

## Attachment Two - Local Board Resolutions

September 2016

The following are resolutions and/or feedback provided by this local board to inform the Request for Proposal document.

### Kaipatiki

#### 25 Community Facilities Maintenance Contracts 2017

Paul Edwards, Senior Local Board Advisor, was in attendance to address the board regarding the Community Facilities Maintenance Contracts 2017 report.

A document titled 'Feedback on the Community Facilities Maintenance Contracts 2017' was tabled. A copy of the document has been placed on the official minutes and is available on the Auckland Council website as a minutes attachment.

Resolution number KT/2016/133

MOVED by Chairperson K McIntyre, seconded by Member L Waugh: \_

That the Kaipātiki Local Board:

- a) provides the tabled feedback on the proposed service specifications, local outcomes and the overall structure for new Community Facilities maintenance contracts, including:
  - i. proposed geographical clusters for community facilities maintenance contracts;
  - ii. proposed service specifications by asset group; and
  - iii. Smart Procurement principles.
- b) delegates to the Chairperson the authority to make minor editorial changes to the feedback prior to submission.

**CARRIED**

21 September 2016

#### Feedback on the Community Facilities Maintenance Contracts 2017

The Kaipātiki Local Board (the board) is pleased to comment on the Community Facilities Maintenance Contracts 2017 as the approach will directly impact the service levels our communities can expect to receive at and from their facilities, parks and other community assets. The feedback is provided under the headings of the overall approach; geographic clusters; asset service specifications; smart procurement principles; Gulf Island delivery model; and reporting, advice and ongoing support.

The board has the following comments to make:

#### Overall approach

1. The board supports the proposed approach for the 2017 Parks and Building Maintenance Contracts with the proviso that the outcomes reflect local character, not one generic outcome across the region.

2. The board supports the move to more outcomes focussed Parks and Building Maintenance Contracts, noting that some prescriptive requirements will remain to ensure that the transition to the new approach is successful over time.
3. The board recommends that the length of the Parks and Building Maintenance Contracts be a maximum of five years and that any rights of renewal are made at the end of each term and are based on pre-determined performance criteria and Key Performance Indicators which should be agreed by local boards.

#### *Omnibus approach*

4. The board has some concern that an omnibus contract approach may have negative impact on board's ability to get information to understand what is happening on the ground. This is primarily due to having one head contract with a number of sub-contracts that sit beneath it. There is concern that the information flow to the board and community may be procedurally complex, resulting in untimely, ineffective and ultimately unsatisfactory communication.
5. The board is not comfortable with the idea of all of the community facilities work being awarded to a single contractor in each cluster, as that approach will likely exclude smaller local suppliers from being able to tender for the work successfully. The board believes that local contractors have much better knowledge of the facilities, have better connections with local communities, a commitment to the area and pride in being part of the community they live in. They are likely to be able to work with the subjective outcomes described in the service specifications in a more nuanced way than would be possible from a contractor not having strong local connections.
6. Notwithstanding the concern expressed in the above paragraph, the board strongly agrees with the principle of having a single contractor responsible for all maintenance in a particular location. There needs to be a holistic view of contract management for our facilities. Our parks and reserves in particular need to be treated with a 'whole of reserve' approach to ensure issues are efficiently and effectively managed (for example, a single contractor responsible for the mowing, garden maintenance building maintenance and cleaning in a single park).
7. Speciality contracts such as sports turf development are currently underperforming. A contributing factor to the current contract performance is that there are only one / two contractors providing this service. This below par performance has recently been evident for the field renewal at Shepherds Park. Improvement needs to be made in terms of managing contract performance but more importantly, this issue highlights the risk of a procurement environment that limits competition to a few contractors.

#### *Other areas of interest*

8. The board has some concern that recent restructure of council's operations division may negatively impact resolution of issues, and could have a negative impact in the areas of local knowledge / relationships between council staff and contractors. The restructure and new contract approach occurring all at relatively same time could impact on delivery and effectiveness of approach.
9. Unclear how 'shared' maintenance responsibilities will be managed in practice, particularly with regards to the relationship between Auckland Transport and Parks for the maintenance of street gardens, street trees and planted traffic islands. Currently the board is experiencing no replacement of streetscape planting when plants die and staff confusion as to who is responsible for these assets. The board would like to know how Auckland Transport maintenance standards compare with those proposed in the 2017 Parks and Building Maintenance Contracts and request there is alignment as much as practicable, particularly if the same contractors are delivering the service.

### **Proposed Geographical Clusters for Community Facilities maintenance contracts**

10. Supports the proposed geographic clusters for the 2017 Parks and Building Maintenance Contracts, noting that staff have tested the market and have provided advice to local boards that the size of the clusters are efficient and will not disadvantage local suppliers.
11. Some concern that large, comprehensive 'all-encompassing' contracts may negatively impact on small community groups / organisations to work with council in our facilities; particularly in parks and reserves.
12. The board is comfortable in principle with the approach of splitting contracts by geographic area, and agrees that the proposed Tahī area, which covers the North-metro local board cluster and the Hibiscus and Bays local board makes sense as it is largely the same area governed by the legacy council. The board has some concern however that de-facto service level differences may develop over time if some communities are more 'vocal' than others. The board does not accept a lesser service level being delivered in Kaipātiki compared to neighbouring local board areas in the proposed Tahī cluster.
13. The board notes the potential for financial efficiencies being likely through the appointment of a smaller number of contractors than is currently the case, but it warns that any tender awarded largely on price is likely to encourage shortcuts and compromises from the contractor, resulting in sub-standard outcomes that may take some time to become evident.

### **Proposed service specifications by asset group**

14. The board supports an outcomes based approach to setting service levels. This approach should direct services to where they are required rather than 'ticking the box'. For example, one of the community halls in Kaipātiki is cleaned a number of times per week as scheduled, regardless of the amount of use. In some instances no one has used the hall between cleans however it gets cleaned anyway to meet the level of service requirements.
15. The board requests that the proposed service specifications outcomes for the 2017 Parks and Building Maintenance Contracts are reviewed to remove all subjective statements (such as high-quality and visually pleasing) and replaced with definitive statements. If the proposed subjective statements are not more accurately defined it will be difficult to hold contractors to account for performance. It will likely lead to a situation where things 'fall between the cracks' with no one taking responsibility.
16. The board also notes that none of the service specifications for; premier parks, regional parks, neighbourhood parks, sports parks, botanic gardens or natural areas refer to council's biosecurity or biodiversity obligations as land owners. Animal and plant pest management is not referenced in the proposed standards. This omission has implications at the regional level and for the board's land owner obligations and its expectation that the contract framework will support the implementation of the Pest Free Kaipātiki Strategy.

### *Local priorities*

17. The board notes that staff have confirmed that the existing 2015/2016 service levels will become the 'standard' service levels in the 2017 Parks and Building Maintenance Contracts and any specific current or future enhancements beyond this standard will be identified in the contracts to ensure that service levels do not reduce. The board

advocates for mechanical edging in parks to be re-established as the standard level of service over chemical spraying due to the potential health risks associated with the use of glyphosate.

18. The board requests that staff, as part of the 2017 Parks and Building Maintenance Contracts tendering process, work to ensure that playground areas, dog exercise areas and learn to ride areas are spray free where possible.
19. It is important that the specifications take into account the local policy decisions of the board. Of particular relevance is the recently endorsed Pest-free Kaipātiki Strategy (a copy of this strategy is attached to this submission for reference). The Pest-free Kaipātiki Strategy is a community-led approach and should be influential in how things are maintained, to demonstrate that Auckland Council is committed to an Empowered Community approach. Currently treatment of noxious plants / weeds and pests are inconsistent in terms of how they are managed. Successful implementation and organisational support for the Pest-free Kaipātiki Strategy will allow us to better use our collective resources, by helping to ensure that we do the right things, at the right time and the right place.
20. Several parks and reserves in the board area have narrow road frontages and entry points. It is important that there is greater emphasis on tree / plant growth maintenance in these areas to ensure safety (real and perceived) and resident engagement with these parks and reserves is maintained.
21. Service levels need to be easily understood and measurable so that they are able to be communicated to the community. This will engage community in their local area as they will be aware when the service levels are not being met. In-line with this approach, council needs to improve active promotion of when things are going well or when successes are achieved with contractors going above and beyond their contracted responsibilities.
22. The board strongly advocates for the maintenance of tracks in and through our parks and bush reserves are included on a regular maintenance schedule as these are critical assets in Kaipātiki.
23. The board requests a clearer understanding of what service levels are for sports park field maintenance to enable effective communication with sports clubs.
24. The board is privileged to have the Fernglen Native Plant Gardens within its board area. The reserve contains collections of ferns and alpine plants and other natives, which is unique in the Auckland region, if not in New Zealand. It also contains an area of mature bush. The board requests that Fernglen Native Plant Gardens is given strong consideration to being specified as a High profile/Sensitive Site. The board requests Fernglen Native Plant Gardens to be treated in the same way as a botanical garden. The board opposes the need to support the required level of maintenance of this facility through locally driven initiative budget.
25. The board requests that staff consider including maintenance (such as lawn mowing) for community-owned assets that provide valuable community services, e.g. community halls and sports facilities, in the 2017 Parks and Building Maintenance Contracts.

### **Smart procurement principles**

26. The board supports the intent of the Smart Procurement principles, including the following areas as provided in the supporting information:
  - environmental outcomes;
  - Māori responsiveness outcomes;

- local community outcomes; and
  - diversity and inclusion outcomes.
27. The board values the tremendous role of volunteers in the Kaipātiki area. Not only do they demonstrate true pride in the area, they are highly skilled and effective in what they do. The park volunteers in particular do an amazing job caring for our parks and if their contribution was to be financially remunerated, it would be in the millions of dollars annually. It is therefore crucial that the new contract approach doesn't result in a transactional relationship between contractors and volunteers. Instead the relationship has to be built on respect and shared value for what each other contributes.

#### *Local employment opportunities*

28. The board supports a sustainable procurement approach as per the Council's procurement policy which includes "increased local spend and enhanced local capability where appropriate". It is considered that providing more opportunities for local suppliers will allow for:
- greater economic opportunities for these local providers;
  - greater pride and ownership in the work and consequently better standards; and
  - economic development in local areas, including jobs closer to where people live.
29. The board supports giving greater weight to tenderers who have included a proportion of local suppliers above an agreed per cent.
30. The board supports the inclusion of training and apprenticeship opportunities to increase capability and capacity is included in the procurement framework to further support opportunities for local employment, particularly for our young people.
31. The board requests that staff, as per the Council's procurement policy, ensure that local suppliers are provided advice and support so they have a full and fair opportunity to compete for the 2017 Parks and Building Maintenance Contracts, including ensuring that the process as to how the new approach is conveyed to local suppliers and community groups allows for a single integrated approach to procurement, service delivery and community empowerment.
32. The board supports the living wage initiative, and this is reflected as a key initiative in the local board plan. It is important that new contracts account for and consider the living wage. The board request council only work with living wage employers. In addition, the board requests that successful tenders are required to ensure local sub-contractors (community groups and small businesses) are paid a fair and reasonable rate.

#### *Impact on local communities*

33. It is important that local programmes, such as Jobs4Youth, are enhanced by the proposed contract approach. Local contractors have been very supportive of our local communities and their commitment has helped to make programmes like Jobs4youth successful.
34. The board requests that a 'local impact assessment' is included as part of the procurement process as per the Council's procurement policy. 'Local impact' is described as the positive contributions to:
- a local community's capacity (e.g. the skills, social capital and knowledge) to do things for themselves and participate in decisions that affect their community; and

- the health, resilience and sustainability of the local economy.
35. The board requests the ability to input at the strategic level on the development of the 'local impact assessment'.

#### *Flexibility in the contracts*

36. The board supports staff incorporating creative solutions and opportunities to build community empowerment into the 2017 Parks and Building Maintenance Contracts e.g. a local community group could undertake all the maintenance of a local park as anticipated through the Pest-free Kaipātiki Strategy
37. The board requests that the contracts be designed to allow for enough flexibility to allow community empowerment opportunities to be increased on an annual basis as more local groups and small business build capacity to deliver locally (this will ensure that the tight timeframes for the new contracts won't lock these groups out for five or more years).
38. The board requests that the 2017 Parks and Building Maintenance Contracts be designed to allow for enough flexibility for local boards to make minor changes to levels of service within the current funding envelope without the need for locally driven initiative funding.
39. The board requests that the 2017 Parks and Building Maintenance Contracts be designed to enable local boards to use locally driven initiative funding for major increases to levels of service on an annual basis.
40. The board requests that staff ensure that increases to levels of service resulting from the planned growth for Auckland are built into the 2018-28 Long-term Plan to ensure that local boards' locally driven initiative funding is not required to cover a potential shortfall in asset-based services funding. This includes ensuring adequate budget is planned for asset renewals that may be required earlier than planned.

#### **Delivery model options for Gulf Islands**

41. The board has no comment to make on the delivery model options for Hauraki Gulf islands.

#### **Reporting, advice and ongoing support**

42. The board notes that staff have confirmed that there is no intention to reduce the existing 2015/2016 service levels as part of the 2017 Parks and Building Maintenance Contracts and requests staff to provide options to address any proposed reductions to the affected local boards for consideration within existing asset-based services budgets.
43. The board requests that as part of the 2017 Parks and Building Maintenance Contracts, an independent auditing function be set-up to assess the success of the 'outcomes' so local boards do not need to rely solely on the community to monitor performance.
44. The board requests that simple and measurable Key Performance Indicators and penalties for non-performance are included in the 2017 Parks and Building Maintenance Contracts.
45. The board requests that the simple and measurable Key Performance Indicators developed for the 2017 Parks and Building Maintenance Contracts are used to inform the measures for the Long-term Plan 2018-28, as this will enable local boards to have better governance oversight of contract delivery and performance.

46. The board requests that staff provide local boards with timely, relevant and high-quality advice during the annual planning process which will enable local boards to make informed level of service decisions following consultation with the community as part of the annual planning process.
47. The board requests information on the performance of contractors against the 2017 Parks and Building Maintenance Contracts and information on customer queries and requests for service that relate to these contracts as part of the regular local board quarterly reports.
48. The board requests confirmation from staff as to how the new contracts will be managed by Community Facilities and how the local boards will be supported by staff, including confirmation that resourcing will be sufficient to provide timely service and advice to local boards, - i.e. which staff will work with locals boards at relevant portfolio, workshop and business meetings.
49. The board requests that Community Facilities work closely with the council-controlled organisations and the rest of the council family to ensure that service delivery is collaborative and integrated.