

March 2011

Briefing 11-09

Street cleansing performance information on cost and service quality

To all APSE contacts in the UK, including Council Leaders and Chief Executives

Key issues:

- This briefing provides details of key performance indicators in street cleansing services including performance on cost, cleanliness levels and customer care
- The service has shown continuous improvement in a number of areas
- Service faces significant cost pressures

1. Introduction

APSE performance networks has been comparing street cleansing data from a wide selection of local authorities throughout the UK since 1999/00, reporting results annually across a broad range of performance indicators covering cost, quality and customer satisfaction. This briefing paper looks at the continuing trends within the service; it is based on averages across the whole service and compares this year's figures (2009/10) with previously submitted data.

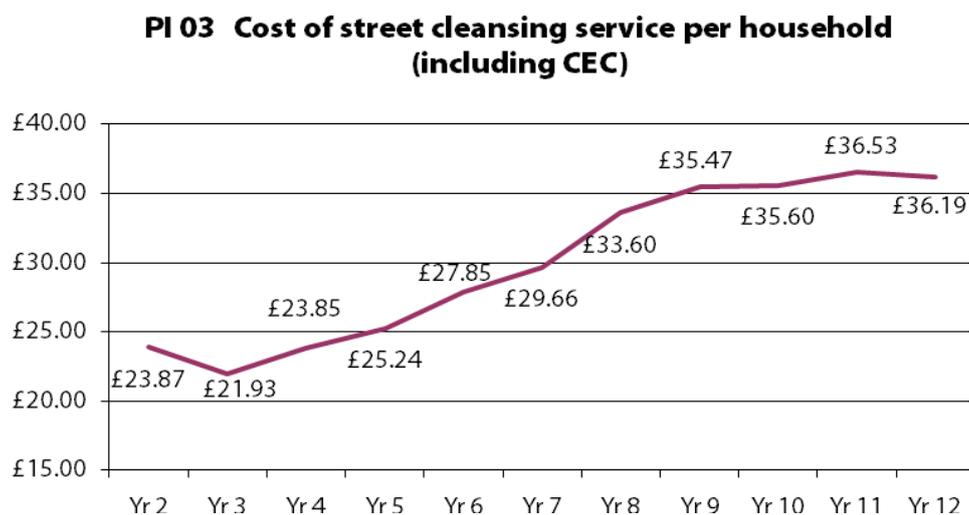
This briefing paper deals with each performance theme in turn using data from initial returns for 2009/10 against final returns from previous years. Given the current economic situation and the recent settlements, costs are obviously a high priority for every authority. Data provided for performance networks allows the average unit costs to be broken down and this is shown below this year for additional comparison.

Cost area	% total cost
Front line staff costs	57%
All staff costs	66%
Vehicle and plant expenditure	19%
Premises and services	3%
Operational supplies	4%
Departmental administration	3%
Central establishment charges	3%

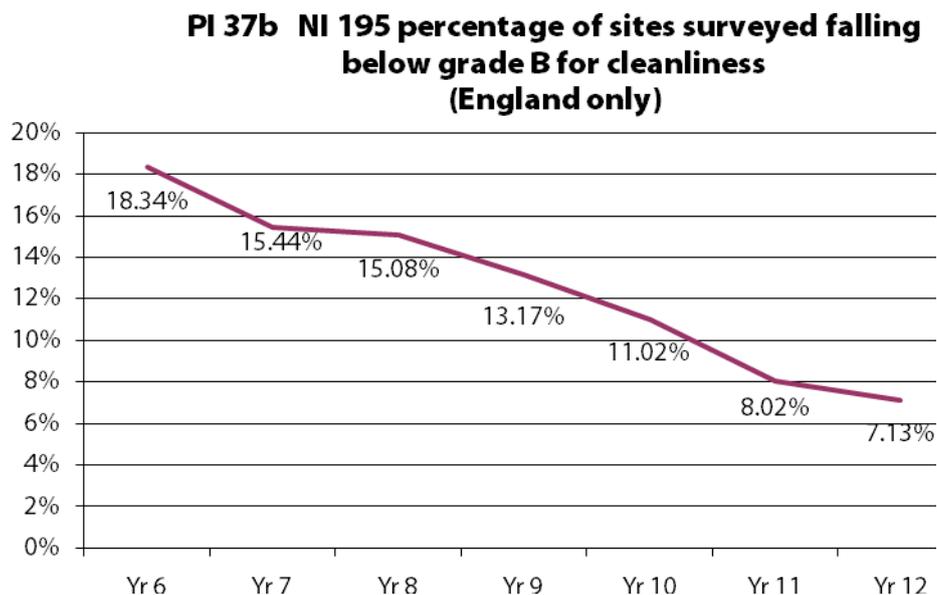
As can be seen above, staff and transport costs are the largest proportion of costs for this service. However, the costs of delivering services will vary from council to council.

2. Analysis and key findings

For the first time in ten years, the average for the financial indicator “Cost per household” (PI 03) has taken a downward turn, albeit by just 1% from the previous year. The graph below shows how average cost rose steadily over 10 years, but illustrates the leveling off over the past few years, which may be due to financial constraints and efficiency savings.



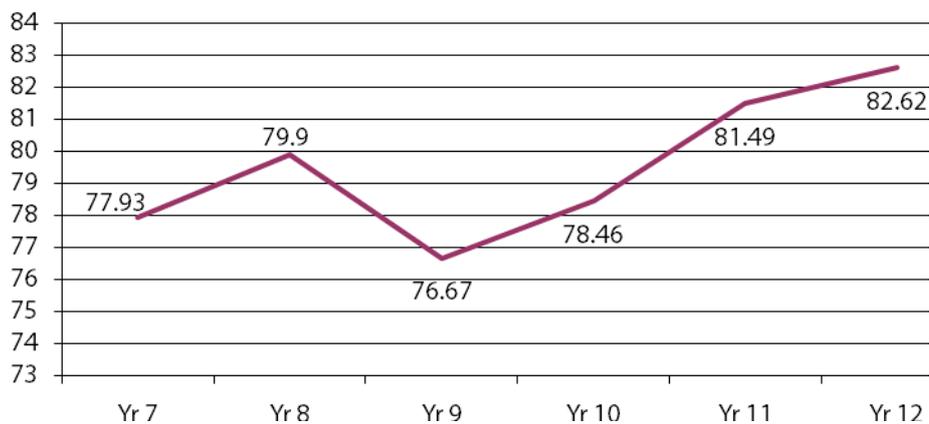
The national quality performance indicator for cleanliness in England, NI 195 (previously BVPI 199), measures the percentage of inspected sites that fall below Grade B. Since its introduction, the numbers of sites below Grade B has fallen significantly year on year, demonstrating continuous improvement as shown in the graph below. Year 12 has been no exception with a further 11.1% improvement from last year.



For Scotland and Wales, data was submitted for the first time last year based on the results of the Local Environment Audit and Management Systems (LEAMS), taking in the results of both in-house inspections and those carried out by Keep Scotland Beautiful and Keep Wales Tidy respectively. In Scotland, there was not much difference between the internal and externally assessed cleanliness index scores in year 11 (73.31% / 70.28%) and this has continued in year 12 (73.18% / 71.67%). In Wales, in Year 11 the Keep Wales Tidy average performance for authority's submitting to performance networks was 69.71% and this has remained fairly constant this year at 68.4%.

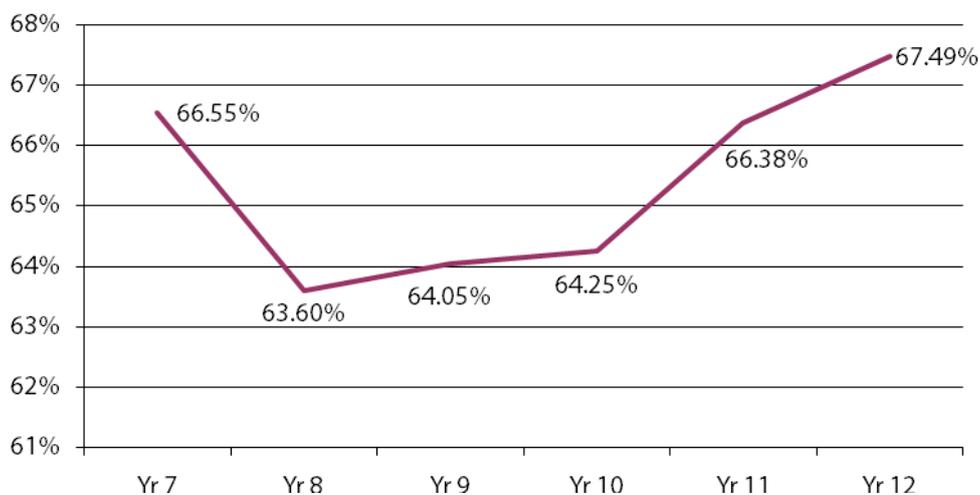
The community consultation and quality assurance indicator (PI 17) continues to rise annually (as shown in the graph below), a 1.4% increase on year 11 taking the score to a new high average of 82.62.

PI 17 Quality assurance and community consultation



While quality has been seen to improve, it is interesting to note that there has been a corresponding increase in customer satisfaction ratings, as tracked in PI 39 (community / customer surveys undertaken). The initial year 12 average shows 67.49% of respondents satisfied with the cleanliness standard of their locality.

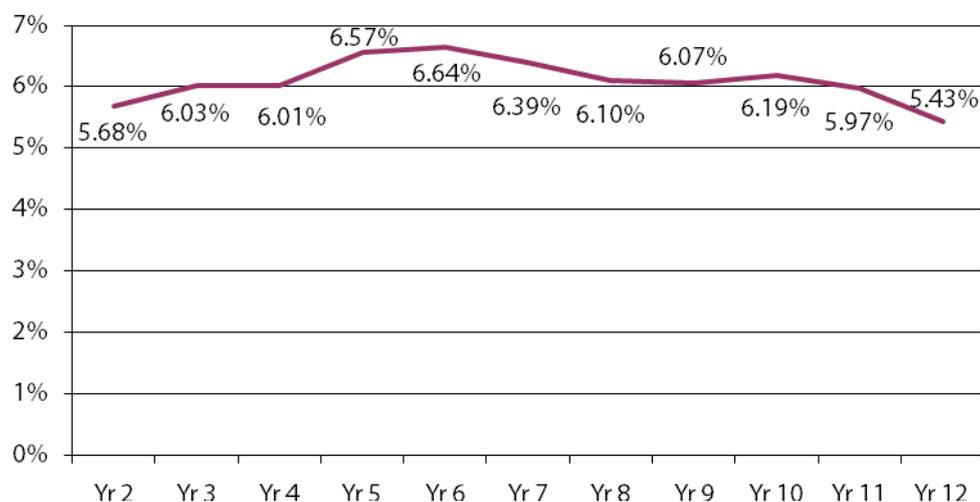
PI 39 Community / customer surveys undertaken



The indicator for staff absence (all staff) PI 22a continues to reflect the efforts that are being made to manage absence (see graph below) with the average falling by

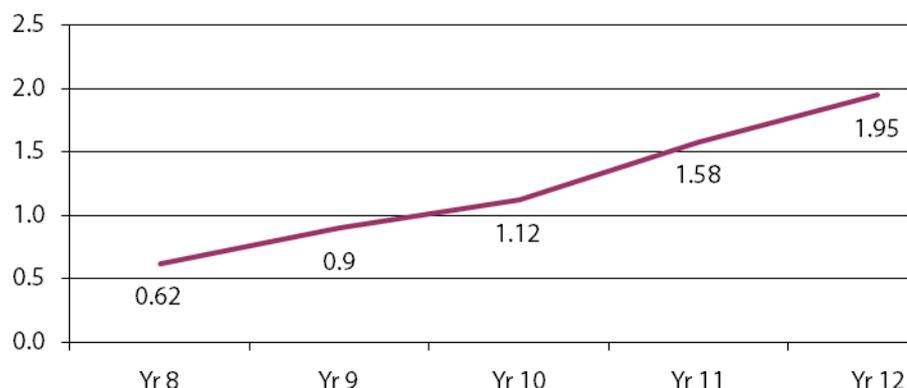
a further 9% in street cleansing in year 12 to 5.43% overall, the lowest level since performance networks began collecting street cleansing data separately from refuse collection.

PI 22a Staff absence (all staff)



The number of fixed penalty notices issued for litter offences per thousand head of population (PI 25a) has increased significantly over the past few years since the Clean Neighbourhoods and Environment Act was introduced and this is mirrored in the averages, as shown below. This year again shows an increase of 23.4%.

FPN's Issued for Litter Offences per 1,000 population



3. Future focus and analysis

The Comprehensive Spending Review and 2010 budget settlement coupled with the subsequent budgetary announcements within the UK and its devolved administrations show reductions of up to 30% across local government over the review period to 2013. Financially street scene and street cleansing services face a tough future. The duty of the authority is to keep land clear of litter which extends well beyond just ensuring that litter is picked up. The notable increase shown in the analysis above in enforcement through the issue of more on-the-spot penalties, in an effort to reduce the problem at source, has clearly contributed to the increases in quality and customer satisfaction seen this year. In difficult economic times, the initial results for year 12 tend to support the argument that

more is being done for less with costs being contained and cleanliness levels improving.

Local authorities will increasingly need to develop innovative and imaginative ways of addressing the funding gap and performance measurement is one means of demonstrating competitiveness, evidencing the value of services, identifying cost savings and identifying new opportunities for income generation and service improvement.

At an operational level challenges remain. There is an increased focus on cost efficiencies and there is likely to be an increase in demand for the street cleansing service due to the effects of the recession such as a potential increase in fast food waste (as more people use fast food outlets rather than restaurants) and the impact of businesses closing on levels of vandalism in areas.

There will be pressure to ensure that patterns of work reflect service needs. The key to workforce efficiency will be to ensure that wherever possible overtime or ad-hoc payments are for truly exceptional circumstances rather than a means by which to manage unplanned, but known, work demands. There will be a requirement on street cleansing managers to explore service delivery in the context of a 'lean' approach to employee resources. This is not to suggest a crude approach to workforce reduction but to ensure that the staff deployed in a service are best utilised to deliver that service.

Productivity rates for street cleansing need to be measured in conjunction with transport availability. Vehicle time can be split into 'productive' and 'non-productive' time, and efficiencies can be made from better route planning (route optimisation), less downtime (for repairs), staff training on correct vehicle use (and less non-fair wear and tear), as well as more efficient work schedules.

Street cleansing and street scene services, as with other services throughout the public sector, will also need to demonstrate robust performance data and face the calls for greater transparency in service cost and quality data. This will mean local services maintaining robust and transparent data sources, not just as APSE has always argued for, to use in the process of continuous service improvement, but to ensure value for money can be openly demonstrated in a meaningful way to local tax payers.

The abolition of the Audit Commission and the introduction of a new regime after Comprehensive Area Assessment will see a greater reliance on existing sources of unit cost data such as APSE performance networks. The new Communities Secretary Rt. Hon Eric Pickles M.P. referred to APSE performance networks in a response to the House of Commons Communities and Local Government Committee on 13 September 2010 as *"a means of councils measuring their performance after the abolition of the Audit Commission."* This is consistent with the Coalition Government's approach to performance assessment through a new national improvement and efficiency programme a key aim of which is create a "bank of productivity data" for local government which will provide better financial information with evidence on what works in reducing costs in practice.

Across the UK, public sector performance management will form the basis of achieving efficiencies and value for money within local government. APSE performance networks will continue to build on its already robust unit costs, quality and value for money measures, as well as increasingly facilitate process benchmarking to assist councils throughout the UK in redesigning and streamlining processes. With the demise of NI 195, APSE is working with its member authorities to ensure that levels of cleanliness continue to be measured in the forthcoming PI set for 2011. For more information on the process

benchmarking meetings or to get involved in these groups, please contact djohns@apse.org.uk

APSE has put together "Do's and Don'ts" as a checklist of ideas on what authorities can do (and shouldn't do) in the current financial climate:

Do's

- Do rework number of hours (productivity)
- Do review vehicle utilisation and downtime
- Do carry out re-routing / route optimisation
- Do review frequencies and types of cleansing e.g. manual v. mechanical sweeping
- Do review fringe services e.g. gully emptying, public conveniences
- Do research income generation e.g. private sweeping
- Do examine the green agenda e.g. electric fleet
- Do tackle staff absence
- Do eradicate overtime – plan against actual demand
- Do demand bigger discounts from suppliers
- Do set appropriate ratios for supervision
- Do strip out wasteful activity (Lean)

Don'ts

- Don't forget that environmental services are highly visible!
- Don't assume defeat
- Don't dismiss 'green' opportunities
- Don't stop marketing and selling
- Don't forget the impact that charging for some services will have on other services e.g. Bulky collections
- Don't rely on big IT solutions to save anyone
- Don't be afraid to challenge Central Establishment Charges
- Don't assume there is a pain free solution
- Don't stop benchmarking (shield)
- Don't forget you have friends to call upon

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