apse membership resources

State of the Market Survey 2011

Report

Local Authority Cleaning Services

Briefing 11-51
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The state of the market survey was conducted by Rob Bailey, APSE Principal Advisor for Cleaning Services

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Local Authority Cleaning
State of the Market 2011

APSE conducted an on-line survey during May and June 2011, sent out to over 900 local authority cleaning contacts throughout the UK. 96 responses were received representing a statistically significant response rate of just under 11%.

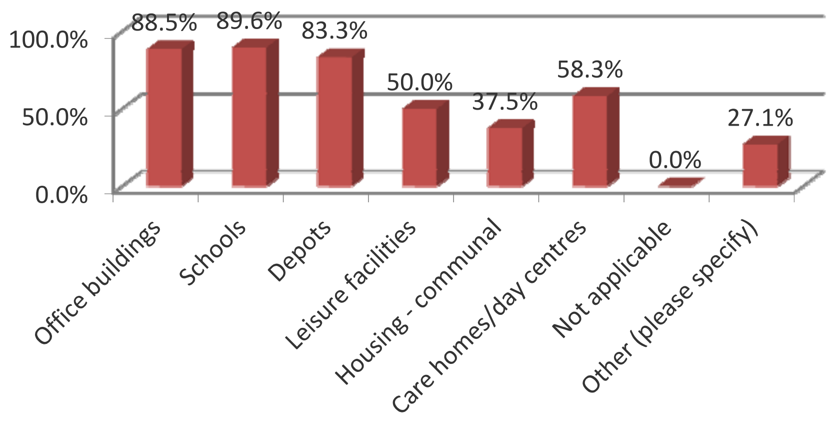
A series of questions were asked covering attitudes to the issues currently facing cleaning services, their organisation and challenges for the future. The state of the market surveys were first compiled in 2008 allowing trends to be established and this year the questions were expanded to allow potential future comparison with local authorities in other countries.

The effects of the Comprehensive Spending Review and its effect on local authority budgets has undoubtedly coloured the views of cleaning managers:

- Majority experiencing significant budget reductions and anticipating scaling back the cleaning and number of building cleaned with major consequences for staff
- Despite the public rhetoric, minimal moves to shared services with adjoining authorities although more integration with other soft FM services.
- A renewed emphasis on ensuring that tendering skills are improved to compete in a significantly more competitive marketplace.

Results

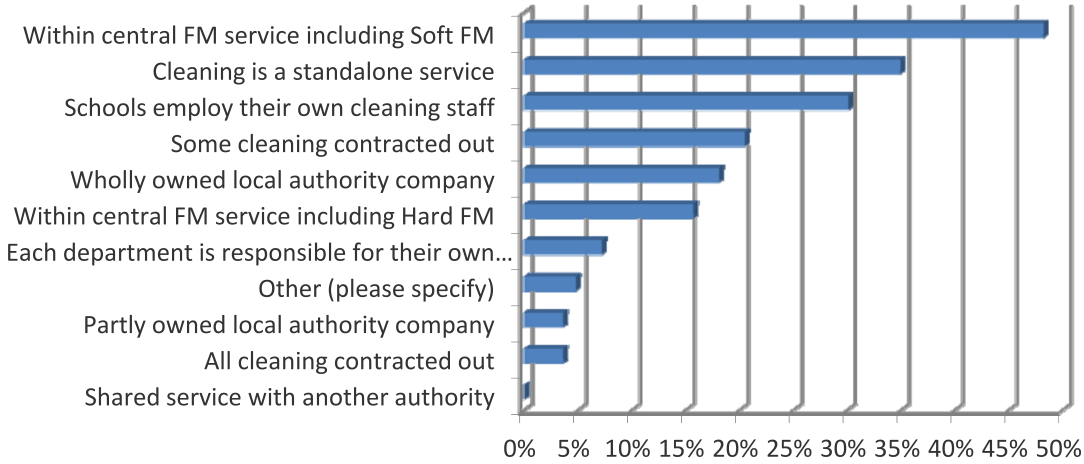
Of those completing the survey, 93.63% were in-house service providers of whom 9.7% expected the service to be outsourced over the forthcoming year. 6.5% were already distinct from their host authority including contractors and wholly owned companies. The mix of buildings cleaned was sought:



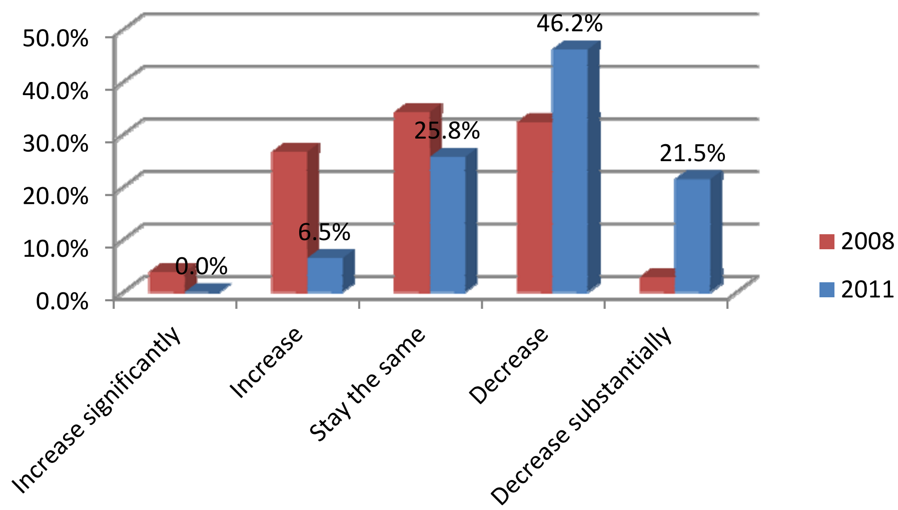
Almost 90% clean office and school buildings, 58.3% care homes and 50% leisure facilities. In addition 26.7 % also clean private sector buildings and 50.7% the premises of other public sector bodies such as PCT's and police authorities.

Structure

The last few years have seen various initiatives to find efficiencies and much has focussed on alternative or combined structures for service delivery. Almost 50% of those responding run cleaning together with other services under a Facilities Management (FM) umbrella but in 35% it remains a stand-alone service. A further 28.9% anticipate moving to an FM model within 2 years. Most strikingly, given the emphasis on shared services, none share a cleaning service with other authorities.

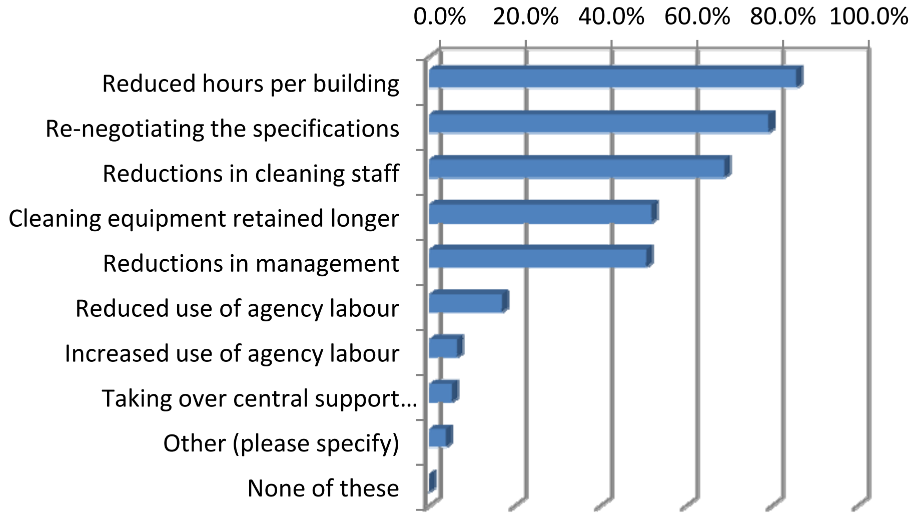


Expectation for budgets



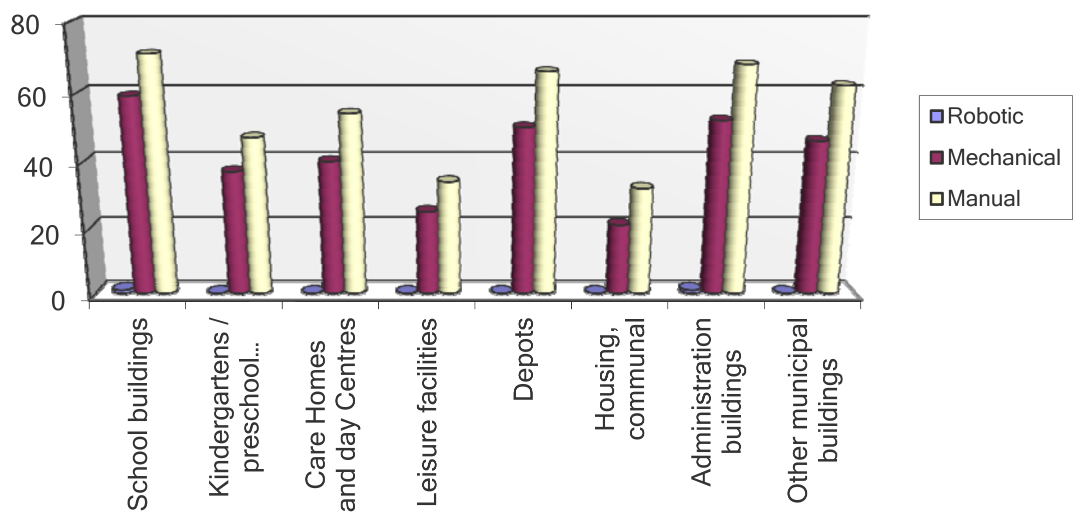
Since 2008 there has been a significant (if not unexpected) shift in expectation for cleaning budgets. As can be seen the steady state of 2008 has been replaced with a far more pessimistic outlook with 2/3 (67.7%) expecting decreases against 35% in 2008

To cope with the significant reduction in available funding cleaners are making corresponding reductions to their service delivery. The anticipated changes resulting are listed below with 86% seeking to implement fewer hours per building and 69% staff reductions:



Cleaning Methodology

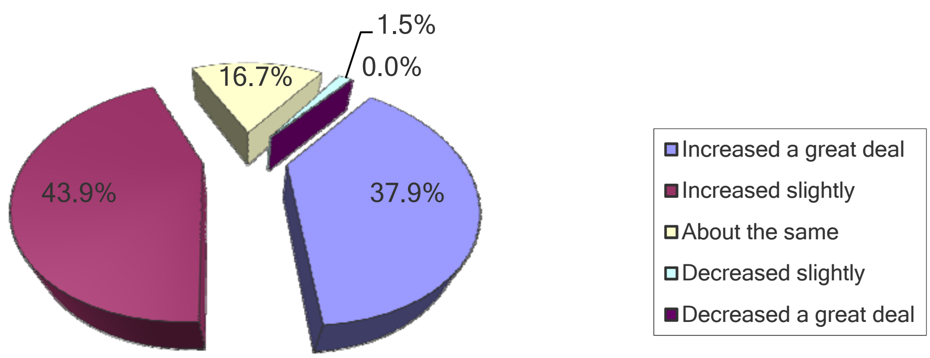
The survey sought to establish the degree to which technology was assisting in the cleaning of different buildings. Robotic cleaning holds significant promise for unobstructed areas but has yet to gain a significant foothold. Typically some form of mechanical devise is utilised in around 80% of buildings although manual labour predominates.



The BICS standard for cleaning was used by 70% of respondents throughout their building estate and 36% used an alternative system or combined the two. 5.3 % admitted to using the BICS standard only for tendered work and 4% don't measure quality at all.

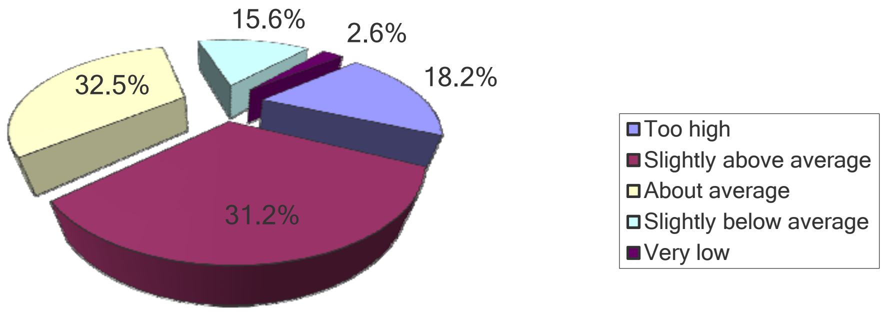
In-house providers have no separate legal status to the rest of the authority so typically use service level agreements as a substitute to contracts with the departments and schools they supply. The situation has improved markedly over the last 3 years with the majority 82.3% having SLAs with all clients and only 2.5% having no agreements in place at all.

Wage costs following job evaluation



84% had completed job evaluation within their authority although only 77% had implemented the change. 82% of those who had implemented JE stated that it had increased wage costs of whom 37.9% said that costs had increased a great deal. The average hourly wage for a cleaning assistant was calculated as £6.73, but ranges from the minimum wage at £5.93 to a maximum of £12.00. This represents an average 7.68% increase over the last 3 years.

Attitude to absence



Personally 82.3% of cleaning managers anticipated an increase in their workload over the next 12 months (up from 73.4% in 2008). The expectation for the cleaning function as a whole is however significantly changed. Whilst an optimistic 40.2% anticipated an increase against 16.5% a decrease in 2008 the situation is now almost totally reversed with a pessimistic 43.8% now anticipating a decline against 22.9% an increase. Attitudes about the level of absence have softened slightly over the last 3 years with 49.4% regarding absence above average compared with 59.2% in 2008. This would appear to support the view that absence is falling, possibly as the wider job market declines

Local Authorities remain active in supporting staff with 50.7% holding the IIP Award, 84.0% undertaking regular staff training, 70.7% hold regular staff appraisals and 44% produce a regular staff newsletter for cleaning staff.

Data collected by APSE performance networks for 2009/10 across 58 authorities shows an average absence rate of 5.15% in cleaning services. The 2009/10 figures across all services show absence to be stable with the average of 4.57%.

Comments on the future

Respondents were asked to provide their thoughts on potential factors that would either increase or decrease take up in the short to medium term.

Many anticipated that Councils would further rationalise their building stock and saw this resulting in a significant decrease in work. Interestingly 3 years ago cleaners saw the move to PFI schools under the Building Schools for the Future scheme as a major concern as the system favoured large FM contractors. With the BSF scheme now consigned to history, the rise of Academies and Free schools raises concerns that fewer will retain their council cleaning service once connections are severed with their Local Education Authority.

In 2008 many cleaners saw opportunities to expand servicing other public bodies and taking on private sector clients. Whilst some still see limited opportunities to expand in these areas and through offering niche cleaning services, most are less than optimistic about success in the current climate. Consolidation and shared working figure most frequently.

When asked what beneficial assistance APSE could provide, substantial numbers mentioned help around tendering and service marketing. Whilst this subject was often mentioned in 2008, a new commercial reality has brought it the absolute fore especially in the schools market where tendering the service or taking a DIY approach are becoming prevalent.

APSE

APSE member authorities have access to a range of membership resources to assist in delivering council services. This includes our regular advisory groups, specifically designed to bring together elected members, directors, managers and heads of service, together with trade union representatives to discuss service specific issues, innovation and new ways of delivering continuous improvement. The advisory groups are an excellent forum for sharing ideas and discussing topical service issues with colleagues from other councils throughout the UK.

Advisory groups are a free service included as part of your authority's membership of APSE and all end with an informal lunch to facilitate networking with peers in other councils. If you do not currently receive details about APSE advisory group meetings and would like to be added to our list of contacts for your service area please email enquiries@apse.org.uk.

Our national advisory groups include:-

- Efficiencies, procurement and service transformation
- Building cleaning
- Citizen engagement
- Local authority, police and fire authority partnerships
- Community safety and security
- Housing management, construction and building maintenance
- Parks, horticultural and ground maintenance
- Roads, highways and street lighting
- Social care
- Sports and Leisure management
- Vehicle maintenance and transport operations
- Waste management, refuse collection and street cleansing
- Workforce strategy and employee relations