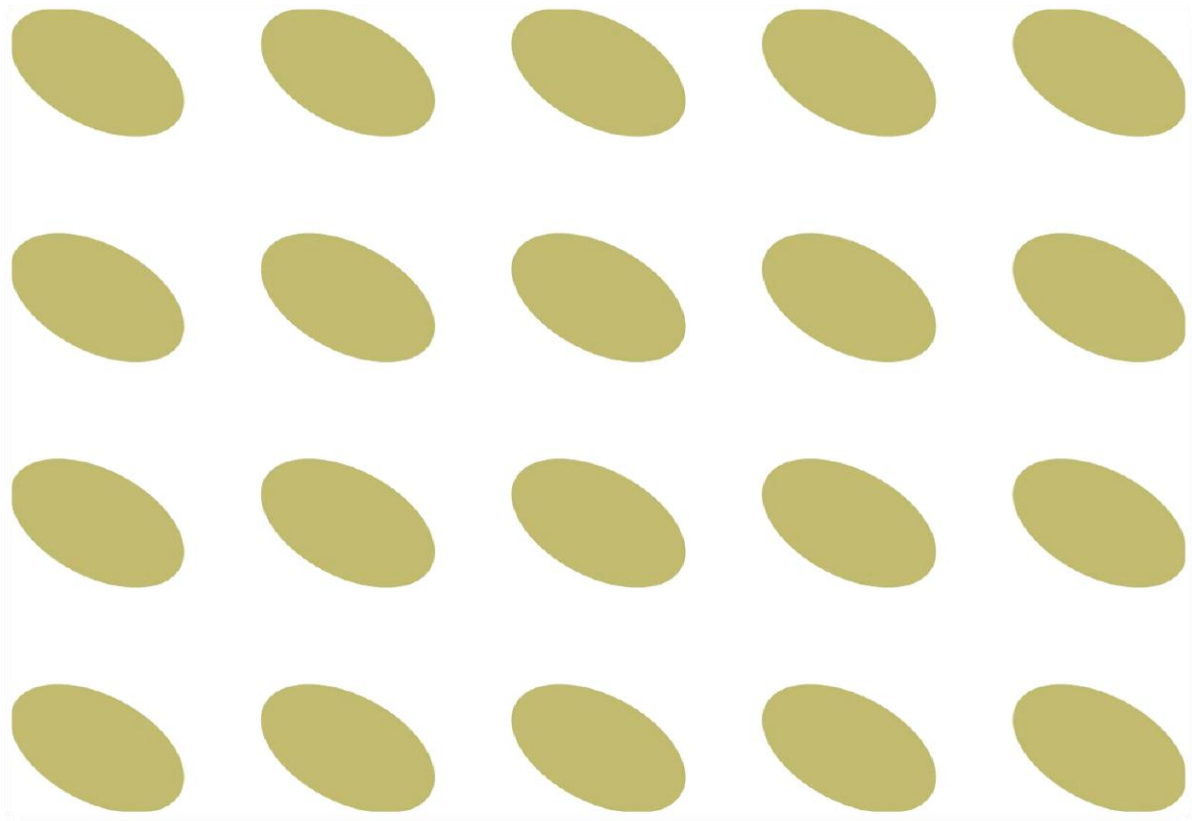


State of the Market Survey 2014

Report

Local Authority Cleaning Services





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

For any enquires in relation to the survey, Rob may be contacted on:

Tel: 0161 772 1810

Email: rbailey@apse.org.uk

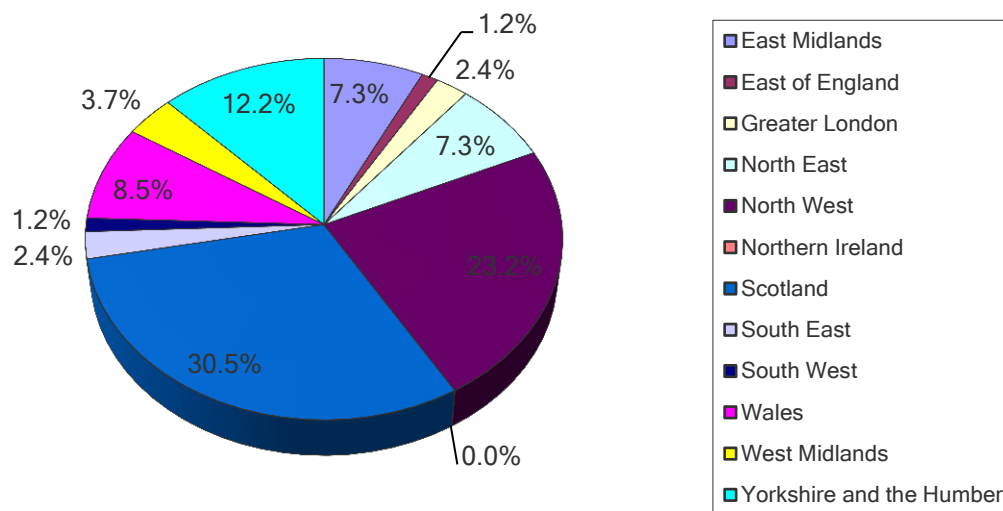
**LOCAL SERVICES
LOCAL SOLUTIONS**



Association for Public Service Excellence
2nd floor Washbrook House
Lancastrian Office Centre
Talbot Road, Old Trafford
Manchester M32 0FP
telephone: 0161 772 1810
fax: 0161 772 1811
email: enquiries@apse.org.uk
web: www.apse.org.uk

Local Authority Cleaning State of the Market 2014

APSE conducted an on-line survey during May and June 2014, sent out to over 1200 local authority cleaning contacts throughout the UK. 82 responses were received representing a statistically significant response rate of 7%. Responses match the spread of in-house cleaning services with the majority in Scotland, Wales and the North of England



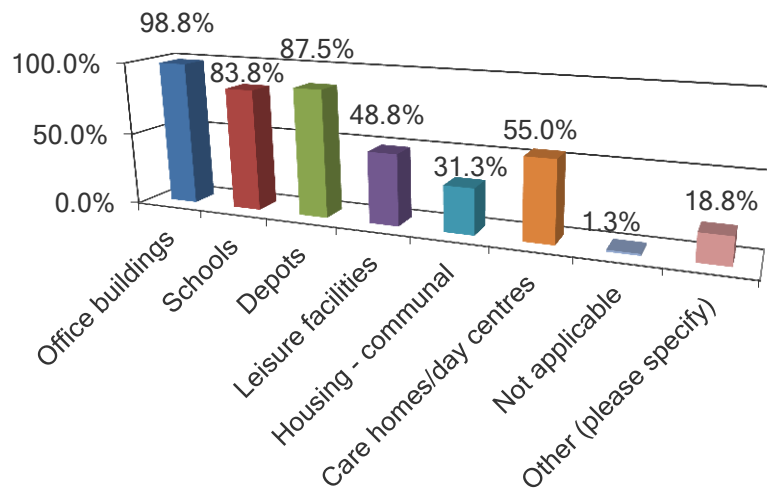
A series of questions were asked covering attitudes to the issues currently facing cleaning services, their organisation and challenges for the future. The state of the market surveys were first compiled in 2008 allowing trends to be established and this year the questions were expanded to allow potential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

Cleaning Managers have made the changes required to survive the effects of large budget decreases and have made the necessary reductions in management and staff. The leaner organisations that remain are increasing self-reliant:

- Continuing cost pressure with an increased emphasis on productivity with 90% seeking further reductions in hours and frequency and 55% seeking to renegotiate cleaning specifications
- The Living Wage is increasingly becoming the base wage for local authority cleaning, requiring cleaning services to absorb higher wage costs.
- An emphasis on improved tendering skills to compete in a significantly more competitive and commercially driven marketplace.

Results

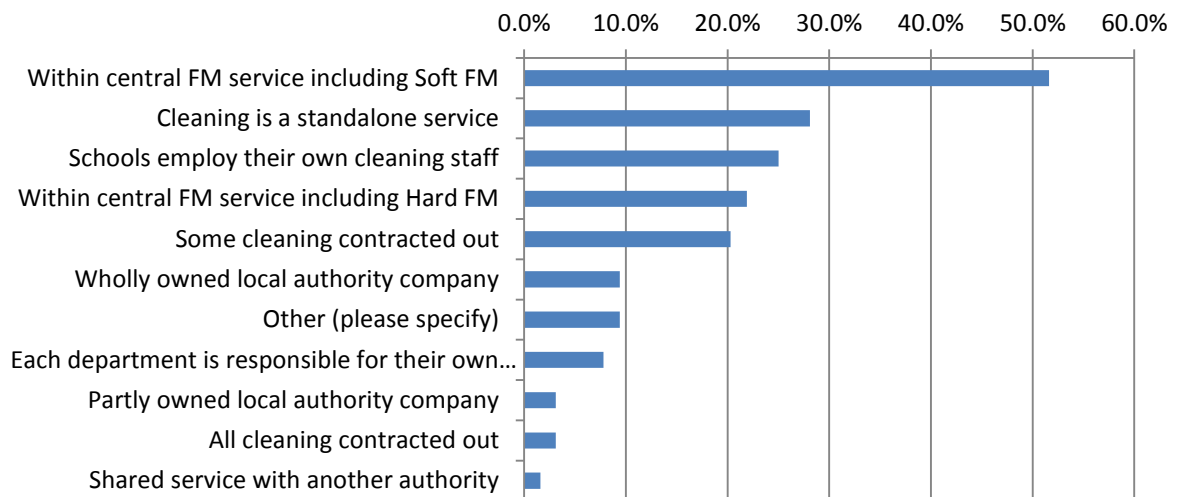
Of those completing the survey, 91% were in-house service providers of whom 16% expected the service to be outsourced over the forthcoming year. 12.5% were already distinct from their host authority through a partly or wholly owned company. The mix of buildings cleaned by the respondents was also established:



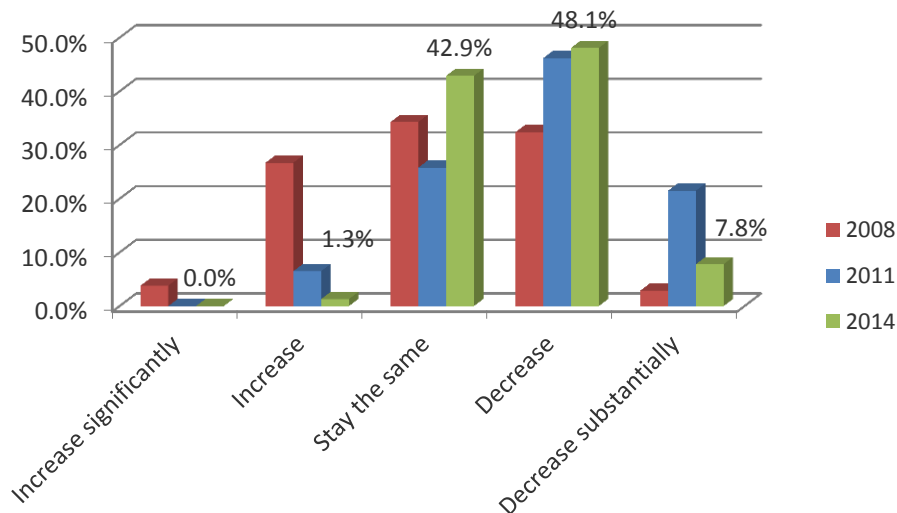
Almost all clean office buildings whilst 84% clean schools buildings, 55% care homes and 49% leisure facilities. In addition 40% (up from 26.7 % in 2011) also clean private sector buildings and 56.0% the premises of other public sector bodies such as health organisations and police authorities.

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 52% of those responding run cleaning together with other services under a Facilities Management (FM) umbrella but in a decreasing minority (28%) it remains a stand-alone service. A further 25% anticipate moving to an FM model within 2 years. Most strikingly, given the emphasis on shared services only one reported sharing a cleaning service with another authority.

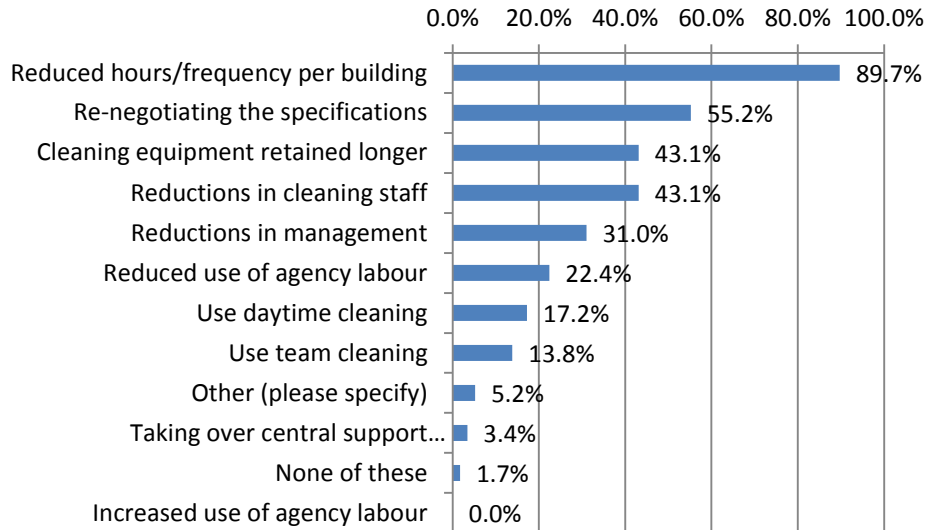


Expectation for budgets



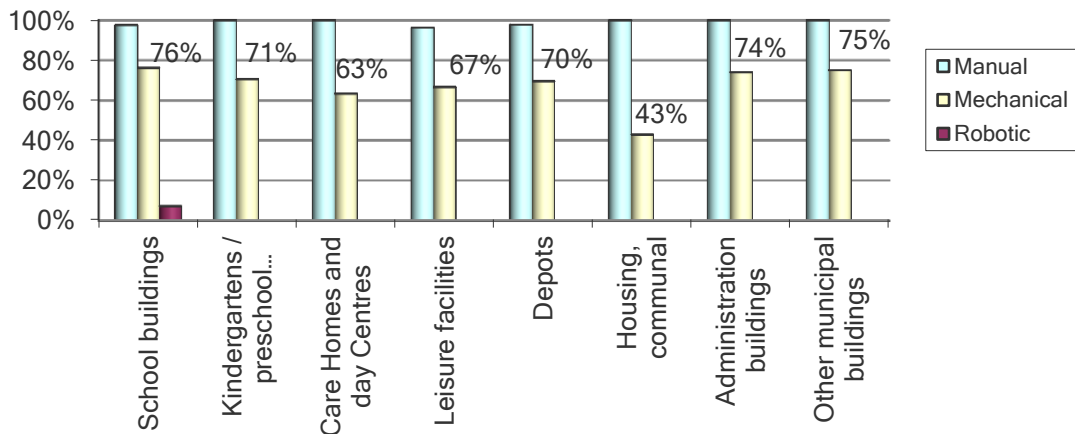
Since 2008 there has been a significant (if not unexpected) shift in expectation for cleaning budgets. The steady state of 2008 was replaced with a far more pessimistic outlook by 2011 and although the expectation is continuing reduction in budgets, the swing is now towards a steadier future with 43% expecting budgets to remain the same

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 90% seeking to implement fewer hours per building and 43% (down from 69% in 2011) staff reductions: 31% see further reductions in management compared to 50.5% 3 years ago. Cleaning Services appear to have made the necessary changes around staffing and structure and are now focusing on specification and hours.



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 54% (down from 70%) of respondents throughout their building estate and 42% (up from 36%) used an alternative system or combined the two. 10% don't measure quality at all.

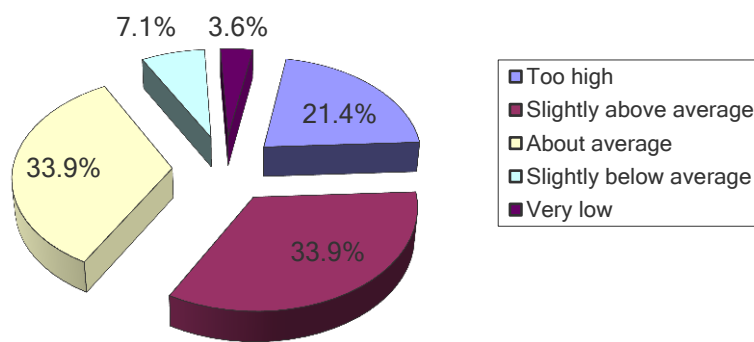
In-house providers have no separate legal status to the rest of the authority so typically use service level agreements as a substitute to contracts with the departments and schools they supply. The increase in Academies is seeing SLAs replaced with contracts so

in 2014 only 73% have recent SLAs in place, a reduction from 82.3% in 2011. 5% have no agreements in place at all.

Wage costs

92% had completed job evaluation within their authority and a similar number had implemented the changes necessary. 65% of those who had implemented JE stated that it had increased wage costs of whom 25% said that costs had increased a great deal. 59% were subject to the Living wage of £8.80 in London and £7.65 elsewhere. The average hourly wage for a cleaning assistant was calculated as £7.18, (a 7% increase since 2011) with a range from the minimum wage at £6.31 to a maximum of £10.30.

Attitude to absence



Personally 66% (down from 82% in 2011 and 73% in 2008)) of cleaning managers anticipated an increase in their workload over the next 12 months. The expectation for the cleaning function as a whole continues to be negative. Whilst an optimistic 40.2% anticipated an increase against 16.5% a decrease in 2008 the situation is now reversed with a pessimistic 30% (43.8% 2011) anticipating a decline against 25% (23% 2011) an increase.

Attitudes to the level of absence have hardened slightly over the last 3 years with 55.3% (49.4%, 2011) regarding absence above average. Whilst the wider job market may be recovering slowly, the attitude to absence appears to have permanently changed.

Local Authorities remain active in supporting staff, however only 37% (down from 50.7%) now report holding the more formal IIP Award with 79.6% (down from 84.0%) undertaking regular staff training. Around 70% continue to hold regular staff appraisals and 40% produce a regular staff newsletter for cleaning staff.

Data collected by APSE performance networks for 2012/13 shows an average absence rate of 4.33% in cleaning services. The 2012/13 figures across all services show absence to average at 4.04%.

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.

A significant number see future growth being achieved through winning tenders in both the public and private sector. Additional income from existing clients is expected to come from offering advisory support and a range of complementary services including carpet cleaning.

Many anticipate that Councils will; continue to further rationalise their building stock and saw this resulting in a significant decrease in work. The increasing numbers of Academies and Free schools, as with 'Building Schools for the Future' before it, has raised concerns that fewer will retain their council cleaning service once connections are severed with their Local Education Authority, however the largest concern is the reduction in the number of Council buildings

When asked what beneficial assistance APSE could provide, substantial numbers mentioned help around tendering and service marketing. Assistance in these areas is already provided to many building cleaning services through APSE Solutions consultancy support including assistance with service reviews, and through training in tendering, procurement and contract processes through APSE Training. Monitoring and measurement techniques are mentioned more frequently than the past as are staff motivation and productivity. APSE Performance Networks continues to provide cost, quality and productivity data to the building cleaning sector in its annual benchmarking reports.

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:-

- Waste Management, Refuse Collection and Street Cleansing
- Vehicle Maintenance and Transport
- Catering (school meals)
- Highways and Street Lighting
- Sports & Leisure Management
- Renewables & Climate Change
- Parks, Horticulture & Grounds Maintenance
- Housing Construction & Building Maintenance
- Building Cleaning
- Service Delivery Models
- Service Improvement and Performance Management