



Author of Report:

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Report of: *Executive Director, Place*

Report to: *Cabinet Member, Neighbourhoods and Community Safety*

Date of Decision: *March 2018*

Subject: *Cleared Sites Contract 2018-22*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input type="checkbox"/> Y <input type="checkbox"/> No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input type="checkbox"/> Y <input type="checkbox"/>
- Affects 2 or more Wards	<input type="checkbox"/> Y <input type="checkbox"/>
Which Cabinet Member Portfolio does this relate to? <i>Planning and Development</i>	
Which Scrutiny and Policy Development Committee does this relate to? <i>Safer and Stronger Communities</i>	
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input type="checkbox"/> Y <input type="checkbox"/> No <input type="checkbox"/>
If YES, what EIA reference number has it been given? <i>101</i>	
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/> Y <input type="checkbox"/> No <input type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-	
<i>"The report contains an appendix that is not for publication because it contains exempt information under Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended)."</i>	

Purpose of Report:

The Council's current Cleared Sites Contract is used to manage and maintain cleared Council owned sites (predominantly housing demolition sites) prior to their eventual disposal and/or development. This contract expires on 31 March 2018.

In order to keep these sites tidy, safe and well-maintained, the Council will need to re-procure the contract and secure a contractor to deliver a range of landscaping and maintenance services over the coming years.

Recommendations:

R1. To approve the procurement of a contractor, by way of competitive tender, to deliver the services that form the Cleared Sites Contract 2018-22.

R2. To grant delegated powers to the Director of Financial and Commercial Services or their nominated representative to accept tenders and enter into all necessary contract award documentation for this project, in consultation with the Director of Housing and Neighbourhoods Service.

Background Papers:

- *Appendix 1- Estimated Project Cost (Closed)*

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>Paul Schofield</i>
		Legal: <i>Henry Watmough-Cownie/ Marcia McFarlane</i>
		Equalities: <i>Annemarie Johnston</i>
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	EMT member who approved submission:	<i>Laraine Manley</i>
3	Cabinet Member consulted:	<i>Cllr. Ben Curran & Cllr. Jayne Dunn</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: <i>Julie Wickington</i>	Job Title: <i>Housing Growth Commercial Project Manager</i>
	Date:	

1. PROPOSAL

1.1 The current Cleared Sites Contract is used to manage and maintain cleared Council-owned sites (predominantly housing demolition sites) prior to their eventual disposal and/or development. In July 2013 the Cleared sites contract was competitively tendered by the Council and Green Estate Ltd. (Based in Manor, Sheffield) was awarded the contract term for three years, with the option to extend for up to two further 12-month periods. Both extensions were activated, and the final extension term expires on 31 March 2018.

1.2 In order to keep these sites tidy, safe and well-maintained, the Council will need to re-procure the contract and secure a new contractor to deliver these services over the coming years.

1.3 Services include general grass cutting, strimming, clearance work, herbicidal sprays, invasive species control, small scale landscaping work, tree and shrub cutting, site monitoring and flytipping removal.

1.4 The monitoring and flytipping removal element is currently being delivered by Green Estate Ltd. This service includes a dedicated monitoring of the cleared sites in order to promptly identify any health and safety issues that need addressing and the prompt removal of flytipping.

1.5 There are approximately 60 hectares of cleared space (all Housing land) being maintained under the current contract, spread across approximately 50 sites all over the city. In line with the Housing Delivery Programme it is expected that a number of the sites will be developed for new housing over the coming years, however, without ongoing maintenance they will become unkempt, overgrown, unsightly and unsafe, attracting fly tipping and other types of anti-social behaviour.

2. HOW DOES THIS DECISION CONTRIBUTE ?

2.1 Thriving neighbourhoods and stronger communities

This contract will ensure that the cleared sites in the programme are maintained to an agreed standard until they are disposed of or developed. Continued maintenance of these sites ensures that they do not become overgrown, unmanageable or magnets for fly tipping and any other anti-social behaviour. Continued annual investment in the cleared sites will ensure the land does not become an eyesore or trouble spot giving the neighbourhoods and communities the best chance to thrive.

2.2 Better health and well being

Having a Cleared Sites contract in place to actively manage the vacant sites in a number of Sheffield neighbourhoods will help reduce the prevalence of food waste and fly-tipping which may attract vermin. The reduction in the build-up of such waste, on sites in and around residential neighbourhoods, is likely to reduce the negative impacts on local people's

health that unmonitored, unmanaged sites can bring.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 The Council has had a Cleared Sites contract in place since 2008. As part of the contract the contractor and Council's Cleared Sites Administrator is in regular informal contact with local people to pick up any site problems or queries that arise. There has not been any formal consultation held regarding the nature of the contract due to the fact that the project is essentially ongoing Council maintenance. The contract exists to ensure that sites earmarked for new development remain in a safe and tidy condition prior to being sold or developed for new housing. At the point at which there are new development plans for the sites (which will change their status as vacant land) then public consultation is held, as a requirement either by the landowner or planning authority.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 An Equality Impact Assessment has been completed. Overall there are no significant differential, positive or negative, equality impacts from proposal. It should have a low positive impact, particularly for cohesion, poverty and those living or working near to the cleared sites. It is also expected to have a positive effect in terms of the impact on health as the maintenance of the sites will help reduce the prevalence of food waste, fly-tipping, which may attract vermin. Reducing such problems will help create a better sense of community ownership of neighbourhoods. Typically the sites in the Cleared Sites contract fall in areas of housing market failure. Keeping these sites well managed will encourage anyone thinking about investing in the area (by buying or renting a property) to seriously consider doing so. No negative equality impacts have been identified.

4.2 Financial and Commercial Implications

- 4.2.1 Appendix 1 refers to the anticipated value of the contract for its entire duration, assuming the 12 month extension period is taken up. Funding has been identified from the Housing Revenue Account (HRA). If any non HRA sites are brought into the contract there is a need to identify other sources of funding to maintain these.
- 4.2.2 The type of contract that will be used means that the Council cannot guarantee any value of work to the contractor during the life of the contract.
- 4.2.3 Total HRA funding required to maintain the sites has been estimated in Appendix 1. The estimated budget has an annual reduction to take into account the anticipated transfer of sites out of the cleared sites programme for redevelopment through Sheffield Housing Company and via the Housing Growth Delivery programme.

- 4.2.4 The proposal is to re-procure the Cleared Sites contract to commence immediately upon the expiry of the current contract on 31 March 2018. The new contract will follow the same structure as the current contract - an initial term of four years (2018-22) with the option to extend for a further one year in a 12-month increment (2022-23), subject to available funding and contractor performance. The contract term could therefore be 5 years if fully contracted.
- 4.2.5 Commercial Services has prepared the procurement strategy for this contract. The opportunity will be advertised on YORtender. It will be a two stage competitive tender. Submissions are expected to be received and evaluated during January 2018. It is proposed that these submissions will then be short-listed, and the short-listed organisations (no more than 6) be invited to tender for the contract.
- 4.2.6 Tenders will then be evaluated based on price and an agreed set of quality criteria. The Preferred Contractor will be identified and the Director of Finance and Commercial Services will then be able to accept the tender, issue a letter of acceptance and award the contract in consultation with the Director of Housing and Neighbourhoods Service.

4.3 Legal Implications

- 4.3.1 It is acknowledged that the Transfer of Undertakings (Protection of Employment) Regulations 2006 may apply if a new contractor is appointed. If that is the case, staff employed under the existing contract may transfer over to the successful tenderer. Corporate policies and procedures in this respect will be followed as the project progresses.
- 4.3.2 Officers are mindful of the importance of putting into place appropriate arrangements to secure the desired outcomes, ensure compliance with all legal requirements and protect the Council's position.
- 4.3.3 The Council's Contracts Standing Orders, including the European Union Procurement Rules, will be adhered to throughout the procurement. The tender process will be competitive and follow the principles of transparency and non-discrimination, and facilitate the achievement of value for money.
- 4.3.4 The successful tenderer will be required to enter into a formal written contract with the Council which will provide for effective service delivery at levels which accord with the Council's requirements.

5. **ALTERNATIVE OPTIONS CONSIDERED**

5.1 **Do nothing**

One alternative option to re-procuring the Cleared Sites contract would be to let the current contract expire and not renew it. Whilst there would be obvious and immediate cost savings associated with this approach, the option was disregarded due to the substantial potential problems – both

reputational and financial – that could arise if the cleared sites were not being maintained adequately. Many sites would become overgrown and unmanageable very quickly, and past experience suggests that poorly maintained sites attract increased instances of fly tipping and other anti-social behaviour, as well as reducing the potential saleability and developability of the land. Sites could very easily become trouble spots and excessive plant and weed growth could hide numerous dangers (hazardous tipped materials, drug paraphernalia, broken glass, etc.), jeopardising the safety of local residents.

5.2 Deliver the contract in-house

Another alternative to procuring an external contractor would be to use an in-house team from Parks & Countryside to carry out the works. However, the in-house service is currently unable to deliver this contract and has declined the opportunity.

6. REASONS FOR RECOMMENDATIONS

- 6.1 The current Cleared Sites contract expires on 31 March 2018. The re-procurement and award of a new contract to cover the period 1 April 2018 to 31 March 2022 will allow for the continued management of the sites in the programme, keeping them tidy, well-maintained and safe, as well as increasing the attractiveness of the sites to potential developers as and when they are advertised for sale and development.