

Efficiencies in parks and green spaces

The pressure is on to find further savings in parks and green space services 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

Some parks services (39.5%) are already part of an integrated street scene service and a further 26.3% of parks services expect to be part of a street scene service within the next 2 years. Parks services include formal and non-formal parks, open spaces, horticultural services, conservation, children's play facilities and grounds maintenance for schools, sports facilities, housing, cemeteries and churchyards. Income is generated in the service via work for other authorities or public bodies (such as health services), private organisations (such as schools or retail parks), or from sales/services to the public or other customers such as event management, allotment leases, sponsorship or sale of surplus stock such as plants.

When seeking cost reductions, crude cuts run the risk of damaging the underlying service, lowering the quality standards and ultimately damaging the visual environment and public perceptions. It is also acknowledged that deterioration in the visual environment can have a negative impact on anti-social behaviour, crime and the fear of crime and the lack of access to green spaces can have a negative effect on the health and well-being of members of the public.

2.0 Expenditure

Cost of delivering parks services 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 parks services:

Front line staff	43.82%
All staff	56.01%
Other non employee e.g. premises	16.52%
Vehicles	12.44%
Equipment and materials	2.09%
Subcontractors	4.20%
Departmental administration	2.32%
Central establishment charges	5.83%

Clearly staffing and vehicle costs are significant items and therefore the element where small improvements will produce the large 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. A common indicator of productivity used to benchmark the service in APSE performance networks is hectares maintained FTE front line employee. This indicator has shown that productivity has increased significantly from 7.14 in 1998/99 to 8.51 in 2009/10, which could be due to the more efficient use of labour and machinery. However, productivity needs to be assessed in relation to the type of work being undertaken as parks and green space occupations range from grounds maintenance and street scene operations through to bio-diversity and environmental education officers.

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.

3.2 Vehicle utilisation

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

grounds maintenance unit can result in a reduction of the number of ride-on mowers/compact tractors; a potential cost saving of up to £100k.

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 parks service.

3.3 Seasonalised hours

86% of parks services have seasonal labour to deal with the fluctuations in workload between the seasons. A core feature of the parks service is how to deal with seasonalised hours. Some local authorities have identified cost savings through realigning working hour arrangements to meet the seasonal variations of grounds maintenance operations. The reprogramming of seasonalised working hours can result in a reduction in the demand of seasonal part time staff with potential cost savings in excess of £50k.

3.4 Use of volunteers

The idea of 'Big Society' has gained impetus more recently, although many parks managers already work with the community and volunteers through Friends of the Park and other community-based organisations. A report by BTCV in 2008, *Inspiring People, Improving Places* stated *'last year, 287,000 volunteers gave 540,178 workdays. Their work on 15,420 sites involved 4,301 communities, improving local environments, both rural and urban, and enhancing biodiversity'*. The value of volunteers is self-evident; however it is fundamental that volunteering is not seen as an alternative to a skilled parks workforce. Support from volunteers should be channelled through the local authority, so that groups have appropriate access to resources and the necessary expertise/knowledge.

3.5 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 quality 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.

3.6 Sickness absence

Average sickness in parks, open spaces and horticultural services is 4.58% (source: APSE performance networks). There are examples of parks services who have managed to reduce the overall sickness figure down to below 1%. This has been achieved through a combination of strict adherence to the method for managing absence and timely management enforcement.

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 £11,000 saving per £1 million turnover.

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 78%.

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 grounds maintenance, street cleansing, 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 Vehicles

Vehicle costs 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 but also vehicle utilisation.

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 parks and grounds maintenance. Charges based on actual usage should be argued.

7.0 Income generation

52% of council parks services sell their services to other public sector bodies and 21% sell services to the private sector. Some councils have secured funding via other organisations pursuing the same aims; such as up to £500k funding from PCT's to install outdoor gyms & health walks programme. As a way of off-setting costs, some councils have generated income via allotments, nursery production, sponsorship (traffic islands, parks, competitions, etc) and running events in parks (such as festivals, sports events, community days). Other councils have pursued environmental projects which also generate income; such as selling firewood or converting leaf waste into compost to be used by the grounds maintenance service and saving the council over £70k per year.

There may be more scope for councils to charge for specialist conservation or climate change work in the near future; with the growth of the 'green' agenda and the impact of climate change on plant growth, conservation, drainage and ultimately skills required to manage this.

8.0 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 parks, open spaces and horticultural services, which are available free of charge for APSE performance networks member authorities. Recent process benchmarking topics have been maintenance specifications, core and quality standards, structures, investment and consultation. For more information, contact Debbie Johns at the APSE office on djohns@apse.org.uk

9.0 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 eradicate overtime – plan against actual demand
- Do review utilisation of machinery and downtime
- Do research income generation
- Do examine the green agenda
- Do tackle staff absence
- 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 how much the public value parks
- Don't lose your skill base
- Don't assume defeat
- Don't dismiss 'green' opportunities
- 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 lose your evidence
- 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.

Debbie Johns

APSE Principal Advisor