



Policy and Resources Committee

19th July 2022

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| Title | Tree Management Contracts |
| Report of | Chair – Policy and Resources Committee |
| Wards | All |
| Status | Public |
| Urgent | Yes |
| Key | Yes |
| Enclosures | None |
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Summary

The Annual Procurement Forward Plan (APFP) was reported to Policy and Resources Committee in December 2021. It set out envisaged procurement requirements for 2021/2022 and for 2022/23. The APFP included the procurement of Arboricultural Services (Tree Management and Maintenance Contract), as the Council's existing contracts are due to expire on 31 March 2023.

Committee are requested to approve the amendments in relation to the estimated Contract Value and Contract Duration of the Arboricultural Services entry (line 186 on the APFP (detailed in Section 1.4 of report) to enable officers to proceed with procurement, in line with the Council's Contract Procedure Rules.

Officers Recommendations

- 1. That the Policy and Resources Committee approves the amendments to the Arboricultural Services entry on the Annual Procurement Forward Plan which reflects the updated contract value and contract term associated with the re-procurement of the Arboricultural Services (Tree Management and Maintenance Contract), as set out in section 1.4 of this report.**
- 2. That the Policy and Resources Committee delegates authority to the Executive Director Adults & Health to proceed with the procurement of the Arboricultural Services Contract as set out in section 1.4 of this report and to arrange sealing of the contracts with the successful bidders following contract award.**

1. WHY THIS REPORT IS NEEDED

1.1 The Annual Procurement Forward Plan (APFP) details the envisaged procurement activities to be undertaken by the Council in line with the Council's Contract Procedure Rules. It presents information to ensure that all new contracts above the published limits and planned during the forthcoming financial year are identified. The APFP provides detail of but is not limited to the following:

- Contract name/description
- Contract start date
- Total contract value (including extensions i.e., annual cost of contract x period of contract + extension period)
- Contract duration

1.2 The Annual Procurement Forward Plan approved by the Policy & Resources Committee on 9 December 2021 included authorisation to commence procurement for Arboricultural Services (Tree Management and Maintenance Contracts). The contract value stated a forecast value of £900,000 and indicated a provisional two-year contract duration.

1.3 Approval of an amendment to the original entry by Policy and Resources Committee is required to enable the procurement to proceed, to reflect both an increase in the total contract value and in the contract duration. The £900,000 included in the APFP is the annual value, not the total value and therefore needs to be increased in the plan. The service has also conducted initial market analysis which suggests that the Council is likely to achieve greater value by securing a longer-term contract and hence the contract duration now proposed is an initial five-year term with the option to extend for up to three years subject to budget and performance.

1.4 The Policy and Resources Committee are requested to agree an amendment to the Arboricultural Services (Tree Management and Maintenance Contract) entry in the APFP, to update the total contract value to £7.2m (estimated £900,000 per annum X maximum 8 years = total £7.2m) and to update the contract term to 5 years, with an option to extend for up to three years.

2. REASONS FOR RECOMMENDATIONS

- 2.1 Advice from HB Public Law is that Committee are required to approve these changes to the APFP to enable the procurement to proceed.
- 2.2 Trees and woodlands form an important part of the green infrastructure in Barnet. It is renowned for being one of the greenest boroughs in London, with the council having responsibility for around 30,000 street trees and 848 hectares of green spaces, including 164 hectares of woodland. There are circa 200 parks and open spaces all of which have trees.
- 2.3 The existing Tree Policy published in 2017 outlines management approaches in relation to both personal injury and subsidence risk. All trees on council land undergo a three cycle of inspection and works, this discharges our legal Duty of Care for personal injury risk and also minimises financial risk to Barnet from subsidence claims. 24-hour emergency cover is serviced by term contractors in the event of storms, road traffic accidents and falling trees and branches. Trees on Barnet Homes estates are managed via Service Level Agreement.
- 2.4 The Administration declared a Climate and Biodiversity Emergency on 24 May 2022. Sustainable tree management is vital to allow mature trees to remain and provide ecosystem services (air quality, carbon storage, heat and shading, flood alleviation etc) their larger canopies provide.
- 2.5 A canopy increase target is detailed in the Councils emerging Sustainability Strategy and ongoing management is necessary to protect these mature trees from pest and diseases, building development, resident pressure for removal and claims from third party insurers.
- 2.6 The current contract details a five-year Tree Planting Programme which expires in 2023. The procurement of the new Arboricultural Services (Tree Management and Tree Maintenance Contracts) excludes any future consideration of a Tree Planting Programme. A future report will be presented to the relevant Theme Committee on this, detailing options for consideration and future implementation.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 The Councils existing Tree Management and Maintenance Contracts expire on 31 March 2023. A contract extension was triggered during the pandemic (2020/21) by the service, and hence there is no further opportunity to extend these contracts.
- 3.2 Any delay or non-pursual of procurement would expose the Council to significant risk.

4. POST DECISION IMPLEMENTATION

- 4.1 The service will continue to work with Finance, Procurement and Legal services to:
 - Completion of a Procurement Launch Document

- Develop and deliver the Procurement Strategy (Arboricultural Services)
- Ascertain the budget source (capital/revenue/grant) for the contract which will result from the procurement exercise and achieve finance confirmation for budget spend
- Consider alignment with Council policies
- Consider collaboration with additional service areas

4.2 Subject to agreement of the recommendations in this report, the service will commence procurement activity to enable selection and award by January 2023.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

The Councils existing Tree Policy is a key corporate priority for the council to manage the Boroughs tree stock safely whilst delivering Climate Change and Sustainability Strategy priorities.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

Finance

5.2.1 This report provides an updated total contract value, combining the annual cost plus the total duration to project a contract value.

5.2.2 The updated value is based on a range of factors such as the time that has elapsed from the previous Contract Award to date, in addition to market conditions and pressures such as skill shortages for specialist workforce, equipment and fuel increases which have all changed in the last 7 years.

5.2.3 The existing contracts commenced in 2015/2016 and were procured using a fixed price method in place throughout the contract duration. There has been no inflationary uplift to the existing contracts since their inception and the schedule of rates paid is presently the same as in 2016.

5.2.4 The current annual contract costs for Tree Management and Maintenance (Arboricultural Services) are approximately £650,000. This includes the following:

- West maintenance contract
- East maintenance contract
- Pollarding and basal growth contract

5.2.5 The above excludes tree planting, felling and stump removal which forms part of the Tree Planting programme under a separate contract. It is proposed that a future Tree Management and Maintenance contracts will include the following services:

- West maintenance contract
- East maintenance contract
- Pollarding and basal growth contract

- Felling and stump removal contract
- 5.2.6 The felling and stump removal contract has been included in the re-procurement of new Arboricultural Services contracts, as this type of activity is aligned with tree management and maintenance and the current contract is also due to expire by 31 March 2023.
- 5.2.7 The service has undertaken initial analysis, market research and pre-procurement activity to determine the estimated % contract value increase. Once procurement has been authorised, the service will host a 'launch event' signalling to the market the release of a contract notice. This will assist the preparation of the Procurement Launch Document and the result of tender price submissions.
- 5.2.8 The costs pertaining to the contracts contained within the APFP are contained within the individual service budgets of the Council. Any budgetary variance will be managed through the Council's budget setting process. Any contract awards outside budget would be subject to a further Committee report to enable proceeding with contract award as it will also require confirmation of additional budget.

Procurement

- 5.2.9 The Contract Procedure Rules provide the governance structure within which the Council may procure works, supplies and services. The aims of these rules are to:
- ensure value for money and propriety in the spending of public money;
 - enable works, supplies and services to be delivered effectively and efficiently without compromising the Council's ability to influence strategic decisions;
 - ensure that the Council is not exposed to unnecessary risk and likelihood of challenge arising from non-compliant Procurement activity
 - and ensure compliance with current Law
- 5.2.10 The authorised APFP entry is an accepted means to proceed with a procurement which will, subject to governance and a report, enable Contract Award.
- 5.2.11 The Council's Constitution (Article 10, Table B) summarises Authorisation and Acceptance Procedures, including that procurements of £500,00 and over may be authorised by the APFP. And that any contract, including additions, extensions and variations which have been included in a Directorate or Services Budget and supporting plans and strategies or any other Committee approved plan is deemed as authorised irrespective of value.
- 5.2.12 However, given the size of the difference in relation to the current APFP entry on the Arboricultural Services contracts and the amendments required, HB Public Law have advised that a separate report indicating these revisions alongside authorisation to commence procurement is required.

5.3 Legal and Constitutional References

5.3.1 The Council's Constitution, Article 7 sets out the terms of reference of the Policy and Resources Committee including:

(1) To determine strategic policy, finance and corporate risk management including recommending: Capital and Revenue Budget; Medium Term Financial Strategy and Corporate Plan to Full Council, Finance issues, Procurement Forward Plan, Local Plans, Information Technology, Strategic Partnerships, Customer Services and Resident Engagement, Emergency Planning and the effective use of resources.

5.3.2 The Council's Constitution Article 10 Table B summarises Authorisation and Acceptance Procedures, including the authority to commence procurement. This indicates that procurements of £500,000 and over may be authorised by the Annual Procurement Forward Plan. Where a procurement is not authorised by the Procurement Forward Plan, a Relevant Theme Committee Report is required. Due to the significant discrepancy between the value of these contracts and the term, the Procurement Forward Plan does not authorise the procurement of these contracts. This report is necessary to correct the value and term, and authorise the updated procurement value and term.

5.4 Insight

5.4.1 None in the context of this report.

5.5 Social Value

5.5.1 The Council has extended the Social Value Act's requirements and supports social value and sustainability delivery opportunities through all procurements at the Council, not just above threshold services contracts. 10% of the awarding matrix will focus on Social Value, mainly in the consideration of carbon reduction.

5.6 Risk Management

5.7 A significant risk of not having Tree Management and Maintenance Contractors available to clear storm damaged trees or other emergency situations would expose the Council to significant high-level risks. Ongoing works on subsidence risk trees reduces the likelihood of building damage claims. Felling of trees found to be dead, dying or dangerous as a result of survey reduces the risk of personal injury caused by falling trees and branches and any subsequent claim or prosecution by the Health and Safety Executive.

5.8 Oak Processionary Moth (OPM) caterpillar, which can cause skin and eye inflammation to both people and animals, is no longer managed by Forestry Commission (FC). Contractors are necessary to control this pest in areas identified with high human activity (play areas, cafes, certain roads) as enforced by the FC.

5.9 All risks are managed using the risk management procedure, as set out in the Corporate Risk Management Framework. High level risks are reported as part of the Council's quarterly performance regime.

5.10 Equalities and Diversity

5.10.1 The Equality Act 2010 outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies to have due regard to the need to:

- a. Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.
- b. Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- c. Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

5.7.2 Relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

5.10.2 The broad purpose of this duty is to integrate considerations of equality into day-to-day business and keep them under review in decision making, the design policies and the delivery of services.

5.10.3 There is no significant impact on protected groups through the commencement and delivery of the proposed contracts.

5.11 Corporate Parenting

5.8.1 Not applicable in the context of this report.

5.12 Consultation and Engagement

5.12.1 The council takes a proactive approach to publicise tree works. Appropriate signage is used to raise awareness of tree removal giving ten working days notice containing telephone contact details to facilitate customer contact.

5.12.2 Publication of the programme for cyclical maintenance is done on a ward-by-ward basis and will be made available online, outlining the intention of works scheduled.

5.12.3 Councillors will be made aware prior to cyclical tree work taking place within each ward.

5.12.4 Tree work considered urgent or in the interest of public safety will be carried out within 24 hours. Under these circumstances, no notice will be given prior to the works being carried out.

5.13 Environmental Impact

5.14 trees play an essential role within our ever evolving landscape removing airborne pollutants and reducing surface temperatures within urban environments. Not only do they contribute to the overall aesthetics of our towns and cities, but research has highlighted that the presence of trees is associated with a range of crucial benefits to our health and wellbeing. In order to optimise these benefits it is essential that sustainably managed green space and trees

are accessible to the local population and that these assets are protected and well managed.

6. BACKGROUND PAPERS

[Barnet Tree Policy | Barnet Council](#)