

East Midlands Improvement and Efficiency Partnership



Delivering high performing services at low cost: Waste collection in Charnwood Borough Council ▼



Two of the new refuse collection vehicles next to The Sock Man in Loughborough town centre

Award-winning service benefits local community ▼

Charnwood Borough Council's waste collection service provides good value for money. The service performs well, the dry recycling rates are above average. Furthermore, the cost of service compared to other authorities nationally and the amount of waste sent to landfill is lower than average, the cost per household is low and high levels of customer satisfaction are recorded. This case study explores what drives this value for money position, with a focus on particular initiatives

that have enabled the service to maintain its good performance and low costs.

“The Council takes great pride in offering services that meet our local priorities and the Customer Service Excellence (CSE) award in 2010 reflects our commitment to providing first class services to the communities we serve. The Environmental Services contract reflects the core values of CSE and was integral to our success.”

Cllr Hilary Fryer
Lead Member for the Environment

The issue ▾

The renewal of the environmental services contract covering household waste collections and street cleansing gave Charnwood Borough Council the opportunity to refresh its approach to waste collections and improve performance against a Zero Waste Strategy.

The tendering process included an in-house bid from Charnwood Borough Council, who had operated an out-sourced service since 1990. This was included after a comparison of the Best Value Performance indicators BV86 (cost of waste collection per household)

and BV82 (amount of household waste that is recycled or composted) for all local authorities in England and finding that 60% of the top performing councils operated in-house collection services.

Charnwood Borough Council had relatively high scores for BV86. Officers recognised that the tendering process offered an opportunity to make improvements to the service and also seek efficiencies to reduce the cost of waste collections per household.

Building on success ▾

Environmental Services Contract with Serco

The council's household waste and recycling collection service was already achieving relatively high levels of performance and customer satisfaction, but the new contract was an opportunity to make changes that would build on this and improve the service to customers.

Two of the key points in the tender were that the alternate weekly collections of residual waste and the use of wheeled bins for residual waste remained in place; all other aspects of the collection service were left open to the bidders.

Independently facilitated Community Reference Panels, including both councillors and community representatives, were established to assist in the tendering process. The opinions and expectations of these panels directly influenced the evaluation. The key areas for evaluation were environmental impact, performance and contract delivery, with priority areas identified as customer focus and customer care.

Serco were awarded the contract due to their value for money and their approach to putting the customer first. The tender had been weighted with a price/quality ratio of 45:55.

The new contract offered the opportunity to make changes to the collection services, the main improvements being:-

- Changing the service to use a single sack for recycling collections rather than two sacks.
- The addition of 1500 rural properties to the alternate weekly collections with a full recycling service.
- The move to a wheeled bin for all dry recyclates.
- Better training on working methods and customer care.
- The introduction of direct communication with residents to maximise the profile of the services, together with the provision of a significant marketing resource.
- The introduction of data transfer between the council's Customer Relationship Management (CRM) system and Serco's work management system.
- A 24 hour response to missed collections, irrespective of the day or reason it was reported.
- Expansion of the chargeable garden waste collections to about 26,000 customers and the introduction of the composting of street sweepings.
- Working in partnership with local community group SOFA and the national charity MIND to improve the reuse of bulky waste items, Waste Electrical and Electronic Equipment (WEEE) and textile recycling.
- The ability to operate pilot projects (e.g. a waste minimisation project entitled Saving Waste In The Charnwood Home (SWITCH) and battery recycling collections) in dedicated areas of the borough.
- Partnership working with the University of Loughborough to increase awareness of the waste and recycling services among the student population that are living off campus. This has included regular promotional events for students at the start of term, "recycling amnesties" at the end of the academic year and a new rewards scheme, "cash for trash".
- Partnership working with Serco and Loughborough University to recruit a Research Engineer to take up a four year placement within the Waste Policy team at Charnwood Borough Council whilst studying for an Engineering Doctorate. This will enable access into the research of policies and practices in waste management to provide innovative ideas to take the service forward.

- The introduction of Community Champions to provide additional monitoring and feedback.

The new working practices coming into place with the new contract provided significant seven figure savings through greater efficiencies,

innovation and maximising competition. This has been complemented by improvements in quality that have resulted in improved performance data, satisfaction ratings, compliments and awards.

Evidence of success ▾

Charnwood Borough Council	2008/ 2009	2009/2010	Projected for 2010 / 2011
Residual waste per household (household waste that is not reused, recycled or composted). ¹	467kg	435kg	429kg
Percentage of household waste sent for reuse, recycling and composting. ²	41.9%	42.9	47.4%
Satisfaction with council-provided service (waste collection). ³	74%	89%	>90%
Waste collection cost per household. ⁴	£53.81	£45.90	£43.90

Sources

1. NI 191
2. NI 192
3. Independent survey analysis
4. Budget figures

A suite of seven key performance indicators for waste collection and street cleansing have been used in a traffic light system for

performance management, with agreed bonuses or penalties applied depending on year-on-year improvements in performance against the contract.

The primary aim of the contract is to reduce the amount of waste sent to landfill, whilst operating a low cost service with high levels of customer satisfaction.

The impact ▾

Following the awarding of the new contract the following has been observed:-

- Efficiency savings of £1.25 million per annum over the term of the seven year contract.
- A reduction in NI 191: Residual waste per household (household waste that is not reused, recycled or composted) has shown a reduction from 467kg in 2008/09 to 435kg in 2009/10 and the projected rate for 2010/11 shows a further reduction to 429kg putting the Council in the top quartile.
- An increase in NI 192: Percentage of household waste sent for reuse, recycling and composting from 41.9 % in 2008/09 to 42.9 % in 2009/10 and a projected rate of 47.4% for 2010/11.
- The improvement in both of these National Indicators has been achieved against a reduction in cost per household from £53.81 in 2008/09 to a projected cost of £43.90 in 2010/11.
- Customer satisfaction levels have increased from 74% in 2008/09 to 89% in 2009/10.
- Charnwood Borough Council received the Customer Services Excellence award in July 2010.
- Charnwood Borough Council & Serco jointly received the regional award for least-littered town in respect of Loughborough in 2010.



A standard refuse collection vehicle ready for action

Lessons and risks ▾

Know your customer!

The Community Champions project, the inclusion of householders on the Community Reference Panels and the quarterly customer satisfaction survey enables a customer focused service, which has seen a significant increase in the number of compliments received and a corresponding reduction in the number of complaints.

Identify your priorities

Emphasis has been placed on improving standards across the

service areas, increasing recycling rates and also reducing the amount of waste sent to landfill, helping to work towards targets in the Zero Waste Strategy.

Make the procurement process work for you!

The process identified a number of key elements of risk to the council that were successfully shared or transferred to the contractor. In addition, the process maximised market interest and competition through a number of key measures.

Further information ▾

Wider reading and web site links

Regional Improvement and Efficiency Partnerships (RIEPs) are politically led partnerships of local authorities working together at a regional (and often sub-regional)

level on shared improvement and efficiency priorities. Formed in April 2008, they seek to use local connections and knowledge to help councils improve their services and become more efficient.



One of the fleet's smaller vehicles used in rural areas.

switch!

SAVING WASTE IN THE CHARNWOOD HOME



**DO
YOUR
BIT!**



Charnwood

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East Midlands Improvement and Efficiency Partnership Case Studies

The East Midlands Improvement & Efficiency Partnership is committed to celebrating the successful, innovative and imaginative project work that exists in the East Midlands region.

The EM IEP Support Team publish case studies showing how East Midlands councils are improving services, and delivering significant improvements and efficiencies.

The case studies are intended to inspire councils in the region, and indeed nationally, to transform services and benefit from the processes developed by those councils that have pioneered the way forward.



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