

COVID-19 Cabinet Member Delegated Decision

Summary Report & Recommendations

1. Details

Project title:	Contract Extension – Corporate Cleaning Contract
Name and role of report author:	Amanda Lilley – Category Manager (Construction and Maintenance)
Directorate and Service Area:	Homes and Social Inclusion
Executive Director: Director of Homes and Social Investment Head of Corporate Support Service:	Ozay Ali Shelley Williams
Statutory Service (Yes or No):	Yes
Procurement Stage (RP2 or RP3):	RP3
Key Decision (Yes or No - if Yes, include ref and if using General Exemption):	No

2. Summary

The existing contracts for the provision of Corporate cleaning contract with Churchill Contract Cleaning is due to expire during July 2020 which was for a total contract value of £6.1m. The existing contract was for an initial period of 3 years with options to extend for up to 2 further periods of 12 months up to a maximum period of 5 years (3+1+1) at a maximum total contract value of £7.854m (CCB1059/15-16) and on 16th November 2015, Cabinet approved the original award of contract (Min. Ref. A115/15). The first extension period having already been exercised, it is proposed to exercise the second extension option for the final 12 months from 4th July 2020 to 3rd July 2021 at an anticipated value of £1.75m bringing the overall contract value to £7.85m.

Since this is in accordance with the original OJEU Award Notice contract value range and the contract term, from PCR2015 perspective, the Council will remain compliance with the regulations including the Council's standing orders (Tender and Contract Reg).

Under the Health and Safety at Work Act 1974, and more specifically the Workplace (Health, Safety and Welfare) Regulations 1992, employers have a responsibility to ensure that the workplace is kept sufficiently clean and tidy. The Council has a legal obligation to ensure a premises are kept clean, safe and to provide a healthy ('hygienic') environment for all employees and workers, and must take their welfare needs into account.

During March 2020 in response to COVID-19, the Council agreed to close some of its buildings therefore it was agreed for the cleaning operatives to undertake deep cleaning, cleaning of Council's existing buildings and care homes as and when instructed. They work in accordance with Government guidance on social distancing.

To ensure a new long term contract is implemented by 3rd July 2021, a procurement strategy report will be submitted to CCB, with the Council's intention to issue a Prior Information Notice. This is to enable the market to be informed of the proposed indicative procurement timescales with regards to the publication of the ITT pack.

Reasons for recommendations

Due to the unforeseen COVID-19 pandemic, whereby the Corporate FM Support Service and C&P Place and Resources Teams have had to divert their attention to priority one related activities and to prevent risk to property, environment, staff and residents, it is imperative to ensure continuity of cleaning service provision is maintained. This urgent CCB Procurement Summary application has been submitted in response to this, waiving the requirement for the Council's standard report to minimise further delays and impact on the finite resources during this critical time.

Options considered and rejected

The Council has considered the following options:

Option 1 (not recommended) - Re-procurement: for the reasons set out above due to Covid-19, the Council already has an existing contract with Churchill Ltd that offers value for money and provides continuity of service provision. There are also ongoing deep cleaning and other cleaning requirements which may become overdue and therefore a change in contractors at this time would interrupt workflow and likely cause further delay.

Option 2 (not recommended) – do nothing: this is a statutory service and advice from Public Health England is to continue to deliver in the current circumstances, as explained above.

Option 3 (recommended) – extend to the second and final term of contract for 12 months from July 2020 to July 2021 to ensure continuity of service provision is maintained. This will also enable a meaningful procurement process whereby the procurement timescales can be informed through market engagement via prior information notice.

Therefore, it is recommended in response to the Covid-19 virus for CCB to approve:

- The extension of the existing contract with Churchill Ltd from 3rd July 2020 to 2nd July 2021 for the final 12 months of the contract term at a maximum contract value of £1.75m;

3. Recommended Procurement Strategy during COVID-19

Recommendation:

Pursuant to Part 5 A Article 1.7 (Urgency Decisions) of the Council's Constitution the Cabinet Member for Finance & Resources is requested to approve:

1. The permitted extension of the existing contract with Churchill Ltd from 3rd July 2020 to 2nd July 2021 at a value of £1.75m bringing the total contract value to £7.85m.

4. Financial Implications

Details	Internal Capital	Revenue	Period funding of	External		Period of funding
				Capital	Revenue	
General Fund		£1.75m	12 months from July 2020			

5. Actions

Action	Action owner	Date
Formalise contract extension with Churchill Contract Services at a total contract value of £1.6m.	Category Manager/Head of Service – Corporate FM	April/May 2020
Submit RP2 Strategy Report for Long Term provision to CCB for Approval during May/June 2020	Category Manager/Head of Service – Corporate FM	May/June 2020
Issue OJEU PIN (Prior Information Notice) to enable Market to be aware of anticipated procurement timescales	Category Manager/Head of Service – Corporate FM	June 2020
Finalise ITT Pack ready for release to Market	Category Manager/Head of Service – Corporate FM	September 2020
Award of Contract	Category Manager/Head of Service – Corporate FM	December 2020

6. Outcome and approval

Outcome	Date agreed	
	CCB	CCB1575/20-21
	Cllr Hall	11/05/2020
	Leader/Lead Member	