

Cabinet

10 March 2026

Rescind of Cabinet Decision 8i/2025 – Grounds Maintenance Contract

Portfolio Holder: Councillor Zoe Van Dyke (Portfolio Holder for Business Management)

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Summary

As part of Medway Norse following ACAS best practice to provide notice to staff liable to TUPE prior to 28 days of the FM Service Delivery moving back to Medway Council on the 1 April, an updated Employer Liability Information (ELI) was handed to the Facilities Management (FM) and Human Resources (HR) team which detailed a further 2 grounds maintenance engineers liable to TUPE to the FM Service Delivery Grounds Maintenance contractors.

This additional information required that the TUPE details be provided to the top 3 FM Grounds Maintenance contract bidders to ensure Medway Council followed governance requirements. Upon returning updated indicative costs, it was assessed by the FM Contracts Manager that the service delivery should return to Medway Council FM Service Delivery team (following similar Cabinet decisions on Greenspaces service delivery), enabling better value for money and greater control of service provision. It is on this basis that Cabinet is recommended to rescind decision 8i/2025 regarding the awarding of the Grounds Maintenance contract.

1. Recommendations

- 1.1 It is recommended that Cabinet agrees to rescind Cabinet decision 8i/2026, made by the Cabinet on 8 January 2026, which awarded the Grounds Maintenance contract to Canvins Group and agree to the recommended option 2, to return Grounds Maintenance service delivery to the Medway Council FM Service Delivery Team from 1 April 2026.
- 1.2 The Cabinet is asked to agree that recommendation 1.1 is considered urgent and therefore should not be subject to call in.

2. Suggested reasons for decisions

- 2.1 Transferring the grounds maintenance function to the Council will provide greater oversight of the grounds maintenance work, improving accountability and responsibility of the service delivery over that of 3rd party services, greater responsiveness and improved financial control and monitoring.
- 2.2 As part of bringing the grounds maintenance contract in house, it will also provide greater flexibility of cross service working between FM Service Delivery and Greenspaces contract provision.

3. Budget and policy framework

- 3.1 Approval of the grounds maintenance budget was provided as part of Gateway 3 Procurement Board paper (dated 18 December 2025) following an open tender process in line with The Procurement Act 2024. There are no anticipated budgetary implications in rescinding Cabinet Decision 8i/2025 as the in-house grounds maintenance delivery will be kept within the original annual budget of £200k. This will include the following:
 - 3.1.1 TUPE of Medway Norse grounds maintenance engineers including staff costs such as salary and pension/NI contributions. Circa £65k p.a.
 - 3.1.2 Purchase of grounds maintenance equipment such as strimmer's, mowers and hand tools to deliver the indicative requirement across circa 33 corporate sites and continued maintenance of equipment. Circa £10k p.a.
 - 3.1.3 Leasing of a van to enable the grounds maintenance engineers to carry out their day-to-day activities including fuel. Circa £10k p.a.
 - 3.1.4 Purchase of grounds maintenance supplies such as industry standard weed control liquids, plant bulbs, disposal bags. Circa £2k p.a.
 - 3.1.5 Purchase of composting bins to provide additional methods to compost garden waste in order to work towards actions within the Medway Council Climate Change Action Plan. One off cost circa £500.00.
 - 3.1.6 Purchase of garden waste removal services from 3rd party waste services supplier for bulky garden waste collections. Circa £8k p.a.
 - 3.1.7 Total in-house service delivery costs – Circa £95k p.a.
- 3.2 This report has been circulated separately to the main agenda. Therefore, the Cabinet is asked to accept this report as urgent to enable consideration of the matter at the earliest opportunity given that the next scheduled Cabinet meeting does not take place until 7 April 2026. As the Grounds Maintenance Service needs to be brought back in-house and be operational from 1 April 2026, further delay would risk there being no service provision from that date.

3.3 In line with rule 15.11 of Chapter 4, Part 5 of the Constitution, call-in can be waived where any delay likely to be caused by the call-in process would seriously prejudice the Council's or the Public's interests. In this case, information has been received from Medway Norse which has had an impact and the Grounds Maintenance service, which will need to be brought back in-house and operational from 1 April 2026. To ensure continuity of the service itself, it cannot be guaranteed that Norse would continue to provide the service if there was a delay on the TUPE beyond 31 March. The Chairperson of the Regeneration, Culture and Environment Overview and Scrutiny Committee has agreed that the decisions proposed are reasonable in all circumstances and to them being treated as a matter of urgency and to waive call-in.

4. Background

4.1 As part of the tendering process of FM Service Delivery (Procurement Board paper 18 December 2025), Cabinet was asked to approve the award of a grounds maintenance contract to Canvins Group as their tender proved best value for money following a Procurement Act open award tender process.

4.2 Following ACAS best practices to provide TUPE data within 28 days of service change-over, Medway Norse provided updated ELI data (provided as of 2 February 2026) that had additional 2 Medway Norse grounds maintenance engineers being made available for TUPE into the awarded contractor company. To ensure the correct procurement governance was followed, the new TUPE details were given to the top 3 contractors who provided bids into the Corporate Grounds Maintenance process.

4.3 Following a short process where the 3 bidders provided updated contract prices which included the TUPE engineers, the FM Contract Manager, on reviewing the Greenspaces paper to Cabinet 'Transfer of Greenspaces Functions from Medway Norse' dated 16 December 2025, decided that the new indicative costs would prove better value for money if the service delivery was brought back in house to Medway Council.

4.4 The proposed budget agreed in Cabinet decision 8i/2025 was set at £200,000 per annum with a total contract value of £1.4m over a 7-year period (FTS Reference Number 2025/S 000-061739). This included the grounds maintenance of circa 33 corporate sites.

4.5 While within the annual project envelope, the revalued costs returned by the 3 contractors were deemed to not be best value, or use, of the public purse. By bringing the contract delivery, and the grounds maintenance engineers, into the FM Service Delivery team, this would present a further saving to the anticipated corporate estate maintenance budget and provide a greater control of service outputs.

5. Options

5.1 Option 1. Continue to award the Corporate Grounds Maintenance contract to a 3rd party contractor. This option, in the opinion of the FM Contract Manager,

no longer provides value for money to the taxpayer purse due to the additional TUPE implications of No 2 Medway Norse corporate grounds maintenance engineers. Due to the TUPE, there would not be a risk of redundancy with this option.

- 5.2 Option 2. Bring corporate grounds maintenance delivery in-house under the FM Service Delivery team. This option would provide best value for money and greater controls over service delivery and budget monitoring. There is no risk of redundancy with this option.
- 5.3 Discounted Option - continue with current service delivery by Medway Norse. As a result of the termination of FM Service being provided by Medway Norse/ Norse Group from 1 April 2026, this option has been discounted.

6. Advice and analysis

- 6.1 Option 1. Following the re-issue of tendered costs including the updated TUPE details of No 2 Medway Norse corporate grounds maintenance engineers, while within the agreed budget costs detailed with the Gateway 3 paper dated 18 December 2025, the awarding to a 3rd party contractor does not represent value for money for the public purse. The initial grounds maintenance contract contains a 12 month 'discovery period' where the 3rd party contractor was required to learn and understand the corporate grounds maintenance service delivery. This could lead to an increase in contract prices in subsequent years above any CPI levels due to the contractor realizing the 'known unknowns.' Thus, this option is not recommended.
- 6.2 Option 2. By bringing the corporate grounds maintenance in-house to the FM Service Delivery Team, this option enables the Council to establish clear governance arrangements of contract costs, client functions and a greater level of operational effectiveness and cross-service working. Through effective discussions with HR colleagues, a timetable for TUPE of the relevant Medway Norse staff into the council can be achieved by 1 April 2026. The TUPE-ing Medway Norse staff will also benefit from Medway Council supplied terms and conditions at a set future date. For these reasons, this is the recommended for Cabinet approval.
- 6.3 A Diversity Impact Assessment will be undertaken as part of the TUPE process, subject to Cabinet's recommendations within this report.

7. Risk Management

Risk	Description	Action to avoid or mitigate risk	Risk rating
Transfer of Medway Norse Corporate Grounds Maintenance engineers not	Due to the Termination of FM Service Delivery letter, Medway Norse are unable to provide corporate grounds maintenance post 1 April. This may mean	Cabinet rescind decision 8i/2025 and working with Norse Group HR, Medway Council HR TUPE no 2 engineers into FM Service Delivery Team by 1 April 2026.	CII

Risk	Description	Action to avoid or mitigate risk	Risk rating
completed by 1 April 2026.	that the No 2 engineers do not get paid by an employer on their next pay date.		
Insufficient budget provided for service to operate corporate grounds maintenance.	The grounds maintenance budget does not provide sufficient funds to enable the TUPE of no 2 engineers into Medway Council nor provide adequate equipment and tools to carry out the service delivery.	The budget requirements for in-house service delivery is reflected in the details contained with the Gateway 3 paper dated 18 December 2025. There is no additional financial demand on the Council's budget following Cabinet decision to rescind 8i/2025.	DIV

For risk rating, please refer to the following table

Likelihood	Impact:
A Very likely B Likely C Unlikely D Rare	I Catastrophic II Major III Moderate IV Minor

8. Consultation

- 8.1 The recommendation within this report has been set out following discussions with the Assistant Director Regeneration, Place and Environment, Category Management, Union representatives and internal team members. They have been progressed through close working collaboration with the FM Contracts Specialist and time-bound returns from the top 3 Corporate Grounds Maintenance contractors. HR colleagues have been informed of the recommendations and the prospective TUPE implications and have provided expert guidance of the TUPE implications and in establishing the protracted transfer programme following the Cabinet decisions on this paper.

9. Climate change implications

- 9.1 There are no immediate climate change implications arising as this is a transfer of existing Medway Norse services to Medway Council. It is anticipated there will be longer term benefits arising as the Council will have greater ability to align work with the Climate Change Action plan.

10. Financial implications

- 10.1. This report is requesting the rescind of Cabinet decision 8i/2025. There will be no budget implications as corporate grounds maintenance service delivery

budgets were agreed within Gateway 3 Project Board dated 18 December 2025 and therefore there should be no net cost implication for the Council.

11. Legal implications

- 11.1 Formal notice of the plan to transfer corporate grounds maintenance service delivery from Medway Norse to Medway Council was approved by Cabinet decision dated 29 July 2025.

Lead officer contact

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Appendices

None.

Background Papers

[Cabinet Report – Award of Gateway 3 FM Service Delivery Contracts dated 13 Jan 26](#)