



Decision Maker:	Cabinet Member for Sports, Leisure & Open Spaces
Date:	5 September 2014
Classification:	General Release
Title:	Extension of contract with Continental Landscapes Ltd. for the grounds maintenance of parks and cemeteries
Wards Affected:	All
Better City, Better Lives Summary	This decision contributes to the Better City, Better Lives commitment to a Safer & Healthier City
Key Decision:	Yes – included in Forward Plan of Key Decisions
Financial Summary:	The annual contract value is currently £2.48m and this sum is included in the council’s approved budgets.
Report of:	Strategic Director for City Management

1. Executive Summary

- 1.1 The current eight year contract with Continental Landscapes Ltd. for the grounds maintenance of parks and open spaces and the maintenance and management of cemeteries expires on 31st March 2015. The contract includes provision for it to be extended for up to a further two years at the council’s sole discretion. The annual contract value is currently £2.48m.
- 1.2 The contract provides for grounds maintenance at 56 parks and open spaces and a further 53 sites managed on behalf other departments (highways/adult services). The contract also provides for grounds maintenance and the management of burial services at the council’s three cemeteries (in East Finchley, Hanwell and Mill Hill).

1.3 This report proposes that the Continental contract is extended for an initial 12 month term and with the option to extend for a further 12 months.

2. Recommendation

2.1 That the contract with Continental Landscapes Ltd. for the provision for grounds maintenance for parks & open spaces and the management and maintenance of cemeteries is extended for an initial period of 12 months from the current expiry date of 31st March 2015 and retaining the option to extend by up to a further 12 months (to 31st March 2017) as allowed for within the terms of the current contract.

3. Reasons for Decision

3.1 Key considerations in arriving at this recommendation are that:

- There are no tri-borough opportunities for this contract. LBHF and RBKC have separate but aligned long-term contracts with the same supplier (Quadron Services Ltd.) until April 2021;
- The level of funding available to continue maintaining parks and cemeteries will be considered as part of the Medium Term Planning process. It is expected that the council will be better able to define its future requirements for parks and cemeteries in approximately 12 months time;
- Continental has a strong track record of working positively with the council to reduce contract expenditure (by £854K during 2010-14);
- The unit costs of the Continental contract benchmark positively against the two other tri-borough contracts;
- The quality of service delivered by Continental is very good. Westminster is the current holder of the prestigious London in Bloom “council of the year” award and recorded the highest public satisfaction rating of any Westminster council service in the most recent City Survey (92%). This rating also compares well with parks satisfaction ratings in LBHF (80%) and RBKC (78%).

4. Background, including Policy Context

4.1 Award of Contract

4.1.1 The eight year contract with Continental Landscapes Ltd. for the management and maintenance of parks, open spaces and cemeteries commenced in April 2007. This followed a tender exercise using the Restricted Procedure with four bids being received. All bids were above the council’s available budget however

and following a switch to the Negotiated Procedure the contract was awarded at an annual price of £2.33m (indexed by RPI).

4.2 Tri Borough Assessment

4.2.1 As noted above there are no tri-borough opportunities for the parks and cemeteries grounds maintenance contract until April 2021. LBHF's initial contract term with Quadron Services Ltd. was due to run up until 30th April 2015 and included the ability to extend for up to a further seven years (to April 2022). At a Cabinet meeting on 11th November 2013 however LBHF Members approved the extension of the Quadron contract by six years to align with RBKC's expiry date. Neither contract contains a framework agreement that the council could access.

Table 1: Tri-Borough Contract Arrangements

	Supplier	Annual Value	Expiry Date	Extension?
Westminster	Continental	£2.48m	31 March 2015	Up to 2 years
Kensington & Chelsea	Quadron	£1.64m	31 March 2021	-
Hammersmith & Fulham	Quadron	£2.69m	31 March 2021	-

4.2.2 Substantial variations in the size and characteristics of parks and open spaces managed by the three authorities make it difficult to draw direct comparisons. Table 2 below summarises the numbers of sites managed and contract value per FTE deployed. Although LBHF manages twice as many sites as the other two authorities, the majority of these are small amenity spaces on housing estates. Equally however it also has responsibility for the largest single site managed across the tri-borough area; the 80 hectares at Wormwood Scrubs. The size and character of parks and open spaces managed by RBKC are more comparable with Westminster although it is almost certain that these are not subject to the intensity of use experienced at a large number of Westminster sites; Leicester Square, Soho Square and Marble Arch being notable examples.

Table 2: Tri-Borough Contract Resources

	Annual Value	No. of Sites Managed	Contract FTE'S	Contract Cost per FTE
Westminster	£2.48m	109	80	£31,027
Kensington & Chelsea	£1.64m	110	46	£35,612
Hammersmith & Fulham	£2.69m	230	78	£34,508

4.3 Value for Money Assessment

4.3.1 As can be seen in Table 2 above the average cost of Continental staff compares positively to RBKC and LBHF.

4.3.2 Senior management at Continental also have a strong track record of working positively with officers to minimise the frontline impact of changes to the contract budget. Contract variations delivering total savings of £854K have been agreed during the period 2010-14 (including £140K in the current financial year). The annual contract price is currently just £150K greater than when the contract commenced seven years ago notwithstanding RPI indexation.

4.3.3 Continental also employs a Community Engagement Officer who promotes and co-ordinates volunteering and work experience opportunities in parks. This includes working directly with the Tri-Borough Education Business Partnership providing work experience opportunities for young people. Continental's Community Engagement Officer also arranges clean-up and planting projects for local schools and businesses (team-building away-days etc.). Continental have a local recruitment policy and employ at least two apprentices annually. 70% of their employees have also achieved at least NVQ level 2 qualifications in horticulture.

4.4 Quality Assessment

4.4.1 The parks and open spaces managed by Continental are widely perceived as delivering high quality. Parks recorded the highest public satisfaction rating of any Westminster council service in the most recent City Survey (92%). This rating also compares well with parks satisfaction ratings in LBHF (80%) and RBKC (78%).

4.4.2 The national Green Flag awards are generally used as a benchmark of quality. Volunteer experts visit applicant sites and assess them against eight strict criteria, including horticultural standards, cleanliness, sustainability and

community involvement. The Green Flag awards were announced on 28th July 2014 with Westminster securing 23 individual awards for our parks and gardens, the second highest total of any local authority (behind LB Hillingdon). LBHF secured 11 awards and RBKC secured 10 awards.

- 4.4.3 Westminster is also the current holder of the prestigious London in Bloom “council of the year” award and is representing London in the 2014 Britain in Bloom competition (results to be announced in October).

5. Financial Implications

- 5.1 The current annual contract value is £2,482,131. It is funded from the following approved budgets:

Department	14/15 Budget
City Management: Parks & Cemeteries	£2,263,759
Built Environment: Highways	£173,422
Other: Adults Services	£44,950
Total	£2,482,131

6. Legal Implications

- 6.1 The ability to extend this contract by up to two years at the City Council’s sole discretion is included within the agreed conditions of contract with Continental Landscapes Ltd. and is compliant with the Public Contracts Regulations 2006. Formal notice to extend the contract will need to be issued to Continental by no later than 30th September 2014.

Terms and Conditions of Contract clause 9.4

“The City Council shall be entitled at its absolute discretion to extend the contract period by 2 contracted years. In the event (and on each occasion) that the City Council decides to so extend the contract period it shall serve written notice to the contractor not less than six (6) months before the expiry of the Contracted Period. In such circumstances the definition of Contracted Period shall be deemed amended accordingly and the contractor shall provide the Services to the Standard at the contract price prevailing on the date of the extensions revised from time to time in accordance with Condition 30.”

7. Staffing Implications

7.1 None.

8. Consultation

8.1 None.

If you have any queries about this Report or wish to inspect any of the Background Papers please contact:

John Tweddle (Green Spaces Manager) on 020 7641 6307
(jtweddle@westminster.gov.uk)

BACKGROUND PAPERS:

- London Borough of Hammersmith & Fulham Cabinet Meeting 11/11/13 – Quadron Grounds Maintenance Contract Extension
[http://www.lbhf.gov.uk//Directory/Council and Democracy/Committee reports minutes and agendas/Committee Archive/homepage.asp?mepage=ieListDocuments.aspx%26amp%3BCld%3D116%26amp%3BMld%3D2684%26amp%3BVer%3D4](http://www.lbhf.gov.uk//Directory/Council%20and%20Democracy/Committee%20reports%20minutes%20and%20agendas/Committee%20Archive/homepage.asp?mepage=ieListDocuments.aspx%26amp%3BCld%3D116%26amp%3BMld%3D2684%26amp%3BVer%3D4)

For completion by the **Cabinet Member for Sports, Leisure and Open Spaces**

Declaration of Interest

I have no interest to declare in respect of this report

Signed:

Date:

NAME: **Councillor Steve Summers**

State nature of interest if any

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(N.B: If you have an interest you should seek advice as to whether it is appropriate to make a decision in relation to this matter)

For the reasons set out above, I agree the recommendation in the report entitled:

“Extension of contract with Continental Landscapes Ltd. for the grounds maintenance of parks and cemeteries” and reject any alternative options which are referred to but not recommended.

Signed

Cllr Steve Summers, Cabinet Member for Sports, Leisure and Open Spaces

Date

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:

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If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Head of Legal and Democratic Services, Chief Operating Officer and, if there are resources implications, the Director of Human Resources (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.