

SALISBURY CITY COUNCIL

Report

Subject : Ground Maintenance Post Contract Options Evaluation
Committee : Services Committee
Date : 5 October 2020
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1. Report Summary:

1.1. This report sets out the need for the options evaluation to be undertaken and the process that will be used to evaluate the four main options.

2. Background:

2.1. Salisbury City Council's grounds maintenance and street scene services are currently delivered jointly (approximately a 50/50 split) between our own in-house team and our external contractor Idverde.

2.2. Whilst it is not unusual for a council to deliver services via different delivery modes it is unusual to deliver (what in essence) is the same service using two different methods of delivery.

2.3. This current approach presents issues of duplication associated with management personnel, supervisory structures, depots and equipment.

3. The Current Situation and Overview of Options:

3.1. The Idverde novated contract with Salisbury City Council for street scene and grounds maintenance services concludes as of October 2022. This presents an opportunity for SCC to look at service delivery post contract.

3.2. There are four main options available:

3.2.1. Continue to "piggy back" on Wiltshire councils re tendering exercise. In essence maintain the status quo.

3.2.2. Re tender the current Idverde element of the services on the open market and appoint our own contractor - in essence keep service delivery split between our own in-house team and a newly appointed contractor. No Wiltshire Council involvement.

3.2.3. Contract out the current in-house operation to have one large contract covering all aspects of service delivery and no in-house team.

3.2.4. Bring the Idverde element of the works in-house to have one large in-house team delivering all aspects of service delivery and no contractor.

3.3. Salisbury City Council needs to thoroughly evaluate the above options so that a preferred method of service delivery can be identified. This reports sets out how the evaluation will be conducted.

4. Nature and Scope of the Options Evaluation

4.1. Each of these four options will be examined in detail in order to identify a preferred option. The options will be evaluated against the following criteria:

- 4.1.1. Cost of service
- 4.1.2. Quality of service
- 4.1.3. Flexibility/Opportunities
- 4.1.4. Associated risk of service

4.2. The four options will be evaluated and apportioned points as per the following: **Cost 65%***, **Quality 20%**, **Flexibility/Opportunities 10%** and **Risk 5%**

**Note this figure may be adjusted following sensitivity analysis.*

4.3. **Cost Evaluation** - All options will be evaluated in relation to estimated cost. and will be derived thus:

- I. Continue to “piggy back” on Wiltshire councils re tendering exercise – this is the current cost of the contract.
- II. Re tender the current Idverde element of the services on the open market and appoint our own contractor – this is the cost of the current contract with Wiltshire Council plus costs associated with the depot, waste disposal etc. that Wiltshire council are at present funding.
- III. Contract out the current in-house operation to have one large contract covering all aspects of service delivery with no in-house team. This is the equivalent of the current Idverde contact, plus depot/waste etc. costs plus our current in house costs.
- IV. Bring all the works in house - no contractor - based on estimated staff and equipment required to deliver the service.

Note all of the above will be adjusted regarding anticipated cost increases during the service delivery period.

These costs will be compared to each other and awarded points based on a formula. The lowest costing will be awarded the most points and the highest costing the lowest number of points with all other costings between these two scores- this will generate an overall cost score.

4.4. **Quality Evaluation** - All options will be evaluated from a quality perspective and awarded points. Please see page 4 for details. A formula will then be applied to convert the weighting and points into an overall quality score.

4.5. **Flexibility/Opportunities Evaluation-** All options will be evaluated from a flexibility/opportunities perspective and awarded points. Please see page 5 for details. A formula will then be applied to convert the weighting and points into an overall Flexibility and Opportunities score.

4.6. **Risk Evaluation.** All options will be evaluated from a risk perspective and awarded points. Please see page 5 for details. A formula will then be applied to convert the weighting and points into an overall risk score.

4.7. The scores from all of the evaluations will be combined to provide an overall score. The option that achieves the highest overall score be deemed the preferred option.

5. Recommendations:

It is recommended that the Committee:

5.1. Approve the nature and scope of the evaluation process as shown above.

6. Wards Affected: All

7. Background Papers: Nil

8. Implications:

8.1. **Financial:** To be determined

8.2. **Personnel:** As shown in the report

8.3. **Environmental Impact:** Nil in relation to this report, but substantially will be a material consideration in the evaluation

8.4. **Equalities Impact Statement:** Nil in relation to this report.

Quality Evaluation

Description

Management – Comparison as to how it is anticipated management of the four options would operate. This would be based on communications, overall size of operation, resources available, (including financial resources), experience of staff, control of contract, experience of public sector working etc. (Weighting 30%)

Health and Safety – Comparison as to how it is anticipated Health and Safety would operate across the four options. This would be based on ease of communications, resources available, experience of staff, type of risk assessment and method statements that would be expected to be available. (Weighting 30%)

Quality Control – comparison as to how it is anticipated quality would be managed across the four options including:

- Monitoring/quality checks that would be in place.
- ISO 9001 Quality Management -or any other quality systems expected to be in operation.

(Weighting 30%)

Equal Opportunities — comparison as to how it is anticipated that Equal Opportunities would to be managed across the four options based on the size of the contract/operation and expectations that Equal Opportunities would be well developed and embedded within operations. (Weighting 5%)

Sustainability - comparison as to how it is anticipated sustainability would to be managed across the four options based on the size of the contract/operation and expectations that sustainability would be well developed and embedded within operations. (Weighting 5%)

Quality Evaluation		
Quality Evaluation	Description	Score
Excellent	Exceeds the expected standards.	5
Good	Meets the expected standards	4
Acceptable	Meets the expected standards in most aspects.	3
Limited	Does not meet the expected standards in most aspects but meets some.	2
Inadequate	Significantly/completely fails to meet the expected standards.	1

Flexibility and Opportunities Evaluation		Description	Score
Very flexible and responsive. Many and Varied Opportunities outside of contract schedules	Works can be delivered in a very flexible way – <i>pick and mix</i> approach to delivery of scheduled services. Very responsive. Many and varied ways to deliver additional services outside of scheduled/contracted services	5	
Flexible and responsive with Some opportunities outside of contracted schedules	Flexible approach to actioning agreed schedules. Agreed change mechanising in place which is both user friendly and relatively quick to implement – Responsive. Some opportunities to deliver additional services outside of scheduled/contracted services	4	
Degree of flexibility and responsiveness demonstrated Limited Opportunities outside of contracted schedules	Some scope to flexibly action agreed schedules. Process not user friendly but possible to arrange for works to be undertaken within a reasonable time frame. Degree of responsiveness demonstrated. Some limited scope to deliver additional services outside of scheduled/contracted services.	3	
Very limited flexibility and Responsiveness. Very limited Opportunities outside of contracted schedules	Very limited scope to flexibly actioning agreed schedules. Process for doing this is both time consuming and has long lead in period. Very limited approach to responsiveness. Very limited opportunities to provide additional services outside of contracted services.	2	
Completely inflexible and un responsive. No Opportunities outside of contracted schedules	Works can only be delivered as per contracted services – no scope to flexibly action agreed schedules. Not responsive. No opportunities to provide additional services outside of contracted services	1	

Risk		
Evaluation	Description	Score
Negligible Risk	Negligible risk - where there is no foreseeable risk to the city council; and any foreseeable risk is not more than an inconvenience.	5
Minor Risk	Minor risk to the city council - an event that, if occurred, would cause only a small cost and minor schedule disruption – objectives would still be achieved.	4
Medium Risk	Medium risk - an event that, if occurred, would result in a cost and an element of schedule disruption – objectives would be delayed but achieved.	3
Major Risk	Major risk – potential significant risk to the service delivery – steps would need to be taken to mitigate such risks otherwise objectives would not be achieved. Costs would be incurred and an element of reputational damage.	2
Severe Risk	Severe risk – catastrophic re service delivery, cost and reputational damage - objectives not achieved.	1