



**GROUNDS MAINTENANCE STRATEGIC BEST VALUE REVIEW
PROJECT INITIATION DOCUMENT**

Report by Director of Technical Services

PURPOSE OF REPORT To seek approval of the Project Initiation Document for the Strategic Best Value Review of Grounds Maintenance Services.

COMPETENCE

- 1.1 There are no legal financial or other constraints to the recommendations being implemented.

SUMMARY

- 2.1 The present Grounds Maintenance Contract is held by ISS Waterers Ltd. and expires on 31 March 2008. The contract contains an option to extend the contract from 1 April 2008 to 31 March 2009.
- 2.2 The annual value of the present contract is in the order of £350k. Typically, such contracts should be awarded for a period of not less than three years and more typically in the region of four to five years due to the level of investment required in plant and vehicles. In terms of European Procurement Regulations, this constitutes a service contract and as such the value is over the lower threshold of £200k and would require to go through the OJEU advertising process if it is to be carried out by an external contractor.
- 2.3 In order, if necessary, to comply with the protracted EU procurement process, it will be necessary to conclude this review early in October this year, if an extension to the contract as indicated in 2.1 above is not entered into.
- 2.4 Progress on this review will be reported periodically to the Comhairle.

RECOMMENDATION

- 3.1 **It is recommended that the Comhairle approve the Project Initiation Document for the Strategic Best Value Review of the Grounds Maintenance Service as Appendix 1 to this Report**

Contact Officer: Roy Cameron, 01851 709405

Background Papers: None

- Appendices:
1. Best Value Review of Grounds Maintenance Service – Project Initiation Document.
 2. Extracts from the Local Government in Scotland Act 2003: Best Value Guidance.

BACKGROUND

- 4.1 Policy and budgetary responsibility for Grounds Maintenance Services lies with a number of individual Departments, including Education and Children's Services, Sustainable Communities, Social Work and Technical Services. Performance specifications for the various areas are agreed with individual service departments and the Grounds Maintenance Contract is managed by Technical Services Department.
- 4.2 This review does not include Grounds Maintenance Work in Cemeteries. This work is carried out by officers within the Department for Sustainable Communities and is integral to other aspects of the Cemeteries Service.
- 4.3 Grounds Maintenance is currently carried out by an external contractor under the terms of a single contract covering the whole of the Western Isles. The type of work carried out includes grass cutting and other maintenance works to sports pitches, weed control of hard surfaces, maintenance of woodlands, maintenance of amenity grass areas and maintenance and safety inspections of children's Play Areas.
- 4.4 At the time of award of the present contract, almost all of the areas being maintained were in the ownership of the Comhairle. During the currency of the present contract, significant areas have transferred ownership to the Hebridean Housing Partnership, however the transfer agreement requires the Comhairle to continue to maintain these areas. This review will examine the options available to the Comhairle with regard to these sites in particular.
- 4.5 The review will examine the performance specification for all sites and will consider the appropriateness of that specification in light of current use of these sites. Members should be aware at the outset of this review that the performance specifications have been subject to ongoing review and are considered to be currently at the lower limit of acceptability as a result of budget pressures.
- 4.6 Regardless of how this service is delivered, it is necessary to operate within a regulatory framework. That framework is currently a contract document and the framework arrangements will be reviewed to ensure arrangements to secure continuous improvement in performance while maintaining an appropriate balance between quality and cost and in making these arrangements and securing that balance, to have regard to economy, efficiency, effectiveness, the equal opportunities requirements and to contribute to the achievement of sustainable development.
- 4.7 The Project Initiation Document is included as Appendix 1 to this report. In addition, Appendix 2 contains extracts from the Executive's **The Local Government in Scotland Act 2003: Best Value Guidance** detailing the attributes a local Authority which secures Best Value will be able to demonstrate.

Appendix 1
 GROUNDS MAINTENANCE BEST VALUE REVIEW
 PROJECT INITIATION DOCUMENT

| ITEM | DETAIL |
|-----------------------------|--|
| Title of Review | GROUNDS MAINTENANCE SERVICE |
| Head of Service | Iain Mackinnon Director of Technical Service |
| Lead Officer | Roy Cameron Head of Building and Property Technical Services |
| Type of Review | Strategic Best Value |
| Reason for review selection | Services under significant pressure due to rising delivery costs and resultant budget deficiencies |
| Terms of Reference | To achieve service improvements and efficiencies in the context of increasing budgetary pressures whilst seeking to implement the principles of Best Value. |
| Review Team Members | <p>Marten James Principal Property Maintenance Officer Technical Services</p> <p>Jack Welsh Quantity Surveyor Technical Services</p> <p>Jennet Gordon Head of Resources Education and Children's Services</p> <p>Bill Houston Depute Director Sustainable Communities</p> <p>Andrew Mackenzie Head of Strategy (Internal) Chief Executive's Office</p> |

| ITEM | DETAIL |
|-----------------------------|--|
| Stakeholders and Consultees | Comhairle Departments and Premises Managers. Comhairle Members End User Groups Trade and Industry representative bodies including existing and potential contractors. |

| ITEM | DETAIL |
|--------------------------------|---|
| Review Timetable | The review must be completed by early October 2007 to allow compliance with the EU procurement timetable if required. |
| Review Group Meeting Programme | The Review Team will meet monthly. It is recognised that the frequency may increase depending on the stage of the review process. |
| Review Monitoring Arrangements | The Review Team will report to the Director of Technical Services, the appropriate service Committees and the Policy and Resources Committee. |
| Review Completion Date | October 2007 |
| Risk Analysis | <p>Risks identified that might affect the completion of the Review:</p> <ul style="list-style-type: none"> • Lack of Officer time and other resources to complete the review with other conflicting demands and competing priorities. • Lack of willingness of stakeholders and consultees to participate in engagement and consultation processes. • Insufficient comparative service providers to enable effective benchmarking and ensuring competitiveness. • Premature termination of present contract arrangements. |

Appendix 2
Extracts from The Local Government In Scotland Act 2003: Best Value
Guidance
February 2004

A local authority which secures Best Value will be able to demonstrate

COMMITMENT AND LEADERSHIP

a commitment to delivering better public services year on year through Best Value, and acceptance of the key principles of accountability, ownership, continuous improvement and transparency;

elected members and senior managers have developed a vision of how Best Value will contribute to the corporate goals of the authority which informs the direction of services and is communicated effectively to staff;

a commitment to high standards of probity & propriety, to honour the trust given by the electorate

RESPONSIVENESS AND CONSULTATION

responsiveness to the needs of its communities, citizens, customers, employees and other stakeholders, so that plans, priorities, and actions are informed by an understanding of those needs

an ongoing dialogue with other public sector partners and the local business, voluntary and community sectors

consultation arrangements which are open, fair and inclusive

SOUND GOVERNANCE AT A STRATEGIC, FINANCIAL AND OPERATIONAL LEVEL

a framework for planning and budgeting that includes detailed and realistic plans linked to available resources, to achieve the authority's goals (including community planning commitments) at service delivery level

effective performance management systems, which include the use of external comparison, through which performance issues can be identified, monitored and addressed

SOUND MANAGEMENT OF RESOURCES

making the best use of public resources, including employees, contractual agreements, ICT and other systems, land and property, and financial resources – keeping a considered and appropriate balance between cost, quality and price

USE OF REVIEW AND OPTIONS APPRAISAL

an approach to review that is rigorous and robust with no areas of work protected from consideration for review

review activity achieves quantifiable benefits for key stakeholders accepting that change may be necessary

services are expected to remain competitive and to provide consistently good service quality. In

considering opportunities for improvement a fair and open approach will be taken in evaluating alternative forms of service delivery from whatever the sector.

COMPETITIVENESS, TRADING AND THE DISCHARGE OF AUTHORITY FUNCTIONS

it is conscious of being publicly funded in everything it does; it has regard to obligations under the state aid rules; and it is aware of the need to conduct its business in a manner which demonstrates appropriate competitive practice

account is taken of the potential economic impact of the authority's activities (particularly new activities) on the local business community and others

the power to advance well being is not used to raise money, beyond imposing reasonable charges for the work undertaken

where the authority's activities count as entering into an agreement to supply goods and services, the Local Authorities (Goods and Services) Act 1970 is observed

the requirement to keep trading accounts under proper accounting practice is observed where appropriate to the authority's activities, in order to provide a transparent audit trail

A CONTRIBUTION TO SUSTAINABLE DEVELOPMENT

contribution to the achievement of sustainable development - consideration of the social, economic and environmental impacts of activities and decisions both in the shorter and longer term

EQUAL OPPORTUNITIES ARRANGEMENTS

a culture which encourages both equal opportunities and the observance of the equal opportunities requirements

measures are in place to meet the UK-wide equal opportunities requirements e.g.

- Equal Pay Act 1970
- Sex Discrimination Act 1975
- Race Relations Act 1976 as amended by the Race Relations (Amendment) Act 2000
- Disability Discrimination Act 1995

and all relevant subordinate legislation made under such Acts

adoption of the meaning of "equal opportunities" as is set out in Schedule 5 to the Scotland Act 1998, namely, "the prevention, elimination or regulation of discrimination between persons on the grounds of sex or marital status, on racial grounds or on grounds of disability, age, sexual orientation, language or social origin or of other personal attributes, including beliefs or opinions, such as religious beliefs or political beliefs".

JOINT WORKING

a culture which encourages joint working and service delivery where this will contribute to better service

ACCOUNTABILITY

the use of public performance reporting so that stakeholders are told what quality of service is being delivered and what they can expect in the future

