

**Report of:** Head of Service, FM/Cleaning

**Report to:** Director of Resources and Housing

**Date:** December 2017

**Subject:** To seek Approval to Extend the Cleaning Materials, Equipment and Supplies Framework Contract for a further 12 months.

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number: 10.4 (3) Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

### Summary of main issues

1. Civic Enterprise Leeds (CEL) Cleaning is Leeds City Council's (LCC) Internal Service Provider (ISP) for the provision of all types of cleaning services to over 800 buildings throughout the city. CEL Cleaning turns provides a fully comprehensives cleaning service to LCC's clients and external organisations such as West Yorkshire Fire Services.
2. In supporting the services CEL Cleaning have in place a Framework Contract for cleaning materials, equipment and washroom supplies of which approval was granted in May 2015 to carry out a procurement exercise to put in place a new cleaning material framework contract.
3. The Framework contract has an overall approximate valued of £500k per annum and was awarded to commence on 15th February 2016 for duration of two years with an option to extend for a further 2 x 12 months.
4. The contract has nearly reached the end of its two year award and it the intention of the Service to extend for a further 12 months from 15<sup>th</sup> February 2018 to 14<sup>th</sup> February 2019.
5. The current contract material suppliers are providing a good service in line with the tender specification and provide the required management information as requested.

6. This report seeks the approval from the Director of Resources and Housing for CEL Cleaning to extend the framework contract for the provision of Cleaning Materials, Equipment and Supplies.
7. Due to the annual value of the contract being in the region of £500k the decision to extend this contract is a Key Decision and therefore this will be subject to call in.

## **1 Purpose of this report**

- 1.1 To seek approval for CEL Cleaning to extend the framework contract for the supply of cleaning materials, equipment and supplies. The extension will be for a 12 month period starting 15<sup>th</sup> February 2018 with an end date of 14<sup>th</sup> February 2019 with approximate of £500k.

## **2 Background information**

- 2.1 In May 2015 the Authority to Procure was approved for CEL Cleaning to procure a framework contract for the supply of cleaning materials, equipment and supplies.
- 2.2 The tender process commenced in July 2015, with the establishment of a project team. The project team comprised of representatives from Civic Enterprise Leeds Cleaning and PPPU.
- 2.3 The scheme was advertised on the council's electronic tendering system, YORtender and also in EU journal in accordance with the relevant EU legislation.
- 2.4 The framework contract was developed to consist of two distinct material 'Lots' that cover the majority of materials and supplies that are required by CEL Cleaning and in order to encourage the supply services of large, medium and small size companies for this contract. The material elements were split into distinct 'Lots' covering the following categories:-  
  
    Lot 1:- Cleaning Supplies and Materials, and  
    Lot 2:- Paper & Hygiene Goods and Supplies.
- 2.5 The quality questionnaire consisted of a number of questions that would identify The procurement was undertaken utilising the open procedure. This entails the issue of a pre-qualification questionnaire (PQQ) which determines whether organisations have a track record in delivering the range and scope of services as required by the contracting authority and a series of bid documents consisting of quality questionnaire and pricing schedules for each of the material 'Lots', that require organisations to submit proposals for cleaning material supplies to Leeds City Council.
- 2.6 The tender documents for the procurement exercise had been designed to include as many suppliers as possible on a framework contract. The framework contract ranked the suppliers in order of their aggregated score achieved from the evaluation on price and quality submission.

2.7 The project team evaluated the quality method statements and the pricing schedules submitted by each bidder in support of their proposals to undertake the services. The scores from both the quality and the pricing evaluations of the procurement exercise for Lot 1 and Lot 2 showed that the following suppliers were successful and awarded contracts in the following order:-

Lot 1:- Cleaning Supplies and Materials.

1. Trevor Iles Ltd.
2. Alliance Ltd.
3. Nexon Group.
4. Lyreco UK Ltd
5. Parc Supplies Ltd

Lot 2:- Paper & Hygiene Goods and Supplies.

1. Trevor Iles Ltd
2. Alliance Disposals Ltd
3. Lyreco UK Ltd
4. Parc Supplies Ltd
5. Nexon Group
6. Rexel UK Ltd (Parker Merchanting)

2.8 The contract was awarded for a period of two year award to be effective from 15<sup>th</sup> February 2016 to 14<sup>th</sup> February 2018 with option to extend for a further 2 x 12 months periods.

2.9 The contract has nearly reached the end of its two year award and it the intention of the Service to extend as the current contract material suppliers are providing a good service in line with the tender specification.

### **3 Main issue**

3.1 Civic Enterprise Leeds (CEL) Cleaning is Leeds City Council's (LCC) Internal Service Provider (ISP) for the provision of all types of cleaning services to over 800 buildings throughout the city. It provides a fully comprehensives cleaning service to LCC's clients and external organisations such as West Yorkshire Fire Services.

3.2 In supporting the services CEL Cleaning have in place a Framework Contract for cleaning materials, equipment and washroom supplies of which was awarded on 15<sup>th</sup> February 2016 for two years with an option to extend for a further 2 x 12 months.

3.3 The Framework contract is used by other LCC Service areas and has an overall valued of approximately £500k per annum. Cleaning Services are the main user and spend approximately £400k per year.

3.4 The contract has nearly reached the end of its two year award and it the intention of the Service to extend for a further 12 months from 15<sup>th</sup> February 2018 to 14<sup>th</sup> February 2019.

- 3.5 The current contract material suppliers are providing a good service in line with the tender specification and provide the required management information as requested.
- 3.6 This report seeks the approval from the Director of Resources and Housing for CEL Cleaning to extend a LCC framework contract for the provision of Cleaning Materials, Equipment and Supplies.
- 3.7 Due to the annual value of the contract being in the region of £500k the decision to extend this Cleaning Framework Contract is a Key Decision and therefore this will be subject to call in.

## **4.0 Corporate Considerations**

4.0.1 The contracts is fully compliant, has proved to offer value for money and provides the following benefits:

- Supports for the local economy through the use of SME's suppliers.
- Contribute towards the quality of living within Leeds in that it ensures the provision of CEL Cleanings services within all LCC buildings.
- Provides a consistency of services provision which is paramount to maintaining CEL Cleaning service delivery.

## **4.1 Consultation and Engagement**

4.1.1 The decision to re-tender the contract has been discussed with both PPPU and other areas of the Council who buy from the existing framework and the current contract provider.

## **4.2 Equality and Diversity / Cohesion and Integration**

4.2.1 An equality, diversity and cohesion screening document has been undertaken and it is not considered that the content of this report or the recommendations made will have any impact on any specific group or individuals.

## **4.3 Council policies and City Priorities**

4.3.1 Due to the fact this framework contract has been market tested through a procurement exercise the provision of cleaning materials now contributes to the Councils business plan of spending money wisely.

4.3.2 The proposals within this report will contribute to the continued delivery of an effective cleaning service for Leeds City Council.

## **4.4 Resources and value for money**

4.4.1 The original procurement exercise was designed to bench mark and market test value for money for the provision of cleaning material supplies and also secures the supply chain for these materials whilst providing opportunities for SME's within this area.

## **4.5 Legal Implications, Access to Information and Call In**

- 4.4.1 The original tender opportunity was advertised on the council's YORtender system and the European Journal for European Union as required by the European Regulations.
- 4.4. Due to the annual value of spend (£500k) the decision to extend the contract is a Key Decision and therefore will be subject to call in.

## **4.6 Risk Management**

- 4.6.1 Not approving the extension of this framework contract would mean there would be off contract spends in this area.
- 4.6.2 The extension of the Framework contract will ensure that a suitable supply chain is in place in place for CEL Cleaning to effectively deliver their services and comply with their SLA's and contractual requirements they have with all LCC and external clients.

## **5.0 Conclusions**

- 5.1 CEL Cleaning in providing its services to other Leeds City Council departments and external clients relies on this cleaning material framework contract to ensure it's supply chain supports the services it needs to provide.

## **6. Recommendations**

- 6.1 The Director of Resources and Housing is recommended to approve the extension of the framework contract for the supply of cleaning materials, equipment and supplies for a further 12 month period starting from 15<sup>th</sup> February 2018 until 14<sup>th</sup> February 2018.

## **7 Background documents<sup>1</sup>**

- 7.1 Appendix I - DDN to the Extension Report
- 7.2 Appendix I - DDN and Authority to Award Report