

Report to Cabinet

25 January 2018

By the Cabinet Member for Finance & Assets

DECISION REQUIRED



Not Exempt

Approval of Building Cleaning Services Tender Process

Executive Summary

The purpose of this report is to seek Cabinet to delegate authority to the Director of Planning, Economic Development & Property to award of a contract for the provision of the Council's Building Cleaning Services contract. This need arises because the Council is taking part in joint tender process with Crawley Borough Council and Mid Sussex District Councils and it will delay the award if each Cabinet has to make the decision at the end of the process. The contract will also cover additional cleaning requirements of The Capitol and Horsham Museum and Art Gallery that are currently held under a separate contract.

Recommendations

The Cabinet is recommended:

- i) To delegate to the Director of Planning, Economic Development & Property, in consultation with the Cabinet Lead for Finance & Assets, to award the contract for the provision of building cleaning services after when the joint tender process is complete.

Reasons for Recommendations

In line with the Constitution Cabinet would normally award any contract with a total value over £250,000. Because we are tendering the contract jointly with Crawley Borough Council and Mid Sussex District Council waiting for each Cabinet to make an individual award would lead to an unacceptable delay in the contract award process. Therefore the report recommends a delegation to the Director of Planning, Economic Development & Property, after speaking to the Cabinet Lead for Finance & Assets to avoid this delay.

Background Papers

There are no background papers

Wards affected: The proposal will affect all Wards.

Contact: Chris Jende – Building Services Engineer – 01403 215052

Background Information

1 Introduction and Background

- 1.1 The Council currently has two contracts for the provision of Building Cleaning Services. The first is with Monitor Services Ltd expires on 31 March 2018. The Capitol and Horsham Museum and Art Gallery currently have a separate contract in place with Ultraclean Ltd for the provision of Building Cleaning Services. The contract expires on 16 June 2018.
- 1.2 Horsham District Council, Crawley Borough Council and Mid Sussex Council were required to re-procure the contract within the same timescales, so it was agreed by the shared procurement service that the 3 Councils work together to re-procure this requirement as an OJEU tender utilising the Open Procedure. The contract was divided into lots as follows:
 - Lot 1 – Horsham District Council, Crawley Borough Council, Mid-Sussex District Council.
 - Lot 2 – The Capitol and Horsham Museum and Art Gallery
- 1.3 The benefits of a joint procurement approach are:
 - Saving in staff time by completing one procurement process.
 - Opportunity to achieve economies of scale through enhanced spending power.

2 Relevant Council policy

- 2.1 The project supports the Council Policy for Efficiency in facilitating the delivery of great value public services.

3 Details

- 3.1 The process will look to establish a contract for a sole provider to the 3 authorities and a sole provider for the Capitol and Horsham Museum and Art Gallery. The term of the contracts will be an initial 3 year contract with the option to extend for a further 2 years.
- 3.2 The contract will cover the internal and external cleaning requirements both planned and emergency (if necessary) and also any specialist occasional needs such as a carpet deep clean.
- 3.3 The greater buying power by the 3 Councils tendering collaboratively may lead to some small savings on the current budget.
- 3.4 As the total value of this contract would exceed £250,000 award of this contract is a key decision and would normally be made by Cabinet. However when working in partnership waiting for 3 Cabinets to individually award an operational contract, will delay the introduction of the new service and the savings we hope it will achieve.

Therefore this report seeks a delegation of the award to ensure all partners can move swiftly to implementation.

4 Next Steps

- 4.1 The Cabinet is requested to approve delegated authority for the award of this contract following a competitive procurement exercise. This will allow the project to be delivered on schedule and to prevent any potential delays and any cost over-runs associated with delays to the mobilisation and implementation of the new service.

5 Views of the Policy Development Advisory Group and Outcome of Consultations

- 5.1 The Policy Development Advisory Group for Finance & Assets was consulted on 8 January 2018 and they supported the proposal.
- 5.2 The Council's Monitoring Officer has reviewed and states that there are no implications of this decision.
- 5.3 The section 151 Officer says there are no financial immediate implications of this decision. The let of this contract through a joint procurement should lead to a lower price than Horsham District Council letting separately and savings may be generated to feed into the Council's budgets from 2019/20 onwards and could lead to some in year savings in 2018/19.

6 Resource Consequences

- 6.1 There are no staffing consequences as the Council does not employ staff in these services.

7 Legal Consequences

- 7.1 The Contract will be underpinned by Terms and Conditions as drafted by the Legal Team at Horsham District Council and approved for use across the three authorities.
- 7.2 Each authority will sign their own contract with the successful bidder which protects each Council should one of the other authorities wish to withdraw from the arrangement over the duration of the Contract.

8 Risk Assessment

The risks and implications for not granting delegated authority to approve the award of the contract following a procurement exercise are:

Not being granted delegated authority would lead to the Council being unable to award the Contract to the supplier before the existing arrangement expires. To mitigate this a short-term contract extension could be arranged to cover this period but at a greater cost to the Council.

Misalignment between the Councils where one is in a position to award but is delayed by another Council on the contract still requiring approval. In order to

mitigate this we are seeking delegated authority to approve the Contract across the authorities involved.

9 Other Considerations

- 9.1 This report has no effect on Crime & Disorder; Human Rights; Equality & Diversity from this delegation. It should provide a positive sustainability outcome by employing people within the local economy.