

<b>Item No.</b> 14.	<b>Classification:</b> Open	<b>Date:</b> 7 March 2023	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Gateway 3 – Variation Decision Parks Grounds Maintenance Contract Extension	
<b>Wards or groups affected:</b>		Electoral wards; All	
<b>From:</b>		Councillor Catherine Rose, Leisure, Parks, Streets and Clean Air	

## **FOREWORD – COUNCILLOR CATHERINE ROSE, CABINET MEMBER FOR LEISURE, PARKS, STREETS AND CLEAN AIR**

Our parks and open spaces play an essential part in improving the quality of life for local residents. As an inner city London Borough high quality and diverse green infrastructure is also very important environmentally and is considered a significant contributor to our climate emergency targets.

The current level of service is well received by local residents and receives positive industry recognition through its Green Flag achievements and Good Parks for London performance; indeed, the quality of provision was formally recognised in 2022, with Southwark being awarded the title of ‘Best Parks in London’. Fundamental to this success is a good maintenance regime, which is currently provided to Southwark Council under contract. This has enabled us to achieve a good balance between cost and quality.

The current grounds maintenance contract is due to expire in 2023, but with the option to extend for up to seven years. In view of a number of issues, including the quality of current provision, the economic climate and the cost of living crisis, a three year contract extension is proposed, in order to ensure ongoing quality of service and to mitigate risks associated with market volatility and cost pressures associated with other options. This shorter extension period will ensure ongoing quality of provision and value, whilst also providing time to consider future management options, including potential insourcing of the service. This period will also provide time for the development of a new Parks and Green Spaces Strategy for Southwark, ensuring that the borough’s future grounds maintenance regime is fully aligned to the delivery of the new strategy.

## **RECOMMENDATION**

1. That Cabinet approve the extension of the existing grounds maintenance contract with Quadron Idverde, now trading as Idverde for a further 3 year period from 3 Oct 2023 with an estimated annual cost of £3.338m and subject to the contract provision as set out in paragraph 50 of this report, making a total contract revenue value of the extension period of £10.014m.

## **BACKGROUND INFORMATION**

2. The current grounds maintenance (GM) contract was awarded to Quadron Idverde for a seven year period (3 October 2016 – 2 October 2023). The contract facilitates the option to extend for up to a further seven years. The estimated value of this Grounds Maintenance contract for financial year 22-23 is £2.964m.
3. The contract provides a year round service and is borough-wide covering 105 sites including five major parks, thirty-three local parks, fifteen gardens and squares, two sports grounds, three cemeteries, five adventure playgrounds and forty-two other open spaces. Contract quantities indicate a total asset measurement of around 300 hectares (ha) under management (as at March 2022).
4. The primary items covered by the contract include grounds maintenance (all gardening tasks), cleansing and weed control of hard surfaces and the opening and locking of some parks. Also included are an emergency out of hours provision, park keeping services (including room booking facilitation) plus bin emptying, litter picking, faeces, drug and sex litter removal. The contract includes an apprenticeship programme and provision of staff to support coaching sessions at the specialised BMX cycling centre in Burgess Park, green waste composting and re-use and volunteering programmes in conjunction with friends and stakeholder groups.
5. The contract is output-based with individual programmed elements of work priced against a bill of quantities. There are also priced schedules of rates to facilitate any required ad-hoc works.

## **KEY ISSUES FOR CONSIDERATION**

### **Key Aspects of Proposed Variation**

6. Officers considered the available options for this service from October 2023:
  - Undertaking a new procurement exercise
  - Bringing the service in-house
  - Extending the current contract for a period of up to seven years (in whole or in part).
7. 7A high level RAG rated options appraisal is included as appendix 1, this considers all the benefits and risks associated with each option. On balance, taking into account all issues, it is felt that a short term (three year) service extension was the most appropriate way forward to:
  - Ensure that the current high quality grounds maintenance provision will continue- with no risk of reduced service quality through a new contractor

- Ensure stability during a time of significant economic market turbulence, the contract price could be guaranteed, with an additional small negotiated reduction in contract sum, as part of the extension package
- Enable the safe landing and embedding of another significant insourcing within the leisure team (leisure centres), so minimising potential management capacity conflict
- Provide the required time to properly consider the potential for insourcing the GM contract
- Ensure the availability of adequate officer capacity, thereby reducing the risks associated with insourcing multiple projects simultaneously
- Enable the council's Parks and Open Spaces Strategy, which is due to be renewed over the next 18 months, to inform the council's longer term approach to the grounds maintenance service

### **Reasons for Variation**

8. To exercise the option to extend the current contract for the reasons outlined in this report and as summarised in paragraph 7 above.

### **The importance of parks – greater now than ever**

9. The provision and upkeep of parks remain a strategic priority for Southwark Council and this has been demonstrated through the large injection of capital funding into infrastructure over the past decade. Southwark's parks are increasingly popular due to the improvements made and are enjoyed by growing local populations. This became even more apparent throughout the Covid-19 pandemic, where the council's green spaces experienced unprecedented high levels of use.
10. The link between parks and health are well documented and Southwark Council has ensured that its park provision remains a high priority. This has ensured that green spaces remain able to contribute positively to the wider health and wellbeing agenda and the quality of life of local residents. There are also economic benefits as a green borough is attractive to live and work in, which boosts the local economy.

### **Contract performance and added value**

11. Since the start of the new contract, Idverde's contract performance has exceeded the agreed annual performance target of 90%, with a current average performance score of 96%. It is also clear through the last public satisfaction survey and ongoing compliments and limited complaints, that customers are very happy with the current service.
12. In terms of added value, the contract facilitates an apprenticeship programme with five places available at any one time. In addition, there is also provision for volunteer opportunities, joint projects with friends and stakeholders, corporate volunteer days and community payback schemes. A healthy professional relationship also exists between the council and Idverde, and was demonstrated through the substantial support provided

by the contract staff during the Covid-19 pandemic and continued flexibility where contract adjustments have been required.

13. External independent measurement of the quality of parks also takes place through the Green Flag scheme. Southwark currently has 30 parks with this status (the second highest in London). In addition, the Good Parks for London annual assessment has placed Southwark's parks in the top five in London for the last four years, with Southwark being the top performing London borough in 2022.

### **Contract highlights summary**

14. An overview and some of the contract highlights between 2016 and 2022 include:
  - All service aspects costing approximately £1 per square metre of asset managed
  - 96% public satisfaction, supported by ongoing volumes of compliments and complaints
  - Internal client team monitoring scores (consistently exceeding 90% target)
  - Independent external validation – 30 Green Flag parks
  - Independent external validation – top performing London borough 2022 (Good Parks for London)
  - Good quality parks enabling income generation from events and filming
  - Quality green infrastructure supporting the physical and mental health of residents
  - Welcoming, safe and well maintained landscapes supporting passive and active recreation and sport
  - A year round service ensuring parks are available and accessible to all, meeting equality needs
  - Parks and trees significantly contributing to the climate emergency response
  - Maintenance regimes supporting important ecosystems
  - 86% of sites of importance for nature conservation (SINC's) in positive management, ranking Southwark fifth in England on this National Indicator
  - Maintenance regimes supporting and providing a matrix of habitat types where residents can interact with nature, including meadows, woodland and lakes
  - Appropriately managed green spaces providing community hubs for sport, exercise and passive recreation, including dog walking.

### **Wider economic and industry impacts**

15. Both Brexit and COVID-19 have had significant impacts on the economy and commercial businesses nationally. More recently, international issues such as the war in Ukraine have also contributed to the current cost of living crisis we currently face in the UK. The green industry which predominantly employs lower paid semi-skilled workers has been struggling for several

years now to both recruit and retain staff, especially for jobs in central London, where pay has failed to keep pace with living and commuting costs. As the current cost of living crisis continues, it is unlikely that the availability of a competitive market place and available staff will become more abundant in the short to medium term.

### **Competitive market place**

16. Historically, there were enough suitably sized grounds maintenance suppliers in the market place to ensure a competitive market place. Supplier interest was further bolstered with the onset of the Public Contract Regulations procurement process where non-green specialist suppliers also entered the green sector market place, including from outside the UK. It is apparent, however, that due to the current economic crisis, high London living wages and business operational costs that there is now a much reduced supplier base. Accordingly, it is felt that the market place would not be conducive to a new external procurement at this time.

### **Independent review**

17. A specialist external consultant was appointed in November 2022 to undertake a short, high level review of the contract to ascertain current value for money. This exercise confirmed that good value was being received in the context of monies spent and the high quality service outputs received. The exercise did highlight certain areas for a broader commercial discussion and these formed the baseline for a negotiation between the parties, to inform the parameters for the award of a three year contract extension, as proposed in this paper.

### **Future proposals for the service**

18. The outcomes of the commercial conversation agreed in principle the potential for the following contract variations:
  - Extension of the current contract for a further three year period
  - A contract cost baseline reduction applied from Oct 2023
  - A percentage reduction on the announced annual CPI indexation figure
  - No significant change to the existing service or standards.
19. The relevant contract elements are uplifted annually in accordance with both London Living Wage (LLW) and the Consumer Price Index (CPI) announcements.

### **Identified risks for the Variation**

20. Failure of the existing supplier and a need to put alternative service arrangements in place. This continues to be mitigated through monthly contract monitoring against a range of pre-set performance indicators. A proactive partnership approach and culture of goodwill have assisted the early identification of any issues of concern, aiding prompt resolution.

## **Policy implications**

21. Southwark Council's declaration of a climate emergency and current commitment to be carbon neutral by 2030 drives the need to ensure that the future GM service supports this commitment. Associated initiatives include the Southwark Nature Action Plan (SNAP) and ongoing capital programme tree planting commitments.

## **Contract management and monitoring**

22. The council's contract register publishes the details of all contracts over £5,000 in value to meet the obligations of the Local Government Transparency Code. In addition, annual performance reports are presented in line with the council's Contract Standing Orders. The contract is managed and monitored by the Parks and Natural Environment team with officers who are experts in their field. Outcomes of the service provided and the monitoring carried out inform the monthly payment process.

## **Community, equalities (including socio-economic) and health impacts**

23. As set out under the Equality Act 2010 and the Public Sector Equality duty (PSED), an equalities impact assessment was considered during the development of the service options and is attached as appendix 2. There is no clear, detrimental impact to any group or protected characteristic as outlined in the Equality Act or the PSED.
24. Parks benefit our communities and the environment in a number of ways by improving air quality, reducing urban temperatures through shading and evapotranspiration, mitigating climate change through canopy cover, sight and sound screening, managing flood risks, supporting biodiversity and improving health and wellbeing. The proposed contract extension compliments and facilitates delivery of the benefits outlined above.
25. An extension of the current contract will have a positive impact on communities and quality of life. By maintaining a healthy, protected and sustainable environment through robust maintenance arrangements, the service outcomes will continue to contribute significantly to the health, safety and wellbeing of Southwark residents and visitors.

## **Equalities (including socio-economic) impact statement**

26. The Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider socio-economic benefits that may improve the wellbeing of the local area can be secured, including the details of how social value are incorporated in the current tender documents.

27. The contract currently facilitates the following social value benefits, thereby supporting social, economic and environmental well-being of Southwark and its residents and supporting the delivery of the council's Fairer Future policies and Southwark Stands Together (SST) principles. Key outcomes include:
- Apprenticeships
  - Job creation
  - Work placement opportunities
  - Payment of London Living Wage
  - Environmental and sustainability considerations including the council's climate change strategy
  - Robust maintenance arrangements contributing to an environment where health and wellbeing are maximised.
- 28 The supplier complies with the council's Safer Lorries, Safer Cycling Pledge and is operating a green fleet, where technology has enabled them to do so. The supplier has attained gold standard in TfL's Fleet operator recognition scheme which promotes safer driving and environmental awareness.

### **Health impact statement**

- 29 Southwark's parks are maintained to reduce hazards and safety-related incidents ensuring a safe environment for its residents, workers and visitors.
- 30 Green infrastructure in parks removes polluting pollutants from the air and sequesters and stores carbon, improving air quality and supporting the response to the climate emergency.
- 31 Green infrastructure, including trees, is proven to contribute positively to people's mental wellbeing and quality of life.
- 32 Research demonstrates that trees and other green assets have a positive influence in recovery rates following ill health.

### **Climate change implications**

- 33 Parks are a key contributor to achieving the council's broader climate targets. The proposed contract extension will continue to compliment the aims and objectives of the climate emergency strategy, through beneficial planting schemes and maintenance practices, such as reduced grass cutting, meadow regimes, tree and hedge planting.
- 34 Green waste arising from maintenance activity will continue to be recycled and re-used in the borough's parks and open spaces.
- 35 Vehicles and small plant items will continue to be updated where appropriate, in line with available technologies to ensure we remain as 'green' as possible

moving forward. The three year extension period enables the opportunity for alignment of any parks vehicle procurement to the council's broader Fleet Renewal Strategy with the aim of maximising economies of scale.

- 36 The current contract and extension period will also continue contractual commitments with regard to the following:
- not to use single-use plastic and to use recycled materials where practical
  - encourage the use of low emission vehicles and the minimisation of vehicle journeys
  - report on the supplier's energy use, water consumption and CO<sub>2</sub> emissions to ensure the industry standards are adhered to
  - all new equipment will be low-energy rated to meet current regulations
  - ensure that all recyclable packaging will be set aside and disposed of via a recycling centre
  - ensure that no hazardous materials will be used
  - pro-actively assisting the council to achieve its carbon neutral target
  - use of peat free grown plants as the default position to supplement replacement planting.

### **Social Value considerations**

- 37 The Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider social, economic and environmental benefits that may improve the wellbeing of the local area can be secured. The social value considerations are included in the current contract (and will also apply to the extension period with on-going improvements where possible).

### **Economic considerations**

- 38 The Fairer Future Procurement Framework and the economic and social benefits to Southwark were considered as part of the initial procurement process and decision to extend the current arrangements.
- 39 The council is an officially accredited London Living Wage (LLW) Employer and is committed to ensuring that contractors and subcontractors engaged by the council to provide works or services within Southwark pay their staff at a minimum rate equivalent to the LLW rate. The payment of the LLW by the current contractor has helped to reduce staff turnover, assisted with skills retention and contributed to quality improvements for the council. The payment of LLW will continue through the contract extension period.

## **Social considerations**

- 40 The current contract pays LLW and this will be continued for the duration of the extension.
- 41 The current supplier meets the legal requirements around employees' rights to be members of trade unions and is an equal opportunities employer.
- 42 The current supplier is compliant with the council's policy on gender and ethnicity pay gaps, as detailed within their Fairer Future Procurement Framework submissions.

## **Apprenticeships/internships**

- 43 The current contract provides opportunities for five full-time apprenticeships annually. Apprentices are paid above the national scale and for the full term of the placement.
- 44 The current supplier has demonstrated a commitment to engage with local schools, stakeholders and the wider community in order to provide a range of volunteering opportunities. They also facilitate community payback and corporate volunteer programmes.

## **Local employment opportunities and use of local suppliers**

- 45 The current supplier advertises and recruits locally, also using local suppliers where practical.

## **Community engagement**

- 46 Opportunities for community engagement have been realised through the delivery of the contract to date, through participation, volunteering and education. This approach is complimentary to broader Southwark employment and climate change initiatives, such as the Green New Deal.
- 47 The contract deals with multiple stakeholders and an increasing number of community and friends of parks groups. Participation in park, ecology, litter removal and tree planting projects are common place. Engagement levels are healthy and beginning to grow again post Covid-19. These are further supplemented by corporate volunteering and community payback programmes. It is anticipated that this trend will continue through the extension period.
- 48 All social value commitments as described above are measured monthly and annually to determine trends and to assist with ongoing business decision making.

## **Environmental and sustainability considerations**

49 The current supplier set their environmental and sustainability commitments at the point of tender for the current contract across the following areas:

- Environmental policies
- Environmental impacts and audits (monitoring and measurements)
- Water conservation
- Recycling
- Biodiversity enhancement
- Reducing carbon emissions
- Waste reduction
- Procurement of supplies
- Training, awareness and competence
- Operational management
- Non-conformance and corrective and preventive action plans.

## **Financial Implications**

50 The estimated value of this Grounds Maintenance contract for financial year 22-23 is currently estimated at £2.964m and before any variations are agreed which happen between January and March 2023. Including add-ons, the Ground Maintenance out turn for financial year 21-22 was £3.049m. The estimated annual value of the contract from 3 Oct 2023 is £3.338m (total value of this extension is £10.014m) which includes the alternative inflation and LLW estimates although the CPI % included is an estimate as against an agreed final figure.

51 Relevant contract elements are uplifted annually in accordance with contract indexation, this includes London Living Wage and Consumer Price Index (CPI) announcements. Adjustments may also be required to accommodate any required asset and/or service level changes. Staffing and any other costs connected with this contract will be contained within existing Parks and Leisure Division revenue budgets, cost centre LK501 and there is enough budget available in this cost code to cover the costs of this contract.

52 Ad-hoc works are calculated from the tendered rates and are charged direct to area-based budgets, including cemeteries and crematorium.

## **Legal Implications**

53 Please refer to the concurrent of the Assistant Chief Executive, Governance and Assurance.

## **Consultation**

- 54 The proposed extension of the current contractual arrangements for a further three year period means no significant changes from a public or stakeholder perspective. Standard Southwark governance Gateway processes will apply to inform and enable the corporate decision making process.

## **Other implications or issues**

- 55 In order to ensure contractual compliance the incumbent supplier requires a minimum of 6 months' notice, prior to 3 October 2023.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Strategic Director of Finance and Governance (FC22/051)**

- 56 This report is requesting the cabinet to approve the extension of the existing grounds maintenance contract with Quadron Idverde, now trading as Idverde for a further 3 year period from 3 Oct 2023 with an estimated annual cost of £3.338m and subject to the contract provision as set out in paragraph 50 of this report making a total revenue value of £10.014m.
- 57 The strategic director of finance and governance notes the financial implications that these costs can be contained within existing revenue budgets. The contract extension lasts for 3 years and is subject to annual inflationary increases using CPI and relevant annual increases in London Living Wage.
- 58 Staffing and any other costs connected with this contract will be contained within existing Parks and Leisure Division revenue budgets.

## **Head of Procurement**

- 59 This report seeks approval of contract extension for provision of the parks grounds maintenance contract with Quadron Idverde (now trading as Idverde) for an additional three year period effective from 03 October 2023 with an associated estimated annual value of £3.338M.
- 60 The report confirms that the requested period of extension is permitted as part of the original award, and is therefore compliant with the Public Contracts Regulations 2015, (PCR2015) as governing modification of contracts during their term (Regulation 72(1a)):

72.—(1) Contracts and framework agreements may be modified without a new procurement procedure in accordance with this Part in any of the following cases:—

(a) where the modifications, irrespective of their monetary value, have been provided for in the initial procurement documents in clear, precise and

unequivocal review clauses, which may include price revision clauses or options, provided that such clauses—

(i) state the scope and nature of possible modifications or options as well as the conditions under which they may be used, and

(ii) do not provide for modifications or options that would alter the overall nature of the contract or the framework agreement.

61 The extension is also aligned with the council’s Contract Standing Orders (CSOs) which dictate that decision must be taken by cabinet, or cabinet committee, after consideration by CCRB.

62 Headline risks associated with the extension are detailed at paragraph 20.

63 Alignment with the Fairer Future Procurement Framework (FFPF) is evidenced, specifically via confirmation of London Living Wage (LLW) payment at paragraph 40, trade union recognition and gender/ethnicity pay equality, at paragraphs 41 and 42, and creation of apprenticeships and local employment opportunities within succeeding paragraphs 43 and 45.

64 Proposed methodology for performance/contract monitoring is detailed within paragraph 22, and references alignment with council CSOs via a vis methodology and production of an annual performance review.

65 The Community, Equalities and Health Impact Statements are set out in paragraphs 23 – 32.

66 The Climate Change, Social Value, Economic and Environmental / Sustainability statements are set out in paragraphs 33 – 49.

### **Assistant Chief Executive, Governance and Assurance**

67 This report seeks approval to extend an existing contract with Quadron Idverde (now trading as Idverde) for the provision of the parks grounds maintenance service for a period of three years from 03 October 2023.

68 The estimated value of the proposed contract extension means that it is subject to the application of the Public Contracts Regulations (PCR) 2015, which permits contract modifications without the need for a fresh procurement exercise where certain limited prescribed grounds are met, including (PCR 72(1)(a):-

where the modifications, irrespective of their monetary value, have been provided for in the initial procurement documents in clear, precise and unequivocal review clauses, which may include price revision clauses or options, provided that such clauses -

(i) state the scope and nature of possible modifications or options as well as the conditions under which they may be used, and

- (ii) do not provide for modifications or options that would alter the overall nature of the contract or the framework agreement.
- 69 It is confirmed that the terms of the contract contain express provision for extension beyond its initial term.
- 70 The recommended contract extension is also consistent with domestic legislation and with the council's Contract Standing Orders, which reserve the decision in this matter to the Cabinet.
- 71 Cabinet will be aware of the Public Sector Equality Duty set out in section 149 of the Equality Act (EA) 2010, which requires the council to have due regard in its decision making processes to the need to:
- a. Eliminate discrimination, harassment, victimisation or other prohibited conduct.
  - b. Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not.
  - c. Foster good relations between those who share a relevant characteristic and those that do not share it.
- 72 The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The Public Sector Equalities Duty (PSED) also applies to marriage and civil partnership, but only in relation to (a) above.
- 73 Paragraph 23 notes that an equalities impact assessment (attached as Appendix 3 to this report) was considered during the development of the service options and its findings revealed that the service has not had any clear detrimental impact on any individual or group having a protected characteristic under the EA.

## BACKGROUND PAPERS

Background Papers	Held At	Contact
GW1 Procurement Strategy parks grounds maintenance service	Public Health, Parks and Leisure	N/A
<b>Link:</b> <a href="https://moderngov.southwark.gov.uk/documents/g4868/Agenda%20frontsheet%20Tuesday%2017-Mar-2015%2016.00%20Cabinet.pdf?T=0">https://moderngov.southwark.gov.uk/documents/g4868/Agenda%20frontsheet%20Tuesday%2017-Mar-2015%2016.00%20Cabinet.pdf?T=0</a>		
GW2 Contract Award for the parks grounds maintenance service	Public Health, Parks and Leisure	N/A
<b>Link:</b> <a href="https://moderngov.southwark.gov.uk/documents/g5372/Public%20reports%20pack%20Tuesday%2019-Jul-2016%2016.00%20Cabinet.pdf?T=10">https://moderngov.southwark.gov.uk/documents/g5372/Public%20reports%20pack%20Tuesday%2019-Jul-2016%2016.00%20Cabinet.pdf?T=10</a>		

## APPENDICES

No	Title
Appendix 1	Options Appraisal (RAG Rated) High Level Summary
Appendix 2	Equality Impact and Needs Analysis Assessment

## AUDIT TRAIL

<b>Cabinet Member</b>	Councillor Catherine Rose, Leisure, Parks, Streets and Clean Air	
<b>Lead Officer</b>	Caroline Bruce, Strategic Director for Environment, Neighbourhoods and Growth	
<b>Report Author</b>	Richard Diplock, Group Manager Open Space Contracts and Operations	
<b>Version</b>	Final	
<b>Dated</b>	23 February 2023	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Strategic Director of Finance and Governance	Yes	Yes
Head of Procurement	Yes	Yes
Assistant Chief Executive, Governance and Assurance	Yes	Yes
Director of Exchequer (for housing contracts only)	No	No
Director of Education (for schools contracts only)	No	No
Cabinet Member	Yes	Yes
<b>Contract Review Boards</b>		
Departmental Contract Review Board (DCRB)	Yes	Yes
Corporate Contract Review Board (CCRB)	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>		23 February 2023

**GM Contract Future Service Options Appraisal (From October 23)**

**APPENDIX 1**

Option No.	Service Stream	Cost	Benefits	Risks	Rating (RAG)
1.	<b>New external procurement</b>	Price would be determined by market, currently impacted by the broader economic environment. A significant increase would be expected due to inflationary factors	<ul style="list-style-type: none"> <li>•An opportunity to re-write the specification.</li> <li>•Ability to build in mechanisms for future efficiencies the start of the contract</li> </ul>	<ul style="list-style-type: none"> <li>• Service price and quality vulnerable to both industry and broader national &amp; global economic impacts.</li> <li>• Goes against the preferred approach for service delivery – i.e. insourcing where possible</li> <li>• A risk of a higher cost &amp; reduced quality.</li> <li>• Client resource impacts - heavy procurement process</li> <li>• Transition period service impacts</li> <li>• Losing control of known price and quality outputs</li> </ul>	<b>Amber</b>
2.	<b>Bringing the service in-house</b>	Increase in current costs (estimated at circa 15-30%, but would require further investigation)	<ul style="list-style-type: none"> <li>•Meets the Council's preference for internalised services</li> <li>•Control</li> </ul>	<ul style="list-style-type: none"> <li>• Potential for higher cost</li> <li>• Transition period impacts, at a time when the Leisure team is focused on insourcing Leisure provision</li> <li>• Short-term client officer resource impacts</li> <li>• Recruitment and retention of GM staff</li> </ul>	<b>Amber</b>
3.	<b>Extension of the current contract</b>	Known costs with extension adjustments	<ul style="list-style-type: none"> <li>•No transition impacts</li> <li>•Known costs and quality</li> <li>•Consistency of high quality service</li> </ul>	<ul style="list-style-type: none"> <li>• Limited flexibility around future additional savings, as these will be front loaded and pre-agreed,</li> </ul>	<b>Green</b>

Option No.	Service Stream	Cost	Benefits	Risks	Rating (RAG)
			<ul style="list-style-type: none"> <li>• Designs out the potential for additional industry &amp; broader economic impacts</li> <li>• Reduced costs as outlined in section 18</li> <li>• The 3 year extension period enabling broader fleet renewal synergy options across the council</li> </ul>		<b>Green</b>

## APPENDIX 2



### Equality Impact and Needs Analysis – Grounds maintenance Contract Extension

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#### Guidance notes

Things to remember:

Under the Public Sector Equality Duty (PSED) public authorities are required to have due regard to the aims of the general equality duty when making decisions and when setting policies. Understanding the effect of the council's policies and practices on people with different protected characteristics is an important part of complying with the general equality duty. Under the PSED the council must ensure that:

- Decision-makers are aware of the general equality duty's requirements.
- The general equality duty is complied with before and at the time a particular policy is under consideration and when a decision is taken.
- They consciously consider the need to do the things set out in the aims of the general equality duty as an integral part of the decision-making process.
- They have sufficient information to understand the effects of the policy, or the way a function is carried out, on the aims set out in the general equality duty.
- They review policies or decisions, for example, if the make-up of service user changes, as the general equality duty is a continuing duty.
- They take responsibility for complying with the general equality duty in relation to all their relevant functions. Responsibility cannot be delegated to external organisations that are carrying out public functions on their behalf.
- They consciously consider the need to do the things set out in the aims of the general equality duty not only when a policy is developed and decided upon, but when it is being implemented.

Best practice guidance from the Equality and Human Rights Commission recommends that public bodies:

- Consider all the [protected characteristics](#) and all aims of the general equality duty (apart from in relation to marriage and civil partnership, where only the discrimination aim applies).
- Use equality analysis to inform policy as it develops to avoid unnecessary additional activity.
- Focus on the understanding the effects of a policy on equality and any actions needed as a result, not the production of a document.
- Consider how the time and effort involved should relate to the importance of the policy to equality.
- Think about steps to advance equality and good relations as well as eliminate discrimination.
- Use good evidence. Where it isn't available, take steps to gather it (where practical and proportionate).
- Use insights from engagement with employees, service users and others can help provide evidence for equality analysis.

Equality analysis should be referenced in community impact statements in Council reports. Community impact statements are a corporate requirement in all reports to the following meetings: the cabinet, individual decision makers, scrutiny, regulatory committees and community councils. Community impact statements enable decision makers to identify more easily how a decision might affect different communities in Southwark and to consider any implications for equality and diversity.

The public will be able to view and scrutinise any equality analysis undertaken. Equality analysis should therefore be written in a clear and transparent way using plain English. Equality analysis may be published under the council's publishing of

equality information, or be present with divisional/departmental/service business plans. These will be placed on the website for public view under the council's Publications Scheme. All Cabinet reports will also publish related

Equality analysis should be reviewed after a sensible period of time to see if business needs have changed and/or if the effects that were expected have occurred. If not then you will need to consider amending your policy accordingly. This does not mean repeating the equality analysis, but using the experience gained through implementation to check the findings and to make any necessary adjustments.

Engagement with the community is recommended as part of the development of equality analysis. The council's Community Engagement Division and critical friend, the Forum for Equality and Human Rights in Southwark can assist with this (see section below on community engagement and [www.southwarkadvice.org.uk](http://www.southwarkadvice.org.uk)).

Whilst the equality analysis is being considered, Southwark Council recommends considering Socio-Economic implications, as socio-economic inequalities have a strong influence on the environment we live and work in. As a major provider of services to Southwark residents, the council has a legal duty to reduce socio-economic inequalities and this is reflected in its values and aims. For this reason, the council recommends considering socio-economic impacts in all equality analyses, not forgetting to include identified potential mitigating actions.

**Section 1: Equality impact and needs analysis details**

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<b>Proposed policy/decision/business plan to which this equality analysis relates</b>	Gateway 3 Report – Extension of the Grounds Maintenance Contract (3 years) – Oct 23 – Oct 26
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<b>Equality analysis author</b>	Tara Quinn				
<b>Strategic Director:</b>	Caroline Bruce				
<b>Department</b>	Environment & Leisure	<b>Division</b>	Parks & Leisure		
<b>Period analysis undertaken</b>	November 2022 (Ongoing)				
<b>Date of review (if applicable)</b>	November 2025				
<b>Sig n-off</b>		<b>Position</b>		<b>Date</b>	

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## Section 2: Brief description of policy/decision/business plan

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### 1.1 Brief description of policy/decision/business plan

The current contract was awarded to Idverde for a seven year period (3rd October 2016 – 2nd October 2023). The contract facilitates the option to extend for up to a further seven year period, or indeed pursue an alternative service option.

The contract provides a 365 day per year service and is borough-wide covering some 105 sites including five major parks, 33 local parks, 15 gardens and squares, two sports grounds, three cemeteries, five adventure playgrounds and 42 other open spaces. Contract quantities indicate a total asset measurement of around 300 ha under management (March 2022).

The primary items covered by the contract include grounds maintenance (all gardening tasks). Cleansing and weed control of hard surfaces. Opening and locking of parks. Out of hours service cover provision. Park keeping services including room booking facilitation. Bin emptying, litter picking and faeces and needles removal. Apprenticeship programme and BMX coaches. Green waste composting & re-use. Volunteering programme(s) and close working with friends and stakeholder groups.

Officers considered the available options for this service from October 2023:

- Undertaking a new procurement exercise
- Bringing the service in-house
- Extending the current contract for a period of up to 7 years (in whole or in phases)

An options analysis was undertaken and on balance it was determined that a 3 year extension of the current contract was the most appropriate way forward.

### Section 3: Overview of service users and key stakeholders consulted

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<b>2. Service users and stakeholders</b>	
<b>Key users of the department or service</b>	The maintenance service covers all parks across the borough but does not provide direct services to the public and is not bookable. The service facilitates the provision of safe and presentable green spaces for both passive and active recreation, sports and leisure.
<b>Key stakeholders were/are involved in this policy/decision/business plan</b>	<p>The decision relates to the extension of an existing service only, with no significant change to existing service levels. Accordingly, involvement has been limited to the Council's standard Procurement Gateway decision making process.</p> <p>Cabinet Members &amp; Internal Business Units</p> <ul style="list-style-type: none"><li>• Parks &amp; Leisure</li><li>• Procurement</li><li>• Legal</li><li>• Finance</li></ul>

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## Section 4: Pre-implementation equality impact and needs analysis

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This section considers the potential impacts (positive and negative) on groups with 'protected characteristics', the equality information on which this analysis is based and any mitigating actions to be taken, including improvement actions to promote equality and tackle inequalities. An equality analysis also presents as an opportunity to improve services to meet diverse needs, promote equality, tackle inequalities and promote good community relations. It is not just about addressing negative impacts.

The columns include societal issues (discrimination, exclusion, needs etc.) and socio-economic issues (levels of poverty, employment, income). As the two aspects are heavily interrelated it may not be practical to fill out both columns on all protected characteristics. The aim is, however, to ensure that socio-economic issues are given special consideration, as it is the council's intention to reduce socio-economic inequalities in the borough. Key is also the link between protected characteristics and socio-economic disadvantage, including experiences of multiple disadvantage.

**Socio-economic disadvantage may arise from a range of factors, including:**

- poverty
- health
- education
- limited social mobility
- housing
- a lack of expectations
- discrimination
- multiple disadvantage

**The public sector equality duty (PSED)** requires us to find out about and give due consideration to the needs of different protected characteristics in relation to the three parts of the duty:

1. Eliminating discrimination, harassment and victimisation
2. Advancing equality of opportunity, including finding out about and meeting diverse needs of our local communities, addressing disadvantage and barriers to equal access; enabling all voices to be heard in our engagement and consultation undertaken; increasing the participation of underrepresented groups
3. Fostering good community relations; promoting good relations; to be a borough where all feel welcome, included, valued, safe and respected.

The PSED is now also further reinforced in the two additional Fairer Future For All values: that we will

- Always work to make Southwark more equal and just
- Stand against all forms of discrimination and racism



<b>Age</b> - Where this is referred to, it refers to a person belonging to a particular age (e.g. 32 year olds) or range of ages (e.g. 18 - 30 year olds).	
<b>Potential impacts (positive and negative) of proposed policy/decision/business plan; this also includes needs in relation to each part of the duty.</b>	<b>Potential Socio-Economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)</b>
No specific impacts identified	No specific impacts identified
<b>Equality information on which above analysis is based</b>	<b>Socio-Economic data on which above analysis is based</b>
Maintenance service only, no change to existing provision	Maintenance service only, no change to existing provision
<b>Mitigating and/or improvement actions to be taken</b>	
N/A	N/A

<p><b>Disability</b> - A person has a disability if s/he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities.</p> <p>Please note that under the PSED due regard includes:</p> <p>Giving due consideration in all relevant areas to "the steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities." This also includes the need to understand and focus on different needs/impacts arising from different disabilities.</p>	
<b>Potential impacts (positive and negative) of proposed policy/decision/business plan; this also includes needs in relation to each part of the duty.</b>	<b>Potential socio-economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)</b>

No specific impacts identified	No specific impacts identified
<b>Equality information on which above analysis is based</b>	<b>Socio-economic data on which above analysis is based</b>
Maintenance service only, no change to existing provision	Maintenance service only, no change to existing provision
<b>Mitigating and/or improvement actions to be taken</b>	
N/A	N/A

<p><b>Gender reassignment:</b>  - The process of transitioning from one gender to another.  <b>Gender Identity:</b> Gender identity is the personal sense of one's own gender. Gender identity can correlate with a person's assigned sex or can differ from it.</p>	
<b>Potential impacts (positive and negative) of proposed policy/decision/business plan; this also includes needs in relation to each part of the duty.</b>	<b>Potential socio-economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)</b>
No specific impacts identified	No specific impacts identified
<b>Equality information on which above analysis is based.</b>	<b>Socio-economic data on which above analysis is based</b>
Maintenance service only, no change to existing provision	Maintenance service only, no change to existing provision
<b>Mitigating and/or improvement actions to be taken</b>	
N/A	N/A

<p><b>Marriage and civil partnership</b> – In England and Wales marriage is no longer restricted to a union between a man and a woman but now includes a marriage between a same-sex couples. Same-sex couples can also have their relationships legally recognised as 'civil partnerships'. Civil partners must not be treated less favourably than married couples and must be treated the same as married couples on a wide range of legal matters. <b>(Only to be considered in respect to the need to eliminate discrimination.)</b></p>	
<p><b>Potential impacts (positive and negative) of proposed policy/decision/business plan</b></p>	<p><b>Potential socio-economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)</b></p>
<p>No specific impacts identified</p>	<p>No specific impacts identified</p>
<p><b>Equality information on which above analysis is based</b></p>	<p><b>Socio-economic data on which above analysis is based</b></p>
<p>Maintenance service only, no change to existing provision</p>	<p>Maintenance service only, no change to existing provision</p>
<p><b>Mitigating or improvement actions to be taken</b></p>	
<p>N/A</p>	<p>N/A</p>

<p><b>Pregnancy and maternity</b> - Pregnancy is the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth, and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavorably because she is breastfeeding.</p>	
<p><b>Potential impacts (positive and negative) of proposed policy/decision/business plan; this also includes needs in relation to each part of the duty.</b></p>	<p><b>Potential socio-economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)</b></p>
<p>No specific impacts identified</p>	<p>No specific impacts identified</p>

<b>Equality information on which above analysis is based</b>	<b>Socio-economic data on which above analysis is based</b>
Maintenance service only, no change to existing provision	Maintenance service only, no change to existing provision
<b>Mitigating and/or improvement actions to be taken</b>	
N/A	N/A

<p><b>Race</b> - Refers to the protected characteristic of Race. It refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins. N.B. Gypsy, Roma and Traveller are recognised racial groups and their needs should be considered alongside all others</p>	
<b>Potential impacts (positive and negative) of proposed policy/decision/business plan; this also includes needs in relation to each part of the duty.</b>	<b>Potential socio-economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)</b>
No specific impacts identified	No specific impacts identified
<b>Equality information on which above analysis is based</b>	<b>Socio-economic data on which above analysis is based</b>
Maintenance service only, no change to existing provision	Maintenance service only, no change to existing provision
<b>Mitigating and/or improvement actions to be taken</b>	
N/A	N/A

<b>Religion and belief</b> - Religion has the meaning usually given to it but belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live for it to be included in the definition.	
<b>Potential impacts (positive and negative) of proposed policy/decision/business plan; this also includes needs in relation to each part of the duty.</b>	<b>Potential socio-economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)</b>
No specific impacts identified	No specific impacts identified
<b>Equality information on which above analysis is based</b>	<b>Socio-economic data on which above analysis is based</b>
Maintenance service only, no change to existing provision	Maintenance service only, no change to existing provision
<b>Mitigating and/or improvement actions to be taken</b>	
N/A	N/A

<b>Sex</b> - A man or a woman.	
<b>Potential impacts (positive and negative) of proposed policy/decision/business plan; this also includes needs in relation to each part of the duty.</b>	<b>Potential socio-economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)</b>
No specific impacts identified	No specific impacts identified
<b>Equality information on which above analysis is based</b>	<b>Socio-economic data on which above analysis is based</b>
Maintenance service only, no change to existing provision	Maintenance service only, no change to existing provision

<b>Mitigating and/or improvement actions to be taken</b>	
N/A	N/A

<b>Sexual orientation</b> - Whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes	
<b>Potential impacts (positive and negative) of proposed policy/decision/business plan; this also includes needs in relation to each part of the duty.</b>	<b>Potential socio-economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)</b>
No specific impacts identified	No specific impacts identified
<b>Equality information on which above analysis is based</b>	<b>Socio-economic data on which above analysis is based</b>
Maintenance service only, no change to existing provision	Maintenance service only, no change to existing provision
<b>Mitigating and/or improvement actions to be taken</b>	
<b>No mitigating actions are currently required</b>	

**Human Rights**  
 There are 16 rights in the Human Rights Act. Each one is called an Article. They are all taken from the European Convention on Human Rights. The Articles are The right to life, Freedom from torture, inhuman and degrading treatment, Freedom from forced labour , Right to Liberty, Fair trial, Retrospective penalties, Privacy, Freedom of conscience, Freedom of expression, Freedom of assembly, Marriage and family, Freedom from discrimination and the First Protocol

<b>Potential impacts (positive and negative) of proposed policy/decision/business plan</b>
The contract extension and continuation of grounds maintenance services will have no impact on the articles that are set out in the Human Rights Act.
<b>Information on which above analysis is based</b>
Maintenance service only, no change to existing provision
<b>Mitigating and/or improvement actions to be taken</b>
<b>No mitigating actions are currently required</b>

### **Conclusions**

**Summarise main findings and conclusions of the overall equality impact and needs analysis for this area:**

**No impacts were identified through this exercise mainly due to the maintenance related work type and detached public interface. It was considered prudent however to ensure the ongoing consideration of EQIA issues to inform future key decisions around the service, via the formalised procurement and governance processes.**

### **Section 5: Further equality actions and objectives**

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#### **5. Further actions**

Based on the initial analysis above, please detail the key mitigating and/or improvement actions to promote equality and tackle inequalities; and any areas identified as requiring more detailed analysis.

<b>Number</b>	<b>Description of issue</b>	<b>Action</b>	<b>Timeframe</b>
1	EQIA update	Review prior to future key decision(s)	November 2025

### **5. Equality and socio-economic objectives (for business plans)**

Based on the initial analysis above, please detail any of the equality objectives outlined above that you will set for your division/department/service. Under the objective and measure column please state whether this objective is an existing objective or a suggested addition to the Council Plan.

<b>Objective and measure</b>	<b>Lead officer</b>	<b>Current performance (baseline)</b>	<b>Targets</b>	
			<b>Year 1</b>	<b>Year 2</b>
Future assessments will be undertaken as part of the procurement governance process and considered in conjunction with the associated Gateway report.				

### **6. Review of implementation of the equality objectives and actions**

There are no equality actions and objectives that require implementation at this point in time. This will remain under review and considered when making future key decisions around the service.