

## **Report to the Cabinet**

**Report reference:** C-055-2013/14  
**Date of meeting:** 2 December 2013



**Portfolio:** Asset Management and Economic Development  
**Subject:** Corporate Cleaning and Window Cleaning Contract 2014-2019  
**Responsible Officer:** Mike Tipping (01992 564280).  
**Democratic Services Officer:** Gary Woodhall (01992 564470).

---

### **Recommendations/Decisions Required:**

- (1) That a contract for cleaning and window cleaning at the Civic Offices, Hemnall Street Offices, Epping Depot, Langston Road Depot, Town Mead Depot and the Epping Forest District Museum, when it re-opens in 2015, be awarded to Comprehensive Cleaning Services for a period of five years from 1 April 2014 at a cost of £92,829.68 for the first year; and**
- (2) To note that Comprehensive Cleaning Services were the first ranked company following an evaluation based on price and quality but had the second lowest tender on price alone.**

### **Executive Summary:**

This report describes the tendering process for a corporate contract for cleaning and window cleaning at six operational sites and makes a recommendation for the award of the contract.

### **Reasons for Proposed Decision:**

To ensure an adequate standard of cleaning at six operational sites whilst at the same time achieving best value for money.

### **Other Options for Action:**

To do nothing and carry on with the current cleaning arrangements. This would have been contrary to financial regulations and contract standing orders as well as not offering the best value for money.

### **Report:**

1. A tendering process has been undertaken for the renewal of the corporate cleaning and window cleaning contract for six operational buildings; the Civic Offices, Hemnall Street Offices, Epping Depot, Langston Road Depot and Town Mead Depot. The contract will also encompass the Epping Forest District Museum when it re-opens after refurbishment in early 2015.
2. Because the long term future of a number of the premises included in the contract is uncertain flexibility has been included in the contract conditions to vary, suspend or terminate

the cleaning requirements for operational reasons without cost or penalty to the Council.

3. The same experienced consultant engaged to conduct a similar process in 2010 was employed to conduct this tender process, which because of its value, had to be undertaken in accordance with European Union rules (OJEU process).

4. This procedure was adopted as there was no framework agreement available either through the Essex Procurement Hub or other recognised consortium arrangements and Construction Line does not cover this particular service industry.

5. As part of the OJEU process the basis of evaluating tenders had to be declared at the outset and for this contract it was stated that tenders would be evaluated on a 50/50 cost/quality basis, the same basis as for the existing contract.

6. Tender documents were issued to six companies and the results of the tendering process are shown in the table below.

7. Churchill Contract Services withdrew from the process during the tender period citing operational reasons.

8. From the initial assessment of the five tenders opened, two were deemed not suitable for detailed evaluation. Detailed evaluation of the remaining three tenders by Comprehensive Cleaning Services, Lewis & Graves and Servest Ltd was carried out including post tender interviews to seek clarifications around the detail in their respective tender submissions.

9. As a result adjusted tender figures are shown in the table below.

10. The annual value of the current contract is £91,707.46. The current contract contains provision for the contractor to request an annual inflationary increase based on RPI for the month preceding the anniversary of the Contract for years two and three.

11. However as the contractor has not requested these inflationary increases they have not been applied. Had they been applied the true value of the current contract would be £97,669.33.

12. All three tenders are therefore competitive and offer savings over the true value of the current contract.

13. Whilst Servest Ltd (the current contractor) offered the lowest tender in terms of cost they were ranked third in terms of quality. The Consultant's view is that they have vastly underestimated the number of cleaning hours required at the Civic Offices, a reduction of 20 hours per week and the productivity rate they have proposed is unrealistically high.

14. There are performance issues with Servest at present and whilst the company has been receptive to listen to the Council's concerns there has been no sustained improvement in the overall quality or standard of service.

15. It is therefore difficult to see how Servest Ltd., could achieve and maintain the required level of performance for the new contract with substantially less resources.

16. It is for these reasons that it is recommended that Comprehensive Cleaning Services the highest ranked company in terms of cost and quality, but the second lowest company on price alone, be awarded the contract from April 2014.

<b>Company</b>	<b>Tender figure £</b>	<b>Adjusted tender figure £</b>
Birkin Cleaning Services Ltd	117,813.80	-
Comprehensive Cleaning Services	99,199.28	92,829.68
Hi- Spec	97,382.63	-
Lewis and Graves	96,586.71	95,296.71
Servest Ltd	91,172.68	88,966.52
Churchill Contract Services	Withdrew from the tender process	

**Resource Implications:**

£92,829.68 continuing service budget for 2014/15.

**Legal and Governance Implications:**

Procurement has been carried out in accordance with contract standing orders and European procurement regulations.

**Safer, Cleaner and Greener Implications:**

There are no specific implications.

**Consultation Undertaken:**

None.

**Background Papers:**

Specification and Tender submission documents and Consultants evaluation reports.

**Impact Assessments:**

Risk Management

Robust arrangements for ensuring that six operational building are adequately cleaned and all refuse removed from within the buildings.