


Agenda Item No:	10	
Committee:	Cabinet	
Date:	16th March 2023	
Report Title:	Procurement of Cleaning Services 2023 to 2027	

Cover sheet:

1 Purpose / Summary

- 1.1 To agree and procure the forward procurement of cleaning services for Council owned and occupied premises for the period 2023 to 2027.
- 1.2 The Cleaning Contract for Fenland District Council's main occupied buildings is due to conclude on the 31st March 2023 at the end of its current 4-year contract.
- 1.3 The contract is currently held with Excellerate Services UK Ltd and as stated will terminate on the 31st March 2023.
- 1.4 The current budgeted value for 2023/24 is £136,200.

2 Key Issues

- 2.1 To ensure compliance of contract guidelines and achieve a compliant procurement process.
- 2.2 To enable the Council to join a group cleaning contract led by Cambridgeshire County Council. This will enable the council to join other authorities to gain economies of scale.
- 2.3 The failure to join with other parties and increase the footprint of buildings to be cleaned could result in a higher cost as our volumes are considered too low to procure competitively on our own.
- 2.4 The contract has been drafted to be flexible in nature allowing both the onboarding and offboarding of properties across the whole area. The only financial implication, should a property be removed from the contract, would be staff redundancy costs should the contractor not be able to redeploy a member of staff to other work following our decision to remove that property or part thereof from the contract.
- 2.5 Anticipated spend per annum £129,280.
- 2.6 A service agreement will be required.
- 2.7 The value of the tender is within the council budget allocation for 2023/24.

3 Recommendations

- 3.1 Approval is now sought to complete the procurement process in order that Cambridgeshire County Council may complete the execution of the cleaning contract with Atalian Servest AMK Ltd before the contract commencement date of 1st April 2023.

Wards Affected	All
Forward Plan Reference	KEY/21DEC22/02
Portfolio Holder(s)	Cllr Boden – Portfolio Holder for Finance
Report Originator(s)	Mark Greenwood – Head of Property, Assets & Major Projects Andrew Dunning – Buildings & Facilities Officer
Contact Officer(s)	Peter Catchpole – Corporate Director Mark Greenwood – Head of Property, Assets & Major Projects Andrew Dunning – Buildings & Facilities Officer
Background Papers	Cambridgeshire County Council Procurement exercise, procurement documents available on request. Procurement conducted as per Public Contract Regulations 2015

Report:

1 Reasons for Exemption

- 1.1 Not applicable

2 BACKGROUND AND INTENDED OUTCOMES

- 2.1 The Cleaning Contract for Fenland District Council's main occupied buildings (Fenland Hall, Boathouse Business Centre, The Base and South Fens Business Centre) is due to end on the 31st March 2023 at the conclusion of the current contract after a 4-year period.
- 2.2 Fenland District Council has, as a result of the relatively small number of occupied buildings that require cleaning, historically taken part in a shared contract with Cambridgeshire County Council.
- 2.3 This arrangement that is now due for review.
- 2.4 By entering into the shared contract, reflecting the reduced area occupied will reduce the costs and generate savings in the long term.
- 2.5 The tender process, which was conducted by Cambridgeshire County Council using a quality and price scoring matrix, has resulted in a provisional decision to award a contract to Atalian Servest AMK Ltd with an agreed value of £129,280.26 per year.

- 2.6 This renewed figure represents a small saving over the current budget for 2023/24 of £136,200.
- 2.7 This value of the tender is within the allocation of the draft council budget for 2023/24, with additional contract years being accounted for in a similar manner.
- 2.8 The contract has been drafted to be flexible in nature allowing both the onboarding and offboarding of properties across the whole area. The only financial implication, should a property be removed from the contract, would be staff redundancy costs should the contractor not be able to redeploy a member of staff to other work following our decision to remove that property or part thereof from the contract.

3 REASONS FOR RECOMMENDATIONS

- 3.1 To ensure ongoing service delivery to the corporate buildings and ensure that appropriate standards of cleanliness are maintained throughout.
- 3.2 To support the Council's financial plan and give accurate budgeting information.

4 CONSULTATIONS

- 4.1 The process has been undertaken as a renewal of the current contractual arrangements with Cambridgeshire County Council acting as lead authority to benefit from economies of scale available to the combined building footprint. In progressing this matter, the engagement of the Council's procurement team has been sought and followed at all stages.

5 ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Prior to the award of the current contract, a cost assessment was undertaken in relation to the provision of these services via a direct employment of cleaning staff. This option was discounted due to additional costs involved and this reason for non-pursuance remains valid.

6 IMPLICATIONS

6.1 Legal Implications

- 6.2 The Public Contract Regulations 2015 (PCR2015) require the council to run a compliant procurement exercise for services valued at £213,477.00 or greater over a contract period. In this instance, the Council's own code of procurement allows us to approve the use of another authority's procurement process to compliantly tender under the PCR 2015 regulations on our behalf. The legal implications of complying with the Council's local and PCR2015 regulations have therefore been appropriately met in proceeding with the recommended approach.

6.2 Financial Implications

- 6.2.1 There is sufficient provision for the value of this contract within the current budgeted figure for 2023/24.

6.3 Equality Implications

None

6.4 Any Other Relevant Implications

6.5 The proposed transfer of the contract will impact current staff directly employed in relation to the services provided to FDC properties. The proposed contractor has acknowledged this fact and has commenced discussions with these staff as a required under the relevant TUPE legislation.