

Agenda Item No:



Report to Overview and Scrutiny Committee

Performance and Development of Aspire Landscape Management

The Overview and Scrutiny Committee is asked:

1. Note the contents of the report
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Date of O&S meeting: 23 July 2019

Chair of O&S Committee: Cllr Noel Ovenden

Relevant Portfolio(s): Cllr Andrew Buchanan

Summary:

Exempt from Publication: No

Background Papers: Cabinet papers;
Landscape Management: Improving Presentation of the Borough: Creating an In House Service (10 Sept 2015)
Aspire Landscape Management update (Jan 2019)

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Agenda Item No.

Report Title: Aspire Landscape Management

Introduction and Background

1. Aspire Landscape Management became the “in house” grounds maintenance provider in October 2016. This followed a paper to Cabinet in 2015 which included an options appraisal for the future of grounds maintenance, with a view to improving the presentation of the borough, in line with the Corporate Plan Objective 4 – “Attractive Ashford”.

<i>Delivery Service Model</i>	<i>Conclusion of Options Appraisal</i>
Outsourcing to private sector - Tender the service to an external commercial company with the Council continuing to operate as a traditional monitoring client.	Larger scale contractors are competitive, given their economies of scale, and the overall operational risk to the Council is low. However they are less flexible to respond to changing priorities, include profit in all works variations and retain profit for their shareholders. Contractors are increasingly cutting costs and service levels to boost low margins.
Joint venture - pool the service activity with another public sector body with significant grounds maintenance experience and place in a jointly owned commercial company.	Finding a local publically owned and experienced partner is limited. This model does not give the Council overall control, but an economy of scale can be achieved. A contract and specification with a ‘thin’ client would be required alongside governance costs. Limited profit can be achieved given procurement regulations.
In house service – bringing in the service (in house) and fully managing and operating the service.	Enhanced flexibility and regaining of full control. All risk passed to the Council which will require expertise. However, this is an effective model to deliver on the key issue of improving the quality and presentation of the green spaces whilst driving up productivity and controlling cost.
Shared service with other local authorities – a joined up approach with another public sector body where the service model is shared.	Much the same as above but the Council’s influence is reduced as you share control with another partner. Political priorities may change overtime.
Trading Company - create an arms-length but wholly owned company that can trade.	This model does allow cost control and flexibility but delivers limited income return (given procurement regulations) and requires Company administration and governance.

2. The choice for an “in house service” followed 20 years of outsourced services and was driven by the following factors;
 - Improved ability to respond to changing Council priorities
 - Control enables more focus to raise quality
 - Flexible and adaptable, time saving, cost saving and responsive
 - Enhances Council’s reputation and civic pride

- Clear and effective control of expenditure and future costs
 - Adds to Councils skill set, in time enables economy of scale
 - Some income generation
 - Coordination with other Council contracts and services
 - Responsive and cheaper emergency planning
 - Use of local economy
 - Increased and direct accountability for performance and quality
 - Identification and reallocation of resources to land management plan and other projects
3. A report to Cabinet in January 2019, gave an update on the extraordinary amount of development, improvement and expansion of the work of the service in just 2 years. This is appears at Appendix A.
4. All of the factors that influenced the decision to bring the service “in house”, in the form of Aspire, have been proven correct. The service was deliberately branded with municipal entrepreneurialism in mind, to ensure that in the future, the service could have commercial appeal as well as providing an exemplary service to the borough.



5. Staff were TUPE'd into the service and those staff have undergone an intensive period of “on boarding” of staff to ensure they understand the values of the service.

Value	How we behave
<p data-bbox="448 241 604 277">Adaptable</p> <p data-bbox="384 320 671 499"><i>Working with our customers collaboratively to achieve the highest levels of service.</i></p>	<ul data-bbox="770 241 1393 656" style="list-style-type: none"> ✓ We work with each other to achieve the best for our customers ✓ We are flexible and versatile in our working method to accommodate our customers wherever possible ✓ We are resilient, planning for the unforeseen ✓ We are multi skilled to maximise service efficiency. ✓ We are approachable
<p data-bbox="491 694 560 730">Safe</p> <p data-bbox="403 772 647 893"><i>Working with the highest regard to health and safety</i></p>	<ul data-bbox="770 694 1393 1021" style="list-style-type: none"> ✓ Staff will be full trained to undertake works ✓ We will always report any issues or concerns ✓ We will use the most suitable equipment to complete tasks ✓ Staff will be monitored to ensure they are healthy and safe.
<p data-bbox="427 1059 624 1095">Professional</p> <p data-bbox="403 1137 647 1258"><i>We will provide a dependable high quality service</i></p>	<ul data-bbox="770 1059 1393 1258" style="list-style-type: none"> ✓ We are identifiable and presentable ✓ We communicate with our clients ✓ We are knowledgeable ✓ We will always conduct ourselves with the highest standards of integrity
<p data-bbox="443 1296 608 1332">Innovative</p> <p data-bbox="360 1339 691 1496"><i>We will always seek new ways of working to increase of efficiency and effectiveness</i></p>	<ul data-bbox="770 1296 1393 1541" style="list-style-type: none"> ✓ We will always use our knowledge to deliver practical solutions ✓ We will keep track of developments within our industry ✓ We will be forward looking in terms of technology.
<p data-bbox="411 1579 639 1615">Right first time</p> <p data-bbox="368 1657 683 1778"><i>All works are carried out to specification on time, every time</i></p>	<ul data-bbox="770 1579 1393 1906" style="list-style-type: none"> ✓ Works at completed in a timely manner ✓ Staff are aware of roles and standards expected ✓ Using pre-planned maintenance regimes and pro-active approaches our equipment will always be deployable to achieve the highest standards of maintenance
<p data-bbox="400 1944 655 2016">Environmentally aware</p>	<ul data-bbox="770 1944 1393 2016" style="list-style-type: none"> ✓ Staff are aware of our impact on the environment

<p><i>We understand our impact on the environment</i></p>	<p>✓ We will, enhance the environment whilst minimising negative impacts</p>
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6. There continues to be substantial investment in staff in terms of training and opportunity to diversify their roles, to bring them to the engaged and dynamic service that they are today. The service has incorporated the work of the Town Centre Action Team (TCAT) and have improved on that service by being more pro-active in service delivery, actively engaging with a wide variety of stakeholders across the town.
7. The service has supported events across the Council, for example Snowdogs, Fields of Battle Lands of Peace and Marking the Centenary of World War 1.
8. With a better trained workforce that has pride in their work and understands the important role that borough presentation, and inviting open space, plays in the economic prosperity of the borough, as well as supporting the health and well-being of our residents.
9. Appendix B considers the progress of the service since the Cabinet paper of January 2019, to bring Members up to date.

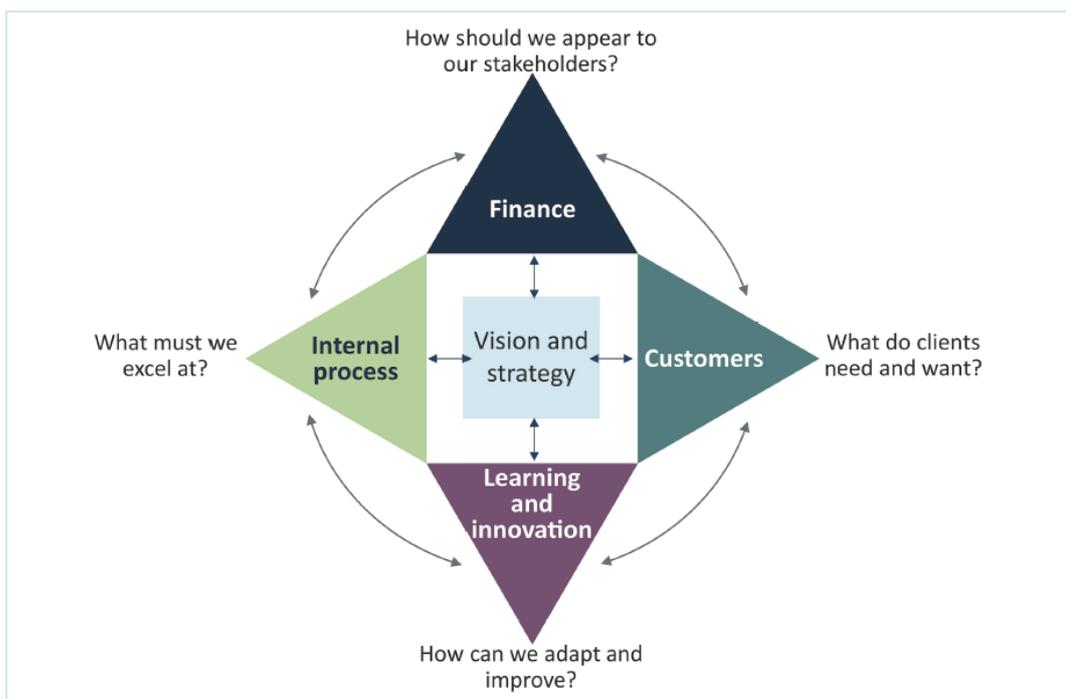
Aspire - the future

10. The service has continually evolved since its inception to not only deal with the demands of a borough that needed considerable investment in its presentation, due to years of “status quo” on contracted services but also to be flexible and take on services that were never originally envisaged to be part of a soft landscaping service. This has been achieved by very careful budget and staffing management, including changing working patterns across the year to better reflect service delivery when needed (staff all moved to a 40 hour week and annualised hours [work longer hours in the Summer than in the Winter]) and a strong sense of purpose and pride in their work.
11. The branding for the service was very deliberate, to ensure that the service could have commercial appeal in the longer term.
12. This service is attuned to the financial challenges local government faces. Whilst Ashford Borough Council is currently in a stable financial position, we are very aware of the comprehensive spending review that we will be facing in the near future, which is likely to put further pressure on funding. We are mindful of the Council’s ambitions in regeneration of the borough and the investment required to set up the grounds maintenance service and the ongoing equipment replacement costs of running such a service.
13. Therefore an appraisal has been undertaken on potential commercial income generating opportunities Aspire could explore.

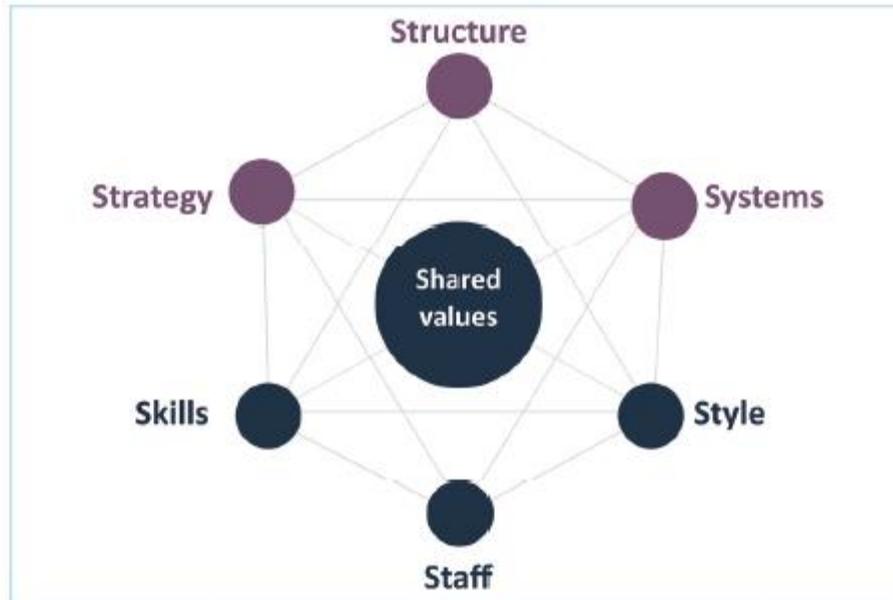
14. There are no “blue ocean” activities for Aspire as there are many companies and individuals already involved in grounds maintenance work. We have carefully considered the strategic space in which we operate and the boundaries, as well as opportunities which govern any commercial offer.



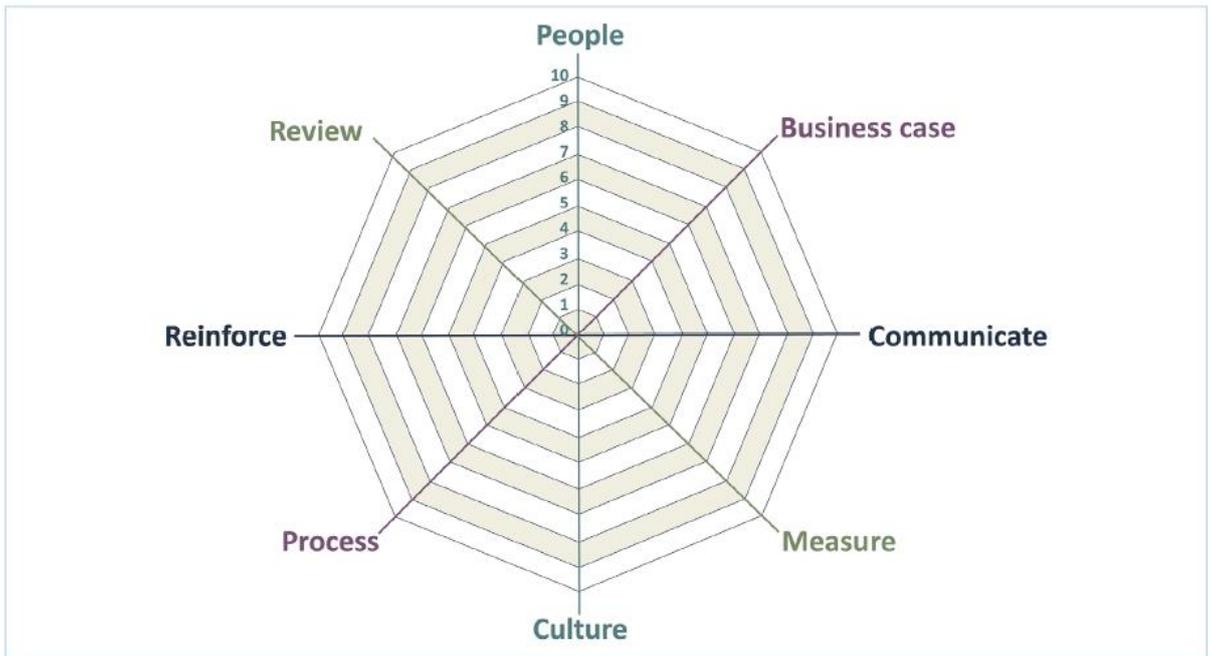
15. We have considered what could make our commercial offer distinctly different and where our niche in the market might be. We are not in a situation where our organisation seeks to be cheapest. Our workforce are paid at least the Ashford living wage and as such that must be accounted for when quoting for work. We are providing, and will continue to provide, a quality service that is reliable and adds value to the clients we work with. We will not be competing in markets where our self-employed, sole trader residents are likely to be.



16. We have considered; what our core values are, what our strategy needs to be to maintain borough service provision as well as consider moderate income generation, we have developed our structure to ensure it is robust and developed our systems to ensure excellence for the borough as well as having commercial appeal (CHAS and ISO accreditations).



17. Through the outstanding work of the service to date, an excellent reputation already precedes the Aspire name and, as explained in the January 2019 Cabinet paper, the move to local parishes wishing to take on their own grounds maintenance (before Aspire began) has, in many cases, reversed and allowed the team to provide that service and generate a modest income.
18. Various modelling has allowed us to consider where we are now and what various business horizons for the service may include. However, we must be very mindful that any extension of commercial income generating activity must be very measured and organic. This should ensure that excellent presentation of the borough can be maintained and does not suffer at the expense of income generation, as well as being able to maintain a council service model without the need, currently, to move into a Local Authority Trading Company (LATC) model. We will continue to keep this position under review, using all the elements of the model below.



Conclusion

19. Aspire Landscape Management has exceeded all expectations for an “in house” grounds maintenance service. The service continues to go from strength to strength and is working on modest commercial income generation, to support the delivery of the core service to the borough.

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