



# Grounds Maintenance Business Case

*Final Report for Colchester Borough Council*

This report has been  
prepared by John Marsh  
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Version 1.0





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# Colchester BC Grounds Maintenance Business Case

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# 1. Introduction

- 1.1 Colchester Borough Council is a borough council in the county of Essex named after the main town of Colchester. The borough covers an area of 333.2 square kilometres (just over 125 square miles) and stretches from Dedham Vale on the Suffolk border in the north to Mersea Island on the Colne Estuary in the south. It is the oldest recorded town in Britain.
- 1.2 The borough comprises 17 individual wards with in total 51 Councillors. There is a population of just under 195,000 (mid 2019 estimate) making it the second largest borough/district Council in England.
- 1.3 The grounds maintenance service is currently outsourced and provided by Idverde Limited. The contract, which is for 7 years and 7 months, commenced in April 2016 with an end date of October 2023. There is the option to extend the contract for three years (but not for a shorter timescale). This must be communicated within 72 months of the start of the contract so by April 2022 at the latest.
- 1.4 The total value of the contract is over £10.4 million with the value for 2021/2022 at £1.7 million making it one of the largest externalised contracts that the Council has.
- 1.5 It is anticipated that the project will identify further savings of £100k and this is built into the budget going forward but as yet these have not been identified.
- 1.6 The Colchester Leadership Panel requested that the Policy Panel participate in the review of future options for delivery of the grounds maintenance services across the borough and make recommendations to Cabinet at its meeting on 10th March 2021.
- 1.7 The Council appointed APSE (Association for Public Service Excellence) to support the review into the currently outsourced grounds maintenance service with a view to determining the right delivery option for the future.
- 1.8 The Council, as with most others throughout the UK, is facing financial pressures, but is still ambitious in how it wants to deliver services going forward. In October 2020, it launched a Strategic Plan 2020-23. The plan sets out how the Council will address the key challenges facing the borough through five strategic priority themes:
  - Tackling the climate challenge and leading sustainability
  - Creating safe, healthy, and active communities

- Delivering homes for people who need them
  - Growing a fair economy so everyone benefits
  - Celebrating our heritage and culture
- 1.9 On 19th July 2019, Colchester Borough Council declared a climate and biodiversity emergency setting out ambitious plans to put biodiversity and sustainability at the heart of the council's agenda. This included a new target and action plan to reduce glyphosate-based weed control, a policy of Greening Colchester and to put sustainability, biodiversity and carbon reduction at the heart of the council's agenda going forward. APSE's review has been conducted mindful of this emerging agenda.
- 1.10 In considering the future delivery of the grounds maintenance service, four strategic objectives for the review were agreed:
- **Community asset based;** Community involvement. Creating an environment and the conditions to support community led action.
  - **Exemplary management of the Environment;** Demonstrating exemplary management of the environment with sustainability, biodiversity and ecology at the heart.
  - **Ensure budget control;** Robust and demonstrable savings, with cost certainty that considers the future, including a £100,000 saving per annum.
  - **Transformation:** Matching the Council's ambition in how the service can be delivered going forward to provide services fit for the 21<sup>st</sup> Century.

## 2. The initial review

- 2.1 The initial review focused on the works carried out under the current contract by Idverde but also included works currently undertaken by the Neighbourhood Services team. This included Castle Park, Countryside, tree maintenance, river, lake and coastal maintenance. It also considered future implications and opportunities on service delivery, such as legislative changes, significant changes to assets, public sector reform and environmental ambitions.
- 2.2 A current state assessment report was produced to establish a baseline for the current service. This was supplemented by benchmarking data from APSE which were presented to the Policy Panel at a workshop on 20th January 2021.
- 2.3 To support the Policy Panel further in reaching their decision, a number of workshops were held, not only with the Policy Panel but also with stakeholders and

partners. This was supplemented with a questionnaire to all Councillors on the Policy Panel and the Environment and Sustainability Panel, plus 32 partners and stakeholders. These focused, not only on the current service, but also what is important and what service they wanted to see in the future.

- 2.4 As part of the review, members of the Policy Panel asked for best practice examples from other local authorities. Fourteen case studies from other local authorities across the UK were identified and these gave examples of good practice against the four strategic objectives. These were listed under the most appropriate objective although they did naturally cross over between objectives.
- 2.5 The decision from Policy Panel workshop on 9th February 2021 meeting was a consensus to bring the grounds maintenance service in-house and for the review team to bring back recommendations of what any in-house option would look like. Any option would follow the four strategic aims set out on pages 1 and 2.
- 2.6 The Policy Panel confirmed this at its meeting on 3rd March 2021 where it recommended to take forward a report to Cabinet on 10th March with the recommendation at this pre-business case stage, of a new in-house operating model to deliver grounds maintenance as described in the report. However, at this stage other options will remain on the table as it may be that the in-house is not viable. This could include going back out to tender or extending the current tender arrangements.
- 2.7 This was approved by Cabinet at its meeting on 10th March 2021. It was requested that a more detailed business case to be brought back to Policy Panel for review before final recommendations go to Cabinet for a formal decision on the operating model to be delivered at the end of the current Grounds Maintenance contract.
- 2.8 APSE was asked to support the second phase of the project with the creation of a business case for the preferred option of establishing an in-house service. This support would develop a balanced business case methodology designed to test, as opposed to simply support, a preferred course of action. To this end the business case assesses viability according to five headings;
  - **strategic case**, the proposed activity must be consistent with achieving the strategic objectives of the authority.
  - **operational case**, there must be an understanding of the resources needed to provide the service and how these will be obtained.
  - **financial case**, the contract price available from the market must be at least sufficient to cover the net cost of provision.

- **commercial case**, the proposed activity must, if it involves external trading, be commercially viable meaning that there must be a product that customers will choose to buy.
- **legal case**, the activity must be lawful.

2.9 These interrelated elements are discussed further in the body of the report.

2.10 The aim of the business case is to ensure that the assessment fully considers all elements of deliverability and not just the ones that tend to support its implementation. A good example of this would be where taking a service in-house may be a strong fit with strategic requirements around control, agility and commercial potential but may raise issues in terms of financial viability and operational delivery. A genuinely compelling business case should deliver against the requirements of each element.

## 3. Strategic Case

### Performance and Governance

- 3.1 Colchester Borough Council has had longstanding cross political support for in-house provision of direct services. The initial report identified that there was strong political support in bringing grounds maintenance services back in-house.
- 3.2 The Council's strategic plan (<https://www.colchester.gov.uk/strategic-plan/2020-23>) sets out how the Council will address the key challenges facing the borough through five strategic priority themes. The plan outlines 15 priorities, taking into account the impact of the Covid-19 pandemic, and sets out the key goals by which success will be measured moving forward, together with a clear set of commitments that will be delivered in the first year of the plan. A number of the goals for 2020 to 2023 are related directly with the delivery of grounds maintenance services such as "Work alongside communities to maintain clean, green neighbourhoods and urban spaces that we all look after and enjoy".
- 3.3 A particular benefit can be achieved through bringing decision-making and service delivery closer together, enabling a stronger link to local policy. This closer link will be critical with policies such as "Rewilding" projects and phasing out use of glyphosate in chemical weed control.
- 3.4 It was recognised that the future in-house service could provide a link between residents and visitors to the objectives. In-house delivery of grounds maintenance services is seen as an opportunity to strengthen this link.

### **Cost efficiency, flexibility and added value**

- 3.5 The increased flexibility and responsiveness through providing the service in-house outside of a strict contractual environment will be vital post Covid and also in implementing the innovative Greening Colchester Policy.
- 3.6 The response to the pandemic in Spring 2020 identified a number of issues regarding flexibility of contractor staff, where if the service was being delivered in-house, staff could be redirected in other roles to meet the emergency.
- 3.7 There are a number of overlaps where currently both Idverde and the Council's teams are engaged, such as litter picking, bin emptying and community engagement. Delivering in-house will remove this duplication and will lead to improvements in areas such as call handling resident enquiries.

### **Service integration and synergy with other in-house services**

- 3.8 The return of grounds maintenance services in-house is an opportunity to create synergy between grounds and other in-house services such as the Street Care team. This could lead in the future to the development of an integrated Street Care team delivering a wider range of services.
- 3.9 This is also particularly important in employee terms with a joined-up in-house service offering the opportunity for new skills for the existing workforce and the multi-skilling of transferred employees.
- 3.10 There is also the opportunity for greater community engagement outside a strict contractual regime. This would be delivered through the Council's existing Corporate Community Enabling team and Neighbourhood Services existing Community Education and Engagement Officers. This will fit with the aim of increasing pride in Colchester.

### **Employment considerations**

- 3.11 The Council recognises that through its current in-house services the importance of providing an established, experienced and well-motivated workforce with strong local knowledge and a growing skills base. This ethos dovetails with the bringing in-house of grounds maintenance. grounds maintenance. It is important for the local economy to sustain, up-skill and build upon this workforce; and one way of doing this being to bring grounds maintenance back inhouse.

- 3.12 A core consideration related to the transfer of staff to the in-house service is the harmonisation and dis-harmonisation of those staff. During the set-up of the new in-house service approximately 50 employees will be transferred under TUPE legislation. The process of TUPE will need support from Human Resources and cooperation with relevant Trade Unions. It needs to be highlighted that some staff may not transfer back to the Council and it could be possible that a 'full team' may not arrive and commence on the day of transfer. A further consideration is that Idverde staff are allowed to use company vehicles to travel to and from work, which is currently not something that the Council allows.
- 3.13 The current rates of pay for grounds maintenance and gardening staff are level between the public and private sector. The Government has put into place a pay freeze for 2021/22 for the public sector. However, the most recent data shows that private sector wages are rising by approximately 4% and the consequences of this will need to be factored into any transfer.
- 3.14 As with many other industries, the horticultural sector has an aging workforce. Bringing the contract back in-house will offer the opportunity for succession planning to be included. Through working with the current services and their ambitions to develop and grow its own workforce it will be possible to employ apprentices to begin to address this, as well as giving well trained jobs to local young people.

### **Quality of services**

- 3.15 The workshops undertaken for the initial phase of the project identified a range of issues with the current quality of service delivered by the contractor together with a lack of pride in the service. This was especially apparent with local sports clubs with complaints about a deterioration in pitch quality.
- 3.16 Bringing the service back in-house will give a sharper focus to quality. The existing Parks, Contracts and Volunteering specialists have good relationships across partners and these links can be built on to improve quality through greater control of service delivery.

### **Sustainability**

- 3.17 Exemplary management of the environment is one of the four strategic objectives. This coupled with the fact that grounds maintenance operations will see fundamental change in the coming years to cope with climate change obligation is

going to have a major impact on service delivery. By bringing back in-house it should make it far easier to make changes.

### Local economy

- 3.18 As part of the new model, the opportunity for smaller local contractors to undertake specialist works should be investigated as appropriate as this would support the local economy. This does need to be balanced against the extra contract management time and resources this will involve.

## 4. Operational and Financial Case

- 4.1 The operational and financial cases are considered together because of the intrinsic link between them. To determine the full operational case, it is necessary to accurately identify the grounds maintenance work that is needed to be carried out. Following this the financial cost can be established. The financial cost will be split between capital and revenue.
- 4.2 The business case assumes and assesses a like-for-like movement of the contract to in-house delivery for the first 18 months, applying the same specification, during which time it will enable the Council to understand the operational delivery in more detail. The current data and specification contained within the contract does provide a good comparison at this stage. The risk in this approach is that there could be some differences in measured areas which may increase or decrease costs; it also limits any transformational or innovative approach to service delivery at an early stage. However, the business case also identifies some areas of opportunity.
- 4.3 The contract covers the whole of the green space within the borough including Parks, Sports Grounds and the Cemetery and Crematorium.
- 4.4 The annual value of the contract for 2021/22 is just over £1.7 million. Currently any savings attributed to the contract, are based more on a reduction in service than on the contractor delivering greater efficiencies. Idverde are also paid an extra £90k for work on the Assisted Garden scheme from Colchester Borough Homes which is outside of the above £1.7 million.
- 4.5 Looking forward, tender prices are predicted to go up by 21% over the next five years, while they will increase faster than input costs due to increased demand and loss of competition (source: Royal institute for Chartered Surveyors, October newsletter 2021). In the immediate term, sharply rising materials prices and longer

supply times resulting from both Brexit and the Covid-19 pandemic show that tender prices will rise by nearly 4% between quarter 2 2021 and quarter 2 2022. This needs to be factored in when comparing the costs in this business case.

#### 4.6 The scope and extent of the Contract covers the following activities

- grass maintenance,
- shrub, planted areas, and border maintenance,
- hedge maintenance,
- minor tree maintenance, (e.g., lifting lower branches to help with grass cutting)
- maintenance of hard surfaces.
- ponds and ditches,
- planting works,
- sports pitch maintenance including re-seeding and turf maintenance,
- fencing on a temporary basis,
- litter clearance and site maintenance,
- work related to interment,
- site security, unlocking and locking of gates at various sites at different times
- assisted garden scheme. This is a scheme undertaking grass cutting in Colchester Borough Homes (CBH) residents gardens. It is usually five to six cuts a year depending on growth and two hedge cuts. Currently, at October 2021, Idverde are carrying out an eighth cut. This is paid through the Assisted Garden scheme budget and is not part of the monthly payment to Idverde. There were 222 properties on the scheme at February 2021.

#### 4.7 The initial report into the current service identified that the operations within the contract can be split into four main activity types. This was based on the measurements specified when the contract was let.

- Grass cutting (amenity, prestige, grasslands) – 37%
- Shrub and Hedge maintenance – 22%
- Sports pitches maintenance and activity - 16%

- Non-horticultural (litter picking, locking/unlocking Parks, maintain hard surfaces) – 24%

4.8 Based on the above, approximately a quarter of the contract is non-horticultural activity, which potentially could be carried out by the other services (e.g., 9.6% is litter picking that could be carried out by the Council's Street Care and Safety team).

4.9 The work detailed within the contract is a mixture of outcome and output specifications. For example, some of the grass cutting operations specify a frequency of cuts, whilst others are based on grass not exceeding a maximum height with the number of cuts determined by growth and weather conditions.

4.10 There have been a number of changes since the original contract was let in 2016 which have been updated within the Asset management system. The increases being attributed to new land being taken on by the Council through new developments and adopted through the Section 106 process. The current breakdown of operations is set out in the table on the following page.

|                                  |                      |               |  |                           |             |
|----------------------------------|----------------------|---------------|--|---------------------------|-------------|
| <b>Total Value</b>               | <b>£1,778,786.85</b> | <b>100.0%</b> |  |                           |             |
|                                  |                      |               |  |                           |             |
| Grass Cutting                    | £672,291.58          | 37.8%         |  | Amenity                   | £530,040.97 |
|                                  |                      |               |  | Prestige                  | £94,840.11  |
|                                  |                      |               |  | Wildflower/<br>Grasslands | £25,352.70  |
|                                  |                      |               |  | Miscellaneous             | £22,057.80  |
|                                  |                      |               |  |                           |             |
| Shrub/Rose<br>Bed<br>maintenance | £359,644.68          | 20.2%         |  |                           |             |
| Hedge<br>maintenance             | £49,351.64           | 2.8%          |  |                           |             |
|                                  |                      |               |  |                           |             |
| Maintain Hard<br>surfaces        | £54,409.54           | 3.1%          |  | Type A and Type<br>C      | £39,877.12  |
| Litter clearance                 | £170,824.51          | 9.6%          |  |                           |             |
| Site security                    | £41,487.92           | 2.3%          |  |                           |             |
|                                  |                      |               |  |                           |             |
| Pitch<br>maintenance             | £409,615.03          | 23.0%         |  |                           |             |

|                   |  |            |      |  |                           |             |
|-------------------|--|------------|------|--|---------------------------|-------------|
|                   |  |            |      |  |                           |             |
|                   |  |            |      |  | Football                  | £85,414.12  |
|                   |  |            |      |  | Rugby                     | £127,943.83 |
|                   |  |            |      |  | Tennis (incl. hard court) | £33,479.52  |
|                   |  |            |      |  | Cricket                   | £32,985.75  |
|                   |  |            |      |  | County Cricket            | £83,459.48  |
|                   |  |            |      |  | Bowling Greens            | £32,027.96  |
|                   |  |            |      |  | Miscellaneous sports      | £14,304.37  |
|                   |  |            |      |  |                           |             |
| Other maintenance |  | £21,113.95 | 1.2% |  |                           |             |

4.11 When applied to the contract specification it increases the overall cost by just under 4% to £1.778 million. The table above does not include the new Northern Gateway Sports ground.

4.12 Looking at the 4% increase in more detail, the individual increases by activity include:

- Grass cutting 6.4%
- Border maintenance 9.58%
- Hedge maintenance 16.35%

4.13 The area of hard surface maintenance has increased by 1.14%. However, the cessation in glyphosate use will have a significant increase in maintenance costs. These are shown later within this section.

4.14 Currently, the grounds maintenance service, maintains three sports areas:

- Shrub End / West End; (6 x Council football pitches and 4 x Colchester United football pitches).
- Lexden King George; (6 x football pitches).
- Mile End; (6 x football pitches).

4.15 When Northern Gateway is fully operational there will be a further seven rugby pitches.

4.16 The above table assumes that there have been no other changes to pitch maintenance and that West Mersea litter picking that has been transferred already

to the Street Care and Safety team. The almost £410,000 cost of maintaining and managing sports pitches is offset by income of approximately £50,000.

## Grass Cutting

- 4.17 The largest section of the contract relates to grass cutting, so any change in specification (e.g., frequency of grass cutting) would have a major effect. The increase in the area of grass cutting is primarily due to taking on new open space from developers. The number of grass cuts specified in Colchester is slightly below average when benchmarked nationally. Despite this, it is considered that the number specified is sufficient to achieve a good standard of maintenance and it is not recommended to change the annual number of cuts.
- 4.18 In terms of grass cutting activity, as mentioned above, there has been a number of changes since 2016 when the contract was let. The table below gives the square metres cut split by amenity, prestige and wilding. The costs per square metre are based on the Idverde schedule of rates.

|                             | Square Metres |           |            | Average cost/ sq.<br>mtr. |
|-----------------------------|---------------|-----------|------------|---------------------------|
|                             | 2016          | 2021      | Difference |                           |
| <b>Amenity</b>              | 2,766,956     | 3,002,283 | 235,327    | <b>£0.18</b>              |
| <b>Prestige</b>             | 156,828       | 155,203   | -1,625     | <b>£0.61</b>              |
| <b>Wildflower/Grassland</b> | 198,569       | 223,109   | 24,540     | <b>£0.09</b>              |

- 4.19 Since 2016, the amount of wildflower grassland has increased from 5.1% of all grass cutting to 5.9%, although it remains very small in relation to the amount of amenity grass cut. The policy changes set out in the Greening Colchester paper to increase the area of grassland set aside to wildflower areas is likely to affect this further. However, this increase in land given over to "wilding" is more than offset by the extra 235,000 square metres of extra amenity grass that have been added in the last 5 years.
- 4.20 As can be seen from the table, the average cost of cutting per square metre of wild areas to amenity areas is half; a saving of £0.09 per square metre, based on the Idverde schedule of rates figures. To give this context, if 10% of Amenity Grass types A and E were transferred to a wildflower grassland cut and lift, it would result in a £20,477 saving in grass cutting activity. This is based on a transfer of 255,000 square meters from an amenity grass cutting regime. There will be an extra cost involved

in the purchase of additional cut and clear machinery which has been allowed for in the fleet and plant costings.

### **Contract costs**

- 4.21 There are some costs identified within the asset management system that are already known to need attention. Where these are identified, the budgets have been allocated to cover other works within the contract.
- 4.22 There are other areas where further interrogation would be beneficial. For example, there is £41,000 allocated for locking and unlocking Parks. It is recommended that this is investigated to determine whether this activity could be ceased or transferred to another function within the Council.

### **Asset Register**

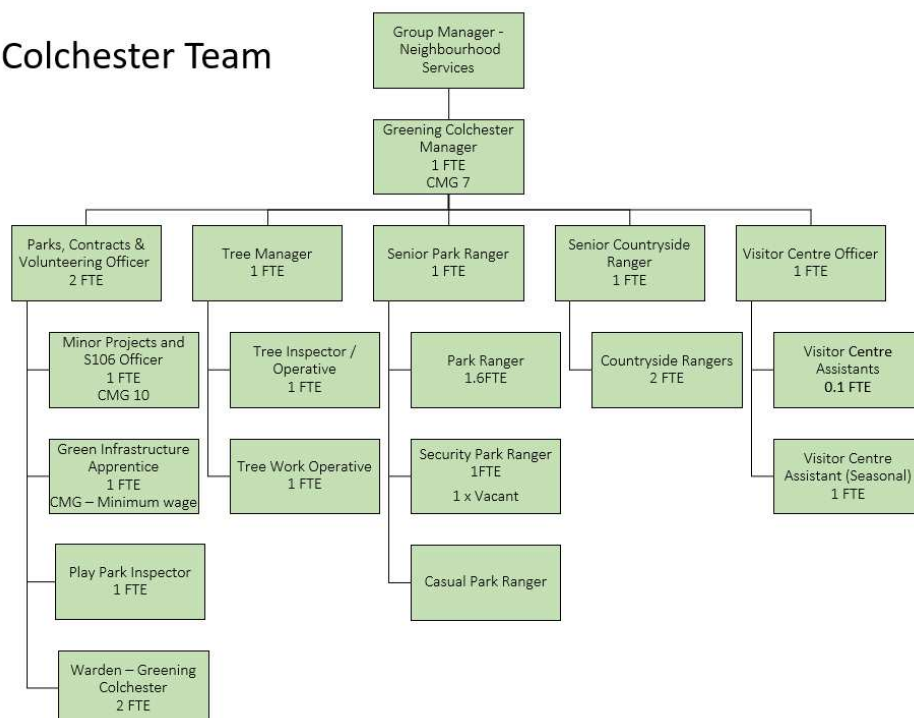
- 4.23 The assets are all recorded on the Mayrise Grounds module system. This is kept up to date and whenever a new area is taken on it is input onto the Mayrise system. A variation document is provided to Idverde detailing the works that need to be undertaken.
- 4.24 The suppliers of the Mayrise module, Yotta Systems have an updated version called Alloy. A demonstration has been given with a view to transferring to the new system. Yotta are currently continuing to support Mayrise although they are pushing clients to transition over to Alloy.
- 4.25 The cost of the updating to the Alloy system is a "one-off" £15,000 payment with ongoing licence costs. Currently, Colchester have two licences although more will be needed for front line teams if the operations are taken in-house. A total of 30 licences has been included in the budget forecast.
- 4.26 It is recommended that further investigation into the suitability of transitioning over to Alloy or looking at other system is undertaken.
- 4.27 Further information on Asset Management systems is shown in Appendix 1

### **Staffing requirements**

- 4.28 The current structure for Greening Operations is shown below. This will need to be amended and expanded to incorporate the transfer of the Grounds maintenance

contract, which will also include other additional roles within Neighbourhood Services.

## Greening Colchester Team

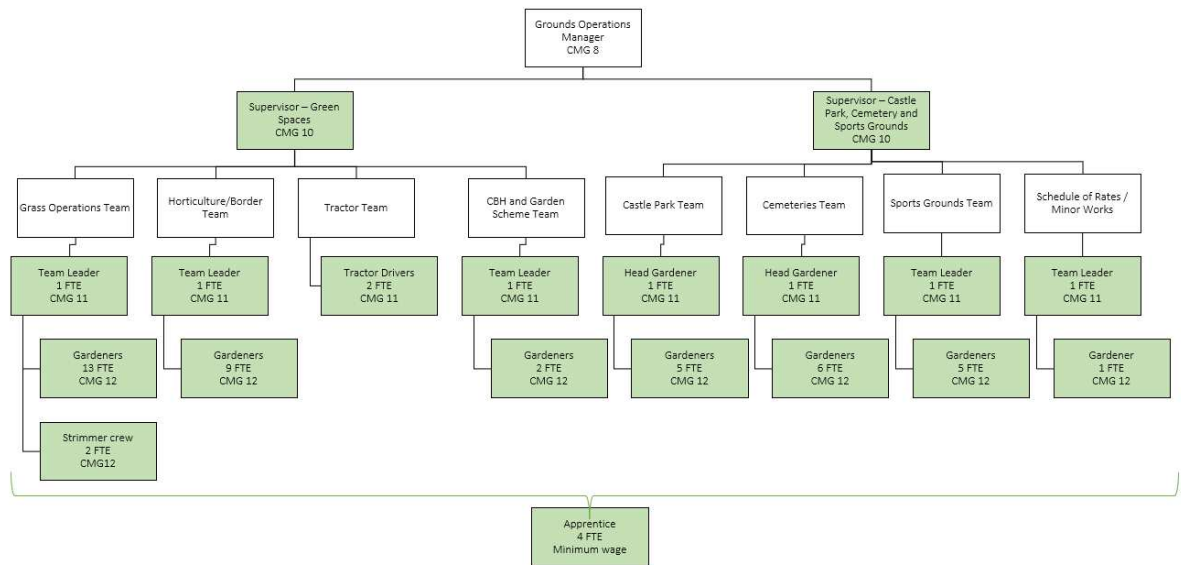


4.29 The table below describes this in detail by operation, together with a proposed number recommended to fulfil the requirements of the current specification.

|                                          | Idverde<br>Summer<br>proposal | Idverde<br>July 21 | Idverde<br>October 21 | Proposal |
|------------------------------------------|-------------------------------|--------------------|-----------------------|----------|
| Management                               | 1                             | 1                  | 1                     | 1        |
| Admin/Business Support                   | 1                             | 1                  | 1                     | 1        |
| Fitter                                   | 1                             | 1                  | 1                     | 1        |
| Apprentice                               | 4                             | 0                  | 0                     | 4        |
| <b>Sub Total</b>                         | <b>7</b>                      | <b>3</b>           | <b>3</b>              | <b>7</b> |
| <b>Frontline</b>                         |                               |                    |                       |          |
| Supervisors                              | 2                             | 1                  | 1                     | 2        |
| Mowing Teams                             | 10                            | 11                 | 14                    | 12       |
| Horticultural Teams (Borders and Hedges) | 6                             | 8                  | 8                     | 10       |
| Tractors                                 | 2                             | 1                  | 2                     | 2        |
| Strimming and spraying back up teams     | 0                             | 2                  | 1                     | 2        |
| SoR Teams                                | 3                             | 0                  | 0                     | 2        |
| Housing Grass Team                       | 2                             | 0                  | 0                     | 0        |
| CBH and AGS                              | 0                             | 3                  | 3                     | 3        |
| Castle Park                              | 6                             | 5                  | 4                     | 6        |
| Cemetery Team                            | 7                             | 7                  | 6                     | 7        |
| Sports Team                              | 6                             | 5                  | 4                     | 6        |
| Cleansing (incl. Castle Park)            | 3                             | 2                  | 2                     | 0        |

#### 4.30 The proposal is shown in structure form below

##### Greening Colchester Team



#### 4.31 The main points from the table

- The proposed numbers are based on 37 hours per week (or 1924 hours per annum).
- Current Idverde numbers are below those specified in the 2016 method statement both in front line numbers and apprentices. This means there is limited scope to cover work for both holidays and sickness.
- There are insufficient numbers of multi-trained Idverde staff to transfer between teams. To overcome this post transfer, it is recommended that a comprehensive training programme is introduced. The apprentices will need to be rotated across all areas of the operation.
- Current Idverde staff work 39 hours. If Idverde staff continued to work a 39 hours per week post transfer this is equivalent to an extra 3 FTE when compared to a 37-hour working week. This reduces the actual difference between Idverde summer working and the proposal to 1.5 FTE.
- The increase in FTE numbers in the proposal strengthens, in particular, the border maintenance and grass cutting teams. This is based on the fact
  - that Idverde performance has been poor over recent months leading to rectification notices being issued.
  - on-site supervision (for example in Castle Park) has been lacking.
  - Time taken for hedge cutting is increasing
- In terms of recruitment, as the contract commences in October and workload theoretically reduces over winter, any potential recruitment can take place over the winter period to be ready for the start of the grass cutting season.
- The Contract manager would report directly to the Greening Operations Manager
- The 2 supervisors are to give increased on-site supervision and extra support where needed to ensure that the specification and maintenance standards are being

achieved. It is recommended that these roles are split between general green spaces operations and sports pitch/Castle Park/Cemetery operations.

- The two supervisors would be supported by 9 team leaders/head gardeners
- The four apprentices would rotate across the teams as part of a structured training programme.
- The horticulture/border teams will be split into 5 mobile teams. Currently, Idverde have 3 border teams and 1 hedge team. These teams would also undertake hedge cutting works to add extra capacity for busy periods. Additionally, the Schedule of Rates/Minor Works team would act as an additional back-up for busy periods.
- The proposal allows for a “follow up” team to carry out strimming/residual spraying work to cover for the cessation in glyphosate usage. They would predominately carry out this work in the grass cutting season.
- The cleaning operations, including toilet cleaning and litter bin emptying at Castle Park, would transfer to the Street Care and Safety team. This also assumes that the West Mersea litter picking remains with the Street Care and Safety team. The Street Care and Safety team already carries out litter picking on Mersea Island which was part of the grounds maintenance contract. It is recommended that an extra team is established within the Street Care and Safety team to cover this work (two FTE staff plus vehicle). This has been allowed for in the costings.

4.32 In addition to the above, three other posts are recommended to build resilience and ensure compliance. These are:

- A Deputy Fleet and Depot Manager role to support the increased numbers of fleet and equipment across the Neighbourhood Service now needed to be managed. This role will report into the Fleet and Depot Manager, to provide resilient and potential succession planning, whilst also managing the Small Plant Fitter.
- A Senior Business Improvement Officer joins the team, along with a Health, Safety and Training Coordinator, to recognise the increase in record and data management, as well as an increase in staff health and, safety and training requirements and checks for a high-risk area of the Council.

### Staffing Costing

4.33 In terms of this staffing requirement, the following costing is based on the April 2021 Colchester Managed Grades (CMG) salary rates. The table below identifies the roles, numbers and suggested grades. These would need to be confirmed by job evaluation once job descriptions have been developed.

|                                 | Number | CMG | SCP     | Bottom of grade | Top of grade | Mid point of grade |
|---------------------------------|--------|-----|---------|-----------------|--------------|--------------------|
| <b>Contract Manager</b>         | 1      | 8   | 29 – 33 | £32,961.89      | £38,496.61   | £35,640.89         |
| <b>Business Support Officer</b> | 1      | 10  | 26 – 30 | £23,874.58      | £30,459.55   | £26,472.38         |

|                                                   |    |                       |         |            |            |            |
|---------------------------------------------------|----|-----------------------|---------|------------|------------|------------|
| <b>Grounds Supervisors</b>                        | 2  | 10                    | 23 -27  | £23,874.58 | £30,459.55 | £26,472.38 |
| <b>Head Gardeners/Team Leaders/Tractor driver</b> | 9  | 11                    | 18 – 24 | £20,853.60 | £24,527.24 | £22,666.18 |
| <b>Gardeners (includes small plant fitter)</b>    | 42 | 12                    | 11 – 18 | £18,328.26 | £20,853.60 | £19,649.45 |
| <b>Apprentices</b>                                | 4  | National Minimum Wage |         |            |            |            |

4.34 The full staffing budget build spreadsheet is shown in Appendix 2. This identifies the full staffing costs with Employer National Insurance and Superannuation costs and contributions added. This also includes staff related to the management of the existing contract.

4.35 The direct staffing costs associated with the delivery of the contract in-house would range from £1.718 million to £1.990 million dependent on whether at bottom or top of the grade. When other related existing staff costs are included these increase from £1.952 million to £2.267 million.

4.36 It is assumed that TUPE will apply at the transfer of the contract and staff will transfer on their existing terms and conditions. It has not been possible to obtain current rates of pay for Idverde. However, we are aware that the grounds staff are 39 hour per week contracts which is above the Colchester Council working week and the Contract Manager and Supervisor posts are 40 hours per week.

4.37 Further research into private sector salary for grounds and gardening roles identified the following figures. The current national average for General Gardeners is £20,536 which is only slightly less than the proposed rates. The average for Head Gardeners is £26,000 per annum. The Contract Manager role is being advertised at £37k plus company car.

4.38 As the new proposal recommends extra staff to those that will transfer through TUPE, consideration will be necessary to co-ordinate any potential recruitment requirements at contract commencement.

### **Fleet, Plant and Machinery**

4.39 To fulfil the contract a wide range of vehicles and plant will need to be procured. This section will identify a non-exhaustive list of potential vehicles and plant required to undertake the current work required. This has been split into four sections;

- traditional road vehicles,
- specialist grass cutting mowers/tractors and parks vehicles,
- specialist plant and equipment required for pitch maintenance,

- hand power tools

4.40 The Council in 2020 approved a 10 year forward Fleet Transition Plan. The ambition is that by 2030 the Council will have transitioned to a fully electrified fleet. During this ten-year programme diesel vehicles will be replaced where viable with electric vehicles (EV), but other options may be considered such as hybrid alternatives.

4.41 Wherever possible, Electric Vehicle (EV) or battery alternatives have been costed. For some vehicles there is currently no suitable EV version available, such as Tractors and Ride-mowers, although the technology around EV is evolving rapidly and there will be far greater vehicle types to be available in the coming years. For example, a number of manufacturers are promising 4 x 4 options by 2023 or 2024.

4.42 The following do not include for any spare vehicles or the need for any extra vehicles in street cleansing as a result of litter picking and litter bin emptying.

#### Fleet vehicles

4.43 In terms of fleet infrastructure, it is proposed that 19 road vehicles will be needed at a cost of £485,000 for Diesel or £829,000 for EV. The table overleaf gives detail on the types.

|                                                                       | Number    | Cost per vehicle - Diesel | Cost per vehicle - EV | Total cost Diesel  | Total cost EV      |
|-----------------------------------------------------------------------|-----------|---------------------------|-----------------------|--------------------|--------------------|
| <b>Small vans -Renault Kangoo type</b>                                | 6         | £13,500                   | £19,500               | £81,000            | £117,000           |
| <b>Ford Ranger/Land Rover/4x4 type</b>                                | 2         | £20,500                   | *                     | £41,000            | £41,000            |
| <b>Single cab caged tipper/Flat bed **</b>                            | 8         | £33,000                   | £61,000               | £264,000           | £488,000           |
| <b>Crew cab caged tipper/Flat bed</b>                                 | 3         | £33,000                   | £61,000               | £99,000            | £183,000           |
|                                                                       | <b>19</b> |                           |                       | <b>£485,000.00</b> | <b>£829,000.00</b> |
| Notes                                                                 |           |                           |                       |                    |                    |
| * No current EV alternative                                           |           |                           |                       |                    |                    |
| ** Price will vary based on specification (tail lifts, crew cabs etc) |           |                           |                       |                    |                    |

Appendix 3 identifies the teams where the vehicles are proposed to be used.

## Tractors/Ride-on mowers/Specialist Mowers and Parks Utility Vehicles

- 4.44 In addition to the fleet above, a further wide range of specialist vehicles and plant is necessary to fulfil the specification. Appendix 4 details a potential list of these vehicles and plant. This is based on local knowledge and the operations undertaken. It may be that differing configurations of plant is required, for example the various configurations of ride-on or triple mowers, but it is intended to give an estimate of the potential.
- 4.45 To obtain the most competitive prices it is recommended that a full procurement exercise is undertaken with a range of suppliers to get a competitive overall price.

### Overall total cost for Fleet, Plant and Machinery

- 4.46 The table below gives an overall total cost for fleet and plant of £1,103 million, rising to £1,447 million if EV versions are purchased. This table also gives the recommended replacement timetable.

|                                                    | Petrol/Diesel        | with Electric options if available | Replacement timescale (years) | Annual Cost        |                    |
|----------------------------------------------------|----------------------|------------------------------------|-------------------------------|--------------------|--------------------|
|                                                    |                      |                                    |                               | Petrol/Diesel      | EV if available    |
| <b>19 Fleet Vehicles</b>                           | £485,000.00          | £829,000.00                        | 7                             | £69,285.71         | £118,428.57        |
| <b>Tractors</b>                                    | £100,000.00          | £100,000.00                        | 12                            | £8,333.33          | £8,333.33          |
| <b>Tractor associated kit</b>                      | £55,000.00           | £55,000.00                         | 10                            | £5,500.00          | £5,500.00          |
| <b>Ride-on mowers</b>                              | £210,000.00          | £210,000.00                        | 5                             | £42,000.00         | £42,000.00         |
| <b>Specialist Mowers</b>                           | £40,500.00           | £40,500.00                         | 5                             | £8,100.00          | £8,100.00          |
| <b>Utility vehicles</b>                            | £52,000.00           | £52,000.00                         | 10                            | £5,200.00          | £5,200.00          |
| <b>4 Trailers</b>                                  | £14,000.00           | £14,000.00                         | 15                            | £933.33            | £933.33            |
| <b>Specialist sports maintenance</b>               | £91,500.00           | £91,500.00                         | 10                            | £9,150.00          | £9,150.00          |
|                                                    |                      |                                    |                               |                    |                    |
| <b>Battery powered tools - from revenue budget</b> | £55,025.00           | £55,025.00                         | 4                             | £13,756.25         | £13,756.25         |
|                                                    |                      |                                    |                               |                    |                    |
| <b>Total</b>                                       | <b>£1,103,025.00</b> | <b>£1,447,025.00</b>               |                               | <b>£162,258.63</b> | <b>£211,401.49</b> |

- 4.47 Currently, the Council has a 7-year replacement policy for vehicles. Applying this across the total costs to give an annual costs gives pro rata annual costs of £162,258 and £211,401. As some plant will require shorter replacement time this is a figure for illustrative purposes only. Additionally, it may be possible to procure some of the more specialist equipment on a second hand or used basis, or to hire in equipment that is used for only short specific periods per annum. The table below gives some examples of hire costs.

|                        |  |  |  |  |
|------------------------|--|--|--|--|
| <b>Purchase v Hire</b> |  |  |  |  |
|------------------------|--|--|--|--|

|                                       | <b>Purchase</b> | <b>Hire</b>    |                  |             |
|---------------------------------------|-----------------|----------------|------------------|-------------|
|                                       |                 | <b>Per day</b> | <b>Extra Day</b> | <b>Week</b> |
| <b>Deep Spike Verti-drain Aerator</b> | £15,000.00      | £400.00        | £275.00          | £950.00     |
| <b>Pedestrian scarifier</b>           | £3,500.00       | £150.00        | £100.00          | £295.00     |
| <b>Flail collector</b>                | £15,500.00      | £180.00        | £140.00          | £500.00     |

### **Depot and Accommodation requirements**

- 4.48 The Council's main operational depot is located at Shrub End from where the Waste and Street Cleansing services operate. It is also Neighbourhoods Services main office base. There is also a public recycling centre based at the depot.
- 4.49 The view from managers at the Depot are that it is currently working at full capacity with parking space at a premium both for fleet and staffing. There are also no other suitable nearby sites where vehicles could be relocated. There are also currently, no EVEV charging points or other related infrastructure.
- 4.50 From discussions, in terms of parking, there is no capacity to accommodate the vehicles and plant needed to undertake the grounds maintenance contract. Additionally, secure storage space at the depot (in its current state) is not available for the small plant. In terms of welfare of staff moving to Shrub End as their new base, the facilities currently available struggle to meet the demands of the current workforce. Daily there are over 100 staff moving through the site, the majority of this number is early in the morning and then at the end of shift in the afternoon. Approximately half this number can come and go through at tipping and break times.
- 4.51 With regard to the maintenance of the small plant there is no available workshop space to set up a dedicated small plant workshop for the ride-on mowers and power tool servicing nor overnight storage.
- 4.52 There are a number of buildings on sites across the Borough that will remove demand for storage at Shrub End Depot. These are:
- Castle Park - Two large buildings for plant storage and yard area for parking. There are also storage bays for soil and green waste. Welfare room for park-based staff.
  - Cemetery - Garage/Barn for storing mowers and grave digging equipment.
  - Old Heath - Brick building for storing pedestrian mowers.
  - Shrub End Sports Ground -- Large garage suitable for storing plant.
  - West End - Double garage suitable for storage of fine turf equipment only.
  - Mile End - Garage suitable for storing of fine turf equipment only

- Castle Park Sports Ground -- Double garage suitable for storage of fine turf equipment only.
- 4.53 An initial estimate to improve security and lighting at these sites and install alarms is £39,000. There are no EV charging points at any of these sites.
- 4.54 This will reduce some of the demand on Shrub End, but still leaves a need to find suitable accommodation for approximately 40 staff and 25 vehicles together with suitable secure storage for plant, equipment, chemicals and other sundries.
- 4.55 There is a Waste Transfer Station (WTS) licenced and operating at Shrub End that is permitted to accept biodegradable waste. Currently this waste is run directly to Birch (the Council's garden and green waste provider), as the Council does not have the facility or resource to transfer waste from Shrub End to Birch at this current time. Idverde are currently storing green waste at the Cemetery but it is not clear whether they have a licence to do so. This will need to be investigated to determine licence needs at the Council's satellite facilities and parks.
- 4.56 The hours of operation of the WTS are currently Monday to Saturday which should not be an issue, but there may be occasions when they are working on Sunday.
- 4.57 According to the response given to the APSE Benchmarking model, 540 tonnes of green waste was produced through the ground's maintenance contract in 2019/20. For information, the average green waste tonnage for Councils from the benchmarking is 720 tonnes. It is expected that if the Council applies more re-wilding and wildflower areas, that green waste will increase, as a cut and clear method will need to be applied.
- 4.58 To increase the annual tonnage the Council will have to apply for a Permit Variation through the Environment Agency.
- 4.59 Even with the use of the satellite sites, it is unfeasible to base the grounds maintenance service within the Shrub End depot from a capacity point. Additionally, it is unlikely that the depot could be reconfigured to incorporate the numbers of staff, storage, fleet and plant.
- 4.60 It is therefore recommended that urgent consideration is given to looking at options for an alternative location to base the grounds maintenance service.
- 4.61 Additionally, consideration needs to be given as to how over 500 tonnes of green waste will be disposed. To redesign operations within the current waste transfer station will require some reconfiguration and plant investment.

## Overall Financial Costing

4.62 The staffing and other requirements identified have been broken down into the following expenditure categories.

- Capital – such as fleet purchase and depot purchase or improvement.
- One-Off revenue, such as project management costs and systems development.
- Ongoing Revenue, such as staffing, fleet maintenance and running costs etc. This also includes for the repayment of fleet purchases.

These are detailed in Appendices

5a – Capital costs – Fleet requirements

5b – Revenue – “one-off” costs

5c – Revenue – ongoing costs

4.63 The table below summarises the staffing and other expenditure spending as built up in the creation of the business case.

| <b>Capital against Revenue Spending</b>              |                   |                        |                      |
|------------------------------------------------------|-------------------|------------------------|----------------------|
| Note: Salary figures are based on Mid point of Grade |                   |                        |                      |
|                                                      |                   |                        |                      |
| <b>On-going Revenue</b>                              |                   |                        | <b>Source detail</b> |
|                                                      |                   |                        |                      |
| <b>Staffing (transferred and new)</b>                |                   |                        |                      |
| New structure                                        | £1,853,287        |                        | Appendix 2           |
| Existing related staff                               | £206,732          |                        | Appendix 2           |
| Fleet ongoing revenue (Diesel)                       | £320,908          |                        | Appendix 5b          |
| Fleet ongoing revenue (EV)                           | £360,202          |                        | Appendix 5b          |
| <b>Other on-going revenue</b>                        | £259,528          |                        | Appendix 5b          |
|                                                      |                   |                        |                      |
| <b>Annual revenue expenditure (Diesel)</b>           | <b>£2,640,455</b> |                        |                      |
| <b>Annual revenue expenditure (EV)</b>               | <b>£2,679,749</b> |                        |                      |
|                                                      |                   |                        |                      |
| <b>One-off revenue expenditure</b>                   | £337,651          |                        | Appendix 5c          |
|                                                      |                   |                        |                      |
| <b>Total revenue expenditure (Diesel)</b>            | <b>£2,978,106</b> |                        |                      |
| <b>Total revenue expenditure (EV))</b>               | <b>£3,017,400</b> |                        |                      |
|                                                      |                   |                        |                      |
|                                                      | <b>Total</b>      | <b>Capital by year</b> |                      |
| <b>Capital - Fleet (EV)</b>                          | £1,519,000        | £196,712               | Appendix 5a          |
| <b>Capital – Depot</b>                               | £0                | £0                     |                      |
|                                                      | <b>£1,519,000</b> | <b>£196,712</b>        |                      |
|                                                      |                   |                        |                      |
| <b>Capital - Fleet (Diesel)</b>                      | £1,175,000        | £147,569               | Appendix 5a          |
| <b>Capital – Depot</b>                               | £0                | £0                     |                      |
|                                                      | <b>£1,175,000</b> | <b>£147,569</b>        |                      |

4.64 The following table is a summary of the current contract value:

| <b>Current costs 2020/21</b>                                  |                   |
|---------------------------------------------------------------|-------------------|
|                                                               |                   |
| Overall Contract value 20/21. Not agreed as yet for 21/22     | £1,752,523        |
| Other costs                                                   |                   |
| AGS and grass cutting £90k. This is extra to general contract | £90,000           |
| Playground manage GM £9.5k                                    | £9,500            |
| Grave preparation - £34k 20/21                                | £34,000           |
| Grave lifting & turfing - £4k 20/21                           | £4,000            |
| Rose planting - £20k 20/21                                    | £20,000           |
| Additional SoR work (Flailing) High Woods CP - £2400k         | £2,400            |
| Cut and Clear work (outside contractor) - £2k                 | £2,000            |
|                                                               | <b>£1,914,423</b> |

4.65 It is clear from the tables above that the overall costs of bringing the service in-house will exceed the current cost. This means that the ambition to reduce costs of the contract by £100,000 annually would not be achieved.

4.66 The option of a three-year extension to October 2026 will give the Council time to review how they can tackle these cost issues. Looking at the wider economy, tender prices are predicted to go up by 21% over the next five years. These issues will face contractors as well as in-house providers. There is anecdotal evidence that this is impacting on the number of bidders for future tenders. A 21% increase to the current contract price would mean an increase to around £2.1 million. This is at a time when Council budgets are already under strain.

### **Other Operational considerations**

#### **Seasonal Working**

4.67 An additional consideration is whether some form of seasonal working through annualised hours will be needed. Currently, seasonal working patterns are not used by Idverde and historically, were never used when the service was in-house. They are however, widely used by many other Councils across the UK.

4.68 As the contract will transfer in October, which would be traditionally around the time when reduced winter working hours would commence it is not recommended that it is introduced at the start of the in-house operation. It would also be extremely difficult to start as TUPE will apply meaning staff transfer on existing terms and conditions.

4.69 The theory behind seasonal annualised hours is that traditionally the main tasks identified for the ground's maintenance service were related to the growing season, the traditional 'summer' months. It has always been considered highly important to

stay on top of grass growth during this period as it can quickly overtake the available supply of resources and become extremely difficult to recover.

- 4.70 In the early 1990's, Compulsory Competitive Tendering (CCT) legislation forced councils to compete with the private sector for the first time. As purely commercial operations they worked longer hours in the summer to maximise profits when the work was there. During the winter months they would usually lay staff off depending on demand. Local authorities were forced to change working practices to compete and the majority reverted to seasonal hours as a result, increasing the summer working hours and balancing off with a corresponding reduction in the working week in winter. There are a number of variations that can be applied depending on how many 'summer' months are required. There is also an option to employ seasonal staff or use agency personnel for summer months but they are not always easy to recruit depending on unemployment levels and usually need training, transport, tools and equipment as well as PPE, making it a more expensive option in most instances.
- 4.71 Simplistically as an example, a 52-week year of 37 hours per week totals 1,924 hours per annum (there are slightly more as there is at least one more day over the 52 weeks but ignoring that for now). If an extra hour per weekday was worked in summer (say 41-hour week x 32 weeks) that would be 1,344 hours in total, leaving 580 hours to be divided over the remaining 20 weeks of winter, equivalent of a 29-hour week.
- 4.72 CCT tended to result in non-essential work being pushed into the winter months and only undertaken if there was anything left in the budget. Once that legislation was repealed, some councils reverted back to a standard working week all year round in order to have sufficient resources to carry out those tasks. It has become a bit of a dividing issue in the industry since, but still comes back to being able to accurately assess demand over both periods.
- 4.73 A summary of how other Council's operate seasonal hours and in what format is shown in Appendix 6.

#### Hand and Arm Vibration Syndrome (HAVS)

- 4.74 A further consideration if the service is brought in-house will be the need to manage the workforce in terms of exposure to HAVS. On transfer, Idverde will need to identify if any of their employees are currently displaying any symptoms and also whether any are on restricted duties. This will protect the Council against any future potential compensation claims.

- 4.75 There are a wide range of integrated systems that are available to manage HAVS in terms of allowed plant operating hours and plant vibration levels.

#### Chemical Weed Control

- 4.76 At the beginning of October 2020, the Council agreed as part of its Corporate Strategic Plan 2020 to 2023 to phase out the use of Glyphosate based products in 2020/21. This policy specified that this would not just be replacing one chemical (for example primarily glyphosate) with another, but how can they be managed differently. Additionally, one of the main aims of the policy changes is to encourage greater biodiversity in green spaces, so any manual weed control will still negate this.
- 4.77 This could be leaving the grass long around trees and obstacles instead of spraying them, changing grass cutting frequency to once a year or leaving fence lines to grow and cut them once a year). This will affect any future specification of works that are undertaken and impact on future operational requirements.
- 4.78 This policy came into force from April 2021 with the use of glyphosate-based weedkillers in all general maintenance of parks, open spaces and hedgerows ending from 1st April. An exception was made for the treatment of some invasive species such as Japanese knotweed and giant hogweed. Based on discussions with local managers, it may be that other chemical alternatives are still being used.
- 4.79 A number of other councils across the UK are also introducing similar policies. Whilst there is increasing public support to reduce the use of chemical control, any introduction needs to be publicised and well communicated to residents.
- 4.80 Brighton City Council is in the middle of three-year programme to end use of chemicals by 2022 in all the city's parks, open spaces, pavements, verges and housing land. Whilst the public broadly support its use in parks and open spaces the Council has received considerable negative publicity (on national TV and radio and the daily national newspapers) for ceasing use on pavements and other hard surfaces.
- 4.81 If chemical control is not used, the only effective methods for pavements and other hard surfaces would be for teams to "grub out" weeds manually or increase mechanical pavement sweepers. This would fall mainly onto the street cleansing service. To give some extent of the scale of the issue there are over 420,000 square metres of hard surfaces to maintain through the contract. A further two-person team with a vehicle to undertake extra strimming etc is being put into place from April 2022. Whilst it is still not been finally agreed, this team will be funded by Colchester Borough Homes.

- 4.82 It is relatively simple to calculate the current costs for hard surface maintenance against alternatives. The costs for border maintenance and clearing around obstacles are more difficult as the use of chemicals is built into the rates.
- 4.83 It is recommended that discussions are put in place to refine the policy to establish if any-areas are acceptable (Town centre, or residential footpaths) to continue with chemical control.

#### Previous Chemical Control regime

- 4.84 The APSE benchmarking identified that in terms of use of chemicals for weed control, Colchester were slightly above average in their use. Therefore, the decision to cease chemical use in most locations and sites across the borough will have a major effect going forward.
- 4.85 The benchmarking also identified that with regard to manual weed control, the maintenance specification is also well above average in the specified number of visits required. However, without accurate survey detail it is difficult to ascertain whether Idverde are actually achieving this based on the numbers employed on the contract. This view is confirmed by Officers carrying out monitoring.

#### Weed Control Options

- 4.86 It is recommended that all possible alternatives are explored to find the best possible solution and method of weed control. Additionally, it will be essential to have the support of residents as to where and when they are willing to accept and embrace weeds. Rather than a blanket approach it will be necessary to have a more bespoke approach. In some places residents will accept rewilding of green areas and embrace weeds. In others it will be necessary to agree places where residents decide locally how to approach weeds."
- 4.87 Appendix 7 summarises in detail the chemical alternatives to glyphosate and compares costs. Currently on cost basis none of them are currently practical, environmentally friendly enough or economically viable enough to provide an ideal solution for the tight budgets of local authorities.
- 4.88 The table below gives a comparison per hectare

|                       | Cost<br>per<br>Hectare |
|-----------------------|------------------------|
| Round Up (Glyphosate) | £24                    |

|                                                                |        |
|----------------------------------------------------------------|--------|
| Round Up (Glyphosate) with Residual weedkiller added (Chikara) | £204   |
| Plant based Pelargonic Acid (Katoun Gold)                      | £675   |
| Acetic Acid (New Way herbicide & moss killer)                  | £1,600 |

4.89 Glyphosate currently has approval for use in the UK for another two and a half years, at which point it will be reviewed again.

## 5. Commercial Case

5.1 Seeking extra commercial income is primarily concerned with how commercialisation fits with the strategic priorities of the council. Bringing in additional funding at a time when budgets are under extreme pressure is always likely to be welcome but it is necessary to think beyond this if the strategic case is to be properly made.

A key question to be explored is

How prepared the council is to take the financial, reputational and possibly even legal risks associated with operating in commercial markets?

5.2 A further key question for Colchester in exploring additional work is that the emphasis at contract handover will need to be on improving (or at worst, maintaining) the service in line with the specification rather than seeking out extra work. However, it is recommended as something to consider in the longer term and the following paragraphs outline some of the options.

5.3 Commercial activity means the selling of services to customers external to the Council in circumstances where they have a free choice as to whether and from whom, to purchase. In most cases it is likely that there will be alternative providers available and that therefore commercial activity will be subject to competition.

### Potential work opportunities

- Maintenance of open spaces
- Grass cutting
- Tree and hedge maintenance
- Weed spraying / control
- Landscape works

- Shrub bed maintenance
- Forestry works
- Pitch maintenance and marking out
- Landscape Design and consultancy

- 5.4 Whilst commercial activity inevitably involves competition, it is expected that this will be mostly against national rather than local firms. This means that for work won by the Grounds maintenance team, more of the expenditure on the project concerned will be retained within the Colchester economy. Staff numbers will increase as the business grows, whilst the additional income will ensure that reduced funding does not adversely impact on the wider Grounds maintenance. Moreover, it is envisaged that the service will make use of smaller local firms in its supply chain as sub-contractors, where required. The overall impact can be expected to be highly positive for the economic and social well-being of the Colchester area.
- 5.5 Many Councils in England and Wales have made use of a similarly restricted power under s93 Local Government Act 2003 to generate savings through the sharing of overhead and other costs between charged for and non-charged for service elements. The ability to aggregate cost at the level of 'type of activity' allows a surplus to be generated on a charged for element whilst still breaking even overall.
- 5.6 Local authorities are unlikely to be able to compete effectively on cost in most markets because of comparatively high wages, pensions and ethical working practices. They are therefore most likely to succeed in markets where quality factors such as reliability, trustworthiness and performance are valued above lowest cost. Of course, this also means that they must ensure that the commercial offers they make are capable of meeting these quality criteria which means resourcing them adequately and paying close attention to customer requirements.
- 5.7 A comparative inability to compete on cost is one reason why councils should look to markets with lower levels of competitive rivalry but there are other, more positive factors that work in their favour where there are high barriers to entry. These include:
- Ability to satisfy exacting regulatory standards
  - Access to finance where capital set up costs are high

- Ability to handle onerous administrative requirements, e.g., compliance with the EU procurement regime for public sector contracts (BREXIT has impacted on this one)
- Experience of operating in sensitive service areas, such as where confidentiality or data security are important

5.8 A quick assessment for commercial potential by reference to the nature of the grounds markets in which Colchester would be expected to compete follows in the table below:

| <b>Service</b>                                | <b>Customers</b>                                                                                                           | <b>Competitors</b>                                                              | <b>Nature of competition</b>                                                                                                                                                                                                                                                                                                                                                                                                             | <b>Commercial appraisal</b>                                                                                                                                                                                                                                                                                                                                                                                         |
|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Grounds maintenance                           | Schools<br>Housing associations<br>Private housing developments<br>NHS<br>Anglian water<br>Industrial and business estates | Local contractors<br><br>Larger national contractors                            | Barriers to entry are low and competitive rivalry is likely to be high. In general grounds maintenance is a relatively low margin business. There are segments, or niches where skill and quality of work are more important than price – the maintenance of formal gardens for example but these are a small and diminishing segment.<br><br>Reliability and ability to deliver large volume contracts likely to be key selling points. | There are segments of the market where quality and skill are significant. Outside of these a council offer would struggle to compete on price with local contractors or high-volume national contractors.<br><br>As a standalone offer grounds maintenance is unlikely to generate significant additional income but could be packaged into an estate management offer covering different elements on a menu basis. |
| Arboriculture<br>Tree surveys<br>Tree surgery | All land holders with trees                                                                                                | Micro consultancy firms do the bulk of inspection work<br><br>Local contractors | Survey is niche activity requiring qualifications and skills. Barriers to entry are therefore high making it profitable for low volume micro businesses.                                                                                                                                                                                                                                                                                 | Council could offer end to end service adding value to tree surgery and creating a compelling market offer.                                                                                                                                                                                                                                                                                                         |

|  |  |                        |                                                           |  |
|--|--|------------------------|-----------------------------------------------------------|--|
|  |  | carry out tree surgery | Tree surgery has lower barriers to entry and less profit. |  |
|--|--|------------------------|-----------------------------------------------------------|--|

- 5.9 The most successful businesses are those that, rather than focussing on their current products and competitors, develop a deep understanding of their customers. Ideally this approach would marry currently unmet, or even latent, customer demand with products or services that are unique to the provider.
- 5.10 Commercialisation is by definition concerned with the generation of income over and above what would otherwise be available to the Council. This means that trading activity must recover more income than it costs to deliver. Clarity over the actual cost of the activity is essential if a compelling financial case is to be made. In addition, it is necessary to understand what price can be charged and crucially, the volume of business that can reasonably be expected to be won over a given time period.
- 5.11 Costs can be categorised as either variable or fixed. Variable costs are those that are incurred on a per job basis, such as materials, which, therefore, vary with the volume of work. Fixed costs are those that will be incurred regardless of the volume of work, such as permanent staff and capital equipment. Overall income must be sufficient to cover the total cost, i.e., including all the fixed cost, before a profit can be made. This is why the projected volume of business is a crucial element in establishing commercial viability and why uncertainty over demand is the main risk facing any business.
- 5.12 Fixed cost and therefore, demand risk, can be minimised by providing staff and plant on a variable cost basis, e.g., through temporary staffing arrangements and spot hire. This reduces risk associated with a failure to win enough business to cover fixed cost but tends to push up unit costs and undermine competitiveness.
- 5.13 Successful businesses achieve a balance between fixed and variable cost that is able to operate at market prices without carrying an excessive level of demand risk. In a local authority the most likely mechanism for making staff costs variable is the use of overtime. Clearly, this increases unit cost and may lead to uncompetitive prices and/or reduced margin.
- 5.14 In industries that are affected by seasonal weather, demand for labour is inconsistent across the year. This is the case for horticultural and grounds, meaning that an employment model that operates on a fixed number of hours per week throughout

the year will inevitably lead to periods of either under or excess capacity, and potentially both. The problem of excess capacity can be managed by staffing 'to the trough' but this approach is likely to drive up costs during periods of peak demand. This is because all options for temporarily increasing capacity, i.e., overtime, temporary staff or contracting out, result in increased unit costs.

5.15 The peak period of demand for the externally traded service is likely to coincide with the peak period of demand for internal work across the areas considered in this report. This will exacerbate the difficulties of resourcing from existing staffing resources and further undermine overall efficiency. The possible exception to this could be arboriculture where there is a year-round demand. This raises the possibility that savings in staff resources arising from the adoption of say seasonalised working for grounds staff could be reallocated to resource the arboriculture offer.

5.16 The adoption of an employment model that optimises available hours would be of benefit to the internal operation as well as to the traded service. There are different ways of doing this but the aim of each is to vary the working week with the time of year to reduce hours at times of lowest demand and increase them at times when it is higher. The impact of doing this would be:

- To reduce the unit cost of the internal service by reducing reliance on overtime and agency staff
- To increase capacity at peak times and avoid or reduce the need for external contractors
- To increase the capacity that is available to deliver external work
- To maximise the competitiveness of the traded offer
- To increase job security for the workforce

### **Profit and Loss**

5.17 Competitiveness in business is in large part a function of cost control. Although the grounds maintenance business is not as cost sensitive as some, it is nonetheless vital that operational managers have visibility over both cost and income if they are to operate on a commercial basis. The simplest way to do this is to operate the commercial activity on the basis of a ring-fenced trading, or profit and loss, account.

5.18 Arboriculture work is capable of generating high margins in relation to tree inspections. Whether it can also deliver significant financial benefit will depend on volume of business but provided this is sufficient to justify at least one full time

equivalent post it can lead to enough tree work to make the overall tree business commercially viable. A rough example, based on a recent case can be set out as follows.

*Charge recoverable for inspection of 100 trees = £1400 or £14 per tree*

*Time required to inspect 100 trees = 2.5 days.* This indicates a capacity per FTE inspector of 200 per week or 9,000 per annum, based on 45 weeks per annum working time. At £14 per tree this is a potential income of £126,000

*Approximate cost of one tree inspector = £60,000 per annum.*

*Gross profit per annum = £66,000*

- 5.19 The follow up work associated with the report in the example suggests that for every 100 trees inspected 50 required some work. This particular work was carried out at a charge of £9000 or £180 per tree. The cost of carrying out the work, which took a total of 250 hours, using four operatives, can be estimated at around £5000 (based on £20 an hour).
- 5.20 The yearly capacity for a team of 4, based on 25 trees a week is 1125 which, at £180 a tree, would yield an income of a little over £200,000 at a cost of approximately £140,000. This adds a further £60,000 of income over cost to the overall tree business. This has potential to increase should the inspection side of the business generate tree surgery work at the same ratio as in the example, i.e., 50% of trees inspected to require a team of 8 at a cost of £280,000 generating a gross income of £400,000 and a net of £120,000.
- 5.21 Whilst these calculations are extremely rough, they do illustrate that an arboriculture business can be profitable provided that a sufficient volume of work is undertaken to cover the fixed cost. The minimum resources needed to establish the offer are a team of one tree inspector and four tree surgeons. The approximate cost of such a team is £200,000. £100,000 of this can come from seasonalising the hours of the ground's maintenance workforce.
- 5.22 A further question relates to the need for dedicated support for business development as this will limit the ability to expand on the current level and range of trading activity. A Business Development Officer is already in place within Neighbourhood Services with responsibility for driving commercial opportunities forward. This Officer can drive the growing of the customer base, preparation of bids and maintaining an overview of the trading account.
- 5.23 The use of hired plant and equipment helps to contain the risk of not winning enough work to cover the capital cost of purchase.

- 5.24 Any decision to invest in plant would require a full consideration of the risks associated with it and take into account all costs, including those of maintenance, which can require specialist skills that may not be available within the authority. This is however, a good example of how the council's preferential access to capital could, if fully utilised, generate a long-term competitive advantage.

### **Recommendation**

- 5.25 As highlighted above, the initial focus will be on the transition of the service and ensuring there is no deterioration in service delivery. However, given the need to achieve a £100,000 saving all options to bring in additional income need to be explored.
- 5.26 It is recommended that an analysis of potential work available is undertaken to ascertain what is available both through other public bodies, such as schools, or private businesses. The example above, highlighted arboriculture work is an area of opportunity. With issues, such as Ash dieback affecting up to 95% of the UK's Ash tree population, this is a growing area of work.

## **6. Legal Case**

- 6.1 For the avoidance of any uncertainty, nothing in this report should be construed as legal advice. The author is not a lawyer and all references to varying interpretations of the legal framework relate to positions taken by APSE member authorities and not to the legal advice they or APSE may or may not have received.
- 6.2 In terms of bringing the grounds maintenance service back in-house there is no legal bar to doing so and there is precedent from many Councils that have done so before. The following paragraphs identify the powers available to the Colchester to undertake and charge for any work.
- 6.3 Local authority powers arise from statute and it is always necessary to identify legal authority to undertake any activity. Moreover, if a Council wishes to charge for any activity, it is also necessary to identify a power to do that.
- 6.4 Many of the activity's Councils undertake are the subject of specific pieces of legislation. Some of this legislation sets out the basis on which charges can be levied.
- 6.5 Since 2011 Councils have been able to rely on the general power of competence (GPC) provided under the Localism Act 2011. This wide-ranging power authorises local authorities to ...do anything that individuals generally may do; (section 1, LA 2011) even if:
- It is unlike anything else the authority may do

- It is unlike anything that other public bodies may do
  - It is carried out in any way whatever, including:
    - anywhere in the UK or elsewhere;
    - for a commercial purpose or otherwise for a charge, or without charge
    - for, or otherwise than for, the benefit of the authority, its area or persons resident or present in its area.
- 6.6 The Secretary of State has extensive powers to amend legislation in connection with the GPC, including restrictions on its application, but to date they have not been exercised.
- 6.7 The GPC can be used in conjunction with specific powers, thus obviating the need to differentiate between elements of the service in order to determine which are carried out under the specific powers and which under the GPC.
- 6.8 Where a service is to be provided 'for a commercial purpose', relying on the GPC, it must be provided through a company, otherwise it can be provided on a charged for basis directly by the council. It is therefore necessary to determine whether the service is to be offered for a 'commercial purpose' or can be provided on a charged for basis.
- 6.9 Charging in this context is subject to conditions set out in s93 of the Local Government Act 2003. The power is not intended to provide a new income stream. Its aim is to allow local authorities to recover the costs of providing services or improvements to services that they might not otherwise have been able to justify providing or been in a position to provide.
- 6.10 Local authorities are under a general duty to secure that, from one financial year to the next, the income from charges for services does not exceed the costs of provision (section 93(3), LGA 2003). This approach allows a local authority flexibility to balance their accounts over a period of time and recognises the practical difficulties for a local authority in estimating the charges for a discretionary service at the outset.
- 6.11 A local authority must offset any surplus or deficit in income as a result of any over or under recovery of charges when setting future charges for the discretionary service. This ensures that over time the income generated by the discretionary service equates to the cost of providing the service.
- 6.12 A local authority can set the level of charge for each discretionary service as long as the income from charges for each kind of service does not exceed the costs of its

provision (section 93(5), LGA 2003). This provision allows a local authority to link similar or related services together giving greater flexibility in terms of its accounting practices. However, a local authority does not have to recover the full costs of providing the service if there are policy reasons for limiting the charges in relation to a particular user of the service.

- 6.13 The charging power is likely to be an adequate basis for the provision of a service where the surplus generating elements, such as undertaking and ancillary sales are off-set by the loss-making aspects of the service. The ability to aggregate cost at the 'kind of service' level allows the inclusion of all service elements and the use of full cost in the calculation ensures that all staffing and equipment costs can be included – not just the marginal costs of the charged for service elements
- 6.14 The term 'for a commercial purpose' is generally understood to mean 'for profit' and can reasonably be understood to apply to a situation where a local authority engages in market competition with the primary intention of generating additional funds through trading surpluses. When the 2003 Act was introduced the government was clear in correspondence with APSE that the rationale for requiring trading for a commercial purpose to be channelled through a company was to avoid the creation of an unfair tax advantage. Local Authorities are exempt from corporation tax and in a competitive environment this could be seen as a trading advantage over private companies.
- 6.15 Notwithstanding that the specific powers discussed above may well be adequate authority in themselves the question of whether a service should (or must) be provided through a company hinges on the purpose of the venture. It is clear that Colchester is not solely, or even primarily, focused on income generating potential and given the helpful accountancy framework, the charging power would seem to be an adequate basis on which to proceed.
- 6.16 However, it is likely that a legal challenge would focus on the actual commercial impact of the new service as evidence of its commercial purpose and it cannot be assumed that the courts would not be sympathetic to such an approach. Subject to there being no pressing commercial reason not to, it might therefore be prudent to deliver the service through a company in order to minimise the potential and likelihood of success of any legal challenge from private companies.
- 6.17 The company can be limited by shares or guarantee and be wholly or partly owned by the council. It cannot be a non-company incorporated organisation such as a Limited Liability Partnership. As discussed elsewhere in this report, a company meeting the Teckal criteria must keep its income from external sources to below 20% of its turnover. It would also have to be wholly owned and controlled by the

council, which would rule out the possibility of a joint venture with a private company. For these reasons it would be preferable to channel the 'commercial services' through the company whilst continuing to carry out work for the council directly and therefore avoid the trading restrictions applicable to Teckal companies.

## 7. Conclusion

- 7.1 With regard to preparing this business case, the starting point is that Councils are not required to tender a service compulsorily. The decision-making process to inform any change should be rigorous to ensure an improved quality of service and explore all potential options for delivering the service.
- 7.2 This review supports the above aims and uses a balanced business case methodology which is designed to test, as opposed to simply support, a preferred course of action. To this end the business case assesses viability according to five headings:
- strategic case, the proposed activity must be consistent with achieving the strategic objectives of the authority.
  - operational case, there must be an understanding of the resources needed to provide the service and how these will be obtained.
  - financial case, the contract price available from the market must be at least sufficient to cover the net cost of provision.
  - commercial case, the proposed activity must, if it involves external trading, be commercially viable meaning that there must be a product that customers will choose to buy.
  - legal case, the activity must be lawful.

### **Strategic case**

- 7.3 To summarise, through bringing in the operations back within the Council's services, there will be benefits to stronger links to local policy and deliverability against the Council's strategic aims and objectives, greater flexibility and responsiveness, greater integration into services delivered across the Council, greater opportunity to up-skill and multi-skill the workforce, greater opportunity to create pride and the ability to support the local economy.

## **Operational and financial case**

- 7.4 The operational and financial cases have been considered together due to intrinsic link between them. A key part of operational case is developing a detailed understanding of the resources needed to provide a fit for purpose service. Without this an assessment of the financial cost cannot be developed.
- 7.5 The business case has been based on a “like-for-like” movement of the contract to in-house delivery for the first 18 months, to enable the Council to understand the operational delivery in greater detail. Notwithstanding this, the business case does identify a number of areas of opportunity and shortfall.
- 7.6 The business case recommends a new operational structure with additional posts to fulfil the requirements of the contract and make it fit for purpose. The workshops undertaken for the initial phase of the project identified a range of issues with the current quality of service delivered by the contractor together with a lack of pride in the service. A key reason was the lack of resilience and multi trained staff delivering the service, which were well under the levels promised.

## **Staffing**

- 7.7 As the new proposal recommends extra staff to those that will transfer through TUPE, consideration will be necessary to co-ordinate any potential recruitment requirements at contract commencement.
- 7.8 Given that staffing will be a major part of the financial cost in undertaking this contract and the similarities in salary levels between public and private sectors, there should be very little difference between providers especially if the service specification remains on a like for like basis. The major factor in a reduction of service will be if less staff are employed in delivering the contract. Therefore, whilst staffing issues should not be a reason not to bring the work in-house the indications are that costs will increase and are contrary to the ambition to reduce costs by £100,000 per annum.

## **Fleet, plant and machinery**

- 7.9 To fulfil the operational work, a wide range of fleet, plant and machinery will need to be procured. There is no provision within the contract to use the contractor’s fleet and plant and even if this was an option, it is not recommended.
- 7.10 The Council in 2020 approved a 10 year forward Fleet Transition Plan. The ambition is that by 2030 the Council will have transitioned to a fully electrified fleet. During this ten-year programme diesel vehicles will be replaced where viable with electric vehicles (EV), but other options may be considered such as hybrid alternatives.

- 7.11 Wherever possible, electric vehicle (EV) or battery alternatives have been costed. For some vehicles there is currently no suitable EV version available, such as Tractors and Ride-mowers, although the technology around EV is evolving rapidly and there will be far greater vehicle types to be available in the coming years. The purchase costs and estimated maintenance and running costs have also been identified. A contingency allowance of 10% has allowed for to take account of any additional fleet and plant that becomes apparent at a later date.
- 7.12 Assuming that all fleet and plant is available and sufficient budget is available then this should not be a barrier to bringing the service in-house given that any external contractor would face the same cost pressures. However, if there continues to be a commitment to bring in an EV fleet as part of the transition it is likely that significant investment will be required not only in the fleet procurement, but in the installation of the infrastructure required to power it. This installation of infrastructure has not been costed.

### **Depot and accommodation**

- 7.13 The other major operational factor that the business case reviewed related to depot and accommodation. The Council's main operational depot is located at Shrub End and is currently working at full capacity with parking space at a premium both for fleet and staff.
- 7.14 There are several buildings on sites across the Borough where some site-based staff could operate from that will remove demand for both accommodation and storage at Shrub End Depot. However, even with the use of the satellite sites, it is unfeasible, at present, to base the remainder off the grounds maintenance service within the Shrub End depot from a capacity point. Additionally, it is unlikely that the depot could be reconfigured to incorporate an extra 50 members of staff plus 25 vehicles and associated plant, equipment and storage. It is therefore recommended that urgent consideration is given to looking at options for an alternative location to base the grounds maintenance service.
- 7.15 The constraints and cost associated with either a new depot location or a reconfigured Shrub End depot is the major blockage to bringing the service back in-house particularly given the timescales associated.

### **Cost of contract**

- 7.16 Additionally, going forward, tender prices are predicted to go up by 21% over the next five years. These issues will face contractors as well as in-house providers and are likely to impact on the number of bidders for future tenders. A 21% increase to

the current contract price would mean an increase to around £2.1 million. This is at a time when Council budgets are already under strain.

7.17 The Council does have the option to extend the contract by three years to October 2026, which would give the Council extra time to explore how they may want to deliver the service differently in future. Potentially, this means that the ambition to reduce costs is going to be difficult to achieve in the short term.

7.18 However, as mentioned the extra three years gives the Council the opportunity to innovate and redesign the service to deliver savings and improvements. Additionally, it gives the opportunity to explore the options for increased community involvement and define what can actually be achieved in this area.

### **Commercial case**

7.19 The business case sets out the powers that are available to the Council to undertake and charge for any work, i.e., be commercial. The seeking of extra commercial income is primarily concerned with how commercialisation fits with the strategic priorities of the Council. Bringing in additional funding at a time when budgets are under extreme pressure is always likely to be welcome, but it is necessary to think about the potential risks beyond this if the strategic case is to be properly made. The Council already has a strong track record of commercial trading in a range of activities that will be beneficial in developing this potential business.

7.20 This business case recommends that a more detailed analysis of potential work available and ascertain what is available through other public bodies, such as schools or private businesses. The current Neighbourhoods Service structure already incorporate a Business Development Officer, who can undertake this work. It is further recommended that a ring-fenced trading or profit and loss account is set up.

7.21 Therefore, the commercial case is strongly viable, and should be progressed to fully exploit potential opportunities.

### **Legal Case**

7.22 The business case sets out that, for the avoidance of any uncertainty, nothing in the report should be construed as legal advice. The author is not a lawyer and all references to varying interpretations of the legal framework relate to positions taken by APSE member authorities and not to the legal advice they or APSE may or may not have received.

7.23 As stated earlier, Councils are not required to tender a service compulsorily or to re-tender when a contract termination has taken place. However, the process to make any change should be rigorous in ensuring an improved quality of service, sufficient

management structure, capacity, and skill within the existing and proposed workforce to deliver the service, and the exploration of all potential options for delivering the service.

- 7.24 Therefore, in terms of bringing the grounds maintenance service back in-house there is no legal bar to doing so and there is precedent from many Councils that have done so before.

### Summary

- 7.25 Overall, whilst the strategic, commercial, legal cases are met, the operational and financial costs are a bar, particularly the constraints on the depot facilities that make it currently impossible for the service to be delivered effectively in-house. These issues are made worse by the issues in the wider economy where labour and material costs are increasing. This makes the ambition to reduce costs by £100,000 annually impossible to achieve. The option to extend the contract for three years will allow the Council time to investigate how to overcome this and other operational considerations.

## Appendix 1– Asset management tools

In terms of IT systems for managing grounds assets and operational activity, “Alloy” and “Confirm” are the two main providers of such software for environmental services including grounds maintenance. Both have been around for quite a long time in their different configurations. “Mayrise” the predecessor of “Alloy” was previously predominantly marketed for its street works capabilities and is used by a number of Highway authorities.

The Pitney Bowes “Confirm” system for job reporting, ordering and monitoring in other areas. “Confirm” is widely used by many local authorities across the UK. For information Pitney Bowes are in the process of changing ownership.

For further information, recent answers to APSE Network Queries (where councils are asked to respond to questions set by fellow member authorities on topics where they believe others may have similar issues), have shown that Aberdeenshire Council use “Confirm” extensively, while Glasgow City Council were preparing to implement the “Alloy” system last year.

APSE is also aware from other research that “Confirm” is also used by Salford City, Hull City, Moray, Nottingham City, Redbridge and Bromley amongst other councils. “Alloy” or “Mayrise” is also used by Bournemouth, Christchurch & Poole, Doncaster, Flintshire, Oldham, Sandwell and West Lancashire Councils.

## Appendix 2 – Staffing budget build spreadsheet

| Position Description                                                      | FTE-<br>Establishment | Grade CMG  | Mid point of grade | Total at mid point<br>of grade |
|---------------------------------------------------------------------------|-----------------------|------------|--------------------|--------------------------------|
| Contract Manager                                                          | 1                     | 8          | £51,354.00         | £51,354.00                     |
| Senior Business Support Officer                                           | 1                     | 10         | £37,800.00         | £37,800.00                     |
| Grounds Supervisors                                                       | 2                     | 10         | £37,800.00         | £75,600.00                     |
| Head Gardeners/Team Leaders/Tractor driver                                | 9                     | 11         | £32,175.00         | £289,575.00                    |
| Gardeners (includes small plant fitter)                                   | 42                    | 12         | £27,715.00         | £1,164,030.00                  |
| Apprentices                                                               | 4                     | Apprentice | £15,975.00         | £63,900.00                     |
| Extra Strimming Team as result of policy change                           | 2                     | 12         | £27,715.00         | £55,430.00                     |
| Extra Cleansing Team to cover Toilets and litter Castle Park (Operatives) | 2                     | 12         | £25,536.00         | £51,072.00                     |
| Health, Safety & Training Coordinator                                     | 1                     | 11         | £29,661.00         | £29,661.00                     |
| Assistant Fleet Manager                                                   | 1                     | 10         | £34,865.00         | £34,865.00                     |
| <b>Sub Total</b>                                                          | <b>65</b>             |            |                    | <b>£1,853,287.00</b>           |

## Appendix 3 - Breakdown of Fleet vehicle between teams

### **Border team - 5**

3 single cab caged tippers; 2 crew cab caged tippers

### **Mowing team - 5**

2 single cab caged tippers; 1 crew cab caged tippers; 2 small vans (such as Renault Kangoo). These will cover "open space" mower, "prestige" mower, "back up" mowers and obstacle and fence strimming.

### **Sports team – 2**

1 single cab caged tipper (with double-axle for driving on grassed areas) and 1 small van to be used when travelling between sites for marking out.

### **Schedule of Rates team - 1**

Single cab caged tipper.

### **Colchester Borough Homes/Assisted Garden Scheme – 1**

Single cab caged tipper, for the undertake landscaping works in the winter, and take away green waste etc.

### **Castle Park - 1**

Small van to transport and move equipment between sites.

### **Cemetery/Float - 1**

Small van to move staff, equipment or waste across sites etc

### **Supervisors/Management - 2**

4x4 vehicle (Ford Ranger or similar) for driving off road as required. Would be used by other teams if necessary

### **Fitter – 1**

Closed transit or small van for transporting tools etc

## Appendix 4 – Specialist Vehicles and Plant list

### Tractors

It is proposed that the following specification of 2 tractors will be required.

- 1 off - 55HP 4WD bi-Directional Drive Tractor

This is a specialist tractor which can operate as a standard tractor or in forward control. To be specified with removeable front end loader bucket and forks.  
Cost £45,000

- 1 off - 70HP 4WD Tractor and 7 Unit Gang mower

Used for large open spaces with high frequency mowing regimes. Can also be fitted with 8" sports cutter heads for high specification sports ground mowing.  
Cost £55,000

#### **Total Cost £100,000**

Additionally, it is recommended that the following tractor associated equipment is procured at total cost of £55,000

- 1 off - 3.5m Tractor Powered Articulator Rotary Mower

A multi-unit rotary mower designed to follow undulating contours, ideal for grass cutting of nature reserves and similar areas. £12,500.00

- 1 off - 6ft Slitter/Roller/Rake for Large Tractor

The standard implement for sports field slitting - it can be fitted with a ballast roller and several types of slitter and spiker drum. £9,500.00

- 1 off – Side arm flail for hedges (80cm)

This is a high reach flail and is ideal for hedges, ditches, embankments and roadsides. £6000

- 1 off - 2.3m Front Mounted Rotary Mower

Used by the bi-directional tractor for the mowing of parks, open spaces and pitches. £11,500.00

- 1 off - Tractor Mounted Heavy Duty 1.5m Mower Collector

Used for long grass cutting collection on large open rough areas. £15,500.00

#### **Total Tractor cost - £155,000**

### Mowers

It is recommended that 8 Ride-on mowers and 6 other specialist mowers will be required.

#### **Ride-on mowers**

There are currently 8 Ride-on mowers in operation across the borough. These are 6 that are routed across the borough, a 5-cylinder mower for specific open space cutting and a rotary triple mower based at Castle Park that also mows Town Centre areas.

There are a wide range of configurations and combinations of cutting modules available on the market. To give an indication on cost the following combination has been used to give a range of cutting methods

- 3 off - Out front Rotary mowers (example Shibaura) - @£20k each      Total £60k
- 2 off - Out front flail mowers (example Ransomes) -      @£30k each      Total £60k
- 2 off - Cylinder Triple mowers (example Toro LT3340)- @£30k each      Total £60k
- 1 off - 5 Cylinder mower (example Ransomes Commander 3520 or Hayter T424) - £30k

**Total Ride-on mower cost £210,000**

### **Specialist mowers**

- 1 off - 24-inch Rotary Box Mower

For high profile cut and collect mowing in Castle Park. The rear roller gives a striped finish. £3,000.00

- 4 off - 24-inch Cylinder Mower with Cassette System

Benchmark machine for fine turf mowing/maintenance. Would be ideal in Castle Park, Old Heath, West End/Shrub End and Mile End settings. The interchangeable cassette system allows one power unit to mow, scarify, verti-cut, roll, etc. Total cost £22,000.00

- 1 off – Compact ride-on mower with collector box

Compact battery powered mower with collection box. Narrow width is ideal for cemetery operations. £9,000.00

- 1 off - Stand-On Rotary Mower

Highly manoeuvrable machine, ideal for areas with restricted access such as cemeteries and housing sites. £6,500.00

**Total specialist mower cost £40,500**

### **Parks utility vehicles and trailers**

- 2 off - Electric John Deere 4WD ATV

Highly versatile machine for movement of materials and heavy equipment in areas such as Castle Park and Sports grounds. It can also be fitted with

implements to the front such as a snow blade, power brush, winch, etc. to give greater functional ability. Total cost - £33,000.00

2 off - Light Duty 2WD ATV

Highly versatile machine for general logistics and movement of materials around Parks and Cemetery sites. Total cost £19,000.00

It may be possible to use the ATVs on road, which would increase their usage across various sites. This requirement should be specified at procurement stage.

2 off - 14ft X 6ft "Beavertail" Goods Trailer

For the transportation around the Borough of triple and ride-on rotary mowers. £10,000.00

2 off - 9ft X 5ft Single Axle

For the transportation of smaller ride-on Goods Trailer and pedestrian machinery (for example, prestige mowers) £4,000.00

**Total Cost £66,000**

**Specialist equipment for sports pitch maintenance, spraying and Cemeteries**

The following is a list of equipment that will be for the specialist sports pitch maintenance, cemetery operations etc that are specified within the contract.

1 off - 2m Deep Spike Aerator/Verti-drain

A specialist piece of equipment for aerating sports pitches. £15,000.00

1 off - Pedestrian Scarifier/Overseeder

Used for the scarification of sports/fine turf and overseeding of smaller areas. £3,500.00

1 off - Pedestrian Top Dresser – 250kg Capacity

Used for top dressing operations on smaller areas of sports/fine turf. £6,750.00

1 off - Pedestrian Vertical Action Spiker / Aerator

A pedestrian machine used for spiking/hollow coring areas of fine turf. £5,750.00

1 off – Ride-on Cricket Roller

For consolidating cricket wickets. £6,500.00

5 off – Line Markers

For marking out pitches at Shrub End/West End, Lexden King George, Mile End and Northern Gateway sports grounds. Cost £3,000

1 off - Tractor Mounted Stone Burier with Overseeder

Used for levelling and overseeding of sports pitches and large open spaces. £5,500.00

- 1 off - Tractor Trailed Top Dresser (2000kg)  
Used for top dressing sports fields. £14,000.00
- 1 off - 500kg Fertiliser Spreader  
Used for spreading granular fertilizer on sports fields and large open spaces.  
£2,800.00
- 1 off - Walkover Sprayer  
For chemical application on fine turf areas. £1,250.00
- 1 off - Water Bowser with Pump and Lance  
For irrigation of new tree planting, hanging baskets, planters and seasonal bedding. £3,250.00
- 1 off – Compact 1.5 tonne capacity Dumper truck  
For use in Cemetery moving soil to and from grave sides. £2,000
- 1 off - Mini Excavator up to 2t  
The most common method of grave excavation. £19,500.00
- Grave Shoring – 3 Panels & 1 Pump  
Horizontal aluminium panels with hydraulic jacks for shoring graves. £2,700.00

**Total cost £91,500**

### **Battery operated hand tools**

There is a wide range of options available on the market at present. An analysis of requirements based on existing battery prices and compatible equipment gives an estimated total cost of £58,065. This is based on the following range of battery equipment

- 2 fine turf/prestige pedestrian mowers.
- 10 mowers for residential and small area mowing.
- 29 strimmer's/brush cutters.
- 12 hedge trimmers.
- 28 blowers (back pack and hand).

## Appendix 5a – Budget build spreadsheet – Capital costs (fleet and plant)

| Description                                                                                                     | 2023/24            | 2023/24         | 2024/25    | 2025/26    | 2026/27    |          |
|-----------------------------------------------------------------------------------------------------------------|--------------------|-----------------|------------|------------|------------|----------|
|                                                                                                                 | Pre work           | Oct-Mar         | Full Year  | Full Year  | Full Year  |          |
| <b>CAPITAL - Based on mix of Electric/Battery with Fossil fuel vehicles where currently no Electric version</b> |                    |                 |            |            |            |          |
| 6 Small vans - Renault Kangoo type                                                                              | £117,000           | £ -             | £ -        | £ -        | £ -        | -        |
| 2 Ford Ranger/Land Rover                                                                                        | £41,000            | £ -             | £ -        | £ -        | £ -        | -        |
| 11 Caged Tipper/Flat beds                                                                                       | £671,000           | £ -             | £ -        | £ -        | £ -        | -        |
| 2 Tractors (70hp and 55 hp)                                                                                     | £100,000           | £ -             | £ -        | £ -        | £ -        | -        |
| Tractor associated kit                                                                                          | £55,000            | £ -             | £ -        | £ -        | £ -        | -        |
| Ride-on mowers x 6                                                                                              | £210,000           | £ -             | £ -        | £ -        | £ -        | -        |
| Specialist mowers                                                                                               | £40,500            | £ -             | £ -        | £ -        | £ -        | -        |
| Utility vehicles                                                                                                | £52,000            | £ -             | £ -        | £ -        | £ -        | -        |
| Specialist sports maintenance                                                                                   | £91,500            | £ -             | £ -        | £ -        | £ -        | -        |
| Extra vehicle for Cleansing to cover Litter Bin emptying and Toilet cleaning at Castle Park                     | £61,000            | £ -             | £ -        | £ -        | £ -        | -        |
| Livery and additional costs                                                                                     | £287,800           | £ -             | £ -        | £ -        | £ -        | -        |
|                                                                                                                 | 0                  | £80,000         | £ -        | £ -        | £ -        | -        |
| <b>Contingency</b>                                                                                              | 0                  | £80,000         | £ -        | £ -        | £ -        | -        |
| <b>Sub total based on mixed Fossil/EV</b>                                                                       | <b>£ 1,726,800</b> | <b>£ 80,000</b> | <b>£ -</b> | <b>£ -</b> | <b>£ -</b> | <b>-</b> |
|                                                                                                                 |                    |                 |            |            |            |          |
| <b>CAPITAL - Based on Diesel/Petrol fleet and Plant</b>                                                         |                    |                 |            |            |            |          |
| 6 Small vans - Renault Kangoo type                                                                              | £81,000            | £ -             | £ -        | £ -        | £ -        | -        |
| 2 Ford Ranger/Land Rover                                                                                        | £41,000            | £ -             | £ -        | £ -        | £ -        | -        |
| 11 Caged Tipper/Flat beds                                                                                       | £363,000           | £ -             | £ -        | £ -        | £ -        | -        |
| 2 Tractors (45hp and 55 hp)                                                                                     | £100,000           | £ -             | £ -        | £ -        | £ -        | -        |
| Tractor associated kit                                                                                          | £55,000            | £ -             | £ -        | £ -        | £ -        | -        |
| Ride-on mowers x 6                                                                                              | £210,000           | £ -             | £ -        | £ -        | £ -        | -        |
| Specialist mowers                                                                                               | £40,500            | £ -             | £ -        | £ -        | £ -        | -        |
| Utility vehicles                                                                                                | £52,000            | £ -             | £ -        | £ -        | £ -        | -        |
| Specialist sports maintenance                                                                                   | £91,500            | £ -             | £ -        | £ -        | £ -        | -        |
| Extra vehicle for Cleansing to cover Litter Bin emptying and Toilet cleaning at Castle Park                     | £61,000            | £ -             | £ -        | £ -        | £ -        | -        |
| Livery and additional costs                                                                                     | £219,000           | £ -             | £ -        | £ -        | £ -        | -        |
|                                                                                                                 | 0                  | £ 80,000        | £ -        | £ -        | £ -        | -        |
| <b>Contingency</b>                                                                                              | 0                  | £ 80,000        | £ -        | £ -        | £ -        | -        |
| <b>Sub total based on diesel/petrol</b>                                                                         | <b>£ 1,314,000</b> | <b>£ 80,000</b> | <b>£ -</b> | <b>£ -</b> | <b>£ -</b> | <b>-</b> |

## Appendix 5b – Budget build spreadsheet – Revenue - ongoing

| Description                                               | 2023/24   | 2023/24     | 2024/25     | 2025/26     | 2026/27     |
|-----------------------------------------------------------|-----------|-------------|-------------|-------------|-------------|
|                                                           | Pre work  | Oct-Mar     | Full Year   | Full Year   | Full Year   |
| <b>REVENUE - ONGOING</b>                                  |           |             |             |             |             |
| <i>Staffing to be costed seperately</i>                   |           | £ 926,644   | £1,853,287  | £1,853,287  | £1,853,287  |
| <b>Fleet and equipment</b>                                |           |             |             |             |             |
| Battery power tools, strimmers, hedgecutters, blowers etc |           |             | £ 10,000    | £ 15,000    | £ 15,000    |
| Other equipment, e.g. tower scaffold, chain saws)         | £ -       | £ -         | £ 4,000     | £ 4,080     | £ 4,162     |
| Fleet insurance                                           | £ -       | £ 6,293     | £ 12,586    | £ 12,838    | £ 15,405    |
| Telematics                                                | £ -       | £ 2,088     | £ 4,260     | £ 4,345     | £ 4,432     |
| Plant hire                                                | £ -       | £ -         | £ 9,000     | £ 9,180     | £ 9,364     |
| <b>Depot running costs / satellite sites</b>              |           | £ 500       | £ 1,000     | £ 1,020     | £ 1,040     |
| <b>Systems developement and support</b>                   |           |             |             |             |             |
| Asset management software                                 | £ -       | £ 13,000    | £ 26,000    | £ 26,520    | £ 27,050    |
| IT other equipment                                        | £ -       | £ 1,800     | £ 1,800     | £ 1,836     | £ 1,873     |
| Microsoft licence                                         |           | £ 3,240     | £ 6,480     | £ 6,610     | £ 7,932     |
| <b>Operations</b>                                         |           |             |             |             |             |
| Phone/mobile phone                                        | £ -       | £ -         | £ 2,500     | £ 2,500     | £ 2,500     |
| Contractor payments                                       | £ -       | £ 5,000     | £ 10,000    | £ 10,200    | £ 10,404    |
| PPE/uniform                                               | £ -       |             | £ 17,500    | £ 17,850    | £ 18,207    |
| HAVS monitoring                                           | £ -       | £ 11,000    | £ 22,000    | £ 22,440    | £ 22,889    |
| Chemicals, seed, fertilisers etc                          | £ 17,500  |             | £ 35,000    | £ 35,700    | £ 36,414    |
| Hand Tools/Consumables/Bags                               | £ -       |             | £ 12,000    | £ 12,240    | £ 12,485    |
| Insurance for damage claims                               |           | £ 4,000     | £ 8,000     | £ 8,160     | £ 8,323     |
| Public liability for staff                                | £ -       | £ 8,000     | £ 16,000    | £ 16,320    | £ 16,646    |
| Staff Training                                            | £ -       | £ 14,000    | £ 14,280    | £ 14,566    | £ 14,857    |
| Ongoing increased payrole costs                           |           | £ 10,000    | £ 10,200    | £ 10,404    | £ 10,612    |
| On going Community engagement                             | £ -       |             | £ 5,000     | £ 5,000     | £ 5,000     |
|                                                           | £ 17,500  | £ 78,921    | £ 227,606   | £ 236,808   | £ 244,594   |
| <b>Diesel</b>                                             |           |             |             |             |             |
| Vehicle and Plant maintenance (Fuel)                      |           | £ 22,250    | £44,500     | £ 45,390    | £ 46,298    |
| Vehicle running costs (Fuel)                              |           | £ 21,388    | £42,775     | £ 43,631    | £ 44,503    |
| CCTV                                                      |           |             |             |             |             |
| Road Tax                                                  |           | £ 3,843     | £7,685      | £ 7,839     | £ 7,995     |
| MRP                                                       | £ 99,370  | £ 99,370    | £198,740    | £198,740    | £198,740    |
| Interest                                                  | £ 13,604  | £ 13,604    | £27,208     | £27,208     | £27,208     |
|                                                           | £ 112,974 | £ 160,454   | £ 320,908   | £ 322,807   | £ 324,744   |
| <b>EV</b>                                                 |           |             |             |             |             |
| Vehicle and Plant maintenance (Electric)                  |           | £ 17,150    | £34,300     | £ 34,986    | £ 35,686    |
| Vehicle running costs (Electric)                          |           | £ 12,038    | £24,075     | £ 24,557    | £ 25,048    |
| CCTV                                                      |           |             |             |             |             |
| Road Tax                                                  |           | £ 3,843     | £7,685      | £ 7,839     | £ 7,995     |
| MRP                                                       | £ 131,256 | £ 131,256   | £262,511    | £262,511    | £262,511    |
| Interest                                                  | £ 18,068  | £ 18,068    | £36,136     | £36,136     | £36,136     |
|                                                           | £ 149,324 | £ 182,354   | £ 364,707   | £ 366,029   | £ 367,376   |
| <b>Contingency (20%)</b>                                  |           |             |             |             |             |
| <b>Diesel</b>                                             | £ 22,595  | £ 32,091    | £ 64,182    | £ 64,561    | £ 64,949    |
|                                                           | £ 153,069 | £ 271,466   | £ 612,695   | £ 624,176   | £ 634,288   |
| <b>EV</b>                                                 | £ 29,865  | £ 36,471    | £ 72,941    | £ 73,206    | £ 73,475    |
|                                                           | £ 196,688 | £ 1,224,389 | £ 2,518,541 | £ 2,529,329 | £ 2,538,733 |

## Appendix 5c – Budget build spreadsheet – Revenue – one-off

| Description                                              |          | 2022/23  | 2023/24  | 2023/24 | 2024/25   | 2025/26   |
|----------------------------------------------------------|----------|----------|----------|---------|-----------|-----------|
|                                                          | JM Total | Pre work | Pre work | Oct-Mar | Full Year | Full Year |
| <b>REVENUE - one off</b>                                 |          |          |          |         |           |           |
| <b>Systems development and support</b>                   |          |          |          |         |           |           |
| Asset management software                                | £15,000  |          | £15,000  |         |           |           |
| Asset management software                                | £26,000  |          | £26,000  |         |           |           |
| IT other equipment                                       | £3,600   |          | £3,600   |         |           |           |
| <b>Operational Equipment</b>                             |          |          |          |         |           |           |
| Battery power tools, trimmers, hedgecutters, blowers etc | £55,025  |          | £55,025  |         |           |           |
| Trailers                                                 | £14,000  |          | £14,000  |         |           |           |
| Other equipment, e.g. tower scaffold, chain saws)        | £4,000   |          | £4,000   |         |           |           |
| Phone/mobile phone                                       | £15,200  |          | £15,200  |         |           |           |
| Hand Tools/Consumables/Bags                              | £12,000  |          | £12,000  |         |           |           |
| PPE                                                      | £17,500  |          | £17,500  |         |           |           |
| <b>Project Management</b>                                |          |          |          |         |           |           |
| Project Manager                                          | £47,402  | £23,701  | £23,701  | £24,175 | £12,088   |           |
| HR Support                                               | £43,000  |          | £43,000  | £-      |           |           |
| Procurement support                                      | £15,000  |          | £15,000  |         |           |           |
| APSE Consultancy support                                 | £15,000  |          | £15,000  |         |           |           |
| <b>Satelite Depots improvements</b>                      |          |          |          |         |           |           |
|                                                          | £39,000  |          | £39,000  |         |           |           |
| <b>Comms and engagement</b>                              |          |          |          |         |           |           |
| Comms                                                    | £10,000  |          | £5,000   | £5,000  |           |           |
|                                                          |          | £23,701  | £303,026 | £29,175 | £12,088   | £-        |
| <b>Contingency</b>                                       |          |          |          |         |           |           |
|                                                          |          | £4,740   | £60,605  | £5,835  | £2,418    | £0        |
|                                                          |          | £28,441  | £363,631 | £35,010 | £14,505   | £-        |

## Appendix 6 – Seasonal working

A number of councils responded to an APSE Network Query in February 2020 asking whether they were still operating seasonal hours and in what format. For information, the following detail was given: -

**Bath & North East Somerset Council** – Grounds Maintenance teams have worked seasonal hours, 42 in the summer and 28 winter, for the past 25 years. The 28 in the winter meant that staff amassed many winter days (+ holidays and sickness) and we didn't get any restorative tasks undertaken during winter (the grounds teams just seem to do dynamic work – i.e., grass cutting leaves and some shrub pruning) and the parks are steadily declining. We have reduced our general grounds maintenance (grass mowing/hedges) by around 16% and removed the intensive floral elements more so and are therefore balancing out our work inputs across the year. Therefore, we have just agreed to revert staff hours back to a standard 37hrs per week all year round.

**Blackpool Council** – Operate annualised hours, Monday to Thursday 7am to 4pm / Friday – 7am to 3.30pm – Summer Hours, April to end of September. Monday to Thursday 8am to 3pm / Friday – 7am to 2.30pm – Winter Hours, October to end of March (Summer = 42 hours / Winter = 32 hours).

**Derby City Council** – Grounds have a number of teams working Annualised Hours which are arranged around the Service needs. All accrued time during the summer is taken during winter months between December and March. We have at present the Grounds teams working 40 hrs during summer and 37 in winter and teams working on housing land will be working 39 hours and 37 in winter with part of the accrued time being set to be taken Christmas week. Our team working on private gardens and schools work 49 hours during the summer and 37 in winter.

**East Dunbartonshire Council** - Currently have Grounds Maintenance teams working 39.25 hours from the start of April until the end of November. This equates to an 8-hour day Monday to Thursday, 7.25 hours on Friday. From the start of December until the end of March, they work a 32-hour weeks, 6.5 hours Monday to Thursday, 6 hours on Friday. This averages at 37 hours per week over the course of the year. This work pattern also includes the teams working one weekend in four, with the following Monday & Tuesday off as compensatory rest days.

**Mid & East Antrim Council** - Used to operate annualised hrs but have recently moved to 37hrs per week all year as winter maintenance work has increased year on year over the last few years. This provides a more balanced work force provision throughout the year and in particular helps with winter/spring works as more hours are available.

**Newcastle City Council** – Grounds staff work 07.30 hrs to 16.00 hrs Mon to Friday for 32 weeks of the year usually early March to mid-October = 40hrs per week. They then

work a 4-day week 07.30 hrs to 16.00 hrs for 20 weeks of the year from mid-October to early March = 32 hrs per week.

**North Warwickshire Borough Council** - Grounds team currently work April to September (42 hours per week) and October to March (4-day week @ 32 hours per week).

**Royal Borough of Greenwich** – Grounds Maintenance staff work 39 hrs per week (4 x 8hr days & 1 x 7hr day) from around the 4th week in February until the 2nd week in October (33 weeks). The other 19 weeks they work a 31hr week (3 x 8hr days & 1 x 7hr day). Occasionally these dates are adjusted to accommodate the fact that the year isn't exactly 52 weeks.

**Sheffield City Council** - Currently work 43 hours per week during the summer and 28 hours per week in winter (which equates to 37 hours per week average year-round).

**South Lanarkshire Council** – Grounds Maintenance Operatives work Mon – Thurs 8.00am – 4.30pm (30 mins lunch) / Fri 8.00am – 1.00pm (no lunch) all year round, 37 hours per week. Currently in discussion to implement 42 hours for 32 weeks in summer then 29 hours for 20 weeks in winter. Would look at a 4-day week in winter rather than 5 short days, with exemptions for Burial staff who could not go to a 4-day week in winter and operatives who are on reduced hours through flexible retirement. If this is agreed will look at the potential for Street Cleansing in the future.

**St Helens MBC** - Staff work 42 hours from 1st April for 26 weeks and then we work 37-hour week for the second half of the year. They work one hour extra per day and this is banked so they can take them as flexi holidays during the winter months.

**Tameside MBC** - Grounds Maintenance teams work annualised hours based on 30 weeks at 41.5 hours and 22 weeks at 28.5 hours.

Finally, and local to Colchester

**Tendring District Council** - Staff engaged on Open Space maintenance currently work 42 hours April-September and 32 hrs October-March. They have worked this for the last 10-15 years and whilst not covering every eventuality it works very well.

## Appendix 7 – Chemical Weed Control summary

Here is a summary, along with costs per hectare, of the various alternatives to glyphosate. There are points regarding the use of glyphosate itself and how, if there isn't a viable alternative, how its use can be mitigated to address some of the concerns regarding its application.

### **New Way Herbicide and Moss Killer**

The active ingredient is Acetic Acid (vinegar) and it has a dual use as an herbicide and moss killer, the latter of which shows very good results. As an herbicide it is rather less effective and perennial weeds will often need a second treatment to ensure that they die. It is also expensive – a 5L pack costs around £32.00 and covers an area of 200m<sup>2</sup>. This equates to a cost per hectare of £1,600. While it is quite a safe product for users and members of the public etc, it is harmful to bees. With the main ingredient being vinegar, the residual smell is also an issue for residents. Following complaints from the public Bristol City Council had to stop using.

### **Katoun Gold**

This product is probably the most viable and cost-effective alternative to glyphosate. The active ingredient is Pelargonic Acid which is a naturally-occurring plant acid so, technically speaking, it is an organic product. In spite of this, there are more safety controls and usage restrictions placed on it as it is not currently considered as safe in a general sense as glyphosate is (a common- myth is that an organic product will always be safer to use than an inorganic or synthetic one – not necessarily the case).

However, used correctly it is both an effective herbicide and moss killer and is approved for use in most amenity situations, as well as in conjunction with Chikara. As yet it is not approved for use as a blanket spray on hard surfaces but can be spot sprayed where weeds grow out of cracks etc.

The cost has come down a little since its launch around 3 years ago – it is applied at a rate of 22.5L per hectare and comes in a 5L container. Each of these is priced at £150.00, meaning a cost per hectare of £675.00.

### **Trustee Amenity 450 Glyphosate**

If Colchester do not wish to use glyphosate again, but find there is little alternative there are a couple of things to limit its use and introduce some control measures. Firstly, by introducing a residual herbicide such as Chikara they could reduce the amount applied to the point where only one application per season would be needed.

Also, by using pressure regulators and monitoring the nozzles used by operational staff it is easy to not only reduce water rates but also to tightly regulate the amounts applied and avoid overdosing.

In cost terms the above product comes in a 5-litre tub which is priced at around £30.00. It has a standard application rate of 4 litres per hectare which gives a cost per hectare of £24.00.

Chikara comes in a 150g tub and has an application rate of 150g per hectare. Each tub costs around £180.00 therefore the cost per hectare for this product alone is £180.00 and the cost per hectare when used in conjunction with Trustee Amenity is £204.00.

To summarise the cost per hectare

- New Way Herbicide and Moss Killer - £1600
- Katoun Gold - £675
- Trustee Amenity 450 – £24
- Trustee Amenity with Chikara - £204

### **Other Control methods**

There are a range of thermal technologies including steam, hot foam and infra-red solutions to control growth. A number of Councils are using these methods. For example, Lewes District Council is using a foam-based application. The results are good but they are finding that weeds require several applications to control them and that weeds with waxy coatings are more difficult to control. However, they are trialling various application methods to determine optimum effectiveness.

Whilst these do not involve chemicals, they do require specialist equipment and use greater amounts of energy (through heating water to steam or foam). As a result, although effective they are expensive.