

**Report To:** Cabinet

**Date of Meeting:** 3<sup>rd</sup> October 2022

**Report Title:** Agreeing the delivery model for Grounds Maintenance Services from November 2023.

**Report By:** Cameron Morley - Waste & Cleansing Services Manager

**Key Decision:** Yes

**Classification:** Public (Part 1)

---

### Purpose of Report

To agree the delivery model of Grounds Maintenance services from November 2023.

---

### Recommendation(s)

It is recommended that Cabinet approve this report for consideration at Full Council with the following recommendations:

- (i) To in-source the grounds maintenance service from November 2023, adding the service to Hastings Direct Services Organisation (HDSO).
- (ii) To authorise the Waste & Cleansing Services Manager to progress the new Ground Maintenance service from November 2023, including the appointment of support staff, the procurement of any equipment and establishment of budgets as outlined in this report.

---

### Reasons for Recommendations

The current grounds maintenance contract with IdVerde comes to an end in November 2023. To ensure that there is no service disruption, Hastings Borough Council (HBC) will require a new supplier to carry out the work from that point forward.

With the assistance of an external grounds maintenance consultant, a review of the current GM service has been undertaken, and a full pricing exercise completed to establish the market rate of carrying out the council's GM service either as an in-house (via HDSO) or outsourced (via a contractor) operation. The outcome of that exercise, coupled with HBC's own soft market testing has demonstrated that the current service, if tendered right now, would be unaffordable.

With this in mind, an in-house proposal has been developed to provide a simplified service that covers HBC statutory and health and safety (H&S) responsibilities, while remaining affordable and continuing to offer some flexibility. It is recommended that this service be implemented from November 2023.

The Council's statutory duty to ensure the service offers Best Value is an important consideration in this matter. The S.151 Officer and Chief Legal Officer are persuaded that the evidence from the extensive market testing, and information provided by the consultants

about the local market and procurement exercises undertaken in our geographic area both demonstrate that the approach offers best economic and social value.

## INTRODUCTION

1. Throughout the Borough of Hastings, green spaces are viewed by many as an essential escape from the urban environment of the town, offering a lifeline for those who want a place to unwind, exercise or just spend time with friends and family. The importance of these green spaces cannot be overstated, with untold benefits to both physical and mental wellbeing, as well as being an attractive tourism offer to potential visitors to the town, while supporting biodiversity, habitat creation and providing climate resilience.
2. As part of this, grounds maintenance (GM) plays an integral role in the use and maintenance of these green spaces. The purpose of this report is to outline the methods available to carry out this function, with a view to deciding which would be most appropriate for Hastings following the completion for the current GM contract in 2023.

## BACKGROUND TO GROUNDS MAINTENANCE PROJECT

3. The provision of a GM service enables HBC to maintain the council's green spaces and assets. It also helps the council to meet its statutory and legal obligations, as well as being an essential part in meeting the council's agendas relating to climate change, biodiversity, economic development, regeneration, and public health and wellbeing.
4. Currently, HBC is responsible for the maintenance of 690 Hectares of green space, including, Local Nature Reserves, Country Parks, Playing Fields/Pitches, Public Parks and the Cemetery and Crematorium grounds. HBC has three nationally designated Sites of Special Scientific Interest (SSSI) and one internationally designated Special Area of Conservation (SAC).
5. Since 2012, the maintenance of these areas has been outsourced under a partnership contract arrangement with Rother District Council and Optivo, allowing for shared resources such as management and equipment across the partnership area. Information relating to the current contract value is included in part 2 of this report.
6. The current contract with IdVerde was extended for a year and is due to expire in November 2023. This contract does have the option to extend for a further year. Under the terms of the contract, HBC is required to give at least 12 months' notice to contractor of our future intentions, hence a decision on the future of the contracting arrangement is required before November 2022.
7. As with other contracted services, this has given the council the opportunity to review the current delivery method and establish and agree whether an alternative model might be advantageous – specifically whether the service should be taken in-house and added to the council's establish Direct Services Organisation (HDSO), which currently operates street cleansing and building cleaning.
8. Central to the establishment of a new GM supplier, is the council's commitment to address the climate and biodiversity emergencies, increase community engagement and address relevant skills and education gaps and thinking differently on how we want to manage our green spaces into the future.

9. With this in mind, a number of business analysis methods have been used to provide evidence for the options outlined within this report, including initial options analysis and soft market testing, which led to the appointment of a specialist consultant (WCL) in March 2022.
10. WCL have spent the last few months engaging with key stakeholders; and in consultation with the Parks and Open Spaces Manager and the Lead Councillor for Climate Change and Environment, have rationalised the current GM specification and provided a costing for a service that would bring it in-line with current needs and meet future service aspirations.
11. Upon review, this proposal, in light of HBC's current financial situation, would be unaffordable. With this in mind, WCL have provided an alternative simplified option which would meet HBC's statutory and H&S responsibilities, while continuing to offer some flexibility to achieve the future aspirations for the service.
12. Within this report and its associated appendices is an overview of the proposal, including a description, rationale and recommendation, along with the associated costs.

## DELIVERY MODELS

13. In terms of service delivery methodologies, there are two main options available to HBC, contracted and in-house. The contracted service would be via an appointed contractor, chosen through the normal procurement routes, and the in-house service could be added to HDSO.
14. The GM service in Hastings has been a contracted service for many years. By continuing with this service delivery model, HBC could essentially maintain the status quo, continuing to utilise the current client structure, relying on established processes, and avoiding much of the additional work required to set up the service as a DSO.
15. Over the past year, HBC, with the assistance of the East Sussex Procurement Hub (ESPH) and WCL have carried out soft market testing as well as an independent pricing exercise to establish what the likely cost would be if the council went out to the market now. The results indicate that the service would end up costing between 40% and 70% more than is currently being spent. Equally a considerable level of risk associated with market fluctuations was identified. For more information on the state of the market, please see **Appendix D**.
16. The alternative is to bring the service in-house and operate it as part of HDSO. As has been demonstrated by the current street cleansing and building cleaning services, HDSO has given the council the desired freedom and flexibility to make changes and adapt to changing priorities and challenges as they occur, while providing a high-quality service within budget. For GM, this is a particularly important element to the new service, as in the coming years it is likely that the service will evolve as a result of local and national targets relating to climate change and greater emphasis on sustainable management of land to address the UK and global biodiversity crisis.
17. This flexibility however comes at a cost. In August 2022, a new service was proposed that would provide the resources required to meet the council's future aspirations relating to GM, climate change and associated projects. At double the current cost, this proposal was deemed unaffordable.

18. With this in mind, WCL were tasked with producing a simplified service proposal that would be within current budgets and meet the statutory and H&S responsibilities of HBC. What follows is an overview of that proposal.

## GROUNDS MAINTENANCE PROPOSAL

19. As outlined in paragraph 13, there are two main options available to HBC for the delivery of GM services in future, either contracted or in-house. Both options when looking at the initial service proposal are unaffordable to HBC. With that in mind a different service provision has to be considered. Given current market limitations, and the reduced options available for making profit of the revised proposal, it is believed that very few, if any, of the current suppliers will be interested or able to operate a service within Hastings. To this end, the following proposal is a simplified service operated primarily in-house.
20. **Appendix A, B and C** include details of the indicative service that could be achieved within available budgets. As can be seen, the new service focuses on HBC's statutory and H&S responsibilities such as grave digging, grass cutting, litter picking and bin emptying. The new service prioritises sustainable planting over floral bedding, reduces the amount of high amenity mowing to encourage biodiversity and removes the general use of herbicides for weed suppression.
21. As a considerable amount of the start-up costs relate to capital investment, the proposal includes the purchase of second hand equipment, and sub-contracting certain activities where equipment would be used for a limited period of time throughout the year.
22. This model also introduces the opportunity to make greater use of community support and to work with establishments such as Groundworks and Plumpton College to support future careers in GM and similar subjects, while continuing to build in-house skills and local knowledge of our green spaces, all leading towards achieving the vision of Hastings as a Garden Town.
23. Bringing the service in-house also creates the potential for synergies between the established DSO and GM service - particularly surrounding litter picking and bin emptying – while improving the resilience of HDSO, both in terms of staffing and resources e.g. by creating a pool of staff and vehicles that can be used across both services as priorities dictate, thus reducing HBC's reliance on temporary agency staff.
24. Under this operational model, all IdVerde staff contracted to work in Hastings would transfer (TUPE) to HBC in November 2023. Each individual will have the same rights as any HBC staff member, which includes access to LGPS, recognition of long service and access to the Staff Discount scheme. This delivery model will require additional resources from central council teams such as HR, contact centre, parks & open spaces, IT, estates, finance and legal. These teams are already under pressure to meet the needs of the current level of service with their limited resources and are already dealing with further demands created by government financial support payments. Due to the council's financial situation these services will also need to look at making savings and reducing resources during the next two years. The additional costs for these teams to meet the needs of an in-house service will need to be included in the model and are shown in part 2 of this report.
25. While the proposal is a simplified service, it is believed that under HBC's current financial situation, it is the best possible option to meet our current needs, while introducing the potential to adjust the service in the future in-line with internal and external pressures, which may include increasing service provision if budgetary pressures ease.

## POLICY IMPLICATIONS

26. There are policy implications arising from these proposals, and they are outlined below under the appropriate headings.

### Equalities or community cohesiveness

27. Parks and open spaces are places that are for everyone, often located in the heart of communities providing accessible spaces where people of all backgrounds can come together and enjoy these important spaces. Simultaneously they play integral part of the town's tourism offer, providing a place for recreation, and as well as encouraging health and wellbeing. The GM contract plays an essential role in making this happen. In all cases, customers expect the parks and open spaces to be well maintained.
28. Without an appropriate GM service, these open spaces will fall into disrepair, fail to meet our statutory obligations and could become a haven for anti-social behaviour. To this end, it is essential that HBC establishes a replacement GM service to operate from November 2023.

### Crime and Fear of Crime

29. Having an appropriate method in place to manage parks and open spaces ensures that they are accessible to all, deterring criminal activities, and helping customers to feel safe while visiting them.

### Risk Management

30. There are a number of different risks associated with the way we deliver GM. If parks and open spaces are poorly maintained there could be a considerable impact on the reputation of the council as well as elevating service costs and possibly introducing an additional H&S risk to customers if the service isn't operated appropriately.

### Environmental Issues

31. The new service aims to assist HBC in achieving its climate change objectives, while introducing a more sustainable GM service with less reliance on mechanical management methods. The purpose of these adjustments is to reduce the overall carbon impact of the service e.g. in the medium term (until electric alternatives are available) less mowing results in less fossil fuel use.
32. The service also provides an opportunity to invest in the future sustainable management of land, parks and open spaces by supporting educational establishments in the training students with the green skills required in the future.
33. The new service has also removed the general use of chemicals for weed suppression, thus eliminating any future damage that may be caused to either humans or animals by herbicides such as glyphosate, as well as supporting the restoration of soil.

### Organisational Consequences

34. As with any other front-line service used by a high number of customers, getting GM right is essential. Failing to do so not only gives a negative impression of the service to customers, but it could also result in harm to the public, particularly if HBC fails to meet its H&S responsibilities, all of which could damage the reputation of HBC.

35. Lastly, HBC’s current financial situation is at a critical juncture as outlined in the Medium Term Financial Plan. Excessive amounts of additional cost could have a major impact on the council’s ability to fulfil its main functions, leading to a forced evaluation of service provision to identify areas that could be discontinued.

## Local People’s views

How HBC manages its parks and open spaces is closely monitored and scrutinised by a variety of stakeholders, including local residents, visitors to the town and friends’ groups. Each individual expects HBC to operate a service that will benefit customers, while simultaneously caring for the natural environment. Failing to do this, could not only result in increased complaints, but also call into question HBC’s ability to operate the service, potentially damaging its reputation.

## URGENCY

36. As noted in the introduction, the current GM contract comes to an end in November 2023. While the contract does have the option to extend for a further year, this is not advised. Under the terms of the contract, HBC is required to provide no less than 12 months’ notice of their intentions, whether to extend or bring the contract to an end. In addition to this, even with a year to procure and mobilise a new service, the timeframes are extremely short, with some elements of the service likely to be implemented after the launch date. With this in mind, an urgent decision is required to establish what the delivery model will be from November 2023.

## TIMETABLE OF NEXT STEPS

37. **Table 1.1** provides a list of future activities relating to GM services.

**Table 1.1 – Grounds Maintenance Timetable, November 2021- June 2022.**

Action	Key milestone	Due date (provisional)	Responsible
CAP Approval	Allows for decision at Cabinet	20/09/2022	Cameron Morley
Cabinet Approval	Allows for decision at Full Council	03/10/2022	Cameron Morley
Full Council	Allows approval to appoint contractor or move to in-house provision.	12/10/2022	Cameron Morley
IdVerde Notification	Formal Notification of future intentions	November 2022	Terry Drinkwater/ Legal
In-House route	Appointment of support staff, Procurement of plant and equipment, Refurbishment of Depot facilities, Staff Engagement, TUPE, back office functions, launch	November 2023	Terry Drinkwater/ Cameron Morley/ ESPH

---

## Wards Affected

All

---

Reading Ease Score: 14.7

Have you used relevant project tools?: Yes

### Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	Y
Crime and Fear of Crime (Section 17)	Y
Risk Management	Y
Environmental Issues & Climate Change	Y
Economic/Financial Implications	N – Included in part 2
Human Rights Act	N
Organisational Consequences	Y
Local People's Views	Y
Anti-Poverty	N
Legal	Y – For contract renewal.

---

## Additional Information

Appendix A - Resourcing and Overview on delivering a base level service

Appendix B – (Part 1) Service Detail

Appendix C – Methodology of Delivery

Appendix D - The Current State of the Grounds Maintenance Market

---

## Officer to Contact

**Officer:** Cameron Morley | Waste & Cleansing Services Manager

**Email:** [cmorley@hastings.gov.uk](mailto:cmorley@hastings.gov.uk)

**Tel:** 01424 783316