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| <b>TITLE</b>                | <b>Corporate Building Cleaning Services</b> |
| <b>FOR CONSIDERATION BY</b> | Executive on 29 June 2023                   |
| <b>WARD</b>                 | (All Wards);                                |
| <b>LEAD OFFICER</b>         | Deputy Chief Executive - Graham Ebers       |
| <b>LEAD MEMBER</b>          | Councillor Imogen Shepherd-DuBey            |

## **OUTCOME / BENEFITS TO THE COMMUNITY**

Procurement of a contract for the provision of building cleaning services at Wokingham Borough Council corporate sites, some Maintained Schools, and Academies. The service will be operated as a traded service.

The contract will generate social value through the provision of employment opportunities.

## **RECOMMENDATION**

To procure a new contract for cleaning services via competitive procurement process.

## **SUMMARY OF REPORT**

Request to go to market to procure the provision of cleaning services at WBC (Wokingham Borough Council) sites and schools (maintained schools and academies) across the borough.

Proposed contract term:

Start date: 1 April 2024; initial term of 36 months (3 years) with option to extend for further 24 months (1 + 1-year extensions) – total of 60 months (5 years)

A detailed procurement strategy paper was reviewed and approved by an internal senior officer group (Strategic Procurement Board) on 16<sup>th</sup> March 2023 and is appended to this report for reference.

A commercial strategy is also being developed in parallel with this procurement in consideration of expanding the provision of this service to additional sites in view to maximising value.

## **Background**

Building cleaning services has been procured centrally for a number of years, which has been an essential requirement for the successful maintenance of the corporate buildings. To ensure value for money, a corporate contract is made available, enabling asset managers to access cleaning services when they need. External sites, such as schools, have also been able to opt in to use the contract, which is managed by a dedicated resourced based in the Procurement and Contracts team.

The current contract runs until 31<sup>st</sup> March 2024, therefore preparation for the procurement of a new contract has already started with a view to advertising the opportunity in May and awarding the contract by September 2023 to allow for sufficient mobilisation period. Site managers have been consulted and development of the scope of the new contract is underway.

The proposed details of the new contract are:

- Start date: 1 April 2024
- Initial term of 36 months (3 years)
- Option to extend for further 24 months (1 + 1-year extensions)
- Total of 60 months (5 years), including the options to extend.

This contract ensures that cleaning services are sourced in a compliant way, specifications are in line with the corporate priorities (suppliers will be required to use cleaning materials that do not negatively impact on the environment), and the service is available and easily accessible to all sites that may need it. This contract will be providing potential job opportunities for Supported Employment and for local residents, in particular for job seekers not able to drive to work, which is currently the case (the incumbent supplier tends to recruit staff locally and offers job opportunities to residents living in walking distance from the sites, creating social value).

### **Analysis of Issues**

Currently, 26 sites have opted to use the building cleaning service through the corporate contract. Overall, the sites are pleased with the service being provided and during regular contractor meetings, quality audits and users feedback the Procurement and Contracts team can confirm the dedication of the current supplier to provide a high level of service.

Following consultation with the current users, the analysis of the feedback indicated decreasing interest in the use of this service, which prompted a commercial review and subsequent development of a commercial strategy to attract new sites. This process is ongoing and will not affect the procurement of the new contract. Should the commercial strategy be unsuccessful.

### **Cost Benefit Analysis**

If a new contract is secured, this would run from 1 April 2024 for 36 months (three years) to March 27 with option to extend to March 28 and then March 29 if required.

The current traded service model involves a significant amount of administration, which would be improved under a revised model. Various options have been explored and a new model recommended that would reduce administration time and allow for the management cost to be recovered. The new model is also aimed at increasing the interest and potentially attracting new sites to opt in and use the service on a traded basis.

### **FINANCIAL IMPLICATIONS OF THE RECOMMENDATION**

***The Council faces unprecedented financial pressures as a result of; the longer-term impact of the COVID-19 crisis, Brexit, the war in Ukraine and the general economic climate of rising prices and the increasing cost of debt. It is therefore imperative***

**that Council resources are optimised and are focused on the vulnerable and on its highest priorities.**

|                                   | How much will it Cost/ (Save) | Is there sufficient funding – if not quantify the Shortfall | Revenue or Capital? |
|-----------------------------------|-------------------------------|---|---------------------|
| Current Financial Year (Year 1)   | £0                            | Yes   | Revenue             |
| Next Financial Year (Year 2)      | £0                            | Yes   | Revenue             |
| Following Financial Year (Year 3) | £0                            | Yes   | Revenue             |

**Other financial information relevant to the Recommendation/Decision**

Once the procurement is complete and new contract is operational officers will progress approaches to increase the external take-up of the services. Should this provide a budget saving, it will be reported through the usual monitoring arrangements and then reflected in future budget setting.

**Cross-Council Implications** (how does this decision impact on other Council services, including properties and priorities?)

Sites across the council have been consulted regarding their continued cleaning requirements.

**Public Sector Equality Duty**

Suppliers bidding for the cleaning contract will be expected to consider and follow Equality Duty.

**Climate Emergency – This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030**

The service specification has been developed in line with requirements for environmentally friendly cleaning materials.

**Reasons for considering the report in Part 2**

The procurement strategy attached as appendix 1 contains exempt information.

**List of Background Papers**

Corporate Cleaning Services\_FINAL\_Approved SPB\_16 03 2023 - redacted

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