

Recommendation to award a new contract for the Supply of Washroom Goods to Personnel Hygiene Services Limited (PHS Group Ltd).

Date: 20th September 2022

Report of: Head of Service Passenger Services / Cleaning / Facilities Management.

Report to: Chief Officer Civic Enterprise Leeds

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Summary

- The contract for the current supply of washroom services is due to expire on 30th November 2022 with no opportunity to extend.
- Utilising a compliant framework for this procurement exercise demonstrates the market has been tested and any new contract offers good value for money.
- Washroom Goods are available to all service users within Leeds City Council.
- This contract with support Leeds City Council in delivering their statutory obligations to staff, members of the public and stakeholders.
- A 3rd party framework YPO was utilised in the tendering process, having a compliant contract will ensure compliant contractual spend and the new contract offers good value for money.

Recommendations

The Chief Officer Civic Enterprise Leeds is recommended to award a new contract for the supply of washroom services to Personnel Hygiene Services Limited (PHS Group Ltd).

The new contract is due to commence on the 1st December 2022 for a period of 3 years, with a 1 x 12 month extension. Estimated annual value is £174,393, total value including extension £697,572 (including extensions).

What is this report about?

1. The current contract for the supply of Washroom Services is due to end on 30th November 2022, with no option to extend.
2. Facilities Management with guidance from procurement and Commercial Services (PACS) advertised a tender opportunity through the Yortender portal.
3. Three suppliers submitted a tender bid.
4. The tender bid was evaluated by a team and all 3 suppliers secured a high enough quality score to have their tender pricing analysed.
5. The 2 appendices are deemed confidential under Access to Information Procedure Rule number:10.4(3).

What impact will this proposal have?

6. Appendix 1 Confidential Washroom Services evaluation matrix summarises the evaluation of the tender bid for all 3 suppliers who submitted a tender bid. The evaluation matrix summarises the valuation of the tender process and is completed by PACS.
7. The Workplace (Health, Safety and Welfare) Regulations Act 1992 requires that employers have a duty to ensure that toilet areas are kept clean and that waste does not accumulate. The Act also specifies that all companies are required to provide a suitable means for the disposal of sanitary dressings in ladies washrooms. Leeds City Council therefore needs to provide sanitary services as part of its welfare provision within its civic buildings, offices, schools, one stop shops and sports facilities.
8. Summary of the pricing evaluation is shown in Appendix 2 – Confidential Pricing Evaluation Summary.
9. Personnel Hygiene Services Limited(PHS Group Ltd) passed the requirements and have offered commitments within the Social Value Portal.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing Inclusive Growth Zero Carbon

10. By providing services for the collection and disposal of sanitary waste the contract delivers the Council's priorities on valuing colleagues and putting customers first.
11. The collection and disposal of sanitary waste ensures that the needs of all staff and members of the public who use of access council facilities are maintained in a safe and effective manner.
12. Inclusive growth will be met through the contracted supplier delivering on social value objectives by Paper Hygiene Services completing their social value commitments via the social value portal.

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted? Yes No

13. The Head of Facilities Management and their representatives have been consulted throughout to determine how requirements will be met.
14. Facilities Management, PAC's and the Project Team are working together and are collectively managing the specification of this procurement activity.
15. Consultation has taken place with colleagues in Procurement and Commercial Services, and those attending the CEL Weekly Assurance Meetings.

What are the resource implications?

16. The estimated spend arising from this procurement activity is in the region of £697,572.
17. The Head of Facilities Management will manage this contract going forward.
18. Facilities management and PACS have resources available to implement and manage the new contract for the supply of washroom services.
19. Not to approve this request to give authority to award a new contract risks non-compliant spend, high prices and potentially effecting continuity of supplies. Sufficient resources are in place within Leeds City Council / CEL to effectively manage this contract.

What are the key risks and how are they being managed?

20. Not awarding this contract would mean there would be off contract spend in this area, this contract would ensure that a suitable supply chain would be in place for Leeds City Council. This will allow Leeds City Council to effectively deliver the services and comply with their statutory obligations.
21. Non-compliance with our legal requirements under the Workplace (Health, Safety and Welfare) Regulations 1992, to ensure there is an adequate supply of wholesome drinking water is provided and that it will be readily available at suitable and clearly marked places.
22. PACS have provided guidance to ensure any risk in awarding a new compliant contract has been reduced.
23. Not to award this contract risks the council having to incur non compliant spend with potentially high costs.

What are the legal implications?

24. The procurement will be undertaken in line with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015.
25. The tender process has led to the point of awarding a compliant contract.

26. In making their final decision, the decision maker should note the above comments and be satisfied that the course of action chosen represents best value for the Council.
27. This decision is a direct consequence of a key decision D55185 taken on 29 April 2022 re procurement of washroom services. It is therefore a significant operational decision and not open to call in.

Options, timescales and measuring success

What other options were considered?

28. Do Nothing – We could just allow the contract to expire, however any future spend would then be considered as off contract. This does not seem to be a feasible option.
29. This is a statutory obligation for under the Workplace (Health, Safety and Welfare) Regulations 1992,
30. There is also less time spent on the tendering exercise which in return will save money.

How will success be measured?

31. Key Performance Indicators will be implemented and managed by Facilities Management.
32. Success will be measured by awarding a compliant contract that meets the requirement of Leeds City Council across the City.
33. Continuing supplier reviews will ensure the new contract demonstrated value for money and is a success.

What is the timetable and who will be responsible for implementation?

34. The new contract needs to be in place for 1st December when the new contract comes to an end.

Appendices

- Appendix 1 Confidential Evaluation Matrix (not supplied)
- Appendix 2 Confidential Pricing Evaluation. (not supplied)
- ECDI Screening

Background papers

- Link to key decision [Council and democracy \(leeds.gov.uk\)](https://leeds.gov.uk/council-and-democracy)