

Report of Business Development Manager, Parks and Countryside

Report to Chief Officer, Parks and Countryside

Date: 16th December 2014

Subject: City Wide weed Spraying Contract

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<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: 1 Appendix number: Appendix A to this report has been marked as confidential under Access to Information Procedure Rules 10.4 (3) on the basis that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) which, if disclosed to the public, would, or would be likely to prejudice the commercial interests of that person or of the Council.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Summary of main issues

1. The previous City-wide weed spraying contract for treatment of broad leaf weeds and grasses growing in cracks/joins in footways and communal hard surfaces around housing estates managed by Leeds City Council expired on 31st March 2014. The contractor declined the option to extend the contract, leaving insufficient time for a new contract to be in place for 2014-15.
2. Interim arrangements have been in place during 2014, running concurrently with a full procurement exercise for a contract to commence from 2015. The contract will be initially for 24 months, with a further option of 3X12 month extensions (subject to satisfactory performance).
3. The tender was advertised throughout the EU in October 2014 and tender evaluation took place in December 2014. Three tender bids were assessed.
4. The lowest priced bid was submitted by Languard Ltd, who also achieved the highest quality score.
5. Due to the requirement for bespoke treatment programmes based upon multiple factors, treatment of invasive, injurious and non-native species (e.g., Japanese Knotweed) are excluded from this contract. Further consideration is required in relation

to responsibilities and future budget provision for managing infestations in communal areas managed by Housing Leeds.

Recommendations

It is recommended that the decision to award the contract to Languard Ltd with a contract commencement date of 1st April 2015 is implemented.

The Chief Officer, Parks and Countryside is also requested to consider allocation of a dedicated budget for management of Japanese Knotweed previously undertaken by the former ALMOs.

1 Purpose of this report

- 1.1 The purpose of this report is to seek agreement to award a new contract for weed spraying of footpaths and hard areas within the adopted highway and communal paths/hard areas within housing estates managed by Housing Leeds and BITMO with effect from 1st April 2015. Due to the specialised nature of this contract, it will continue to be managed by officers from Parks and Countryside.
- 1.2 The report further seeks to consolidate responsibility for management of invasive species within communal green areas within the responsibility of Housing Leeds following the closure of the three ALMOs.

2 Background information

- 2.1 Treatment of broad leaf weeds and grasses growing in footpaths adjoining highways and selected Housing sites has been outsourced to the private sector since 2002. As the service area with specialist knowledge and training in the use of herbicides, Parks and Countryside manage this contract. The most recent contract was awarded to ATV Contract Services in 2011, with the last scheduled spray completed in September 2013.
- 2.2 Following a period of negotiation, ATV chose to decline a 12 month extension. As there was insufficient time to have a new contract in place for 2014, interim arrangements were put in place to ensure there was no disruption to spraying while a new contract was procured.
- 2.3 A revised specification/statement of requirements has been produced to comply with current Leeds City Council procurement practices and contract templates. Other local authorities were invited to take part in a joint procurement exercise. One adjoining authority expressed an initial interest, but chose to continue with their existing arrangements.
- 2.4 The tender was advertised in the UK trade press, the Operational Journal for the European Union (OJEU) and on Leeds City Council's electronic tender site (YORTENDER) during October 2014.
- 2.5 Three tender bids were received. All met the pre-qualification criteria and due diligence checks for financial stability and health & safety compliance.
- 2.6 The contract will be initially for 24 months, with a further option of 3X12 month extensions (subject to satisfactory performance).
- 2.7 Treatment of invasive plant species does not form part of this contract. A consistent approach has been in place since 2005 for prioritised management of invasives such as Japanese Knotweed and Giant Hogweed infestations within soft margins of the adopted highway and in sites managed as recreational space by Parks and Countryside.

As part of the arm's length approach to management of council housing stock, each of the former Housing ALMOs dealt with reports of invasive species differently and there is currently no defined budget or consistent method of

reporting or prioritisation of treatment where infestations are growing in communal housing areas. It is estimated that between £35k and £40k per annum has been spent by the former ALMOs either engaging with multiple external contractors or use of a limited internal resource (Estate Caretakers trained in use of pesticides).

3 Main issues

Tender Evaluation

- 3.1 Evaluation of the bids took place on 3rd December. The quality evaluation panel of 5 officers consisted of representatives from Locality teams and Parks and Countryside.
- 3.2 The evaluation model was based upon a 50/50 split between quality (maximum score of 500points) and price (maximum score of 500points). In order to qualify for award, a minimum quality threshold of 325 points (65% of the total available) was required. Further quality controls were put in place through the requirement to submit an operations and resource questionnaire, to ensure sufficient resources and contingencies would be allocated to fulfil the requirements of the contract.
- 3.3 To ensure the bid price did not influence quality scores, Procurement Unit carried out the pricing evaluation separately using standard formulas. The evaluation panel was advised of the bid values and pricing score after all submissions had been quality scored. The bid prices and quality scoring is outlined in Appendix A. The appendix is confidential under standing order 49 (3), as it contains commercially sensitive information submitted by bidders who can be personally identified. The table below shows final scores, with the unsuccessful bidder identities hidden and bid prices omitted:

SUPPLIERS			
	(Bidder 1)	Languard Ltd (Bidder 2)	(Bidder 3)
Final Quality Score	280.5	402	171.5
Ranking For Quality	2	1	3
Final Price Score	483.21	500	483.17
Ranking For Price	2	1	3
Final Score	763.71	902	654.68

Overall Ranking	2	1	3
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3.4 Languard Ltd achieved the highest quality score and also the lowest tender bid price. It is therefore recommended that Languard Ltd is awarded the contract effective from 1st April 2015.

Management of Invasive Species Growing in Communal Housing Land

3.5 Functions of the former ALMOs have been reintegrated into the council's infrastructure. Some services previously dealt with by the ALMOs have been realigned to more appropriate service areas within the council (for example, Estate caretakers have moved to Locality Teams and responsibility for management of the grounds maintenance contract moved to Parks and Countryside in August 2012).

3.6 As the ALMOs dealt with Japanese Knotweed as a horticultural issue, it would be more appropriate for investigation of future reports relating to communal areas in housing estates to be undertaken by officers from Parks and Countryside who have the specialist knowledge and experience to assess the requirement for treatment and prioritise according to legislative requirements.

3.7 The grounds maintenance budget managed by Parks and Countryside is currently fully committed to works associated with the contract with Continental Landscapes for grass cutting and planter border/hedge maintenance. Based upon historic orders raised to external contractors by the former ALMOs and an assessment of the works undertaken in South Leeds by the Estate Caretakers, it is recommended that an initial budget of £40k per annum is sought so that future management of invasive weed infestations can be undertaken by Parks and Countryside using a consistent methodology based upon many years' experience.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 Consultation has taken place with relevant Chief Officers/Heads of Service and the specification updated where required reflecting feedback received.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 An EDCI screening has been completed as part of the tender process. There are no identified positive or negative impacts from the arrangements that would disproportionately affect any equality characteristic or group.

4.3 Council policies and City Priorities

The activity supports the aims and aspirations of:

- Safer and Stronger Communities Plan
- Vision for Leeds
- Best Council Plan

4.4 Resources and value for money

4.4.1 The works associated with the contract will be funded from existing revenue budgets for weed spraying and within the price range anticipated as part of normal contractual works. The winning bid represents an annual saving to the General Fund of approximately £3k. There are no savings to HRA due to an increase in the bill of quantity for housing estates where some footpath spraying in South Leeds was undertaken by Estate Caretakers.

4.4.2 A consolidated budget of £40k per annum needs to be dedicated to management of invasive weeds (primarily Japanese Knotweed) in communal housing areas managed by the authority. This is existing expenditure from HRA that had not previously been delegated to Parks and Countryside under arrangements for management of the grounds maintenance contract.

4.5 Legal Implications, Access to Information and Call In

4.5.1 As an EU wide tender, contract award is subject to a standstill period

4.5.2 The decision is not subject to call in

4.5.3 Failure to manage infestations of Japanese Knotweed could leave the council liable should property or underground service infrastructure be damaged.

4.6 Risk Management

4.6.1 In the event that the recommendation to award this contract is not accepted, the council is likely to see significant levels of weed growth on hard surfaces across the city that it is unable to address through programmed cleansing activities. This could result in significant reputational damage to the council.

5 Conclusions

5.1 The successful tender bid represents best value to the council and is also the highest scoring for quality.

5.2 A consistent approach is required for management of invasive weeds growing in communal housing areas.

6 Recommendations

- 6.1 It is recommended that the Chief Officer, Parks and Countryside takes the delegated decision to award the contract for treatment of broad leaf weeds and grasses growing in footways and hard surfaced areas to Languard Ltd
- 6.2 The Chief Officer, Parks and Countryside is asked to support a budget bid to the Director of Environments & Housing in relation to management of invasive, injurious and non-native species growing in land vested with Housing Leeds.

7 Background documents¹

- 7.1 Appendix A (Confidential)

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.