

Decision Maker: Environment PDS Committee

Date: 24th January 2017

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **PARKS, COUNTRYSIDE AND GREENSPACE MANAGEMENT -
CONTRACT PERFORMANCE REPORT**

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Chief Officer: Nigel Davies, Executive Director of Environment and Community Services

Ward: All

1. Reason for report

- 1.1 At their meeting of 24th March 2015, the Council's Executive Approved the variation to the current Grounds Maintenance Contract with English Landscapes Maintenance Limited (formerly The Landscape Group) and have since changed their name to Idverde Limited. Henceforth in this report they are referred to as Idverde, to include the management function covering parks, recreation grounds, the countryside, sports, playgrounds, events, biodiversity, allotments and environmental education outlined, and extend the Contract to 31 March 2019.
 - 1.2 This report provides an annual review of the performance of the contract, valued at £36.59m, as required by CPR 23.3.
 - 1.3 The current performance of the contract is deemed to be satisfactory.
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2. RECOMMENDATION(S)

The Environment PDS Committee is recommended to:

- 2.1 **Note the current level of performance and comment on this report.**

Corporate Policy

1. Policy Status: Existing policy. Existing Policy Context/Statements
 2. BBB Priority: Excellent Council. Quality Environment
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Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A.
 3. Budget head/performance centre: Parks, Countryside & Greenspace Management contract
 4. Total current budget for this head: £4.5m
 5. Source of funding: Existing revenue funding 2016/17
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Staff

1. Number of staff (current and additional):
 2. If from existing staff resources, number of staff hours:
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Legal

1. Legal Requirement: Non-statutory - Government guidance.
 2. Call-in: Call-in is not applicable.
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Potentially all Borough residents, stakeholders, volunteers, businesses and visitors
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments: n/a

3. COMMENTARY

Background to the commissioning of the current contract

- 3.1 At the meeting on the 24 March 2015 the Executive agreed (Report ES15021 – Minute 170) that the Grounds Maintenance Contract with the then English Landscapes Maintenance Landscape Group now *idverde* be varied to include Parks Management functions, at that time delivered 'in house', and the Contract extended to 31st March 2019.
- 3.2 All Parks Management and Grounds Maintenance functions would be included in the enlarged Contract, whose extension would enable the contractor to realise the necessary efficiencies. The extension would also align the end date of the varied contract with other contracts within the Environment and Community Services (ECS) portfolio - thereby permitting a more strategic commissioning approach for commencement in 2019.
- 3.3 As a result of this commissioning, initial savings would be released in 2015/16 with further savings released each year until the expiry of the contract in 2019. The 'Variation' would seek to maintain service levels and better integrate the management of operational and community engagement functions in the former Parks and Greenspace Service (P&GS). The final savings sum was estimated to be up to £1m by 2019.
- 3.4 Accordingly, a holistic Parks and Greenspace service would be designed based on a Neighbourhood approach with localised teams responsible for all aspects of the service – both community liaison and the delivery of maintenance duties. This would integrate the two aspects of service delivery previously managed by L B Bromley and English Landscapes Maintenance Limited as separate organisations. Additionally Bromley Parks Friends' Groups and stakeholders would be given a greater 'voice' in what occurs on the ground in their communities
- 3.5 The contractor, would work to a number of Key Performance Indicators, jointly agreed at the outset of the contract and would implement a transparent, real-time quality reporting system. L B Bromley would retain a contract management team which would be within the department's Neighbourhood Management unit.
- 3.6 A Partnership Board would oversee the strategic management of the contract with a proposed membership including: the Assistant Director, Street Scene and Greenspace, the Chief Executive of The Landscape Group/*idverde* and other key LBB and contracted management posts. The Board would manage strategic direction of the Parks and Greenspace service, review and set targets for performance and key deliverables, and establish freedoms to be allowed at local level in service choices, all within the Council determined Budget.
- 3.7 Accordingly, the Board would receive and agree an Annual Plan from The Landscape Group/*idverde* for achievement of performance and deliverables. The Board would maintain a contract monitoring function, assessing performance against an output based performance framework based upon agreed service standards, together with a set of key deliverables. Performance, as monitored by the LBB Contract Management Team would be linked to overall payment to the Contractor. In addition to the current KPIs for the Ground Maintenance contract, Key Performance Indicators and key deliverables would include:
 - Service response times to customer enquiries
 - Customer Satisfaction
 - Level of complaints
 - Delivery of annual action plan targets

- Delivery against key actions/milestones in key strategic documents.

- 3.8 To assist in strategic management of the former P&GS service it was proposed to establish a non-decision making Stakeholder Engagement Panel to work with interested local groups and organisations, such as The Friends Forum, delegated sport managers, allotment associations and other similar groups. The Panel would help inform development and delivery of the Annual Action Plan which would include actions related to the Biodiversity Plan and management plans for parks, SSSI, heritage sites, Woodland works. Sport and recreation, play, hard landscape, cemeteries, grants, leisure gardens and allotments and; environmental education.
- 3.9 Performance of the contract would be scrutinised in line with corporate procurement regulations, via an annual report presented to the Environment PDS and Executive.
- 3.10 The Partnership Board would manage the strategic direction of the Parks and Greenspace Service, with such direction flowing from the Portfolio Plan agreed by the Portfolio Holder for the Environment.

Recent Mergers

- 3.11 During February 2016 The Landscape Group/*idverde* acquired Quadron Services Ltd (another leading UK based landscape design and maintenance organisation) and from October 2016 the group now trades solely under the *idverde* uk, (phonetically pronounced 'eye-dee-verdee) umbrella.

Transfer of staff and the creation of a new management delivery structure

- 3.12 LB Bromley staff from the P&GS team were transferred to English Landscapes Maintenance Landscape Group/*idverde* on 8th June 2015. This was comprised of members of the countryside, woodlands, rangers, play, hard landscape, grants, allotments, sports, community friends & volunteering, events and senior and strategic management; including the previous Head of Service. The Council retaining a client team of monitoring, enforcement officers and the arboriculture unit – all of which were subsequently subsumed into the recently created Neighbourhood Management unit.
- 3.13 Staff, subject to TUPE transfer were interviewed during the summer of 2015 for the newly created structure which is more particularly illustrated in Appendix A. Specific attention was proposed by *idverde* to enhance certain key areas and accordingly the following new posts were created:
- Contract Director – to develop the fully managed service for the Authority, reduce bureaucracy, improve efficiency and benefit the customer experience, whilst simultaneously introducing commercial rigour..
 - General Managers – to provide neighbourhood management broadly in align with those areas developed by the Council within Environment and Community Services.
 - CRM Administrator – to create a post solely for dealing with customer issues, Confirm and Fix My Street issues
 - Business Development Manager – to expand the events, concessions and activities offer for park users; in order to increase income as part of the new contractual arrangement.

- Systems and Compliance Manager – to develop a real time reporting system and quality assurance model.
- Biodiversity Manager and Biodiversity Advisor (2 posts) – to realise the importance of ecology and recognise the need to increase staffing commitment to rural and other areas of the Borough.

4. SERVICE PERFORMANCE / DATA ANALYSIS

Summary

- 4.1 Although a number of service issues regarding Grounds Maintenance were identified via the contact monitoring process, these were quickly rectified and the current overall performance of the contractor is good.

Parks Management

- 4.2 Under the new Variation the functions previously carried out by the LLB Parks Management Team are now delivered by idverde.
- 4.3 The performance of the contractor with regard to this element of the contract are highlighted below – the detailed summary of the agreed performance indicators and supporting commentary is included in Appendix B
- 4.4 A key measure of the new service was to create, invite comment, seek Committee approval and launch a strategic plan for the Borough's landholding within the Parks, Countryside and Greenspace portfolio. Almost 60 stakeholder groups and key Elected Members provided invaluable feedback and challenge to the draft which was subsequently adopted as policy by the Environment PODS Committee in November 2015.
- 4.5 As a direct consequence of the Parks, Greenspace and Countryside policy – an action plan has been created, again honed with stakeholder comment and observation – to expand each policy commitment into a direct series of actions and activities, identified outcomes, responsible manager and target dates - covering all areas of the service. There are currently in the order of 150 actions for delivery within the 12 month review period. A selection of current projects can be viewed at: <http://bromleyparks.co.uk/wp-content/uploads/2016/05/Action-Plan-Q3-update-2016.pdf>.
- 4.6 In addition to the Strategic Plan and accompanying Action Plan, the following plans and policies were completed and delivered within the agreed timescales (more detail can be found in Appendix xx):
- Biodiversity Action Plan
 - Forestry Annual Plan
 - Play Strategy and Annual Plan
 - Sports Annual Plan
 - Grants and Income Plan
 - Events Policy

Customer Relationship Management (CRM) and Confirm/Fix My Street

- 4.7 For added value idverde created a customer relationship management post. The primary objective is to provide Bromley's Parks, Countryside and Greenspace customers with highly effective and quality customer relationship management services, to increase trust and to channel Confirm/FMS enquiries.
- 4.8 On top of the data collected by the Contract Management Unit's Technical Support Team the contractor's CRM collate self-monitoring data in an effort to identify areas of concern and to use the data for continuous improvement.
- 4.9 The performance of the contractor against the key indicators is good with 99% of customer enquiries managed within service standards (target >95%) and only 7% of enquiries attracting an additional comment/escalation by the customer (target <10%). 11 reports have attracted a default penalty of £50 each.

Grounds Maintenance

- 4.10 Idverde continue to provide the grounds maintenance function to the Borough's land holding covering parks, commons, highway verges & amenity greens, libraries and some schools. The quality of the grounds maintenance is monitored monthly in the form of a Quality Assessment Inspection. The inspection is a joint assessment by idverde and the Bromley governing Board and is an overall assessment of idverde's performance in achieving the contract specification across the full range of features contained within the contract.
- 4.11 A 5% retention of the Grounds Maintenance Contract sum, which is at risk as part of the Quality Assessment Inspection is the primary method by which Bromley ensures value for money. The 5% retention is split over two equal parts paid in April for periods October to March and again in October for periods April to September. The overall performance of the service has been good and the most recent assessment, periods April to September, can be seen in Appendix C.
- 4.12 One of the key concepts under the new arrangement has been to offer more local choice for friends or other related interest groups. This simply allows the re-allocation of the existing resource provision, reflecting changing needs of the community. For example at some sites mowing regimes have been adjusted to better align with grass sports requirements; whilst at others the balance between various functions have been amended following local dialogue.

LBB Contract Management Team

- 4.13 In April 2016 the LBB Parks Contract Management function was included in the wider Neighbourhood Management, along with Waste, St. Cleansing, Trees and Highways Enforcement.
- 4.14 Naturally this led to a period of adjustment where staff were adapting to the change in monitoring regime. However, staff quickly settled into their new roles and feedback on the new structure and method of contract management is positive with staff relishing the versatility and additional responsibility and have forged good working relationships with each other and the different contractors..
- 4.15 Management are currently reviewing the changes that were put in place and have began to identify areas for improvement and further change that will help assist the Neighbourhood Officer and Managers better monitor and manage the contractors to achieve better outcomes for the customers.

- 4.16 The commissioning programme currently underway for a suite of Environment Contracts, including the Parks contract, will also consider the structure and resources needed to effectively manage the contracts to ensure LBB achieves value for money.

PLANS FOR ONGOING IMPROVEMENTS IN PERFORMANCE AND VALUE FOR MONEY

- 4.17 The overall performance of the contractor is good, albeit there are areas for improvement on the Grounds Maintenance. Initiatives will be sought in 2017 for the improvement of grass cutting, hard surface sweeping and litter collection. idverde has prioritised a £115k asset capital expenditure in 2017 replacing existing machines in line with their improved service delivery strategies.
- 4.18 As part of the Variation an additional £15 and then £20k savings were identified for 2017/18 and 2018/19.
- 4.19 The LBB contract management team and the idverde management team continuously strive to identify improvements in service delivery efficiency through contract monitoring meetings. Significant advances have been made to increase income generation opportunities within the parks, which when the net figure (income minus directly attributable costs) reaches above £40k will see a financial benefit returned to LBB.

USER / STAKEHOLDER SATISFACTION & ENGAGEMENT

- 4.20 Informal feedback from key stakeholders from within the voluntary community has been positive towards the new management arrangements. A formal customer and stakeholder satisfaction survey is planned for the spring 2017.
- 4.21 The contract portfolio provides a raft of opportunities for community engagement and stakeholder liaison. These are summarised in some detail in Appendix D but include such activities as:
- Corporate Volunteering
 - Countryside Consultative Panel
 - Friends Forum
 - Friends Groups, Volunteers and Stakeholders
 - Leisure Gardens and Allotments Consultative Panel
 - Partnership Meetings
 - Sport and Recreation
 - Stakeholder Engagement Panel
 - Support for organisations
 - Volunteer Task Force

[Web page and Twitter Account](#)

4.22 During 2016, both a bespoke web page was created by idverde – for the benefit of the public, visitors, stakeholders and businesses. The site can be found at www.bromleyparks.co.uk and covers events, Bromley’s parks, volunteering and useful background information; including the Action Plan of activities and projects.

A ‘Twitter’ account for Bromley’s parks has also been created and can be followed at https://twitter.com/idverde_Bromley

SUSTAINABILITY / IMPACT ASSESSMENTS

4.23 Whilst there were some concerns raised by certain interest groups during the consultation carried out by LBB on the proposals to vary the contract, any remaining concerns have been addressed by the contractor and outstanding issues are being resolved within the constraints of the financial envelope of the contract.

4.24 Feedback from Friends groups and contract officers is that overall the change to the fully managed arrangement has had a positive impact on the overall appearance of LBB’s parks and countryside sites and the positive and can do attitude of the idverde staff is appreciated.

4.25 A number of contracts delivered by SMEs were novated to English Landscapes Maintenance Landscape Group soon after the Variation came in to affect in 2015. Idverde are now responsible for the continuation of the delivery of these services when they expire. LBB contract management officers will monitor the impact of the idverde decisions with regard these services and the impact they have on the service.

5. POLICY CONSIDERATIONS

5.1 The parks operations and management contract supports a number of ambitions expressed in the ‘Building a Better Bromley’ initiative, in particular the commitment to ‘provide a clean, green and tidy environment, meeting and maintaining standards of quality, which reflect service levels agreed between local communities and their Elected Members.

5.2 Enhancing Parks and Green Spaces is a key outcome set out in the Environment Portfolio Plan 2013 – 16, and supports the high standard of parks, countryside, commons and woodlands, and access to nature; which figure highly amongst the issues identified by residents as a vital part of making the Borough a good place to live in.

6. COMMISSIONING & PROCUREMENT CONSIDERATIONS

6.1 This contract is a variation to the original grounds maintenance contract let in 2008 for a 10 year term, but has also been extended until March 2019 to align with the larger over-arching Environment and Community Services contracts bundle – which permits the bulk of existing term environmental contracts in waste, streetscene and parks to expire at a co-terminus point at that time. Accordingly, the parks greenspace and countryside management and operational aspects have been subject to soft market testing during 2016 and will be advertise dto the market via the OJEU process in spring 2017.

7. FINANCIAL CONSIDERATIONS

7.1 The 2016/17 budget for The Landscape Group’s contracts is £4.522m. The table below sets out the budget and projected spend for the two contracts and adhoc work that has been undertaken this financial year: -

	Projected		
	Budget	Outturn	Variance
Current budget position for 2016/17	£'000	£'000	£'000
Grounds Maintenance budget	2,817	2,814	-3
Fully Managed Parks Service	1,705	1,704	-1
Other adhoc works *	175	175	0
Total	4,697	4,693	-4
Grant income to partly offset the adhoc works	-88	-88	0
Net Total budget	4,609	4,605	-4

7.2 The fully managed parks service has delivered the following savings: -

	Part Year	Full Year	Full Year	Full Year	Total
	2015/16	2016/17	2017/18	2018/19	Total
	£'000	£'000	£'000	£'000	£'000
Savings achieved	158	278	293	298	1,027

7.3 It should be noted that the table above shows that there are further savings of £15k for 2017/18 rising to £20k in 2018/19. In total, savings of over £1m will have been delivered by the end of 2018/19.

8. LEGAL CONSIDERATIONS

8.1 This report is an annual performance report required to be submitted to the Executive pursuant to the Contract Procedure Rules rule 23.3.

Non-Applicable Sections:	Customer Profile, Market Considerations, Personnel Considerations
Background Documents: (Access via Contact Officer)	March 24 th 2015 Executive meeting, (Report ES15021 – Minute 170) Parks, Greenspace and Countryside Strategy – adopted as policy by the Environment PDS 24 November 2015