



To: Executive Councillor for City Centre and Public Places: Councillor Carina O'Reilly
Report by: Simon Payne – Director of Environment
Relevant scrutiny committee: Community Services Scrutiny Committee 11th July 2014
Wards affected: Abbey Arbury Castle Cherry Hinton Coleridge East Chesterton King's Hedges Market Newnham Petersfield Queen Edith's Romsey Trumpington West Chesterton

TREE MAINTENANCE FRAMEWORK CONTRACT 2015 onwards

Key Decision

1. Executive summary

The current framework agreement for tree maintenance services will expire at the end of April 2015. Officers are seeking permission to commence a formal tender process for the provision of tree maintenance services for a period of 2 years from 1 May 2015.

A new two year framework agreement (which would run until April 2017) would allow Officers to properly explore further, longer term collaborative opportunities across the whole County, with an aspiration for a County wide framework agreement, for the period 2017 onwards.

There are a significant number of potential benefits through collaborative working with neighbouring authorities as described in paragraph 3.7.

2. Recommendations

The Executive Councillor is recommended:

- a) To authorise the Head of Streets and Open Spaces to invite and evaluate tenders for contractors to provide tree maintenance services for 2015 to 2017;
- b) To authorise the Director of Environment to award the contract(s) to the most favourable tender(s), in accordance with pre-determined evaluation criteria.

- c) To instruct Officers to explore longer term collaborative opportunities with an aspiration for a County wide framework agreement, for the period 2017 onwards.

3. Background

3.1 At present the City Council has a City access only framework agreement that provides the Council's tree maintenance services.

3.2 An OJEU level procurement exercise was run by the Council in 2009 and a framework agreement awarded, to provide services from April 2010 until 31 March 2014. This framework agreement has been extended to the end of April 2015 to enable a further procurement exercise to be undertaken.

3.3 There are currently 7 suppliers on the existing framework. The framework agreement is very effective and provides very good service and value to the Council. Most services are called off as required using a mini-competition process, with some small elements of emergency and specialist work being awarded direct to specific suppliers.

3.4 Historically the Council has managed its own tree stock on a sole Council basis. The contract arrangements used by other Cambridgeshire Councils are unclear but it is believed that separate arrangements apply in each District, which may be very different in nature with limited consistency in the maintenance approach.

3.5 In some areas it is believed that responsibility for maintenance may have cascaded down to Parish/ town level. We believe there may be environmental, operational and efficiency benefits in trying to join up the various approaches in the County, and a major collaborative procurement exercise may provide an ideal vehicle to do this and to start securing additional benefits for all parties.

3.6 There are wider strategic issues that will impact on this proposed procurement exercise, particularly the tree strategy (in preparation for publication in Autumn 2014) which will aim, amongst other objectives, to increase tree canopy cover for the purposes of climate change adaptation, to improve planting rates and establishment, create a more strategic approach to statutory tree protection and encourage a healthy tree population through the application of best practice.

3.7 A collaborative approach could provide a range of potential benefits including the following:-

- i. Consistent tree maintenance standards across the entire County
- this should help Authorities with limited resource manage their

- tree stock and define/ enforce effective standards of work for contractors.
- ii. Sharing of best practice – a collaborative procurement would help authorities share and develop best practice.
 - iii. Common contract structure – consistency in contracts will help develop standard processes that would make future procurements more efficient and benefit suppliers.
 - iv. Economies of scale/better value for money – The greater scale of a County wide procurement may enable bidders to offer more attractive commercial offerings. That may not necessarily be cheaper pricing (we believe the existing contract prices are very competitive) but may include service enhancements or added social value.
 - v. Improvements to health of (Authority owned) tree stock across the County – better maintenance regimes should lead to healthier trees that flourish and live longer. Advantages include avoiding cost of replacement of new trees where badly managed/ maintained trees die needlessly.
 - vi. Facilitate joint working across Authority boundaries – this is a step which many Authorities in other areas are taking as the search for savings and efficiencies increases.
 - vii. There could be merit in considering including supply/ planting/ maintenance of new trees as part of a new framework. If this element was on a County wide basis it might offer economies of scale although the extent of new tree procurement in other authorities is not clear. This needs to be explored.

3.8 The current framework agreement (and the associated supplier call-off contracts that flow from that) expires at the end of April 2015.

3.9 Given the very disparate arrangements that exist across the County at present it is felt that a substantial amount of time and work will be required to fully explore with potential collaborative partners the scope and structure of a county wide joint project. In order to allow sufficient time for that work to be properly pursued, the Council will need to put in place a further new (City use only) framework agreement for two years. Thus the strategy that is proposed is in 3 phases (short/ medium/ long term) as follows:-

3.9.1 Phase 1 – Existing framework agreement will run its course (until April 2015) – no further action required.

3.9.2 Phase 2 – New City only framework agreement that will run for 2 years from April 2015 to April 2017. This paper specifically seeks approval for that new framework to be awarded. This interim framework agreement will allow sufficient time for the scope for County wide collaboration to be properly explored and the relevant detailed work around specifications and

processes to be mapped out (an essential pre-requisite before engaging the market).

3.9.2 Phase 3 – A new collaborative County wide framework agreement in place and effective from April 2017 to April 2021. The work to fully explore that and run the associated much larger procurement exercise will take place during Phase 1 and Phase 2 above. Depending on the level of partner interest and the scope/ scale of collaboration a further business case will be prepared at a later date to pursue a framework under this phase 3 and no approvals are sought for Phase 3 at this stage.

3.9.4 The procurement exercises under Phases 2 and 3 will both exceed the EU procurement threshold for services and thus will be subject to the full European procurement regime.

The team have considered whether it may be viable to fully develop a collaborative model earlier and merge Phases 2 and 3 of the programme into one combined phase. That would not be viable as it will be necessary to start the procurement process imminently to achieve a new contract start date of 1 May 2015 (essential to ensure no break in contract cover/ service).

4. Implications

(a) **Financial Implications**

A new 2 year framework will start in 1 May 2015. The value of the framework agreement over its 2 year life is estimated at £472,000 inclusive of VAT.

(b) **Staffing Implications**

None identified

(c) **Equality and Poverty Implications**

All tenders shall be dealt with in accordance with the Council's constitution and contract procedure rules. An EQIA has been undertaken and there are no issues identified.

(d) **Environmental Implications**

It is considered that these recommendations will have a low positive impact. We believe there may be environmental, operational and efficiency benefits in trying to join up the various approaches in the County, and the major collaborative procurement exercise that it is hoped will follow this interim 2 year framework agreement may provide an ideal vehicle to do this and to start securing additional benefits for all parties.

(e) **Procurement**

The procurement will exceed the EU procurement threshold for services and thus will be subject to the full European procurement regime.

(f) **Consultation and communication**

The process will follow the procurement policy rules.

(g) **Community Safety**

No negative impacts identified.

5. Background papers

Tree Maintenance Framework 2010 to 2014

6. Appendices

None

7. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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