

# Gloucester City Council

<b>Meeting:</b>	<b>Cabinet</b>	<b>Date:</b>	<b>8 December 2021</b>
<b>Subject:</b>	<b>Future Plans for Grounds Maintenance Partnership Arrangements</b>		
<b>Report Of:</b>	<b>Cabinet Member for Environment</b>		
<b>Wards Affected:</b>	<b>All</b>		
<b>Key Decision:</b>	<b>Yes</b>	<b>Budget/Policy Framework:</b>	<b>No</b>
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<b>Appendices:</b>	<b>None</b>		

## FOR GENERAL RELEASE

Note: The special circumstances for non-compliance with Access to Information Rule 5 and Section 100B (4) of the Local Government Act 1972 (as amended) (items not considered unless the agenda is open to inspection at least five days in advance of the meeting) were that negotiations were still taking place with partners.

### 1.0 Purpose of Report

1.1 To outline the options and make recommendations for the delivery of grounds maintenance services effective from 1 April 2022.

### 2.0 Recommendations

2.1 Cabinet is asked to **RESOLVE** that:

- (1) the options set out in this report are received and noted;
- (2) Gloucestershire County Council and Gloucester City Homes are thanked for their co-operation and support in the review of these options
- (3) Arrangements are made to progress with option B
- (4) the licensing and gating order elements will be considered under a separate report, brought forward to Cabinet at a later date
- (5) delegated authority be given to the Head of Communities, in consultation with the Cabinet Lead for the Environment, to finalise negotiations and implement these recommendations
- (6) should the recommended option not be possible, and negotiations fail with one or both partners, option A will be considered, with the possibility of a short term arrangement to avoid any break in service.

### **3.0 Background and Key Issues**

- 3.1 This report only covers the grounds maintenance element of the current agreement.
- 3.2 The Council's contract for Waste, Street Scene and Grounds Maintenance Services comes to an end on 31 March 2022.
- 3.3 In March 2021 the Council resolved to appoint Ubico as their preferred contractor and end arrangements with Urbaser as of 31 March 2022.
- 3.4 12 months' notice was served in March 2021 to terminate the Highways Mini-Agency Agreement dated 19<sup>th</sup> February 2008 with Gloucestershire County Council. This agreement outlined arrangements for the City Council to deliver Highways grounds maintenance, pavement licensing, gating orders and weed control.
- 3.5 The arrangement for grounds maintenance services for Gloucester City Homes comes to an end on 31<sup>st</sup> March 2022 at the same time as the current Gloucester City Council Waste, Recycling and Street Scene contract. For this reason, there was no need to serve notice.
- 3.6 Due to the historical nature of the agreements and considerable development in the City, a mapping exercise was undertaken to identify the true needs of the Council and the above-mentioned organisations.
- 3.7 Since the notice was served the mapping has been completed and Ubico have provided comprehensive and up to date costings for all of the public land in the City in line with the specifications agreed by the partners; GCH and GCC.
- 3.8 The analysis that has been completed has enabled us to provide accurate costings to GCH and GCC. The mapping exercise has also identified that the service has previously been under-priced.
- 3.9 The costs for the new contract to partners reflects the increased cost of labour, equipment, resources such as fuel, as well as the increase in land subject to the service due to development.

### **4.0 Options**

- 4.1 Option A- The Council continues with the termination in line with the notice and the agreement with GCH and GCC will expire as planned on 31 March 2022. Impacts of this option are as follows:
  - a) Financial implications- No funds will be paid to the City Council by any of the partners to cover management or maintenance of any of their land, although there may continue to be a cost to the City Council as outlined in 4.1 b).
  - b) Staffing and resourcing implications- staff currently delivering the service will need to be TUPE transferred to whoever the new provider of services is to the County and to GCH. This will be challenging due to the short timescale and creates uncertainty for the waste services workforce which already has staffing challenges due to the national shortage of HGV drivers.

There is also a potential resource implication for the City Council as residents are likely to contact us with their concerns, comments and complaints, regardless of the land ownership. This may present a resource issue for the Customer Services Team.

- c) Reputational or relationship issues- having one organisation deliver this service across the whole City has meant residents are able to easily report issues to one place, by calling our Customer Services Team. If we no longer deliver this service we are likely to still receive complaints but not have any control in getting them resolved. This may lead to reputational damage as residents will not know who to go to for what and may assume the City Council are not taking action. Due to the complexity of the mapping exercise this decision has been delayed, leaving GCC and GCH with no time to plan or complete their own procurement (although we are advised that GCC do have other options). If the City Council was to walk away at this stage, there may be an impact on relationships with the County Highways Team and GCH colleagues and there may be further reputational damage due to the impact on staff due to be TUPE transferred.

#### 4.2 Option B- Negotiate new more equitable arrangement with GCC and GCH

- a) Financial implications- the Council will receive the funds required to cover the cost of delivering and managing the service on behalf of GCH and GCC in a more equitable way, based on the mapping exercise which has been undertaken.
- b) Staffing and Resourcing Implications- The staff required to deliver this work will be TUPE transferred to Ubico as planned as they currently deliver this work as part of the Urbaser contract's grounds maintenance component and will continue to do so under the new Ubico contract.
- c) Reputational and relationship issues- Negotiation has taken place to ensure reputational issues are mitigated in respect of inconsistent specifications. Continuing to work with our partners under new mutually agreed contract terms is likely to have a positive impact on relationships. Although there is an increase in cost to both partners when compared to current arrangements, shadow cost estimates suggest that this is still competitive when compared to the costs for an independent commercial contract direct with Ubico. This is because of the economies of scale and benefits of shared resource, which are also of benefit to us when we need to flex resource.

#### 4.3 Option C- The Council continues to subsidise GCH and GCC and deliver the service to the City Council specification at the previously agreed costs.

- a) Financial implications- This would be at the cost of the City Council and is not equitable or fair to the taxpayer.
- b) Staffing and resourcing issues- The Council may have to make decisions about resourcing other areas of work to ensure that these services can be resourced sufficiently to be delivered effectively.

c) Reputational and relationship issues- although partners may prefer this option, it may lead to poor standards of service or compromise the quality of our core services. For example, the service is currently managed by allocating resource based on priority. This may mean that at times the City Council work is de-prioritised to allow more urgent work for partners to take place, such as urgent tree works on a highway. Due to this there is likely to be an impact on residents who expect a certain level of service, and hence a reputational risk for the Council, and to the partners.

**4.4 Recommended option B –** Negotiate new more equitable arrangement with GCC and GCH. Should this not be possible with one or both partners, option A will be considered.

## **5.0 Social Value Considerations**

5.1 Ubico's proposal outlines how they would approach working with the Council and partner organisations/agencies to improve quality of life through community engagement and by helping to address antisocial behaviour (eg targeted groundworks and street furniture provision). They cite examples where this has been successful and led to fewer incidents of fly tipping and vandalism. Ubico's proposal also outlines their Ubico Academy initiative and approach to training and development, encouraging local employment and apprenticeships.

5.2 Because the Council has become a shareholder of the Ubico company with a seat at the Board, we would expect to see a greater degree of control and flexibility in delivering services that meet our social value ambition eg devolution to local communities.

## **6.0 Environmental Implications**

6.1 The recommended option would see partners benefit from the environmental benefits of Ubico's delivery. They would also benefit from the strategic direction of the Council which would see us looking to reduce the environmental impact of this service for the duration of the contract and working with Ubico to deliver carbon reduction initiatives.

6.2 The City Council has already identified low mow areas in the City and will continue to work with Ubico to increase the biodiversity of the City which will also bring benefits to our partners and their own climate change ambitions.

6.3 Ubico are carrying out active alternative fuel trials which are now at an advanced stage. Ubico has advised that, as a shareholder, the Council would be able to benefit from the outcome of this and similar trials across the partnership. They advised that they would work closely with the Council to explore the use of fuel alternatives. Recent fleet procurement has included some electric vehicles.

6.4 The above environmental implications would also be true for option C.

6.5 The environmental implications for option A are unknown.

## **7.0 Alternative Options Considered**

7.1 Options are identified in item 4 and impacts explained. Option A and C are not the recommended options.

## **8.0 Reasons for Recommendations**

8.1 Option B is the recommended option. This will ensure consistent delivery of grounds maintenance in the City as one provider will be delivering all of the work, managed by one organisation.

8.2 Residents will have clarity on where to go to raise issues regardless of which piece of land the issue relates to. The Council will have the ability to manage issues as they arise, prioritise and communicate on a case by case basis in a consistent way.

8.3 Staff currently working on this contract with knowledge and experience of the City and working together as a team will continue to do so under Ubico.

8.4 Agreeing to the recommended option will see the Council financially compensated for the delivery of this work.

## **9.0 Future Work**

9.1 On approval of the recommendations in this report, the Council will need to work with the partners to negotiate the terms of the contracts and with Ubico to ensure the smooth transfer of these services from Urbaser.

9.2 Should option B cease to become an option due to unresolvable issues we will resort to option A. In these circumstances we will consider if a short-term holding over arrangement to give partners to time to procure, is appropriate.

9.3 The mapping exercise has given us data which will help us continue to manage our land in the future. There are plans to make this data available publicly and to ward councillors to allow them to advise and direct residents when needed.

9.4 The data in the new maps will need to be kept up to date to ensure we continue to be able to identify land ownership, community assets and maintenance specifications easily.

## **10.0 Financial Implications**

10.1 The recommendation is expected to lead to improve the council's revenue budget through full recharging of costs to our partners.

10.2 Ongoing negotiations as part of the contracting work will include the financial services team.

(Financial Services have been consulted in the preparation of this report.)

## **11.0 Legal Implications**

- 11.1 The arrangements reached with GCC and GCH will need to be formally recorded in an agreement. In the case of GCC this should take the form of a new agreement for the Council to discharge GCC's highway functions, as permitted by section 101 of the Local Government Act 1972. For GCH the existing stock transfer/management agreement between the company and the Council will have to be varied to reflect the new arrangements. Alternatively, the parties could enter into a new agreement.
- 11.2 The Council's contract with Ubico should reflect the arrangements with GCC and GCH as required e.g. agreed work locations and service levels will need to appear in the specification to the contract.
- 11.3 TUPE regulations will apply if the recommendations in this report are accepted.

(One Legal have been consulted in the preparation of this report.)

## **12.0 Risk & Opportunity Management Implications**

- 12.1 There are a number of possible opportunities which may be realised through working with Ubico. Managing all of the land in the City under one arrangement increases our ability to take any opportunities that arise.

## **13.0 People Impact Assessment (PIA) and Safeguarding:**

- 13.1 There are staffing and TUPE implications for these options. Until TUPE work begins we are unable to identify if anyone with protected characteristics will be effected. The impact on staff will be continually reviewed as part of the TUPE work and a PIA will be completed, should it be required at a later date.

## **14.0 Community Safety Implications**

- 14.1 Effective management and delivery of grounds services has a direct impact on community safety as overgrown areas are likely to hide a range of anti-social behaviours. It is in the Council's interests to manage these services to ensure communities are supported to tackle these issues as they arise.

## **15.0 Staffing & Trade Union Implications**

- 15.1 TUPE regulations will apply if the recommendations in this report are accepted.

**Background Documents:** None