



**Executive
17 August 2011**

**Report from the
Director of Children and Families**

Wards Affected:
ALL

**Authority to invite tenders for a framework agreement for
the provision of cleaning services to Brent schools**

1.0 Summary

- 1.1 Following a report seeking authority to invite tenders for a Cleaning Framework Agreement to commence on 2nd January 2012 at the May 2011 Executive, this report seeks an amendment to the pre-tender considerations contained in that report as required by Contract Standing Orders 88 and 89.

2.0 Recommendations

- 2.1 That the Executive gives approval to amend the pre-tender considerations so that multiple providers suppliers can be appointed to the framework rather than the previous report which recommended a single supplier.

3.0 Detail

- 3.1 In the report to the Executive in May 2011, Officers requested authority to tender a framework agreement for the supply of cleaning services to be made available to all schools within Brent. At this time, the report requested that a single provider be appointed to the framework, however after due consideration Officers believe that a single provider would not offer the best route.
- 3.2 There are currently 77 maintained schools in Brent made up of 59 primary, 4 nursery, 10 secondary and 4 special schools. Presently two schools have expressed an interest in participating in any new framework; however it is envisaged that many more would participate after the award of the framework. Given the likely value of two schools is circa £500k per annum, it is considered that a framework open to all Brent schools would restrict all but the largest providers bidding for the work.

3.3 Allowing for multiple providers will also ensure that smaller and local providers are not excluded from the tender process as not having capacity to provide services to all Brent schools, although any provider submitting a Pre-Qualification Questionnaire will still need to meet the council's pre-determined financial standards.

3.4 Officers have considered the number of providers that should be appointed to the framework and determined that the optimum number of providers is three.

4.0 Pre Tender Considerations

4.1 There are no new pre tender considerations to be considered except for the amendment to the number of providers to be appointed to the framework. Officers therefore seek authority to tender a multiple provider framework agreement of up to three providers for the provision of cleaning services to schools located within the Borough of Brent.

5.0 Financial Implications

5.1 The market testing carried out by Tribal Avail Consultancy on behalf of the Department for Education suggested that when both schools currently wishing to procure the framework agreement collaborated, cleaning service providers were likely to reduce their prices by up to 5%. The lowest price indication suggested that a combined contract could save the two schools £50k pa. Further Value For Money savings/efficiencies would be available to one school as direct management and supervision would be outsourced. The financial benefits would increase as more of Brent schools took advantage of the framework agreement.

5.2 Cleaning costs are met directly by schools from their delegated budgets and any savings achieved would potentially release funds that schools could then direct towards learning and teaching.

6.0 Legal Implications

6.1 The estimated value of the framework agreement for cleaning services over its lifetime is in excess of £500k and therefore the procurement and award of the framework agreement is subject to the Council's Contract Standing Orders and Financial Regulations in respect of High Value Contracts.

6.2 The estimated value of the framework agreement over its lifetime is higher than the EU threshold for Services under the Public Contracts Regulations 2006 ("the EU Regulations"). Cleaning services are classed as Part A Services under the EU Regulations and therefore the framework agreement must be procured fully in accordance with the EU Regulations, to include advertising the framework agreement in the Official Journal of the European Union. The EU Regulations also require that the duration of a framework is no more than 4 years save in exceptional circumstances.

- 6.3 Where more than one provider is appointed to a framework agreement, the framework agreement must set out details as to how call-off contracts are awarded between the providers on the framework. Officers will discuss such procedures with schools and it is likely that a procedure involving a mini-competition between providers will be required.
- 6.4 Once the tendering process is undertaken, Officers will report back to the Executive in accordance with Contracts Standing Orders, explaining the process undertaken in tendering the framework agreement and recommending award.

7.0 Diversity Implications

- 7.1 Officers have screened the proposals set out in this Report and consider that there are no significant diversity implications.

8.0 Staffing/Accommodation Implications (if appropriate)

- 8.1 If a provider is appointed to the framework and schools calling off from the framework are currently using a different provider, this may require staff to transfer pursuant to the Transfer of Undertakings (Protection of Employment) Regulations 2006 from the current contractor to the contractor appointed under the framework.
- 8.2 A subsequent report to the Executive seeking authority to award the framework agreement and call-off contract will advise further on any potential staffing or accommodation implications in the future.

Background Papers

May 2011 Executive report.

Contact Officers:

David Furse, Senior Category Manager, Procurement and Risk Management
Town Hall Annexe, Telephone 020 8937 1170
Email david.furse@brent.gov.uk

Rik Boxer, Assistant Director – Achievement and Inclusion
Chesterfield House, Telephone 020 8937 3201
Email rik.boxer@brent.gov.uk

Krutika Pau
Director of Children and Families