

Report to CABINET

For the Supply and Delivery of Cleaning Chemicals and Materials

Portfolio Holder: Cllr Abdul Jabbar, Deputy Leader/Cabinet Member for Finance & Low Carbon

Officer Contact: Emma Barton, Executive Director for Place & Economic Growth

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Reason for Decision

Approval is required to award a 4-year contract for the supply and delivery of cleaning chemicals and materials. This is a strategic function to improve and ensure the organisation receives best possible prices, quality and sustainability that enhances better operational performance.

Executive Summary

A tendering exercise has been carried out for the supply and delivery of cleaning chemicals and materials over the next 4 years. The products are used to clean and sanitise Council buildings along with schools and school kitchens. The result of the process has identified savings in the unit price of the products.

Recommendations

To award the contract to the bidder who is offering the most economically advantageous tender.

For the Supply and Delivery of Cleaning Chemicals and Materials

1 Background

1.1 Oldham Council in house Cleaning & Catering Services currently provide cleaning, caretaking & catering services to various council buildings including offices, libraries, children's centres, work depots, schools, special schools, and sports centres.

The Education Catering team provide catering services for 52 schools and hold the responsibility of cleaning the kitchens for these schools.

1.2 Contracts have been previously tendered for at an AGMA level. However, due to unsatisfactory service delivery in the current contract a decision was made to procure for Oldham only. As an interim measure until the new contract is in place Alliance Disposables Ltd have been supplying and delivering cleaning chemicals.

2 Current Position

2.1 An open Find a Tender (FTS) procurement route was followed in accordance with Oldham Council's Contract Procedure Rules and Public Contract Regulations 2015. The FTS Contract Notice was published on the 3rd March 2021 and the Invitation to Tender followed, being published on the Chest e-procurement portal on 15th March 2021 with a closing date of 7th April 2021. The following evaluation criteria and weightings were applied:

Quality/Technical Capacity	50%
Social Value	10%
Product Specifications	Pass/Fail
Product Testing	Pass/Fail
Price	40%

Nine bids were received in total; however, from an initial evaluation a submission was automatically disqualified. The evaluation of the bids by Anne Burns (Principal Catering Manager) and Karen Wood (Cleaning & LLPS Manager), sought to identify the submission offering the most economically advantageous bid, based on the above table.

Evaluations were also carried out by Karen Cox and Claire Povey from Health Safety on the product data sheets and by the cleaning staff on the products themselves.

The outcome of the evaluation process was that 'Accommodation Supplies at Pattersons' has been identified as the successful bidder, demonstrating their ability to deliver the most advantageous service and quality products.

'Accommodation Supplies at Pattersons' have also made a variety of commitments to continue to develop their ongoing contributions to social value in the borough including:

- Local employment/recruitment to support business expansion
- Volunteering at schools/colleges
- New training opportunities for employees
- Apprenticeship opportunity
- Work placements
- Supporting young people into work
- Local spend

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- Business Advice sessions for VCSEs and MSMEs.
 - Donation of equipment/resources for VCSEs.
 - Donation/In-Kind contributions to Action Together
 - Donation/In-Kind contributions to local community projects
 - Staff volunteering on local community projects
 - Commitment to be carbon neutral by 2030

The Council were notified by the incumbent supplier that the unit cost of their supplies was increased from the 29th December 2021. Analysis of the revised pricing structure indicated an overall cost increase of around 30%, which equates to circa £27k per annum.

3 Options/Alternatives

3.1 Option 1) To award the contract to Accommodation Supplies at Pattersons who submitted the most economically advantageous tender; offering high quality goods at a competitive price.

Option 2) To not award the contract and continue with the existing arrangements. However, this would mean the services would not be able to embrace and realise the potential cost reductions. Furthermore, it would leave the Council with no formal contract in place, prompting a further tender exercise. This will increase the timescales in implementing a formal contract leaving the Council open to risk.

4 Preferred Option

4.1 Option 1) To award the contract to Accommodation Supplies at Pattersons who submitted the most economically advantageous tender; offering high quality goods at a competitive price.

5 Consultation

5.1 N/A

6 Financial Implications

6.1 The preferred option as detailed in paragraph 4.1 is to award the cleaning materials contract to 'Accommodation Supplies at Pattersons'.

6.2 In 2020/21, a combined total of £90k was spent by Catering and Cleaning services on cleaning chemicals and materials. The 30% price increase implemented by the incumbent supplier represents an equivalent annual spend of £117k.

6.3 If the preferred option is approved, the pricing of items will be broadly equivalent to the levels that were in place prior the previous supplier increasing their prices. This means the Council will avoid incurring additional costs of around £27k per annum relating to the purchase of cleaning chemicals and materials.

(Matthew Kearns – Senior Accountant)

7 Legal Services Comments

7.1 Legal Services has not been involved in the tender exercise and relies on the lead procurement officer's comments in the report. That the tender exercise has been carried out in accordance with the Public Contract Regulations 2015 and the Council's Contract

Procedure Rules. The client department and the procurement officer must ensure that the contractual documentation is executed in a timely manner.

8. **Co-operative Agenda**

8.1 The tender would include all aspects of our co-operative values and behaviour, as well as partnership working. The cleaning supplies are used across Council buildings promoting safe working spaces for employees and also in numerous school and school canteen settings again promoting safe and clean places of education for children.

9 **Human Resources Comments**

9.1 No HR implications

(Catherine Pearson, Strategic HR Lead)

10 **Risk Assessments**

10.1 There are no business risks associated with this procurement

11 **IT Implications**

11.1 None

12 **Property Implications**

12.1 None

13 **Procurement Implications**

13.1 The Commercial Procurement Unit supports the recommendation outlined in the report. The tender exercise has been carried out in accordance with the Public Contract Regulations 2015 and the Council's Contract Procedure Rules. (Emily Molden)

14 **Environmental and Health & Safety Implications**

14.1 The successful tenderer has confirmed that they have not received an enforcement order or breached regulations and have the relevant policies in place; post award copies will be requested.

15 **Equality, community cohesion and crime implications**

15.1 None

16 **Implications for Children and Young People**

16.1 None

17 **Equality Impact Assessment Completed?**

17.1 No

18 **Key Decision**

18.1 Yes

19 **Key Decision Reference**

19.1 FLC-03-22

20 **Background Papers**

20.1 The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act :

File Ref : DN446075

Name of File : Supply & Distribution of Cleaning Chemicals and Supply

Records held on the chest e-procurement portal (www.the-chest.org.uk) Officer Name :

Emily Molden

Contact No : N/A

21 **Appendices**

21.1 N/A