

	<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">CABINET</p> <p align="center">8 APRIL 2013</p>
<p align="center">CEMETERIES - VARIATION TO GROUNDS MAINTENANCE CONTRACT</p>	
<p>Report of the Deputy Leader (+Residents Services) – Councillor Greg Smith</p>	
<p>Open Report</p>	
<p>Classification - For Decision</p>	
<p>Key Decision: Yes</p>	
<p>Wards Affected: All</p>	
<p>Accountable Executive Director: Lyn Carpenter, Environment Leisure & Residents Services</p>	
<p>Report Author: Ullash Karia, Bi Borough Head of Leisure & Parks</p>	<p>Contact Details: Tel: 020 7938 8171 ullash.karia@rbkc.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. Further to the Cabinet Member's approval in September to vary the current grounds maintenance contract with Quadron Services Limited (QSL) to include the management and client function of the Cemeteries, Cabinet approval is now sought to make this arrangement permanent.
- 1.2. The proposal will transfer £120k p/a H&F staffing costs into the Quadron contract. This represents approx 3.6% of the total grounds maintenance contract amount for H&F (£3.292m). Although this is a relatively low figure and would not be considered as a significant material change, it requires Cabinet approval.
- 1.3. The Bi-borough initiative provided the opportunity to re-assess the staffing of the service across both Authorities and a number of options were considered. QSL already permanently manage the client management function in the Royal Borough of Kensington & Chelsea and since September 2012 have been doing the same in Hammersmith & Fulham. This includes a Manager across both Boroughs.
- 1.4. The arrangement has proven successful, there has not been a dip in quality of provision and because QSL already look after the grounds maintenance element there have been benefits in joining up both elements. In particular there have been notable synergies in booking and

managing grave plots within the wider grounds maintenance of the cemeteries.

2. RECOMMENDATION

- 2.1. That approval be given to vary the Grounds Maintenance contract and require Quadron to manage the cemeteries function, which includes implementing an adequate staffing structure.

3. REASONS FOR DECISION

- 3.1. Bi Borough management has necessitated scrutiny of services and adopting good practice. This arrangement is already in place in the Royal Borough of Kensington & Chelsea and working well. Both Boroughs share the same grounds maintenance operator and not only are there cost efficiencies to be realised but also an opportunity to align services between both authorities.
- 3.2. There is also an opportunity being explored via the service review to increase income in H&F via extending the offer of premium grave space in Margravine and Fulham cemeteries to residents of K&C.

4. INTRODUCTION AND BACKGROUND

- 4.1. The London Borough of Hammersmith and Fulham own four cemeteries – Margravine, Fulham Palace, North Sheen and Mortlake.
- 4.2. The LBHF cemeteries service is provided by a manager and two assistants; the manager and one of the assistants retired on 31 August 2012. QSL have appointed staff to these posts and agreement is now needed to formalise these positions
- 4.3. For Health and Safety reasons, as well as staff welfare considerations, it is considered necessary to have two members of staff working in or from the main cemetery offices at Mortlake.

5. CONSIDERATIONS

- 5.1. The following option was agreed; to vary the Ground Maintenance contract and require Quadron to supply a Bi Borough Cemeteries Manager to work across both boroughs, and Bereavement Assistant in LBHF.

6. FINANCIAL IMPLICATIONS

- 6.1. The current costs for the services are:

Subjective	LBHF (£000)
Employees	121
Main Contract Works	625
Premises Costs	39
Other Running Costs	28
Income	(834)
Total Net Direct Cost / (Income)	(21)
Support Services & Capital Charges	185
Total Net Cost / (Income)	164

7. TIMETABLE FOR IMPLEMENTATION

- 7.1. Further to the agreement of this reorganisation, it is proposed that this variation be extended to the end of the contract.

8. FUTURE PLANS

- 8.1. The LBHF cemetery service continually needs to monitor capacity and income targets. Consequently the Council may wish to consider the opportunities for the selling of new grave spaces. Although these issues have been raised and are being considered separately, it may be expedient to none-the-less consider that demand upon the service may be reduced in eight to ten years time and that that, in itself, may necessitate a review of the current arrangements.

9. PROPOSED FULL BI-BOROUGH STRUCTURE

- 9.1. Total 3 FTEs
Bi-borough Cemeteries Manager

LBHF

Bereavement Services Officer
Bereavement Services Officer

- The two Bereavement Officers are fully operational and primarily cover the clerical, grave marking and grave side attendance functions.
- The Manager operates in a Bi Borough capacity and provides service supervision, assistance with the clerical functions and on occasion marking out and grave side attendance.
- Currently there is only one member of staff (a Bereavement Services Officer) who is employed by LBHF. It is proposed that she would TUPE across to QSL

10. EQUALITY IMPLICATIONS

- 10.1 This proposal was screened for impact on equalities on 03.01.13. A full and detailed evaluation of all options has been prepared and is available electronically. It was considered by the Head of Service and consulted on with Senior Managers within ELRS. As a result of this screening, it has been decided that a full equality impact assessment is not required.

11. LEGAL IMPLICATIONS

- 11.1. It is noted that it recommended to vary the scope of the Council's grounds maintenance contract with Quadron to include the provision of management and client function of cemeteries. It is noted that the financial value of this variation is small, particularly in relation to the overall value of the contract. It is therefore unlikely that such a variation would be considered a material change which would require the additional service to be advertised and competitively tendered.
- 11.2. Implications verified by Cath Irvine, Principal Contracts Lawyer Bi Borough Procurement Team 020 8753 2774

12. FINANCIAL AND RESOURCES IMPLICATIONS

- 12.1. Extending the current option is supported from a financial perspective as it will deliver financial savings of 0.5 FTE for LBHF (approximately £20k over a twelve month period). Given that discussions are still underway with the contractor, any new arrangements should only be agreed if either cost neutral or delivered at a reduced cost to the Council. Any additional payment to Quadron will be monitored as part of the existing monthly monitoring arrangements and paid as part of the existing contract invoice. Sharing a manager post across both LBHF and RBKC supports the Council's shared aim to make the most out of bi- and tri-borough working.
- 12.2. Implications verified by Mark Jones, Director for Finance & Resources, ELRS/TTS, 0208 753 6700.

13. RISK MANAGEMENT

- 13.1. Concurring with both financial and legal advice this would not be a substantial change to the current Grounds maintenance contract. There would be no detrimental affect in service either from the staffing perspective or to the end users, our customers.
- 13.2. Aligning the service provision as indicated in the report does not materially affect the councils overall level of corporate risk. Quadron is one of the council's significant contractors and as such performance and risk associated with Grounds Maintenance forms part of the Environment

Leisure and Residents Service operational Performance and risk management monitoring arrangements.

- 13.3. Implications verified/completed by: Michael Sloniowski
Head of Risk Management Resilience Services Section, Internal Audit
Finance & Corporate Services Department 020 8753 2587

14. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 14.1. It is noted that it is proposed to vary the Council's ground maintenance contract with Quadron Services Limited. This variation does not appear to constitute a substantial change materially different in character from the original contract and doesn't extend the scope of it considerably. If the variation is for the remaining duration of the contract this would be considered a medium value change in respect of the manager's remuneration package for the role.
- 14.2. Implications verified/completed by: Joanna Angelides, Procurement Consultant, Tel No. 0208 753 2586

LOCAL GOVERNMENT ACT 2000 **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Cemeteries CMD September 2012 (published)	Ullash Karia	ELRS