

**REPORT TO:** BEST VALUE SUB-COMMITTEE - 16 AUGUST 2006

**REPORT ON:** NEIGHBOURHOOD MANAGEMENT - BEST VALUE REVIEW

**REPORT BY:** ASSISTANT CHIEF EXECUTIVE (COMMUNITY PLANNING)

**REPORT NO:** 419-2006

**1. PURPOSE OF REPORT**

- . To seek approval to implement the recommendations of the Best Value Review of Estate Management.

**2. RECOMMENDATIONS**

It is recommended that the improvement proposals set out in Section 8 of this report be implemented.

**3. FINANCIAL IMPLICATIONS**

The costings of a move to a one-stop approach utilising service level agreements respectively for Litter Picking by Waste Management and Grounds Maintenance by Dundee Contract Services would need to be carefully scrutinised to ensure there were no imbalances of labour or finance which could result in a reduction of both the quality and quantity of the work being undertaken.

**4. LOCAL AGENDA 21 IMPLICATIONS**

The transfer of resources will have a major impact on the themes on Local Agenda 21 Strategy in that "Resources are used efficiently and waste is minimised" and "health is protected by creating a safe, clean, pleasant environment".

**5. EQUAL OPPORTUNITIES IMPLICATIONS**

There are no equal opportunities implications arising directly from the report.

**6. BACKGROUND**

- 6.1 The Best Value Group of Estate Management met with the objective of examining current methods of managing the streetscape and landscape in local neighbourhoods in order to provide a more comprehensive and responsive service to Dundee's citizens.
- 6.2 The scope of the review was to examine if there is a more joined up way of managing the Neighbourhood Streetscape and Landscape. This through an:
  - audit and survey of existing services
  - review of existing processes for managing landscape in local communities
  - drawing on the results of the consumer survey and local experiences in Kirkton and Hilltown through the Better Neighbourhood Services Fund

## 7. MAIN REPORT

### 7.1 Waste Management

Under the Environmental Protection Act 1990 Dundee City Council has a statutory duty to ensure public land and highways under their control are kept free from litter as far as practically possible.

Many of the existing methods of street and litter cleaning operations have evolved using work strategies that were developed in 1990 to comply with the Compulsory Competitive Tendering (CCT) legislation. The tender processes created demarcation lines that still exist between departments, resulting in service inequalities and inefficiencies.

At present no single department has overall responsibility for setting service delivery standards relating to litter and ensuring the Council complies with the Environmental Protection Act 1990 Code of Practice on Litter and Refuse.

The main departments involved in litter clearance are Waste Management and Dundee Contract Services, although various Council departments have responsibility for cleansing related issues and litter clearance from public land under their control, including areas such as car parks, open spaces and shrub beds.

The Local Government Act 1999 introduced the Duty of Best Value and continuous improvement in the delivery of local authority functions and services, and rescinded all aspects of the CCT legislation.

Existing demarcation lines require to be reviewed and replaced with a system which make one department responsible for co-ordinating all litter management within the city boundaries.

Having one department responsible for this service will eliminate the confusion which currently exists amongst elected members, Council departments and the general public.

#### 7.1.1 Street Sweeping Review

The Environmental and Consumer Protection Department carried out a Best Value Review of its street sweeping functions in 2000, and from this review a number of action points were developed.

The review recognised there was no Statutory Performance Indicator for street cleaning and this made it difficult to compare performance with similar authorities.

The review also recognised the need for continuous improvement in terms of quality, efficiency and effectiveness and an internal control system which randomly generated areas to monitor was introduced with the aim of improving customer satisfaction.

One of the continuous improvement proposals centred around the People and Places programme which was recognised as a proven management tool to provide long term systematic and sustainable programme to improve the quality of local environments.

### 7.1.2 Development of New Performance Indicator

The Scottish Executive believes there is a need for a robust and effective cleanliness performance measure under Best Value to measure levels of cleanliness and to underpin continuous improvement.

During October 2002 the Scottish Executive wrote to every local authority outlining proposals to introduce a Statutory Performance Indicator for street sweeping cleanliness and following a successful pilot, the new indicator was introduced in 2005.

The Scottish Executive provides core funding to Keep Scotland Beautiful who have developed the Local Environmental Audit and Management System (LEAMS), which forms the basis of the new performance indicator. As well as providing local authorities with information on the quality of street cleanliness, it highlights problem areas throughout the city relating to weeds, dog fouling and graffiti.

### 7.1.3 The People and Places Programme

Keep Scotland Beautiful also administers the People and Places programme. The purpose of the programme is to provide a structured and systematic approach to improving local environmental quality and an integrated approach to litter management fits neatly with the objectives of the programme.

At present Dundee Contract Services (Land Services) maintain large swathes of grassed areas throughout the city which receive no litter picking service, consequently when grass cutting is being undertaken, large amounts of shredded litter is generated which often becomes windblown onto streets and pavements.

Shrub beds which are another source of litter are also maintained by Dundee Contract Services (Land Services). They are only litter picked twice per year when pruning takes place. As a direct consequence, many of the beds become grossly littered, particularly those on main traffic routes and roundabouts.

Integrating additional litter picking and rubbish removal from these areas into the current street cleaning programme would minimise and eventually eradicate this outstanding problem, and improve the image of the city, particularly on Ambassador routes.

## 7.2 Dundee Contract Services

In 2001 under the remit for Best Value the Council transferred the grounds maintenance service to Dundee Contract Services so that all the Council's contracting elements were provided by a single Department. Land Services now provide the grounds maintenance service to all Council Departments excluding parks and cemeteries. The Section are now responsible for the landscape maintenance in Housing schemes, public open spaces, playgrounds, schools, roadside verges, car parks, industrial estates etc as well as delivering a number of landscape contracts such as environmental improvements, playground improvements, landscaping of derelict land and other new landscape projects. These works mainly include the horticultural and arboricultural works and outdoor recreation facilities.

The service is currently provided through a Schedule of Rates contract with each client Department being billed for all work carried out. With the rescinding of the CCT legislation and the introduction of the duty of Best Value and continuous improvement, various options on future delivery can be investigated.

Previous Best Value Reviews showed that the continuous use of key grounds maintenance cycles should continue with other works being ordered as required.

There now exists approximately 30 different maintenance cycles which programme all the work for all the client Departments e.g. grass cutting is a cycle encompassing all grass areas cut by the Department and which is then charged automatically to each client Department at an approved rate. All cycles operates in a similar manner and work not included and which is required is then carried out as a "one-off" order. This ensures that the delivery of the services and charges is carried out efficiently and to the same standard throughout the city and that additional work can be carried out as required and requested.

With the proposed introduction of Service Level Agreements Dundee Contract Services would agree with each client Department the level and standard of ground maintenance service at an agreed rate with any one-off orders being carried out on a cost plus basis. The agreement would detail the service delivering to preserve and enhance landscape maintenance throughout the city and enhance the Dundee environment ensuring continuous improvements of the service.

This approach will not preclude the terms of the planned review of the open space maintenance contract to be led by the Director of Housing, which will examine quality, cost, value for money, role of owner occupiers, regeneration and alternative land use. This open space maintenance contract review will develop a specification for each local area with clear outcomes and targets and will cover all the above issues including a single budget approach, to be discussed with tenants.

## 8 **IMPROVEMENT PROPOSALS**

### 8.1 **Recommendation 1**

The key improvement proposal is to move to a single budget approach utilising service level agreements for respectively litter picking by Waste Management and grounds maintenance by Dundee Contract Services.

### 8.2 **Waste Management**

8.2.1 To review the Waste Management Department's role in cleansing and litter operations and consider the implications of a 'one stop shop' whereby the Waste Management Department would undertake additional litter responsibilities and co-ordinate all litter related complaints throughout the city.

### 8.2.2 **Recommendation 2**

That additional litter picks and rubbish removal from shrub beds and open spaces managed by Dundee Contract Services are undertaken by the Waste Management Department on a phased basis to allow greater scrutiny of the labour and financial implications of the change.

### 8.2.3 **Recommendation 3**

Establish a working group led by the Waste Management Department comprising representatives of the main departments to review existing responsibilities and procedures to explore the possibility of introducing a 'one stop shop' for all litter and cleansing associated complaints and to form a SMART litter action plan. This to be completed by the end of the financial year 2006/07.

#### 8.2.4 Recommendation 4

On completion of the review present a report to committee showing recommendations and service delivery implications.

### 8.3 **Dundee Contract Services**

To review the role of Dundee Contract Services in providing a landscape service to preserve and enhance the Dundee Environment for the citizens of and visitors to Dundee.

#### 8.3.1 Recommendation 5

To develop an approach based on service level agreements (SLA's) to form a negotiated agreement between Client Departments and Dundee Contract Services. A draft of this document is given as Appendix 1.

#### 8.3.2 Financial Options for Grounds Maintenance

A financial option appraisal was undertaken with respect to Recommendation 5. It was agreed to take the approach that Departments should transfer the budget for cyclical maintenance work to Dundee Contract Services. The amount in the budget for one-off work over and above cyclical work to be retained by Departments but identified clearly in the Departmental budget estimates. This to allow transparency between the individual departments and Dundee Contract Services. This approach will allow Departments to retain budgets but make clear responsibilities and move towards a system where Dundee Contract Services are recognised as holding responsibility for grounds maintenance work.

This would be a move towards a 'one-stop' approach where budget control would be maintained by Dundee Contract Services. This to be the subject of a future review of financial options for the grounds maintenance and to take account of the future planned review of the open space maintenance contract.

## 8. **CONSULTATIONS**

The Chief Executive, Depute Chief Executives and Directors of Education, Social Work, Housing, Dundee Contract Services and Leisure and Communities have been consulted on this report.

## 9. **BACKGROUND PAPERS**

None.

Chris Ward

Assistant Chief Executive (Community Planning)..... 10/08/2006

**DRAFT****DUNDEE CITY COUNCIL**

**Service Level Agreement between "The Client Department"  
and  
Dundee Contract Services**

**Mission Statement**

To provide a landscape service to preserve and enhance the Dundee Environment for the citizens of and visitors to Dundee.

**Agreement**

This Service Level Agreement (SLA) is a negotiated agreement between the Client Department (referred to in future as the Client) and Dundee Contract Services (referred to in future as DCS), to provide a landscape and grounds maintenance service to meet the requirements of the Client, define clearly both parties responsibilities, clear communication channels and to deliver continuous improvement in the service.

**Duration**

The SLA is on a rolling annual basis commencing at the start of each new financial year (early April) with a review between the service provider DCS and the Client, three months prior to the commencement of the following financial year. The SLA can be terminated by either or both parties by giving 12 months notice of such intention.

**Services Provided**

The services detailed in the SLA are for horticultural, arboricultural and associated activities outlined below:-

- a) various horticultural works, including grass cutting; maintenance of all planted areas etc.;
- b) arboricultural works;
- c) forestry works;
- d) fencing works;
- e) playground construction and maintenance;
- f) supply of plants (trees, shrubs, bedding plants), including hanging baskets, patio planters and other floral displays/items;
- g) maintenance of outdoor recreation and sports areas;
- h) miscellaneous works as requested;
- i) emergency services, e.g. dangerous trees, snow clearing etc.

**Obligations of Client and Customer**

This SLA is entered into by both parties in a spirit of co-operation to provide value for money and continuous improvement.

The Client will act on customer needs and will ensure good communications relative to information, details, requirements etc., to DCS to ensure service delivery can be provided in cost effective and efficient manner.

DCS will likewise ensure the Client is kept fully advised of any issues affecting and ways of improving the service.

Such communication, where possible, will be at "front line" level to ensure immediate response and action on any issues.

### **Location of Services**

The SLA covers the grounds maintenance activities within the boundaries of the City of Dundee and any other location outwith Dundee on agreement with both parties. The main areas of activity are within housing areas, public open spaces, schools, roadside landscaping, old people's homes, industrial estates etc.

### **Service Provider**

DCS will provide the grounds maintenance service to the Client in three forms:-

a) Cyclical Maintenance

No order will be required for this work but will follow the programme and frequencies agreed with the Client, with each client charged an apportionment of each cycle's cost according to Client responsibility and as per the revised and appropriate Schedule of Rates (SOR).

b) "One-Off" Orders

Initiated by the Client Department or DCS Supervisor as a "purchase" requisition and processed by DCS, who will issue an order for the work, carry out the work and bill the work on a "cost plus basis".

c) Supply of Plants

Initiated by the Client Department or DCS Supervisor as a purchase requisition and forwarded to DCS who will provide and deliver the plants and charge the appropriate plant rate.

### **Performance Standards and Measurement**

a) Timescales

All planned cyclical maintenance will be delivered on time and within the agreed programme unless weather and seasons dictates or agreed by both parties.

"One-off" orders will commence/be completed within three weeks of the issue of the instruction, subject to availability of materials and weather conditions.

Estimates for work requested, then work will commence/be completed within 10 working days from receipt of instruction.

Prioritisation of work will be considered on request with DCS endeavouring to meet the requirements of the Clients subject to availability of materials and weather conditions.

b) Personnel

DCS will employ operatives with a range of skills required for each task involved, including any health and safety issues. Conditions of Service will be in accordance with the Scottish Joint Council for Local Government Employees - National Agreement on Pay and Conditions of Service and/or any local agreement ensuring fair days pay as required under Single Status and Equal Opportunities.

Staff training will require every member of staff going through an Annual Performance Management Review to identify training needs.

- c) Communication  
Daily contact for DCS and the Client are as follows:-

<u>DCS</u>	<u>Client</u>
DCS Land Services Operations Manager - Jock Paterson, ext. 4798	
DCS Land Services Assistant Operations Manager - Rod Houston, ext. 4747	

- d) Amendments/Variations  
Site amendments including changes to site boundaries, measurements and work content will be carried out by DCS after notification from the Client and/or DCS Supervisor. DCS will then amend the works programme accordingly.
- e) Complaints/Disputes  
The SLA will be maintained and reviewed by both Client and DCS on a contractual basis. Daily inspections and ratifications will be the responsibility of DCS Supervisors supported by periodic monitoring by the Client.  
Disputes/complaints will be resolved between Supervisor/Operation Managers and Client representatives. Any which cannot be resolved will be referred to the appropriate Senior Manager/Directors and if still not resolved, to the Chief Executive whose decision will be final.
- f) Machinery and Equipment  
DCS will provide the necessary plant and equipment to provide all services ensuring it is maintained and repaired according to the manufacturer's recommendations. Adequate training for all operatives of such items of machinery will be provided and finance will be made available to regularly replace all machinery items in a planned programme.
- g) Waste Management  
DCS will endeavour to recycle all clean vegetative material for reuse in its landscape maintenance practices. Only contaminated waste will be disposed of at land fill sites
- h) Materials  
All materials used will conform to specified requirements and any non conforming materials will be clearly identified and controlled.
- i) Annual Review  
An annual review will be held to discuss any relevant issues and rectify, where possible, and to discuss any future improvements and the year ahead.

## **Organisational Profile**

DCS's organisational structure to support the service required will be developed and enhanced to provide an efficient and effective service to all clients throughout the year.

## **Quality Policy**

Dundee Contract Services and its employees will:

Contribute to the achievement of Dundee City Council's aims and objectives.

Meet or exceed the needs and expectations of all stakeholders, council members and employees, tenants and the general public, suppliers and customer organisations.

Ensure the continuous improvement of the quality of its services and meet the requirements of Best Value.

Strive to remain a major employer in the City of Dundee.



Maintain a Quality Management System which meets the requirements of the British Standard BS EN ISO 9001 : 2000.

## **Health and Safety**

Dundee Contract Services employs a Chartered Safety & Health Practitioner to provide competent Health and Safety advice to both management and operatives to enable them to carry out their duties in compliance with Health & Safety Regulations. This includes the compilation of Risk Assessments, COSHH Assessments and Manual Handling Assessments.

The Health & Safety Officer also assists in the operation and enhancement of the Department's safety management system, recommending improvements in light of new regulations, changes in working practice or updated guidance from the H.S.E.

## **Apprenticeships**

Dundee Contract Services recognise the importance of training to service delivery. The recruitment and training of apprentices will continue on an annual basis. Dundee Contract Services has been recognised as an Investor in People since 2001.

## **Charging**

Only direct billing will take place between DCS and the Client Departments.

Each Council Client Department will have a budget allocated for grounds maintenance and associated works with revisions for future years. This budget will be maintained and monitored by departments and will fund cyclical and "one-off" works. Where the budget is likely to be exceeded in any year then DCS will advise the Client and seek a resolution to reduce future works and/or increase the budget.

Cyclical works/maintenance will be charged weekly direct to each client based on land ownership/responsibilities as a percentage of each full cycle.

"One-off" works will be charged on a "cost plus basis" with an hourly labour rate including transport costs plus any materials, waste management, costs and plant and machinery requirements with a percentage element to meet DCS's overheads and administration costs, purchase of new equipment and machinery and any profit margin required for the Council's General Fund.

Billing will be charged out on a weekly basis to each Client Department.

## **Conclusion**

In conclusion, SLA's are about providing local services for local people and meeting their needs and aspirations. SLA are a partnership between Clients and Service providers providing Best Value or Value for Money as long as all partners ensure service delivery, adequate performance, continuous improvement, customer satisfaction, competitiveness, trust and co-operation. If it can be shown that all this is being delivered then DCS can provide for the long term benefit of the service.