

Minutes

Joint Meeting of the Environment Overview and Scrutiny Committee and Rural and Communities Overview and Scrutiny Committee



SOUTH
KESTEVEN
DISTRICT
COUNCIL

Extraordinary Meeting

Monday, 6 February 2023, 2.00 pm

Committee Members present

Councillor Nikki Manterfield (Chairman)
Councillor Gloria Johnson (Vice-Chairman)

Councillor Sarah Trotter
Councillor Barry Dobson
Councillor Richard Dixon-Warren
Councillor Ray Wooten
Councillor Richard Cleaver
Councillor Penny Milnes
Councillor Phil Dilks
Councillor Helen Crawford

Cabinet Members present

Councillor Kelham Cooke (Leader of the Council)
Councillor Mark Whittington (Cabinet Member for Waste Services and Climate Change)

Other Members present

Councillor Ashley Baxter
Councillor Philip Knowles

Officers

Karen Bradford (Chief Executive)
Richard Wyles (Chief Finance Officer)
Nicola McCoy-Brown (Director of Growth and Culture)
Graham Watts (Assistant Director of Governance and Monitoring Officer)
Craig Spence (Acting Director of Housing)
Karen Whitfield (Assistant Director of Growth and Culture)
Amy Pryde (Democratic Services Officer)

8. Apologies for absence

Apologies for absence were received from Councillor Ben Green, Councillor Hannah Westropp and Councillor Robert Reid.

Councillor Helen Crawford acted as a substitute for Councillor Ben Green.

Councillor Phil Dilks represented Alliance SK at this meeting.

Councillor Nikki Manterfield acted as Chairman at this meeting.

Councillor Gloria Johnson acted as Vice-Chairman at this meeting.

9. Disclosure of interests

There were none.

10. Minutes from the Joint Meeting of the Environment Overview and Scrutiny Committee and Rural and Communities Overview and Scrutiny Committee held on 15 November 2022

The minutes of the meeting held on 15 November 2022 were proposed, seconded, and **AGREED** as a correct record.

Councillor Helen Crawford clarified that she had abstained from the vote due to not being present at the last meeting.

11. Conclusion of the Grounds Maintenance Options Appraisal

This report was presented by Councillor Mark Whittington, Cabinet Member for Waste Services and Climate Change.

To ensure a high level of service can be delivered, a review of the grounds maintenance service had been undertaken with a view to establishing whether the current method of delivery was the optimal model, or whether there were alternative options which better align with the Council's vision and priorities.

Three options for the future provision of grounds maintenance services had been identified, these being:

- To retain the services of EnvironmentSK Ltd
- To secure an external provider under a contract arrangement
- To insource the grounds maintenance service, including integration with wider Council services.

At a joint meeting of the Environment Overview and Scrutiny Committee and Rural and Communities Overview and Scrutiny Committee held on 27 June 2022, Members considered and approved the three options, and recommended to

Cabinet a procurement exercise be undertaken to assist an assessment of the future delivery options. At a subsequent meeting of Cabinet on 12 July 2022, Cabinet approved the following:

- The commencement of a procurement process in order to seek proposals from providers of grounds maintenance services, to assess the future delivery options.
- The commencement of a full appraisal of alternative delivery models of the grounds maintenance service, in order that a final option could be presented to Cabinet that delivers the right quality for the best value to the Council and its housing tenants.

The provision of Grounds maintenance was a high profile service and residents expected a high quality of service delivery and for the service to be efficient. The challenging financial situation was at the forefront of decision making.

It was proposed and seconded that Grounds Maintenance be insourced back into the Council as soon as possible.

Clarification was sought on the status of the £571,000 loan, how much had been repaid and what may happen to the loan if Grounds Maintenance was insourced back into the Council.

The Chief Finance Officer clarified that the amount of the loan was in the public domain but the amount to be repaid was not.

A Member asked what would happen to the outstanding loan if the grounds maintenance programme was brought back in-house.

The Chief Finance Officer informed the Committee that the loan was a consequence of other decisions yet to be taken. It was explained that EnvironmentSK Ltd could possibly stay as a dormant company, operating in a slightly different way. The loan would be written off if the company ceased trading.

A Member queried that within the report, it was confirmed that options were being explored to introduce charging for HRA assisted gardens. Given the past decision to not recommend charging in this way, it was queried as to whether this would be considered by an Overview and Scrutiny Committee.

The Cabinet Member for Waste Services and Climate Change confirmed that proposed changes required full consultation with tenants. Policy decisions may possibly be changed in the future as part of the process and would always return to Overview and Scrutiny Committees.

A Member asked what the overall cost of EnvironmentSK Ltd was to the Council and why the service was considered to possibly be better provided in-house.

The Chief Finance Officer informed Members that the company had been established to deliver grounds maintenance and was supported by a contract fee between the company and the Council. Every year the budgets were set to support the delivery of the contract. The commercial element to the company had contracts with other organisations which would pass to the Council to administer should the company cease to trade. This would be on a cost recovery basis and would avoid any disruption to customers, or assigned to a new operator as required.

The Chairman added that the report gives positive reasons for the service to be brought back in-house adding that they had great faith in the staff and their ability to provide the service.

The Chairman of the Rural Overview and Scrutiny Committee welcomed the proposal of an in-house service, informing the Committee that it was a chance to seek control and flexibility of the Grounds maintenance service.

The Cabinet Member for Waste Services and Climate Control informed Members that the service was partly reliant on seasonal staff and agency workers. There were problems with retaining staff and recruitment. Building a permanent, quality workforce would enable the development of a better service. The Street scene Team were looking to develop a specification to set the level of service to be provided in readiness for integrating the service with the grounds maintenance service.

It was noted that the assisted garden service would be considered by Rural and Communities Overview and Scrutiny Committee.

It was queried as to whether penalty clauses would be included within an agreement if Grounds Maintenance was delivered by an outside contractor.

The Chief Executive outlined that penalty clauses had recently been in place for housing contracts and would be included in a contract for Grounds Maintenance.

The Committee thanked all Officers involved.

A query was raised regarding the option for services to be delivered by Environment SK Ltd and whether this would be practical in relation to the loan repayment.

The Chief Finance Officer clarified that the Council had previously declined a request from Environment SK Ltd of an uplift fee to reflect cost pressures. An alternative option was a restructure of the loan repayment to enable the company to have the financial headroom to meet those costs.

If Environment SK Ltd were to continue to operate on behalf of the Council to deliver Grounds Maintenance, an updated business plan would reflect the reintroduction of repaying the loan and the other cost pressures faced. There were no risks of Environment SK Ltd becoming insolvent.

It was proposed, seconded and **AGREED** that exempt information be discussed in closed session (By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972). (See exempt minute).

(Councillor Phil Dilks voted against the proposal)

One Member noted their disappointment that the report had not mentioned the use of fossil fuel consuming kit.

One Member suggested that Cabinet considers all replacement handheld kit for Grounds Maintenance be electric and environmentally friendly, not using fossil fuels.

It was discussed that consultations had taken place with all tenants within areas maintained by the Housing Revenue Account alongside planned consultation relating to the potential interactive service charges for services provided. One Member queried whether the costs of the consultations would be absorbed by Grounds Maintenance budget or within the General Housing Revenue Account.

The Acting Director of Housing clarified that any consultation and engagement would be funded wholly from the Housing Revenue Account.

The Cabinet Member for Waste Services and Climate Change outlined methods that other Councils were exploring in terms of climate change. Members were encouraged to share and discuss schemes with the Cabinet Member.

It was proposed, seconded, and **AGREED**:

That The Joint Environment Overview and Scrutiny Committee and Rural and Communities Overview and Scrutiny Committee:

- a) **That Grounds Maintenance be insourced back into the Council as soon as possible and be presented to Cabinet on 7 February 2023.**
- b) **That Cabinet be mindful and considers that all replacement handheld kit for Grounds Maintenance be electric, green and not use fossil fuels.**

12. Any other business which the Chairman, by reason of special circumstances, decides is urgent

There was no other business.

13. Close of meeting

The Chairman closed the meeting at 15:40.

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