

Approval to utilise a joint contract with Bury Council for the Supply & Delivery of Cleaning Chemicals and Materials

Officer Contact:

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Reason for Decision

Following a comprehensive tender exercise in collaboration with Bury Council to ensure best value through increased economies of scale, the preferred provider was identified as the best value supplier. Their proposal met all technical and commercial requirements and offered the most competitive pricing structure.

Executive Summary

To seek Cabinet approval to award the contract for Caretaking and Janitorial Cleaning Materials.

Recommendations

It is recommended that Cabinet approve the award of the Caretaking and Janitorial Cleaning Materials contract at a total contract cost of £160,000 to Oldham Council and £640,000 to Bury Council for a total contract period of 4 years. This is for an initial term of 2 years with the option to extend the contract for an additional 2 years.

Approval to utilise a shared contract with Bury Council for the Supply & Delivery of Cleaning Chemicals and Materials

1 Background

In 2019, the Greater Manchester Combined Authority (GMCA), led by Bolton Council, undertook a procurement exercise to source a Janitorial and Cleaning supplier for all GMCA local authorities, including Oldham and Bury.

During this procurement process, Oldham Council's services which order cleaning and janitorial products were not consulted, resulting in some items being missed from the list of products used within some council services, including Building Cleaning and Caretaking.

The contract to the value of £315k for was awarded via the GMCA to Arrow Ltd on a 3 + 1 year contract. The Building Cleaning and Caretaking and Admin Buildings were instructed to start ordering from Arrow for all cleaning and janitorial products.

As some paper products and cleaning materials were not included in the GMCA contract, this caused some items to fluctuate in price during the term of the contract.

The contract with Arrow ended in May 2023. As the contract ended, prices increased considerably, therefore a follow up mini competition was held to award a temporary contract. This temporary contract is in place, however, due to capacity issues within the Procurement team at Bury, the full tender process was delayed creating risk to Oldham Council.

The contract value due to price increases and inflation has increased considerably for Oldham over the time period of the contract 2 years + 2 optional extensions.

Due to the value and duration of the contract, a comprehensive tender process was necessary and received approval. This process has now been completed, and cabinet authorisation is required to award the contract to the selected supplier.

Following discussions with Bury Council, it was determined that Oldham Council would tender for cleaning materials but include in the value Bury Council's requirements, as this would give a better return on pricing due to the extended value of the contract.

2 Tender Process

The objective of the selection process was to assess the responses to the Invitation to Tender (ITT) and then select a preferred bidder.

The evaluation exercise aimed to balance issues of quality and price, ensuring that the chosen bidder offered the most economically advantageous quotation for the Council.

Upon receipt of formal tenders, the Council ensured full compliance with the ITT documents, and all necessary requested information was supplied. The information provided was checked for completeness and compliance before responses were evaluated. The Council was not bound to accept the lowest price of any bid submitted.

The qualitative data was evaluated based on the most advantageous offer to the Council. The evaluation criteria, and the associated weightings, utilised in this assessment were:

- **Technical Capacity 40% Weighting**
- **Social Value (SV) 10% Weighting**
- **Price 50% Weighting**

Scores were awarded based on the percentage variation between the highest and lowest price, with the lowest financial submission receiving the full marks available.

If a bidder's financial submission fell outside of 25% of the budgeted figure for the service, then their financial submission was subjected to additional scrutiny. Should any response to this scrutiny not satisfy the assessment panel, the quotation could be rejected.

Where a question required a descriptive answer with an award of 5 marks, the following marking regime was used:

Score	Acceptability	Criteria for awarding scores
0	Unacceptable	The information is either omitted or fundamentally unacceptable.
1	Poor	The information submitted has insufficient evidence that the specified requirements can be met and / or does not demonstrate acceptable level of quality of the proposed quotation.
2	Somewhat Deficient	The information submitted has some minor omissions against the specified requirements and / or demonstrates only limited level of quality of the proposed quotation.
3	Satisfactory	The information submitted meets the requirements and / or demonstrates an adequate level of quality of the proposed quotation.
4	Very good	The information submitted provides good evidence that the specified requirements can be met and demonstrates a good level of quality of the proposed quotation.
5	Outstanding	The information submitted provides strong evidence of best of sector capability to deliver the specified requirements.

The final scores are provided in exempt Annex A.

3 Options/Alternatives

3.1 **Option 1** – Do nothing. Continue with the temporary contract. This runs the risk of a further increase in costs, unstable service delivery and non-adherence of the Public Contract Regulations 2015. Due to the spend associated with this contract an alternative procurement process would need to be completed which would not guarantee any savings and may be less attractive to the market due to the lack of economy of scale.

Option 2 – Undertake a procurement process targeting local businesses to solely supply to Oldham Council. This is not a viable option at present as a review has not taken place on the local market position.

Option 3 – Use Star procurement and align with the GMCA contract, however this would have increased the cost of the materials creating financial pressure.

Option 4 – To utilise a shared procurement process with Bury Council and enter into a contract to Supply & Delivery of Cleaning Chemicals and Materials. This would provide stability in the service area ensuring continuous delivery and fixed prices. Furthermore, a robust and compliant procurement process reducing risk further to the Council.

4 **Preferred Option**

4.1 The preferred option is **Option 4**

5 **Consultation**

5.1 Bury Council Procurement Team
Oldham Council Cleaning Services
Cleaning Managers in Bury Council
Oldham Council Procurement

6 **Financial Implications**

6.1 Under the new contract, the estimated annual cost to Oldham Council for cleaning materials will be £40,000 per year (£160,000 over a 4 year period). This cost can be met from existing service budgets.

6.2 This cost is an estimate with the contract value being an amount the Council can spend up to and is not the confirmed spend. The contract allows the Council to benefit from more preferential prices than if it were buying at spot price.

6.3 No additional financial pressures are anticipated, though any cost changes due to increased usage will need to be managed within current resources.

(Mohammed Hussain)

7 **Legal Services Comments**

7.1 The procurement has been conducted in accordance with the Council's CPR and the PCR 2015. The use of a compliant framework agreement and the completion of a further competition are lawful and appropriate for a contract of this value and duration.

7.2 The shared procurement with Bury Council is legally permissible, as public authorities are entitled to collaborate in procurement activity where this is provided for within the framework and where each authority retains responsibility for its own contractual obligations. This approach also supports the Council's duty to achieve best value, provided that each authority enters into its own contractual arrangements and that governance responsibilities are clearly defined.

7.3 An initial two-year contract period with an option to extend for a further two years are within acceptable legal limits. Officers must ensure that any extension is exercised in accordance with the contract conditions.

7.4 Subject to the final contract documentation being agreed and executed in line with the approved award decision, there are no legal objections to Cabinet approving the recommendation.

Pamela Nsofor (Solicitor)

Human Resources Comments

8.1 N/A

9 Risk Assessments

9.1 None (Karen Cox)

10 IT Implications

10.1 None expected

11 Property Implications

11.1 None (Paul Osbaldiston)

12 Procurement Implications

12.1 These services were procured as a Further Competition through the Braintree District Council's, Essex Procurement Hub (EPH) framework. The framework was checked and deemed compliant with a copy of the OJEU notice stored on file. Both Oldham and Bury are listed in the OJEU notice under Social Housing Providers and generally covered under the description of "all UK public bodies. This includes local authorities and educational establishments. It was recommended to undertake a further competition under Lot 1 of the framework, which has 3 suppliers.

12.2 Bids were received from two of the three providers and evaluation of the Quality submissions was completed by colleagues from both Oldham Council and Bury Council. The Procurement team chaired a moderation session to finalise the Quality scores and ensure compliance with the scoring criteria

12.3 Commercial responses were evaluated by colleagues from both Oldham Council and Bury Council to ensure the products offered were like for like and that pack sizes were as requested. Post Tender clarifications were issued to ensure the evaluation was completed with like for like products.

12.4 Social value responses were evaluated using the Social Value Portal.

12.5 As detailed in Annex A of this report the preferred provider has scored highest across the three criteria of Quality, Price and Social Value.

12.6 It is recommended that the preferred provider are awarded the contract.

(Emily Molden)

13 Equality Impact – including implications for Children and Young People

13.1 N/A

14 Key Decision

14.1 Yes

15 **Key Decision Reference**

15.1 NEI-02-26

16 **Background Papers**

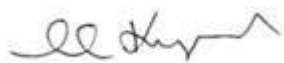
16.1 All the background papers are jointly held by Oldham and Bury Council's and they have procured the new contract. Oldham council will reap the benefits of the tender

Appendices

17.1 Annex A – Final scores – Supply and Delivery of Cleaning Chemicals and Materials

Approved by the Chief Executive following consultation with the political group leaders. Decision made under the authorisation contained in Section 9C – Delegations to Specific Officers of Part 3 (Responsibility for Functions) of the Council Constitution for the Chief Executive to take any emergency decisions in respect of the Council's executive functions.

Signed:	Dated: 25 August 2026
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Shelley Kipling, Chief Executive

Date of Group Leaders meeting	24 August 2025
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