



Hinckley & Bosworth  
Borough Council

*A Borough to be proud of*

## FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

Scrutiny

11 MAY 2017

WARDS AFFECTED: ALL

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### STREET CLEANSING AND GROUNDS MAINTENANCE SERVICES: VALUE FOR MONEY ASSESSMENT

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#### Report of Director (Environment and Planning)

##### 1. PURPOSE OF REPORT

To seek Scrutiny Commission's endorsement of the continued delivery of street cleansing and grounds maintenance services in house.

##### 2. RECOMMENDATION

- 2.1 That Scrutiny notes the high performance and value for money offered by the in house services.
- 2.2 That Scrutiny endorses the Council continuing to provide these services in house.

##### 3. BACKGROUND TO THE REPORT

- 3.1 The street cleansing and grounds maintenance services were brought in house in September 2003 after 14 years of being outsourced. The services were market tested at that time (along with refuse collection) and significant cost reductions were achieved over the total cost of previous contracts. It is also worth noting that during the period 2004 – 2016 there has been an 11.5%\* growth in the number of properties in the Borough resulting in increased streets and green spaces to be maintained, and additional generation of litter etc. \*HBBC waste management and planning service estimates.
- 3.2 This report is a value for money assessment and recommends the continued delivery of these services in house. It details each service area separately and assesses cost, customer satisfaction and performance. Improvements to the each service are also identified.
- 3.3 This report does NOT evaluate the clean neighbourhood or green space services in their entirety. The delivery of environmental enforcement (neighbourhood wardens) and parks and open spaces are not covered. It only assesses the front line delivery of street cleansing and grounds maintenance.

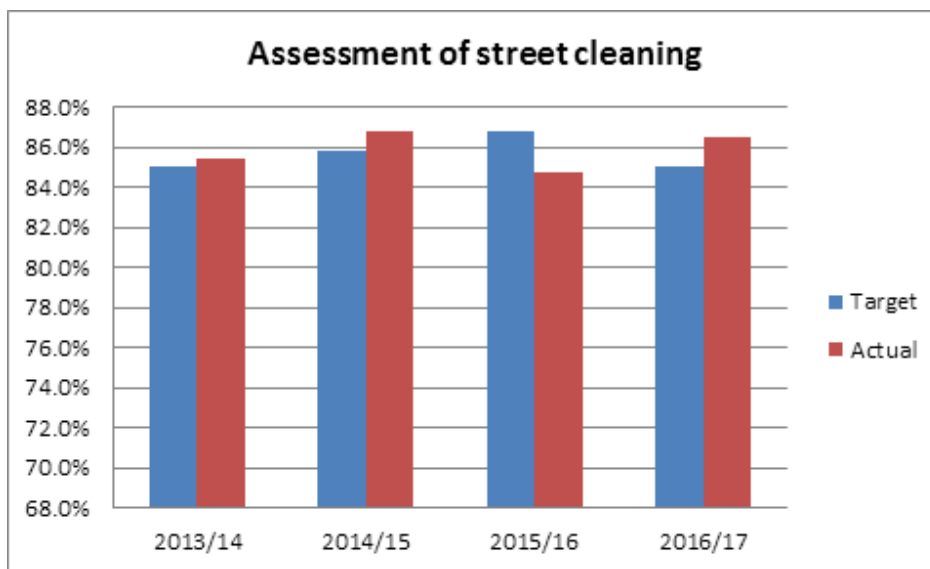
#### 4. Street cleansing

4.1 This service is statutory and has responsibility for the removal of litter, dog fouling, fly tipping, graffiti, fly posting and abandoned vehicles. The HBBC service is structured differently to that in other local authorities as the neighbourhood wardens and street cleansing teams were merged to form the clean neighbourhood team in 2012 following the development of a clean neighbourhood strategy. This embedded area based working with resources targeted to enforcement, education, community engagement and efficient removal of litter and other environmental nuisances. Environmental crime awareness campaigns now only target residents main priorities namely litter, dog fouling and fly tipping.

4.2 APSE bench marking for 2015/16 identified:-

- Cost per household of £16.94 (top quartile) (Average cost for family group was £25.29, and for all councils was £30.70)
- Customer satisfaction 81% (top quartile) (Average for all councils 71.54%)
- Staff absence 3% (top quartile) (average all councils 4.57%). (Streetscene services had 8.78 days absence per employee compared to HBBC average of 7.59 days per employee)
- The service was nominated a finalist in the APSE best performing street cleansing service award in December 2016.
- A summary of the APSE benchmarking data is given in appendix 1.

4.3 HBBC standard of cleanliness monitoring targets our dirtiest places identified by staff and customer complaints. The table below shows the number of dirty sites achieving a satisfactory standard of cleanliness. Performance has improved this year after a dip last year due to staffing issues.



4.4 The table below identifies the cost of the service over the past 3 years (2013/14 to 2015/16) and shows a net reduction in cost of £68,787 over this period.

	2016/17		
	Expenditure	Income	Net

<b>Total Clean Neighbourhoods</b>	<b>£969,102</b>	<b>-£159,005</b>	<b>£810,097</b>
<b>Change with previous year</b>	<b>-£25,472</b>	<b>£17,412</b>	<b>-£8,060</b>

	<b>2015/16</b>		
	<b>Expenditure</b>	<b>Income</b>	<b>Net</b>
<b>Total Clean Neighbourhoods</b>	<b>£994,574</b>	<b>-£176,417</b>	<b>£818,157</b>
<b>Change with previous year</b>	<b>-£44,230</b>	<b>-£15,086</b>	<b>-£59,316</b>

	<b>2014/15</b>		
	<b>Expenditure</b>	<b>Income</b>	<b>Net</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Total clean neighbourhoods</b>	<b>£1,038,804</b>	<b>-£161,331</b>	<b>£877,473</b>
<b>Change with previous year</b>	<b>£12,306</b>	<b>-£21,777</b>	<b>-£9,471</b>

	<b>2013/14</b>		
	<b>Expenditure</b>	<b>Income</b>	<b>Net</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Total clean neighbourhoods</b>	<b>£1,026,498</b>	<b>-£139,554</b>	<b>£886,944</b>

- 4.5 Resident satisfaction and priority are measured annually through the citizen panel surveys. Most recent results show:-
- 81% of residents are satisfied with the cleanliness of streets in general
  - 68% of residents think keeping public land clear of litter and waste has got better or stayed the same.
  - Keeping neighbourhoods clean remains one of the resident's top priorities.
- 4.6 Areas identified for improvement during the next 3 years are:-
- Increased enforcement and education– targeting prevention of environmental crime. A 2 year post has been appointed to significantly increase the number of fixed penalty notices issued. This post will also work closely with schools to ensure the next generation are fully aware of their responsibilities and the cost and damage to the environment from littering, dog fouling, fly tipping etc .
  - Increase sweeping – When the fleet is renewed new specialist equipment will be purchased to significantly increase the amount of pavement sweeping in high foot traffic areas e.g. by school routes / public buildings, amenities, jittys etc. Staffing hours will be reviewed to increase the use of the large road sweeper.
  - Additional income team – The team now undertakes a wide variety of work for businesses and residents and other council services. This includes litter / bin contracts with 13 parish councils, asbestos removal, clearance of empty properties, removal of large items, sweeping etc. These services generated £85,270 in income during 2016/17. There is sufficient work to warrant the creation of a second income team (in addition to the current team of 2). This team will be established as soon as practicable.
  - Greater targeting of resources at problem locations – review of priorities to ensure resources are targeted effectively at our dirtiest areas.
  - New quality monitoring system to ensure we monitor general cleanliness across the Borough.
- 4.7 Retaining this service in house also brings other benefits and efficiencies to the Council:-

- Clearance of void properties, garage demolition etc at low cost for the housing repairs service.
- Waste collection at remote properties where access by refuse crews is either difficult or costly.
- Efficient integration of cleansing of HBBC green spaces.
- Winter gritting service and flexibility to respond to adverse weather.
- Cleansing of the bring sites (recycling banks).
- Additional staffing for refuse collections during snow and ice.
- Flexibility to respond to emergencies swiftly and directly e.g. flood sack distribution, additional litter pickers where recycling collections were spilt and the removal of tree debris following storm Doris February 2017.
- Ability to respond to customer and councillor requests swiftly.
- Ability to target enforcement and education activity to dirtiest areas and residents priorities thus reducing costs.
- Support for community initiatives e.g. Bosworth, Groby and Earl Shilton in Bloom, community litter picks etc.
- Low cost reliable services for residents, local businesses and parish councils (HBBC currently cleanse green spaces for 14 Parish councils).

4.8 Conclusion: The street cleansing service is low cost, has high customer satisfaction and performs well.

## 5.0 Grounds Maintenance Service

5.1 The grounds maintenance and green spaces teams merged in 2009 and provide the maintenance and management of 142 hectares of green spaces. This includes:-

- 13 principal and 45 smaller parks in Hinckley (including play equipment and sports facilities).
- 6 countryside parks and 9 canal sites across the Borough.
- 104 Housing sites across the Borough.
- Ashby road cemetery, Hinckley.
- 8 closed churchyards across the Borough.
- 6 allotments sites across the Borough.
- 24 car parks across the Borough.
- 9 industrial estates across the Borough.
- Numerous smaller areas of open space such as green areas within residential areas, flood basins etc.
- Maintenance of the Council's tree stock.

5.2 APSE bench marking for grounds maintenance requires careful interpretation as the majority of green spaces in the Borough are provided and maintained by Parish Councils. Therefore indicators for cost per household and per 1000 population are invalid as the services are not provided universally. Similarly other councils will not own or maintain their housing stock green spaces like HBBC do. Therefore costs per hectare need to be compared.

APSE bench marking for 2015/16 identified:-

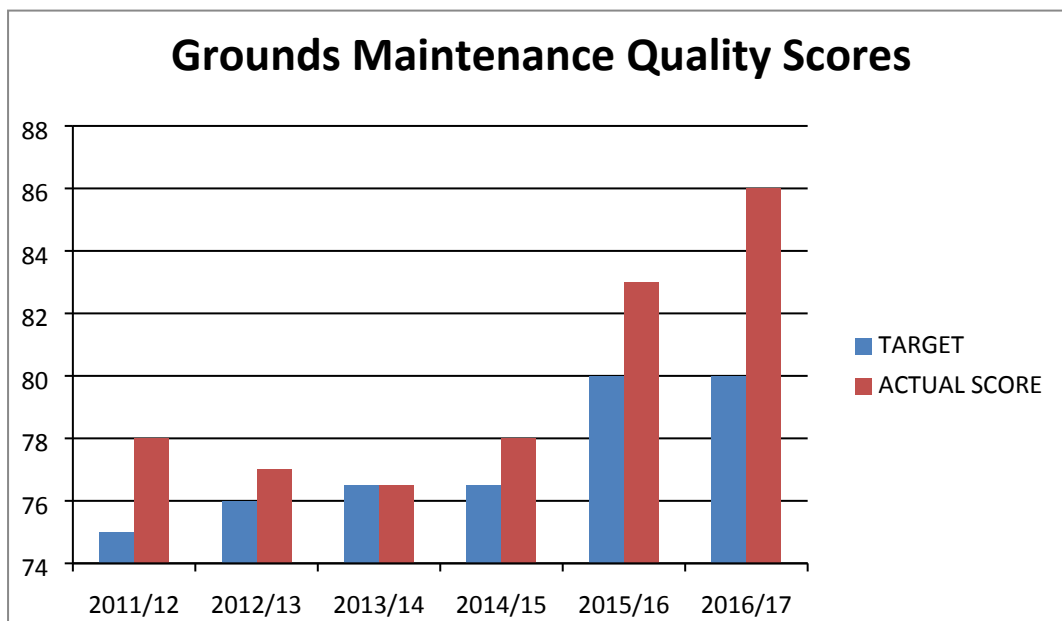
- Cost of service per hectare £5,334 (second quartile), (average cost for all 39 councils £5,370 and for family group £5,256) NB cost for all councils in 2014/15 was £5,458 and the reduction reflects the reduction on funding for parks across the country.

- Staff absence 2.62% (top quartile). Average for all councils was 4.21%. (Streetscene services had 8.78 days absence per employee compared to HBBC average of 7.59 days per employee).
- Number of non front line employees per 100ha 0.96 (average of all 47 councils 2.02). (Therefore HBBC has half of the average number of office based staff).
- Number of hectares maintained per FTE 9.45 (second quartile) (Therefore HBBC staff each maintain a larger area than average).
- Quality of children’s play areas (NPFA play value score) top quartile
- Customer satisfaction (citizens panel survey) 88% (average of all councils 81.79%)
- The service was nominated as a finalist in the APSE best performing grounds maintenance service category in December 2015.

A summary of the APSE bench marking data is given in appendix 1.

5.3 HBBC measures the quality of the sites it maintains by a monitoring system aligned to Green Flag criteria.

The table below details grounds maintenance quality score over the last six years and demonstrates ongoing improvement and high performance.



The service currently maintains one green flag park (Hollycroft Park) which is recognition of high grounds maintenance standards.

- 5.4 Resident satisfaction and priority are measured annually through the citizen panel surveys. Most recent results show:-
- 88% of residents surveyed are satisfied with the parks and open spaces maintained by the council.
  - 87% of residents think the service has got better or stayed the same over the last 3 years.
  - Protecting and maintaining our parks and open spaces remains one of residents top priorities.
- 5.5 The grounds maintenance service operates as a Direct Service Organisation (DSO). The table below identifies the cost of providing this service over the last 3 years, and

shows the service returned a surplus to the general fund of £145,827 in 2015/16. The service now costs less than the contracted rate due to reduced costs, and increased income.

	<b>Expenditure</b>	<b>Income</b>	<b>Net</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>2016/17 (budget)</b>	<b>£938,763</b>	<b>- £1,022,290</b>	<b>- £83,527</b>
<b>2015/16</b>	<b>£875,412</b>	<b>- £1,021,239</b>	<b>- £145,827</b>
<b>2014/15</b>	<b>£870,262</b>	<b>- £1,005,961</b>	<b>- £135,699</b>
<b>2013/14</b>	<b>£941,607</b>	<b>- £ 977,974</b>	<b>- £36,367</b>

- 5.6 Key improvements to the grounds maintenance service over the next 3 years are:-
- Review the recharges paid by each service for grounds maintenance to ensure budgets reflect the actual cost of the service.
  - Staff training programme to raise maintenance standards
  - Review and procure machinery, vehicle and plant to reduce maintenance and spot hire costs.
  - Reprioritise staff to key strategic sites to achieve second green flag at Argents Mead and increase opportunity for Hinckley in Bloom entry in future years. Potential for further green flags at Ashby road cemetery and Burbage common if resourced.

- 5.7 Additional benefits from retaining this service in house are:-

- Reduction in cost of managing green spaces. Through green space officers having direct control over grounds maintenance the council is currently able to operate with 1.5 less green space officers than the APSE average.
- Rapid response to emergencies e.g. the team were able to create 3 tree gangs the day after storm Doris in February 2017 to remove fallen and dangerous trees across all HBBC land holdings.
- In house installation and maintenance of play equipment and hard landscaping (thus reducing costs, raising standards and reducing repairs time).
- In house delivery of sensitive services such as burials and the cemetery.
- Sharing of equipment, machinery, vehicles and labour with other in house services to reduce overheads.
- Flexibility to deploy labour to different tasks as required e.g. additional grass cutting if warm wet summer, reduced frequency of hanging basket watering if weather very wet.
- Low cost services for other council services and residents e.g. clearance of gardens for housing repairs team, tree removal for housing tenants.
- Ability to offer reliable services to Parish Councils and local businesses.

- 5.8 Conclusion: The grounds maintenance service is slightly lower than average cost per hectare, has high customer satisfaction and performance is above target and improving.

## 6.0 Issues that may impact on future value for money

- 6.1 The introduction of new living wage will increase labour costs and this needs to be addressed corporately. If services are in house or delivered through contractors the impact will be the same as these levels apply nationally.

6.2 The current fleet is provided through a lease and maintenance contract which is due to expire March 2018. This affords the opportunity to change some vehicles to increase the services ability to generate income. It may also be possible to purchase some lower mileage grounds maintenance vehicles to reduce future financing costs. A comprehensive procurement exercise will determine if lease or purchase (or a combination of both) affords the best value for the council. Through the use of public sector procurement frameworks HBBC will be assured of achieving value for money.

## 7. **CONCLUSION**

7.1 This review provides assurance that HBBC are achieving value for money from in house delivery of street cleansing and grounds maintenance.

## 8. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

8.1 This report is to be taken in open session.

## 9. FINANCIAL IMPLICATIONS [CS]

9.1 The costs of operating the street cleansing and grounds maintenance services are outlined above.

## 10. LEGAL IMPLICATIONS [AR]

10.1 None.

## 11. CORPORATE PLAN IMPLICATIONS

11.1 These services contribute to place aims of the corporate plan: Creating clean and attractive places to live and work

- Keep our borough clean and green
- Protect and improve our parks and open spaces for everyone across the borough

## 12. CONSULTATION

12.1 The results from citizen's panel surveys are detailed in the report.

## 13. RISK IMPLICATIONS

13.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

13.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

13.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks
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Risk Description	Mitigating actions	Owner
Service disruption	Adequate business continuity plans	Ian Pinfold / Lisa Kirby
Reduced performance / efficiency of services	Bench marking with other service providers (every other year)	Caroline Roffey

Management of Opportunities		
Opportunity Description	Actions	Owner
Provide additional services at less cost to the Council	See 4.7 and 5.7 - Ensure adequate capacity to deliver additional works where cost effective to do so (fleet procurement and staff)	Ian Pinfold / Lisa Kirby
Improve service outcomes / satisfaction	Targeting of services to residents priorities.	Ian Pinfold / Lisa Kirby
	Joint approach to the management and delivery of operations (continued delivery as clean neighbourhoods and green spaces teams) Review of resident priorities in 2018 through revision of clean neighbourhood strategy and green space delivery plan.	Caroline Roffey  Ian Pinfold / Lisa Kirby

#### 14. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

- 14.1 The street cleansing service priorities were identified through consultation to develop the Clean Neighbourhood Strategy. This strategy will be reviewed during 2017/18, and further consultation undertaken.
- 14.2 Improvements to parks and open spaces in HBBC ownership are detailed within the green space delivery plan. This plan runs until 2018/19. Consultation on priorities will be undertaken when this plan is reviewed in 2018.

#### 15. CORPORATE IMPLICATIONS

- 15.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications
- Planning implications
- Data Protection implications
- Voluntary Sector



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Background papers: Appendix 1: Summary of APSE bench marking

Contact Officer: Caroline Roffey, Head of Street Scene Services x5782

Executive Member: Councillor M Nickerson.