



*Knowsley Council*

Selling Services to Schools

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# Background



Between Liverpool and St Helens in the Liverpool City Region

Home to 150,000 residents

Made up of four main population centres: Huyton, Kirkby, Prescot and Halewood

Home to Jaguar Land Rover, Matalan and QVC.

Council employees 2800 people significant proportion are in Commercial Services

# Background

Like the majority of Local Authorities significant Central Government Grant cuts  
Successfully changed the story of place from deprivation to opportunity



# KMBC Commercial Services

Waste Collection  
Fleet and Logistics  
School Meals  
Building Cleaning  
c. 900 employees



# 2015 – What happened across the world...



# 2015 - But back in Knowsley



# But what did this mean for Building Cleaning

## **The Problem**

No increase in SLA's for a number of years

Work with Liverpool John Moore's University to survey all schools to review cost of service delivery.

## **The Solution**

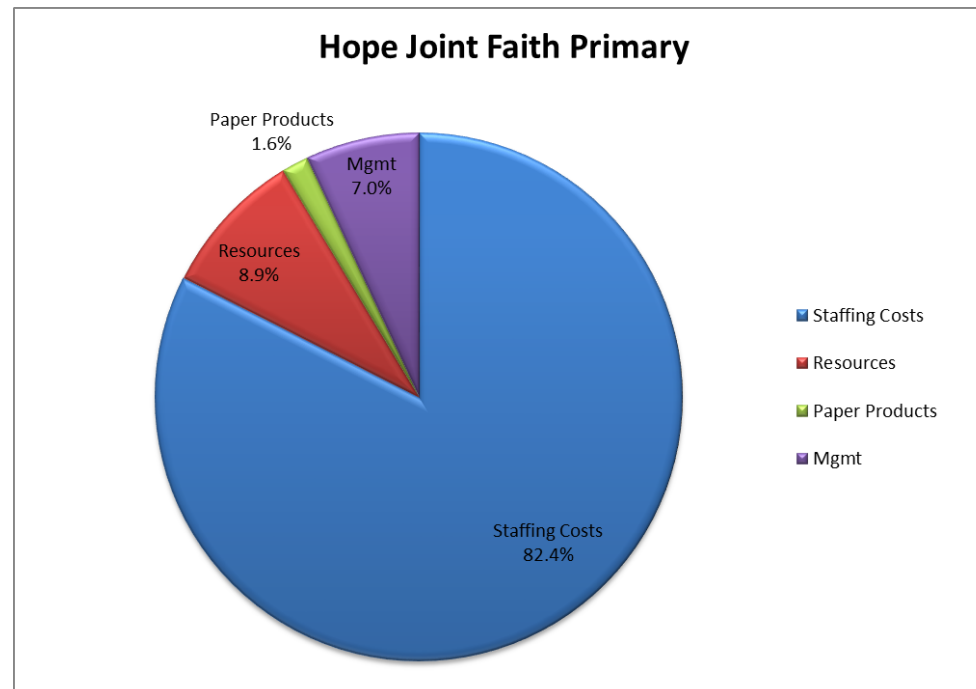
Increase SLA charges to meet our corporate 'full cost recovery model'

Building a narrative as to why this has happened.

# But what did this mean for Building Cleaning

We used to just give our figures as a one line number and expect the schools to accept they reflected 'value for money'

New way of detailing our charges.





# 2015 – What was the impact

All Schools ended up paying more but no demonstrable change in output increases from 3.5% to 18%

We lost a contract

We regained two more...

We regained the one we lost...

We now only have 1 school out of 61 in the borough doesn't use the service

Increase turnover/income by £266k in 4 years

Increased surplus by £22k

# Why did it work?

Increased transparency

No one enters Building Cleaning to get rich...

Pride in our performance

Offered incentives (reducing paper products)

Feedback from consultants (I didn't pay for it!)

# Why did it work?

‘Not taking into account any standard achieved at the school, this productivity output is within the higher level of expectation and within industry and local norm.. We walked the site and the overall standards of cleanliness were good.’

Only way of potentially realising a saving was to let a significant term contract (5 years +)

# Closing Thoughts

Knowsley is unique doesn't reflect many other LA's

With increases in hourly rates and pension requirements how keen are competitors to take on cleaning contracts?

Schools can still be quite an immature customer in terms of designing specifications and letting long term contracts – still a customer though and their expectations need managing and where possible meeting?

We have a monopoly – partially by good operational management, mainly by good relationship management.

Any questions?