apse membership resources

Briefing 13-25 June 2013

Building cleaning: Trend analysis 2011/12

This briefing provides details on the performance information available from APSE's performance networks service looking at performance indicators and current policy issues for councils who provide caretaking and building cleaning services to offices, schools and other buildings

Key issues

- Central Establishment Charges have risen substantially as a proportion of service expenditure to 5.67%, reflecting their failure to match the efficiency gains and reduction in turnover of the cleaning service as a whole
- Productivity remains at historically high levels with costs per square metre declining for their third year in succession to an average of £12.49
- Staff absence is at an historic low of 2.35% and staff turnover remains subdued

Overview

The APSE performance networks programme for building cleaning provides performance indicators for price, service uptake, key cost indicators, productivity and qualitative measures for the service throughout the UK. The following executive summary aims to provide participating authorities with an overview of service trends, what this infers, and what further activity and analysis individual authorities and their benchmarking groups could consider. The analysis in this executive summary is based on 'service wide averages' across all family groups for the past 11 years. 2011/12 data currently covers returns made by circa 60 Local Authorities across the UK with a combined service value of approximately £165 million.

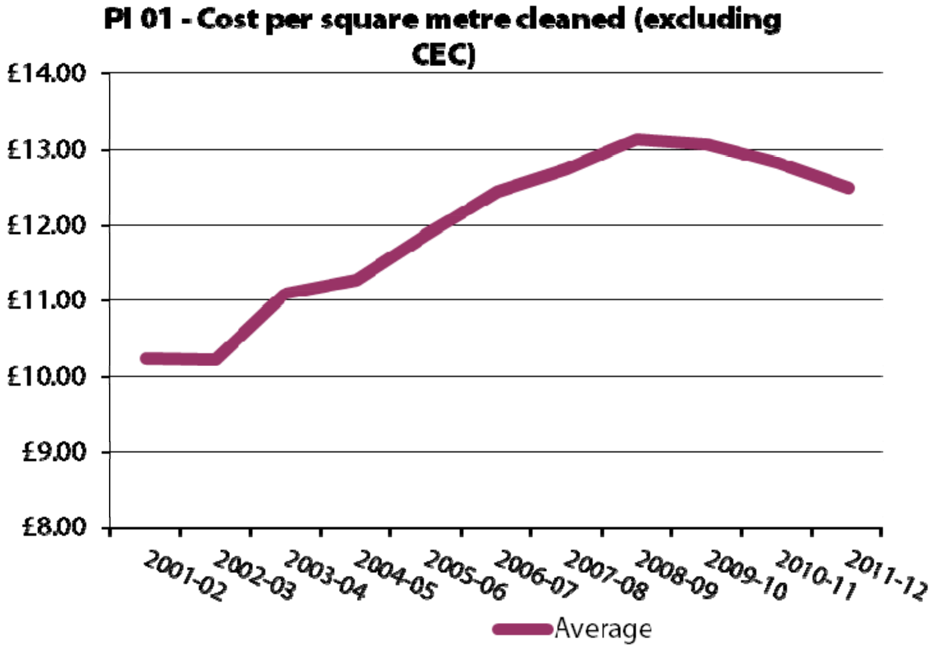
Trend analysis

Particular points of interest are as follows:

Charge out costs

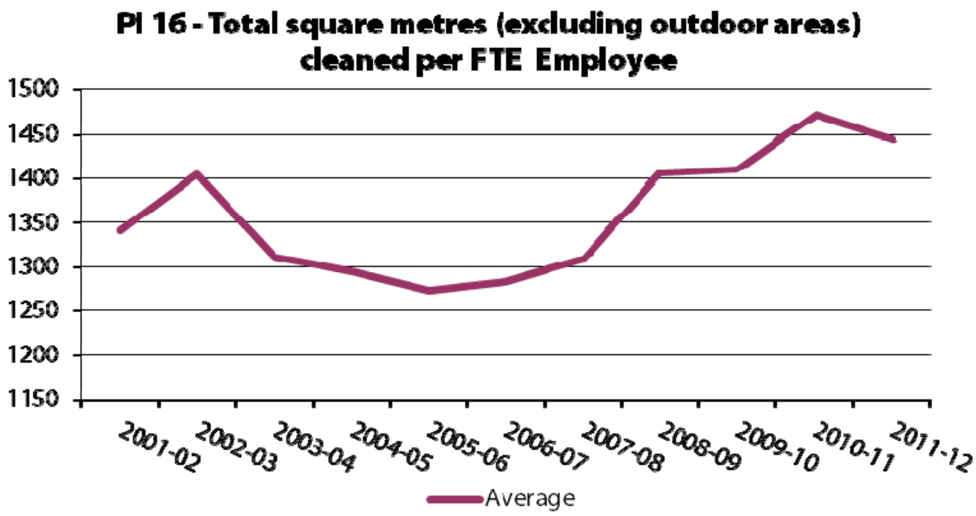
After several years of modest rises which peaked in 2008-09, the average cost per square metre cleaned (excluding central establishment charges) has fallen for the third year in a row to £12.49 in 2011-12. This is despite a reported marginal fall in productivity (PI16 below) which has otherwise been rising steadily in recent years, reflecting the continued cost pressures on this service.

On this PI, Scotland has recorded a marginal (below inflation) increase in the cost per square metre cleaned whilst Wales has now matched earlier falls in England with a 7% reduction. The English average has fallen by 5% over the last year to an average of £11.84 per square metre cleaned in England.

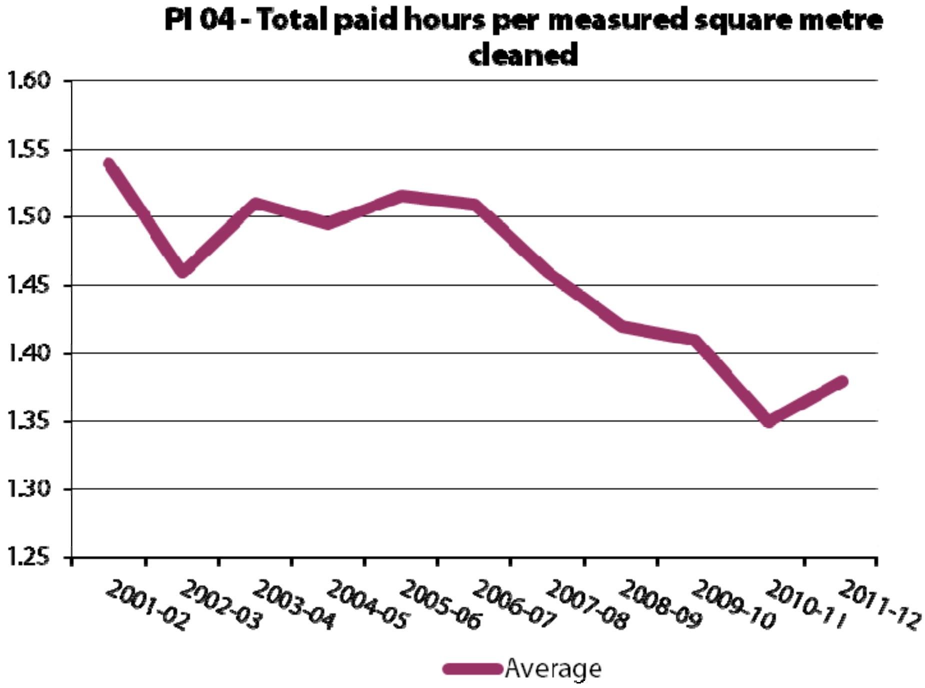


Key cost and productivity indicators

PI 16 represents the total number of square metres cleaned per FTE employee per year. This has shown consistent (and some sharp) improvements since 2006 but a marginal fall last year from the peak of 1473 in 2010-11. Again, this year outcome masks a small decrease reported in the average for England, but improvements in Wales and Scotland contributing to the 15% improvement in this measure of productivity nationally over the last 6 years.



Consistent with PI 16 above, PI 04 shows a marginal increase in the total number of paid hours per measured square metre cleaned with England showing a marginal increase on 2011-12, Scotland static and Wales improvement, consistent with the national trend over the previous 6 years.

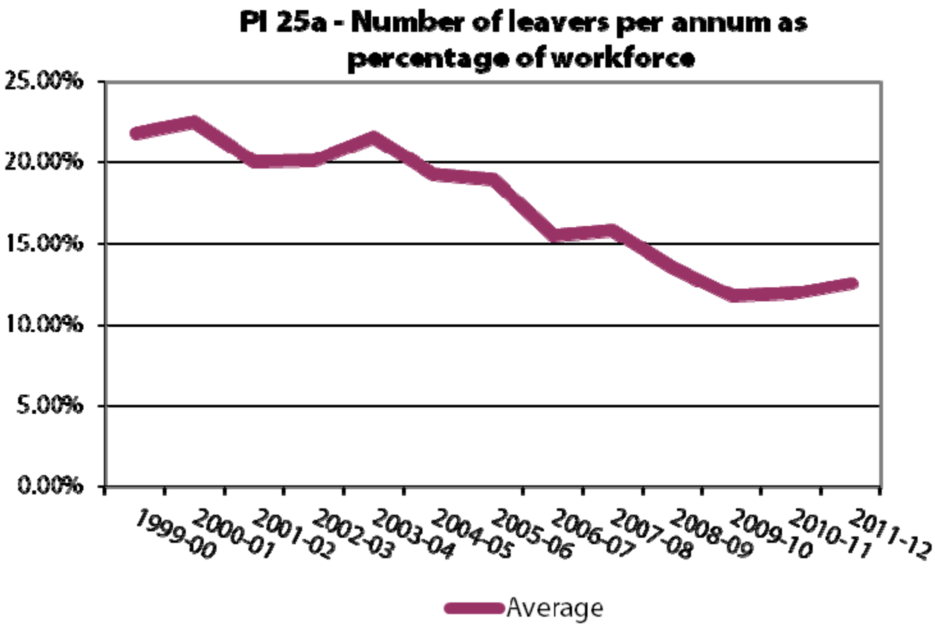


Analysis of other 'productivity' PIs (the 'ratio of square metres to annual scheduled hours' for each building type), suggests that the focus on cost reduction across the UK has been on the area and frequency cleaned within offices (particularly small offices) and to a lesser extent, secondary schools.

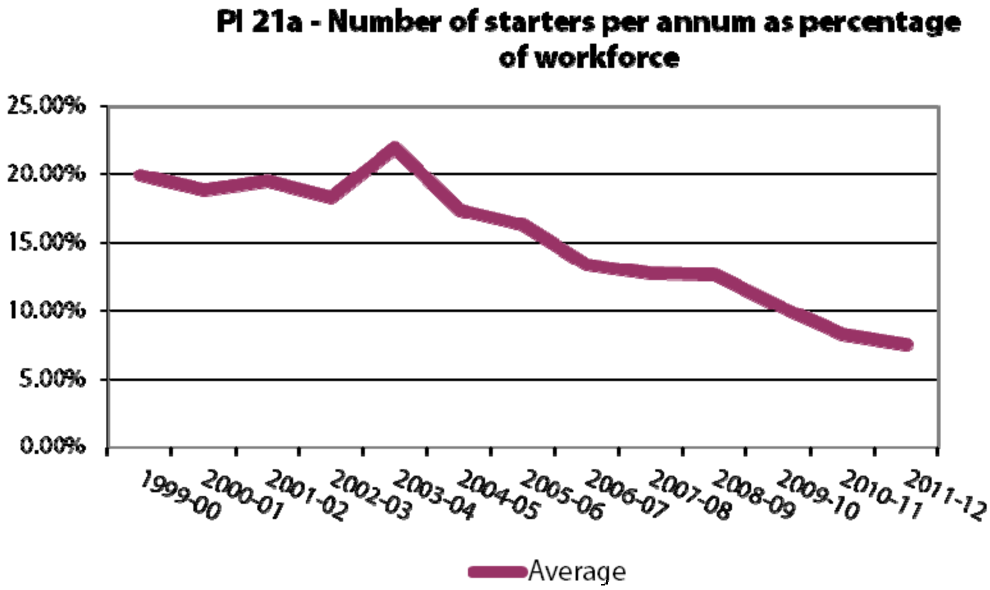
Starters and leavers

PI 25a, (the number of leavers per annum as a percentage of the workforce), shows a marginal increase for the second year from the low of 11.77% reported in 2019-10.

PI 25b (leaver's figures for those in employment for more than 12 weeks), has however remained static at 10.65% in 2011-12, perhaps reflecting some stabilisation in the labour market after the turbulence of the last few years.



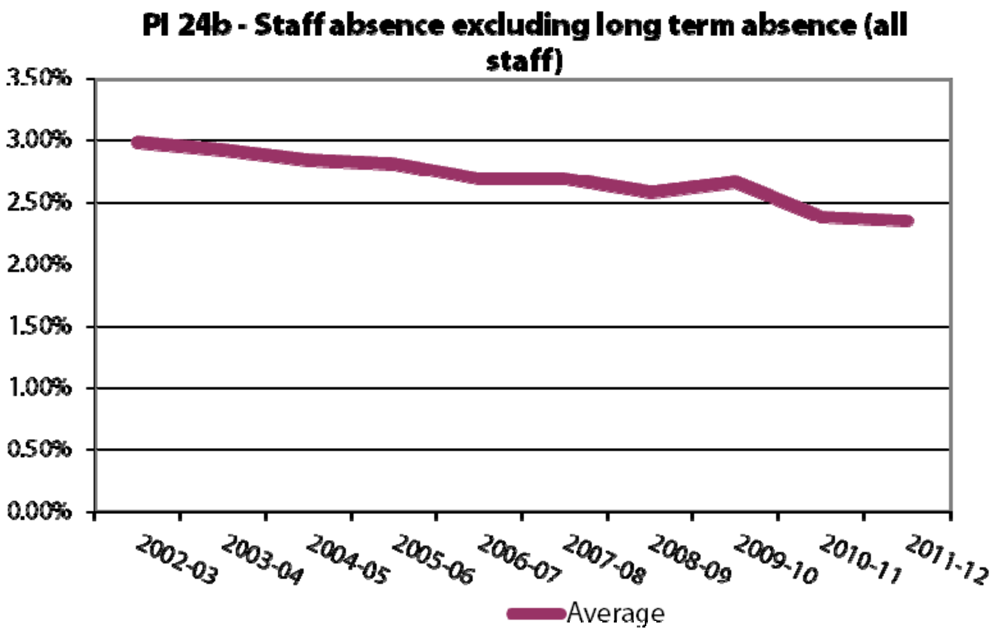
Across the service, all regions report a lower percentage of new starters than leavers reflecting both the need to find productivity savings and the evident reduction in area and frequencies cleaned.



From both PIs above, it is evident that staff turnover has reduced significantly over recent years suggesting that staff retention has been and remains an area for focus, perhaps supported by relative outcomes from job evaluation and the general condition of the current employment market.

Staff absence

The average figure for PI 24b staff absence excluding long-term sickness absence (all staff) showed further improvement last year, no doubt supported by the continued focus on absence management and the factors identified above in relation to staff turnover.

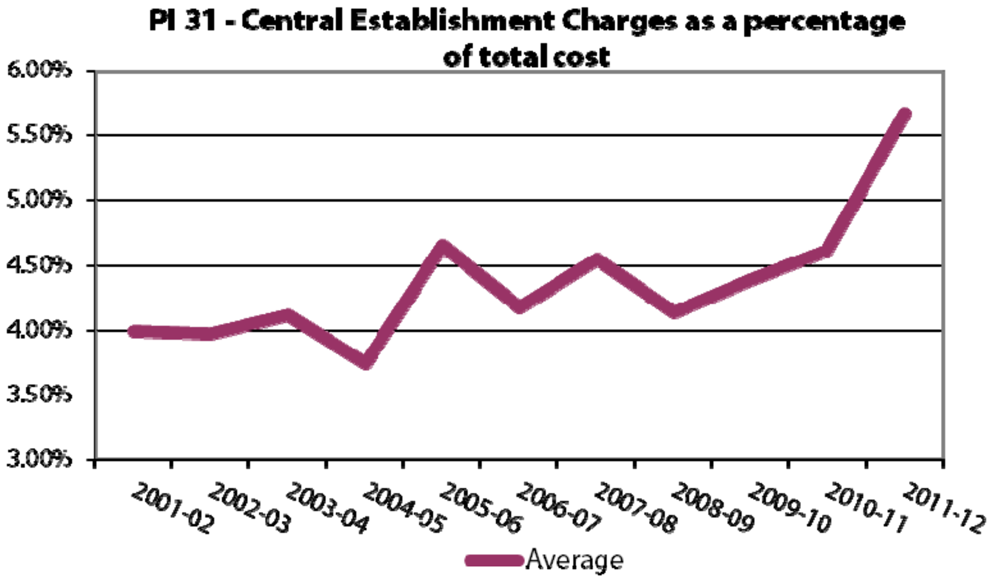


Long term sickness has however increased slightly since 2010-11 taking the average absence (including long term sickness) for all employees (PI 24a) to 5.22%

Selected band b Indicators

PI 31 measures central establishment changes (CEC's) as a proportion of overall business costs. The fluctuating trend over recent years has previously been reported as evidence of a lag between direct cost reductions and those applied to the service by the centre.

This may remain the case in 2011-12 but the sharp rise to 5.67% undoubtedly reflects on a) the reduction in areas cleaned, frequencies and therefore, turnover and b) the need and capacity of this service to respond to the local and strategic demands being placed on front line services.



In this respect, APSE now collects data on the percentage change in square metres cleaned and turnover (total service expenditure) from year to year and these have averaged -2.61% (PI33) and -4.67% (PI34) respectively since 2010-11. These averages however, mask the effect on individual authorities where a small number have secured a material increase in areas / buildings cleaned but a greater number have seen falls of up to 18% on their previous year commitments.

Interpretation of data

The need for 'cuts' in LA expenditure across the UK are clearly evident in this service and appear to have been more pronounced in England where the greatest reductions in turnover and areas cleaned have been reported.

Despite the fall in areas cleaned for many authorities and the apparent failure of Central Establishment Charges to fall in line with direct service cost, the national average cost per square metre cleaned has fallen again for the third year in a row and productivity remains close to the highs achieved in 2010-11.

The management of absence continues to drive improvement in short term absence levels but in the current environment, long term sickness is increasingly a factor in overall absence outcomes.

Despite pay freezes, a combination of conditions within the employment market (reported last year) and effective recruitment, induction and staff training practices are likely factors in the continued reduction of staff turnover evident within the service.

Office buildings and secondary schools remain the greatest target for demands to cut costs and within the Education sector, the increase in both secondary and primary academies is likely to continue this trend in England.

Research and benchmarking through APSEs Performance and other networks provides a basis for reviewing new systems, procedures and working practices in the continued search for higher levels of productivity and outcomes from this service. Reference should be made to APSE briefings (10-18) Daytime-cleaning, (12-14) Team working, (12-15) Reduced frequency cleaning.

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