

Cleaning Transformational Services

- Compete or Outsource?
- Change or Develop?
- Stagnate or Invest?





Compete

Outsource

Develop

Why?

Stagnate

Invest

Change

Why?

- Business & Customer Needs
- We have a duty to ensure that the services we are providing are value for money, efficient and effective and demonstrate Best Value.

options



- Option 1 – Do Nothing / Do Minimum
- Option 2 – Alternative Delivery Model – Outsourcing
- Option 3 – Service Improvement
- Option 4 – Alternative Delivery Model – Shared Service
- Option 5 – Income Generating Activities

Impact of Doing Nothing



- Increased pressure on existing finances due to failure to remove unnecessary cost and potential impact on delivery of frontline services;
- Cleaning Services may not be as efficient and effective as they could be;
- Cleaning Services may not be achieving value for money;
- The Councils' strategic objectives may not be fulfilled;
- The Councils may face criticism from internal customers;
- The Councils may face criticism from the Accounts Commission, Auditors and other scrutiny agencies;
- The Councils will not be able to demonstrate that we are achieving Best Value.

Impact of Doing Nothing



The way forward



“Make best use of the financial resources available to us, ensuring best value for the public purse.”

- an out sourced model
- an in-house service model

Outsourcing Expected Benefits



- Allows operations to run as efficiently as possible.
- Takes advantage of Best industry practice, operational capability and experience.
- Cost savings as a result of competition.
- Reduces the impact of unknowns and commercial risks.
- Greater engagement and potential improvements in service standards.
- Time efficiencies are released, allowing Councils to focus on their primary business and customers.
- Reduced cleaning staff turnover and management of staff issues.
- Better training and career/employment opportunities for current workforce.
- Allows the Council to focus on successfully running services and growing revenue generating activities.

Outsourcing Expected Benefits



outsourcing risks

- Reputational damage, public perception and local political concerns.
- Workforce sensitivities and failure to gain agreement from Trade Unions.
- Resignation of staff - TUPE staff may become disenfranchised and seek alternative employment.
- Failure to adhere legislation - the Local Government in Scotland Act
- Clarity in the terms of the contract and the standards expected
- Contractor's responsiveness to issues arising.
- Rigidity of contract.
- Internal capability/skills to deliver change and effective contract management thereafter
- Contractor's failure to perform or substandard quality.
- Supply chain innovation may be stifled if the specified cleaning standards and contractual model are insufficiently flexible

outsourcing risks



- Wrong cultural fit.
- Long-term resilience.
- The Contract is not sufficiently 'future proofed' to incorporate the long-term impacts of changes in flexible working practices.
- If the outsourcing process is not handled effectively by all parties, may lead to low staff morale, lack of training and development that can ultimately result in detrimental service delivery and customer satisfaction.
- Recognition that any workforce reduction associated with the outsourced delivery model may have a detrimental impact upon local economies and communities which currently experience deprivation.
- Loss of control and in-house expertise.
- Diminishing service quality. Over time, the quality of service can diminish if not tightly managed, with the Supplier providing the minimum service specified in the Contract.



OUTSOURCING

IN-HOUSE SOLUTION

service improvement

- Benchmarking
- Productivity
- New technology
- New materials
- Developing systems of work
- Internal and external audits
- Accountability
- Staff Engagement Communication Training
- Customer Involvement
- Investing back in to the business
- Job security
- Innovation
- Local economic investment
- Value for money

benchmarking



- identification of the optimum benchmark costs for cleaning
- Your services has a better understanding of their current performance levels.
- Identification where performance variation occurs.
- Identification of good practice

shared service



shared service

- There are opportunities for the Councils to work together more effectively and standardise the entire approach to delivery of building cleaning services. This could be facilitated by implementing a 'lean' model whereby the first step would be to identify the needs of internal customers as the starting point and design a sensible service around them. In doing so, inefficiencies and duplication of effort can be designed out of the system, synergies identified and an effective integrated service delivered.

shared service



The approach needs to determine how the service will be delivered in practical terms:

- What service activities will be delivered?
- How many staff will be required?
- What management structure will be required?

2 heads better than one

Communication

Conflicting Ideas and interests (political/geography)

Different terms and conditions and local agreements.

Income Generating Activities



Income Generating Activities

- Maintenance of staff morale and terms and conditions for staff



- Ability to deliver better financial controls alongside service improvement planning and changes to service provision.

Income Generating Activities

- Financial savings through more agile and flexible ways to manage local delivery of cleaning services.



IN NEED OF A SPRING CLEAN?

WHY NOT TAKE UP OUR NEW COMPUTER CLEANING SERVICE?

- £3.00 per computer for complete cleaning service (including all equipment – keyboard, monitor & cables)
- Repeat cleaning only £1.85 per computer at a frequency to suit you – monthly, 3 or 6 monthly
- Minimum of 10 computers per clean

WHAT ARE THE ADVANTAGES?

- Reduce likelihood of cross-infection and resulting absence – computers are more likely to be shared under the new Smarter Working strategy
- Less bacteria and better all-round office hygiene
- Hardware will last longer the better it is looked after reducing long term spend
- Clean environment – happy, more productive staff!

We use only hypoallergenic cleaning products which are environmentally friendly but still effective – killing over 95% of germs

If you are interested in taking up this innovative new service or would just like to learn more, please contact the Cleaning Manager on 5230181 by March 30th



CARPETS IN NEED OF SOME TLC?

WHY NOT TAKE UP OUR NEW CARPET AND SOFT FURNISHINGS CLEANING SERVICE?

- Competitive rates – free quotes available on request
- Quality service from reliable staff
- Give us a try and see the results for yourself!

WHAT ARE THE ADVANTAGES?

- Reduce the risk of infection and other infestations in high-traffic areas
- Less bacteria and better all-round hygiene
- Remove stubborn stains and lingering odours
- Create a more welcoming and attractive environment for all users

We are committed to protecting our natural environment and use only green, hypoallergenic products which kill over 95% of germs.

If you are interested in taking up this innovative new service or would just like to learn more, please contact the Cleaning Manager on 5230181



- Expansion of services allow fixed overheads to be recovered over a greater level of activity, thus reducing the unit rates and making the building cleaning service operation more efficient. Assets, spare resource capacity and expertise can be exploited to generate additional income.

Income Generating Activities

- Flexibility to change with customers needs



- Generation of local employment
- Opportunity to develop and become more competitive

Aims - Objectives



To reduce the overall budgetary baseline for cleaning services to its optimum level providing best value and an optimum service;

- Via establishing an efficient and effective output specification for cleaning services.
- Via identification of the optimum benchmark costs for cleaning
- Via establishing whether an out sourced model would be more beneficial than Service Improvement.
- Identification of a range of improvement activities

Specification

■ Input or Output?

■ **Input Specification** –

- Is there enough hours to provide standard?
- Is there too much?
- Flexibility?
- Competitive?
- No reason to find efficiencies

■ **Output Specification** –

- Cleaning Standard Achieved
- Constant need to find efficiencies
- Service benefits from savings
- Development of service
- Opportunity for additional services
- Future Focused

Managing Change



Engagement

Invest



Engagement
Research
Training

Develop



Engagement

Research

Innovation

Identify Weakness & Strength

New Skills

Training

Structure

Compete



Engagement

Research

Innovation

Competitive

Support Structure Skills

Promote

Desire