

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 06 March 2023

Portfolio:	Planning and Development
Subject:	Provision of Tree Maintenance Services within the Borough of Fareham
Report of:	Director of Planning and Regeneration
Corporate Priorities:	Protect and enhance the environment, Strong, safe, inclusive and healthy communities

Purpose:

This Report seeks approval to award the Framework for the Council's Tree Maintenance Services. The Framework term will be a four-year period commencing May 2023.

Executive summary:

Works to Council owned trees are undertaken for the Council by external suppliers. Following a previous tendering exercise in 2017, the Council developed a Tree Maintenance Framework containing approved external suppliers who could undertake tree work.

The current Tree Maintenance Framework expires in April 2023 and a tender has recently been undertaken to ensure a Tree Maintenance Framework is in place for the period from May 2023- April 2027.

During the tender the Council received thirteen (13) compliant tender responses from suppliers based throughout the southern region. The scores and ranking for all thirteen (13) tenders received are presented in the confidential Appendix A attached to this report.

Recommendation:

It is recommended that the Executive:

- (a) agrees to award the Framework to the top 8 scoring tenderers as set out in the Confidential Appendix A; and
- (b) notes that the increased cost of the suppliers is likely to require an increase in the annual Tree Management budget of between £23,380 and £37,120, which will need to be considered during the next budget setting process.

Reason:

To accord with the Public Contracts Regulation 2015 and continue to deliver consistent high quality tree work and value for money from the Council's tree maintenance budgets.

Cost of proposals:

The total cost of the proposals will be funded from the Tree Maintenance Service budgets, subject to the identified budget increase being addressed during the next budget setting process.

Appendices:

A: Confidential – Tender Prices and Evaluation matrix.

Reference papers:

Report to the Executive for Decision – Council Tree Service Review September 2021

Report to the Executive for Decision – 15 May 2017

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BOROUGH COUNCIL

Executive Briefing Paper

Date:	06 March 2023
Subject:	Provision of Tree Maintenance Services within the Borough of Fareham
Briefing by:	Director of Planning and Regeneration
Portfolio:	Planning and Development

INTRODUCTION

1. In September 2021, the Executive considered a detailed report in respect of a Council Trees Service Review. It was estimated at that time, that the Council has approximately 210,000 to 220,000 mature trees on land which it owns. There are a considerable number of young and semi-mature trees on Council owned land in addition to this.
2. The Council is not required to actively 'manage' every tree it owns. The Council has an ongoing regime of risk assessment of its trees which identifies those trees which have the potential to impact people and property. These include trees in close proximity to property and areas used by the public (such as car parks, play areas, footpaths, etc).
3. The number of trees actively managed by the Council (being those regularly inspected) is currently around 22,000. These trees are inspected and maintained in accordance with the Executive's decision of September 2021.
4. The Council's trees are inspected under an agreement with Gristwood and Toms awarded in 2022 for a 4-year term. Any physical works identified as necessary during their inspection and agreed by the Council's Tree Team, is then undertaken by external suppliers working on behalf of the council. These suppliers are contained within a Tree Maintenance Framework created following a successful tendering exercise in 2017. The current Tree Maintenance Framework expires in April 2023.
5. The Find a Tender (FTS) threshold for services pursuant to the Public Contracts Regulation 2015 is £213,447 (inc. VAT) and it was agreed, in order to test the market and to adhere to the principles of equal treatment without discrimination and transparency, to utilise the open tender procedure.
6. By establishing a multi-supplier Framework, the Council can continue to deliver services which are reactive to events, provide necessary expertise whilst demonstrating value for money.

BACKGROUND

7. Fareham Borough Council is responsible for a range of treed areas including over 280 hectares of public open space and housing areas, 60 hectares of woodland, car parks and cemeteries. There is a strong legacy of tree cover within the borough. The Council is responsible for many important trees and woodlands in key locations.
8. In September 2021 the Executive considered a detailed Review of the Council's Tree Service. The objective of the Review was to identify the options available to reduce the cost of delivering the Tree Service whilst offering a good quality tree management function.
9. The approach to Council owned trees approved by the Executive included:
 - Stopping Good Neighbour Works;
 - Changes to Tree Planting;
 - Changes to the inspection frequency of Council managed trees;
 - Responsibility for some of the low height tree works being brought in house;
 - Reduction of other planned tree works
 - Individual proposals for funding of Strategic Planting Sites being brought to future Executive meetings for consideration
 - Engagement with local communities and the building up of a volunteer resource

In addition, the Executive approved that a full review of the Planning Obligations Supplementary Planning Document for the Borough of Fareham be conducted.

10. The majority of the actions approved by the Executive have been implemented with the remainder well advanced.
11. In agreeing the new approach to Council owned trees, the Executive approved a new annual level of expenditure for delivering the Council Trees Service of £229,000. This level of expenditure was based on the external suppliers' prices set out in the 2017 Tree Management Framework.
12. In addition to this, each year approximately £30,000 of works are undertaken to trees on Council Housing land; this work is recharged to the Housing Revenue Account.

RISKS POSED BY TREES

13. The very low risk of harm associated with trees can sometimes cause disproportionate public concern. Trees are dynamic living structures which are often of great size, and which move and react to the wind. Tree failures associated with trees are often subject to a high degree of public attention.
14. The Health and Safety Executive suggests that the risk from trees falls within its lowest category of risk; the Broadly Acceptable Region on the Tolerability of Risk Framework ('Reducing Risks, Protecting People' 2001). Tree owners have a Duty of Care under

Common Law (the torts of negligence and nuisance), The Occupiers Liability Acts (1957 & 1984) and the Health and Safety at Work Act 1974, to take reasonable steps to prevent foreseeable harm to people or property.

15. This Duty of Care can be reasonably fulfilled by undertaking a suitable and sufficient cyclical system of tree inspection and remediation, to manage risk as far as reasonably practicable.
16. Accurate records are maintained by the Council as part of this Duty of Care. Detailed data of a tree's condition, species, age and size, along with records of its maintenance history and any enquiries relating to it, are recorded on the Council's 'EzyTreev' database, which is also linked to an electronic mapping system.

TREE SAFETY INSPECTIONS

17. The proactive inspection of the Council's tree stock continues to identify a significant quantity of tree work necessary to prevent interference with or damage to property, obstruction to access / thoroughfares and general hazards to the public. The maturing tree population throughout the western wards of Fareham continues to generate an increased requirement for remedial tree works.

The most common type of tree work identified comprises reducing branches away from buildings, crown lifting over paths, roads and well used areas, removing major dead wood and remedial pruning of weak and defective branches.

TREE MANAGEMENT FRAMEWORK

18. Fareham Borough Council is responsible for a wide variety of trees growing on land owned and maintained by the Council across a range of sites. The Council currently has approximately 22,000 trees recorded on its tree management system which are regularly inspected.
19. This information has been collected over the past 15 years via the on-going proactive survey and inspection of Council owned trees by recording data on a specialised electronic database.
20. The existing Tree Maintenance framework (2017) has been successful, with the Council using 6 suppliers, which included 4 suppliers who delivered tree work for the Council prior to 2017. Five of the current suppliers have submitted tenders for the 2023 Tree Maintenance Framework contract.
21. The individual supplier contract rates are entered into the Council's tree works ordering system – 'EzyTreev', which creates a value for individual tree work packages. The schedule of rates provides flexibility and enables tree work to be directed to suppliers according to their capacity and capability.

TENDER EVALUATION PROCESS

22. The Council's criteria for evaluating tenders for the Tree Maintenance Services Framework was clearly described at the outset of the process. The contract documents defined a pre – determined scoring mechanism whereby tenderers are assessed on price, service and quality including a scenario question.
23. The evaluation criteria were based on the Most Economically Advantageous Tender utilising the following criteria:

Cost = 40%

Service/Quality = 60%

24. During the tender for the Tree Maintenance Services Framework published via the Southeast Business Portal the Council received thirteen (13) compliant tender responses from suppliers.
25. The tender submissions were evaluated and the scores weighted as specified in the invitation to tender. Following the evaluation exercise and pursuant to the tender documentation the new Framework will consist of the top 8 scoring tenderers set out in the confidential Appendix A.
26. The new Framework will consist of the suppliers whose services will be called off in accordance with the Framework documentation as agreed.
27. The Tree Maintenance Services Framework term is 4 years, commencing in May 2023.

IMPLICATIONS FOR THE COUNCIL'S TREE BUDGET

28. The current annual budget for the Council's Tree Maintenance Services (excluding staff costs) was established following the thorough Review of the Council Trees Service, considered by the Executive in September 2021. The budget following that Review was set at £229,000 + £30,000 HRA recharge for housing land and property.
29. The Council has been in a fortunate position that the prices charged by the suppliers on the Council's current Tree Maintenance Framework have not been increased since 2017. In advance of the tendering exercise taking place, it was widely anticipated that the suppliers' prices for undertaking tree works on behalf of the Council would increase. This was as a result of the marked change in market conditions since the current prices were approved in 2017 as well as informal indications given by some of the existing suppliers on the Council's Framework.
30. Whilst the precise likely cost increase was not known when the Tree Maintenance budget was set for 2023/24, the budget for 2023/24 was increased to £256,000 in anticipation of the potential level of increase. Whilst the average annual spend on Housing Land trees is around £30,000, the scale of the recharge will also potentially increase as the cost of undertaking the works increases.
31. As part of the tendering exercise, suppliers were required to provide individual prices for many different scales of tree works. These ranged from reducing the length of small branches, to felling trees within areas used by the public. The types of work which suppliers were required to tender for in 2017 is the same as the current tender exercise which allows a direct comparison between the prices. The previously approved Tree Maintenance Framework from 2017, also contained 8 suppliers at the outset.
32. Comparing all the costs of the 8 top scoring suppliers this time, against the costs of the suppliers on the Framework approved in 2017, shows an increase in costs of approximately 35% since 2017. If the same comparison was made between the six cheapest suppliers in 2017 and 2023, the increase in costs is approximately 28%. Lastly, if a comparison is made between the most commonly undertaken tree works, using the six cheapest suppliers in 2017 and 2023, the cost increase is in the order of 22%.

33. There is a variation in prices for different aspects of tree works across the suppliers. Some suppliers are more competitive on price for the 'small scale/ volume' tree works whilst other suppliers are more suited for larger scale works.
34. The nature of the Tree Maintenance Framework means that no individual supplier is under a contractual obligation to undertake every tree work request put to them by Fareham Borough Council. Many of the suppliers are small scale and there will be times when they will not have capacity to take on work from the Council. Suppliers will also look to this Council to issue requests for non-urgent tree works in 'batches' (often geographically based) where at all possible. The way in which work will need to be issued means that it is not feasible to allocate work solely to the lowest priced supplier.
35. Whilst increasing the Tree Maintenance budget from £229,000 in 2022/23 to £256,000 in 2023/24 (an increase of 11.8%) will cover some of the increased costs of the tree works, it will not cover the increased costs in full. Based on increased costs of works of between 22% and 28% (using the scenarios set out in paragraph 32 above), it is likely that the cost of delivering the Tree Maintenance service annually will increase to between £279,380 and £293,120. This represents a cost to the Council above the 2023/24 Tree Maintenance budget of between £23,380 and £37,120, in order to maintain the current level of service, in line with the Executive's decision of September 2021.

RISK ASSESSMENT

36. Many of the usual and identifiable risks initially presented in this type of tender exercise have been negated through the Council's rigorous and structured procurement process.
37. Regular performance monitoring will take place and a series of annual contract meetings will be held throughout the contract term.
38. If budget is not made available during the 2023/24 revised budget cycle to meet the increase in costs, then there would have to be a reduction in the tree service provided. This could lead to a deterioration in the condition of the trees under our control and cause potential issues going forward.

CONCLUSION

39. As outlined in confidential Appendix A, thirteen (13) valid tenders were received. It is recommended that the top eight scoring tenders be accepted, and the Framework awarded accordingly.
40. The Framework term is for 4 years commencing May 2023.
41. That the Executive notes that the increased cost of works from the suppliers is likely to require an increase in the annual Tree Maintenance budget of between £23,380 and £37,120, which will need to be considered during the next budget setting process.
42. The Framework will be reviewed in 2026 before considering the most appropriate tendering options at that time.

Enquiries:

For further information on this report please contact Paul Johnston, Principal Tree Officer. Tel. 01329 824451.