

# REPORT TO CABINET

**REPORT OF:** Property Development Manager

**REPORT NO:** PD012

**DATE:** 13 January 2014

<b>TITLE:</b>	Grounds Maintenance framework, contract award.	
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	Key Decision	
<b>PORTFOLIO HOLDER: NAME AND DESIGNATION:</b>	Cllr Bob Adams Portfolio: Arts and Leisure  Cllr John Smith Portfolio: Healthy Environment	
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<b>INITIAL IMPACT ANALYSIS:</b>  Equality and Diversity	Carried out and Referred to in paragraph (7) below	Full impact assessment Required:  Evaluation of all companies submitting a valid tender was carried out and included an assessment of their policy on Equality and Diversity. No issues were highlighted in terms of the potential award of the framework contract.
<b>FREEDOM OF INFORMATION ACT:</b>	This report is publicly available via the Your Council and Democracy link on the Council's website: <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a> The appendix to this report is exempt from publication in accordance with paragraph 3 of schedule 12A of the Local Government Act 1972(as amended) because it relates to the business affairs of the Council and the public interest in maintaining the exemption outweighs the public interest in disclosing the interest	
<b>BACKGROUND PAPERS</b>	None	

## **1. RECOMMENDATIONS**

That Cabinet confirm the award of the new framework contract to Glendale Grounds Management Limited (Glendale) for a four year period with an option to extend for a further two year period for the provision of grounds maintenance within the district of South Kesteven and delegate the signing of the contract documentation to the Strategic Director - Corporate Focus.

## **2. PURPOSE OF THE REPORT**

To set out the process followed in tendering the ground maintenance contract and report on the evaluation of the submitted bids in order to inform the recommendation.

## **3. DETAILS OF REPORT**

On 29 July 2013 Procurement Lincolnshire sent out an "Invitation to Tender for a Pan Lincolnshire Grounds Maintenance Service Framework Agreement" under OJEU Contract Notice Reference Number 2013/S 148-257705.

At the close of the tender period on 23 September 2013 three service providers submitted a tender for SKDC's Lot 4.

The weighting was based on 70% price, 30% quality.

Following the evaluation stage Glendale was the only compliant bid for SKDC's Lot, however they provided the most competitive price and their overall score was the highest.

### **3.1 Tender Evaluation and Financial Appraisal**

The tender evaluation and financial appraisal contains commercially sensitive information which is set out in the exempt Appendix to this report.

From the overall evaluation of quality and price through the formal tender evaluation conducted by Procurement Lincolnshire and on the basis of the further clarification work carried out to assess the bid of Glendale against the incumbent provider, (to give an indication of indicative future budget position). The recommendation is to award the framework for SKDC's Lot 4 to Glendale on the basis that they provided the most competitive bid. The incumbent service provider did not submit a tender and have indicated their intention to exit the current contract on 28 February 2014.

The standstill period for the award of the framework ended at midnight on Friday 29<sup>th</sup> November 2013. No challenges were received from the unsuccessful companies.

### **3.2 Framework contract period**

Lot 4 of the Framework Agreement will be for a four year period with an option to extend up to 24 months.

### **3.3 Financial Check, credit scores**

Lincolnshire County Council completed checks on the trading accounts of all companies submitting a tender for the Lots. No companies failed the checks although there was some slightly old information on two companies.

No issues were identified with Glendale's credit score or financial position.

### **3.4 Health and Safety**

All companies submitting a tender have been evaluated on their health and Safety record by North Kesteven District Council. No issues were identified on Glendale.

Glendale bases its practices on the company's Health & Safety management system, which is CHAS accredited and adheres to all current HSE legislation.

### **3.5 References**

References on Glendale have been obtained from Birmingham City Council, Nuneaton and Bedworth Borough Council and London Borough of Lewisham.

Generally no significant issues were raised in the responses to the questions posed. The respondents scores were a mixture of 3's (Satisfactory) and 4's (Good).

### **3.6 Background**

To expand on the information received from Glendale through their method statements and information provided as part of their presentation, below is an overview of what their bid contained.

Glendale is a specialist green service provider and has been delivering tailored diverse green solutions to public and private clients for over 25 years, it has the backing of its Parent Company Parkwood Holdings Plc. Additionally Glendale has a significant number of long term contracts ensuring it has a forward order book in the region of £500m.

### **3.7 Glendale method statement links to SKDC Priority outcomes and projects**

Agile working - Creating a flexible organisation

Glendale proposes to use its cloud-based work programming software "Glendale Live" as a means of programming and monitoring works on the framework. Glendale Live has been developed by their in-house IT department which enables them to fine-tune the programme to meet the exact needs of clients. During the mobilisation stage of the contract Glendale will work closely with stakeholders to ensure that the reporting and interface of "Glendale Live" exactly meets the requirements and expectations of the Council and any relevant stakeholders.

Glendale Live fulfils multiple roles within the operation of Glendale contracts, these include work programming, monitoring, reporting and providing up to date information on service completion for Glendale Local, their dedicated external-facing website for individual contracts.

This will enable our ground maintenance coordinators to gain access to live information in the field or from other locations where they can access the internet.

### **3.8 People Strategy**

Glendale works in partnership with leading colleges across the UK, including Myerscough, Morton Morrell, Hadlow, Capel Manor and Pershore College to deliver comprehensive apprenticeship training to employees. Currently Glendale has about 35 apprentices nationwide. Apprentices are able to study, at the establishments detailed above, and study a wide variety of subjects.

Glendale apprentices study NVQ Levels 1, 2 and 3 and each apprentice is assigned a training co-ordinator throughout the 3 year course. The training encompasses a combination of on-site and classroom-based training. Glendale also takes on pre-apprentices (school leavers) to provide them with an insight into the sector for a year where they have mentors to guide them. If they want and are able to do so they are enrolled onto the apprenticeship scheme at the end of the year.

Glendale has also identified an opportunity to potentially put in place a pre-apprentice scheme in the contract if viable, this scheme which has been used on other contracts aims to encourage 16 – 18 years into the industry, this scheme, as well as encouraging younger people into the industry is also helpful in tackling levels of young people classed as Not in Education, Employment or Training (NEET).

A firm commitment for apprentice and pre-apprentice placements for this contract has yet to be agreed in detail. One Apprentice placement has been proposed for SKDC's contract.

#### **School Work Placements**

Each year Glendale will offer two work placements to pupils at schools where Glendale carry out Grounds Maintenance services. This offering will also involve contributing to lessons in school around the science behind grounds maintenance activities. Each work placement will give pupils an insight into a potential career in the grounds maintenance industry.

### **3.9 Community Engagement**

Glendale participate in local resident, tenant and user groups prior to contract commencement to outline the service provision the community can expect and instil confidence and enthusiasm in local people regarding the level of work to be undertaken.



Community involvement is an essential aspect to Glendale's service provision. An example of this includes working with local people and 'buddy groups' on clean-up days, and landscape improvement schemes.

Clean Green and Healthy.

### 3.10 Green Flag Awards

Glendale's contracts have about 50 Green Flag awards for 2013/14 ranging from grounds maintenance Manchester, Torbay, North Devon, Birmingham, Lewisham and Liverpool to Arboriculture Contracts in Solihull and Cemeteries in Newcastle-under-Lyme..

Glendale will assist South Kesteven DC in increasing the number of Green Flag Parks from one (Wyndham Park) year on year and other areas gaining Green Flag accreditations by completing applications and ensuring the quality of the parks is to a Green Flag Standard.

Glendale has numerous staff throughout the Country who are Green Flag judges and will be available to provide advice to increase the number of Green Flags if this in an outcome we wish to pursue.

### 3.11 Emergency Planning

Glendale provides emergency call-out services to the majority of its clients, and will provide South Kesteven DC with an emergency arboriculture team providing 24 hours per day, 365 days per year service. A dedicated call-out number is provided to Officers, and a contingency of staff will be available out of office hours. The nominated person to contact in the event of an emergency will have sufficient authority to raise the required staff on standby to deal with the emergency.

## 4. OTHER OPTIONS CONSIDERED

Extend existing contract.

The current contract has the option to extend the contract period by up to 3 years by mutual agreement of the terms. The contract was extended by one year by mutual agreement with the terms unaltered until 28 February 2014. This was to align contract end dates with other district councils tendering this area of work to allow Procurement Lincolnshire to assemble suitable Lots for the tender process.

The incumbent Grounds Maintenance service contractor informed us on 4 September 2013 that they would not be submitting a tender for the Lincolnshire Grounds Maintenance framework. We do not therefore have an option of a further extension to the existing contract.

## 5. RESOURCE IMPLICATIONS

There are no direct staff resource implications arising from the recommendation. TUPE will apply to some of the incumbent contractor's staff and details of those staff coming under the TUPE regulations were supplied to all companies submitting a tender.

Glendale has advised in their method statement that "where TUPE applies each transferee would have immediate access to a human resources advisor who will be able to assist them with any difficulties to which the transfer gives rise. "All employees will be treated entirely fairly during the transfer and certainly no differently than other employees who may have been with Glendale for a longer period of time".

"The Company will ensure that a clear process is in place for the smooth transfer of employees. Glendale would establish a TUPE Project Team consisting of the company's HR personnel and regional management, whose primary objectives would be to liaise with the Client, and consult directly with employees and employee's representatives. Regular consultation meetings would be scheduled and held".

## 6. RISK AND MITIGATION

Risk has been considered as part of this report and any specific high risks are included in the table below:

Category Risk	Action / Controls
Glendale does not have a presence in Lincolnshire and would need to secure sufficient work on the framework to justify overhead costs for a manager, supervisor and depot.	Whilst Glendale raised this in there method statement, it is understood from their response at the presentation day that SKDC's lot is sufficient work on its own to mitigate this risk. In addition it is understood that NKDC will also be calling off the Framework with Glendale ensuring further work is available in the geographical area.

## 7. ISSUES ARISING FROM IMPACT ANALYSIS

None arising from this report

## 8. CRIME AND DISORDER IMPLICATIONS

None arising from this report.

## 9. COMMENTS OF FINANCIAL SERVICES

The table below shows the potential savings when compared to the indicative budget for 2014/15 which will be in the region of £108K per annum.

	Budget 2013/14 £	Indicative Budget 2014/15 £	Updated Budget 2014/15 £
Amenity	462,470	473,466	420,412
Verges	80,890	82,750	47,690
HRA	236,200	241,610	170,784
Responsive	221,620	223,160	273,904
<b>TOTAL</b>	<b>1,001,180</b>	<b>1,020,986</b>	<b>912,790</b>

### Budget Savings 2014/15

General Fund	37,370
Housing Revenue Account	£70,826
Total savings	£108,196

Further savings will be achieved if the expenditure in respect of responsive maintenance is reduced. The special expense areas for each of the towns are charged for the costs associated with grounds maintenance works so it is necessary to keep the costs under regular review in order to ensure it remains affordable for each area.

## 10. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

The procurement process has been carried out by Procurement Lincolnshire on behalf of this Council and other Lincolnshire authorities. This has been done in accordance with this Council's Contract and Procurement Procedure Rules.

## 11. COMMENTS OF OTHER RELEVANT SERVICES

None received.

## 12. APPENDICES:

The appendix to this report contains exempt information under Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).