

REPORT TITLE: GROUNDS MAINTENANCE & STREET CLEANSING CONTRACT
PROCUREMENT

19 NOVEMBER 2025

REPORT OF CABINET MEMBER:

Cllr Kelsie Learney, Cabinet Member for the Climate and Nature Emergency (Grounds Maintenance services)

Cllr Steve Cramoysan, Cabinet Member for Recycling and Public Protection (Street Cleansing services)

Contact Officer: Campbell Williams Tel No: 01962 848476 Email
cawilliams@winchester.gov.uk

WARD(S): ALL

PURPOSE

To seek Cabinet approval for the procurement strategy and route to market for a new Grounds Maintenance and Street Cleansing Contract, ensuring continuity of service, legal compliance, and alignment with the Council Plan 2025-2030. The contract will reflect the Council's strong commitment to valuing and enhancing Winchester's public realm and street scene - recognising their vital role in shaping the character, pride and liveability of our places.

The aim is to secure a modern, flexible contract that supports the delivery of high-quality services for residents, delivers best value for money, and drives continuous improvement in service standards. It will also underpin the Council's long-term environmental and community objectives, contributing to cleaner, greener, and more attractive neighbourhoods across the district.

RECOMMENDATIONS:

1. That Cabinet approves, following pre-market engagement, the procurement of a new Grounds Maintenance and Street Cleansing contract for an initial term of up to 8 years with an extension option of up to a further 8 years and within existing budgets.
2. That Cabinet delegates authority to the Strategic Director with responsibility for grounds maintenance and street cleansing, in consultation with the appropriate Cabinet Member and the Section 151 Officer, to conduct a competitive and compliant procurement and award the contract within the existing budget, with flexibility to adjust the contract term within a range of 3 to 16 years total duration as informed by pre-market engagement and value for money assessment.
3. That Cabinet notes the financial implications, risk management measures and timetable as set out in this report.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

1.1 Greener Faster

The contract will support biodiversity-friendly grounds maintenance regimes, minimisation of pesticide/herbicide use, and promote the decarbonisation of fleet operations.

1.2 Thriving Places

The contracted service will contribute to cleaner streets and well-maintained green spaces, enhancing the vibrancy of communities and supporting the visitor economy.

1.3 Healthy Communities

The contracted service will ensure safe and accessible parks and play areas, improving the public realm and supporting community wellbeing.

1.4 Good Homes for All

The maintenance of communal green spaces on housing land will be included within the service specification, supporting the quality of life for tenants.

1.5 Efficient and Effective

The procurement will adopt a detailed service specification with robust KPIs and digital performance monitoring to ensure value for money.

1.6 Listening and Learning

Resident feedback will be integrated into service design and contract performance indicators to ensure responsiveness and continuous improvement

2 FINANCIAL IMPLICATIONS

2.1 The current contract has a value in excess of the relevant UK Public Procurement Threshold (Band D – over £214,904) and is contained within existing service budgets (Appendix B).

2.2 As the contract has reached the end of its permissible extensions, a full procurement exercise is required. This process will establish the cost of future service delivery and confirm affordability within the Medium-Term Financial Strategy. The outcome will also reflect market conditions, inflationary pressures, and statutory wage uplifts, which are expected to influence tender pricing.

- 2.3 Review and update of existing data and pre-market engagement outcomes will be used to inform the Medium-Term Financial Strategy and budget that is updated and approved in February 2026. This will become the budget envelope for the service procurement.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The procurement will be conducted in accordance with the Council's Contract Procedure Rules (CPRs) and the relevant procurement legislation.
- 3.2 A competitive procurement procedure will be undertaken, using an evaluation model that seeks the Most Advantageous Tender by combining price and quality. A minimum of 10% of the quality score will be allocated to environmental and social value in line with the Council's sustainable procurement obligations and the Public Services (Social Value) Act 2012 (CPR 35.1.b).
- 3.3 The Procurement and Legal Team will be consulted at all key stages to ensure compliance with CPRs and relevant legislation.

4 WORKFORCE IMPLICATIONS

- 4.1 There are currently no direct implications for council staff beyond client-side contract management. TUPE will apply to the incumbent contractor's staff and will be referenced during the procurement process. It will also form part of the post-award mobilisation plan.
- 4.2 Additional resource will be required to support the project team during procurement and implementation; this will be considered by the Executive Leadership Board.

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 Depot and welfare facilities access arrangements will be confirmed in the tender documentation.

6 CONSULTATION AND COMMUNICATION

- 6.1 Consultation has been undertaken with the Cabinet Member. Ward members, parish councils and other stakeholders (e.g. Hampshire County Council and other neighbouring authorities, Winchester Business Improvement District, Parish Councils, Winchester Town Forum) will be engaged during specification development.

7 ENVIRONMENTAL CONSIDERATIONS

- 8 The tender will incorporate environmental objectives, such as minimisation of herbicide use, biodiversity enhancements, and options for fleet decarbonisation. These measures align with the Council's commitments to carbon neutrality and nature recovery.

9 PUBLIC SECTOR EQUALITY DUTY

- 9.1 An Equalities Impact Assessment will be completed as part of the procurement process to ensure that the service is inclusive, accessible, and promotes equality of opportunity. Contractors will be required to operate in accordance with all relevant equalities legislation and demonstrate how they will support inclusive employment practices and service delivery.

10 DATA PROTECTION IMPACT ASSESSMENT

- 10.1 A Data Protection Impact Assessment will be completed prior to contract award to address the handling of personal data by the contractor.

11 RISK MANAGEMENT

- 11.1 The procurement process includes mitigation measures for financial exposure, legal compliance, innovation, reputation, and achievement of outcomes. Risks will be managed through robust contract management and performance monitoring with full details included in the procurement and contract documents.

12 SUPPORTING INFORMATION:

BACKGROUND:

- 12.1 The current Grounds Maintenance and Street Cleansing services are delivered under a contract originally procured by East Hampshire District Council. On 11 July 2012, East Hampshire entered into an Environmental Services Contract with ID Verde Limited, acting on behalf of both itself and Winchester City Council. The contract was initially due to expire on 30 September 2019.
- 12.2 Prior to that expiry, East Hampshire District Council novated the contract to Winchester City Council, which then became the sole contracting authority. Winchester subsequently exercised its available extension options, extending the contract to its final permissible contractual expiry date of 3 October 2027.
- 12.3 As a result, the council must now undertake a full re-procurement to ensure continuity of service beyond the current contract term. This provides an opportunity to modernise the specification, improve environmental performance, and embed social value in line with the Council Plan 2025–2030 and relevant legislation.

DETAILS OF PROPOSAL:

- 12.4 It is proposed that the council procures a single, integrated contract covering both grounds maintenance and street cleansing. This approach is considered the most effective way to deliver operational efficiency, clear lines of accountability, and consistent service standards across Winchester's

communities. It also enables the council to tailor the specification to local needs and priorities, while embedding environmental and social value outcomes through the procurement process. A high-level procurement timeline is included at Appendix A.

- 12.5 A competitive procurement procedure will be undertaken including meaningful engagement with the market, including dialogue and refinement of solutions, while maintaining fairness and transparency. The evaluation model will be based on Most Advantageous Tender, with a balanced weighting between price and quality. In accordance with the Council's Contract Procedure Rules, a minimum of 10% of the quality score will be allocated to environmental and social value.
- 12.6 The council is mindful of current proposals for Local Government Reorganisation, which may result in Winchester City Council becoming part of a larger unitary authority, and the Community Governance Review of the Winchester Town area. This context has informed the proposed contract strategy, which seeks to balance the need for continuity and value for money with the flexibility to respond to future structural changes in local government.
- 12.7 The new contract will aim to ensure flexibility to respond to future structural changes in local government, and the proposed contract term of an initial term of 8 years with an extension option of up to a further 8 years, will be subject to adjustment within a range of 3 to 16 years total duration informed by pre-market engagement and value for money assessment.

13 OTHER OPTIONS CONSIDERED AND REJECTED

- 13.1 In developing the procurement strategy, several alternative delivery models were explored. These included: extending the current contract as a temporary holding arrangement; letting separate contracts for grounds maintenance and street cleansing; utilising existing framework agreements; and exploring options to bring the service in-house or deliver it through a shared service or partnership arrangement.
- 13.2 Although the current contract has reached its maximum allowable extension period, Winchester City Council could, in principle, seek a further extension by invoking the exceptional circumstances provisions contained within the relevant procurement legislation. This could allow for a short-term extension to enable the successor authority to review and determine future service delivery arrangements, subject to agreement with the incumbent contractor. However, this option was discounted due to several inherent risks: the potential for legal challenge to the validity of the extension; the lack of clarity around what duration of extension would be considered reasonable and proportionate under the circumstances; and the risk that pursuing a non-competitive extension could undermine the Council's commitment to best value, market engagement, and compliance with procurement principles of transparency and equal treatment.

- 13.3 Separate contracts were discounted due to the risk of inefficiencies, duplication of management effort, and potential service fragmentation.
- 13.4 In-house delivery was also assessed but ruled out due to the significant upfront investment required in fleet, equipment, and staffing, alongside the complexity of managing TUPE transfers and operational risk. While this model could offer greater direct control in the long term, the council does not currently have the internal capacity or infrastructure to deliver this service effectively without substantial organisational change and resource commitment.
- 13.5 The council also considered the implications of current Local Government Reorganisation proposals, which could result in Winchester City Council being replaced by a larger successor authority. While a longer contract term could be perceived as limiting the flexibility of any future authority, a shorter-term contract may be unattractive to the market and could result in fewer bidders, higher costs or reduced service quality. It is therefore essential to strike a balance between future flexibility and the need to secure high-quality, uninterrupted services for Winchester's residents during the transition period.
- 13.6 This is in line with the "Financial decisions before local government reorganisation" guidance published by the Ministry of Housing, Communities and Local Government in July 2025, which stated "The expectation is that councils continue to operate in accordance with their agreed medium term financial plans and planned actions for the period and defer the implementation of any significant changes to service delivery other than where this would cause a gap or cessation of a key service. Decisions that are necessary to ensure service delivery should not be delayed".
- 13.7 The recommended approach, a single, integrated contract procured through a competitive process informed by pre-market engagement, offers the best balance of value for money, service continuity, and flexibility. This will also allow for appropriate review points or break clauses to ensure that any future changes in local government structure can be accommodated without compromising service delivery.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

None

Other Background Documents:-

None

APPENDICES:

- A. Procurement Timeline
- B. Exempt appendix - Contract financial information

Appendix A: Procurement Timeline

The following timeline sets out the key phases and indicative dates for the procurement of the Grounds Maintenance and Street Cleansing Contract. This overview is based on the detailed working plan and is subject to refinement as the project progresses.

Phase	Duration	Indicative Dates	Key Activities
Preparatory Period	1.5 months	15 Sep 2025 – 19 Nov 2025	Planning, internal mobilisation, Cabinet report and decision.
Review Period	1.5 months	19 Nov 2025 – 31 Dec 2025	Project team formation, draft specification & KPI development, pre-market engagement preparation, evaluation planning, data review and rectification, financial planning, pre-market engagement notice, contract review, lessons learnt, exit planning,
Pre-Market Engagement	2 weeks	05 Jan 2026 – 16 Jan 2026	Engagement meetings, market engagement activities,
Medium Term Financial Strategy (MTFS) update	2 weeks	19 Jan 2026 – 31 Jan 2026	Incorporation of Pre-Market Engagement information into MTFS
Tender Document Drafting	2 weeks	01 Feb 2026 – 15 Feb 2026	Specification finalisation, evaluation criteria, PSQ and ITT preparation, contract terms and KPIs
Invitation to Tender (ITT)	1.5 months	16 Feb 2026 – 31 Mar 2026	Supplier Technical & Economic Capability assessment, Issue ITT, interviews/demos if applicable

Tender Evaluation	1 month	01 Apr 2026 – 30 Apr 2026	Evaluate bids, draft evaluation report
Pre-Award	1 month	01 May 2026 – 31 May 2026	Finalise evaluation report, obtain final approvals, outcome letters, standstill period
Cabinet Approval (if required)	-	May/June	Cabinet decision (if required) on recommended supplier and budget implications
S.24 Approval (if required)	-	-	Further approval may be required depending upon detail and timescales within the forthcoming Structural Changes Order and associated directions under s.24 Local Government and Public Involvement in Health Act 2007
Award	1 months	01 Jun 2026 – 30 Jun 2026	Contract finalisation, signing, publication of contract details
Mobilisation	15 months	01 Jul 2026 – 30 Sep 2027	Mobilisation activities, service commencement
Go Live	—	01 Oct 2027	Contract start date