

ANNEX C TO ITEM 8

BEST VALUE/CCT SUB-COMMITTEE

20 DECEMBER 1999

**SUMMARY OF BENCHMARKING EXERCISE
FOR MILTON KEYNES COUNCIL**

EXERCISE UNDERTAKEN BY RE-TRAC SERVICES

1.1 Re-Trac Terms of Reference

Re-Trac Services were commissioned by Milton Keynes Council in June 1999 to carry out a benchmarking exercise of their Landscape Maintenance services. The services involved included the following:

- Landscape Maintenance carried out by Direct Services or Contractor, including Client Management

The authorities involved in the benchmarking exercise, in addition to Milton Keynes Council, were specified as:

- Swindon Unitary Council;
- Peterborough Unitary Council;
- Telford and Wrekin Unitary Council.

In addition, Milton Keynes Parks Trust has also been consulted. The Landscape Maintenance activities carried out by the Parks Trust are very similar to those completed by the above authorities and they have a valuable contribution to make to the benchmarking exercise.

These authorities were selected because, not only are they similar sized unitary authorities, but they are “new towns” like Milton Keynes and as such have more similar characteristics than the older established towns and cities.

The objective of the project was to obtain comparative data from the specified authorities and to review and analyse this comparative data against existing Landscape Maintenance and associated services provided by the Milton Keynes Council.

1.2 Background Information

Milton Keynes became a Unitary Authority on 1st April 1997, and took over responsibility for Landscape Maintenance from the former Development Corporation and from Buckinghamshire County Council. At the same time certain areas of parkland were defined as the responsibility of the Milton Keynes Parks Trust. The Trust is separately funded and answerable to a Board and not to Milton Keynes Council members, although there are three Council members on the Board.

As part of the Best Value review process, a Landscape Best Value (Pilot Project) reference group was formed in November 1998 and identified options that a comprehensive review of the service may consider.

2.1 Framework

2.2.1 Authorities chosen for the benchmarking exercise

The comparable authorities chosen for this exercise are Milton Keynes, Swindon, Telford & Wrekin, Peterborough and the Milton Keynes Parks Trust.

2.2.2 Consultation with the local authorities specified

The consultation exercise was undertaken with the authorities specified and involved the questionnaire detailed in Section 4.3 of this report. The manner in which the information and data was obtained is as detailed below:

- Visits to each of the authorities and interviews with the local authority Officers ;
- Analysis of documents provided by the authorities;
- Telephone conversations with Officers to confirm detailed data;
- Analysis of Audit Commission's national Performance Indicators.

The visits to the local authorities were undertaken jointly by Edward Casebourne (consultant) and Dee Scarland, who is a member of the Landscape Maintenance Best Value (Pilot Project) Reference Group.

2.2.3 Performance Indicators

There is reference in this report to Performance Indicators (PI's). Whilst PI's provide a general indication of performance in local authorities, they are capable of interpretation in different ways, and care should be exercised in their use. Although all the Authorities involved in the benchmarking exercise use Geographical Information Systems (GIS), there is no doubt that the information supplied is more accurately recorded in some cases.

2.2 Service Review

Landscape Maintenance Service National Comparisons

1997/98 Performance Indicators have been obtained from the Audit Commission and are summarised below: (The references shown - Q1 etc - are the Audit Commission References)

2.2.1

Overall Council Expenditure. This is net expenditure.

	Spend/Head	Gov Grant	C/Tax	Council Tax/Hd (£)
	Q1	Q2a	Q2b	
UNITARY COUNCILS				
Leicester	886.63	84%	16%	143
Stoke-on-Trent	721.88	78%	22%	156
Southampton	758.47	79%	21%	158
Luton	800.89	80%	20%	160
Portsmouth	768.00	79%	21%	161
Darlington	703.61	77%	23%	163
Kingston upon Hull	858.42	81%	19%	163
Derby	757.62	77%	23%	175
Middlesbrough	890.14	80%	20%	175
Milton Keynes	748.08	76%	24%	178
Swindon	664.45	73%	27%	180
Brighton & Hove	760.31	76%	24%	186
York	633.14	70%	30%	187
Bournemouth	737.37	73%	27%	197
South Gloucestershire	646.32	68%	32%	205
North Somerset	661.16	69%	31%	205
Poole	643.33	68%	32%	206
North East Lincolnshire	825.59	75%	25%	207
Stockton-on-Tees	822.09	74%	26%	214
Hartlepool	898.54	74%	26%	232
Bath & N E Somerset	696.57	67%	33%	232
East Riding of Yorkshire	726.48	68%	32%	235
Isle of Wight	799.61	70%	30%	240
Rutland	658.76	62%	38%	249
Bristol	779.71	68%	32%	249
North Lincolnshire	816.86	69%	31%	253
Redcar & Cleveland	917.62	71%	29%	266

Peterborough and Telford and Wrekin not included since were not Unitary at time

2.2.2

Expenditure on Parks & Open Spaces

	Cost/Hectare (£)
	Pks & O/Spaces
	14
North Somerset	1,007.62
Redcar & Cleveland	1,609.00
York	1,775.12
Derby	1,897.95
Swindon	2,072.72
Milton Keynes	2,126.00
Stockton-on-Tees	2,205.00
East Riding of Yorkshire	2,543.75
Leicester	2,568.11
North Lincolnshire	2,955.46
Brighton & Hove	3,258.93
Southampton	3,447.50
Rutland	3,455.97
Bournemouth	3,605.62
Poole	3,678.46
Hartlepool	3,752.38
Stoke-on-Trent	4,099.00
Bristol	4,205.61
Portsmouth	5,212.08
Luton	5,228.34
Bath & N E Somerset	6,351.00
Darlington	6,365.38
Kingston upon Hull	8,480.00
Isle of Wight	9,029.00
North East Lincolnshire	#
South Gloucestershire	1972.98*
Middlesbrough	3,674.00*

Peterborough and Telford and Wrekin not included, since they were not Unitary at time of Performance Indicators

3. STRUCTURE OF THE STUDY

3.1 Framework

The framework within which the study was carried out consisted of a benchmarking exercise involving all of the authorities specified. The data obtained in the study was referenced back and compared to baseline data at Milton Keynes Council.

The whole approach of benchmarking is not to seek an absolute like for like comparison, but to compare and seek continual improvement, i.e. to find out why and how another authority may be providing a better and more economical service than Milton Keynes and vice versa.

3.1.1 The basic physical characteristics of the authorities chosen are as shown in the table below:

	Milton Keynes	Swindon	Telford and Wrekin	P/borough	Parks Trust
Population	203,740	180,172	149,800	160,000	NA
Domestic Properties	84,667 (April 99)	67,847	62,870	68,000	NA
Area (Ha) (Overall)	30,869	23,029	29,031	33,346	NA
Area(Ha) (Maintained)	1,161 (All areas)	800 *Best estimate	779 (Exc h/ways & Schools)	1,029 (inc h/way verges)	1,700 1,150**
<i>Grass Area Maintained (Ha)/%</i>	657/57%	648/81%	475/61%	536/52% (grass areas except p/flds)	460/27% (cut grass)
<i>Shrub Area Maintained (Ha)/%</i>	89/8%	34/4%	40/5%	99/10%	190/11%

3.1.2 Services under Consideration

Within the benchmarking exercise the following services were considered for comparison with those of Milton Keynes Council:

- Client staffing and contractual arrangements;
- Landscape Maintenance;

3.1.3 Consultation with the local authorities specified

The consultation exercise was undertaken with the authorities specified and involved the questionnaire detailed in Section 3.3 of this report. The manner in which the information and data was obtained is as detailed below:

- Visits to each of the authorities and interviews with the local authority Officers ;
- Analysis of documents provided by the authorities;
- Telephone conversations with Officers to confirm detailed data;

The visits to the local authorities were undertaken jointly by Edward Casebourne and Dee Scarland, who is a member of the Landscape Maintenance Best Value (Pilot Project) Reference Group.

It was accepted that each authority would be performing in a different environment and that the data obtained might not be exactly comparable. For the exercise this is not too important since the whole point of the study is to highlight differences and draw conclusions as to which authority is performing better, based on the relative conditions prevailing within the authorities at the time.

Within the framework of the study, subjective notes have been made of areas where other authorities that are performing better, on the whole and conclusions and recommendations made as where performance can be improved within Milton Keynes Council, should this be necessary.

3.2 Tasks

The approach adopted for the benchmarking study involved a review and analysis of the existing Landscape Maintenance services provided by the Milton Keynes Council thus enabling a comparison of these services to be made with those provided by Swindon, Telford & Wrekin, Peterborough and the Milton Keynes Parks Trust. All of these Authorities have similar geographical and physical characteristics to Milton Keynes Council. Each of the Authorities under consideration (except the Milton Keynes Parks Trust) are now Unitary authorities, having become Unitary recently, on the dates detailed below:

- Milton Keynes April 1997;
- Swindon April 1997;
- Peterborough April 1998;
- Telford and Wrekin April 1998.

The study was carried out during August and September 1999 through completion of the following three tasks:

- Task 1 - Establish baseline information (from Milton Keynes Council);
- Task 2 - Establish comparable baseline data in other authorities;
- Task 3 - Analyse findings from benchmarking exercise.

3.3

Structure of the Questionnaire

The structure of the questionnaire addressed to each of the authorities specified within the study, and the sections/subsections within the questionnaire are as detailed below.

LANDSCAPE MAINTENANCE QUESTIONNAIRE	
DESCRIPTION	DESCRIPTION - CONTINUED
Background Data	Overhead (Central Support Costs) £
Population	Area Street Cleansing Costs included?
Number of domestic properties	Do you use Section 136? (<i>eg to charge Parish Councils</i>)
Area (Overall)	Internal Charging (<i>charges for housing, Leisure etc – please specify</i>)
Area (Maintained)	Do you maintain Tenants Gardens? (<i>if yes, do you charges to Tenant or Housing or no charge</i>)
Political Control (<i>could be, lab, lib, con, NOC, independent</i>)	Do you make external charging? (<i>charges for external users, private gardens, etc</i>)
Style of area (<i>urban, rural, combination</i>)	Details - Grass Cutting
Service	Frequency
Contractors (<i>small, medium, large, mixture</i>)	If output based, what is maximum grass height? (<i>basic not cricket / bowling green eg 12 cuts/an</i>)
DSO	Number of Play Areas
Contract Types	Number of Play Area Inspectors
Output	Number of Landscape Enquiries/Complaints per year
Frequency	Details – other information
Mixture (<i>if yes please explain</i>)	Do you have local Performance Indicators?
Specialist Works (<i>eg Grass cutting, Tree works, Sports Grounds based Contracts</i>)	Any recent public consultation exercises? (<i>If yes, what were the results? You may need to attach additional information</i>)
Area Based (<i>eg north and south, Urban, Rural</i>)	Do you use Geographical Information Systems?
Mixture (<i>please note explain</i>)	Assets
Tender Evaluation (<i>cost, cost+quality</i>)	What assets do you use? (<i>Depots, vehicles etc</i>)
Types of Maintenance (<i>please specify by area</i>)	Environmental Issues
Parks %	Are prunings and cuttings taken to landfill? (<i>if not, what happens to them?</i>)
Highways %	Do you compost waste?
Forestry %	Do you use peat
Public Open Space %	Any other issues (<i>Please not any other issues</i>)
Management	Innovation
Number of Staff – <i>please attach management structure</i>	Please note any recent innovations
Cost of Client Management (<i>Gross £, Income £</i>)	Any other comments
Contract Costs	Name of Authority
Gross Expenditure £	Contact Name
Income £	Title
Per Head £	Phone Number
Per Property £	E-mail address
Per Hectare (Overall) £	Would you be prepared to join a Benchmarking Forum?
Per Hectare (Maintained) £	Would it be possible to visit your Authority to explore processes and other issues?

4. SERVICE REVIEW

4.1 Introduction

The Benchmarking exercise has required visits to all authorities in the group studied, comparisons with national Audit Commission Performance Indicators and analysis of the questionnaires. During this process a picture has emerged as to how well Milton Keynes maintains Landscape areas, their levels of expenditure and how their various contracts are managed.

4.1.1 Standards of Landscape Maintenance

Following the joint site visits by Edward Casebourne and Dee Scarland to the three unitary authorities, there is no doubt that **general maintenance standards are at least as high in Milton Keynes as in any of the other three local authorities visited**. In the opinion of Dee Scarland, who has long associations and detailed knowledge of Milton Keynes, the standards at Milton Keynes are much better than the other Unitary Authorities visited. These subjective impressions are strongly supported by Milton Keynes' recent success in the Britain in Bloom competition. There has been a very substantial investment in landscaping in Milton Keynes, with clear benefits to the environment. In recent years, in common with the other three local authorities studied (excluding the Milton Keynes Parks Trust), landscaping appears to have become a target for expenditure cuts and one of the main issues emerging is how best to produce cogent arguments to reverse this trend. The Milton Keynes Parks Trust, being answerable to Management Board, has not been exposed to the same cost cutting exercises.

4.1.2 Levels of expenditure

Milton Keynes is clearly not a high spending authority, either in terms of total expenditure or in terms of expenditure on parks and open spaces. This will clearly work in favour when arguing for expenditure increases, which with careful management need not be too onerous.

4.1.3 Contract management

Apart from the Milton Keynes Parks Trust, Milton Keynes Council maintains the largest area of landscaping and has the highest expenditure on Landscape Maintenance. In line with this, Milton Keynes also employs the highest number of inspectors. **However, in the area of customer complaints/enquiries and contract numbers, there is a significantly higher level in Milton Keynes.**

4.1.4 Problem areas and other information

Arising from the discussions with the five authorities there are a number of problem areas, some common to Milton Keynes, some peculiar to one or other of these authorities. All of these, eg problems with overhanging shrubs, are interwoven with standards, levels of expenditure and contract management. In addition, under the heading of further information, other topics have been referred to, for instance the use by Swindon of Business Excellence.

4.1.5 Swindon/Telford & Wrekin

The approaches taken by these two authorities are of particular interest and could benefit from more detailed studies in some areas. **Swindon is fully DSO and clearly runs a tight ship with minimum contract inspection levels and the client officers working in the DSO depot. Telford and Wreken, at officer level, believe that some form of independent inspection is essential and are currently arranging to host their DSO.**

4.2 Features/Physical Characteristics

	Milton Keynes	Swindon	Telford and Wrekin	P/borough	Parks Trust
Population	203,740	180,172	149,800	160,000	NA
Domestic Properties	84,667 (April 99)	67,847	62,870	68,000	NA
Area (Ha) (Overall)	30,869	23,029	29,031	33,346	NA
Area(Ha) (Maintained)	1,161 (All areas)	800 *Best estimate	779 (Exc h/ways & Schools)	1,029 (inc h/way verges)	1,700 1,150**
<i>Grass Area Maintained (Ha)/%</i>	657/57%	648/81%	475/61%	536/52% (grass areas except p/flds)	460/27% (cut grass)
<i>Shrub Area Maintained (Ha)/%</i>	89/8%	34/4%	40/5%	99/10%	190/11%

4.2.1 Milton Keynes – labour controlled, combination of urban and rural areas.

Milton Keynes has the highest levels of the local authority areas (excluding Milton Keynes Parks Trust) in respect of all features/physical characteristics. **The most meaningful physical characteristic for comparing Landscape Maintenance and also that used by the Audit Commission, is the area of landscaping maintained.** This has been further refined to show grass and shrub areas. Milton Keynes has a higher proportion of shrub areas than the Swindon and Telford and Wrekin, which will increase the cost per area maintained, considered below. The largest proportion of shrub areas is in Peterborough. Milton Keynes' Redways and the like are patrolled by policemaen on horseback.

4.2.2 Swindon – labour controlled, predominately urban areas.

The town centre has two distinct areas, one of which dates back to the Domesday Book. There is a Victorian Park in the town centre now maintained well by two operatives, but formerly by twelve operatives. Under Swindon's Best Value regime, it is intended that these operatives use their own initiative rather than await instruction. The Victorian Park requires a management plan for replacing the very old trees. There are only small amounts of landscaping in the town centre.

Swindon has 1950s and 1960s estates and a more recent area in West Swindon, which is similar to Milton Keynes. The 1950s estate includes Coate Water Park and five further parks, which include facilities for fishing, boating and walking. There are twenty-five allotments. There is also a manorial estate, Lydiard Park, with a Georgian Manor House and adventure playground, all of which has been taken over by the council. In addition, Swindon has a local wild flower Nature Reserve and a Site of Special Scientific Interest. There are only small amounts of landscaping in the 1950s estate and this area suffers from problems with vehicles parking on verges.

Unlike Milton Keynes, Swindon was not a Development Corporation, there being a Swindon Development Act. It was formerly Thamesdown Council. Much of the increasing population has come from London.

Swindon is similar in certain areas only to Milton Keynes. It has a higher proportion of grassed areas than Milton Keynes and these are seen as a high priority.

4.2.3 Telford and Wrekin – Labour controlled, combination of urban and rural areas

Telford and Wrekin is a New Town and much of the layout is similar to that of Milton Keynes. There are two Trusts, the Severn Gorge Countryside Trust and a Housing Trust, to which the Council's Housing stock has been sold. There are no Redways, although there are major footpaths linking the estates. The Unitary Council was formed from the former Wrekin Council and parts of Shropshire County Council. The housing estates were built to the standards laid down in the 1970s and because of unpredicted rises in car ownership, there are problems with parking on the verges. A significant proportion of the population is an influx from the poorer areas of Birmingham and this is thought to have contributed to the high crime rate. The Council has had to fill in many subways and closed many local estate centres because of crime. The total area maintained, as supplied in the questionnaire is 1494 Hectares. This includes highway verges formerly maintained by Shropshire County Council. The cost supplied does not include these verges. A computer disc was supplied at the area visit and this details all areas except highway verges previously maintained by Shropshire County Council (779 Hectares). A more meaningful comparison will be obtained if the verge areas are excluded and this is how the table has been presented.

Telford and Wrekin have a slightly higher proportion of grass and a slightly lower proportion of shrub areas to Milton Keynes

4.2.4 Peterborough – No Overall Control, combination of rural and urban areas

Peterborough's Norman cathedral contrasts with its four new residential townships begun in the 1960s. The City's parkways are the equivalent of Milton Keynes' grid roads and are similarly landscaped. A network of cycle ways links the different areas of the city. The city has a Nene Parks Trust, similar to the Milton Keynes Parks Trust.

All highway verges have been included in both areas and costs. This represents an amendment supplied by Peterborough after their questionnaire was submitted

Peterborough has a lower proportion of grassed areas and a higher proportion of shrub areas than Milton Keynes.

4.2.5 Milton Keynes Parks Trust – Answerable to Management Board, including Milton Council Members.

Milton Keynes Parks Trust is responsible for the largest overall area at 1700 Hectares. The landscaped areas are made of a number of parks and open spaces. These parks include lakes of various sizes and substantial woodland and shrub areas, including those alongside the Milton Keynes grid roads. The tables have included the effects of the area maintained being reduced by areas of water, hard surfaces, paddocks and agriculture so as obtain a better comparison with the Unitary authorities.

4.3 Costing Data and Rates

	Milton Keynes	Swindon	Telford and Wrekin	P/borough	Parks Trust
Gross Expenditure (GE) £/an	2,721,860 (99/00)	1,776,400 (99/00) inc recharges	1,544,625.3 (99/00)	2,071,500 (99/00)	1,333,362 (98/99)
Gross expenditure on play areas (£/an)	260,330	220,000	71,000	163,200 (98/99 + 2%)	
GE per Capita (£)	13.36	9.86	10.31	12.95	NA
GE per Property (£)	32.15	26.18	24.57	30.46	NA
GE per Ha (£)	88.17	77.14	53.21	62.12	NA
GE per Ha maintained (£/an)	2,344	2,221	1,982 (exc h/ways & Schools)	2,013 (inc highway verges)	784 1159**
<i>Management Cost/Hectare maintained (£/an)</i>	313.41	375	Not available	349.47	123.97 183.26**
<i>Labour rate (£/Hr) (mower driver)</i>	6.45 – 6.50 (DSO, 110 performance)	6.20 (DSO Grade 3 max bonus)	6.67 (DSO consolidated rate)	6.50 (DSO 12500/an inc bonus)	
<i>Council Tax/Capita (£)</i>	219.26 (net)	176.21 (net)	193.32 (net)	189.93 (net)	NA
Number of Play Areas	554	70	139	290	4
<i>Expenditure/Play area £</i>	469.91	3142.86	510.79	562.76	
<i>Number of sportsgrounds</i>	17	9	7 + many in parks	16	1
<i>Rates for grass cutting – small Contractor/DSO £</i>	0.51/100sq mtrs/cut (£170,000 contract)				
<i>Rates for grass cutting – medium Contractor/DSO £</i>	0.62/100sq mtrs/cut (£225,500 contract)				
<i>Rates for grass cutting – large Contractor/DSO £</i>	0.71/100sq mtrs/cut (£300,000 contract)	0.67/100 sq mtrs/cut	0.69/100 sq mtrs/cut	8.24/100 sq mtrs/an output , (12 cuts:0. 69)	4.3/100sq mtrs/an + o/hds (15 –18%)
<i>Rates for shrub maintenance £</i>	43.26/100sq mtrs/an (DSO Rate)			52.44/100sq mtrs/an	5.6/100sq mtrs/an +o/hds

4.3.1 The table includes a number of cost comparisons for information purposes. These relate Gross Expenditure (GE) or Council Tax to population, property numbers, and total area of

Authority or total area of Landscape Maintained. Although the Audit Commission uses Performance Indicators for Waste Management, which relate expenditure to population, this relationship is not used in landscape maintenance. In this case, the Audit Commission has selected the more meaningful cost/Hectare maintained. **Milton Keynes' cost/Hectare maintained is around 13% higher than the average of the other Unitary Authorities.** The local labour rates for each Unitary authority have been examined and are included in the table. All the Unitary authorities have similar labour rates, so this is not a significant reason for the cost/Hectare differences. The following are the possible explanations for the cost differences:

1. The proportion of grassed areas.

Since grass areas are cheaper to maintain than shrub areas, higher proportions would reduce the overall cost/Hectare maintained.

Authority	% grass areas
Milton Keynes	57
Swindon	81
Telford & Wrekin	61
Peterborough	52

2. The proportion of shrub bed area.

Since shrub areas are more expensive to maintain than grass areas, lower proportions would reduce the overall cost/Hectare maintained.

Authority	% shrub areas
Milton Keynes	8
Swindon	4
Telford and Wrekin	5
Peterborough	10

3. Play Area numbers and Sports Grounds

Smaller numbers would reduce the overall cost/Hectare

Authority	Number of Play Areas	Sports Grounds
Milton Keynes	554	17
Swindon	70	9
Telford and Wrekin	139	7
Peterborough	290	16

Information received from Milton Keynes, shown on page 8, indicates that annual grass cutting rates are around one sixth of the annual shrub bed maintenance rates. **A 3% reduction in shrub area with a corresponding 3% increase in grass area, bringing the areas in line with Telford and Wrekin, would reduce Milton Keynes' cost/Hectare maintained from £2344 to £2236. Expenditure on play areas in Milton Keynes, a reflection of the high proportion of children, accounts for £224/Hectare maintained. A 75% reduction in play areas, bringing the numbers down to those in Telford and Wrekin would reduce Milton Keynes' cost/Hectare maintained by a further £168 to £2068.**

These corrections enable cost/Hectare to be compared favourably with Telford and Wrekin and also Swindon, which has a similar cost/ Hectare. **However, they do not account for the fact that Peterborough achieves similar costs/Hectare maintained to those in Swindon and Telford and Wrekin, despite having lower proportions of grass areas and higher proportions of shrub areas. This requires further investigation.**

4.3.2 The grass cutting rates/100sq mtrs/an have been examined as follows:

Authority	Rate/100sq mtrs/an
Milton Keynes	0.71 (Synergy)
Swindon	0.67
Telford and Wrekin	0.69
Peterborough	output specification – 8.24
Milton Keynes Parks Trust	output specification – 4.30 + overheads (15% - 20%)

Milton Keynes' rate appears marginally higher than the other Unitary Authorities. Synergy's Landscape Maintenance manager reported problems with obtaining parts for Ransomes mowers also a problem with Swindon's DSO. This requires further investigation by Synergy's manager. **At the same time discussions could take place about the respective grass cutting rates.**

Peterborough's rate is double that of the Milton Keynes Parks Trust's. This requires further investigation.

A comparison has also been made at Milton Keynes of grass cutting rates for contracts of different sizes. It appears that smaller contracts may give lower rates and this is discussed more below.

4.3.3 The shrub bed maintenance rates/100sq mtrs/an have been examined as follows:

Authority	Rate/100sq mtrs/an
Milton Keynes	43.26
Peterborough	52.44
Milton Keynes Parks Trust	5.60

Peterborough and Milton Keynes Councils' rates are substantially higher than the Milton Keynes Parks Trust's. Further investigations are required into how this occurs.

4.3.4 The expenditure on play areas has been examined as follows:

Authority	Expenditure/play area/an
Milton Keynes	469.91
Swindon	3142.86
Telford and Wrekin	510.79
Peterborough	562.76

Swindon Council spends around six times the expenditure/play area/an than the other Unitary authorities.

4.3.5 **Milton Keynes finances around half of the cost of Landscape Maintenance through the precept levied by Parish Councils under Section 136. None of the other Unitary authorities make use of this arrangement.** Although Swindon Council indicated in their questionnaire that they use this facility, the actual situation, as verified in further discussions, is that Parish Councils outside Swindon (Town) set rates and use funds raised to maintain their own parishes, either independently or under contract to Swindon Council. There are no Parishes in Swindon (Town).

4.3.6 The situations on internal/external charging and maintenance of tenant's gardens are as follows:

Authority	Internal Charging	External Charging	Tenant's gardens m/ nce
Milton Keynes	yes	yes	yes

Swindon	yes	no	no
Telford & Wrekin	yes	yes	yes
Peterborough	yes	no	no

4.3.7 Recommendations

- Further investigations as to why Peterborough's cost/Ha maintained is low
- Further investigations into Swindon's grass cutting rates and parts supplies from Ransomes
- Further investigations into how Peterborough's grass cutting and Peterborough's and Milton Keynes' shrub maintenance rates/100 sq mtrs/an are so much higher than those of Milton Keynes Parks Trust.

4.4 Contract Information

	Milton Keynes	Swindon	Telford and Wrekin	P/borough	Parks Trust
<i>DSO only</i>	no	yes	no	no	no
<i>Number of Contractors</i>	4 inc DSO	0	2	2	30
<i>Contract Period (yrs)</i>	5/7	5/7	5-10 future	4.5 – 6	1 - 6
<i>Number of Contracts</i>	10	2 in future	5 (DSO has 3 main)	11 (reducing to 6)	60
Contract Type Output		no	yes	yes, not sports & p/grounds	yes
Contract Type Frequency		yes	no		
Contract Type Mixture	yes	no	no		No
Number of grass cuts	12	12 increasing to 15	NA – height 75 mm	NA – performance	NA – 14 regimes

4.4.1 The summarised information has been obtained partly from questionnaires and partly by discussions with officers from the Unitary authorities in order to examine the following issues:

- The impact of using DSO only – ie lack of competition
- Number size and length of contracts
- Type of Contract – input/method or output/performance
- Other points on the questionnaires

4.4.2 The impact of using DSO only – ie lack of competition

Of the four Unitary Councils, only Swindon awarded all contracts to their DSO. In April 1998, only one tender (DSO) was returned, despite registration of interest by national contractors. Telford and Wrekin have also awarded their three main contracts to their DSO, which is currently being hosted (externalised). **However, on the information provided, in both cases this factor not appear to have resulted in their cost/Hectare maintained being any higher than the other Unitary Authorities.**

4.4.3 Number size and length of contracts

Clearly, more numerous smaller contracts result in more administration, including meetings, payments etc. Milton Keynes has significantly more Contracts than the other three Unitary Authorities, which are reducing their numbers of contracts. The reasons behind this are that Milton Keynes has found that more competitive rates can be obtained by using smaller contractors. This is indicated as follows:

Approximate size of Contract (£)	Grass Cutting rate (£/100sq mtrs)
170,000	0.51
225,500	0.62
300,000	0.71

The Milton Keynes Parks Trust also has large numbers of Contracts (60)

All four Unitary Authorities use similar lengths of contracts.

4.4.4 Type of Contract – input/method or output/performance

Swindon Council uses input contracts for their DSO. The other three Unitary Councils and also the Milton Keynes Parks Trust use output contracts in varying degrees. Within this group, Telford and Wrekin and the Milton Keynes Parks Trust use only output contracts, Peterborough use mostly output contracts (including grass cutting) and Milton Keynes use a mixture of different types. The Milton Keynes Parks Trust consult carefully with their contractors, prior to drawing up requirements and firmly believe that the output system produces higher standards. Telford and Wrekin appreciate the difficulties in tendering for output contracts, in that the contractor has to make judgements about such matters as the effects of wet or dry summers on the number of grass cuts required to meet specification standards. The Synergy Landscape Maintenance manager prefers input contracts for grass cutting, pointing out that an output system would require more cuts in spring and fewer in a hot summer.

Milton Keynes intends to return to using a performance-based contract in future.

4.4.5 Other points on the questionnaire are summarised as follows:

Authority	Area Basis	Mixture	Tender Evaluation
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Milton Keynes document	yes		Inclusion	M.E.A.T
Swindon	yes	no	60/40 price/quality	
Telford & Wrekin	yes	cost & quality		
Peterborough	(a)general grounds maint	:area	60/40 cost/quality	from hereon
	(b)Specialist contracts:	City wide		
Milton Keynes Parks Trust	yes	yes	cost	

4.4.6 Recommendations

- **Further examination of smaller contracts to verify that they are justified by genuine savings.**
- **Detailed study of Milton Keynes Parks Trust's and Telford and Wrekin's contract to evaluate benefits of output specification.**

4.5 Client Inspection

	Milton Keynes	Swindon	Telford and Wrekin	P/borough	Parks Trust
Management Cost £/an	363,870	300,000 (includes 168,000 on housing areas)	Not available	359600	210,750
<i>Management Cost/Hectare maintained £/Ha/an</i>	313.41	375	Not available	349.47	123.97 183.26**
Number of Staff	10	6	8	16 – includes staff not involved with Contracts	7

<i>Number Inspectors excluding play & arboricultural</i>	7	2	3 – will become generic	4 plus 1 temporary	5
<i>% time spent on inspection</i>	35%	Very little	5 – 10%	40%	85
<i>Play Area Inspectors</i>	1	0	1	1	1
<i>Arboricultural Inspectors</i>	1	1-3	1-2	2	6 out of 7 are arboricultural
<i>No of Rangers</i>	0	10 Coate & Lideard Country Parks, not policing	8 (Landscape Wardens)	None but being considered	6
<i>Allotment Inspectors</i>	Part time	1			0
<i>GIS System in use</i>	yes	yes	yes	yes	yes
<i>Complaints & Customer enquiries/an</i>	5,634 & 6,875 letters	1,668 90% recorded	2,133		176
<i>New houses (98/99)</i>	1483	800	872	800 (mid year to mid year)	

4.5.1 The summarised information has been obtained partly from questionnaires and partly by discussions with officers from the Unitary authorities in order to examine the following issues:

- Are the overall management costs acceptable?
- Are the numbers of inspectors about right?
- Are inspectors spending sufficient time on inspection?
- Should inspection be integrated into the DSO, or inspectors work more closely with the DSO?
- Can inspection be carried out elsewhere?
- Is the level of complaints/customer enquiries acceptable?
- Should rangers be used?
- Other points on the questionnaire

4.5.2 Are the overall management costs acceptable?

Information on management costs is not available from Telford and Wrekin Council. The council is currently re-examining its management structure as a result of hosting/externalisation. The costs/Hectare/an are set out below:

Authority	Cost (£/Hectare/an)
Milton Keynes	313
Swindon	375
Telford & Wrekin	not available
Peterborough	349
Milton Keynes Parks Trust	124 (183 excluding water, hard surfaces, paddocks, agriculture areas)

Milton Keynes compares favourably with the other Unitary authorities. Each Unitary authority has verified verbally that the expenditure on management includes salaries, National Insurance, travel etc, but excludes central overheads such as Personnel and Finance. Appendix 6 includes supporting information from Peterborough in this respect. **All Unitary authorities' costs are significantly higher than those of the Milton Keynes Parks Trust.**

4.5.3 Are the numbers of inspectors about right?

At each Unitary authority, inspections and contract control are fully under the jurisdiction of one department. There are no other staff (including rangers) carrying out inspection work. An extract from Audit Commission occasional Paper No 7 (January 1989) suggests the value of contracts supervised at that time for Grounds Maintenance to be between £0.6 and £0.7 million. Additionally, supervision levels are similar or slightly lower for other services. The following table shows the numbers of inspectors required, using the Audit Commission's contract value of £0.65million/per inspector uplifted by 1.3 to allow for inflation and applying this to the gross Landscaping expenditure for each Authority. The actual numbers for the four Unitary Authorities are also shown for comparison:

Authority	inspectors	nos corrected for time not inspecting	Audit Commission nos
Milton Keynes	7	2.45	3.22
Swindon	2 +1 below	not available	1.92
(Swindon: 1 other financed through Schools Maintenance Contract)			
Telford and Wrekin	3	0.2	1.83
Peterborough	4	1.6	2.45
MK Parks Trust	7	5.95	1.57

Clearly, this information is only a very rough guide. **When inflation over ten years is allowed for at 1.3 and the numbers corrected for work other than inspection, it appears that numbers of inspectors, in all Unitary authorities, are lower than the levels suggested by the Audit Commission.** Discussions with inspectors at Milton Keynes indicated that there is a wide variety of inspection levels, some inspectors spending a high percentage of time inspecting and some, at times, none at all, due to dealing with other matters including the customer enquiries/complaints. At Swindon where inspectors are integrated into the DSO and work in the Depot, the inspection level is 'very little.' Inspectors at Swindon spend their time on several tasks other than inspections including letter writing, legal transfers, ordering bedding plants, dealing with Statutory Undertakers and cable companies, ordering football equipment etc. In contrast to the situation of a very low number of inspectors at Telford and Wrekin, officers firmly believe that an independent inspection system should be maintained particularly where a contractor is employed. The officers are currently re-examining the management structure to deal with hosting/externalisation and would like to have more staff.

4.5.4 Are inspectors spending sufficient time on inspection?

Synergy would be happy to have closer ties with the Client. At Swindon, the number of inspectors and the level of inspection is minimal and the inspectors work from the DSO Depot. At officer level, Swindon agrees with a closer working relationship between Client and DSO and with the DSO carrying out its own inspections. Swindon have not issued Default or Remedy Notices, preferring to withhold payments due to their DSO until work has been satisfactorily completed. There is no information available on the numbers of Default and Remedy Notices issued at Peterborough, although they are stated to be very few. At Telford and Wrekin the numbers of inspectors and inspection levels are low, but in May and June 1999 a total of £18,000 was withheld from the DSO. **Officers at Telford and Wrekin firmly believe that a separate inspection arrangement should be maintained, particularly since the DSO is being hosted. These different schools of thought merit further more detailed studies as to which system will work best in Milton Keynes**

4.5.5 Can inspection be carried out elsewhere?

An alternative approach is to involve local people in carrying out monitoring on behalf of the Council. Milton Keynes Council is currently considering 'Environment Watch' which is intended to involve the Community in protection of their local environment and encourage civic pride. Milton Keynes has already demonstrated that the parish and other councils can be successfully involved in Landscaping under the Section 136 Agreements. The parish councils carrying out inspections could take this involvement further.

4.5.6 Is the level of complaints/customer enquiries acceptable?

Milton Keynes has almost three times the number of customer enquiry/complaints than the other three Unitary authorities and over thirty times the number of enquiry/complaints received by the Milton Keynes Parks Trust. A similar scenario also exists with the waste management services. The growth rate in numbers of new houses has been examined to check whether this could effect the numbers of enquiries/complaints. Milton Keynes has almost twice the number of new houses built than other Unitary authorities and this will undoubtedly effect the numbers of enquiries/complaints. The Council also has a policy of actively seeking the views of the public and this appears to have affected the overall numbers of responses. At present the enquiries/complaints are not sorted into categories,

however the current computer software, which records complaints, is being replaced in the near future. An integrated system will be in place by April 2000. **The situation needs to be viewed in a positive light and used to target areas most in need of attention**

4.5.7 Should rangers be used?

Milton Keynes Council does not use rangers to patrol their parks, however Milton Keynes Parks Trust does. Swindon employs ten rangers, Telford and Wrekin employ eight and the use of rangers is being considered at Peterborough. The rangers employed by Swindon are mainly in their Coate and Lideard Parks. The rangers are employed by Swindon's Countryside Department and are not involved in policing. Duties include youth education and advice relating to bonfires on Guy Faukes Night. **Investigations need to be carried out in conjunction with the other Unitary Authorities to evaluate the benefits of rangers to Milton Keynes.**

4.5.8 Other points on the questionnaire

Authority	local performance indicators	public consultation exercises
Milton Keynes	yes	yes
Swindon	no	yes
Telford and Wrekin	no	yes
Peterborough	no	yes
MK Parks Trust	no	yes

4.5.9 **Recommendations**

- **Use of time sheets by inspectors**
- **More flexible working arrangements by inspectors**
- **Analysis of customer enquiry/complaints**
- **Consideration of use rangers**

5. OTHER COMPARISONS

5.1 Introduction

	Milton Keynes	Swindon	Telford and Wrekin	P/borough	Parks Trust
<i>Overgrowing shrubs & pruning</i>	yes	yes	most areas dealt with	yes	yes
<i>Subsidence</i>	yes	yes		yes- few	yes
<i>Parking on verges</i>		yes		yes	
<i>Security/crime</i>	yes	yes	Yes (ex Birmingham residents) – subways filled in	yes	yes
<i>Statutory Undertakers/Cable laying</i>		yes		yes	yes
<i>Epicormic Growth</i>		yes		yes	yes
<i>Travellers</i>	yes	yes		yes	yes
<i>Landscape areas increasing</i>	yes	yes		yes	
<i>Budgets reducing</i>	yes	Yes to present year		yes	
<i>Money available for new work</i>	no	£150,000 to £200,000 Capital schemes only to date , funded from new development		yes	

A number of other comparisons were made during the course of the study and have highlighted problems, which are related to issues associated with the provision of the services under review, as follows:

- Estate layout and design
- Epicormic growth
- Travellers
- Co-ordination of grass cutting activities
- Availability of funding

In addition, other information has come to light, which could be of use in any further investigations, as follows:

- Use of Business Excellence
- Hosting

5.2 Other Comparisons – Problems Areas

5.2.1 Estate layout and design

In common with the other Unitary authorities, there are problems in Milton Keynes (Council and Trust areas), which relate back to the design practice and criteria established in the 1960s. Since that time there have been increases in car ownership and levels of crime, which are greater than were predicted and have further added to problems caused by changes in design practice. The overall effects include:

1. The planting obstructs footpaths, visibility splays, residents accesses
2. The planting is costly to prune/maintain
3. Shrubs undermine footpaths, cycle ways and buildings, causing subsidence
4. Shrub planting offers opportunities to conceal prowlers, although some residents also see them as providing a security screen
5. In some authorities, there is a problem with reinstating shrubs after cable laying
6. Increased car ownership results in residents parking on grass verges
7. In Telford and Wrekin the levels of crime are so high in some areas that subways have been filled in and local estate centres have been closed.

There are several different options for dealing with the problems referred to above, such as:

1. Remove shrubs and replace with varieties which grow to a lesser height
2. Remove shrubs and replace with grass
3. Prune shrubs to almost ground level
4. More hard Landscaping for parking areas

The option chosen in one area will not necessarily be appropriate to another area. Despite careful consideration, the wrong option may in any case be selected.

The customer enquiry/complaints should be used to identify priority areas. Other Unitary authorities could be visited to examine most appropriate options. Trials should then be carried out to determine the best solutions throughout the District.

5.2.2 Epicormic growth

This problem is most pronounced in Swindon and Peterborough Districts and within the area of Milton Parks Trust

5.2.3 Travellers

This problem is most pronounced in Milton Keynes (Council and Trust areas), Swindon and Peterborough. Swindon has tried various methods to deter travellers, including construction of bunds with limited success.

5.2.4 Co-ordination of grass cutting activities

During discussions with officers of both Milton Keynes Council and Milton Keynes Parks Trust, it has been pointed out that grass cutting on the grid roads, in particular, takes place at different times. This results not only in different contractors arriving at the same locations, possibly at about the same time, but also in the same areas of grassland being at different lengths. The two authorities operate under different contracts, one frequency related and one performance related and this is the reason for the situation. **However, it creates a poor image in the eyes of the public and needs addressing for this reason. Representatives from the two sides need to get together to resolve this matter**

5.2.5 Availability of funding

As stated earlier in this report, Milton Keynes has invested heavily in Landscaping and this investment should not be allowed to deteriorate. Since 1993/94, within the Milton Keynes Council areas, Landscape areas have been increased by 19%, but budgets have reduced by 26%. At the same time, Commuted Lump Sums have not been credited to the Landscape Maintenance Budget. **All other Unitary authorities use the income from commuted sums to provide for Landscape maintenance. In each of the other Unitary Authorities, funds have been set aside, are being bid for or the problems related to estate layout and design, have been tackled.**

Swindon Council, also faced with several years of reducing budgets, agreed to spend £150,000-£200,000 on new works, including six new playgrounds. A bid is also being made for additional funds for increased frequencies of pruning and hedge cutting. Telford and Wrekin have visited every underpass and reduced the shrub growth to ground level, although funding is not available to re-model estates. At Peterborough, funds have been targeted to deal with problems of overgrowing shrubs.

If the customer enquiries/complaints are used to identify priority areas and trials are set up to determine the best solutions, there should be a strong case to justify the additional funding. This can be further supported by the fact that budgets have been reduced in recent years, commuted sums are not being used and other Unitary Authorities are providing additional budget allocations for Landscape improvements.

5.3 Other Comparisons - Information

During consultations with the different authorities, the following information has been provided and should prove useful in further investigations:

- Business Excellence
- Hosting

5.3.1 Business Excellence

Swindon Council as complimentary to Best Value is actively considering this system. Business Excellence is organised by the British Quality Foundation, contact telephone number: 0171 654500. The system evaluates performance in different areas, which can be compared year by year to monitor performance progress.

5.3.2 Hosting

Telford and Wrekin Council are implementing this at present. Procedures are at an early stage with the intention of starting the new arrangements in July 2000.

6. CONCLUSIONS AND RECOMMENDATIONS

6.1 Conclusions – based on the information supplied

The following are the conclusions:

Standards

- General standards are at least as high in Milton Keynes as in any of the other three Unitary authorities visited.

Performance Indicators

- Milton Keynes is clearly not a high spending authority
- The most meaningful physical characteristic for comparing Landscape Maintenance and also that used by the Audit Commission, is the cost/Hectare of landscaping maintained.
- Milton Keynes' cost/Hectare maintained at £2344/Hectare/an is around 13% higher than the average of the other Unitary Authorities
- A 3% reduction in shrub area with a corresponding 3% increase in grass area, together with a 75% reduction in play areas (to bring the relative areas more in line) would reduce the cost/Hectare to £2068, comparable to the other three Unitary authorities.
- Peterborough achieves a similar cost/Hectare maintained to those in Swindon and Telford and Wrekin, despite having lower proportions of grass areas and higher proportions of shrub areas.

Rates

- Peterborough's rate for grass cutting is double that of the Milton Keynes Parks Trust
- Peterborough's and Milton Keynes' rate for shrub bed maintenance is substantially higher than that of the Milton Keynes Parks Trust.
- Use of smaller contractors in Milton Keynes appears to give benefits in respect of lower rates

Client Inspection

- Milton Keynes management cost /Hectare compares favourably with the other Unitary authorities (Telford & Wrekin's not available), but all are significantly higher than the Milton Keynes Parks Trust's cost/Hectare.

- Swindon is fully DSO and clearly runs a tight ship with minimum contract inspection levels and the client officers working in the DSO depot.
- Swindon has awarded all contracts in house with minimum competition. This does not appear to have resulted in their cost/Hectare maintained being any higher than the other Unitary authorities
- Telford and Wreken, at officer level, believe that some form of independent inspection is essential and are currently arranging to host their DSO.
- It appears that the numbers of inspectors are lower than the levels suggested by the Audit Commission, in all Unitary authorities.
- Inspectors in all Unitary Authorities spend a high percentage of time dealing with other matters including the customer enquiries/complaints.
- Milton Keynes has almost three times the number of customer enquiry/complaints than the other three Unitary authorities and over thirty times the number of enquiry/complaints received by the Milton Keynes Parks Trust

Problem Areas

- In common with the other Unitary authorities, there are problems in Milton Keynes, which relate back to the design practices and criteria established in the 1960s.

Funding

- Milton Keynes finances around half of the cost of Landscape Maintenance through the precept levied by Parish Councils under Section 136. None of the other Unitary Authorities make use of this arrangement.
- In each of the Unitary Authorities, except Milton Keynes, income from commuted sums is used for Landscape maintenance and funds have been set aside, are being bid for or the problems related to estate layout and design have been tackled.

6.2

Recommendations

These are as follows:

- **Milton Keynes has invested heavily in Landscaping and this investment should not be allowed to deteriorate**
- **Analysis of customer enquiry/complaints. Use customer enquiries/complaints to identify priority areas**
- **If appropriate, visit other Unitary Authorities, examine most effective options to deal with problems relating to estate layouts. Carry out trials to determine the best solutions throughout Milton Keynes**
- **There should be a strong case to justify the additional funding. This can be further supported by the fact that budgets have been reduced in recent years, commuted sums are not being used and other Unitary Authorities are providing additional budget allocations for Landscape improvements**

Performance Indicators

- Further investigations into why Peterborough's cost/Hectare maintained is low.

Rates

- Further investigations into how Peterborough's grass cutting and how Peterborough's and Milton Keynes' shrub maintenance rates/100 sq mtrs/an are so much higher than those of Milton Keynes Parks Trust
- Further investigations into Swindon's grass cutting rates and parts supply service from Ransomes (by Milton Keynes DSO)

Contract Information

- Further examination of Milton Keynes smaller contracts to verify that they are justified by genuine savings.
- Detailed study of Milton Keynes Parks Trust and Telford and Wrekin's contract to evaluate benefits of output specification
- Co-ordination of grass cutting operations between Milton Keynes Council and Milton Keynes Parks Trust.

Client Inspection

- Use of time sheets by Milton Keynes inspectors
- More flexible working arrangements by inspectors
- Consideration of use of rangers