

	<b>REPORT TO THE OVERVIEW AND SCRUTINY BOARD TO BE HELD ON 5 JULY 2017</b>	
	<b>Topic</b>	<b>Parks Nursery Service</b>
<b>Corporate All Aims</b>	<b>Task Group (if applicable)</b>	<b>Ditto</b>
	<b>Cabinet Portfolio Holders</b>	<b>Councillors M Cockerill, A Jenkinson and H Mallory</b>

## REVIEW OF THE PARKS NURSERY

### Report of the O&S Task Group (reference 17/160)

#### **WARDS AFFECTED: All**

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**REASON REPORT REQUESTED:** This review was commissioned by the Overview and Scrutiny Board following a report to the Board by the Director, Nick Edwards in July 2016.

**PURPOSE OF REPORT:** To present the Overview and Scrutiny Board with the findings and recommendations of this review.

**STATUS OF REPORT:** This report is the work of the Member Task Group, on behalf of the Overview and Scrutiny Board, and where opinions are expressed it should be pointed out that they are not necessarily those of Scarborough Borough Council. While we have sought to draw on this review to make recommendations and suggestions that are helpful to the Council and its partners, our work has been designed solely for the purpose of discharging our terms of reference. Accordingly, our work cannot be relied upon to identify every area of strength, weakness or opportunity for improvement.

**ACKNOWLEDGEMENTS:** The Task Group wishes to extend its thanks in particular to consultants RSK ADAS Ltd who provided the horticultural expertise which underpins this review and to the representatives of Friends of Falsgrave Park, Friends of Manor Road Nurseries, Friends of Pannett Park, Friends of South Cliff Gardens and Whitby in Bloom who accepted the Task Group's invitation to have a wide-ranging and detailed discussion with the consultants about the future of the Nursery Service.

**HIGHLIGHTED RISKS:** There are risks in respect of ensuring both plant quality is maintained and also a high level of community engagement in the maintenance of the Council's parks and green spaces. Both are addressed in paragraphs 4.5-4.7 of this report.

## **1. INTRODUCTION**

1.1 The Task Group responsible for this review comprises Cllrs Tony Randerson (Chair), Dilys Cluer, Guy Coulson, Tom Fox, and Vanda Inman with officer support from Director, Nick Edwards, St John Harris, Democratic Services Manager, Martin Pedley, Asset and Risk Manager, and Paul Thompson, Operations, Transport and Countryside Manager.

### **Objective of the review**

#### **Phase 1**

This review began as an exercise firstly to test a proposal put forward by officers that the Council's Parks Nursery Service could re-locate to Dean Road Depot.

#### **Phase 2**

The review then broadened its scope to consider the future of the Parks Nursery itself focusing specifically on the location for the delivery of service and whether to grow or purchase quality plants.

This more ambitious and technical phase of the review necessitated the engagement of horticultural consultants, RSK ADAS Ltd, who provided invaluable expertise and experience to support the Task Group's investigation.

## **2. BACKGROUND**

2.1 The last scrutiny review of the Parks Nursery Service took the form of a detailed investigation which reported in April 2013 and concluded that the service be retained in-house in addition to a series of recommendations which covered such matters as procurement practices, heating, business and financial planning in the context of ongoing efficiency savings. The Cabinet deferred consideration of the report, requesting further research on how the savings would be realised which it delegated to the Chair of the scrutiny committee and two other Members. This investigation linked in with the work of a Member/Officer Group already established to consider overtime and additional hours working, and reported to the Cabinet in December 2013 and again in April 2014. The Cabinet accepted that Manor Road Nurseries be retained in principle, subject to further feasibility work in the areas of heating and usage of buildings, and a range of improvements in the areas of budgeting, financial management, data collection, planting, maintenance, staffing structures and other human resources matters.

2.2 The current review commissioned in July 2016 was triggered by the important question of whether the Council could make significant savings by rationalising its assets and co-locating its operations on a single site in

Scarborough without compromising service quality. On the one hand, Dean Road Depot is under-utilised, with a number of redundant structures throughout the site, and on the other, Manor Road Nurseries has aging, outdated facilities in need of renewal, on a site which has development potential and could realise a substantial capital receipt for the Council.

- 2.3 The potential co-location of the Council's operations on the Dean Road Depot site then raised the inevitable question of what a new, efficient Nursery Service could look like, operating out of Dean Road Depot whilst continuing to support the many volunteers and their community groups which give their time to maintain the high quality of the Borough's parks and green spaces: in short, whether to grow or to purchase quality plants or both and to what degree?

### **3. METHODOLOGY**

- 3.1 Initially, the Task Group held meetings to consider indicative plans, detailed costings and valuations of both Dean Road and Manor Road sites, undertook visits to both sites, and interviewed the Nursery Team Leader about the proposed shift to more sustainable planting and its implications for the Nursery Service.
- 3.2 After a hiatus, the review gathered pace in its second phase with the engagement of horticultural experts RSK ADAS Ltd whose detailed report provides the bulk of our evidence (see Appendix 1) and a meeting with both consultants and volunteer groups on 17 May to gauge these groups' views on the future of the Nursery Service (see Appendix 2).

### **4. FINDINGS AND ASSESSMENT**

- 4.1 By the end of Phase 1, the Task Group accepted in principle that a high quality Nursery Service could operate out of Dean Road Depot, albeit with a reduced size of facilities in keeping with the service's aspiration to adopt more sustainable planting practices.
- 4.2 The in principle position reached at Phase 1 can now be fleshed out in light of the consultants' detailed report (see Appendix 1) and the meeting with volunteer groups on 17 May (see Appendix 2).
- 4.3 The consultants were asked to determine the most cost effective way to deliver the Council's plant requirements, in sufficient quantity and within product specification. The evidence they present, in particular the comparisons they make throughout the report between current practices at Manor Road Nursery and practices on a commercial nursery, added to the condition of the existing facilities – 'outdated and in an extremely poor state of repair' (p.1) – lead them to conclude that the most favourable option for the

Council by some margin is Option 1 – to close the nursery and outsource the service with a holding area on a suitable Council owned site, e.g. Dean Road Depot.

- 4.4 A striking section of the consultants' report (section 4.4) illustrates 'just how far removed existing facilities are from commercial production facilities' in terms of size of operations, mechanisation, equipment and type of glasshouse. The consultants' strong recommendation in favour of outsourcing needs to be set against the considerable opposition to buying in plants voiced by volunteer groups because of concerns around quality of plants, quality control, flexibility, loss of support for volunteer groups and community engagement, cost, carbon footprint, and the tourist value of retaining unique heritage stock. RSK ADAS respond to each of these concerns in turn in Appendix 1 of their report, including challenging the view that community engagement, educational and outreach activity cannot continue, even flourish through an outsourced service.
- 4.5 The Task Group was initially sceptical about the benefits of buying in plants, when weighed against the loss of the Council's nursery and the risk to quality. However, with the right tender specification, robust monitoring and checking of quality, and a good holding facility, the Task Group agrees with the consultants' view that quality can be maintained, at a fraction of the cost to the Council, whilst reducing significantly the carbon footprint of the Nursery Service.
- 4.6 Although much of the report is concerned with obtaining value for money whilst retaining quality, in section 1.4.1 the consultants outline how 'Peasholm Park would lend itself to becoming a hub for community groups and educational visits. There is potential to convert an unused toilet block into a building for this purpose. Sponsorship could be obtained from local garden centres (e.g. growing media, pots/trays and seeds). School children could sow sunflower seeds in pots and take them home to grow on in their family, friends or neighbours gardens. Flowerbeds...could be used for educational purposes.' Peasholm Park is also suggested as a possible location of a retail outlet for surplus stock. One Member of the Task Group voiced concern about the use of the park in this way; however the majority believe this idea is worthy of further development and public consultation, for Peasholm Park seems a suitable environment – pleasant and of natural beauty – to encourage interest in plants and horticulture and to host educational and other community activities.
- 4.7 The Council committed, during the previous nursery review in 2013, to retain employment for the four full time employees of the nursery. The consultants note this commitment and recognise the high skill set of existing staff. The Working Group would wish to ensure that this commitment is still in place. Effective implementation of an external contract of plant supplies will still require in-house expertise and staff resources, although less than currently used. The community activities envisaged in Peasholm Park, although at an

early stage of development, will also require staff support, and the Task Group therefore suggests that consideration is given to developing the Council's community engagement work with the additional staff resources generated through outsourcing.

- 4.8 Finally, the Task Group agrees with the consultants' proposed transitional arrangements that 'It will not be possible to move to a new site until at least 2018, if option 1 is approved. Given the poor state of repair of existing facilities it would save significant amounts of gas (and associated CO<sub>2</sub> emissions) if finished plants were bought in from next spring, using the existing nursery as a temporary holding facility'(p.25).

## **5 RECOMMENDATIONS**

- 5.1 The Board is asked to support the following recommendations to the Cabinet and full Council:

- (i) To approve the closure and disposal of the Manor Road Nursery, and to outsource the supply of plants for the Nursery Service;
- (ii) To approve the ring-fence of the capital receipt from the sale of Manor Road Nursery to ensure the redevelopment of Dean Road Depot to a suitable condition, the construction of a new holding facility on this site as well as the construction of an educational hub to facilitate the delivery of a range of services in the future.
- (iii) To adopt transitional arrangements for the Nursery Service until the opening of the new holding facility, and commence a procurement process with a view to buying in finished plants from spring 2018 and utilising the existing nursery as a temporary holding facility; and
- (iv) To approve development work including public consultation to establish horticultural community and educational facilities and activities in Peasholm Park with the necessary staff support.

## **6 IMPLICATIONS**

### **Policy**

- 6.1 None.

### **Legal**

- 6.2 Procurement regulations governing the purchase of plants.

### **Financial Implications**

- 6.3 Financial evaluations show that the annual cost of buying in the Council's finished plant requirements would be £65k as against the current cost of in-house production budgeted at £182,173 for 2017/18. The cost of a new plant holding facility (a 500m<sup>2</sup> Keder House) is estimated to be £55k-£60k, in addition to the costs of improving the site at Dean Road Depot. It is estimated that the disposal of the Manor Road Nursery site would generate a significant capital receipt.

**Environmental and sustainability implications**

- 6.4 The consultants' report (Appendix 1) demonstrates the Council can achieve a significant reduction in carbon emissions by closing Manor Road Nurseries and outsourcing the provision of plants (see para 8.0.3 of their report).

**Equalities and Diversity, Staffing Implications, Planning Implications, Crime and Disorder Implications**

- 6.5 The Council has committed to retain employment for the four full time staff at the nursery. Dean Road Depot is a preferable site for the new holding facility because it can be made secure. Planning implications of the new facilities proposed as part of this report to be determined at a later stage.

**Councillor Tony Randerson  
Chair of the Scrutiny Task Group**

**Background papers:**  
None

IF YOU HAVE ANY QUERIES ABOUT THIS REPORT, PLEASE CONTACT  
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