

**Cabinet Report**

Report of: Simon Green, Executive Director of Place

Report to: Cabinet

Date: 15 October 2014

Subject: Grounds Maintenance and Estate Services Review

Author of Report: David Hargate

Key Decision: YES / NO*

Reason Key Decision:

Summary:

Grounds maintenance across the city is currently carried out by several services. This results in confusion for members of the public and inefficiency in service delivery. Service standards also vary across the city, particularly in council housing areas. An options appraisal of the internal provision of grounds maintenance was carried out which identified 6 key findings that have the potential to improve service delivery with a particular focus on a reconfigured service delivery model.

Reasons for Recommendations:

The recommendations have the potential to improve equality of service delivery, maintain standards and provide financial savings to both the Housing Revenue Account and the General Fund resulting from increased efficiency.

Recommendations:

That Cabinet:

- 1 Notes the contents of the report and the services efficiencies and savings that can be achieved for the HRA and General Fund.
 - 2 Approves the delivery of Housing grounds maintenance by a single service and that this be achieved by the transfer of Estate Officers from the Council Housing Service to the Parks and Public Realm service, with a review of the structures and job descriptions across Parks and Public Realm and Estate services.
 - 3 Approves the reconfiguration of the remaining Council Housing Service estate services functions following the transfer of grounds maintenance work to Parks and Public Realm.
 - 4 Authorises the Director of Culture and Environment and the Interim Director of Housing and Neighbourhood Services to take the necessary step to implement these recommendations.
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Background Papers: Equality Impact assessment form (Appendix A)
Options appraisal methodology (Appendix B)
Options appraisal workshop outcomes (Appendix C)

Category of Report: OPEN / CLOSED*

If CLOSED add 'Not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended).'

* Delete as appropriate

Statutory and Council Policy Checklist

Financial Implications	
<input checked="" type="checkbox"/> YES/ <input type="checkbox"/> NO	Cleared by: Chris Nicholson & Liam Duggan (HRA)
Legal Implications	
<input checked="" type="checkbox"/> YES/ <input type="checkbox"/> NO	Cleared by: Andrea Simpson
Equality of Opportunity Implications	
<input checked="" type="checkbox"/> YES/ <input type="checkbox"/> NO	Cleared by: Annemarie Johnston
Tackling Health Inequalities Implications	
YES/ <input type="checkbox"/> NO	
Human Rights Implications	
YES/ <input type="checkbox"/> NO	
Environmental and Sustainability implications	
YES/ <input type="checkbox"/> NO	
Economic Impact	
YES/ <input type="checkbox"/> NO	
Community Safety Implications	
YES/ <input type="checkbox"/> NO	
Human Resources Implications	
<input checked="" type="checkbox"/> YES/ <input type="checkbox"/> NO	Cleared by: Joanne Wright-Coe
Property Implications	
YES/ <input type="checkbox"/> NO	
Area(s) Affected	
Relevant Cabinet Portfolio Lead	
Harry Harpham and Isobel Bowler	
Relevant Scrutiny Committee	
Safer and Stronger Communities Scrutiny and Policy Development Committee	
Is the item a matter which is reserved for approval by the City Council?	
YES/ <input type="checkbox"/> NO	
Press Release	
YES/ <input type="checkbox"/> NO	

REPORT TO THE CABINET

Grounds maintenance and Estate Services review

1.0 SUMMARY

- 1.1 Officers in Parks and Countryside and the Council Housing Service are jointly working on a project to improve the efficiency of service delivery and the cost effectiveness of the grounds maintenance service and other associated services, for both parks and for housing land.
- 1.2 This current arrangement for housing estates, which includes maintenance by both Parks and the Housing Estates teams, creates some confusion for members of the public and inefficiencies for internal service delivery as each service has their own maintenance specifications and standards, this is most noticeable where this is applied to adjacent pieces of land. Monitoring of service delivery and quality is carried out by Housing staff, tenant inspectors and Parks staff.
- 1.3 As part of this project officers undertook an options appraisal workshop to review the internal provision of grounds maintenance and to help inform the future options for service delivery.
- 1.4 The options appraisal identified 6 key findings that have the potential to improve equality of service delivery and provide financial savings to both the Housing Revenue Account (HRA) and the General Fund resulting from increased efficiency.
- 1.5 Four of the key findings (item 4.11 a-d) have led to the recommendations in this report, namely, to integrate the grounds maintenance work currently undertaken by the Housing Estate Officers with that of the Parks and Public Realm service to create a single Parks and Public Realm service; this will include a review of staff structures and job descriptions in both Parks and Public Realm and a review/reconfiguration of the remaining Housing Estate Services function. The other findings require further work by officers.

2.0 WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE

- 2.1 Integrating the Housing grounds maintenance function with Parks and Public Realm will provide more a coherent service delivery for tenants, residents and other beneficiaries of the service. The new arrangements for grounds maintenance will provide greater equality of service delivery across the city and a more streamlined point of public contact. The integrated service will ultimately become responsible for management and maintenance for both housing and parks land and will make the service delivery easier to understand

and improve value for money.

3.0 OUTCOME AND SUSTAINABILITY

3.1 Successful integration will result in a better coordinated approach to grounds maintenance across the city with the opportunity to deliver a more consistent service specification informed by the 'Sheffield Standard', a quality standard for Sheffield's green and open spaces based upon the outcomes of clean, safe and attractive, and applied across areas and across neighbourhoods with a single point of contact for green space issues i.e. Parks and Countryside.

3.2 Integration will improve the resilience of the service to fluctuations in staff availability during holiday periods and the impacts of severe weather events when individual services may have previously been more stretched. The current service standards will be maintained at a reduced cost.

4.0 MAIN BODY OF THE REPORT

4.1 Introduction

Parks and Public Realm are responsible for the bulk of the grounds maintenance on Housing land; in addition, Sheffield Housing Services also carry out some of their own grounds maintenance, whilst Amey maintain the highway verges. This arrangement creates some confusion for members of the public who may not know what standards to expect and who is responsible for the service in their immediate locality.

4.2 In addition to the grounds maintenance service for Housing, Parks and Public Realm also deliver playground inspections and a dog bin service; all of these are managed using a client/contractor model through various Service Level Agreements (SLAs) with Housing. This grounds maintenance is supplemented by Housing Estate Officers who carry out additional work over and above the SLA and provide a responsive service for tenants.

4.3 Officers from both Parks and Public Realm and Council Housing Services, together with representatives from Finance and HR, have carried out a comprehensive review of the current service provision through an options appraisal workshop.

4.4 Method of assessment

A 2-day workshop involving a variety of stakeholders was used to review the current service delivery arrangements for both Parks and Housing and score each of 6 service delivery options against a set of criteria and award a maximum score for each criterion. The methodology was previously used to assess the non-PFI elements of Streetforce prior to their integration into Parks. The scoring also uses weightings to give a combined total that highlighted the most

desirable outcome.

- 4.5 The key outcome weighting considerations for the assessments were:

Customer First (weighting 30%)
Value for money (30%)
Council Considerations (20%)
Employee Considerations (20%)

- 4.6 **Working group composition**

A core group with representatives from Parks and Public Realm, the Council Housing Service, HR and Finance attended the workshops and was supplemented as required by additional officers with specific knowledge of a particular service area. The workshop was independently chaired and facilitated by a manager from a different service area.

- 4.7 The options appraisal workshop looked at various aspects of public realm service delivery, but chose not to score all of these, and focus instead on those areas of service which offered the best opportunity for service improvements. The Options Appraisal Methodology is attached to this report as Appendix B.

- 4.8 **Future Service Options**

Initially, 7 service delivery possible options were proposed in the workshop, but after discussion it was agreed to combine two options into one. The remaining six possible service delivery options considered were:

Maintain current status quo service delivery arrangements (Housing & Parks)

Reconfigure the current service delivery arrangements and form a new internal service delivery model

Split the current arrangements and transfer to multiple specified Council Service providers (split up and transfer to other parts of the Council)

Transfer to an external Council contractor with no procurement (outsource whole)

Transfer existing service delivery to external Council contractor following procurement (outsource whole)

Transfer and split existing service to multiple external contractors (outsource and split)

- 4.9 The Options appraisal workshop outcomes are attached to this report as Appendix C. They identified that Parks management and maintenance, playground services and the dog bin service should continue with the status quo, but that Housing grounds maintenance and the block cleaning elements of Housing Estate services could be reconfigured.

4.10 Officers were in agreement that the six key findings below would contribute to improved customer focus and better value for money. It was recommended by the options appraisal group that these findings be further developed to ensure that they provide the best outcome for future service delivery.

4.11 **Key findings and their benefits identified through the options appraisal:**

- (a) **To integrate the grounds maintenance provision by Estate Officers in the Council Housing Service into the Parks and Public Realm service.**
- (b) **To review the delivery of grounds maintenance**
- (c) **To reconfigure the remaining Council Housing Service estate services functions**
- (d) **To review structures and job descriptions across Parks and Public Realm and Estate services as part of the reconfiguration.**
- (e) **To set up a group to review the support services as the shapes of the reconfigured services emerges.**
- (f) **To explore how the reconfigured Parks and Public Realm grounds maintenance service frequencies might be coordinated with the grounds maintenance service element of the Amey contract.**

4.12 **Future Service Delivery benefits**

The grounds maintenance carried out by Parks and Public Realm on Council Housing land is currently governed by an SLA which operates as a client/contractor relationship. Additional maintenance and tenant responsiveness are currently provided by Housing Estate services. The new delivery model will focus on holistic management of open space across all areas bringing together the best elements of both services into one operating model.

4.13 Current provision means that different services have different standards. By taking a holistic approach, tenants and residents across the city will benefit from the same service standards.

4.14 One aim of the new service is to reduce the number of interfaces for members of the public. In future, tenants and residents will have a single point of contact for any issues relating to green spaces in their neighbourhood. The Parks and Public Realm service will become a single green provider service for grounds maintenance on both housing and parks land, with the capacity to extend this

role across land managed by other Council services in the future

Additional Benefits

- 4.15 The increased size of the Parks and Public Realm service will provide greater resilience to fluctuations in staff caused by holidays and sickness. The combined service will have greater capacity to cope with severe weather events, for example the wet summer of 2012. It will also provide a larger service base to which the management of other grounds maintenance could be integrated.

Legal Implications

- 4.16 The Council may hold land for housing purposes and provide housing accommodation under Part II of the Housing Act 1985 (the 1985 Act). The powers include the provision and maintenance of recreation grounds and other buildings or land benefitting the residents of its housing accommodation and the power to lay out open spaces on its housing land.
- 4.17 Income and expenditure relating to houses and land held for the purposes of Part II of the 1985 Act must be accounted for in the Housing Revenue Account by virtue of Part VI of the Local Government and Housing Act 1989. Schedule 4 of that Act prescribes what income and expenditure may be accounted for within the HRA. Only those things itemised in the Schedule may be credited or debited to the HRA. The majority of the expenditure that must be debited is expenditure on the repair, maintenance supervision and management of houses and other property within the account. The costs of amenities (which include play and other recreational areas, grassed areas and gardens) which are shared by a wider community than the Council's housing tenants may be apportioned between the HRA and the General Fund.

The proposals in this report comply with the statutory restrictions on the HRA.

5.0 Financial Implications

- 5.1 The current cost of grounds maintenance services is £2.3m within the Parks & Public Realm service and £0.9m within the Housing Estates service (i.e. £3.2m in total). This cost is funded £2.5m (78%) from the Housing Revenue Account and £0.7m (22%) from the General Fund.
- 5.2 It is estimated that the integration of the two existing teams offers the opportunity to deliver savings/efficiencies of around £219k p.a.(7%) as detailed in the table below:

	Estimated Full Year Saving / Efficiency	Comment
	£'000	
Employees	118	Management of grounds maintenance (estimated at 1.1fte) absorbed by Parks and Public Realm (£38k). Holiday and sickness contingency from SE Pilot no longer required (£30k). Other staffing efficiencies (2fte; £50k).
Vehicles/ Fuel	80	Integration of teams allows better utilisation of the current fleet within Parks and Public Realm. There are currently 16 vehicles designated for grounds maintenance in the estate teams which would be reduced to 6 after integration.
Waste Disposal	21	Parks and Public Realm have the capacity to use larger vehicles for waste disposal and to recycle green waste.
	219	

- 5.3 It is anticipated that around 23fte staff will move from Estates to Parks, but since current grades for the relevant posts overlap, there are risks in estimating staff costs until recruitment to the new structure is complete.
- 5.4 It should be noted that the potential full year savings/efficiencies identified, exclude relatively minor net cost impacts from reduced vehicle numbers.
- 5.5 The table below shows the split of the potential savings/efficiencies at the existing HRA/General Fund split of 78/22, all of this would need reviewing.

Incidence of Estimated Saving/Efficiency		
Hsg Rev Account	General Fund	Total

£'000	£'000	£'000
171	48	219

5.6 **Housing Estate Services**

Grounds maintenance amounts to between 15 and 20% of estates services. As a consequence of the integration of staff into Parks and Public Realm, reorganisation of the remaining estate service functions will be required will be carried out alongside the current Housing Plus project.

6.0 **ALTERNATIVE OPTIONS CONSIDERED**

6.1 Five alternative options were considered during the options appraisal. The full details of the options appraisal methodology and results of the appraisal are included in Appendices B and C.

6.2 In addition, integration of the Parks and Public Realm SLA work for Housing into the Council Housing Service's estate services was considered during the options appraisal. The Parks and Public Realm services were fully merged in 2012. Improvements in efficiency as a result of this merger, led to savings of 11% for employee costs and 6% of other costs. Officers feel that previous efficiencies and savings would be lost if Parks & Public Realm were to be disaggregated and therefore there would be a corresponding rise in costs in these areas.

6.3 This option was discounted by the options appraisal as the cost of delivering the service could increase significantly and therefore did not offer value for money.

7.0 **REASONS FOR RECOMMENDATIONS**

7.1 The recommendations have the potential to improve equality of service delivery, maintain standards and provide financial savings to both the Housing Revenue Account and the General Fund resulting from increased efficiency.

8.0 **REASONS FOR EXEMPTION** (if a Closed report)

8.1 Not Applicable

9.0 RECOMMENDATIONS

That Cabinet:

- 9.1 Notes the contents of the report and the services efficiencies and savings that can be achieved for the HRA and General Fund.
- 9.2 Approves the delivery of Housing grounds maintenance by a single service and that this be achieved by the transfer of Estate Officers from the Council Housing Service to the Parks and Public Realm service, with a review of the structures and job descriptions across Parks and Public Realm and Estate services.
- 9.3 Approves the reconfiguration of the remaining Council Housing Service estate services functions following the transfer of grounds maintenance work to Parks and Public Realm.
- 9.4 Authorises the Director of Culture & Environment and the Interim Director of Housing and Neighbourhood Services to take the necessary steps to implement these recommendations.

Paul Billington, Director of Culture & Environment

And

Janet Sharpe, Interim Director of Housing and Neighbourhood Services

21 August, 2014

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