



Leicester
City Council

**WARDS AFFECTED
ALL WARDS (CORPORATE ISSUE)**

**MEMBERS BEST VALUE WORKING PARTY
CABINET**

**13th FEBRUARY 2002
11th MARCH 2002**

**BEST VALUE REVIEW – YEAR THREE
ENVIRONMENTAL SERVICES (WASTE MANAGEMENT, STREET CLEANSING
AND GROUNDS MAINTENANCE)
SCOPING EXERCISE**

Report of the Assistant Director (Trading Services)

1 BACKGROUND AND PURPOSE OF REPORT

1.1. Purpose of Report

To seek Directors' Board approval of the draft scope presented as part of the Environmental Services Best Value Review, in the context of the criteria set out in the Council's Best Value Review process.

1.2. Background

The draft scope for the Environmental Services Best Value Review is set out in Appendix 1 to this report.

The vision for the services scoped within the theme is:

“To contribute positively to and enhance the social, economic and environmental well-being of the people of Leicester in a tangible and measurable way. In short, these services will improve the quality of life in, and the sustainability of, the City of Leicester”

It will be recalled that the Environmental Services theme was originally timetabled for Year 4 of the Best Value review programme. However, during the recent review of the five year programme it was considered that the Revitalising Neighbourhoods initiative would have a significant and direct impact on the services within this theme. It was also identified that a significant proportion of the Best Value Performance Indicators for these services fell into the bottom quartile of the family group of Metropolitan authorities. It was therefore decided to bring this theme forward for review in year 3.

The draft scope has been prepared following wide consultation (detailed in 3.3) throughout the authority.

2 RECOMMENDATIONS

2.1. Directors' Board is recommended to:

- (i) Endorse the work carried out in order to inform the scoping recommendations.
- (ii) Agree the scoping recommendations
- (iii) Request the Director of Environment and Development and Commercial Services arrange a replacement Lead Assistant Director for the review in consultation with the Acting Director of Arts and Leisure.

3 REPORT

3.1 (i) *How does the theme relate to the Performance Plan and Key Strategies ?*

Key Strategic Initiatives

The key strategies that have an impact on the services to be reviewed are as follows:

Corporate:

- ◆ Community Plan
- ◆ Best Value Performance Plan
- ◆ Crime & Disorder Strategy
- ◆ Local Plan
- ◆ City Centre Plan
- ◆ Asset Management Strategy
- ◆ EMAS
- ◆ Corporate Equality Strategies
- ◆ Procurement Strategy
- ◆ ICT and e-government
- ◆ Cultural Strategy
- ◆ Revitalising Neighbourhoods (including the client/contractor split review and Resources for Communities project)
- ◆ Improving the Quality of Life in and Sustainability of the City Centre

Service Specific:

- ◆ Waste Strategy (including the PFI tender)
- ◆ Parks Open Spaces & Countryside strategy
- ◆ Education Development Plan
- ◆ Sports Strategy
- ◆ Arts Media and Broadcasting Strategy

The scope of this review will be contained within the existing strategic framework as indicated above and as such therefore will not include new or revised strategy or policy development. Instead, the review will focus upon service delivery issues within the existing strategic framework.

Best Value Performance Plan

The Best Value Performance Indicators contained in Appendix 3 relate to the services included within the theme. These will be considered as part of the review and in particular those where performance is poor compared to the family group of authorities such as satisfaction with services and cost of keeping land clear of litter and refuse.

3.2 What are the Strategic Imperatives?

Revitalising Neighbourhoods

The over arching strategic imperative is the Revitalising Neighbourhoods initiative and the direct impact this will have upon the services under review. Under the terms of reference of Revitalising Neighbourhoods it is being proposed that these services are delivered on a local area basis and a number of pilot projects are currently underway to explore the best methodology to use for local service delivery. Similarly (and also driven by the Revitalising Neighbourhoods initiative) a review of the client/contractor split will be undertaken during the period of the Best Value Review. Mechanisms have been put in place to ensure that these activities inform the Best Value review process and that outcomes from both Revitalising Neighbourhoods and the Best Value review are mutually complementary.

Waste Management Strategy

Underpinning the Waste Management Strategy is the delivery of an Integrated Waste Management PFI scheme. The contract for this PFI scheme is currently in the process of being tendered in accordance with the provisions of the EC Services Directive (Negotiated Procedure). The core review team will need to consider very carefully the outcomes arising from assessment of the Waste Management services and how these will or can impact on a service that is currently midway through a tendering exercise.

3.3 What are the key issues raised by Stakeholders ?

- (i) Authority-wide consultation with staff

This was done in a number of ways:

- a) Circulation of draft scope and workshop discussions

The draft scope has been circulated for comments to all Assistant Directors, as well as to all Heads of Service from the business units identified in the five year review programme. All these officers were invited to attend a workshop to discuss the draft scope.

At this workshop general consensus was reached concerning the aim, objectives, key focus and context and issues. Details of the workshop discussion together with the Project Executive views are shown in Appendix 1. A number of amendments have been made to the original draft in order to build in feedback received during the session. In particular, it was agreed that it was right for the aim of the review to be to improve the overall satisfaction of the services, especially in light of the recent MORI survey results which indicated that satisfaction for a majority of the services under review had fallen over the last three years. It was agreed that this aim needed to be clearly set within the framework of corporate and statutory requirements and in particular within the context of the budget strategy and against a backdrop of reducing budgets and increasing costs.

Other issues raised during the consultation period include:

- organisational arrangements (including client/contractor split)
- inadequate revenue/capital funding to support service operation and development
- burial land deficiency
- city centre standards
- tension between service providers
- competing initiatives and project groups
- the need to involve all stakeholders, not just the public
- the legacy of CCT
- the need to establish civic pride
- enforcement issues
- links with other Best Value Reviews
- street tree maintenance issues

b) DMT Discussions

The draft report was considered by the DMTs for Arts and Leisure, Housing and Environment and Development and Commercial Services. Views received have been incorporated into the report.

(ii) Consultation with Trades Union

The Trade Union representative for the review has been circulated the draft scope documentation and also attended the consultation workshops. Views have been incorporated via the workshop exercises.

(iii) Equalities Officers

All Equalities Officers have been circulated copies of the draft scope for their comments; any views received will be incorporated into this report.

(iv) Other Consultation

In depth interviews have been carried out with senior managers in the relevant service areas in order to identify issues based on: their in-depth knowledge of the service, results from previous public consultation exercises and views received previously from other stakeholders.

3.4 What is the potential scale of the review?

The review needs to be undertaken within the over arching context of the Revitalising Neighbourhoods Project and in particular taking into account:

- the review of client and contractor arrangements using process mapping
- the Resources for Communities (Eyres Monsell) pilot project
- the City Centre pilot project for local delivery of Environmental Services

The diagram in Appendix 4 indicates the proposed plan for ensuring these different issues are an integral part of the review. This added dynamic of the Revitalising Neighbourhoods initiative, as well as the potential complexities arising from the concurrent tendering of the Integrated Waste Management PFI contract , are supporting reasons for limiting the scope of the review as explained in section 3.7 below.

The review will be undertaken within the existing corporate and service specific strategic framework and as such will not deal with matters pertaining to policy or strategy development. It is felt that in order to focus clearly on the impact of the services to the public the review scope should be restricted to service delivery issues within the existing strategic framework and not include the broader elements of new policy and strategy development.

However if performance management of the service or the assessment stage of the review (which will have an operational focus) highlight gaps and issues which question the robustness of the existing strategic framework and policy then it is proposed that these will be dealt with in the appropriate Improvement plans.

It will be crucial to ensure that there are strong and effective communication channels between this review and the other year three reviews. In particular, the review will need to be informed by and closely linked with the ICT and e-government review, the Highways and Transportation Review and the Heritage Review.

A project plan for the review is attached at Appendix 5

3.5 Are there common areas of function, process, site or others that can assist in the organisation of the review?

The majority of the services under review have been subject to CCT and organisational arrangements still reflect this legacy. The result is that there will be duplication of function inherent in the existing organisation structure and one of the key issues facing the review is to rationalise these arrangements using the technique of process mapping.

There is a need to ensure that close links with other reviews are maintained throughout the review period. Specific links have already been identified between this review and the Heritage review, the ICT and e-government review and the Highways and Transportation review. Discussions between the Lead Assistant Directors have taken place during this scoping exercise to ensure that the reviews are discretely scoped and that relevant links are identified.

3.6 *What are the final recommendations for the scope?*

This review will be restricted to the assessment of service delivery issues within the existing strategic framework and as such will not deal with matters pertaining to policy or strategy development. It should be noted that in terms of the budget strategy the review will be conducted against a backdrop of reducing budgets and increasing costs. Therefore it will be necessary to assess the organisational structure and how this impacts on service delivery.

The Revitalising Neighbourhoods policy initiative is a key strategic imperative for this review and as such will dictate the direction and priorities for the review.

(i) Focus of Review

The review will therefore have a very clear public orientated focus with the key areas being:

- the customer interface
- customer empowerment and involvement
- optimisation of resources to meet the needs of service users
- identification and accommodation of the needs of non-service users, in particular those from disadvantaged or excluded groups
- partnership working

Hence it is recommended that the review be scoped to include the following business units:

City Cleansing
City Landscapes
Parks and Open Spaces
Waste Management
Cemeteries and Crematoria

(ii) Activities to be excluded from the scope:

- **Home Energy Office (Housing Department)**
It is proposed that this business unit will be included in the Best Value Review for Housing in year 5. This is because this business unit provides services solely to Housing customers and therefore needs to be considered alongside all the other Housing services. This view was supported during the consultation exercises.
- **Energy Management including the Energy Efficiency centre (Environment and Development Department)**
It is proposed that this business unit should not be included within the scope for this review because this review is primarily concerned with the delivery of mass environmental services to the public. Energy Management should be included within the review concerning corporate environmental policy alongside functions such as the corporate environment team.

It is recommended that the review is undertaken using the aims and objectives listed in the draft scope shown in Appendix 2. The key focus and the issues to be included are detailed in the same Appendix.

4 FINANCIAL & LEGAL IMPLICATIONS

The total (revenue) value of services scoped within the review is currently estimated at £21.5 million; a 2% saving therefore equates to £431,500. Work is underway to ensure that there has been no double counting of funds in client and contractor budgets and that this figure is therefore the true budget provision for the services under review.

Although the review will seek to deliver the required 2% savings it should be noted that there is prior call on savings arising from the review of the client/contractor split. It has previously been agreed by Directors' Board that savings arising from this exercise will count toward the overall 2% target but will not be available for direct reinvestment in the services under review.

5 EQUALITIES

One of the key areas of the focus for this review is the identification and accommodation of the needs of non-service users, in particular those from disadvantaged or excluded groups. As such, therefore, equalities issues have been built into the main focus of the review and this will drive the review to ensure that equality issues are taken into account when assessing the needs of both existing customers and non-service users.

6 SUSTAINABLE/ENVIRONMENTAL IMPLICATIONS

The vision for these services concerns their impact on the sustainability of the City of Leicester and as such sustainability will be a driving principle of the review.

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ENVIRONMENTAL SERVICES BEST VALUE REVIEW
SCOPE CONSULTATION WORKSHOP
21 JANUARY 2002

WORKSHOP DISCUSSION

During workshop exercises it was proposed that the following additional areas should be included within the scope:

- Allotments Management
- Ecology and Riverside
- Landscape Architects (City Consultants)
- Highways Management (highway amenity maintenance)

During the scope consultation workshop there were mixed views as to whether or not these areas should be included within the scope. Further to the workshop the draft scoping report was discussed at the joint Environment and Development and Commercial Services DMT and the Arts and Leisure DMT. Feedback from these meetings has led to the following view being taken:

- **Allotments Management (Lettings)** – this is carried out within the property function and as such should remain within the scope for the Property review in year 4. However, the interface between the maintenance of allotments (a Parks and Open Spaces function) and the management of allotment lettings (a Property function) is an important issue and therefore this interface issue should be within the scope of this review.
- **Ecology and Riverside Team, Urban Design Group** – this function, within the Urban Design Group, fits more appropriately within the scope for the Regulatory Services Review in year 4. However, community use of and the sustainable management of the both the riverside and of the ecological sites across the city is an important interface issue for this review. As such these interface issues will be included within the scope of this review.
- **Landscape Architects (City Consultants)** – this is a property function and as such fits more appropriately within the scope for the Property review in year 4. However, this is a support service to the Parks and Open Spaces functions and as such can have a direct impact on the delivery of the services scoped within this review. As such any issues arising from Landscape Architects in their capacity as a support service will be scoped within this review.
- **Highways Management (Environment and Development Department)**
 The Highways Management business unit is already within the scope of the Year 2/3 Highways and Transportation review and as such cannot be included within this review. However, it is recognised that the management and maintenance of highway trees, grass verges and

highway amenity planting is an important issue for the Environmental Services review which needs to undergo an effective examination. As such this issue will be included within the scope of the review whilst maintaining close links with associated issues in the Highways and Transportation Review.

The Street Environment Management Team is shown in the five year review programme as a business unit in the Environmental Services review. The Street Environment Management Team is not a discrete business unit but is an integral part of the Highways Management business unit. However, staff within the Street Environment Management Team do carry out activities, on a client agent basis, which fall within the scope of the Environmental Services review. These activities, consisting of street cleansing inspections, complaints and enforcement (i.e. matters concerning litter, fly tipping and fly posting) and refuse collection monitoring, complaints and enforcement are included within the scope of the Environmental Services review.

ENVIRONMENTAL SERVICES: DRAFT SCOPE

Aim of the Review

To improve the overall satisfaction with the services under review in order to enhance the environmental well being of the public. The review to be undertaken within the framework of existing corporate and service specific strategies, with the primary strategic driver being Revitalising Neighbourhoods.

Objectives of the Review

- To increase the influence the public has on the services
- To increase the accessibility of the services to the public
- To increase the responsiveness of the services to the public
- To achieve integration of all the services
- Improve delivery of services to local communities

Focus of Review

This review will be restricted to the assessment of service delivery issues within the existing strategic framework and as such will not deal with matters pertaining to policy or strategy development. It should be noted that in terms of the budget strategy the review will be conducted against a backdrop of reducing budgets and increasing costs. Therefore it will be necessary to assess the organisational structure and how this impacts on service delivery.

The Revitalising Neighbourhoods policy initiative is a key strategic imperative for this review and as such will dictate the direction and priorities for the review.

Thus the review will have a very clear public orientated focus with the key areas being:

- the customer interface
- customer empowerment and involvement
- optimisation of resources to meet the needs of service users
- identification and accommodation of the needs of non-service users, in particular those from disadvantaged or excluded groups
- partnership working

Issues to be included in the review

The following (and other issues arising from the service assessment) will be included within the scope of the review:

- The aims and objectives of the Revitalising Neighbourhoods Project and in particular the:

- Review of the client and contractor split
- The local delivery of services and issues arising from the outcomes of the Eyres Monsell Pilot Project and the City Centre Pilot Project
- The Public Service Agreement target (L12) for improving the cleanliness of the City Centre from the existing 69% of street inspections making the grade of acceptable or above to the target of 75%
- The issues arising from the 2001 MORI survey
- The enforcement practices (excluding regulatory services)
- Public education and awareness of matters pertaining to the services
- The tendering of the Integrated Waste Management PFI contract
- The existing degree of service integration
- The role played by ICT
- Response to e-government targets
- The contribution of Environmental Services to the wider environmental agenda
- The budget strategy, including current and future savings targets as well as the impact of past budget reductions
- interface issues between the maintenance and management of allotments
- interface issues arising from community use of and sustainable management of both the riverside and ecological sites across the city
- issues arising from the Landscape Architects function in their capacity as a support service to the services scoped in the review
- issues concerning the management and maintenance of highway trees, grass verges and highway amenity planting
- activities undertaken by the Street Environmental Management Team involving street cleansing inspections, complaints and enforcement (i.e. matters concerning litter, fly tipping and fly posting) refuse collection monitoring, complaints and enforcement are included within the scope of the Environmental Services review.

Business Units

It is recommended that the review be scoped to include the following business units:

City Cleansing
 City Landscapes
 Parks and Open Spaces
 Waste Management
 Cemeteries and Crematoria

**BEST VALUE PERFORMANCE INDICATORS
RELEVANT TO ENVIRONMENTAL SERVICES SCOPE**

- BV82a Total tonnage of household waste arisings – percentage recycled
- BV82b Total tonnage of household waste arisings – percentage composted
- BV82c Total tonnage of household waste arisings – percentage used to recover heat, power and other energy sources
- BV82d Total tonnage of household waste arisings – percentage landfilled
- BV84 Kilograms of household waste collected per head of population
- BV85 The cost per square kilometre of keeping relevant land, for which the local authority is responsible, clear of litter and refuse
- BV86 The net cost per household of refuse collection
- BV87 The net cost of waste disposal per tonne of municipal waste received
- BV88 The number of household waste collections which were missed per 100,000 collections
- BV89 Percentage of people satisfied with cleanliness standards
- BV90a Percentage of people expressing satisfaction with Recycling Facilities
- BV90b Percentage of people expressing satisfaction with Household Waste Collection
- BV90c Percentage of people expressing satisfaction with Civic Amenity Sites
- BV91 Percentage of population served by a kerbside collection of recyclables or within 1km of a recycling centre
- BV119d Percentage of residents by targeted group satisfied with parks/ open spaces, play areas, and other community recreation facilities and activities

TIMETABLE AND INTERFACES BETWEEN THE
ENVIRONMENTAL SERVICES BEST VALUE REVIEW AND
REVITALISING NEIGHBOURHOODS CLIENT/CONTRACTOR REVIEW AND PILOT PROJECTS

Review Activity	Nov 2001	Dec 2001	Jan 2002	Feb 2002	March 2002	April 2002	May 2002	June 2002	July 2002	Aug 2002	Sept 2002	Oct 2002	
Environmental Services B.V. Review	Assistant Director & Scrutiny Director appointed to review	Scoping of Review to include Client/Contractor review of Grounds Maintenance, Street Cleansing & associated services; plus Revitalising Neighbourhoods goals		Fundamental Challenge	Final scope & decision on route (Service Assessment or Perf.M'ment)	B.V. REVIEW CONTINUES					Improvement plan report to Directors' Board to include City Centre Pilot & C/C/C Review	BUDGET STRATEGY – IMPLICATIONS	
Eyres Monsell Pilot	Pilot on local co-ordination of street environmental services underway		Interim report to Directors' Board	Further three months of Pilot findings built into scoping of B.V. Review		Final report to Directors' Board							
City Centre Pilot	City Centre Workshop undertaken by P.Connelly & A.Cozens	Nominate Project Lead. Set up Team. Agree Terms of Ref. & Pl's with Lead Directors. Begin data collection.	Implement first 3 months of project. Ensure project learning informs B.V. (Environmental Services) Scoping and Fundamental Challenge activities.		Interim report to Directors' Board	Continue Pilot ensuring it complements the work of the B.V. Review					Report to Directors' Board as part of B.V. report		