

To **Matthew Balfour, Cabinet Member for Environment and Transport**

From: **Barbara Cooper, Corporate Director for Growth, Environment and Transport**

Subject: **Re-procurement and award of contract/s for Soft Landscape Urban Grass, Shrubs & Hedges (Maidstone, Dartford, Canterbury & Thanet).**

Key decision: **17/00016**

Classification: **Unrestricted**

Past Pathway of Paper: **Environment & Transport Cabinet Committee – 11 March 2016**

Future Pathway of Paper: **Cabinet Member Decision**

Electoral Division: **Maidstone, Dartford, Canterbury & Thanet**

Summary:

The Soft Landscape urban grass shrubs & hedges contract (Maidstone, Dartford, Canterbury and Thanet) ends on 31 December 2017. The contract value is estimated at £325-350k per year. A Key Decision is required to award the contract/s for this discretionary service as the value of the contract, including optional extensions exceeds £1m.

Recommendation(s):

The Cabinet Member for Environment & Transport is asked to agree to re-procure and delegate to the Director of Highways Transportation and Waste, authority to award contract/s for the urban grass, shrubs and hedges service for Maidstone, Dartford, Canterbury and Thanet.

1. Introduction

- 1.1 During the last 12 months the Environment & Transport Cabinet Committee (ETCC), a Member Task & Finish Group (T&FG), and Strategic Commissioning Board have considered the service needs, commissioning options and the future funding of Soft Landscape services.
- 1.2 The re-procurement of the Urban Grass, Shrubs and Hedges (UGSH) contract follows the recommendations and decisions of the above bodies.

2. Report

- 2.1 At current levels of service the maintenance of urban grass, shrubs and hedges is primarily a discretionary service that contributes to visual amenity. However, a minimum service is necessary to maintain sightlines and keep roads and pavements clear of vegetation for safe passage of highway users.

- 2.2 In the Commissioning Plan Report dated 21 July 2016 to the Strategic Commissioning Board several options were considered for discretionary and safety critical services. The Board approved the extension of current urban grass shrubs and hedges contracts until 2019. This has been successfully implemented in Gravesham, Sevenoaks, Swale, Tonbridge & Malling and Tunbridge Wells. However, the incumbent supplier for Maidstone, Dartford, Canterbury & Thanet, is unable to continue and as such there is now a need to go back out to market for this service earlier than originally anticipated.
- 2.3 The procurement of a new Urban Grass, Shrubs and Hedges contract will ensure that a flexible core service remains in place. A market of interested Small and Medium Enterprises already exists for this work and there are sufficient suppliers to expect continuing value for money. Currently the service is delivered through publicly procured contracts, let in two lots - Maidstone/ Dartford and Canterbury/Thanet and through an agreement with one local parish council.
- 2.4 There are five further expressions of interest from parishes following the recent round of devolution focused seminars in November 2016. The involvement of parishes is positive and adds additional benefit to the core service. In line with current contracts, future contracts will provide the flexibility to ensure parishes can opt in or out of the service during the contract term.

Procurement timetable

Activity	UGSH 2017
Publish ITT	13/06/2017
Tender Period Start	13/06/2017
Bidder Briefing	n/a
Clarification Deadline	18/07/2017
Tender Period End	25/07/2017
Tender evaluations Start	26/07/2017
Tender evaluations End	08/09/2017
QA Results Start	11/09/2017
QA Results End	29/09/2017
Post-Tender Meeting Start	02/10/2017
Post-Tender Meeting End	10/10/2017
Internal Approval & Sign Off Start	11/10/2017
Internal Approval & Sign Off End	19/10/2017
Standstill Period Start	20/10/2017
Standstill Period end	01/11/2017
Contract Award	01/01/2018

3. Financial Implications

- 3.1 The Soft Landscape service is required to make £380k MTFP savings, phased in from 2017/18 through 2018/19. This will be realised through the reduction in urban grass cutting frequencies from eight cuts a year to six as discussed at the Member Task & Finish Group.

- 3.2 The estimated annual cost of the reduced publicly procured service in Dartford/Maidstone and Canterbury/Thanet is £325-350k per annum. Currently one parish, (Minster), within the contract area carries out this service on behalf of KCC at a cost of £1,910 per annum. The portion of the 2018/19 budget for the urban grass, shrubs and hedges services in these four districts is approximately £340k.
- 3.3 The potential impact on the contract value from devolution to parishes would be neutral or a small saving if all parishes who have currently expressed an interest in taking on the work subsequently confirm they wish to do so. To date, no confirmations have been received from parishes within the contract area.

4. Legal implications

- 4.1 Continuation of the urban grass, shrubs and hedges service at the proposed reduced service levels has no legal implications.

5. Equalities implications

- 5.1 A preliminary equalities assessment for the Soft Landscape service was carried out in the last 12 months as part of the commissioning process. No impacts were found as a result of the proposed reduction in urban grass cuts from eight to six per year. No change in the level of service is proposed for shrubs and hedges, which are currently at one visit per year.

6. Other corporate implications

- 6.1 The decision to award contracts for the maintenance of urban grass, shrubs and hedges has no significant impact in other areas of the Council's work.

7. Conclusions

- 7.1 The Urban Grass, Shrubs and Hedges contract which ends 31 December 2017 needs to be re-procured to ensure a core service remains in place. New contract/s will have the necessary flexibility to accommodate devolution to parishes and enable local councils to opt in or out of the service.
- 7.2 The level of urban grass cutting is being reduced across all 12 Districts in Kent to accommodate the £380k savings required in 2017/18 and 2018/19. The re-procurement of the service in the four Districts above will also reflect reduced urban grass cuts and new costs are expected to meet the 2018/19 budget. However, there is a risk that prices may come back higher than anticipated. This will be dependent on a number of economic variables which are outside of KCC's direct control. However, the proposed approach maximises economies of scale and this together with a five year contract term plus extension options (one plus one) will be attractive to the market and is likely to reduce the risk of significantly higher contract rates.
- 7.3 The broad approach to Soft Landscape commissioning was approved by the Strategic Commissioning Board in July 2016 including the public procurement of the urban grass, shrubs and hedges service.

8. Recommendation:

The Cabinet Member for Environment & Transport is asked to agree to re-procure and delegate to the Director of Highways Transportation and Waste, authority to award contract/s for the urban grass, shrubs and hedges service for Maidstone, Dartford, Canterbury and Thanet

9. Background Documents

- Task & Finish Group Review of Future Commissioning of Soft Landscape Service Report – 11 March 2016 –
<https://democracy.kent.gov.uk/ecSDDisplay.aspx?NAME=SD5028&ID=5028&RPID=12555625>
- Soft Landscaping Commissioning Plan -
<https://democracy.kent.gov.uk/ecSDDisplay.aspx?NAME=SD5027&ID=5027&RPID=12556422>

10. Contact details

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