

COUNCIL

10 July 2023

CABINET RECOMMENDATIONS TO COUNCIL

Report of the Cabinet

Strategic Aim:	Sustainable Lives	
Exempt Information	Appendix C of this report contains exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).	
Cabinet Member(s) Responsible:	Cllr C Wise, Portfolio Holder for Highways, Transport and the Environment	
Contact Officer(s):	Penny Sharp, Strategic Director for Places	01572 758160 psharp@rutland.gov.uk
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Ward Councillors	All	

DECISION RECOMMENDATIONS

That Council, on the recommendation of Cabinet:

1. Approves the award of the Grounds Maintenance Contract.
2. Authorises the Strategic Director for Places, in consultation with the Cabinet Member with Portfolio for Highways, Transport and the Environment, to award the contract to the highest scoring bidder resulting from this procurement in line with the Award Criteria.

1 PURPOSE OF THE REPORT

- 1.1 The purpose of this report is for Council to make a decision following the outcome of the recently undertaken tender process for Rutland's Grounds Maintenance Contract.
- 1.2 The existing Grounds Maintenance contract ends on 31st December 2023 with the new contract due to commence from the 1st January 2024.

2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 The Council entered into its existing grounds maintenance arrangement for a term of three years with Harborough District Council from 1st April 2019 on a shared service basis. The Council exercised an option to extend, primarily to allow sufficient time to undertake a robust procurement exercise, and secondly to enable the contract to be brought in line with the expiry date of the Forestry contract. The existing grounds maintenance contract will now therefore expire on 31st December 2023.
- 2.2 At its meeting on 18th January 2022, Cabinet approved the procurement of new forestry and grounds maintenance contracts. This was on the basis that the grounds maintenance contract would be developed to take account of biodiversity and the outcome of public consultation.
- 2.3 A 'lessons learnt' exercise was undertaken with the existing contractor and internal customers (including the Property Service Team and the Highways Team have been made aware of the procurement and consulted on the specification).
- 2.4 Public consultation also took place in April 2022 and asked questions about people's satisfaction with urban and rural grass cutting. With regards to urban grass cutting (grass within 30mph limits and town/village boundaries), 49.5% of respondents said that the current ten cuts per growing season were 'about right' and 42.9% felt it was 'too much'. The remaining 7.5% felt it was 'too little'. With regards to rural grass cutting and roadside verges, 51% of respondents felt the current three cuts per growing season were 'about right' and 29.7% felt it was 'too much'. 18.9% felt it was 'too little'.
- 2.5 This suggests that current grass cutting frequencies are reasonable, however there is a significant proportion of residents who feel that the number of cuts could be reduced (particularly for urban verges). Reasons stated were predominantly for the benefits to biodiversity and wildlife.
- 2.6 The tenders were priced on the basis of six urban cuts per growing season. This covers Public Open Spaces, Churchyards, RCC assets and grass verges with in the 30mph signs and town/village boundaries.
- 2.7 A desktop benchmarking exercise has been carried out to compare the number of urban grass cuts per growing season across a wide range of different Local Authorities:

Authority	Number of urban cuts per annum	Comments
Wiltshire	8 cuts per annum (one a month between March and the end of October)	Some urban areas receive three cuts per annum where environmental benefits have been identified.
Devon	4 cuts	Community self-help groups carrying out grass

		cutting and weed pulling in their local areas.
Nottinghamshire	5 cuts	Residents and businesses are encouraged to cut the grass outside their own properties.
Staffordshire	Minimum of 6 cuts	Cuts are carried out for safety and visibility, not for aesthetics or tidiness.
Surrey	4 cuts	
Derbyshire	Minimum of 5 cuts	
Cornwall	8 cuts for Public Open Spaces	3 cuts for closed churchyards and variable for urban verges.
Central Bedfordshire	6 cuts	
Norfolk	4 cuts	
Wokingham	4 weeks between cuts during the growing season	Cutting is not carried out in dry weather when the grass is not growing.

2.8 This indicates that a proposal of six cuts per growing season is reasonable, feasible and in line with other Local Authorities.

2.9 There is also a financial benefit to reducing the number of urban cuts from ten to six and further details are provided in the Financial Implications section of the report.

3 PROVISION OF THE GROUNDS MAINTENANCE SERVICE

3.1 The term of the new contract will be from 1st January 2024 to 31st December 2028 with an option to extend for a further 2 years to 31st December 2030. This provides for a maximum contract term of 7 years.

3.2 The main areas of work are detailed in the table below:

Type of Maintenance	Areas covered	Frequency	Change to current spec?	Supported by consultation?
Urban grass cutting	This is all grass within the 30mph signs or 'welcome to' signs. This covers POS sites, roadside verges,	The tenders were priced on the basis of six cuts per growing season. However this is subject to approval.	Yes – current specification is for 10 cuts per growing season (averaging a cut every three weeks)	Yes

	church yards and RCC assets.			
Grass edge maintenance	This will cover pathways which run adjacent to RCC maintained areas.	Once annually, during the winter months	No	n/a
Hedge and shrub maintenance	Hedge and shrub maintenance covers all RCC assets, church yards and POS sites, plus some other RCC maintained areas in towns and villages.	This will take place twice per season during late May and late October.	No	n/a
Application of chemical controls (weed spraying)	This covers all areas within the contract (not covered by Highways weed spraying); footpaths, pedestrian areas, play areas, church yards, RCC assets, car parks and obstructions.	This will be three times per annum – April, June and September.	Yes – changing from two to three applications because of continuing complaints from RCC tenants and service requests from other RCC departments.	n/a
Leaf Clearance	RCC assets and POS areas including car parks and church yards.	Three programmed visits: late October, mid-November and mid-December	No	n/a
Ponds, ditches and drainage systems	This covers three sites; Grampian Way and Kestrel Road in Oakham and Firs Avenue in Uppingham.	One visit per annum in late October.	No	n/a
Type of Maintenance	Areas covered	Frequency	Change to current spec?	Supported by consultation?
Highways Rural grass cutting	All verges outside of the 30mph or 'welcome to' signs.	Three cuts per annum. March and June are single swathe cuts. September is a full width cut.	The current specification states two cuts, however this was amended due to safety concerns and complaints.	Yes

			Therefore, operationally there is no change to the current situation.	
Highways weed spraying	Covers urban footways, urban kerbs and channels and rural footways where a kerb and channel are present.	Twice per annum in April and August.	No	n/a

4 PROCUREMENT

- 4.1 Of the tender returns received, none were rejected at the evaluation stage.
- 4.2 The qualitative element of the tenders were reviewed by two officers (the Streetscene Services Manager and the Forestry Officer). These officers scored the submissions individually. A panel then met to agree moderated scores. The panel consisted of the two officers plus the Principal Operations Manager and supported by a Senior Procurement Officer from Welland Procurement.
- 4.3 Analysis of financial assessment was undertaken by Welland Procurement and these results of this were not shared with officers until quality evaluation and moderation had been completed.
- 4.4 On completion of this process an analysis of the total scores was undertaken and a winning bid identified. Due Diligence checks have taken place on the preferred bidder and no issues have been identified.
- 4.5 The tenders were evaluated on the basis of 50% price and 50% quality. A full breakdown of cost and quality evaluation is provided in the private Appendix. The bidders were scored and the winning bidder identified.

5 CONSULTATION

- 5.1 A public consultation took place in April 2022 as detailed in section 2.3.
- 5.2 The Cabinet considered the matter at their meeting on 6 June 2023 and unanimously agreed to recommend award of the contract.

6 ALTERNATIVE OPTIONS

- 6.1 An alternative option is not to award the contract. This is not recommended as we would be unable to deliver the grounds maintenance service. Alternative delivery models, such as in-house or a shared service agreement could be explored, however there is a high risk that this could not be achieved in the required timescales.

7 FINANCIAL IMPLICATIONS

- 7.1 The 2024/25 budget for grounds maintenance in the Medium-Term Financial Strategy (MTFS) is £526k based on the current specification and inflation of 7%. If

the Government's target of 2% inflation is achieved there is a potential saving identified.

- 7.2 The new contract rates are higher than current prices, however this is reflective of increases in fuel, labour and materials, coupled with recruitment issues within the industry.
- 7.3 The bid process was based on 6 cuts per annum for urban grass (including Public Open Spaces, RCC assets and Closed Churchyards), rather than the current 10 cuts per annum, hence the difference in price. The 2024/25 budget for grounds maintenance in the Medium-Term Financial Strategy (MTFS) is £526,000 based on the current specification and inflation of 7%. If the Government's target of 2% inflation is achieved there is a potential transformation saving identified over the life of the contract.
- 7.4 Because the tender was priced on 6 urban cuts per annum, rather than the current 10, there is no directly comparable figure to contrast current rates to the new rates in the tender. The new contract rates are estimated to be 13% higher than existing rates. However this is reflective of increases in fuel, labour and materials, coupled with recruitment issues within the industry.
- 7.5 Eleven Parishes currently carry out their own grass cutting and receive a contribution known as a 'parish payment' from the Council. The rates paid to Parishes are either £0.01 or £0.02 per square metre depending on when the agreement was made and are based on the existing ten cuts per growing season. These payments cost the Council a total of £29,882.93 per annum.
- 7.6 Under the new contract it is proposed to set the rate payable to Parishes at £0.03 per square metre. This provides an increase on the basic rate to cover increased costs, and also ensures fair and consistent payment to all Parishes. The payment will be based on 6 cuts per growing season.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 The total costs of the contract exceed the thresholds within which Cabinet can operate, therefore the decision to award is a matter for Council.
- 8.2 The Grounds Maintenance procurement process has been conducted by the Welland Procurement Unit, in line with the requirements of the Public Contracts Regulations 2015 and the Council's Contract Procedure Rules.
- 8.3 Legal advice on the process was sought at the appropriate stages of the procurement process.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 An It is not felt that an Equalities Impact Assessment is required for this service as it is directed at the maintenance of all Council land, not individual people or groups.
- 9.2 Individual sites will have specific considerations around access for members of the public but this is not relevant to the delivery of the grounds maintenance service.

10 COMMUNITY SAFETY IMPLICATIONS

- 10.1 The Council is required by Section 17 of the Crime & Disorder Act 1998 to take into account community safety implications.
- 10.2 The maintenance of the public realm is an important contribution to community safety. Well maintained sites contribute to a sense of community pride and can help to reduce crime and anti-social behaviour.

11 HEALTH AND WELLBEING IMPLICATIONS

- 11.1 Public open spaces can contribute positively to improved health and wellbeing. It is important that we provide a balanced approach to the maintenance of our sites, providing appropriate levels of public access for physical activity and recreational use, but also taking into account financial and biodiversity considerations.

12 ORGANISATIONAL IMPLICATIONS

- 12.1 TUPE (Transfer of Undertakings (Protection of Employment) Regulations 2006) and subsequent amendments will apply to the grounds maintenance contract. This process will be managed by the contractor with oversight and input from the Council.
- 12.2 There are no other organisational implications.

13 SOCIAL VALUE IMPLICATIONS

- 13.1 Under the provisions of the Public Services (Social Value) Act 2012 local authorities are required to consider how economic, social, and environmental well-being may be improved by services that are to be procured, and how procurement may secure those improvements.
- 13.2 As part of the quality submission, bidders were evaluated on their proposals to provide social value including detailing what wider social and economic benefits they would commit to providing throughout the life of the contract. The winning bidder has committed to employing local people for the duration of the contract, employing locally based TUPE transferees, and providing one full day of volunteer hours per FTE per annum. Volunteer hours will be undertaken by all staff at varying times of the year. Activities will include, but not be limited to, community education sessions, community planting projects, community clear-ups, bird/bat box creation, gardening workshops, supporting local groups, and any other projects agreed by the bidder and the Council.

14 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 14.1 The report recommends that Cabinet should recommend to Council that it approve the award of the Grounds Maintenance Contract (based on the procurement specification of six cuts per growing season for urban grass) to the highest scoring bidder.
- 14.2 A robust procurement exercise has taken place and considered capable of meeting the requirements of the Grounds Maintenance contract and delivering appropriate quality services across Rutland.

15 BACKGROUND PAPERS

15.1 There are no background papers to the report.

16 APPENDICES

16.1 Appendix A – Procurement Timetable

16.2 Appendix B – Award Criteria

16.3 Appendix C – Exempt Appendix containing details of bids submitted.

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.

Appendix A. Procurement Timetable – Grounds Maintenance and Forestry

Ref	Milestones	Start Date	End Date
<u>Governance & Pre-Procurement Planning</u>			
M1	Develop Outline Business Case	01-Apr-21	30-Apr-21
M2	Contract Risk Assessment	01-Apr-21	30-Apr-21
M3	Data Mapping exercise	01-Apr-21	30-Jun-21
M4	Agree Procurement and lotting strategy	01-Aug-21	30-Sep-21
M5	Lessons Learnt	01-Oct-21	31-Oct-21
M6	Contract Extensions	01-Oct-21	03-Dec-21
M7	Pre-Procurement Business Case - Governance		
M7.1	SMT	20-Oct-21	20-Oct-21
M7.2	Project Board	02-Dec-21	02-Dec-21
M7.3	Cabinet Briefing	02-Nov-21	02-Nov-21
M7.4	Cabinet		
M7.4.1	Develop Cabinet Report	04-Jan-22	01-Feb-22
M7.4.2	Scrutiny	10-Feb-22	10-Feb-22
M7.4.3	Present Cabinet Report	15-Feb-22	15-Feb-22
M8	Develop Detailed Specification, Service Levels /KPIs		
M8.1	Grounds Maintenance	04-Jan-22	01-Apr-22
M8.2	Forestry	04-Jan-22	01-Apr-22
M8.3	Legal Review of Both Sets of Docs	01-Apr-22	18-Apr-22
M8.4	Finalise Specification, Service Levels, KPIs	09-May-22	13-May-22
M9	Project background information		
M9.1	Assemble	04-Jan-22	31-Mar-22
M9.2	Discuss with Parishes	07-Mar-22	18-Mar-22
M9.3	Finalise	09-May-22	13-May-22
M10	Consultation		
M10.1	Plan Consultation	17-Jan-22	15-Feb-22
M10.2	Consult	24-Mar-22	06-May-22
M10.3	Collate Responses	09-May-22	13-May-22
M10.4	Analyse Responses	09-May-22	13-May-22
M11	Procurement & Contract Docs		
M11.1	Develop Further competition ITT documentation	03-Mar-22	10-Jun-22
M11.2	Agree on Evaluation Panel	09-May-22	10-Jun-22
M11.3	Agree Award Criteria & Evaluation methodology	21-Apr-22	10-Jun-22
M11.4	Method statement questions & Pricing schedules	21-Apr-22	10-Jun-22
M11.5	Request TUPE Information	09-May-22	10-Jun-22
M11.6	Review YPO DPS 881 call off contract Ts and Cs	13-Jun-22	15-Jul-22
M11.7	Legal Review of Contract + ITT Docs	07-Jul-22	30-Sep-22
M12	Pre-procurement Marketing	01-Jul-22	31-Oct-22
<u>Procurement - DPS Further Competition</u>			
M13	Publish PIN Notice (one already published Nov 2021)	11-Jul-22	11-Jul-22
M14	Finalise Procurement & Contract Docs	30-Jul-22	31-Oct-22
M15	Review all Documentation		
M15.1	Project Board Review	22-Nov-22	22-Nov-22
M15.2	Welland Review	01-Nov-22	30-Nov-22
M16	Tender goes Live	12-Dec-22	31-Jan-23

	Site		
M17	visits	20-Dec-22	21-Dec-22
M18	Clarification Questions Deadline	17-Jan-23	17-Jan-23
M18.1	Clarification Responses Deadline	24-Jan-23	24-Jan-23
M19	Tender submission Deadline	31-Jan-23	31-Jan-23
M20	Evaluation: Quality	01-Feb-23	10-Mar-23
M21	Moderation Meeting(s)	08-Mar-23	08-Mar-23
M22	Evaluation: Price submissions	15-Mar-23	31-Mar-23
M23	Bidder Presentation/ Interview (if needed)	03-Apr-23	07-Apr-23
M24	Contract Award Recommendation Report		
M24.1	Write & Approve Report	09-Mar-23	07-Apr-23
M24.2	Legal Review of Final Contract + Schedules	10-Apr-23	19-May-23
M25	Governance - Award Contract (Cabinet)	06-Jun-23	06-Jun-23
M26	Governance - Award Contract (Council)	10-Jul-23	10-Jul-23
M27	Draft Intention to award and feedback letters	18-Jul-23	21-Jul-23
M28	Issue Intention to Award letters to all bidders	24-Jul-23	24-Jul-23
M29	Voluntary Standstill period (10 days)	25-Jul-23	03-Aug-23
M30	Due Diligence - Checks	25-Jul-23	03-Aug-23
M31	Publish Contract Award Notice (FTS & Contracts Finder)	07-Aug-23	07-Aug-23
M32	Contract documentation to be finalised/signed/sealed	07-Aug-23	31-Aug-23
M33	Contract added to Contracts Register	01-Sep-23	01-Sep-23
	<u>Mobilisation/Decommission</u>		
M34	Decommission - incumbent supplier	01-Sep-23	31-Dec-23
M35	TUPE Complete	31-Dec-23	31-Dec-23
M36	Mobilisation - of new supplier complete	31-Dec-23	31-Dec-23
	<u>Go live</u>		
M37	New contractors are live	01-Jan-24	01-Jan-24
M38	Final Project Board to review PID objectives + Lessons Learned	08-Jan-24	15-Jan-24

Appendix B. Award Criteria

Quality Questions 50% (including Social Value)

Each bidder's response to each question was evaluated and awarded a score of up to a maximum of 5 as follows:

In the evaluator's reasoned opinion, the response is an:	
5	Excellent Response The response is excellent in relation to the stated requirements of the question. The response provides an excellent level of detail and demonstrates that the bidder's expertise and approach significantly exceed the Council's minimum requirements such as to provide added value.
4	Strong Response The response is strong in relation to the stated requirements of the question. The response provides a good level of detail and demonstrates that the bidder's expertise and approach exceed the Council's minimum requirements.
3	Satisfactory Response The response is satisfactory in relation to the stated requirements of the question. The response provides a satisfactory level of detail and demonstrates that the bidder has the necessary expertise to meet the Council's minimum requirements and has a reasonable understanding of what those minimum requirements are.
2	Weak Response The response is weak in relation to the stated requirements of the question. The response provides a low level of detail and provides less than satisfactory evidence to demonstrate that the bidder has the expertise to satisfy the Council's minimum requirements and/or demonstrates some misunderstanding of those requirements.
1	Poor Response The response is poor in relation to the stated requirements of the question. The response provides a very low level of detail. There is a significant lack of evidence to demonstrate that the bidder has the expertise to satisfy the Council's minimum requirements or really understands what those requirements are.
0	Unacceptable Response The response is unacceptable in relation to the stated requirements of the question. The response provides no detail and fails to provide any evidence that the bidder can meet the requirements of the question. OR No answer has been given.

Social Value Quantity (2%)

Bidders were required to populate a social value calculator: a spreadsheet comprised of a selection of relevant National Themes, Objectives and Measures (TOMS) chosen by the Council and each National Theme (NT), carried a proxy value (£).

Bidders had to select four of the National Themes (NT) and add the quantity of each they would provide over the 2nd, 3rd and 4th years of the initial term of the contract for the benefit of the local community, the County of Rutland. The bidder with the highest proxy value (£) over this period would receive the maximum percentage score for this criterion (2%) and the other bidders a pro rata percentage score based on the maximum value.

Social Value Quantity (3%)

Bidders were required to provide a Social Value Method Statement to explain how they would provide the type and quantity of social value for the benefit of the locality stated in their Social Value Calculator submission. This method statement was evaluated and scored using the marking scheme below. The Social Value quantity and quality scores were be combined to give a total Social Value score out of 5%.

Scoring Matrix for Social Value Quality		
Score	Judgment	Interpretation
5	Excellent	Exceptional demonstration of a relevant and credible Social Value offer as a result of this contract, with clear explanation / evidence of how this will benefit Rutland communities and how this will be monitored and measured
4	Good	Above average demonstration of a relevant and credible Social Value offer as a result of this contract, with a clear explanation and majority evidence of how this will benefit Rutland communities and how this will be monitored and measured
3	Acceptable	Demonstration of a relevant and credible Social Value offer as a result of this contract, with a clear explanation and some evidence of how this will benefit Rutland communities and how this will be monitored and measured
2	Minor Reservations	Demonstration with some minor reservations of a Social Value offer as a result of this contract, little explanation and evidence of how this will benefit Rutland communities and how this will be monitored and measured
1	Serious Reservations	Demonstration with considerable reservations of a Social Value offer as a result of this contract, little/no explanation and evidence of how this will benefit Rutland communities and how this will be monitored and measured
0	Unacceptable	Does not comply and/or insufficient information provided to explain/justify/evidence the Social Value offered

Quality Threshold –

For the Quality questions and for the Social Value questions a quality threshold was applied as follows:

Scoring '0-1' for any response to the method statements will give grounds for excluding the tender from further consideration. If a tender is so excluded, the tenderers' price shall also be excluded from the evaluation.

(Ref. page 10, RCC Grounds Maintenance Services ITT Tender (F-C) FINAL 13.12.22)

Quality Questions

Table 1 – Quality 50%				
Question Number	Questions	Max. Evaluator Score	Question % Weighting	Section % Weighting
1.	Methodology Statement	5	5%	50%
2.	Outcomes or deliverables	5	5%	
3.	Continuous Improvement	5	2.5%	
4.	Implementation Plan	5	5%	
5.	General Data Protection Regulation – Compliance	5	5%	
6.	Staffing Structure	5	2.5%	
7.	Staffing Competencies	5	5%	
8.	Application of Knowledge	5	5%	
9.	TUPE	5	5%	
10.	Service Continuity	5	5%	
11.	Social Value	5	5%	
			TOTAL	50%

Price 50%

Price scores were calculated based on the bidder with the lowest overall compliant price being awarded the full score of 50%. The remaining bids were scored in accordance with the following calculation:

$$= \left(\frac{\text{lowest submitted price}}{\text{potential supplier's submitted price}} \right) \times \text{price weighting}$$

Review of the Selection Criteria

As this was a further competition amongst pre-qualified providers, there was no Selection stage.