contract**

NSDC Street Scene service have proposed three levels of specification:

- A: The delivery of the grounds maintenance service as per current specification
- B: Some additions to the current service
- C: Further additions to the specification bringing the specification similar to the service currently provided on NSDC owned land, offering uniformity across the district.

3.5.1 **Option A**

No change to current specification.

Details of the current specification can be found in 3.7, this helpfully shows a summary of the different levels of service that could be delivered. It is expected that having a dedicated team to provide the existing specification will in itself improve tenants satisfaction with their neighbourhood and the grounds maintenance service - as we can ensure that the full service is delivered throughout the year without additional resources being needed to contract manage an external contractor.

The following elements can be delivered at no extra costs by contracting with NSDC Street Scene;

- 'One Stop Shop' for the reporting of grounds maintenance and street scene issues.
- Quicker and more joined up management/resolution of comments and complaints.
- Job roadshows in the community and employment and work experience opportunities.
- Community engagement activities such as gardening days and wildlife workshops.
- This would be delivered using 7 full time staff and 3 vehicles dedicated full time to the delivery of the grounds maintenance contract.

- An initial outlay of general fund revenue budget of £14,420 would be required for the purchase of new equipment, such as mowers, hand tools, strimmers, hedge cutters etc.
- A Capital budget would be required of £133,600 for the purchase of the 3 new vehicles and a range of new mowers.

3.5.2 **Option B (consider after 12 month settling in period)**

Changes to the current specification to deliver a higher specification service in line with tenant requests for improvement in: the maintenance of hard standing areas, communal garden maintenance, increased cleansing and litter picking, regular tree pruning and more weed management. The changes would be as follows;

- Grass cutting from a minimum of 18 cuts to 18-20 cuts per year. Maximum grass height reduced from 120mm to 80mm.
- Shrub, raised planter and garden area maintenance increased from 2 to 4 times per year using a dedicated horticultural team.
- A dedicated street cleansing provision across HRA land following a scheduled round. Weekly visits to large estates.
- Paths, roadways and hardstanding currently treated 2 times per year would be treated with herbicide (weed spraying) 3 times per year with additional seasonal sweeping to manage detritus build up.
- Trained playground inspectors, part of the Street Scene team, would inspect the play grounds reporting directing to a repair team. Fly tipping would be removed by specialist hit squads and any repairs and maintenance of equipment would be certified by the annual ROSPA independent inspection.
- Under the current contract, garage sites visited 12 times per year and treatments are carried out for excessive growth/vegetation over 200mm and weed control as required. This would be increased to a minimum of 3 herbicide (weed treatments) per year.
- This would be delivered using 8 full time staff and 4 vehicles.
- An initial outlay of general fund revenue budget of £33,900 would be required for the purchase of new equipment, such as mowers, strimmer's, hedge cutters etc. (this is inclusive of the £14k from option A).
- A Capital budget would be required of £211,850 for the purchase of the 4 new vehicles and a range of new mowers.

3.5.3 **Option C (to be considered after 12 months)**

Adaptation of the current specification to deliver a higher specification service in line with tenant requests, as outlined above, and with an over higher specification bringing the quality of land maintenance to the same level as NSDC owned land. The changes would be as follows;

- Grass cutting from a minimum of 18 cuts to 20 cuts per year (with a lower maximum grass height)
- Shrub, raised planter and garden area maintenance increased from 2 to 6 times per year using a dedicated horticultural team
- A dedicated street cleansing provision across HRA land following a scheduled round. Fortnightly litter picking of grassed areas changed to a more frequent street cleansing provision (at least fortnightly with weekly visits to large estates).
- Currently play park litter bins are emptied and litter picked around play equipment on a weekly basis. This would be enhanced for the needs of the area, providing flexible visits with additional litter controls, including dog fouling management and specialist hygiene i.e. sharps cleansing. The weekly litter collection at play parks would be a

flexible service to allow for additional litter picking and cleansing at weekends and school holidays.

- Trained playground inspectors, part of the Street Scene team, would inspect the play grounds reporting directing to a repair team, fly tipping would be removed by specialist hit squads and any repairs and maintenance of equipment would be certified by the annual ROSPA independent inspection.
- Paths, roadways and hardstanding would be treated with herbicide (weed spraying) 4 times per year with additional seasonal sweeping to manage detritus build up.
- Under the current contract garages are visited monthly for recorded inspections and with maintenance visits scheduled as needed and this would increase to a minimum of 4 herbicide (weed treatments) per year.
- Undertake a pre-contract survey (before April 2021) of horticultural features such as raised flower beds to inform the updating of content and condition, and, as required, removal of old features.
- General increased quality of street cleansing using a dedicated cleansing team. A standalone dedicated housing cleansing team will improve response times. This team would follow a schedule across the district, visible to the public, removing fly tipping, litter picking and bin emptying. HRA land would also be supported by the dedicated Fly Tipping Hit Squads that work across the district.
- This would be delivered using 9 full time staff and 4 vehicles.
- An initial outlay of general fund revenue budget of £33,900 would be required for the purchase of new equipment (no addition from option B)
- A Capital budget would be required of £211,850 for the purchase of the 4 new vehicles and a range of new mowers (no addition from option B).

3.6 These levels can also be adapted throughout the service upon request. So, for example, the service might start in April at the level outlined in option A and then after feedback from tenants the service could be adapted to the increased service level outlined in other options. This would give time for the grounds maintenance team to undertake the existing contract to its full requirements and be at no extra cost to the tenants.

3.7 Summary of Different Options

Topic	Option A	Option B	Option C
Grass Cutting	18-26 cuts per year. Grass height 120mm	18-26 cuts per year. Grass height 80mm	20-26 cuts per year. Grass height 80mm
Shrubs & Raised Planters	2 cuts and 6 weed controls per year	4 cuts and 4 weed controls per year	6 cuts and 6 weed controls per year
Fly tipping & litter	Litter picking 26 times per year	Litter picking up to 52 times per year	Litter picking 52 times per year
Paths, Roadways & Hardstanding	Adhoc treatment (would seek to implement 2 weed controls per year as part of SLA)	3 weed controls per year	4 weed controls per year
Hardstanding Bark & Stone Chipped Areas	Weeds removed over 200mm in height and weed treatment 2 per year	3 weed controls per year	4 weed controls per year
Garage Sites	Visited 12 per year remove vegetation over 200mm and weed treatment if	Removal of excessive growth and 3 weed controls per year	Monthly inspections. 4 weed controls per year

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3.8 Costs

Grounds Maintenance Contract Cost 2021/22	ID-Verde Extension	NSDC Street Scene Option A	NSDC Street Scene Option B	NSDC Street Scene Option C
Total Cost (per annum)	£228,000	£227,680	£252,870	£278,950
Other Costs	£60,090	£60,090	£60,090	£60,090
Total Grounds Maintenance Costs	£288,090	£287,770	£312,960	£339,040
Comparison to ID-Verde Extension	£0	-£320	£24,870	£50,950
Cost per house *based on 5,497 homes	£52.41	£52.35	£56.93	£61.68
Cost per house per week *based on 5,497 homes	£1.01	£1.01	£1.09	£1.19
One off Revenue Expenditure	0	14,420	33,900	33,900
Capital Expenditure	0	133,600	211,850	211,850

3.9 Staffing Implications

In terms of staffing, the three options outlined above all require NSDC Street Scene to increase their current staffing levels (a minimum of 7 full time employees is required to fulfil current contract and a maximum of 9 to deliver enhancements). The number to be employed would be confirmed following the decision to bring the service back in-house.

ID Verde are likely to have a number of staff working on the contract for their whole time and, therefore, TUPE regulations will apply if the contract is awarded to NSDC. If the decision is made to award the contract to NSDC, the due diligence process will commence and staffing numbers will be confirmed for TUPE. NSDC will then advertise to recruit to any unfilled posts.

4.0 Next Steps

4.1 The aim is to gain in principle approval from Leisure & Environment and Homes & Communities Committees for expanding the current Grounds Maintenance service and bringing the grounds maintenance service in-house respectively. Policy & Finance Committee will approve the final recommendation and any financial implications, taking into account the views of the two Committees.

4.2 Subject to the final decision, colleagues can then progress with the actions required to bring the service in-house, such as vehicle purchases and TUPE transfers for staff. Any changes in staffing can be reported to Policy & Finance for decision next cycle after consideration at Leisure & Environment and Homes & Communities.

4.3 Should Member support in sourcing of the current contract, the timeline is as such;

November	<ul style="list-style-type: none">• Decision sought whether to bring back in house
December	<ul style="list-style-type: none">• Consult with tenants on outcome and feedback on what this means in terms of service improvement
December 20/January 21	<ul style="list-style-type: none">• Commence process to bring back in- house incl. open dialogue with Id-Verde on TUPE and order vehicles
January 2021	<ul style="list-style-type: none">• Draft SLA, work with tenants to agree how service scrutiny and suite of Performance Information
February/March	<ul style="list-style-type: none">• Street Scene service prepare to deliver for tenants
1 April 2021	<ul style="list-style-type: none">• New service in place

5.0 Equalities Implications

5.1 Equalities impact assessments will be completed where appropriate for activities taking place within the service scope.

6.0 Digital Implications

6.1 There are no digital implications as service will be accessed through existing channels already available in the Council. Any further digital improvements would be subject to a new business case.

7.0 Financial Implications (FIN20-21/3858)

7.1 The table in section 3.8 outlines the estimated 2021/22 revenue costs of extending the ID-Verde contract and of the three options proposed if the council were to deliver the grounds maintenance service in-house. The additional cost of staffing and running costs in the Grounds Maintenance budget would be fully rechargeable to the HRA, therefore there would not be an annual impact to the general fund budget. There would also be no impact to the HRA budget for the service coming back in house (Option A) as budgets already exist to pay the current contract.

7.2 There will be a requirement for a one off cost to the general fund revenue budget for the purchase of small grounds maintenance equipment at a cost of £14,420 for option A and £33,900 for option B or C. These extra one-off costs are not included in the annual contract price so will need to be funded by reserves, or year-end underspends if available. An annual contribution to R&R to replace the equipment has been included in the annual costs.

7.3 Should after a period of the contract settling in, option B or option C is considered as an alternative then the additional costs would be recharged to the HRA, and could be paid for from the unallocated efficiency savings generated from bringing back the housing management services in-house.

7.4 The purchase of vehicles and larger grounds maintenance equipment will be Capital Expenditure and therefore a Capital budget within the general fund will need to be approved of £133,600 (as per option A) by Policy & Finance Committee before the expenditure can take place. Every attempt is made to ensure that shorter life assets are financed by existing resources but where they are not available, borrowing may be required.

8.0 Community Plan – Alignment to Objectives

8.1 To deliver a high quality service to Council tenants and therefore ensure tenants, and all residents, enjoy a “high standard of cleanliness and appearance [in] their local environment”

9.0 RECOMMENDATIONS that:

(a) subject to the recommendations from the Leisure & Environment and Homes & Communities Committees, the termination of the existing grounds maintenance contract be approved with the grounds maintenance service for the HRA to be in sourced and provided through NSDC Street Scene; and

(b) Members approve the financial implications as outlined in 3.8 of this report which is a one off revenue cost to the General Fund of £14,420 (to be funded from reserves) and a capital outlay of £133,600 (funded by borrowing) for Option A.

Reason for Recommendations

To providing greater efficiencies through the synergies between the existing in-house provision and the requirements for maintaining HRA land.

To improve accountability to tenants on the quality and responsive of the grounds maintenance and street scene, giving a consistent service to tenants.

To strengthen our in-house team and secure additional contracts that enable NSDC to improve and maintain a ‘Cleaner Safer Greener’ Newark and Sherwood District.

Background Papers

Nil.

For further information please contact Ella Brady – Projects Officer on Ext. 5279.

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