

Agenda Item No: 8 **Report No:** 197/12
Report Title: Parks and Open Spaces Grounds Maintenance Contract
Report To: Scrutiny Committee **Date:** 22 November 2012
Cabinet Member: Cllr Jim Sheppard
Ward(s) Affected: All
Report By: Director of Planning and Environmental Services
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Purpose of Report:

To inform the Committee of the current status of the Parks and Open Spaces Contract and to advise on future proposals.

Officers Recommendation(s):

- 1 That the Scrutiny Committee makes any recommendations in order to assist in the delivery of the current and future grounds maintenance contracts.
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Reasons for Recommendations

- 1 In order to improve and enhance future service delivery.

Information

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The Parks and Cemeteries Service

- 2.1 The Parks and cemeteries Service falls within District Services, within the Planning and Environmental Services Directorate.
- 2.2 It is responsible for looking after 185 hectares of parks, formal gardens, open spaces, sports pitches, cemeteries, closed churchyards etc, as

well as a further 250 hectares of environmental and common land areas.

- 2.3 These sites are managed by a team of 8 staff consisting of a Parks and Cemeteries Manager and an Assistant Parks and Cemeteries Manager, two Parks Supervisors, two Parks Rangers, a Project Coordinator and a Gardener.
- 2.4 There are also two Parks Wardens who are employed by our external contractor, but who work directly with the Parks and Cemeteries Section.

Scope of the Grounds Maintenance Contract

- 2.5 The main grounds maintenance contract, known as the Leisure Management (Outdoor) Contract (LMO), was awarded to the current contractor in March 2004. It runs until the end of February 2014.
- 2.6 The contract was awarded to Wyevale Landscapes, who have since been taken over by The Landscape Group (TLG), one of the biggest grounds maintenance companies in the UK.
- 2.7 Over the past two years, £60,000 of annual savings have been made to the contract by adjustments to the specification.
- 2.8 The grounds maintenance contract has a very detailed specification covering a wide range of works including:
- Annual Bedding Plant Displays
 - Maintenance of fine turf such as 3no bowling greens, 5no cricket wickets and 2 grass tennis courts
 - The day to day maintenance and cleaning of sports pavilions and changing rooms
 - Grounds maintenance of car parks
 - Grass cutting of over 92 hectares of grass
 - The maintenance and operation of 3no cemeteries (Lewes, Newhaven and Seaford) including approximately 140 burials and 90 internment of ashes per year.
 - The maintenance and inspection of 32 children's play areas
 - Grounds maintenance of 7 closed churchyards
 - Sensitive grounds maintenance of Nature Reserves and environmental areas
 - The maintenance of hard surfaced tennis courts

- Winter sports maintenance of Football and Rugby pitches
- The maintenance of hedges and shrub beds across the district
- Managing the booking and allocation of sports pitches across the district
- The collection of litter from over 90,000m² of parks and open spaces as well as emptying over 70 litter bins in parks and open spaces.
- The sweeping of over 50,000m² of paths every 2 weeks.

The above is a general list of the services provided. Listed below are some of the specific areas of work listed in more detail:

Annual Bedding Displays

- 2.9** Annual bedding displays, which are replanted in the spring and autumn periods, provide a display of colour in our main garden areas and at key locations on roads and pathways. They are extremely popular with residents, but are labour intensive and expensive.
- 2.10** The provision of annual bedding on Lewes District Council owned sites is approximately £73,000 per annum, including supply of plants / bulbs and monthly maintenance
- 2.11** Due to the annual cost of bedding displays, the areas planted have been reduced significantly over the past few years by reducing the size of bedding areas, without removing them completely. This has allowed us to maintain colourful displays whilst reducing the overall cost of provision by around £18,000 per annum.

Grass Cutting

- 2.12** The grounds maintenance contract has various different levels of grass cutting, to accommodate different requirements for different sites. These include:

Low Frequency Grass Cutting – For general parks areas

Medium Frequency Grass Cutting – For sports pitches and recreation grounds

High Frequency Grass Cutting – For areas such as around war memorials

Wildflower grass – for annual cutting of wildflower areas

Miscellaneous grass – for general areas that only require a cut 7 times per year.

- 2.13 Other than for the high frequency grass cut and wildflower grass cut areas, grass arisings are not picked up, although they are swept off of paths and steps etc.

Litter Collection

- 2.14 The parks, open spaces and cemeteries within the contract are litter picked three times a week all year round. A few more intensively used sites, such as Southover Grange Gardens, are litter picked five days a week during the winter and six days a week during the summer. Litter bins at the sites are emptied at the same frequencies. Pathways in main park areas are swept every two weeks.

Sports Provision

- 2.15 Within the terms of the contract, the contractor is responsible for maintaining football pitches, rugby pitches, bowling greens, cricket pitches, tennis courts etc. They are also responsible for “policing” the use of these facilities, taking all of the bookings, making arrangements with sports clubs, collection of fees, opening / closing and cleaning of changing rooms, provision and putting up of goal posts, goal nets, corner flags, tennis nets, cricket sight screens etc. The contractor keeps the income from these bookings. This ensures that it is in the interest of the contractor to make sure that the facilities are well managed.

Children’s Play Areas

- 2.16 As part of this contract, the contractor has to employ a qualified play area inspector to inspect the condition and safety of all of our play areas on a weekly basis. This has to be a “recorded” inspection that needs to be kept for a 20 year period.
- 2.17 As well as the inspections, the contractor is responsible for minor day to day repairs, as well as sweeping, grass cutting etc within the sites.

Cemeteries and Closed Churchyards

- 2.18 Cemeteries are one of the most sensitive areas that are looked after within this contract. Under the terms of the contract, the contractor has to provide a full time, trained member of staff at each of the three cemeteries that we maintain. This is then backed up with additional staff for the digging and preparation of burial plots and ashes plots.
- 2.19 The contractor is also responsible for ensuring that all of the necessary paper work is completed, and for dealing with enquiries on site from members of the public

- 2.20 Grounds maintenance of the cemeteries includes grass cutting, path sweeping, litter picking, maintenance of the Garden of Rest Plots, Muslim burial area etc.

3 Monitoring of the LMO Contract

- 3.1 To ensure that the detailed specification of the contract is adhered to by the contractor, the contract is monitored on a daily basis by the two Parks Supervisors, who each have an area of the district to monitor. Assistance in managing the contract is also given by the Parks and Cemeteries Manager and the Assistant Parks and Cemeteries Manager. The monitoring of the contract by the Parks Supervisors is only one of many tasks that they have to carry out during the course of their work.
- 3.2 Weekly meetings are held between the Client (LDC) and the contractor, where any issues are discussed, future works are planned and where any problems are usually resolved.
- 3.3 The contractor provides the Client with a daily work sheet, and is in contact with the Parks Supervisors on a daily basis.
- 3.4 The marking out of burial and ashes plots has to be agreed on site with both parties before any digging commences. This is to ensure that no mistakes are made in this sensitive service area, dealing with bereaved families.
- 3.5 Generally speaking, the quality of the contractors work is considered to be good. The standards have improved further in the past year due to enhanced supervision by our Supervisors, and a change in management and organisation of the contractor since it was taken over by TLG.
- 3.6 However, if we are not satisfied with the level of service provided by the contractor, then we will not hesitate to take action. Usually, any disputes or problems can be resolved between the two parties. Working harmoniously in partnership with each other is usually the best way forward. However, if results are not achieved, then we have the power within the contract to issue Liquidated Damages. This is charging the company an agreed fee for not having completed work to the specification standard. This charge can be levied every 24 hours if the problem has not been rectified.
- 3.7 During the period April 2011 – April 2012 £15,000 of Liquidated Damages were charged to the contractor for non contract compliance.

4 Third Party Grounds Maintenance

- 4.1 As well as carrying out the grounds maintenance of LDC sites, the contract also includes grounds maintenance work on behalf of Parish and Town Councils. We currently carry out grounds maintenance services on behalf of Seaford Town Council, Newhaven Town Council, Telscombe Town Council and Lewes Town Council, as well as carrying out play area inspections on behalf of several Parish Councils.
- 4.2 This allows the Towns and Parishes to join into our contract, where due to the economies of scale offered by a larger contract, their costs will usually be cheaper than by employing a contractor direct.
- 4.3 Another advantage to the Town and Parish Councils is that they can make use of our skilled team of officers to monitor the work and provide a consultancy service.

5 Provision of Grounds Maintenance Services form March 2014

- 5.1 The current contract with TLG comes to an end on the 28th February 2014. Due to the size and complexity of the contract, and the fact that due to its value it has to be advertised in Europe under the OJEU regulations, work has already begun on preparations for the new contract.
- 5.2 The contract needs to be advertised to potential contractors in March 2013, with the contractor selection process being completed by June 2013. Contract documentation will be sent out in early July, with tenders being returned for evaluation by late August 2013. A contract award would be made in autumn 2013.

Considerations for the new Grounds Maintenance Contract

- 5.3 One option for the new grounds maintenance contract would be for LDC to submit its own tender bid to supply the services direct by its own workforce. This would then be tested and evaluated against any tenders submitted by external contractors. Work is currently underway on a feasibility report into whether this would be financially viable and what the advantages would be.
- 5.4 If the option were viable, then some of the advantages could be:
 - (a) A more responsive service, where works could be carried out faster, without the need to agree costs, issue variation orders etc.
 - (b) A more responsive direct labour force for dealing with emergency incidents such as snowfall and flooding.
 - (c) The opportunity to market our services to other clients such as Town and Parish Councils, Schools, Housing Associations etc with a view to producing income for the council.

- (d) A reduced management structure, leading to reduced costs. Under the current contract arrangement, there are two Managers (one Client, one contractor) four Supervisors (two client, two Contractor) etc. Subject to TUPE requirements, this level could be reduced.
- (e) There would be significantly less contract administration, allowing officers to focus on the actual quality and organisation of the work itself.

5.5 However, there are clearly disadvantages as well, such as initial set up costs, risks to the council and possibly higher wage bills due to the better pay and conditions that the council would provide compared to our contractor. There would also be a need to set up a “wall” between any in house team bidding for the work and the officers evaluating bids and advising members. All of these issues will be looked into in detail within the feasibility report.

6 Changes to the new 2014 Grounds Maintenance Contract

6.1 Work has commenced in drawing up the new grounds maintenance contract. The aims of the new contract will be to:

- (a) Provide a contract to ensure that the quality and standards of grounds maintenance are not significantly reduced.
- (b) Recognise the fact that, in the current financial climate, reductions in costs need to be found to ,at the minimum, bring the new contract in at a similar cost to the current one, and at best, reduce the contract costs.
- (c) Look at the services we provide to see what changes could bring both financial and environmental improvements. Such areas may include
 - Reduction of bedding areas, with possible changes to wildflower or shrub / perennial areas or a mixture of all three.
 - Changes to the grass cutting regimes – looking at creating environmentally beneficial areas and reducing cutting costs.
 - Looking at whether the litter picking / bin emptying frequencies are suitable and whether this service could be

better provided within Waste and Recycling.

- Whether sports booking fees would be better retained by LDC as income, despite the additional work that would be involved.
- Whether some services, such as play area inspections, would be better carried out by our Parks Wardens, and whether these wardens should be employed directly by the council.
- How the wishes of our Town and Parish Councils can be built into the contract to ensure that we are able to provide them with a service that matches their own requirements.

6.2 One of the issues relating to the new contract is the fact that some of our sites may be devolved to Town and Parish Councils in the future. The Parks and Cemeteries Section is currently talking with these partners to find out what type of service they would require from us, and how we may help them from 2014 onwards.

6.3 Another issue to consider is whether there might be a role for community groups (“Friends of the Park” groups or tenants groups etc) or for social enterprises, to carry out elements of the contract using volunteers, or trainee staff, on certain specific tasks, or on certain specific sites. This might reduce the scope of the contract and save costs. It may also offer apprenticeship and training opportunities for young people locally and can be linked with other initiatives on growing local food and promoting healthy lifestyles. This sort of innovation is being encouraged by Government through its “Big Society” initiative and can be built into grounds maintenance contracts, whether the main contract is finally awarded to an in-house team or to an external contractor.

6.4 An even more radical approach is to consider whether a charitable trust or community interest company (CIC) might be set up to own and manage all our parks and open spaces for the local community. There are some examples of such trusts and companies managing large portfolios of open space sites in the UK, but they do need to be financially sustainable with significant income streams to cover the costs of maintaining their assets in good condition. This can involve a large initial financial endowment, and/or provision of other property assets to give a continuing income stream. The Milton Keynes Parks Trust is one example.

6.5 Detailed consideration of either of the options in paragraphs 6.3 and 6.4 would be a very large piece of work. However, if the Committee thinks

they may have some merit for us in Lewes District , it is suggested that a high level feasibility study would be the next step.

Financial Appraisal

- 7 The annual cost of the LMO Contract is £985,248. The proportion of this that is charged to LDC is **£727,020 per annum**.

The breakdown of the total cost is as follows:

Parks and Open Spaces	£125,997.60
Playing Fields	£308120.50
Stanley Turner Ground	£33619.32
Mountfield Pleasure Ground	£67808.28
Cemeteries and Closed Churchyards	£79349.52
Housing Areas	£109,265.90
Car Park Areas	£2820.72
Industrial Estates	£38.64
Seaford Town Council	£162,019.90
Newhaven Town Council	£65737.20
Telscombe Town Council	£16868.40
Lewes Town Council	£13602.00
Total:	£985,248.00

Sustainability Implications

- 8 I have not completed the Sustainability Implications Questionnaire as this Report is exempt from the requirement because it is a progress report.

Equality Screening

- 9 Equality Screening is not considered necessary as this is a service report where no changes are proposed at this time.

Background Papers

- 10 None

Appendices

- 11 None