

CABINET

8 March 2022

CLEANING CONTRACT – EXTENSION REQUEST AND PROCUREMENT OF NEW CONTRACT

Report of the then Portfolio Holder for Policy, Strategy, Partnerships, Economy and Infrastructure

Strategic Aim:	Customer Focussed Services	
Key Decision: Yes	Forward Plan Reference: FP/070122	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr Oliver Hemsley - Leader of the Council and Portfolio Holder for Policy, Strategy, Partnerships, Economy and Infrastructure	
Contact Officer(s):	Mona Walsh Head of Property Services	Tel: 01572 7208391 MWalsh2@rutland.gov.uk
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Ward Councillors	Not applicable	

DECISION RECOMMENDATIONS

That Cabinet:

1. Approves the extension of the existing cleaning contract of Council properties to 31 March 2023 at an estimated cost up to £141,756pa for 12 months ending 31 March 2023, including consumables and laundry but excluding exceptional events such as deep cleaning following a Covid-19 event.

1 PURPOSE OF THE REPORT

- 1.1 This report seeks approval to extend the existing cleaning contract with S4 Facilities Ltd (trading as Extra Fresh) for cleaning of RCC properties, pending procurement of a new cleaning contract. This will ensure service continuity allowing the contract to be placed with the minimum delay and service disruption.

2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 Cleaning of all Council properties is provided by S4 Facilities Ltd (trading as Extra

Fresh). The existing contract commenced on 1 Dec 2017 and expired on 31 March 2021. In March 2021 Cabinet approved an extension from 1 April 2021 to 31 March 2022, to allow a new cleaning contract to be procured given the impact of Covid on staff resources.

- 2.2 In March 2021 Cabinet authorised the Strategic Director Places in consultation with the then Portfolio Holder for Rutland One Public Estate & Growth, Tourism & Economic Development, Communications, Resources (other than Finance) and Property and the Director for Resources to determine a procurement route, award criteria and if a suitable supplier or suppliers are identified, move forward and award a contract.
- 2.3 Procurement of the new contract has been delayed as a result of the need to carry out measured surveys of RCC property assets to determine the scope of work required and ongoing discussion with Council services about their operational requirements. The asset condition survey work that is currently underway will inform the new procurement. As a result, RCC wishes to extend the existing contract from 1 April 2022 to 31 March 2023, whilst a new cleaning contract is procured, at an estimated cost up to £141,756, including consumables and laundry which are charged based on supply and usage. The estimated cost is exclusive of exceptional events such as deep cleaning following a Covid_19 outbreak.
- 2.4 The Council has engaged Welland Procurement to progress the procurement of the new contract. Pre-procurement planning commenced during 2021 and the process will be progressed during 2022. The procurement will be compliant with the Council's Contract Procedure Rules (CPRs) and Public Contract Regulations 2015. The Council will undertake a 'further competition' process via Crown Commercial Services DPS (Dynamic Purchasing System) RM6130: Building Cleaning Services, which shall permit the incumbent and any interested local suppliers/ SME the opportunity to on-board onto this DPS and take part on the tendering process during 2022.
- 2.5 The new contract will be structured to be flexible and enable the Council to amend or flex cleaning requirements to reflect property use, occupation and environmental events as they occur.
- 2.6 Extension of the existing contract to 31 March 2023 is estimated to incur a total contract spend of up to £664,910, including consumables and laundry but excluding exceptional events related to Covid_19. In accordance with CPRs Regulation 17.3.9 contracts with a total value above £500,000 can only be extended with the authorisation of Cabinet.
- 2.7 S4 Facilities Ltd (trading as Extra Fresh) have confirmed that there have been recent changes to its constitution but that the contracting company remains unchanged. Appropriate due diligence checks will be completed to ensure the continuing robustness and ability of S4 Facilities Ltd (t/a Extra Fresh) to provide the services required. The extended contract will include an early termination clause so that the Council can terminate in the event of non-performance and/or completion and award of the new cleaning contract.

3 CONSULTATION

- 3.1 Informal consultation has taken place with the Portfolio Holder for Property,

Strategic Director Places, Principal Solicitor (Deputy Monitoring Officer) and the Council's Commissioning Manager about the contract extension and planned procurement.

- 3.2 Consultation was also undertaken with S4 Facilities Ltd who have confirmed their agreement to the contract extension.

4 ALTERNATIVE OPTIONS

- 4.1 Not extending the contract would result in the Council needing to find an immediate alternative solution to maintaining the cleanliness and safety of its properties. This would either involve sourcing 'one-off' off-contract provision which would be likely to incur additional cost. Alternatively it may be necessary to reduce the use of operational properties if cleaning standards could not be maintained in the absence of a provider.

5 FINANCIAL IMPLICATIONS

- 5.1 The contract sum of £142,000 can be met within existing budgets.
- 5.2 Exceptional costs in relation to Covid cannot be met within existing budgets. The Council is holding £343k within the earmarked reserve for Covid related expenditure and this will be used to fund any exceptional costs.

6 LEGAL AND GOVERNANCE CONSIDERATIONS

- 6.1 As referred to in Section 2 above procurement of the new cleaning contract will be through an existing ESPO Framework (Total Cleaning Services Framework No 263), meeting Public Procurement Regulations 2015 and RCC Financial Regulations and providing a secure, robust and simplified process.
- 6.2 In accordance with CPRs Regulation 17.4.5 contracts with a total value above £500,000 and up to £1M can only be extended with the authorisation of Cabinet. The extension of the existing contract to 31 March 2023 is estimated to incur a total contract spend of up to £664,910.

7 DATA PROTECTION IMPLICATIONS

- 7.1 A Data Protection Impact Assessments (DPIA) has not been completed because there are no risks/issues impacting on others.

8 EQUALITY IMPACT ASSESSMENT

- 8.1 An Equality Impact questionnaire has not been completed as there are no adverse or other significant risks / issues.

9 COMMUNITY SAFETY IMPLICATIONS

- 9.1 Extension of the contract, pending procurement of a new contract, will ensure that all Council properties are cleaned regularly, providing a safe environment to all users.

10 HEALTH AND WELLBEING IMPLICATIONS

- 10.1 Provision of clean properties will ensure workers and visitors to the properties are

able to carry out their daily activities safely.

11 ORGANISATIONAL IMPLICATIONS

11.1 Environmental implications

11.2 Environmental implications will be responsibly managed in accordance with COSHH and waste management obligations associated with use of chemicals in the cleaning activities and proper disposal of waste materials generated as part of the process.

11.3 Human Resource implications

11.4 We are advised existing S4 Facilities Ltd's staff are self-employed and no TUPE implications are expected. The Council's 3 members of cleaning staff, currently work 24hrs per week hours in total. They will continue to operate as direct employees during the interim solution but will be subject to consultation processes as part of any new transition contract arrangements in accordance with TUPE law.

11.5 Procurement Implications

11.6 The extension of the existing contract and procurement of the new contract will be in accordance with the Council's RCC Financial Regulations. The Council's Commissioning Manager will continue to be closely involved in all aspects of this matter.

12 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

12.1 It is vital that the Council continues to have clean and safe properties for its staff and other service users. The proposals set out in this report will ensure that the Council maintains the required level of cleaning at its properties whilst procuring a new and robust cleaning contract reflecting the current and future needs.

13 BACKGROUND PAPERS

13.1 There are no additional background papers to this report.

14 APPENDICES

14.1 There are no appendices.

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