



Packaging Services to Secure Long term Relationships

Sam Foulk
General Manager
Derbyshire County Council
Corporate Property



Corporate Property Division

Corporate Property

Who we are & what we do?

- Corporate Property is made up of 3 areas of expertise; Asset Management, Design and Property maintenance
- Proven track record of delivering a high standard of property maintenance services.

Background

- Brief History
 - Operated with a DSO for over 50 years
 - Reputation for high quality services
 - Customer base both within and outside the Council





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Current Position



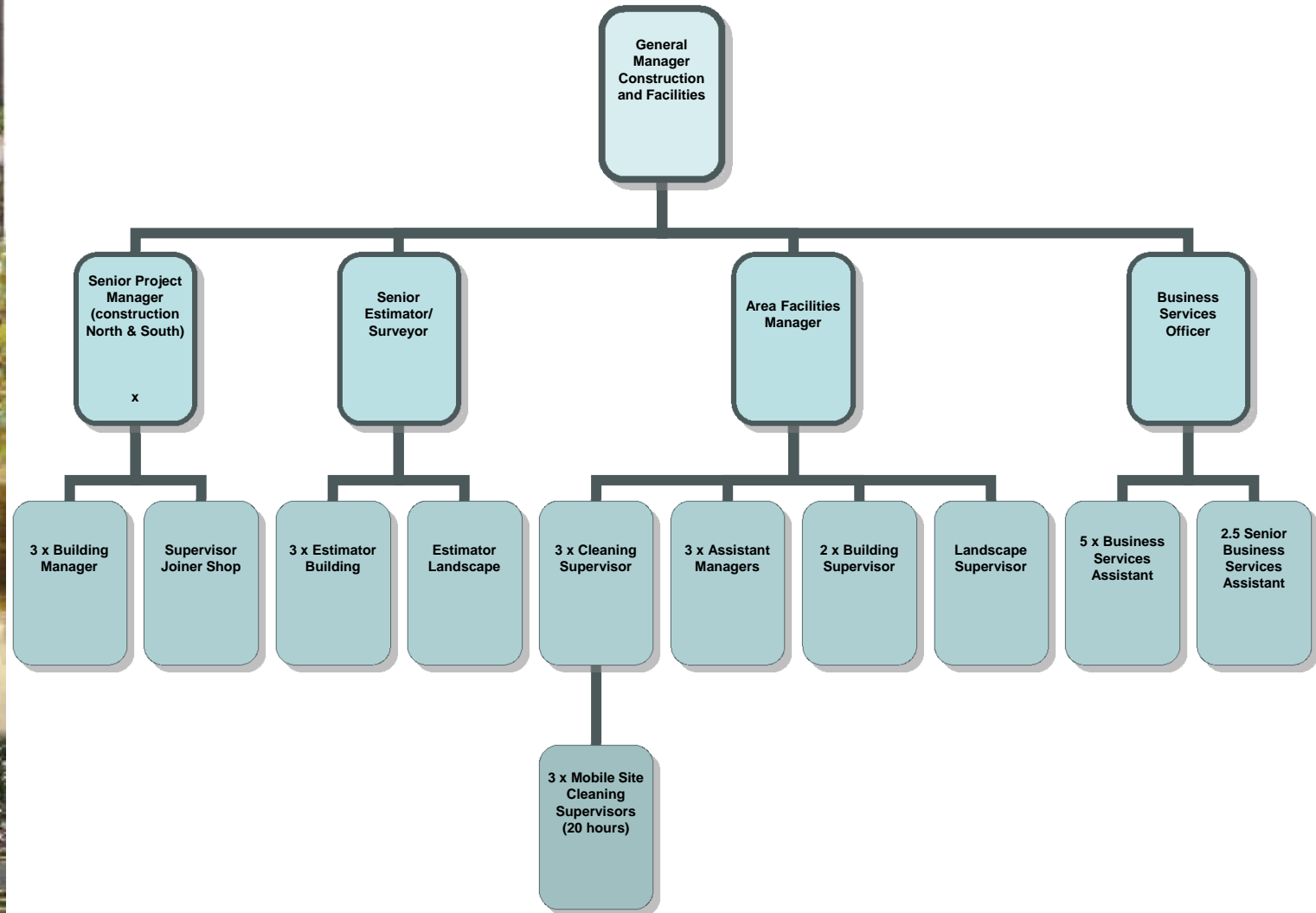
area
depots

John Melland
**Group
manager
North**

Sam Foulk
**Group
manager
South**



Structure





**building
maintenance
£13.5m**



**building
construction
£11.5m**



**cleaning
services
£11m**



**grounds
maintenance
£4m**



Corporate property

£40m turnover

1300 properties

Approx 2,000 employees

property direct



What we Provide

Cleaning/Janitorial



- 11 million pound turnover
- Employing 1500 Cleaners and Caretakers
- 246 Infant & Primary Schools & 7 Secondary Schools (out of a total of 414)
- Provide cleaning and janitorial to all Council owned buildings throughout Derbyshire
- Service Level Agreements (SLA's) negotiated annually for both Cleaning & Caretaking (schools have their own budgets) and tailored to the specific requirements of the site
- Each site has a designated Cleaning Supervisor who liaises closely with the Headteachers to ensure quality visits and management of the cleaning/caretaking staff.

What we Provide

Cleaning/Janitorial

- Full and comprehensive training of all Staff
- Sickness is managed through the Councils Attendance Management Policy (currently around 12 days per year)
- Introduction of Team Cleaning in last 12 months on several Secondary Schools with a high level of success in reducing on site hours, increased productivity and reduced cost to customer with no detrimental effect to the service provided.
- Mobile Site Supervisors have been introduced over the last 12 months to identify site requirements and ensure a continued high level of service delivery



What we Provide

Cleaning/Janitorial

- Specialist Cleaning services provided i.e. High-level kitchen cleaning, Dry Fusion & general Carpet Cleaning, floor maintenance, deep cleans.
- Immediate response to fire and flood damage
- We have also been successful in securing Kitchen filter & fan cleaning for Sheffield City Council



What we Provide

Ground Maintenance



- 4 million pound turnover
- Employ 60 people on Grounds Maintenance
- Providing SLAs to 203 Infant & Primary and 27 Secondary Schools as well as the provision of Grounds Maintenance to all County Council Buildings
- Contracts with colleges, sports clubs, utilities companies and other local authorities

What we Provide

Grounds Maintenance

- Services include landscape Construction, hard landscaping and arboriculture
- Competition is fierce, a high level of business is awarded on a quality basis not price.
- We run an in-house machine maintenance workshop
- Sickness currently around 10 days per year (has increased since the introduction of Single Status)

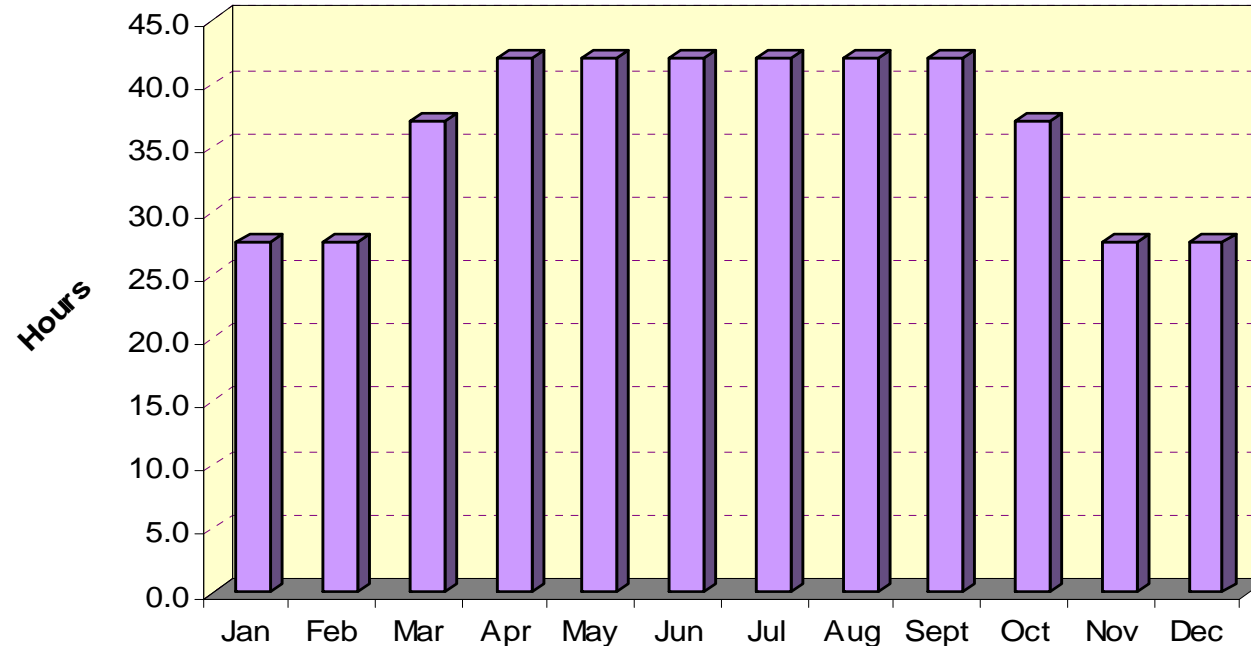


What we Provide

Grounds Maintenance

- Operate an annualised hours rota, between 42 hours per week through the summer and 27.6 hours per week through the winter.

LANDSCAPE SECTION ANNUALISED HOURS 2013



What we Provide



Building Construction & Maintenance



- £25 million turnover of which £11.5 million from construction
- Employing 280 Craft Operatives
- Individual projects range from £50 to £3,000,000
- All Craft Operatives are CRB cleared.
- All Maintenance Operatives issued with PDA's for day-to-day & reactive work.
- In house joiners shop
- PE equipment repairs
- Re-skilled Operatives to more than one Trade.

What we Provide

Building Construction & Maintenance

- Design services
- Health & Safety Team
- Surveying and Estimating specialists.
- M&E section
- We offer the Derbyshire Property Package for Schools Delegated budget which has a take up of 303 schools (out of 414) – 73.19% and amounts to an annual turnover of £1.7m.



What we Provide



- Derbyshire Property Package – what we offer
 - Routine maintenance and servicing
 - High levels of service provision are achieved using teams of multi-skilled craft operatives based around local Depots within Derbyshire, working closely with our customers to define priorities.
 - We operate a 24/7, 365 day per year call out service with set agreed response times for repairs: 2 hour response for an emergency to a same day, 7 day and 28 for routine and non-emergency work
 - These performance targets are monitored and reported to Senior Management on a regular basis
 - A single point of contact to a designated depot to co-ordinate all building works and process feedback to improve service delivery
 - Appointment system for non-reactive repairs
 - Joint budget management with customer
 - Guarantee to spend at least 90% of their budget on their site during 3 year term.
 - Compliance with legislation

What we Provide

- Derbyshire Property Package – what we offer
 - Operatives are provided with vehicles containing imprest stocks and are communicated to via PDA's to receive and transmit information prior to and on completion of works.
 - Most operatives are multi-skilled to prevent multiple visits and promote 'right first time' culture.
 - The work is supported by local Subcontractors and suppliers.



What we Provide

- Derbyshire Property Package – the ultimate in Risk Management
 - 10% placed into a contingency fund to deal with the unexpected such as burst water mains, drainage problems or major tree work.
 - Case Study:
Following heavy rain Cotmanhay Infants and Nursery School had three Classrooms flooded when water swept through the walls, damaging all decorations and floor covering. Fortunately, the schools were part of the Derbyshire Property Package, where an immediate response ensured that the Classrooms were back in use very quickly following the installation of a new drainage system.

“Being in the Derbyshire Property Package enabled us to receive £40,000 of emergency work which we hadn’t budgeted for” – Jill Boyle – Headteacher”



What we Provide

- Derbyshire Property Package – The Partnership Approach
 - Our current Property Package Portfolio is a clear demonstration of our success in meeting demanding requirements. The fact that so many schools work with us allows us to continually adapt in line with the changing needs of schools – we evolve with them.
 - If Schools join us we will:
 - Conduct detailed investigations of their needs
 - Define requirements and discuss options
 - Explore benefits and agree term
 - Deliver results





Quality

- We develop quality solutions such as the Derbyshire Property Package
- We work closely with our sub-contractors & supply chain to maintain very high service standards.
- We have BM Trada (Timber research and development association) Q-mark accreditation for both manufacture and installation of Fire doors.
- All of our Gas fitters are Gas Safe Qualified to commercial level
- Over 95% of our Electricians are qualified to the 17th edition regulations.

Quality



- Investors in people (IIP)
- NICEIC - approved (National Inspection Council for electrical installation contractors)
- CHAS health + safety registered (contractors health and safety assessment scheme)
- Construction line registered
- CRB Checked
- APSE Benchmarking

Quality

Technical standards & requirements

- We follow current legislation
- Provide ongoing training
- Comply with current Health & Safety guidance
- Provide hands on training for systems In house team of H&S specialists including Asbestos and Legionella surveyors
- Telephone support & guidance for operatives
- Operatives trained in specialist areas; e.g. craft apprenticeship, asbestos awareness, task related equipment/plant, manual handling, risk assessment etc.





Health & Safety



- All operatives are CSCS qualified
- For day to day works all operatives have been issued with a General Maintenance Risk Assessment pack covering most routine operations



Current Position (Business Development in Challenging Times)

- Property Review (Ernst and Young)
- Budget Pressures
- Challenges
 - Streamlining
 - Further delegation of budgets
 - Conversion to Academies
 - Value for Money
- New Business Openings



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Current Position (Business Development in Challenging Times)

- Property Review
 - Initial report from Ernst & Young received in May 2012 identified that the DSO are a successful service provider but required streamlining in particular areas.
 - A more in depth review was carried out between September and December 2012.
 - Objectives were to draft an outline business case and plans to review various trading options.
 - A fully planned actionable and owner driven streamlining plan agreed and to be carried out over the next 12 months.
 - Continued focus on customer service improvements
 - Full skills audit
 - Development of a clear communication strategy
 - Assessment of services to be potentially exposed to market testing
 - An assessment of tools and enablers to qualify their suitability and investment for the property services trading company



Current Position (Business Development in Challenging Times)

- Budget Pressures
 - 4.1 million Planned Maintenance direct to schools from 1st April 2013
 - Medium term decline in the size of the Councils annual Capital Programme



Current Position

(Business Development in Challenging Times)

- Challenges
 - An increasingly discerning customer base who like any customer demand that we provide value for money in service delivery
 - A general trend towards increased autonomy for Schools through Academies and budget delegation
 - A commitment to 25% carbon reduction across the Councils Estate by 2015
 - Reduce the number of Office Buildings by 25 and reduce the overall running costs of admin office accommodation a square metre by 3%
 - Reduced Management costs by £500,000 over the last 12 months through VR & VER and further savings to be looked at
 - Investment in further technology to deliver ongoing savings



Current Position (Business Development in Challenging Times)

- New Business Openings
 - We manage the property portfolio of Staffordshire Moorlands District Council and High Peak Borough Council for £1.7m per year;
 - Now on the select tender list for Derbyshire Disability Grant Work (DFG) – approx £4 million per year ranging from level access shower work (£5k) to building extensions (£50k - £100k)
 - Recently awarded Derbyshire Police building maintenance contract - £350k per year
 - We are a preferred contractor on the East Midlands Partnership Alliance (EMPA) framework



Identifying New Services that Schools want to buy

- Introduction of the Insurance Capital Maintenance Pool (IMP) .
 - A scheme to help schools manage and share the risks associated with the introduction of the delegation of the Capital Maintenance budget.
 - A collective non-profit making scheme in the ownership of contributing schools and managed on their behalf by the IMP director.
 - The proposal will operate for a 5 year period where schools will pay their capital maintenance (delegated to them from 1st April 2013) for membership into the IMP.
 - Schools can then be secure in the knowledge that building and engineering planned preventative maintenance requirements will be professionally identified, procured, managed and constructed to industry standards.



Identifying New Services that Schools want to buy

- Aim of IMP
 - Relieve the School of the responsibility to identify need, prioritise, procure and manage larger contracts associated with building fabric and building engineering services.
 - Peace of mind that major building and engineering failure is averted, ensuring service continuity and maintained asset value.
 - Fair and transparent sharing of risk and allocation of funding to areas most needed.



Identifying New Services that Schools want to buy

- We will be working closely with schools to deliver the £200k of additional newly delegated funding from the 1st April 2013 for school kitchens and serveries for the delivery of reactive and minor refurbishment work.
- Hiring out of a multi-skilled tradesperson per day for maintenance projects.
- Introduction of Team Cleaning in Secondary Schools & large Primary Schools to increase productivity and reduce costs.



Summary

- Our service is embedded with our customer through close liaison, personalised services, gathering feedback and reacting to customers requirements. Local depots able to respond quickly to everyday requests.
- In challenging times we have been able to develop new business through actively tendering for external contracts and marketing our services to existing and potential customers.
- We have developed the IMP to provide a new, beneficial service to schools whilst developing and promoting our own business.

Throughout the last 4 years of budget reductions, and a change of administration, the authority has remained supportive to a responsive and value for money DSO.

Throughout this period the Authority has taken a measured response to budget cuts by introducing smarter more productive ways of working i.e. carbon reductions, property rationalisation (CWDW) and voluntary staffing reductions. This has resulted in minimal compulsory redundancies – something Derbyshire can be proud of in such challenging times.

- Question and Answers



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