

**COMMISSIONING AND PROCUREMENT SUB-COMMITTEE****14<sup>th</sup> November 2017**

<b>Subject:</b>	<b>Cleaning Consumables Contract</b>		
<b>Corporate Director(s)/ Director(s):</b>	Andrew Vaughan, Corporate Director of Commercial and Operations		
<b>Portfolio Holder(s):</b>	Councillor Graham Chapman, Portfolio Holder for Resources and Neighbourhood Regeneration		
<b>Report author and contact details:</b>	Paul Ritchie Lead Procurement Officer 0115 8764194 <a href="mailto:Paul.ritchie@nottinghamcity.gov.uk">Paul.ritchie@nottinghamcity.gov.uk</a>		
<b>Key Decision</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Subject to call-in</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Reasons:</b>	<input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital	
Significant impact on communities living or working in two or more wards in the City		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Total value of the decision: £2,000,000</b>			
<b>Wards affected: All</b>	<b>Date of consultation with Portfolio Holder(s): Councillor Graham Chapman 25/10/17</b>		
<b>Relevant Council Plan Key Theme:</b>			
Strategic Regeneration and Development			<input type="checkbox"/>
Schools			<input type="checkbox"/>
Planning and Housing			<input type="checkbox"/>
Community Services			<input type="checkbox"/>
Energy, Sustainability and Customer			<input type="checkbox"/>
Jobs, Growth and Transport			<input type="checkbox"/>
Adults, Health and Community Sector			<input type="checkbox"/>
Children, Early Intervention and Early Years			<input type="checkbox"/>
Leisure and Culture			<input type="checkbox"/>
Resources and Neighbourhood Regeneration			<input checked="" type="checkbox"/>
<b>Summary of issues (including benefits to citizens/service users):</b>			
The current contract expired on 19 <sup>th</sup> October 2017 and has moved on to a rolling contract.			
Benefits of renewing the contract are that citizens and Nottingham City Council (NCC) employees will be able to visit and work in all NCC properties in a clean and safe environment			
<b>Exempt information:</b>			
None			
<b>Recommendation(s):</b>			
1 To approve to go out to tender and award the contract for a period of 4 years to the most economically advantageous tender received			
2 To delegate the award of the contract to the Corporate Director of Commercial Operations.			
3 To carry out a joint procurement with Derby City Council with Nottingham City Council leading the tendering exercise			

## **1 REASONS FOR RECOMMENDATIONS**

- 1.1 To enable the Council to provide clean and safe environment to work and live in whilst keeping the citizens and staff at heart. The joint procurement with Derby will increase the spend on these products and both Authorities are hoping to make savings through the increase in economies of scale.

## **2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)**

- 2.1 The Council is required to ensure that it is compliant with its own Financial Regulations and EU procurement law and as the current contract has expired a new tendering exercise and subsequent contract award will ensure compliance.

The Council may make savings against current spend on the products via the tendering process including an electronic reverse auction.

## **3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS**

- 3.1 Do nothing, and this option was rejected as the council has an ongoing demand for these products.

## **4 FINANCE COLLEAGUE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)**

- 4.1 The tendering exercise for cleaning consumables will need to demonstrate value for money for the council with savings sought against current spend.
- 4.2 The contract should adhere to financial regulations and once awarded should be regularly reviewed throughout to ensure prices remain competitive and that it is still fit for purpose.
- 4.3 VAT will be treated in accordance with HMRC guidance.

Philip Gretton, Senior Commercial Business Partner 6<sup>th</sup> November 2017

## **5 LEGAL AND PROCUREMENT COLLEAGUE COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND INCLUDING LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)**

- 5.1 The procurement team will assist with the tendering competition and ensure that a fully compliant value for money contract is entered into.

Paul Ritchie, Lead Procurement Officer, 20<sup>th</sup> October 2017.

Legal Comments:

- 5.2 Given the total estimated value of this contract over its whole life, a competitive tender exercise needs to be undertaken for the award of a new contract for the supply of cleaning consumables. It is understood from the report author that cleaning consumables will be ordered as and when required (on a call off basis) up to a maximum spend by Nottingham City Council of £2,000,000. It is understood from the report author that Derby City Council will enter into their own contract with the successful tenderer for the supply of cleaning consumables.

Sarah O'Bradaigh, Senior Solicitor, 3<sup>rd</sup> November 2017.

**6 STRATEGIC ASSETS & PROPERTY COLLEAGUE COMMENTS (FOR DECISIONS RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE (STRATEGIC REGENERATION COMMITTEE REPORTS ONLY)**

6.1 N/A

**7 SOCIAL VALUE CONSIDERATIONS**

7.1 We have identified city based suppliers and made them aware of the tender exercise.

**8 REGARD TO THE NHS CONSTITUTION**

8.1 N/A

**9 EQUALITY IMPACT ASSESSMENT (EIA)**

9.1 Has the equality impact of the proposals in this report been assessed?

No



An EIA is not required because:

(Please explain why an EIA is not necessary)

The use of the products do not have any equalities implications for staff or citizens.

**10 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)**

10.1 N/A

**11 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT**

11.1 N/A