

<b>Andrew Edwards, Director Property and Assets</b>	<b>Ref No:OKD18 20-21</b>
<b>July 2020</b>	<b>Key Decision:</b> Yes
<b>Award of contracts: Soft Facilities Management Services in Council Buildings</b>	<b>Part I</b>
<b>Report by Jeremy Rigby, Head of Facilities Management</b>	<b>Electoral Divisions: All</b>
<p><b>Summary</b></p> <p>West Sussex County Council (WSSCC) undertook a competitive procurement exercise in accordance with the Public Contracts Regulation 2015 to award contracts for the Soft FM Services for corporate buildings. The 3 separate contracts are for 1) Cleaning 2) Grounds Maintenance and 3) Security.</p>	
<p><b>West Sussex Plan: A Council that Works for the Community</b></p> <p>The delivery of these services underpin the ability of the Council to meet its vision and strategic aims set out in the "West Sussex Plan".</p> <p>Delivery of the procured services will tie directly to the stated aims of a council that works for the community:</p> <ul style="list-style-type: none"> <li>• Working in partnership with District and Borough Councils, creating the ability to share contractual arrangements.</li> <li>• Ensuring the Council achieves value for money as a result of the procurement process.</li> </ul>	
<p><b>Financial Impact</b></p> <p>The Facilities Management team manages the revenue budgets for the services for all corporate buildings.</p> <p>The initial contract period will be for 4 years with the ability to extend for a further 3 years subject to a satisfactory review of performance of the service.</p> <p>The contract sums that have been tendered deliver a small saving of £38k compared to current prices for the existing corporate estate.</p>	
<p><b>Recommendation:</b></p> <p>That the Director Property and Assets awards the following single award contracts for Soft Facilities Management Services of 4 years with options to extend to a maximum of 7 years, to commence 1 October 2020:</p> <ol style="list-style-type: none"> <li>1. Cleaning: Churchill Contract Services Ltd</li> <li>2. Grounds Maintenance: Idverde Ltd</li> <li>3. Security: AMULET Ltd (Churchill Security Services)</li> </ol>	

## Proposal

### 1. Background and Context

1.1 Decision report [ECR02 19/20](#) set out that the procurement will establish contracts to provide the facilities management services for corporate buildings in compliance with the Public Contract Regulations 2015, to start as of 1st October 2020 and is for:

- Cleaning
- Grounds Maintenance
- Security

1.2 Schools and academies will continue to have access to the WSCC cleaning, grounds maintenance and security contractual arrangements in order to create their own contract directly with the contractor.

1.3 A PIN was issued in the Official Journal of the European Union (OJEU) on 17 July 2019 (ref 2019/S 136-335180) for a market consultation exercise, the learning of which was incorporated into the procurement process and documentation.

1.4 A Contract Notice was issued in the OJEU on 19 March 2020 (ref 2020/S 056-134564) in relation to the procurement process. Further promotion of the requirement was made for both procurements through the West Sussex e-Sourcing Portal and Contracts Finder.

1.5 A total of 98 organisations expressed interest in the opportunity for the 3 Services on the e-Sourcing Portal.

1.6 The following number of tenders were received from 23 bidders:

<b>Specialist Area</b>	<b>Number of Bids Received</b>
Cleaning	9
Grounds Maintenance	6
Security	14

1.7 Capita Procurement Services undertook compliance checks on the tender submissions to ensure all schedules that were required were duly submitted and that the tenders were correct.

1.8 The tender evaluation criteria and evaluation model, as detailed below, was included in the tender documentation for each procurement:

<b>Element</b>	<b>Services Weighting (%)</b>
Technical	40%
Commercial	60%
	100%

- 1.9 The tenders were evaluated by the evaluation panel between the 26 May 2020 and 9 June 2020 and a series of moderation meetings held from the 10 to 12 June 2020 to discuss and agree final scores.
- 1.10 The appointed Procurement Officer has ensured that the procurement process was compliant.

## 2. Proposal Details

It is proposed to award single supplier contracts to the winning tenderers for the duration of four years plus extensions, to a maximum contract period of seven years.

### Factors taken into account

## 3. Consultation

A market engagement event was conducted with feedback from potential bidders being incorporated into the procurement.

## 4. Financial (revenue and capital) and Resource Implications

### 4.1 Revenue consequences of proposal

The Services contracts had an annual value of £1.685k and the tendered amounts have realised a small saving of £38k per annum based upon the corporate estate at this time.

	Year 1 2020/21	Year 2 2021/22	Year 3 2022/23	Year 4 2023/24
	£m	£m	£m	£m
<b>Revenue Budget</b>				
Cleaning	1.326	1.326	1.326	1.326
Grounds Maintenance	0.084	0.084	0.084	0.084
Security	0.275	0.275	0.275	0.275
<b>Tendered costs</b>				
Cleaning	1.362	1.362	1.362	1.362
Grounds Maintenance	0.085	0.085	0.085	0.085
Security	0.200	0.200	0.200	0.200
Saving Achieved	0.038	0.038	0.038	0.038

### 4.2 The effect of the proposal

This contractual arrangement will ensure that the 3 services are aligned and the contract term dates are co-terminus to allow future Facilities Management strategies to be undertaken.

In addition to the savings above due to Churchill Contract Services being successful in being awarded the Cleaning and Security contracts there will be a 2% rebate of the total contract value of both services payable to the Council, which based on the tendered sums will realise £30k of income

#### 4.3 *Human Resources, IT and Assets Impact*

There will be a contract manager that will have responsibility for performance managing the 3 soft FM services and within the existing staff resource.

### **5. Legal Implications**

5.1 The contractors have accepted the Terms of Offer and Conditions of Contract issued with the invitation to Tender.

5.2 Capita Procurement Services conducted the procurement exercise on behalf of the Council and as such are required to ensure the process was in compliance with the Public Contracts Regulations 2015 and the Council's Standing Orders on Procurement and Contracts.

### **6. Risk Implications and Mitigations**

6.1 The risk of the service provider failing to deliver the service during the life of the contract. Robust contract reporting and management provisions with good relationships built between the service provider and the Council.

### **7. Other Options Considered**

Alternative procurement options were considered as part of the Key Decision Report (ref ECR02 19-20).

### **8. Equality and Human Rights Assessment**

8.1 The public sector equality duty will apply to the delivery of the services which fall within the contract, and the terms of the contract will ensure that they enable the County Council to fulfil its obligations through the delivery of the contract, and provide sufficient assurance that the duty will be complied with.

8.2. The proposal has no implications under the Human Rights Act 1998.

### **9. Social Value and Sustainability Assessment**

The new set of contracts has been tendered with consideration as to how contractors will provide added social value, reflecting the County Council's duty under the Public Services (Social Value) Act 2012.

### **10. Crime and Disorder Reduction Assessment**

None.

**Contact Officer:** Jeremy Rigby, Head of Facilities Management

-