

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

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| Reference Number:     | 4864   |
| Author:               | Holly Fisher   |
| Department:           | Finance and Resources  |
| Contact:              | Holly Fisher<br>(Job Title: Lead Procurement Officer (Products), Email: holly.fisher@nottinghamcity.gov.uk, Phone: 01158762364)  |
| Subject:              | Corporate Cleaning Contract Direct Award on ESPO Cleaning Materials and Janitorial Supplies 2022 framework   |
| Total Value:          | 600,000.00 (Type: Revenue)   |
| Decision Being Taken: | 1) To approve the spend of up to £600,000 on cleaning consumables, pursuant to a direct award (subject to prior exemption from the Contract Procedure Rules requirement to obtain three written tenders) to a single supplier (Bunzl UK Ltd t/a Bunzl Cleaning and Hygiene Supplies (BCHS)) on the ESPO Cleaning Materials and Janitorial Supplies 2022 framework, for a fixed term of two years. 2) To delegate authority to Corporate Director for Resident Services to sign the call-off contract |

Reasons for the Decision(s)

**The corporate contract for the provision of cleaning consumables has now lapsed, and so all spend in this area is now non-compliant and potentially at market price rather than discounted. The Council needs to have a compliant and commercially viable cleaning consumables contract. The procurement recommendation is for Nottingham City Council to award a short term contract to the previous provider, Bunzl, under the terms of the ESPO Cleaning Materials and Janitorial Supplies framework. The terms of the ESPO framework allow for direct award to the preferred supplier. This framework has been selected due to its award mechanism, and also for the discounted rates offered to members.**

**From the 1 October, without a formal and compliant agreement, the Council will not have access to the previously discounted rates. Bunzl envisage the Council's total basket cost to increase by 21.09% - based on previous usage. A two year contract allows for a thorough contract aggregation exercise to be undertaken across the Council and its departments.**

Briefing notes documents:

**CPU 3384 Procurement Options Short term.doc**

Other Options Considered:

**Do nothing - accept the price increases and continue to have separate contracts across the organisation - this would not comply with NCC contract procedure rules or the Public Contract Regulations and so was rejected Undertake procurement exercise for departments already included in scope of the existing specification - this would not comply with NCC contract procedure rules or the Public Contract Regulations and so was rejected Aggregate all areas of the council and create multi-lot, multi-provider framework to create supply resilience and constant competitive tension - this would mean that the spend until an award would not comply with NCC contract procedure rules or the Public Contract Regulations and so was rejected Each of these options were considered and have strengths and weaknesses, but none address the immediate need for a compliant and commercially viable solution.**

Background Papers:

**None**

Published Works:

**None**

Affected Wards:

**Citywide**

Colleague / Councillor  
Interests:

None

Consultations:

Those not consulted are not directly affected by the decision.

Crime and Disorder  
Implications:

There are no crime or disorder implications

Equality:

EIA not required. Reasons: The decision does not contain proposals for a new or changing policy, service or function

Social Value  
Considerations:

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mso-fareast-font-family:Arial;mso-bidi-font-weight:bold">(1)  
<span style="mso-bidi-font-size:10.0pt;  
line-height:107%;font-family:" Arial",sans-serif;mso-bidi-font-weight:bold">Social  
Value will be included in the requirement and contractual documents - the  
nature of the contract will have a number of environmental considerations and  
targets.  
  
<span style="mso-bidi-font-size:10.0pt;line-height:107%;font-family:" Arial",sans-serif;  
mso-fareast-font-family:Arial;mso-bidi-font-weight:bold">(2)  
<span style="mso-bidi-font-size:10.0pt;  
line-height:107%;font-family:" Arial",sans-serif;mso-bidi-font-weight:bold">KPIs  
will be determined by <span style="font-size:11.0pt;font-family:"Calibri",sans-serif;  
mso-fareast-font-family:Calibri;mso-fareast-theme-font:minor-latin;color:#1F497D;  
mso-ansi-language:EN-GB;mso-fareast-language:EN-US;mso-bidi-language:AR-SA">ESPO  
Cleaning Materials and Janitorial Supplies 2022 framework

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

27/02/2023

Advice Sought:

Legal, Finance, Procurement, Building Services

**Legal Advice:**

A Portfolio Holder Decision is required for all Executive (non-key) decisions of a budgetary nature of £ 25,000 or over and ANY decision requiring dispensation from Financial Regulations, as is the case here. The proposed Direct Award from the ESPO Framework, whilst permissible under the rules for the Framework, will require a signed exemption from the Council Contract Procedure Rules expectation for three written tenders to be obtained, by the s151 officer.

The proposal is a direct award under the terms of the CLEANING MATERIALS AND JANITORIAL SUPPLIES (2022) framework. All of the suppliers awarded on the framework have been selected for their experience and ability to provide customers with a comprehensive range of products that combine quality and value for money, helping the Council achieve compliance with Best Value. In the context of Best Value the officer has confirmed the proposed term of two years is proportionate as it balances market volatility whilst offering both NCC and the supplier some stability, and the opportunity to provide some performance/market data.

The contract value is within scope of the Public Contract Regulations 2015 thresholds for public supply contracts awarded by a local authority- the use of the ESPO framework and call-off contract is compliant with UK/EU procurement legislation.

It should be noted that even where exemption from the Council's Financial Regulations is given regulation 106, 108 110 and 112 of the Public Contract Regulation 2015 require the Council to publish the award of the contract on the government website Contracts Finder.

Richard Bines, Solicitor, Contract and Commercial Team - 14.12.2022

Advice provided by Richard Bines (Solicitor) on 14/12/2022.

**Finance Advice:**

The decision seeks to award a short term 2yr contract under the ESPO Cleaning Materials & Janitorial Supplies framework to the previous provider. This will reduce the risk to inflationary increases in service areas in an effort to keep costs at a minimum.

**Current Budget arrangement:**

The contract covers various different service area spend across the council and budgets are held within service for this type of expenditure. Departmental areas can access the corporate contract as they see fit, any costs ensuing under the contract will need to be met by each service within their existing resource allocation.

The contract value will need to be managed in conjunction with procurement through a specific CPA arrangement to ensure the contract envelope of £0.600m is adhered to over the 2-year period - any spend above this value would need further decision making and scrutiny. Advice provided by Tania Clayton Perez (Commercial Business Partner) on 14/12/2022.

**Building Services Advice:**

Approved cost increase due to national inflationary pressures, NCC are required to purchase and provide consumables to deliver core cleaning and caretaking functions in order to keep the operational portfolio operational and fit for use for all users. Building Services & FM approve of the use of Bunzl as set out by procurement and accept the price increase as per the terms of ESPO framework."

Advice provided by Kenneth France on 05/10/2022.

**Procurement Advice:**

**The proposal involves using a framework to enter into a contract. The framework has specific call-off terms for awarding contracts. Provided the framework process is followed, the award of contract would be compliant with procurement law and therefore there would be no significant Procurement concerns. Advice provided by Paul Ritchie (Procurement Manager) on 04/01/2023.**

**Signatures**

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| <b>David Mellen (Leader/ PH Strategic Regeneration Communications)</b> |
| <b>SIGNED and Dated: 16/02/2023</b>                                    |
| <b>Frank Jordan (CD Communities Environment Resident Services)</b>     |
| <b>SIGNED and Dated: 07/02/2023</b>                                    |