

north east  
**improvement**  
and **efficiency**  
partnership

## Service Transformation in Practice

**Peter Schofield Programme Manager**  
Construction & Asset Management  
Waste & Environment  
Climate Change

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## Agenda

- **How can we apply Service Transformation in waste and refuse collection?**
- **Route Optimisation to deliver efficiencies**
- **Maximising resources to meet service needs**
- **Collaborative approaches between authorities**
- **The future**



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## Background to the RIEP

“A partnership of 12 local authorities and 4 Fire and Rescue Services”

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**Share learning, facilitate joint working and provide peer support to solve problems that are shared by councils:**

- Improvement of local public services is best led by councils in partnership with other public service providers
- Improvement will be more effective by devolving central resources to the front line and local decision making by councils and partners
- Simplifying support for LA/FRSs and reducing duplication

**RIEPs link improvement activity in each region.**

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## The NE IEP – Links to the region's LAs



- **Overseen by IESG**
  - LAs, FRSS are voting Members,
  - GONE, TUs, Audit Commission, SHA, IDeA are advisory members
- **Programme Board for each programme**
  - Programme Sponsors are Chief Executives or Directors
  - Performance Reports to IESG meetings every other month
- **5 Programme Managers**
- **120+ projects**

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## NE IEP Programmes



### Service Specific

- Construction and Asset Management
- Adult Social Care
- Children's Services
- Waste and Environment
- Collaborative Procurement

### Cross Cutting

- Partnerships
- 21<sup>st</sup> Century Services
- Regional Leadership
- Community Engagement and Empowerment
- Organisational Development and Workforce Planning

### Late additions

- ILG
- Capital projects

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## What did we set out to do?



### Programme Summary

Delivering significant cashable efficiencies and minimising environmental impact from Waste Management

Reduce waste being generated and diverted to landfill, increasing recycling and re-use and improving carbon management

### Evidence base

Waste management is one of the highest spending areas

Increasing environmental pressure and increasingly challenging targets for the future

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**What we are doing to achieve this**



1. Learning Opportunities
2. Benchmarking
3. Co-ordinating Joint Waste Management Strategies and associated activity
4. Develop and implement a sub-regional and regional communications strategy
5. Create links between demolition and regeneration projects and waste
6. Cultural change through education
7. Potential for a recycle processing facility in the NE region
8. Efficiency, Value For Money and Innovation Projects
9. Knowledge sharing events
10. Route Optimisation

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**Learning opportunities**



Requests	Activity
Effective management of commercial waste services	Seminar
Performance management for recycling services	Benchmarking Project
Software solutions for effective waste operations	Phase 2 of Route Optimisation
Achieving zero waste in the construction industry	Construction & Asset Management prog.
Working with SMEs and third sector to deliver services – PQQ and procurement opportunities	Sustainable procurement training
Alternate weekly collections	Seminar
Social marketing – how to apply it successfully	Seminar
Management of “bring sites”	Seminar

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**Benchmarking**



- Database of contacts and contracts
- Sharepoint access
- Can it be used to drive improvement activity?
- Where should it live after the RIEP sell-by date?

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### Communications Strategy



- Creative and innovative project that does not conflict with individual LA's waste messages
- A catalyst to positive behavioural change
- Use internal and external communication channels
- Link to and liaise with existing initiatives – WRAP, WANE etc
- Achieve savings through joint delivery of common messages
- Provide good value for the investment

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### Communications Strategy



- Assist the reduction of the volume of small household electrical appliances directed to landfill
- Assist the reduction of the volume of household food waste directed to landfill
- Increase public awareness of how waste prevention differs from recycling
- Sustain and increase householder participation in home composting



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### Enviro-schools



- To raise knowledge and awareness in schools of the Sustainable Schools Agenda in particular the Waste, recycling and purchasing
- To provide an accessible educational resource for all schools in the North East which will cover 3 key stage ages (5-7, 7-11 and 11+)
- Web based system – accessed through internet with “log-on” and “password”
- Additional module developed for Energy Reduction – targeted at pupils, teachers and school staff

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## Recyclates Study



- Map out current tonnages, collection frequencies
- Confirm disposal/recycling options and costs
- Confirm end market disposal/recycling arrangements, together with E/T costs.
- Assess current regional, national and global markets and short, medium and long term trends
- Identify likely effect of waste reduction strategies on volumes
- What opportunities are there to:
  - Reduce risk/maximise opportunity
  - Match demand with supply chains
  - Obtain matched funding or inward investment

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## Study into Road Sweeping and Gulley emptying



- What technologies are available – what's real and what is mythology?
- How much does it currently cost?
- Are there opportunities to recover value?
- Are we doing the right thing currently?
- Is a regional or sub-regional or individual LA based approach the right one?
- How do we keep the EA happy?
- How can we drive down costs?

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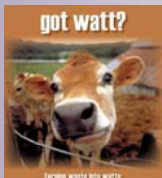
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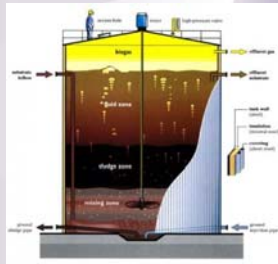
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## AD Project



### Unpicking the mythology

- What are the CSFs?
- What is the Feedstock?
- How big?
- How small?
- What energy generation?
- Where?



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## Transport/Fleet

- Route optimisation
- Vehicle KPIs
- Vehicle brokerage



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## Route Optimisation

- ICT tool to balance workloads
- £, time or tonnes of Carbon
- “Scenario planning” to challenge:
  - location of depots and other facilities
  - Fleet requirements
- “One click” route planning



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## Route Optimisation

- **Portal**
  - Remote access
  - Updates loaded once
  - Bypass ICT “conflicts”
- **Collaboratively procured**
  - 12 licenses for the region
- **Sustainability**
  - Skills embedded into LAs so done “in-house” as often as required



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## Route Optimisation

### Potential other uses



- Application to other services:
  - Gritting, street sweeping, meals on wheels
  - Inspections
  - Education transport
  - Social care transport
  - Taxis
- Scenario planning across boundaries
  - Licenses don't stop at Council boundaries

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## Fleet KPIs

"Sweating assets"



- **If Eddie Stobart paid £120k for a vehicle would he use it for 4 (7 hour) days a week?**



- Piloted at Easington
- Proof of concept at DCC, Gateshead and DDFRS
- Roll out regionally from May 2010

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## Fleet KPIs



- **Vehicle availability** (to carry out a required task at a given time)
- **Operational effectiveness** (proportion of time carrying out value-added tasks)
- **Fleet profile suitability** (capacity used for tasking versus fully loaded capacity)
- **Cost per activity undertaken** (for comparison between vehicles with same tasking)
- **Staff availability** (to use vehicles when tasks were required)

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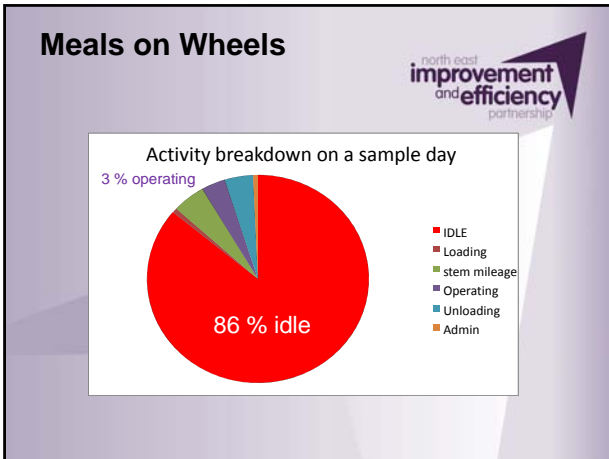
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- ### Fleet KPIs
- Potential uses
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- **Identify spare capacity to:**
    - **Share vehicles between services**
      - eg – Playground inspections, meals on wheels, courier services, security
      - Community transport, school transport, ASC transport
    - **Application to plant**
      - Strimmers, grass cutters, street sweepers
    - **Share vehicles, plant, equipment between Councils?**
    - **Hire it when you need or rent it out when you don't?**

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- ### Vehicle Brokerage
- Most efficient “cross cutting” use of fleet
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- Education vehicles – core use is for students to access courses at a wide range of times
  - Additional uses:
    - Access to health facilities
    - Participation in healthy and cultural activities
    - Access to employment
    - Increase training participation
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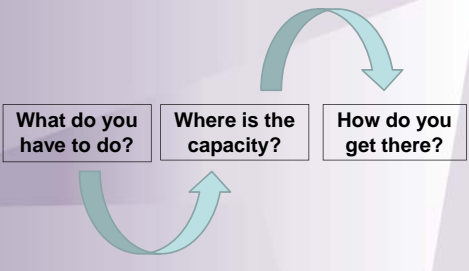
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**Tees Valley Integrated Transport Project**



What do you have to do?    Where is the capacity?    How do you get there?



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**Some figures**



- **Route Optimisation**
  - £150k pa proven (Middlesbrough and Newcastle)
  - Typical reduction of 1 round per 12 (£100k+ each)
  - Max impact is if operated across boundaries
- **Fleet KPIs**
  - Daytime idle 48%, Stem mileage 38%, Loaded space 26%
  - In excess of £150k in Procurement / purchase avoidance through right sizing the entire fleet
  - £75k in reduced mileage / increased load effectiveness
  - £75k in more efficient, smaller vehicles, reduced maintenance costs and improved driver skills
- **Vehicle Brokerage**
  - Early stages so no data

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**“Son of Route Optimisation”**



- **On-Screen “Management system”**
  - Ensure optimised routes are followed
  - Provide flexibility to react to severe weather/breakdowns
- **In-cab device**
  - “Sat Nav” guidance, reduce need for “local knowledge”
  - Flag up assisted “pullouts” or H&S issues
  - Increase flexibility to switch drivers/crews
- **Communication between vehicle and CRM system**
  - “Exceptions” – overloaded bins, bins not out
  - Participation rates in recycling rounds

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## Outside of the NE



- Everyone working longer and harder
  - Are we working smarter?
- Targets for recycling being met
  - Engagement increasing
  - What is it costing to hit the targets?
  - Are we accessing the market correctly?
- Budgets???

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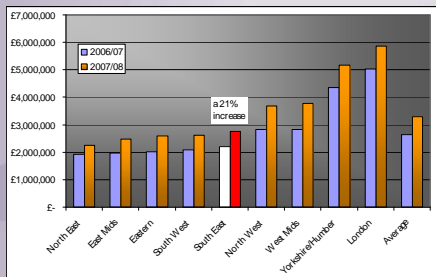
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## Average collection cost per LA in England 2006-7 to 2007-08




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## English “waste landscape”



### Country-wide

- 239 WCAs, responsible for the collection of municipal waste;
- 21 WDAs responsible for treating and disposing municipal waste
- 137 UAs responsible for the collection and treatment and disposal of municipal waste
- Private contractors eg ONYX, SITA and BIFFA also collect waste from commercial properties separately

### The South East of England

- 67 collection authorities, 13 Unitary authorities and 55 Districts & Boroughs

### The North East of England

- 12 Unitary Councils

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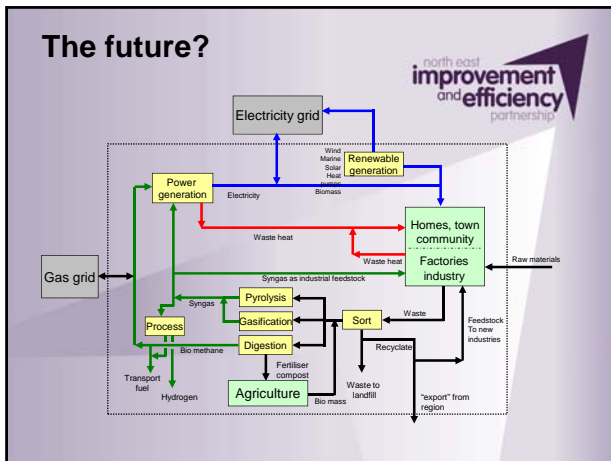
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