

<b>Subject:</b>	<b>Procurement of Arboricultural Services</b>		
<b>Date of Meeting:</b>	<b>27<sup>th</sup> January, 2022</b>		
<b>Report of:</b>	<b>Nick Hibberd</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Peter Small</b>	<b>Tel:</b> <b>01273 294805</b>
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<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This report seeks approval for the tendering of Services Contracts for the provision of arboricultural services to the Council.
- 1.2 The Services Contracts will replace the current contract with Connick Tree Services Limited which will expire in June 2022. The contracts will be procured in the form of two (2) separate lots (see clause 3.7 below) using an Open Tender procedure.

**2. RECOMMENDATIONS:**

That the Committee:

- 2.1 Approves the procurement of a Services Contract for Arboricultural Services (taking the form of two (2) separate lots) for a contract term of three (3) years with the option exercisable by the council to extend for 1 or more periods up to a maximum total extension period of two (2) years.
- 2.2 Grants delegated authority to the Executive Director - Economy Environment & Culture
  - (i) to carry out the procurement of the Services Contract referred to in 2.1 above including the award and letting of the Services Contract;  
and
  - (ii) to grant an extension to the Services Contract referred to in 2.1 above for 1 or more periods up to a maximum total extension period of two (2) years.

**3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 The current Arboricultural Services contract has run for six (6) years and largely performed well. However, the volume of work has increased significantly over recent years as more tree work is required for the Council to meet its statutory duty of care and combat tree diseases new and old.

- 3.2 The demands of the continued annual fight against Elm Disease to preserve the National Elm Collection in the city have increased in recent years. Each summer the disease becomes active and elm trees that are infected, succumb very quickly requiring immediate removal to slow/stop the progression of the pathogen across the city. The disease pressure fluctuates year on year, however over the last three (3) year's levels have been very high and infected trees have not been felled quickly enough even with our In-House and Contractor tree surgery teams dedicating their time on this one aspect for months at a time.
- 3.3 Another factor is the diminishment of the BHCC In-House provision for tree work services. This has historically provided much greater capacity than it now does as staff numbers and output have dropped. We are in the process of addressing this issue with the recent appointment of a team leader and a recruitment drive for Arborists is imminent however there is no guarantee that this will yield immediate results in terms of new staff or much improved output. Continued additional reliance on contractor capacity is expected into the next contract term of 3 years.
- 3.4 We have not been able to access enough capacity to fell infected elms during the disease season, through the current contract, and thus have not been able to slow the spread of the disease down. This in turn has had an impact on other work streams with the contractor being diverted from works such as keeping the Highway clear of basal sprouts and hanging branches from the fast-growing elm street trees. Furthermore, less urgent general maintenance works which then become postponed leading to reputational damage for the service or a back log.
- 3.5 BHCC Officer time has been spent letting out elm disease works to other contractors during crisis periods via quotations and comparisons during spikes in the disease pressure. This again has a negative impact on the running of the service whereby valuable time is being used accessing services outside of the Contract, an inefficient and time-consuming task where no contract or service agreements exist.
- 3.6 Moreover, we are moving into an uncertain phase for tree works requirements. The second major tree disease - Ash Dieback is fully established and not controllable. Most ash trees in the UK will die and collapse in the coming years creating a health and safety situation which must be mitigated. Although much of this work (essentially large-scale felling of all ash trees which are in well used areas) will be contracted out to specialist forestry (not Arboricultural) operators, having our Arboricultural Services contract Contractor/s available to contribute is part of the answer given the scale of problem.
- 3.7 An effective Arboricultural service is essential to meet the council's ambition to increase tree cover in the city despite the current issues we are facing in relation to tree disease outlined above. An effective Arboricultural Service will ensure the preservation of the city's existing tree stock in order to ensure the long term health of individual trees by addressing disease and ensuring larger trees remain stable. Addressing tree disease in individual trees, which can ultimately entail removal, is essential to prevent the spread of disease and preserve our tree stock.

- 3.8 Further to this, but outside of this scope of this contract, the council is committed to planting new Trees to replace those lost and increase the overall tree cover in the city. A report to Environment Transport and Sustainability Committee in November 2021 sets out how more than £1.5m is being invested by the council in new tree-planting this year which is made up of grant funding, donations, community fundraising and council funding of £1.2m. The council is also committed to involving communities in devising and delivering the new tree planting schemes.
- 3.9 To address the lack of capacity of the existing contract and to allow greater flex in provision the new procurement will contract with two separate providers for two Lots:
- Lot 1 Trees on Highway Land , Highway owned trees - Street tree pruning and maintenance, disease control;
- Lot 2 Trees on Non-Highway Land, Environment land (parks, cemeteries, and woodland), Housing land (residential land), Policy and Resources (e.g., woodland, farm estates) – maintenance works and disease control
- 3.10 This approach will also limit the number of lots that may be awarded to one (1) tenderer to one (1) in line with Regulation 46 (3) and (4). Dividing the Arboricultural Services contract into two (2) lots means that two smaller contracts will be awarded, rather than one large contract.
- 3.11 The value of the procurement is estimated to be up to £3,000,000 over the proposed maximum term of the contracts of three (3) plus two (2) years; five (5) years in total. This has been based on recent annual spend on the current contract.

#### **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 BHCC has always had an in-house provision for tree works. The in-house team has worked alongside the services of the Arboricultural Services Contractor. As in-house capacity has steadily dropped over recent years there has been more reliance, and spend, on the Arboricultural Services contract. More recently the Arboricultural Services Contractor has been required to carry out more labour intensive and technically difficult jobs due to their higher staffing figures and capacity for more complicated tree works.
5. BHCC Arboricultural Team are working to build back up the in-house capacity for tree works of all types. A team leader has been appointed to lead the planned expansion of the inhouse workforce. Currently our pay scales for tree surgeons are not comparable with the private sector, or other authorities and we are struggling to attract staff. Subject to staff and union consultation we intend to introduce a revised grading scheme next financial year which should enable us to attract suitable staff to the team.

#### **6. COMMUNITY ENGAGEMENT & CONSULTATION**

- 6.1 Given the Statutory nature of much of the work and the risk management in public access areas, public consultation has not been considered.
- 6.2 The proposed procurement of Arboricultural Services for the Council was reviewed at the BHCC Procurement Advisory Board meeting on 29<sup>th</sup> November 2021. Recommendations from the board meeting related only to producing a more concise report for committee with no other issues or concerns raised about the proposals, as explained within this report.
- 6.3 The council is committed to good communication with residents where tree removal is essential and to community engagement and involvement in relation to tree planting and replacement programmes.

## **6. CONCLUSION**

- 6.1 The procurement of Arboricultural Services for the Council is required to ensure the BHCC tree stock is adequately maintained to meet statutory obligations and the duty of care owed to the public as well as to protect the National Elm Collection.
- 6.2 Owing to recent increases in tree disease pressure (i.e. elm disease and ash dieback), the impact of these on other work streams/service delivery and also limited in-house provision for tree works, the proposed procurement will be for two (2) separate contracts across two (2) separate service providers in the form of two (2) lots.
- 6.3 This will divide the Council's tree works into Highway trees (lot 1) and all other trees under BHCC ownership (lot 2) thus providing greater capacity to deal with fluctuating disease pressure affecting all BHCC tree stock whilst progressing other work streams such as proactive maintenance and reactive/emergency works.

## **7. FINANCIAL & OTHER IMPLICATIONS:**

### Financial Implications:

- 7.1 The current year's budget for Arboricultural Services Contracts is £0.888m consisting of £0.148m permanent budget plus £0.600m one-off funding and £0.140m brought forward from 2020/21. Pressure funding has been bid for as part of the 2022/23 budget setting process and the costs of this contract will need to be managed within the approved budget from 2022/23 onwards. Any significant variations to budget will be reported as part of the council's monthly budget monitoring process.

*Finance Officer Consulted: John Lack*

*Date: 07/12/21*

### Legal Implications:

- 7.2 The Environment, Transport & Sustainability Committee is the appropriate committee for the recommendations set out in paragraph 2 above in accordance with Part 4 of the council's constitution. In order to comply with the Contract

Standing Order 3.1, authority to enter into contracts in excess of £500,000 must be obtained from the relevant Committee.

- 7.3 The council's Legal officers will advise on the procurement process to ensure that the council complies with all relevant public procurement legislation as well as the council's Contract Standing Orders (CSOs).

*Lawyer Consulted:*

*Name Barbara Hurwood*

*Date: 07/12/2021*

Equalities Implications:

- 7.4 None

Sustainability Implications:

- 7.5 The following sustainability requirements are included in the contract specification:
- i. Vegetable based chain oil for chainsaws (not synthetic)
  - ii. Use of electric power tools wherever suitable
  - iii. Use of unpowered pruning tools (i.e. hand saws) where work specification allows
  - iv. Use of electric vehicles where available
  - v. Utilisation of chippings for Council grounds maintenance (weed suppression) to reduce transportation emissions around city and use of herbicide
  - vi. Storage of Contractor chippings from other contract work in the city, for Council use, to reduce transport emissions
  - vii. Provision to modify elm burn site (Waterhall) license to process infected elm timber on site and use for biomass (i.e. not to burn on site as has occurred to date)
- 7.6 Bidders will be required to submit a scored Sustainability method statement with their bid submission detailing how it will deliver Sustainability outputs over the course of the contract. During the contract term, the BHCC Contract Manager will monitor progress and actual deliverables against targets detailed in the method statement.

Brexit Implications:

- 7.7 None

Any Other Significant Implications:

Crime & Disorder Implications:

- 7.8 None

Risk and Opportunity Management Implications:

- 7.9 Additional resource required to manage two contractors however growth in the Council's Arboricultural Officer team over the last 2 years will assist with this.
- 7.10 Some tree works maybe problematic to divide between the 2 contractors where ownership boundaries for the relevant BHCC departments bisect trees which would traditionally be worked on together as one job. This will be identified in advance and included in the specification.
- 7.11 Elm Disease work is unpredictable and disease pressure could reduce significantly in the future which would be of benefit for the Council but could cause problems for any successful contractors in terms of a sharp drop off in workflow during elm disease season. An explanation of how the contract value has been calculated is to be included in the tender documents so that any bidder is clear from the outset the possible fluctuations in demand.

Public Health Implications:

- 7.12 None

Corporate / Citywide Implications:

- 7.13 Reputational profile of the Council is linked to this proposal given trees are an emotive issue and generally regarded as valuable assets. Duty of care/liability issues given the nature and inherent risks of managing a large tree stock in urban/public access areas.

**SUPPORTING DOCUMENTATION**

**Appendices: None**

- 1.
- 2.

**Background Documents**

- 1.
- 2.



