

Utilisation of Joint Contract with Bury Council for the Supply & Delivery of Cleaning Chemicals and Materials.

Decision Maker: Chief Executive

Service Area: **Growth**
Directorate: **Place**
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Date of Decision: 24 August 2026

1. Power to make the decision

The decision is being taken under:

2. Decision Sought

Authorisation is being sought to award the Janitorial and Cleaning Materials contract to the preferred bidder for a maximum term of four years (comprising an initial 2-year period plus two optional 1-year extensions). This joint procurement exercise, led by Oldham Council in collaboration with Bury Council, secures preferential, fixed contract pricing that eliminates the volatile spot-market inflation experienced under the current temporary arrangements. Delivering an estimated annual cost of £40,000 (£160,000 over the full 4-year duration) that is fully containable within existing service budgets.

3. Reason for urgency

This decision is now critical and urgent because Oldham Council is currently operating under an expensive temporary contract that exposes the organisation to ongoing inflation, volatile price increases, and severe legal risks under the Public Contract Regulations 2015. The previous delays, caused by historic product omission errors and procurement capacity constraints at Bury Council, have already significantly driven up contract costs over time. Delaying the contract award any further will prolong this financial instability, risk service disruption for critical Building Cleaning and Caretaking operations and forfeit the highly competitive pricing and economies of scale secured through the newly completed joint tender with Bury Council.

4. Risk(s) of not taking the decision

Continuing with the temporary contract instead of appointing a new, long-term arrangement exposes the organisation to escalating financial costs, unpredictable service delivery, and severe legal vulnerabilities under the Public Contract Regulations 2015. Additionally, attempting an alternative procurement process at this stage offers no guarantee of savings and risks alienating the market, as separating the spend destroys the economies of scale that would otherwise attract competitive suppliers.

5. Financial impact if decision not taken forward

The financial impact of not approving this decision is continued exposure to unmitigated market inflation and high spot-market pricing under the current temporary agreement. Rejecting the joint contract destroys the collective bargaining power and economies of scale achieved with Bury Council, meaning any future procurement attempt would likely result in significantly higher unit prices.

Ultimately, maintaining the status quo forces the Council to overspend on basic cleaning materials, turning a fully funded £40,000 annual estimate into an open-ended financial pressure.

6. Statutory Officer clearances

a. Section 151 Officer

Name Lee Walsh
Date 7 August 2026
Comments

The new contract will allow the Council to benefit from more preferential prices than the current approach. The estimated annual cost is based on current usage for cleaning materials and will be approx. £40k per year, a potential total of £160k over a 4-year period comprising an initial 2-year period plus two optional 1-year extensions. This cost can be met from existing service budgets therefore no additional impact on the Council's revenue budget. It must be noted that this cost is an estimate with the contract value being an amount the Council can spend up to and is not the confirmed spend. No additional financial pressures are anticipated, though any cost changes and the contract will be managed within current resources.

b. Monitoring Officer

Name: Alex Bougatef (Monitoring Officer)
Date: 20 August 2026
Comments:

The exercise of emergency powers should be undertaken in consultation with the Leader or Deputy Leader of the Council. However, the Council has not yet

appointed a Leader or Deputy Leader for the current municipal year, so it is not possible to consult them. In addition, there is no certainty about when a Leader or Deputy Leader will be appointed, as the Council has failed at successive meetings to do so. For the reasons given in the report, an urgent decision is required, and the matter cannot await the appointment of a Leader and Deputy Leader at some undetermined future date.