

Efficiencies in street cleansing

The pressure is on to find further savings in street cleansing and this paper attempts to highlight the main areas where costs reductions can be sought. It is not possible to compile a complete list and further ingenious ways of saving money will be found and technology will produce new opportunities. It is therefore proposed to update this document in the future and reissue when appropriate.

Service providers should also be encouraged to diversify and maximise income by carrying out work for other bodies. (Visit the APSE Trading and Charging web portal <http://www.apse.org.uk/charging-trading/index.html> for further details)

1.0 Accounting structures

Street cleansing in the majority of councils (66%) is now part of an integrated street scene service; which can include a range of other 'front facing' services including grounds maintenance, refuse collection and recycling, street lighting and roads repairs. Street cleansing includes operations, enforcement and educational awareness/campaigns. It can also include gully emptying and public conveniences. Income is generated in the service via work for other organisations/bodies or via income from fixed penalty notices or other types of enforcement.

When seeking cost reductions, crude cuts run the risk of damaging the underlying service, lowering the street cleanliness standards and ultimately damaging the visual environment and public perceptions. It is also acknowledged that deterioration in the visual environment can have an impact on anti-social behaviour, crime and the fear of crime. This can also increase the demand for street cleansing services from vandalism, fly tipping, graffiti as well as a general increase in litter.

2.0 Expenditure

Cost of delivering street cleansing will obviously differ between authorities and on the mix of services delivered but by way of example, APSE performance networks details the following typical structure for street cleansing:

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%

Clearly staffing and transport costs are the most significant items and therefore the element where small improvements will produce the largest savings. Staff costs equate closely to number of staff hours worked and therefore cost savings normally rely heavily on a reduction in hours with an assumption of an accompanying higher productivity. Potential savings under each heading will be detailed following:

3.0 Front line staff costs

3.1 Productivity

Productive time can be measured on an individual council basis through analysing work schedules and conducting time and motion studies. However, there is not a universal benchmark of productivity for the service, largely due to the factors that cause large variations in these levels; namely type of operation (mechanical/manual), topography, demographics, number of population centres, etc. Therefore, traditional indicators such as square meters cleaned per operative have been abandoned in favour of more qualitative indicators such as the standard of cleanliness. Coverage of area by mechanical sweepers can be gained from suppliers; with some sweepers achieving 29,760m² per hour, although again this will only be achieved in certain working conditions and may change on different routes.

Work study can be used as a means of setting targets and comparing performance on productivity. This *"is the systematic study of an operation or process to ensure the best possible use of the human and material resources available. The prime aim is to improve productivity"* British Standards Institution approved definition B.S. 3138: 1959. It allows for setting a benchmark on standard performance and also to reduce ineffective time through better work scheduling. APSE have worked with a number of authorities on work study projects where the ability to carry this out in-house no longer exists.

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. Staffing is always the most contentious area of cost reduction and consequently the area avoided by many managers. Difficult though it might be, the correct balance has to be struck between levels of equipment/vehicles and staffing hours to ensure the financial viability of the street cleansing service.

3.2 Maximising the effectiveness and flexibility of the workforce

Training and development is key to developing a more harmonious workforce. Some council's have used quality frameworks such as Investors in People (IIP) to group the workforce into strands of different skill sets (e.g. those with specialist skills such as HGV licenses for channel sweepers). This assists in deploying staff

appropriately to different areas of work. An effective street cleansing workforce needs to be flexible to respond to seasonal variations such as dealing with leaf fall and the ability to deploy the workforce en masse to a particular location such as a suburban housing estate is crucial.

3.3 Use of volunteers

The idea of 'Big Society' has gained impetus more recently, although many street cleansing managers already work with the community and volunteers in community clean sweeps and other initiatives. It is fundamental, though, that these initiatives are channelled through the local authority to access the necessary resources (equipment, bags, etc) and to gain the necessary expertise/knowledge of cleanliness and safety standards. Volunteers and community groups can also support the core street cleansing workforce in pursuing environmental initiatives such as recycling street sweeping arisings.

3.4 Personal targets

Although wider targets are often too blunt an instrument, locally agreed targets with staff provide a focus. An effective performance management system will set targets for reducing non-productive time, maintaining cleanliness standards and better vehicle utilisation, which results in performance improvement. Praise for better performers and assistance for the weaker engenders a culture of cost saving.

3.5 Sickness absence

Average sickness in street cleansing is 5.43% (source: APSE performance networks). There are examples of street cleansing services who have managed to reduce the overall sickness figure down to below 2%. This has been achieved through a combination of strict adherence to the method for managing absence and timely management enforcement. The system for monitoring sickness needs to highlight absences immediately and action to follow very shortly afterwards. Too often action is taken many days after the absence and ceases to act as a deterrent or capture the cause.

A reduction in sickness absence reduces the need to arrange cover which has additional cost, often involving transport and management time. A 2% reduction in sickness absence can equate to a £13,000 saving per £1 million turnover.

3.6 Planned overtime

Street cleansing tends to be operated across all seven days of the week to meet cleaning demands, particularly where a thriving night-time economy exists. Whilst some councils have looked to reduce weekend and other night-time overtime costs by negotiating in the payment of additional hours at flat-rate, opportunities exist to make further savings on planned overtime costs, or to eliminate them altogether. This can be done through the design of shift systems which ensures that staff are carrying out their normal working hours on the days that they are needed.

APSE are currently partnering with working time specialists to produce rota patterns for one particular authority that will enable them to save in the region of £150,000 per annum in enhanced payments. The process involves the identification of work demand for each day for which shift patterns are then designed through specialist software.

4.0 Management costs

From the point of view of the public, the value of the area managers, administration and senior management is often hidden. The number of intermediate staff in the management structure will reflect the geography and type of operation but benchmarking with other authorities will identify whether numbers are appropriate. As a guide, the average front line staff costs as a percentage of total staff costs is 86%.

4.1 Street scene

Street scene structures may provide an opportunity for a single management structure with area supervisors acting a single point of contact and responsible for street cleansing, grounds maintenance, refuse collection and recycling, roads repairs, street lighting and other services. If better utilisation of management staff is possible then the arrangement should be considered.

5.0 Transport

As the second most significant item of expenditure, transport costs and utilisation can have a significant effect on the overall cost of the service. Many councils have entered into regional purchasing arrangements to reduce the cost of vehicles by purchasing in bulk. Benchmarking and sharing of vehicle costs provides a tool to not only analyse the cost of different types of operations (split between mechanical and manual work and type of equipment used) but vehicle utilisation and the distance travelled from the depot to site.

6.0 Central establishment charges (CECs)

CECs are probably the most contentious area of cost. They are frequently apportioned in an arbitrary fashion or on the basis of head-count or square meterage. Clearly this can have perverse consequences for a labour-intensive service like street cleansing. Charges based on actual usage should be argued.

7.0 Technology

There have been significant advances in the use of hand-held technology, geographical information systems and vehicle technology such as tracking systems, which have been used by street cleansing services.

8.0 Enforcement

Income can be generated by using enforcement powers, such as those contained in the Clean Neighbourhoods and Environment Act, including on-the-spot fines for littering, graffiti, fly-posting and for where waste is left out at the wrong times. Other charges can be generated for ancillary services such as charging for the collection of

bulky waste; although this needs to be considered in relation to the effect that this policy will have on fly-tipping and the costs of removing this. 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 may result in an increase in demand for the street cleansing service and need to increase enforcement and/or education.

9.0 System thinking

Previously business re-engineering and now lean/systems thinking are all the rage as the 'new way' to identify waste and remove costs from the workplace. All start by process mapping the system of working. APSE has process benchmarking groups in place for street cleansing, which are available free of charge for APSE performance networks member authorities. Recent process benchmarking topics have been LEQSE, LEAMS, recycling street sweeping arisings, work shifts (e.g. task and finish), operational methods (mechanical/manual sweeping), educational campaigns and fly tipping. For more information, contact Debbie Johns at the APSE office on djohns@apse.org.uk

10.0 APSE comment

APSE exists to support in-house local services and recognises there will be pressure to seek cost reduction as a consequence of the current and anticipated squeeze of local authority funding. Reductions in staff numbers may be necessary as Councils attempt to maintain services whilst managing the cost base. Any staff reductions should be managed sensitively and the Trade Unions fully involved, using the full range of options including redeployment, early retirement and reduced hours ahead of compulsory redundancy.

APSE has compiled a list of 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)
- Do imagine you are the competition – what would they be doing?

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

Should a member authority have a pressing difficulty, APSE has a range of assistance available to inform the search for efficiencies. This ranges from average productivity figures, benchmarking information from APSE performance networks through to full consultancy support through APSE best value consultancy.

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