



**Briefing14-44**

**November 2014**

## **Efficiencies in Street Scene Services**

**To: All Chief Executives, Main Contacts and APSE Contacts**

### Key Issues

- The period of financial austerity is set to continue
- Projected reductions in local government are likely to be in the region of a further 20% +
- Demand on Council Services particularly in Adult Social care are predicted to rise exponentially in the next 5 years
- Street scene services must rise to this challenge and be as efficient as possible if they are to maintain a good standard of environmental quality
- This briefing considers a number of tools available to APSE member authorities as they strive to be ever more efficient.

### **1. Introduction**

In this current period of austerity and budget reductions, and the reality of more to come under the next spending review, APSE would suggest maximising the efficiency of what we do should be a primary objective for all public sector service managers.

### **2. What is efficiency**

"Efficiency generally describes the extent to which time, effort or cost is well used for the intended task or purpose." "Efficiency is doing things right, while Effectiveness is doing the right things". (Wikipedia).

A starting point for service managers may be to explore that simple statement and to see if they feel that they are able to comply with that approach to efficiencies in service delivery. Most will say they are providing good services, balancing cost and quality and

providing value for money but in an increasingly budget conscientious environment are they able to prove this?

In exploring the question of effectiveness it might be helpful to consider the following questions:-

- When was the last time all aspects of the service were reviewed?
- Do you know your services core priorities?
- Do you know the quality being achieved?
- Is the service providing value for money?
- Do your residents know what they should be receiving from you?
- More importantly, do residents value what is being done on their behalf?

In the current economic climate no service can continue to 'do what it has always done'.

A safe and secure starting point with minimal risk is to get a focus group together to look in detail at what is done in the service. These could initially be from the services themselves but might be more beneficial incorporating the service users and some 'critical friends' to be really worthwhile.

Gather feedback and rank the elements of service identifying those elements that are untouchable, or are regarded as the 'foundation stones' of the service delivery, and then in varying degrees rank the remainder:-

- What are the necessities?
- What are the nice to haves - the 'bells and whistles'?
- What elements raise an eyebrow and provoke the question 'do we actually really do that'?

In this way it is possible to gain an insight into what matters and what is important to those that receive the services. It should be possible to rank service elements in order to make a better informed judgment about the future of the service and what should make up a core or baseline service offer. It will also be possible to judge the impact of any service reductions necessary to meet a reduced budget, adverse reactions can be anticipated and planned for and alternative delivery opportunities and strategies can be formulated thereby protecting the reputation of the Council.

An internal service challenge process should be iterative and perhaps consider running this process annually until it has exhausted its useful output.

### **3. How do service managers know they are doing things right?**

Previously under the Best Value inspection and CPA regimes a huge amount of performance information was gathered, some relevant, some not, but a huge amount of effort went into identifying and ranking services and whole Council performance. Under the current regimes performance data and reporting has been reduced but it is now more important than ever that services can demonstrate that what they are doing is of a high quality and indeed provides good value for money.

APSE has invested many years in benchmarking data for members of APSE Performance Networks. The current Performance Networks service has a huge database of cost and quality information across street scene services that is available to its benchmarking network members to enable service managers to compare and understand in confidence how their own services are performing.

APSE benchmarking provides a secure environment from which managers can gain an understanding of how their services perform utilizing that information to make better informed judgments and decisions about cost and quality and value for money.

### **4. Driving improvement**

Having set the service strategy, identified the core service elements, benchmarked the performance cost and quality, the next step is to drive down cost and improve the core services.

Implementing a robust procurement strategy may be an effective way of driving down core costs. Street Scene Services are large budget services that whilst principally being service providers also buy in resources. Supplies and services need to be as lean and effective as the service itself. In today's financial climate how the service spends money on supplies, services, and fleet equipment is worthy of specialist scrutiny.

The effective procurement of supplies and services can be achieved through many pathways and for large value commodities the employment of a procurement specialist may be able to reduce costs significantly, whether that be through traditional contract procedures, competitive dialogue processes, online auctions or straightforward e commerce. The potential for maximising savings from service expenditure should be exploited through a robust procurement strategy, supported by specialist expertise, or tapping into the councils own in-house procurement experts if available.

Achieving cost reductions from the supply chain can contribute to the overall service objectives without directly impacting on the in house resources.

## **5. Targeting Resources**

Street Scene Services are very labour intensive and the methodology used to deploy our human resources must also be as efficient and effective as possible.

### ***Productivity***

Initially productivity used to be the first point of call and again this needs to be considered. Whilst no organisation has huge resources to undertake time and motion studies it is worth reviewing employee performance on a regular basis. Indeed some traditional 'time and motion' methods can still provide a rich source of operational information. This level of detail can help to answer the question '*are employees delivering a fair level of performance?*' The benchmarking of all your inputs and outputs will be a worthwhile indicator of this but actually 'getting back to the floor' and studying what goes on may pay significant dividends.

Indeed APSE Solutions associates have utilised some targeted work-study tools to assist APSE members with understanding workforce utilisation and productivity. In addition this work stream has proven to be an excellent way of ensuring that the resources available meet the demands of the service more effectively.

### ***Workforce Planning***

Workforce planning is another area worthy of significant consideration. In modern society Street Scene Services are required on a twenty four seven basis with Rural and Urban cleansing and maintenance regimes hugely different. The understanding and establishment of the baseline 'service demand' is a highly complex undertaking but once understood the ability to map the available resources to meet that demand can unlock the potential for significant savings.

One method of achieving this is via a flexible shift system of annualised hours, putting the right people in the right place at the right time and thereby reducing overall labour costs.

The way resources are deployed should be of major importance but it is an area that is usually heavily reliant on historic scheduling patterns. With the advent of new technology it is possible to look at the way resources are deployed, work out the way in which that deployment can be made to meet service demand and to then develop bespoke shift patterns that match that service demand to the core workforce available. Matching resources to service needs is a necessity and even more so when demand changes seasonally throughout the year and from urban to rural environments.

Deploying staff, using time, and understanding demand patterns and taking the time to plan the best way to do this can help unlock the potential for huge cost and quality

benefits. The latest shift management software and specialist consultancy help is available from a number of providers including some who have worked alongside APSE, advising on the technical elements of undertaking this area of workforce planning and reconfiguration.

### ***Terms and Conditions***

A modern approach to workforce planning will necessitate a modernised set of employment terms and conditions. As street scene services become more of a twenty four seven 365 day a year service, in order to meet resident and business demand, then terms and conditions may need to change to reflect modern working requirements and more complex shift patterns.

Street Scene services can no longer be considered to be Monday to Friday 8.00 AM to 4.30 PM duties, resources need to be employed on terms that meet service needs and the growing demands of a 24 hour 365 days a year economy.

How radical a proposal for terms and conditions reform will be up to the individual Council to determine. However it is likely some hereditary practices of core hours and reliance upon top-up hours through voluntary overtime, may not be sustainable when public sector funding is being squeezed so severely. Any changes should however be the subject of meaningful workforce and trade union consultation processes.

## **6. New Technology**

Use of some new technologies are assisting in the delivery of efficient ways of working

### ***Vehicle Trackers***

The ability to embrace new technology in fleet management is also another opportunity to improve service performance and customer response whilst reducing core costs.

Vehicle Trackers are developing all the time and far from just tracking a vehicles whereabouts they are capable of recording a whole host of data, enabling better fleet and performance management. It is now possible to record engine running times, idling times, brushes and blades sweeping and cutting operating periods, alongside the more usual vehicle movements.

Vehicle trackers can make a major contribution to a better, safer and more fuel efficient driving culture and in some instances may also help reduce insurance premiums (through the data available to service managers in defending unmerited or fraudulent claims).

## **Route optimisation**

HGV and light goods sweepers are expensive resources and should be deployed scientifically. Sweeping and grass cutting routes should be regularly reviewed and kept digitised for regular scrutiny but from experience routes are usually developed from local knowledge and if held on a file or map they may have remained the same for a number of years, are they still appropriate and relevant to the demands on the service?

Route optimisation is the process of planning a set of schedules for street cleansing, grounds maintenance or winter maintenance (gritting) or other services that are:

Resource optimised: an optimised design minimises the number of vehicles/assets in use, the mileage and the cost;

Balanced workloads: an effective round design makes each round a fair day's work for the crew, irrespective of the type of round or service, whether it is urban or rural in nature.

Achievable in practice: beautiful maps of rounds are of little use if they do not work in practice

One supplier in this area identified cost savings of 15% from the implementation of their software and can gain even more benefits with additional investment in associated in-cab technology.

Similarly the use of bespoke tablet and smartphone applications for pedestrian operatives can also reduce wasted journeys and reduce response times to service requests in real time ensuring the use of the nearest available employee.

New technology is developing so quickly that regular horizon scanning and keeping up to date with what is available will also be beneficial even to those services that have deployed this type of technology in the past.

## **7. Staff Engagement**

Street Scene Services are predominantly labour based services with well-established and stable workforces who have been delivering the service for many years. The staff know their jobs well and engaging them in service redesign whether it be through a structured

program or ad hoc workshops can help to generate a large number of additional ideas that may be worthy of consideration within an efficiency drive.

More importantly good employee engagement impacts positively on levels of absenteeism, on retention, on levels of innovation, on customer service, on positive

outcomes in public services and on staff advocacy of the organisation. All these factors will contribute to service cost.

It is often said 'our employees are our greatest asset' and as such they should be involved in any service redesign. APSE's recent research publication 'Innovation on the Frontline,' which can be downloaded free of charge on the APSE website, provides some details about how staff engagement should be culturally embedded within services.

## **8. APSE comment**

APSE exists to support local services and recognises there will be pressures to seek cost reduction as a consequence of the current and anticipated squeeze of local authority funding. The current unprecedented period of austerity is set to continue with an incoming government in May 2015 likely to continue the deficit reduction program and Local Government rumoured to be once again at the forefront of further significant budget reductions.

Before services valued by residents are stopped there is a duty to ensure the services provided are as efficient and cost effective as we can possibly make them. Reductions in staff numbers are already a reality and APSE advocates that the trade unions are fully involved where any changes to the workforce are planned.

Good quality Street Scene Services enhances the reputation of the Council but they must be flexible to meet the needs and demands of modern living patterns. Deterioration in street scene standards can have a detrimental and knock-on effect on the perception of local areas and the quality of life in local neighbourhoods.

This briefing looks at efficiency and identifies opportunities for efficiencies within Street Scene organisations in order to help them rise to the future financial challenge. By adopting the methods discussed here Cheshire West and Chester Council's in-house Street Scene Services realised savings approaching £2 million pounds whilst increasing cleanliness and levels of resident satisfaction. This is just one case study amongst many where in-house service improvement planning within street scene services have helped to deliver sustainable services for the future.

***This briefing was prepared with the kind assistance of John Jeffrey APSE Associate Consultant and formerly Director of Localities at Cheshire West and Chester Council.***

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