

Report to Director Environment and Housing

Report of Chief Officer, Environmental Action

Date: 27th November 2014

Subject: Invocation of Contract Procedure Rule 27 – Provision of Works by Continental Landscapes Ltd

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):City Wide	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

There are currently 42 front-line street cleansing / caretaking posts which are vacant in the Authority. This resource gap has been covered in part and in the short term through over-time arrangements and now needs to be addressed differently through a range of other options. This report deals with one such option - the use of the Council's grounds maintenance contractor staff for a fixed period to Feb 2015.

The Council's grounds maintenance contractor, Continental Landscapes Ltd, are currently making staff redundant as the quieter winter months approach. The Council has previously had an arrangement whereby the contractor has provided some street cleansing cover, to a value in the region of £60k. We again seek to use staff employed by Continental Landscapes in order to this time undertake a wider remit of street cleansing functions, to a fixed value of £95k. This represents a part solution, with other internal routes being used to provide a fuller resource complement during this busy operational period.

Recommendation

The Director of Environments and Housing is recommended to approve the invocation of the following Contracts Procedure Rule:

Contracts Procedure Rule No 27 – Waiver of Contracts' Procedure Rules, in order to waive CPR 8.

1 Purpose of this report

- 1.1 This report is to invoke paragraph 27 of the Contract Procedure Rules in order to waive CPR 8 and contract with Continental Landscapes Ltd for the provision of street cleansing and associated works for a fixed period of 13 weeks.

2 Background information

- 2.1 The Locality Teams within Environmental Action Services have been undergoing significant change in the last 12 months. 74 posts have been transferred in from Housing Leeds and consultations on proposed changes across all street cleansing functions are coming to a close. Partly as a result of these changes, the number of vacant posts has now reached 42 caretaker / cleansing posts. These vacant posts have not been filled in order to facilitate the restructuring of the service in coming months.
- 2.2 The gap in resource has been covered in part via overtime arrangements. This does not provide a long term solution of course and other additional options are now to be pursued. This change in approach coincides with the Council's grounds maintenance contractor being in a position to release staff as the work associated with the contract is significantly reduced at this time of year. It is beneficial for the contractor to retain staff over the winter in order to provide continuity as we approach the next growing season. In doing so, the contractor can quickly draw on and mobilise an experienced group of operational staff who know Leeds well. Without such work opportunities, the contractor staff would be made redundant.
- 2.3 The service will continue to seek to fill all vacant positions through internal routes at least initially. Continental Landscapes have already made staff redundancies, but are able to continue the employment of 18 people to carry out work on the Councils behalf. This group will only be available up to the end of February 2015 when grounds maintenance and grass cutting work in particular will recommence. The provision of staff from Continental Landscapes therefore provides an interim and partial solution, to be used alongside other processes and approaches to increase resources up to the time the new service structure is implemented.

3 Main issues

Reason for Contracts Procedure Rules Waiver / Invocation

- 3.1 The number of vacancies having emerged in recent months has been covered in part via staff working overtime. This was never intended to provide a mid / long term solution and an alternative to this reliance on overtime spend is required.
- 3.2 The vacancies have arisen at a time when the service is carrying out seasonal work such as de-leafing and also when the city centre is busy in the run up to Christmas and the new year sales period. There is a need to increase the staffing resource available now at this busy time.
- 3.3 It is intended that a new model of street cleansing is implemented from April 2015. In delivering that, new posts have been created which will be available to current street cleansing and caretaker post holders. In order to provide maximum choice and movement of staff currently employed in this work, it is not advantageous to recruit to all current vacant

positions permanently at this stage. In any event, this route would not provide the resources soon and to the level required in advance of the new service structure being implemented.

- 3.4 The Council has worked with Continental Landscapes in the past where the contractor has undertaken leaf-clearance work to a set expenditure level. Advice obtained to facilitate that past arrangement has clarified that the grounds maintenance contract cannot be varied and therefore a waiver is required in order to ensure compliance with Contract Procedure Rules. It is intended to repeat this arrangement, but for a wider range of work than de-leafing in order to part offset the gap due to vacancies in front line roles.
- 3.5 The provision of the service by Continental Landscapes protects permanent Leeds jobs and means that 18 staff will no longer need to be made redundant over the winter months. The provision of permanent jobs in Leeds is obviously a strategic priority for the council.
- 3.6 The cost of the provision of Continental Landscape staff to undertake the work of 18 of the vacant posts (8 drivers & 10 attendants) is £95,000. The equivalent cost from an agency would be £86,195. Similarly, the cost for the Council to cover this via overtime would be £138,726. If the Council were in a position to supply the resource internally, it would cost £75,985 (ie plain time, with no shift allowance). Whilst it would be cheaper to obtain this resource through an agency, the savings would be offset by the cost of uniform & PPE provision and training. The level of supervision of agency staff would also fall completely to the Council, whereas Continental Landscapes will fulfill this role as it relates to personnel and any performance matters. Similarly, whilst an equivalent in-house provision would be cheaper, it is not realistic to expect neither all nor even the majority of vacant posts to be readily filled in this way.
- 3.5 Given the above, this report recommends that CPR 27 is invoked in order for Continental Landscapes Ltd to provide street cleaning & associated works to the value of £95,000.

Consequences if the proposed action is not approved

- 3.6 The currently vacancy level in the service has occurred at a busy period in the year as de-leafing is completed and the city centre footfall is significantly higher than at other times. Whilst the overtime arrangements have assisted in providing cover, this can't continue until the new structure is in place as staff are beginning to work excessive days and hours with a probable impact on productivity and general staff welfare. Alternative approaches are to be used to provide the resource cover and minimise the impact on front line cleansing work.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Consultation was undertaken from the outset with the Contract Management Team for the Grounds Maintenance contract.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An equality, diversity cohesion and integration screening exercise has been carried out. This has affirmed that equality, diversity, cohesion and integration considerations have been effectively considered in relation to this proposal and that a full impact assessment was not required.

4.3 Council Policies and City Priorities

- 4.3.1 This waiver delivers a part solution to provide resources in order to continue to deliver street cleansing work across the city.

4.4 Resources and Value for Money

4.4.1 The cost of using Continental Landscapes provides better value for money in comparison to the current reliance on over-time payments.

4.5 Legal Implications, Access to Information and Call In

4.5.1 There are no legal implications

4.6 Risk Management

4.6.1 There is a risk that this arrangement will be perceived to be an initial step to outsourcing parts of the service. The Trade Unions have been informed of the intention to put this arrangement in place over 13 weeks and the service delivery needs have been explained. The response of Unison has been that the vacancies could have been used as an opportunity to save money, albeit with recognition that this would impact on the levels of street cleanliness.

5 Conclusions

5.1 Given the above, it is in the wider interest to to invoke CPR 27 and waive CPR 8 in order to provide early resources, with experience, to partly fill the gap of the current vacancies in front-line cleansing roles in Leeds.

6 Recommendations

6.1 The Director of Environments and Housing is recommended to approve the invocation of the following Contracts Procedure Rule:

- Contracts Procedure Rule No 27 – Waiver of Contracts' Procedure Rules, in order to waive CPR 8.

1. Background documents¹

7.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.