

Report to the Cabinet

Report reference: C/002/2006-7.

Date of meeting: 5 June 2006.



**Epping Forest
District Council**

Portfolio: Finance, Performance Management and Corporate Support Services.

Subject: Civic Offices - Cleaning and Window Cleaning Contract.

Officer contact for further information: Mike Tipping (01992 – 56 4280).

Democratic Services Officer: Gary Woodhall (01992 – 56 4470).

Recommendations:

- (1) That, commencing on 1 August 2006, a three-year contract for office and window cleaning at the Civic Offices be awarded to Lewis and Graves Partnership, being the lowest of four tenders received in the sum of £69,131;**
- (2) That, in order to finance the shortfall between the lowest tender price and budget allocation for 2006/07, a supplementary CSB estimate in the sum of £4,340 be recommended to the Council for approval; and**
- (3) That a CSB growth bid in the sum of £6,510 for 2007/08 be made.**

Report:

1. A tendering process has been undertaken for the renewal of the Civic Offices cleaning and window-cleaning contract.
2. The expertise of Essex County Council Procurement services has been used to assist in revising the specification of works and the contract conditions to reflect a more modern performance based contract, which will include for regular performance management, customer feedback from staff, and environmental concerns in relation the type of cleaning products to be used.
3. In accordance with Contract Standing Order C14, Essex County Council Procurement Services have also undertaken the tendering arrangements using their approved list of contractors. However the procedure for the issue, return, receipt, opening and approval of a tender has been in accordance with contract standing orders.
4. Tender documents were issued to six companies and the results of the tendering process are shown in the table below.

Company	Tender figure £	Adjusted tender figure £
Lewis and Graves Partnership	69,131	69,131
L & L Cleaning Services Ltd	87,227	80,809
OCS Limited	84,022	84,022
SBS Cleaning Services	84,571	84,571
Monthind	Declined to tender	
Indigo Services UK	Declined to tender	

5. During the checking of the tenders it became apparent that L&L Cleaning Services had submitted an excessively high figure in relation to window cleaning. This was queried with the company and as a result they modified that element of their tender,

which is reflected in the adjusted tender figure.

6. The current contractor, Indigo Services UK declined to re tender for the work.
7. Following the checking of the tender figures and as part of the evaluation process post tender interviews were held with the two lowest tenderers, Lewis & Graves and L&L at which a range of questions were asked to satisfy officers that the companies could perform the specification for the price offered. This was particularly relevant in the case of Lewis & Graves as their tender figure is significantly lower than the others.
8. Satisfactory assurances were received on a range of issues including wage rates, number of cleaning hours, physical resources and performance management. The notes of the post tender interviews and the assurances given will form part of the formal contract documentation.
9. Since the contract was last tendered a number of factors have changed that affect price including the introduction of the Working Time Directive, increases to the minimum wage rate and minimum levels for paid holiday leave.
10. Whilst every effort was made to allow for these increases at the time of preparing and agreeing the budget for 2006/07 the tender process has resulted in the lowest tender being £6,501 more than the budget allocation for 2006/07. Therefore in order to let this contract a supplementary revenue estimate of £4,340 will be required for 2006/07.
11. In approving the letting of this contract the Council will also be committing itself to growth of £6,501 in 2007/08

Statement in support of recommended action:

12. The Civic Offices need to be cleaned and the recommendations now made arise from a competitive tendering process for a specification that will provide a suitable standard of cleaning for a prestigious building of this size.

Options for action:

13. Continue with the current arrangements, which will not offer the required quality or value for money, or discontinue outsourcing and invest in staff and equipment to provide the service direct. Neither of these options are considered to be viable alternatives to the proposed course of action.

Consultation undertaken:

14. Essex Procurement Services.

Resource implications:

Budget provision: £62,630 provision in budget for 2006/07, supplementary CSB estimate of £4,340 required. Ongoing budget growth of £6,510 per annum from 2007/08 required as well.

Personnel: nil.

Land: nil.

Community Plan/BVPP reference: No specific reference.

Relevant statutory powers: Nil.

Background papers: Contract tender documents.

Environmental/Human Rights Act/Crime and Disorder Act Implications: N/A.

Key Decision reference (if required): N/A.