

# Finance and Resources Committee

3.00pm, Tuesday, 4 December 2018

## Low Rise Housing Revenue Account Grounds Maintenance Works – Extension to Contract

Item number	7.16(a)
Report number	
Executive/routine	
Wards	All
Council Commitments	

### Executive Summary

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The existing contract with Glendale Grounds Management Ltd provides Low Rise Housing Revenue Account (HRA) Grounds Maintenance works on Council Housing land funded through the HRA. The contract includes grass cutting and garden clearance in empty homes, ground works, hedge & tree cutting/clearance, 'dirty works' services and removal of items that may present a safety risk for residents.

The purpose of this report is to advise Committee of the actions taken to extend this contract, by waiver, under the Urgency Procedure (section 4.1 of the Committee Terms of Reference and Delegated Functions). This will ensure continuity of service, to allow these requirements to be tendered with other services 'similar' in nature under a combined framework, with a common commencement date of 1 April 2020. It is expected this future alignment of services will offer efficiency in provision.

## Low Rise Housing Revenue Account Grounds Maintenance Works – Extension to Contract

### 1. Recommendations

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- 1.1 It is recommended that the Finance and Resources Committee:
- 1.1.1 Notes the decision taken under urgency provisions, (as described in section 4.1 of the Committee Terms of Reference and Delegated Functions by the Executive Director of Place, in consultation with the Convener and Vice-Convener of the Finance and Resources Committee), to extend the contract the Low Rise HRA Grounds Maintenance works up to 4 December 2018.
  - 1.1.2 Agrees to further extend the contract for Low Rise HRA Grounds Maintenance works via waiver up to 31 March 2020. This will allow the service to be aligned and tendered in parallel with similar services undertaken by the Council.
  - 1.1.3 Note that the procurement options for an alternative service provision are currently being appraised, with a view to undertaking a procurement exercise for services of similar nature and appointing suppliers under a combined framework that will improve efficiency and meet changing service requirements.

### 2. Background

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- 2.1 This contract was awarded in [January 2013](#) as part of a four-year Framework Agreement which was divided in to three lots.
- 2.1.1 Lot 1 - Garden Aid and Reactive Grounds Maintenance Works.
  - 2.1.2 Lot 2 - HRA Low Rise Grounds Maintenance Works.
  - 2.1.3 Lot 3 - Forestry and Arboriculture Works.
- 2.2 The contract was extended via waiver in January 2018 for ten months (to 31 October 2018) to allow time for a thorough review of the future requirements for the services.
- 2.3 As a result of this review, the services provided under the previous Lots 1 and 3 have been retendered. A Framework Agreement for the Garden Aid and Grounds Maintenance Works (Lot 1) has been retendered and a separate report to this Committee is seeking approval of a contract up until 28 February 2023.
- 2.4 However, to reflect future service requirements and to allow future efficiencies in provision, a more consolidated strategic approach is being applied to contracts

related to maintenance and clearance (including dirty works to homes/local estates) and the works under previous Lot 2 have been extended to align with other existing contracts coming to an end in 2019/20. Current value of works to date (end of September 2018) for the financial year 2018/19 is £298,918.73.

### **3. Main report**

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- 3.1 The initial contract was put in place to cover reactive work on Council Housing land including grass cutting and garden clearances in empty homes, ground works, small scale fencing, hedge and tree cutting/clearance, litter picks and 'dirty works' services. However, due to changing requirements, the contract has increasingly been used to provide responsive grounds maintenance and removal of rubbish to maintain the standard and safety of the local environment for residents.
- 3.2 Council service provision was reviewed and other current contracts that include provision of similar elements of clearance and 'dirty works' were identified. These contracts are:
  - 3.2.1 Citywide security for Domestic Properties; and
  - 3.2.2 Specialist Cleaning-covering clearance of empty homes and trauma cleans.
- 3.3 Potential efficiencies and improved contract management is expected to be achieved through the alignment of these existing frameworks/contracts covering similar service requirements into a single framework with a common commencement date of 1 April 2020.
- 3.4 An extension to the current contract for Lot 2 via waiver was necessary to ensure continuity of service provision during the period that future service operational requirements are finalised and retendered to a common date.
- 3.5 The estimated value for the period of the extension for this contract is £850,000, (based on current spend for 2018/19).

### **4. Measures of success**

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- 4.1 The Council can continue to provide this service, ensuring tenant satisfaction with their homes and local neighbourhoods are maintained and improved.
- 4.2 There continues to be high performance in the time taken to let Council homes, with the removal/clearance of garden areas a key element in this process.
- 4.3 The Council can successfully align similar services to ensure efficient use of resources.

## **5. Financial impact**

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- 5.1 The demand for this service is dependent on the levels of empty homes and the requirements for wider estates works as covered in the contract but the estimated value of the contract extension is £850k. This will be funded through the HRA.

## **6. Risk, policy, compliance and governance impact**

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- 6.1 The works carried out under this contract provide services that ensure large items and rubbish that may present a potential safety risk can be removed promptly. The risk of failure to provide these necessary safety related services to tenants and localities is mitigated through extension of the contract.
- 6.2 Risk of challenge has been assessed as being low as the contract period is short-term to align service requirements under a new framework, which suppliers will be eligible to apply for when published in 2019.
- 6.3 TUPE regulations would apply thus it is expected this would deter any potential new suppliers bidding for short term interim contracts until a new framework is tendered. Risk of challenge cannot however be excluded.
- 6.4 Contract Standing order 9 provides an option to waive standing orders where the requirement is in the Council best interest having regard for best value, risk, principles of procurement and the impact upon service users. The publication of the award of business along with the other factors reported will help to satisfy these requirements.
- 6.5 The Council has a statutory duty to report 'non-compliance' of procurement regulation in line with the changes brought in by the Procurement Reform Act 2014.

## **7. Equalities impact**

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- 7.1 Maintaining the standards of neighbourhoods will have a positive impact on resident's well-being and safety.

## **8. Sustainability impact**

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- 8.1 There are no sustainability impacts arising from this report

## **9. Consultation and engagement**

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None

## **10. Background reading/external references**

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None

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Executive Director of Place

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**11. Appendices**

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None