

Agenda item:

[No.]

PART-A

Cabinet Procurement Committee

On 16th September 2010

Report Title: **Framework Agreement for the Provision of Cleaning Services for the Schools within the London Borough of Haringey**

Report of **Peter Lewis, Director for Children and Young People's Service**

Signed :

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Commissioning Manager, the Children and Young People's Service
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Wards(s) affected: **All**

Report for: **Key**

1. Purpose of the report

- 1.1. To seek the Cabinet Procurement Members approval for the award of a framework for the provision of cleaning services for the Schools within the London Borough of Haringey.
- 1.2. The schools to 'call off' the framework through 'mini competition' to the contractors listed in Part B of this report.

2. Introduction by Cabinet Member

- 2.1. I am satisfied that the appropriate procedures have been followed and am happy to support the recommendations in this report. The mini framework will assist schools in achieving value for money,

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

- 3.1. **Brighter futures for children and families** – the cleaning service will help the schools to create a healthy environment for the students.
- 3.2. **A greener, cleaner and more sustainable future** - To ensure that London Borough of Haringey have clean, hygienic schools.
- 3.3. **Spending wisely and investing in the future** – The Framework Agreement for cleaning services will provide the Council with good quality of service and achieve value for money through mini competition process.

4. Recommendations

- 4.1. That the Members approve the award of the four year framework for the provision of Cleaning Services for Schools within Haringey to the five contractors named in paragraph 1.1 of Part-B of this report.

5. Reason for recommendation(s)

- 5.1. This framework will allow for cleaning services to be provided through the use of 'mini competition' with the contractors in Part-B of this report. This framework will be available for all schools to use if they so wish, without having to go through a full tendering process.

6. Other options considered

- 6.1. There are no other options to be considered as Cleaning Services is an EU Part A Priority service and as the current total spend of the schools cleaning services are above the EU threshold of £156,443 per annum by not undertaking a full EU tendering process the schools may be open for challenges.

7. Summary

- 7.1. A restricted process for the framework commenced by sending out a publication in the Official Journal of the European Union (OJEU). The advert was also placed on the Council's website, Competefor and www.Supply2Gov.
- 7.2. As a restricted process was carried out through the Competefor portal. An electronic Pre Qualification Questionnaire (PQQ) was set up on the portal and interested parties completed it. Following the evaluation of references and documents relating to financial viability, Health and Safety, Equal Opportunity, Environment and Quality Assurance 11 Suppliers were selected for the Invitation to Tender (ITT) second stage process.
- 7.3. Six companies submitted tenders. The tenders were evaluated by a member of staff from CYPS and another from CPU. Interviews were carried out with the six companies. The panel consisted of 1 member of CPU, Head teacher of

Heartlands School, Head teacher of Haringey Sixth Form Centre, Facilities manager Sixth Form Centre and the Facilities Manager of Heartlands School.

- 7.4. An E-auction was carried out on 28th July 2010. The results of the E-auction which included 50% Quality and 50% Price resulted in the five contractors listed in paragraph 1.1 of Part-B being selected, the sixth contractor having withdrawn its tender (details of scoring are in Part B of this report).
- 7.5. The approval and award for the cleaning services for Heartlands School contract was signed off for a period of one year. This contract will commence on 1st September 2010 ready for the new school opening. This was done prior to the setting up of the Framework contract due to very tight timescales. Future requirements for Heartlands school will be met from the Framework by mini Competition.
- 7.6. As each and every individual contract is put in place with schools there will be separate specifications and tailored key performance indicators (KPI's) that will be monitored by the facilities manager or contract manager for that school.
- 7.7. Contract review meetings will be held with the contractor's on a monthly basis until the contractor has bedded in the operational strategy of the contract.

8. Chief Financial Officer Comments

- 8.1. Schools have delegated responsibility for the cleaning of their buildings and receive funding for this through their delegated budgets. Schools may choose to discharge their responsibilities in various ways including employing external contractors or employing in-house staff themselves. In determining their arrangements they should have regard to the achievement of value for money.
- 8.2. This framework contract will provide access to a limited number of contractors whom have been assessed for quality and other relevant issues described in the part B specification. Any school that chooses to use this framework will subsequently run a mini-competition to enable a price comparison to be made based on their specific requirements.

9. Head of Legal Services Comments

- 9.1 A tendering exercise has been conducted under EU procurement rules using the restricted procedure for the establishment of this cleaning services framework agreement.
- 9.2 Regulation 19 of the Public Contracts Regulations 2006 allows contracting authorities to enter into framework agreements with economic operators.
- 9.3 The Children and Young People's Service wishes to establish a framework agreement with the five economic operators listed in Appendix A based on the results of the tender conducted.

- 9.4 As the estimated value of the provision under the framework agreement is over £250,000, the award of the framework agreement is a key decision. Under Contract Standing Order 11.04, the framework agreement must be included in the Council's Forward Plan. This requirement has been met.
- 9.5 The Cabinet Procurement Committee has power under Contract Standing Order 11.03 (award of contracts over £250,000) to approve the award of the framework agreement.
- 9.6 The Head of Legal Services confirms that there are no significant risks preventing Members from approving the recommendation at paragraph 4.1 of the report.

10. Head of Procurement Comments –[Required for Procurement Committee]

- 10.1. Corporate Procurement have led this procurement process and support the recommendation
- 10.2. The framework will allow schools to achieve VFM outcomes by using mini competition within the Framework for their cleaning requirements.
- 10.3. The contract will be managed by CYPS to ensure that it continues to meet schools requirements,

11. Equalities &Community Cohesion Comments

- 11.1. Equalities principles were incorporated within the procurement process and the organisations equalities policy and procedures will be monitored as part of the contract management.

12. Consultation

- 12.1 Corporate Procurement Unit carried out the process in consultation meetings held with the Deputy Head teacher and Head teacher of Heartlands High School.
- 12.2 Corporate Procurement Unit also consulted Commissioning Manager from the Children and Young People's Service.

13. Service Financial Comments

- 13.1. See comments in 8.1 and 8.2, Chief Financial officer comments.

14. Use of appendices /Tables and photographs

- 14.1. This report contains Part-B which is not for publication.

15. Local Government (Access to Information) Act 1

15.1. This report contains exempt and non exempt information.

15.2. Exempt information is contained in Part B and is not for publication. The exempt information is under the following category (identified in the amended schedule 12A of the Local Government Act 1972 (3)): information relation to the financial or the business affairs of any particular person (including the authority holding that information)