

Report to: **Executive**  
Date: **18 June 2020**  
Title: **Grounds Maintenance Review**  
Portfolio Area: **Environment Services (Cllr Keith Baldry)**  
Wards Affected: **All**  
Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **16 July 2020**

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**Recommendations:**

**That the Executive:**

- i) Approves the implementation of the recommendations arising from the Grounds Maintenance Review as set out in paragraph 3.4 below.**

**Recommends to Council:**

- ii) The operating cost of the service will be reduced by 5% (£23,400)**
- iii) Any in-year surplus after the saving is transferred into a Grounds Maintenance earmarked reserve at the end of each financial year to reinvest back into the service.**

## **1. Executive summary**

- 1.1 The report informs Members on the outcome of an external review of the Grounds Maintenance Service and recommends that the fees and charges are reviewed and operational changes are made to allow for the following:
- Improved service delivery
  - Reduced operating costs
  - Opportunity for growth and income generation

## **2. Background**

- 2.1 The Grounds Maintenance Team operates as an 'in house' service based at Totnes depot.
- 2.2 The Team manages the Councils parks and open spaces, carrying out functions such as strimming and grass cutting to provide a pleasant outdoor environment to both residents and visitors of the South Hams. The service has nine permanent operatives supplemented by up to four additional staff during the summer months. There are also two apprentice posts within the establishment.
- 2.3 The service has been successful in securing external Grounds Maintenance tenders with local Town and Parish councils. The service has also worked in partnership with local communities with projects and in recent years has supported Kingsbridge and Dartmouth with their 'in bloom' submissions.
- 2.4 There has been no review of the Grounds Maintenance Service in recent years to benchmark cost or quality, with only an internal audit taking place in 2018/2019 of the service in its entirety. The outcome from the audit had consistent findings of that from this external review. Similar themes such as the requirement for improvement of reporting and monitoring, service efficiencies and the opportunity to develop the business model were identified.
- 2.5 In March 2019 a report was approved by The Executive to review the service with the view of identifying opportunities for growth and income generation.
- 2.6 The Grounds Maintenance review was initiated in January 2020 and was undertaken by the Environmental Services Manager from South Somerset District Council to provide objectivity and transparency. South Somerset were chosen on the basis that they are an award winning service that has successfully transitioned from being a cost to the Council to a profit making operation, generating over £60,000 in operating profit in 2019/2020.

- 2.7 Both Members and Officers were asked to input into the review to determine the quality of service, identify cost savings and drive forward operational efficiencies, alongside a consideration for commercial growth.
- 2.8 The budget for Grounds Maintenance (cost centre S1304) had a budgeted cost of £468,000 in 2019/2020, of which £325,000 related to staff salary costs (including on-costs). In addition an amount of £23,000 was budgeted for vehicle repairs, £23,000 for fuel and £36,000 for repairs and maintenance. There are smaller budgets for utilities, vehicle costs, hire of equipment and clothing costs.
- 2.9 It is worth noting that since the review began, a number of Operational staffing changes have occurred as part of the ELT restructure which took place in December 2019. The service is now managed by the Operational Team Leader with oversight from the Business Manager (Case Management).

### **3 Outcomes/outputs**

- 3.1 The outcomes of the review will result in a service that is fit for purpose and commercially viable, providing the ability to competitively tender for new business. A comprehensive Business plan on how this will be achieved will be submitted to The Executive for Member approval 9 months from the date of this report.
- 3.2 Whilst not a driver for the changes, any additional income will allow for a review of working practices and equipment to align with the climate change and biodiversity needs.
- 3.3 Adopting a new operating model will deliver cost savings as detailed in Appendix A.
- 3.4 The recommended operating model consists of changes that are focussed around a number of themes to include the following:
- Ratio of staff to vehicles
  - Established teams responsible for specific areas of specialism
  - Developing financial projections for key areas of expenditure and income
  - Developing a quality checking system to ensure standards and specifications are being delivered
  - Identify a system for performance monitoring and reporting
- 3.5 The purchasing of a wood chipper will reduce travelling time for operatives, reduce the carbon foot print and improve efficiencies. Approval of 15k has been given for the purchase of this equipment.
- 3.6 Aligned salaries to industry standards will ensure retention of staff and secure a highly skilled workforce delivering quality services to the South Hams.

#### 4 Options available and consideration of risk

- 4.1 The recommendations will allow the Council the opportunity to develop the service to a standard which is commercially competitive to other organisations in order to generate income for the Council.
- 4.2 If the recommendations are not approved, then the following risk's will apply:
- Service standards and quality may reduce impacting on open spaces and consequentially a reputational impact.
  - A potential for loss of contracts which will directly impact revenue.
  - Reduced capacity to explore opportunity and growth within the service.
  - Investment and replacement of machinery and equipment will be have to be funded from elsewhere.

#### 5. Proposed Way Forward

- 5.1 That the recommendations arising from the Grounds Maintenance Review are supported by Members, providing resilience for the future of the service.
- 5.2 A detailed business plan will be drafted and submitted to Members 9 months from the date of this report which will detail fully a growth plan and model any projected income for the coming financial years, securing the future of the service.

#### 6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	The Council has the powers to provide a Grounds Maintenance service under the Localism Act 2011  The Council has a duty to monitor and review its use of resources in order to ensure value for money, deliver efficiencies and ensure transparency in its operations.
Financial implications to include reference	Y	It is recommended to Council to transfer the surplus into a Grounds Maintenance Earmarked Reserve at the end of each financial year. The estimated surplus in 2020/21 is £35,803.

to value for money		
Supporting Corporate Strategy	Y	This report supports the following Council Corporate Strategy Themes; Communities Environment  Protecting, conserving and enhancing our built and natural environment
Climate Change - Carbon / Biodiversity Impact		It is anticipated that any revenue generated from new business will allow for reinvestment into new equipment and working practices to reduce the Authorities carbon footprint.
Comprehensive Impact Assessment Implications		None directly arising from this report.
Equality and Diversity		
Safeguarding		None directly arising from this report.
Community Safety, Crime and Disorder		None directly arising from this report.
Health, Safety and Wellbeing		None directly arising from this report.
Other implications		None directly arising from this report.
		None directly arising from this report.

### **Supporting Information**

#### **Appendices: Appendix A: Forecasting of cost savings**

#### **Background Papers: None**

### **Approval and clearance of report**

<b>Process checklist</b>	<b>Completed</b>
Portfolio Holder briefed/sign off	<b>Yes</b>
SLT Rep briefed/sign off	<b>Yes</b>
Relevant Heads of Practice sign off (draft)	<b>Yes</b>
Data protection issues considered	<b>Yes</b>
Accessibility checked	<b>Yes</b>