

APSE Parks, Horticulture
and Grounds Maintenance
Advisory Group (South)

Commercialising Landscaping, Grounds Maintenance, Tree and Play Services



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What have I been asked to say?

- How can we identify skills and assets to develop and sell?
- How do we take a commercial approach without squeezing out local businesses?
- How can local authorities support one another in establishing commercial approaches?

How do I intend to interact with this?

- What did we do (and not do)?
- Where did we innovate?
- How do we go about promotion and growth?
- Who helped us, and how can we cooperate with you?

What did we do?

- We acquainted ourselves with what the law allows
- We started with what we had, and improved it:
 - higher skilled operations
 - efficiency improvements
 - change of culture
- We filled in the gaps:
 - overtime
 - subcontracting
- We built on assured income:
 - 2-year invest-to-save teams
 - permanent recruitment



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What did we not do?

- We did not advertise
- We did not undercut local businesses
- We did not neglect core Council work
- We did not grow too fast to be able to maintain quality of work and excellent customer service

Where did we innovate?

- We turned problems into opportunities
- Example 1: the development of Playtrack



<http://www.playtrack.co.uk/>

- Example 2: tools maintenance and servicing

How do we go about growing?

- We have a programme for developing new services, both internal to the department and cross-departmental
- We have a plan for reaching new clients
- We have a longer-term strategy for selling multi-service packages

Who helped us?

How can we cooperate with you?

- We participate in the Cross Council Revenue Generation Group, hosted on KnowledgeHub
- We learned from precedent, and have benefited from advice from other local authorities: Oxford, Southampton, Cornwall
- We are willing to do the same, sharing processes and experience
- We are talking with neighbouring authorities about shared services
- We benefit directly from a long-term partnership with Hampshire County Council, which provides architectural services to us; there is no reciprocal purchasing
- Similarly, we can provide services to other authorities that represent value for money coupled with strict compliance with legislation and H&S guidelines: tree work, other GM, playground inspections and repairs



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Thank You

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OXFORD

Direct Services

PARKS & OPEN SPACES

Background of ODS

- a wholly-owned social enterprise.
- serves the community's needs by providing services on behalf of the Council to 150,000+ residents
- Supply services to local organisations and businesses
- Since 2012, we've used the savings we generate from our commercial services to feed back into public services. Off setting the cuts in Government grants
- provide competitively priced, consumer-focused and environmentally responsible services to all.

Service Overview





Over 1000 Hectares of land
50 + parks
4 Cemeteries and 11 Closed Sites
6 Green Flag Awards
97 Play Areas
29 Countryside Sites including SSSI's

36 Allotment Sites
Over 100,000 trees
HRA Land
Highway Verges
Garden Scheme

Recent Developments

‘Clean with Clean’ & ‘Green with Green’



The Benefits in Trading

- Off sets the cuts in Government grants
- Safeguards local employment
- Investment in staff and local skills
- Allows investment in facilities

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NEXT STEPS

EFFICIENCIES THROUGH TECHNOLOGY

Ezytreev

Handheld Technology

Asset Management Systems

Questions





APSE Parks, Horticulture & Grounds Maintenance Advisory Group (Southern Region)

redundant parks buildings a commercial opportunity?

- Marketing your parks buildings for commercial rent or lease
- Key considerations when determining the terms of the tenancy
- Success in Luton and Challenges overcome

Rick Donnelly



- Facilities Manager Luton Borough Council
Parks Service
- 10 years in Property Section – redundant

Rick Donnelly



- Then got the Parks Service role

MARKETING

Marketing

Taken as read....

- Size of the building
- Exact location
- Building condition

All lend themselves to commercial usage

The price/value reflects these matters. Disposal is still possible but not at highest consideration.

- Consider:-
- Planning
- Valuation / Best Value
- Commercial Disposal
- Less commercial disposal

SURVEYORS

- Get One !
- Needed for valuation, marketing, enquiries, viewings
- In house or external
- Basics are common sense, the more info you have the easier their job and the better you can haggle over fees !

MARKETING 1 PLANNING

- Determine planning status
- Land Use Classes are on National Planning Portal
- Helps shape your thinking on how disposal will interact with the park
- Outright commercial disposals come with planning permission

MARKETING 2

VALUATION /

BEST VALUE

- Market Value
- Ask a surveyor
- Best Value
- Ask a Lawyer
- S123 Local Govt Act 1972
- Planning legislation
- Treasury guidance managing public money 2013
- Local Govt Act 1999
- Public Services Act 2012 – obligation to consider social value

MAREKTING 3 COMMERCIAL DISPOSAL

- Market Price – independent valuation ? (District Valuer?)
- DCLG - Local Authority Assets - Disposal Guidance - March 2016
- Lease or rent (see later)
- Market through surveyor, agent, online, own contacts
- Property auction or sealed bids
- In depressed market respond to marketing responses

MARKETING 4 LESS COMMERCIAL DISPOSAL

- If looking for a pro public service disposal, public service orientated tenant or activity
- Option of asking for added value (Big contract easy, small ones document the process to death !)

MARKETING 5

RENT OR LEASE

- Lease – set term – one to a thousand years
- Legal interest in the land – exclusive possession
- Tenancy/Rent – generally ongoing, short term, more flexibility
- Issue is permanent disposal or set term. A permanent disposal within a park unlikely ?

TERMS OF TENANCY

TERMS TENANCY

1

TO LEASE OR NOT TO LEASE

- Should you have a written contract?
(or how to make a lawyer unwell !)
- Yes you should but it costs money
- SLAs (service level agreements) not a commercial alternative but in case its sufficient?
- You create a legal contract/lease by first writing Heads of Terms

TERMS OF TENANCY 2

- DEMISE – What the asset consists of
- description plus plan.
- PARTIES – legally who are you
contracting with – who represents
them
- LENGTH TENURE – matters to a
tenant as they can secure finance
against tenure
- SECURITY OF TENURE –
L&T Act 1954 s24-28
- OPTION TO DETERMINE – the Dear
John clauses
- ALIENATION – subletting to you and
me

TERMS OF TENANCY 3

- PERMITTED USE – the legal use – should link to the planning class use
- HOURS OF ACCESS – no midnight ramblers
- REPAIR OBLIGATIONS – your burden or theirs !

FRI – Full Repair & Insuring

Compliance – works to keep public buildings safe. If you pass them on, part of corporate contract ?

- Fire alarm testing
- Water safety testing
- Asbestos works/record keeping
- Electrical safety tests
- Gas appliance tests
- Fire risk assessment plus updating
- Generic H&S inspections and records
- PAT

TERMS OF TENANCY 4

- Specific Clauses – unique to site
- Rent – how much, when, how to increase
- Are business rates included ?
- Building Insurance – part of a multi property policy so recharge ?
- Service Charges – the variable charges related to building and land maintenance. (FM) Some of them bound to be relevant in a park

SUCCESS IN LUTON

SUCCESS IN LUTON 1

- What success ? !!
- Trusts formed over ten years ago in Luton, taken all the soft centred chocolates, left Parks with the ones that shatter grannys dentures !

SUCCESS IN LUTON 2

- Sports Pavilions – short term leases to asset transfers
- Cant lease public open space
- Lease to community trusts
- Lease to religious / cultural trusts
- Do “due diligence” are they financially sustainable ?
- Fields in Trust can be restrictive to leases / tenants – breaking news for us !

Questions?