



Committee and Date

Cabinet 4th December 2024

Item

Public



Grounds Maintenance Service Delegation to Shrewsbury Town Council

Responsible Officer:		Jane Trethewey, Assistant Director, Homes & Communities	
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Cabinet Member (Portfolio Holder):		Councillor Gwilym Butler, Portfolio Holder for Finance, Corporate Resources and Communities	

1. Synopsis

It is proposed that a range of grounds maintenance services currently undertaken on behalf of Shropshire Council by Shrewsbury Town Council under a Service Level Agreement are formally delegated to them for future delivery from April 2025.

2. Executive Summary

2.1. The Shropshire Plan seeks to improve outcomes under four main headings, of which Healthy Economy and Healthy Environment have greatest relevance for the delivery of a high-quality grounds maintenance service in Shrewsbury, our county town.

- **Healthy Economy:** This includes a focus on developing Shropshire as a vibrant destination for people that attracts people want to live in, work, learn and visit. Creating an attractive and healthy environment in which to live and work is a key goal, supported by a well-run grounds maintenance service day to day.
- **Healthy Environment:** We will maintain, protect, and enhance our outstanding natural environment, promoting positive behaviours and greater biodiversity and environmental sustainability. Our grounds maintenance service includes a range of

public open spaces and other settings which present opportunities to enhance biodiversity.

- 2.2. Shropshire Council currently sources grounds maintenance works in Shrewsbury and some surrounding sites through a Service Level Agreement (SLA) with Shrewsbury Town Council, which has been in place since 2009, having been established on the creation of the unitary council to take on duties previously held by Shrewsbury and Atcham Borough Council. The Agreement was subsequently amended through Deeds of Variation, extending the term to expire in 2025.
- 2.3. In preparation for the expiry of the SLA, the Council commissioned a review from the Association of Public Sector Excellence (APSE), to establish the quality, value for money, and appropriateness of the SLA arrangements in place.
- 2.4. The APSE review concluded that the SLA offered good value for money, and a good quality service, with a clear rationale to continue the provision of grounds maintenance services by Shrewsbury Town Council, subject to any variations to be considered on a site-by-site basis. However, it was also recommended that the most appropriate arrangement for a local council to undertake services for a unitary authority is a formal delegation, rather than a contract or SLA.
- 2.5. It is critical to delivery of the Healthy Economy and Environment goals of The Shropshire Plan that Shrewsbury and its key facilities are well maintained and presented. It is therefore proposed that from April 2025 the Grounds Maintenance SLA is replaced by a formal delegation of these services to Shrewsbury Town Council, with the appropriate associated budgets, subject to a parallel approval by Shrewsbury Town Council at their Finance and General Purposes Committee meeting on 2 December 2025. It is proposed that the details of this delegated arrangement be finalised and agreed under delegated authority by the officers of both councils, in consultation with the portfolio holder.

3. Recommendations

- 3.1. It is recommended that Cabinet approves:
 - The delegation of grounds maintenance services currently undertaken by Shrewsbury Town Council under a Service Level Agreement directly to Shrewsbury Town Council, along with the appropriate associated budget, subject to a parallel agreement by Shrewsbury Town Council to accept this delegation.
 - The delegation of the detailed agreement between Shropshire Council and Shrewsbury Town Council to the Executive Director of Place in consultation with the Portfolio holder for Finance, Corporate Resources and Communities.
 - That a Monitoring Board is established to meet a minimum of once a year to monitor the operation of the delegated services with joint membership from Shropshire Council and Shrewsbury Town Council.

Report

4. Risk Assessment and Opportunities Appraisal

- 4.1. Shrewsbury Town Council has a large staff of experienced grounds maintenance operatives, who have been providing these services to the facilities and assets captured in the existing SLA, as well as managing a range of other assets, for many years. This provides strong confidence in the capacity and capability of the Shrewsbury Town Council team to deliver the identified services to the necessary standards and mitigates any risk around service delivery.
- 4.2. In this proposal Shropshire Council is handing over the responsibility and risk associated with delivering grounds maintenance services to Shrewsbury Town Council. The Town Council is aware of its Health and Safety obligations towards those members of the public who use the parks and open spaces under their control. Shrewsbury Town Council will need to ensure operations conform with legislation, largely but not limited to the Environmental Protection Act 1990 and Health and Safety at Work etc Act 1974.
- 4.3. The risk of challenge from other contractors who might wish to take on the grounds maintenance services captured in the proposed delegation, is dealt with by reference to the regulations which permit delegation of services from one tier of local government to another. Section 101 of the Local Government Act 1972 allows for delegation of any function to another local authority, allowing Shropshire Council to delegate the grounds maintenance functions as proposed without the need for a procurement exercise, where it is satisfied that this is appropriate. Equally, Shrewsbury Town Council has the General Powers of Competence under the provisions of the Localism Act 2011 which allow it to take on these services.

4.4. Risk table

<i>Risk</i>	<i>Mitigation</i>
Shrewsbury Town Council may not be able to provide the level of service required.	The proposed delegation is of services that Shrewsbury Town Council has already been providing under an SLA for many years, giving confidence that this arrangement will not result in any lesser standard of service.
Shrewsbury Town Council must take responsibility for the risks associated with providing services to public open spaces and facilities	Shrewsbury Town Council undertakes a range of grounds maintenance services, both on Shropshire Council sites, on its own assets, and on those of other parishes, providing evidence of its team's awareness and experience of the relevant regulations.
Challenge may be received from contractors who would wish to deliver these services.	Delegation of services from one tier of local government to another is common practice and is not subject to the procurement and competition rules that apply to other activity.

- 4.5. As part of the APSE review of the grounds maintenance service provided by Shrewsbury Town Council, an options appraisal was carried out to establish the best route for delivery of these services following the ending of the existing SLA. Five options were initially considered:

1. Extension of the current SLA with Shrewsbury Town Council with no changes
 2. Amending the current SLA with Shrewsbury Town Council and continuing it
 3. Undertaking a formal procurement to appoint a new contractor to deliver grounds maintenance services
 4. Taking responsibility for grounds maintenance back into Shropshire Council to deliver directly.
 5. Shrewsbury Town Council takes over responsibility for services, either by asset transfer or by delegation of responsibility
- 4.6. The options were considered following a detailed review of all the various sites receiving grounds maintenance services, the range of specific requirements associated with these, and the performance in evidence under the current SLA. An appraisal was made based on a range of factors, which included performance, cost, and opportunities for service improvement and future savings, and took account of benchmarking of the SLA services against other local authority grounds maintenance provision, available through the APSE database.
- 4.7. Options 1 and 2 considered extending the existing SLA, either in its current form or with variations. However, the SLA, which is a form of contract, does not include provision for extension beyond its originally agreed term. An extension would therefore constitute a new award which would typically be subject to procurement requirements. Whilst there could be an option for direct award or a contract to the Town Council it is unclear that there are benefits in continuing with a contractual relationship between the two councils. These options were therefore rejected.
- 4.8. Option 3 to appoint a third-party contractor to deliver grounds maintenance services through a formal procurement exercise scored low across all areas. This reflects the good value that the existing Shrewsbury Town Council service represents, based on benchmarking with similar local authority services in the APSE database. It also has the benefit of being locally provided by a key partner, adding confidence, resilience, and responsiveness to its performance, as well as supporting the local economy. Finally, there is the potential for Shrewsbury Town Council to support the costs of service provision in future from its own resources.
- 4.9. Option 4, for Shropshire Council to take responsibility for grounds maintenance services directly scored lowest of all options. The Council does not have directly employed staff in a grounds maintenance capacity on the scale that Shrewsbury Town Council does and would need to TUPE significant numbers of staff into its employment to deliver this work, and restructure accordingly. This arrangement would not meet our current Council restructuring priorities to right size the Council and seek a commissioning approach where possible.
- 4.10. Option 5 scored highest and is the recommended approach. This was assessed as providing the best value mechanism. APSE's appraisal showed that Shrewsbury Town Council had a grounds maintenance service cost of £36.37 per household, well below the benchmark group average of £44.22.
- 4.11. It is common, particular in areas where local government reorganisation has created unitary authorities, for functions such as grounds maintenance to be delegated to local councils, which have wide powers to provide such services.

Local government law allows for the delegation of functions from one authority to another. Devolving the function would not create a contract for service between Shropshire and Shrewsbury Town councils but can be done through an agreement as to what services are to be provided and how, and how funded. It is also possible for the delegated services to be reviewed over time, permitting changes to allow sites or services to be added or removed from the agreed list, and existing delegations to be amended as needed.

5. Financial Implications

- 5.1. Shropshire Council is currently managing an unprecedented financial position as budgeted for within the Medium-Term Financial Strategy approved by Council on 29 February 2024 and detailed in our monitoring position presented to Cabinet monthly. This demonstrates that significant management action is required over the remainder of the financial year to ensure the Council's financial survival. While all Cabinet Reports provide the financial implications of decisions being taken, this may change as officers review the overall financial situation and make decisions aligned to financial survivability. Where non-essential spend is identified within the Council, this will be reduced. This may involve
- scaling down initiatives,
 - changing the scope,
 - delaying implementation, or
 - extending delivery timescales.
- 5.2. The grounds maintenance SLA is currently funded through the budgets of a range of service areas, to a total of £1,609,258 annually. This covers a wide range of sites across Shrewsbury and in some neighbouring parishes beyond. These are listed in Appendix 1. It is intended that these services continue on the sites identified, but with a review of the specification to reflect Shropshire Council's current priorities.
- 5.3. The proposed delegation of the grounds maintenance service to Shrewsbury Town Council will be accompanied by the associated budgets, amended to reflect the specification review and the removal of the Golf Course maintenance from the schedule.

6. Climate Change Appraisal

- 6.1. There are no anticipated changes in energy and fuel consumption, carbon offsetting or mitigation, renewable energy generation or climate change adaptation arising from the recommendations of this report. It is proposed that services are maintained in their existing form, still delivered by the Town Council and its team.

7. Background

- 7.1. As part of the establishment of Shropshire Council and Shrewsbury Town Council in 2009, both parties entered into an "Agreement for the Provision of Horticultural Services" under the terms of the Local Authorities (Goods and Services) Act 1970. This covered the majority of grounds maintenance functions undertaken by the

former Shrewsbury and Atcham Borough Council, as it was felt at the time that splitting the grounds maintenance operatives would pose a risk to the viability of the service. This included an arrangement to maintain highway verges, shrub and rose beds and sponsored floral features, and covers some sites beyond the boundary of Shrewsbury Town Council.

- 7.2. The Town Council's grounds maintenance operation is based at the Weeping Cross depot which houses offices, storage facilities for vehicles, plant and equipment, a maintenance garage and greenhouse facilities for the propagation of plants each year for use across Shrewsbury and other parishes of Shropshire, as well as an outdoor tree nursery.
- 7.3. A Deed of Variation in 2015 provided for transfer of several assets to the Town Council to remove them from the maintenance agreement, including Shrewsbury Castle and Monkmoor Recreation Ground amongst others. The proposed transfers were subject to Secretary of State approval and did not proceed. It is not currently proposed to progress any asset transfers as part of this current delegation of services.
- 7.4. The SLA has provided the basis for continued delivery of grounds maintenance services across a wide range of sites since 2009 but is no longer considered to be an appropriate mechanism to continue, due to the lack of clarity around performance measures and management.
- 7.5. It is proposed to develop an agreement between Shropshire Council and Shrewsbury Town Council that will clearly delegate responsibility for grounds maintenance services and establish a Monitoring Board, to meet at least annually, to monitor the operation of the delegated services. This is intended to have joint membership from Shropshire Council and Shrewsbury Town Council.
- 7.6. The review of the specification associated with each of the areas in the schedule will also allow Shropshire Council to manage its costs at this point, and by delegating the services to Shrewsbury Town Council, allow them to consider funding any enhancements through their own resources, as appropriate.

8. Conclusions

- 8.1. The Shrewsbury Grounds Maintenance SLA comes to an end in March 2025. Through a detailed review a preferred new arrangement is now recommended, which will allow the Town Council to take on delegated responsibility to continue delivery of high-quality services.
- 8.2. Opportunities will be taken to review and refine the specification of services, to seek savings and develop a formal agreement. The details of a new agreement will be delegated to the Executive Director of Place in consultation with the Portfolio holder for Finance, Corporate Resources and Communities.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Local Member:	Bowbrook – Councillor Alex Wagner
	Copthorne - Councillor Rob Wilson
	Bagley - Councillor Garry Burchett
	Harlescott - Councillor Jeff Anderson
	Castlefields & Ditherington - Alan Mosley
	Battlefield - Councillor Dean Carroll
	Sundorne - Councillor Kevin Pardy
	Monkmoor - Councillor Pam Moseley
	Underdale - Councillor David Vasmer
	Abbey - Councillor Mary Davies
	Bayston Hill, Column & Sutton - Councillors Ted Clarke, Rosemary Dartnall, and Tony Parsons
	Meole - Councillor Bernie Bentick
	Radbrook - Councillor Julia Evans
	Porthill - Councillor Julian Dean
	Quarry and Coton Hill - Councillor Nat Green
	Bellevue - Councillor Kate Halliday
	Tern – Lezley Picton
	Longden – Roger Evans
	Rea Valley – Nick Hignett
	Loton – Ed Potter
	Severn Valley – Claire Wild
	Burnell – Dan Morris

Appendices

Appendix 1 Schedule of Sites
