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Simon Young, Solicitor
Head of Legal and Democratic Services



ENVIRONMENT COMMITTEE

Wednesday 9 March 2016 at 7.30 pm

Council Chamber - Epsom Town Hall

The members listed below are summoned to attend the Environment Committee meeting, on the day and at the time and place stated, to consider the business set out in this agenda.

Councillor John Beckett (Chairman)
Councillor Mike Teasdale (Vice-Chairman)
Councillor Steve Bridger
Councillor Lucie Dallen
Councillor Hannah Dalton
Councillor Liz Frost

Councillor Rob Geleit
Councillor Keith Partridge
Councillor Jane Race
Councillor Tella Wormington
Councillor Tony Axelrod

Yours sincerely

A handwritten signature in black ink, appearing to read 'S Young', written over a faint, larger version of the same signature.

Head of Legal and Democratic Services

For further information, please contact Eddie Nowak, tel. 01372 732123 or enowak@epsom-ewell.gov.uk

AGENDA

1. SUBSTITUTIONS

To note any substitutions to the Membership of the Committee.

2. DECLARATIONS OF INTEREST

Members are asked to declare the existence and nature of any Disclosable Pecuniary Interests in respect of any item of business to be considered at the meeting.

3. SURREY COUNTY COUNCIL HIGHWAY'S GROUNDS MAINTENANCE (Pages 3 - 10)

This report details the decision by Surrey County Council to review the current agreements for highways horticulture and proposals for future arrangements.

SURREY COUNTY COUNCIL HIGHWAY'S GROUNDS MAINTENANCE

Report of the: Head of Operational Services
Contact: Ian Dyer/Samantha Whitehead
Urgent Decision?(yes/no) No
If yes, reason urgent decision required:
Annexes/Appendices (attached):
Other available papers (not attached):

REPORT SUMMARY

This report details the decision by Surrey County Council to review the current agreements for highways horticulture and proposals for future arrangements.

RECOMMENDATION (S)

- (1) That the Committee choose their preferences from the following options:
 - a) That the Committee agree to the County's offer of £66,000 for the provision of seven urban and two rural verge cuts per annum.
 - b) That the Committee agree to the County's offer of £12,000 for the provision of Highways Horticultural works.
 - c) That the Committee agree to the County's offer of £21,378 for the provision of three weed spraying treatments.
- (2) If recommendation (1) a) is agreed, that the Committee decide whether to 'top-up' the seven urban verge cuts to twelve on all land belonging to both the County and the Borough at an additional cost of £36,500.
- (3) That the Environment Committee agree to the early termination of a mechanical sweeper which will result in a small saving in 2016/17 and a full saving of £50,000 in 2017/18.

Notes

1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

- 1.1 This report supports three of the Council's key priorities: sustainability, managing resources and visual appearance.

2 Background

- 2.1 For many years Epsom & Ewell Borough Council has undertaken highways horticulture work on behalf of Surrey County Council which includes cutting urban verges six times per annum and rural highway verges twice per annum, maintaining hedges bordering the public highway, roundabouts and weed spraying for an annual contract payment of £99,862.
- 2.2 The current agreement for highways horticultural works is due to expire on 31 March 2016.
- 2.3 The Borough has historically 'topped-up' this basic highway horticulture agreement by cutting all urban verges an average of twelve times per annum.

3 Current Highways Horticultural Arrangements

- 3.1 We employ three teams with a total staff level of nine heads (one full time member of staff and eight agency workers), to undertake the Borough's and County's highway horticultural works.
- 3.2 During the cutting season these teams carry out grass cutting operations to both highways verges on behalf of Surrey County Council and to land that belongs to the Borough as well as weed spraying and other horticultural works.
- 3.3 During the winter months these teams are redeployed to other grounds maintenance duties such as, hedge cutting, shrub bed maintenance/renovation, allotment clearance and seasonal leafing in parks, resulting in overall enhancement to the visual appearance of the Borough.
- 3.4 The current cost of the three teams and associated equipment is £239,493 per annum.
- 3.5 After deduction of the £99,862 contribution from Surrey County Council the net cost to the Borough is £139,631 of which £79,831 (the cost of one team) is the cost of maintaining land owned by Epsom & Ewell Borough Council.
- 3.6 The additional six 'top-up' cuts the Council currently carry out to all urban verges (EEBC and SCC) costs in the region of £59,800.

4 Expiration of Current Agreements and Revised Arrangements

- 4.1 In late spring 2015, Surrey County Council advised the Boroughs and Districts that they were seeking to streamline the highway horticulture agreements and carry out a comprehensive procurement exercise by putting together a framework for all highways horticulture functions. Tender documents were compiled and contractors submitted their applications to the County in autumn 2015.
- 4.2 The first offer from Surrey County Council to Epsom & Ewell was as follows:
- £51,185 - Verge cutting (seven urban cuts, two rural cuts per annum). Does not include litter picking prior to cut or clearance of arisings.
- £17,815 – Weed spraying (three weed spraying treatments). Does not include weed removal.
- 4.3 No allowance was made for hedge cutting, roundabouts or central reservation (Ewell By-Pass) which differed from the current Highways Horticulture Agreement.
- 4.4 The highway shrub bed maintenance is not considered part of the highway horticulture contract as these have been traditionally maintained by the Borough Councils as the County's prime concern is for safety not for beautifying the highway.

5 Follow-up Negotiations

- 5.1 A follow-up meeting took place with Richard Bolton, Local Highway Services Group Manager, Surrey County Council and his team in late December 2015 to discuss the amount offered to the Borough as it was apparent that this initial offer did not include highway hedges, roundabouts or central reservation which was contrary to the previous agreement.
- 5.2 This meeting went on to trigger a series of follow-up negotiations which resulted in an approved offer of the following:
- £66,000 – Verge cutting (seven urban cuts, two rural cuts per annum).
- £21,378 – Weed spraying (three weed spraying treatments).
- £12,000 – Other horticultural works such as hedges, central reservation and roundabouts.
- Total 'package' price of £99,378
- 5.3 In addition, Epsom & Ewell Officers have successfully negotiated on a number of points which would underpin a new Highway Horticulture Agreement, these include:

- 5.4 Hedges and roundabouts will be maintained to an agreed schedule. Residents in the Borough which allow vegetation from their property to overhang a footpath or highway will be written to and pursued by Surrey County Council's Legal team.
- 5.5 Individual works such as verge repairs will be subject to a separate negotiation on a case by case basis and a price agreed.
- 5.6 Although Japanese Knotweed is not currently a problem on the Highway the County have agreed to look at any instances on a case by case basis separate to the usual control of weeds which is covered under the basic agreement.
- 5.7 The County have agreed to our request for negotiating additional payments for any new land which is adopted as a result of developments in the area.
- 5.8 The County have agreed to an RPI increase in year's three and four of the four year contract.

6 Proposals

- 6.1 As part of the Council's medium-term financial strategy it is proposed to restructure the highway horticulture teams from three full time equivalent posts to one full time member of staff (who will lead the team and be available for winter works) and two seasonal agency workers.
- 6.2 The cost of this solution is £66,000 inclusive of staff, vehicles and equipment, realising a saving of £13,831 per team against the current cost of £79,831.
- 6.3 It is essential to keep one seasonal Highway Horticulture team to carry out works on EEBC land.
- 6.4 The option of handing the highways horticulture back to Surrey County Council has been thoroughly investigated by Officers; however, it has been made clear by the County's representatives that they are very keen to continue the successful partnership with Epsom & Ewell. This has been demonstrated by their willingness to increase their original offer by £30,000.
- 6.5 Epsom & Ewell Officers have investigated if the County's contractor could provide additional 'top-up' cuts if Members were minded to hand back the highway horticulture contract to Surrey. However, the County could not guarantee their contractors would have the capacity to carry out any additional works to the basic seven urban/two rural verge cuts.
- 6.6 As Officers are now comfortable that the renegotiated offer from the County will cover the cost of the works, Members may wish to continue the agreement to provide highways horticulture works on behalf of the County.

7 Options

- 7.1 If Members opt to continue to cut the County's verges, the contribution of £66,000 will provide for seven urban verge cuts and two rural verge cuts per annum.
- 7.2 The contribution of £21,378 will fund a seasonal operative and associated equipment to carry out the three weed spraying treatments.
- 7.3 The contribution of £12,000 for the maintenance of hedges, roundabouts and the central reservation (Ewell By-Pass) will fund the cost of seasonal workers to carry out these works.

8 Top-up Cuts

- 8.1 In addition if members wish to 'top-up' the seven urban cuts specified by the County to twelve per annum for all highway verges (including those on land belonging to EEBC the cost would be £36,500.

9 Summary of Proposals

Essential	
EEBC Highway Horticulture Team	66,000
Option 1 - Hand highways horticulture back to SCC with no guaranteed option for top-up cuts from their contractor	
Cost to EEBC	0
Option 2 - EEBC carrying out SCC works with no top-up cuts	
7 urban verge cuts and 2 rural verge cuts on SCC land	66,000
Seasonal weeds spraying	21,378
Seasonal hedge maintenance	12,000
Total cost	99,378
Payment from SCC	99,378
Cost to EEBC	0
Option 3 - EEBC carry out 5 additional top- up cuts	
Cost to EEBC for additional 'top-cuts'	36,500

10 Saving on Mechanical Sweeping

- 10.1 Under the current arrangements a mechanical sweeper is used to follow-up grass verge cutting.
- 10.2 It is proposed that this activity is stopped and road sweeping is carried out in line with our statutory obligations under the Environmental Protection Act 1990.
- 10.3 This will allow the Council's sweeper fleet to be reduced from four to three mechanical sweepers and will reduce the headcount by one operative.
- 10.4 Although this saving was identified in the medium-term financial strategy as year three, it is proposed to bring this forward in line with the new arrangements for highways grounds maintenance.
- 10.5 However, as the current lease agreement on the mechanical sweepers runs until April 2018, there would be a cost for returning the vehicle two years early which is likely to be substantial. Therefore the full saving would not be realised until year two.
- 10.6 If Members agree to this action, there would be a small saving in the first year and the full saving of around £50,000 in year two of the medium-term financial strategy (2017/18).

11 Financial and Manpower Implications

- 11.1 The financial and manpower implications are set out in the main body of this report.
- 11.2 **Chief Finance Officer's comments:** The estimated savings from recommendation 1, options a-c is £41,493. This is based on the £13,831 saving per team (3 teams) as detailed in paragraph 6.2.
- 11.3 If the decision is made to not top-up (see recommendation 2) with additional cuts this will generate an additional saving of £36,500, taking the total savings to £77,993.
- 11.4 These savings have been included in our 4 year financial plan. A decision to undertake the additional cuts for £36,500 would create a further increase in our deficit and a need to identify further savings elsewhere.

12 Legal Implications (including implications for matters relating to equality)

- 12.1 The need for Transfer of Undertakings (Protection of Employment) Regulations (TUPE) will be avoided as there is only one full time member of staff employed in grass cutting operations and this position will still be required.
- 12.2 All staff reductions connected to highways verge cutting will be achieved through the loss of agency workers. However, if the Committee agree to support the recommendation to reduce the Street Cleansing operation there could be one full time member of staff affected by this decision.
- 12.3 **Monitoring Officer's comments:** It is important that the agreement with the County Council is clearly documented, so that the obligations of the parties are clear and unambiguous.

13 Sustainability Policy and Community Safety Implications

- 13.1 There are no direct community safety implications for the purposes of this report.

14 Partnerships

- 14.1 Epsom & Ewell Borough Council and Surrey County Council have enjoyed a long and successful partnership which both parties are keen to continue.

15 Risk Assessment

- 15.1 Officers have considered the risks of handing back the responsibility for highway horticulture to Surrey County Council and further to conversations with the County's representatives are aware that the contract will only provide a very basic service and current standards are likely to drop.
- 15.2 The County could not commit to any additional works over and above the standard service even if the Borough were willing to pay as their appointed contractors may not have the capacity to deliver this.

- 15.3 We have been informed that the majority of Districts and Boroughs have also negotiated with the County to improve the original offer and are now intending to continue with their highway horticulture agreements.
- 15.4 Officers feel that keeping this agreement is in line with the principles of double devolution which could play an important role in the future.
- 15.5 If the option for additional 'top-up' cuts is taken, Members would have to agree further savings from other areas in order to meet the medium-term financial strategy.

16 Conclusions and Recommendations

- 16.1 That the Committee choose their preferences from the following options:
- (a) That the Committee agree to the County's offer of £66,000 for the provision of seven urban and two rural verge cuts per annum.
 - (b) That the Committee agree to the County's offer of £12,000 for the provision of Highways Horticultural works.
 - (c) That the Committee agree to the County's offer of £21,378 for the provision of three weed spraying treatments.
- 16.2 If recommendation (1) a) is agreed, that the Committee decide whether to 'top-up' the seven urban verge cuts to twelve on all land belonging to both the County and the Borough at an additional cost of £36,500.
- 16.3 That the Environment Committee agree to the early termination of a mechanical sweeper which will result in a small saving in 2016/17 and a full saving of £50,000 in 2017/18.

WARD(S) AFFECTED:

All