

North Lanarkshire Council

Report

Communities and Housing Committee

approval noting

Ref

Date 20/11/19

Contract Award for Stairwell Cleaning (Close Cleaning) Contract 2020 - 2023

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Executive Summary

Committee is asked to approve the award of the Contract for Stairwell Cleaning (Close Cleaning) (the 'Contract') to; CAS Contract Cleaning Ltd.

The Contract is for an initial period of 3 years commencing on 13 January 2020. The Council reserves the right to extend the Contracts for additional periods up to a maximum of a further 12 months.

The value of the contract is one million six hundred and twelve thousand, three hundred and ninety pounds (£1,612,390).

Recommendations

It is recommended that the Committee approves the award of the Contract for Stairwell Cleaning (Close Cleaning) to CAS Contract Cleaning Ltd for the sum of £1,612,390.

This recommendation follows the completion of a procurement procedure, where the Tenderer recommended for contract award has been evaluated as providing the most economically advantageous tender in terms of cost and quality for the Council.

The Plan for North Lanarkshire

Priority Improve the health and wellbeing of our communities

Ambition statement (17) Ensure we keep our environment clean, safe, and attractive

1. Background

- 1.1 The Contract is for a weekly stairwell cleaning (close cleaning) service within low rise blocks of flats throughout North Lanarkshire.
- 1.2 The weekly stairwell cleaning (close cleaning) service was introduced by the Housing Service in 1999 due to the increasing problems of managing blocks of flats where tenants were not maintaining communal areas. Officers were spending a significant amount of time pursuing tenants not adhering to their tenancy conditions and flatted properties were becoming increasingly difficult to let.
- 1.3 The Stairwell Cleaning Services (Close Cleaning) programme in operation through Housing Solutions has demonstrated a positive impact in terms of the maintenance and upkeep of the low rise flats throughout North Lanarkshire. The introduction of the service has also enabled the service to continually reduce void turnaround times with an associated reduction in void rent loss. Current void rent loss figures within North Lanarkshire are 0.61% against a Scottish average of 0.9%.
- 1.4 The current contract for the Stairwell Cleaning (Close Cleaning) programme 2016 - 2019 was approved at Housing and Social Work Services Committee on 4 February 2016 for a period of three years with an additional 1 year extension at the discretion of the council. This one year extension option was taken up by the council and the current contract is due to expire in January 2020.
- 1.5 Approval was received from the Communities and Housing Committee on 22 May 2019 to tender for a new contract, initially for a period of 36 months, from January 2020, with an option to extend for a further 12 months at the council's discretion.

2. Report

- 2.1 A user intelligence group (the 'UIG') of technical and procurement representatives was formed to review technical specifications, discuss trading processes, market conditions and trends, ways to maximise community benefits and sustainability and to agree the procurement strategy that would deliver maximum benefit for the Council.
- 2.2 The value of the Contract dictated that the procurement procedure be undertaken in accordance with the Public Contracts (Scotland) Regulations 2015. The contract opportunity was published in the OJEU and on the Public Contracts Scotland website. The open procurement procedure was adopted.
- 2.3 Based on the criteria and scoring methodology set out in the procurement documents, an evaluation of the tender responses was completed by members of the UIG. Selection stage responses were evaluated first. Tenderers who satisfied the selection stage criteria progressed to the award stage evaluation.
- 2.4 The contract award recommendation is made on the basis of the tenderer who submitted the most economically advantageous tender.
- 2.5 The tender submitted by CAS Contract Cleaning Ltd has been evaluated as representing the most economically advantageous tender.

- 2.6 Appendix 1 confirms the scoring achieved by each Tenderer, further details of the procurement procedure is provided in Appendix 2.
- 2.7 Officers from Housing Solutions will be responsible for managing the Contract which will be undertaken in accordance with the Councils agreed approach to Contract and Supplier Management.

3. Equality and Diversity

3.1 Fairer Scotland Duty

The report is not about a key strategic decision and not subject to the Fairer Scotland Duty.

3.2 Equality Impact Assessment

An Equality Impact Assessment is not required.

4. Implications

4.1 Financial Impact

The value of the contract is £1,612,390 including the option to extend the Contract.

The costs associated with contract delivery will be contained within the existing HRA budgets

Price Stability

Contract pricing is fixed for the term of the Contract.

4.2 HR/Policy/Legislative Impact

Community Benefits

The Council is committed to maximising the delivery of community benefits. The procurement included a community benefit requirement, this approach is designed to deliver local community benefits where possible. The successful Tenderer has committed to delivering a range of community benefits, these include;

- The provision of work placements for school leavers;
- The use of local suppliers for the supply of materials;
- Supporting charitable partnerships NLC currently work with; and
- Providing sponsorship to the 'NL Young Pumas' football team.

The community benefits that will be delivered do not include the creation of jobs or apprenticeships

Fair Work Practices

The successful Tenderer has also demonstrated commitment to Fair Work practices including payment of the real Living Wage to staff employed in the delivery of the Contract.

Equalities

The procurement procedure excludes any Tenderer where a complaint had been upheld after investigation by the Equality and Human Rights commission or its predecessors and a failure to take remedial action.

4.3 **Environmental Impact**

There is no environmental impact arising from this report.

4.4 **Risk Impact**

There are no significant risk implications arising from this report.

5. **Measures of success**

The Contract will deliver the following outcomes;

- 5.1 The appointment of a Service Provider who has the experience and capability to deliver an innovative, high quality and responsive service;
- 5.2 The procurement procedure is compliant with the procurement legislation and internal procedures;
- 5.3 That best value is both demonstrable and achieved;
- 5.4 That the Contract secures a range of community benefits;
- 5.5 That the Contract supports payment of the real Living Wage to staff employed in the delivery of the Contract; and
- 5.6 That the Contract performance is proactively managed against a number of Key Performance Indicators.

6. **Supporting documents**

The plan for North Lanarkshire	Improve economic opportunities and outcomes, and to improve North Lanarkshire's resource base
Appendix 1	Summary of Evaluation Process
Appendix 2	Summary of Procurement Procedure
Appendix 3	SME status and location of all Tenderers



Stephen Llewellyn
Head of Housing Services

Appendix 1 – Summary of Evaluation Process

Tenderer Name	Final Tender Score	Final Rank	Recommended for Contract Award (Yes/No)
CAS Contract Cleaning Ltd	92.27%	1	Yes
Caledonian Maintenance Services Ltd	89.36%	2	No
Mario Group Facilities Management	85.45%	3	No
Lees Cleaning Contractors LLP T/A Lees Premier Cleaning	75.01%	4	No
Churchill Contract Services Ltd	68.55%	5	No

Appendix 2 – Summary of Procurement Process

Contract Title	Stairwell Cleaning Services (Close Cleaning) 2020 - 23
Contract start date	13 January 2020
Initial Contract Period	36 Months
Contract Extension option	12 Months
Total contract value including extension option	£1,612,390
Governing UK Procurement Regulation	Public Contracts (Scotland) Regulations 2015
Procurement procedure adopted	Open Procedure
Interest List – number of organisations that downloaded the procurement documents from the procurement portal	16
Number of tenders received	5
Number of non-compliant tenders	0
Number of compliant tenders	5
Number of recommended providers	1
Basis of contract award	Most Economically Advantageous Tender
Evaluation Team	Karen McGettigan, Housing Operations Manager Linda Grenfell, Procurement Officer Ann Pickering, Housing Service Manager John Sneddon, Senior Estates Officer

Appendix 3 – SME status and location of all Tenderers

Name of Tenderer	Size of Tendering Organisation (Micro, Small, Medium or Large)	Location (Local Authority/Council Area)
CAS Contract Cleaning Ltd	Medium	Glasgow City Council
Caledonian Maintenance Services Ltd	Medium	Glasgow City Council
Mario Group Facilities Management	Small	Glasgow City Council
Lees Cleaning Contractors LLP T/A Lees Premier Cleaning	Medium	South Tyneside Council
Churchill Contract Services Ltd	Medium	Harpenden Town Council