

**REPORT TO** POLICY AND RESOURCES COMMITTEE - 13<sup>TH</sup> JUNE 2011  
**REPORT ON** CORPORATE MAINTENANCE OF LAND  
**REPORT BY** DIRECTOR OF CONTRACT SERVICES  
**REPORT NO** 303-2011

## **1. PURPOSE OF REPORT**

- 1.1. As part of the Corporate Improvement Programme, the Strategic Management Team (SMT) remitted the Deputy Chief Executive Support Services and Director of Leisure and Communities to lead a working group tasked with planning and overseeing the implementation of a corporate approach to the maintenance of land. Following a meeting of the SMT on February 2011, responsibility for leading this review was passed to the Director of Contract Services.
- 1.2. This report sets out the proposed new delivery model and makes recommendations on its implementation.

## **2. RECOMMENDATIONS**

- 2.1. It is recommended that Committee:
  - notes the contents of this report;
  - agrees to the proposed new delivery model;
  - agrees that budgetary responsibility for and control of all Council owned land be transferred to the new Environment department; and
  - notes that service level agreements between the Environment department and service departments will be prepared for relevant areas of land.

## **3. FINANCIAL IMPLICATIONS**

- 3.1. There are a number of areas where efficiency savings can be realised through the adoption of the proposals set out within this report. These savings will be realised through a range of measures including staff reductions, improved plant utilisation, reduction in property costs, reduction in maintenance burden and increased income generation.
- 3.2. A full Benefits Realisation Plan will be prepared by December 2012 which will set out the full extent of anticipated savings and benefits along with the likely timescales for their delivery.
- 3.3. The Environment Department will hold all revenue and capital budgets for the management, maintenance and development of all areas of land. A thorough assessment of the current client departmental spending on land is to be undertaken in order that this can be vired to the Environment department to cover the associated maintenance costs.

## **4. BACKGROUND**

- 4.1. The council is responsible for the management and maintenance of a large and varied portfolio of assets in the public realm. A number of departments currently have responsibility for the management of these assets including Leisure and Communities, Contract Services, City Development, Social Work, Housing and Education

4.2. These assets include:

- Public parks;
- Play facilities;
- Playing fields;
- Public open space;
- Road verges
- Roundabouts and central reserves
- Allotments;
- Urban woodlands;
- Coastal fringe including beaches;
- Cemeteries; and
- Monuments.

4.3. This varied portfolio is currently maintained by the Leisure and Communities and the Contract Services departments either directly for land on their own account or indirectly for service departments such as Education, Housing etc. Whilst most maintenance activity is carried out directly by these two departments, other departments such as Waste Management and Environmental Health and Trading Standards are also involved in ensuring these areas of public realm are properly maintained, the latter through enforcement of environmental health legislation.

4.4. The current delivery model is characterised as being silo based, disjointed, inconsistent, inflexible to local needs and inefficient. Elected members and members of the public are often confused about departmental roles and responsibilities. This can result in frustration and a large amount of wasted time in dealing with even the simplest of enquiries. In addition this split responsibility for maintenance can lead to a number of operational inefficiencies.

4.5. In order to address these weaknesses, a new delivery model has been developed which will bring together and re-shape the existing functions. The proposed delivery model will seek to provide a more corporate, community based, cohesive, responsive and efficient service.

## **5. PROPOSED DELIVERY MODEL**

5.1. The future management and maintenance of land will become the corporate responsibility of the new Environment Department. Within this new department, an Environment Management division will be created which will bring together all of the operational functions which are currently undertaken within the existing Contract Services, Leisure and Communities and Waste Management departments. Responsibility for all aspects of managing and maintaining the various areas of land and public open space will transfer from the current service departments to become the corporate responsibility of the new Environment department.

5.2. The Environment department will adopt an integrated asset management based approach to the various and varied areas of land and public open space owned by the council. An asset management policy will be developed which will integrate with the council's corporate asset management strategy.

5.3. Use of the corporate GIS is critical in ensuring that all areas of land are effectively managed and maintained and the development of an IT system integrated with GIS is required as a priority. The new IT system will be used to assist in both the strategic asset management activities and the operational management functions.

5.4. In order to provide an integrated community facing service, a number of multi-functional maintenance teams will be established based upon the eight existing LCPP areas. These teams will be responsible for the local provision of functions including:

- Ground maintenance;
- Street sweeping;
- Litter picking;
- Litter bins;

- Minor graffiti removal;
  - Dog fouling collection ;
  - Weed removal, etc.
- 5.5. The eight area based teams will report to two area based managers who will each have overall responsibility for the management and coordination of activity within their teams. It is important that the creation of the area based teams does not adversely impact on operational performance. For that reason, certain functions will be delivered across more than one LCPP boundary. However each LCPP area will have a dedicated supervisor responsible for all aspects of maintenance and who will provide a single point of contact for the community.
- 5.6. A number of the more specialist functions will be delivered on a broader and possibly city wide basis. These functions will be managed by one or both of the area managers, dependent on the function and will include:
- Rapid response;
  - Specialist graffiti removal;
  - Arboricultural and Forestry:
  - Fencing work;
  - Playground Safety Inspections and Maintenance
  - Bereavement Services;
  - Bookings and events;
  - Street spraying;
  - Environmental improvements, etc.
- 5.7. There are a number of other departments within the council which will continue to interface closely with the work of the area based teams and with whom there will require to be strong and well developed lines of communication. These will include:
- Housing - Estate management
  - City Development - Roads, footways, lighting, signage, drainage
  - Communities - Community safety, community engagement
  - Leisure Trust - Various facilities
- 5.8. A review of the current maintenance standards is underway to identify opportunities to clarify and rationalise the existing maintenance output standards. This will enable engagement with the community on the standard of maintenance to be provided and to agree areas where standards can be varied.

## **6. BUDGETARY CONTROL AND RESPONSIBILITY**

- 6.1. At present, revenue and capital budgets for the maintenance of land and areas of public open space remain with service departments. It is proposed that with the transfer of responsibility there should be a corresponding transfer of all budgets associated with the management and maintenance of land to the Environment department.
- 6.2. The annual revenue cost of managing and maintaining the above assets is to be in the region of £15.5m. The majority of this is met from the current revenue budgets within the Leisure and Communities, Waste Management and Contract Services departments with the remainder by service departments.
- 6.3. Within the current climate of budget reductions there is a likelihood that service departments will further seek to make financial savings to their ground maintenance budgets. However when such decisions are made in isolation the impact on the visual amenity of the environment can be disproportionately significant. In addition, such decisions can lead to sub-optimisation and a resultant loss of operational efficiency. By bringing these budgets together under a single departmental responsibility, a balanced, holistic and informed assessment can be made of the most appropriate areas for efficiency savings in the future which will minimise the impact on the environment.

## **7. EFFICIENCY SAVINGS**

- 7.1. There are a number of areas where efficiency savings will be realised through the implementation of these proposals including:
- Reduced supervision levels;
  - Reduced administration levels;
  - Improved plant utilisation;
  - Removal of duplication;
  - Reduced property costs;
  - Land disposals;
  - Reduced maintenance burden; and
  - Increased income generation.
- 7.2. Immediate savings associated with the restructuring of the new Environment department have been identified however at this stage it is not possible to predict the full extent of the savings which can be realised. The operational efficiency savings will be clarified once the functions have been integrated and the optimum resourcing levels clarified within the new operating model. In addition to the operational efficiency savings there will be savings generated through the adoption of a strategic review of the council's approach to managing its land asset.
- 7.3. It is intended to prepare a Benefits Realisation Plan by December 2011 which will set out the full extent of anticipated savings and the likely timescales for realising them.

## **8. SERVICE LEVEL AGREEMENTS**

- 8.1. In order to ensure that the needs of service departments are fully understood and taken on board, it is proposed that service level agreements (SLA's) are prepared between the Environment Department and all appropriate service departments, including the new leisure trust. This is seen as being extremely important for departments such as Housing which are to be funded by the HRA and where tenant groups will have a strong interest in the standard of maintenance.
- 8.2. Other departments such as City Development will have minimum acceptable standards to ensure safety. This is important at road junctions and roundabouts where sight lines are an important road safety factor. All such SLA's will be based upon an output based specification and it will be for the new Environment department to determine how this will be delivered.
- 8.3. The establishment of SLA's will require to take on board the financial realities and budget constraints. This will require a pragmatic approach to be taken by all parties.

## **9. CONCLUSIONS**

- 9.1. The review team have undertaken an assessment of how the management and maintenance of land is currently undertaken across the council and have concluded that this should be undertaken corporately within a new Environment Management division.
- 9.2. There are a number of improvements in the quality of service delivery which will be realised by adopting this approach. These benefits include improved community engagement, clearer lines of responsibility, a more responsive service, a proactive approach and an improvement in standards within the external environment.
- 9.3. As well as the improvements in service delivery there are a number of operational and strategic efficiency savings which will also be realised through the integration of these functions. These efficiency savings and service improvements will require to be further quantified and monitored through time as the changes are implemented. It is proposed that a full Benefits Realisation Plan be prepared as part of the Corporate Improvement Programme.

## **10. POLICY IMPLICATIONS**

- 10.1. This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. There are no major issues.

## **11. CONSULTATIONS**

- 11.1. The Chief Executive, Depute Chief Executive (Support Services), Director of Finance, Director of Leisure and Communities, Head of Waste Management and Head of Environmental Health and Trading Standards have been consulted in the preparation of this report.

## **12. BACKGROUND PAPERS**

- 12.1. None

Ken Laing  
Director of Contract Services

14 May 2011