

Decision Maker: PORTFOLIO HOLDER FOR RESOURCES, COMMISSIONING & CONTRACT MANAGEMENT

Date: 7th July 2024

Decision Type: Non-Urgent Non Executive Key

Title: EXTENSIONS: VARIOUS CLEANING, CARETAKING AND WASHROOM SERVICES CONTRACTS

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Ward: All

1. REASON FOR REPORT

1.1 The Council holds various services cleaning, caretaking, and washroom services contracts that service both the existing Civic Centre and various satellite sites (detailed in Appendix 1).

1.2 These contracts and their expiry dates are as follows:

Service Type	Company	Building/ Location	Contract End date
Cleaning	Chequers	Children & Families Centres	30/09/2024
Cleaning	Lodestar	The Griffins Centre	30/09/2024
Caretaking	Lodestar	The Griffins Centre	30/09/2024
Caretaking	Lodestar	Adult Education centres (Kentwood and Poverest)	31/08/2024
Washroom services	Citron	Adult Education centres (Kentwood and Poverest)	31/08/2024
Hand dryers	PHS	Adult Education centres (Kentwood and Poverest)	31/08/2024
Cleaning	City Cleaning	Bromley Civic Centre & Walnuts	30/09/2024
Washroom services	Rentokil/Initial	Bromley Civic Centre & Walnuts	30/09/2024

- 1.3 This report is seeking authorisation to extend beyond term the above-named contracts, to allow for these contracts to align with Churchill Court facility services contract end date of 31st July 2025. This will allow ample preparation time for the contract re-procurement following the agreement of an overall procurement commissioning strategy for service delivery.
 - 1.4 The existing Civic Centre contracts (which also cover one satellite site – 8 Masons Hill) are due to end on 30th September 2024 and have available extension options. The ongoing need for these contracts beyond September 2024 is uncertain, as this is subject to the broader Facilities Management Commissioning Strategy, Accommodation Strategy, the move to Churchill Court and disposal of the existing Civic Centre. This report proposes to apply flexible extensions to manage this.
 - 1.5 The various contracts for satellite sites are typically low value with the exception of the cleaning contract for the Children & Family Centres. All contracts were aligned with end dates in August and September 2024, with no further extension options, with a view to procuring all satellite facilities requirements as a single contract. The Commissioning Strategy for Facilities Management and a report to Members will follow in due course.
 - 1.6 This report proposes extending the various satellite facilities contracts beyond term to align with the Churchill Court facility services contract and the agreement of an overarching Facilities Management Commissioning Strategy for facilities services.
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2. RECOMMENDATION(S)

- 2.1 The Executive, Resources and Contract Policy Development and Scrutiny Committee is asked to note and comment on the report.
- 2.2 The Portfolio Holder for Resources, Commissioning and Contract Management is recommended to:
 - i) Approve extension beyond term for all other satellite site contracts as detailed in Appendix 1 to 31st July 2025 at an estimated overall value for the extension period of £102,154.64 to allow the commissioning strategy for facilities services to be agreed and for the services to be tendered as either a separate satellite services contract or as part of an overall contract for all facilities requirements.
 - ii) Approve the formal one year extension options, should they be required, for both the Civic Centre Cleaning Services contract (City Cleaning and Support Services Ltd) and the Civic Centre Washroom Services contract (Rentokil) for the period from 1st October 2024 to 30th September 2025 at an estimated annual value of £308,990.16 and £6,000.00 respectively for the extension period, noting that a flexible extension arrangement (monthly rolling basis) will be sought to allow for termination of the contracts in part or in full when the need for the requirement reduces or ceases;

Impact on Vulnerable Adults and Children

1. Summary of Impact: N/A
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Transformation Policy

1. Policy Status: Existing Policy
 2. Making Bromley Even Better Priority
(5) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
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Financial

1. Cost of proposal: Estimated Cost £417,140.80
 2. Budget head/performance centre: Various services across the council
 4. Total current budget for this head: £417k
 5. Source of funding: General Fund Budget 2024/25
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Personnel

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours: N/A
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Legal

1. Legal Requirement: Statutory Requirement
 2. Call-in: Applicable
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Procurement

1. Summary of Procurement Implications:
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Property

1. Summary of Property Implications: N/A
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Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications:
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Impact on the Local Economy

1. Summary of Local Economy Implications: N/A
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Impact on Health and Wellbeing

1. Summary of Health and Well Being Implications: N/A

Customer Impact

1. Estimated number of users or customers (current and projected): N/A
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

3.1 This report seeks to extend the various cleaning, caretaking and washroom service contracts in Children and Family Centres (CFC), Bromley Adult Education Centres (BAEC), Griffins Centre beyond term to make it co-terminus with the contract expiration of current Churchill Court Civic Centre contract on 31st July 2025.

3.2 The various cleaning, caretaking, and washroom service contracts that are currently delivered in the Children and Families Centres (CFC) and Bromley Adult Education Centres (BAEC) are managed by the department's service management.

3.3 A decision was recently made by the Council to transfer these services into the Corporate Facilities Management portfolio to allow CFC and BAEC site Department management focus on the delivery of their core service.

3.4 The Children & Family Centres (CFC) are based in six separate sites. In addition, there are two Council nurseries and two Family contact centres. The locations are as follows:

- Biggin Hill CFC
- Blenheim CFC
- Burnt Ash CFC
- Castlecombe CFC
- Cotmandene CFC
- Community Vision CFC
- Community Vision Nursery
- Orpington Family Contact Centre
- Royston Family Contact Centre

3.5 The Bromley Adult Education Centre (BAEC) operates from two centres, Kentwood Centre, Penge and Poverest Centre, Orpington.

3.6 The Griffin Centre is a stand-alone site.

3.7 Please see below the total contract cost and extension costs for the services:

Company	Service Type	Building/ Location	Total Contract Cost	Extension Cost(p.a)
Chequers	Cleaning	Children & Families Centres	464,634.00	83,394.00
Lodestar	Cleaning	The Griffins Centre	34,111.00	5605.00
Lodestar	Caretaking	The Griffins Centre	54,249.00	7614.00
Lodestar	Caretaking	Adult Education centres (Kentwood and Poverest)	15,658.00	2906.00
Citron	Washroom services	Adult Education centres (Kentwood and Poverest)	1,149.28	1149.28
PHS	Hand dryers	Adult Education centres (Kentwood and Poverest)	1,482.36	1482.36
City Cleaning	Cleaning	Bromley Civic Centre & Walnuts	684,770.00	308,990.16
Rentokil/Initial	Washroom services	Bromley Civic Centre & Walnuts	25,000.00	6000.00
			1,281,053.64	417,140.80

3.8 The existing contractors providing services to the CFC, BAEC and Griffins Centre have consistently performed to a good standard throughout the period of the current contract and have met all requirements of the specification to date.

In Stockwell Civic Centre, the cleaning contractor continue to deliver improved cleaning standards and provide reactive cleaning service timely.

- 3.9 The provision of providing emergency call out services is a niche market, and it is an essential requirement of this contract to ensure continuity of delivery in the adult education service.
- 3.10 This report seeks an extension for the cleaning and washroom services in Stockwell Civic Centre on a monthly rolling basis and monthly value of £25,832.51 for the cleaning service and £500 monthly cost for washroom service to allow flexibility when moving from the Civic Centre to Churchill Court
- 3.11 The proposed extension would allow synchronisation with the Council's proposed Commissioning Strategy to allow this contract and other similar contracts within the Children, Education and Families department which are managed by the Facilities Management to be combined as appropriate to deliver best value..

Summary of Business Case

- 3.12 The proposal is to extend the various existing cleaning, caretaking, and washroom services contract with for an additional period of up to 12 months.
- 3.13 This extension will allow sufficient time for the procurement, through a compliant procurement process.
- 3.14 Approve the formal one-year extension option, should they be required, for Civic Centre Cleaning Services and the Civic Centre Washroom Services contract, noting that a flexible extension arrangement will be sought to allow for termination of the contracts in part or in full when the need for the requirement reduces or ceases.

Service Profile / Data Analysis / Specification

- 3.15 The specification and works undertaken for the various sites is currently based on individual site requirements (input specification). However, in line with the cleaning industry best practice, these specifications will be reviewed to deliver an output-based specification which will focus on an agreed cleaning standard for all sites.

3.16 Options Appraisal

Option 1:

Do Nothing

This option is not recommended as it would lead to cessation of necessary service, which would impact service users adversely.

Option 2:

The requirement to extend existing Civic Centre contracts to their full available term.

It is not recommended as this requirement is expected to cease immediately following the Council's move to Churchill Court.

Tender for the existing Civic Centre – this is not recommended as the requirement is for a short period.

Option 3:

Satellite Sites - tender for all services now as a single contract.

This is not recommended pending the proposed Facilities Management Commissioning Strategy as tendering for a short-term contract is not attractive to market and will incur additional procurement costs.

Option 4:

Tender for all contracts individually

This is not recommended as it creates duplication of procurement and contract management for similar requirements with additional cost, and the same commissioning requirements as above (option 3) apply.

Option 5:

Extend the existing Civic Centre on a rolling basis.

Extend beyond term to allow time to agree the Proposed Facilities Management Commissioning Strategy.

Preferred Option

Option 5

It is recommended to extend beyond term the various cleaning, relief caretaking and washroom services contracts to allow time to agree the Facilities Management Commissioning Strategy, a report will be prepared for Members to consider in autumn 2024.

It is also recommended to extend the extended Civic Centre contracts on a monthly rolling basis until the Council's relocation to Churchill Court is completed.

4 PROCUREMENT AND PROJECT TIMESCALES AND GOVERNANCE ARRANGEMENTS

4.1 **Estimated Value of Proposed Action:** The details of the various extensions and extensions beyond term are set out in Appendix 1. The overall value of the proposed extension beyond term is £417,140.80

4.2 **Other Associated Costs:** N/A

4.3 **Proposed Contract Period:** The details of the various extension and extensions beyond term are set out in Appendix 1.

The various satellite site contracts will be extended from their current end date up to 31st July 2025.

The Civic Centre Cleaning and Washroom services will be extended from 1 October 2024 up to 30 September 2025, with a monthly rolling extension agreed with the provider to allow for early termination.

4.4 **Procurement Strategy:**

The report seeks an extension beyond term to allow for a robust, compliant procurement process to take place.

5. MARKET CONSIDERATIONS / IMPACT ON LOCAL ECONOMY

5.1 Cleaning services of this type have a wide range of local and national spread. Suitable market intelligence will take place.

6. SOCIAL VALUE, CARBON REDUCTION AND LOCAL / NATIONAL PRIORITIES

6.1 N/A

7. STAKEHOLDER ENGAGEMENT

7.1 The Corporate FM team will continue to consult with all primary stakeholders through regular monthly meetings and these stakeholders will likely participate in wider procurement model.

8. IMPACT ASSESSMENTS (INCLUDING VULNERABLE ADULTS AND CHILDREN) AND CUSTOMER IMPACT

9. TRANSFORMATION/POLICY IMPLICATIONS

9.1 N/A

10. IT AND GDPR CONSIDERATIONS

10.1 N/A

11. STRATEGIC PROPERTY CONSIDERATIONS

All similar contracts will be subject to the commissioning strategy for the new Civic Centre (Churchill Court)

12. PROCUREMENT CONSIDERATIONS

The relevant stakeholders will be consulted in the procurement process of the services and appropriate procurement procedure will be adhered to.

13. FINANCIAL CONSIDERATIONS

13.1 This report is seeking approval for the extension beyond term for all other satellite site contracts to 31st July 2025 at an estimated overall value for the extension period of £102,150.64.

13.2 Approve the formal one year extension options, should they be required, for both the Civic Centre Cleaning Services contract (City Cleaning and Support Services Ltd) and the Civic Centre Washroom Services contract (Rentokil) for the period from 1st October 2024 to 30th September 2025 at an estimated annual value of £308,990.16 and £6,000.00 respectively for the extension period.

13.3 The Civic Centre Washroom and Cleaning Services contract will be extended on a monthly rolling basis to allow for early termination for once the site is vacated and sold, this should mean that the actual cost for these two contracts will be significantly lower than the annual extension value stated.

13.4 The total estimated cost of the proposal is £417,140.80, based on a full year extension.

13.5 The costs will be split between the following Portfolios with amounts indicated below:-

Children, Education and Families	£102,150.64
Resources, Commissioning and Contracts Management	£308,990.16

All of which have sufficient budget to cover these costs, either directly or within the overall budget allocation, however as stated in 13.3 above, the Resources cost may be significantly lower depending on when the rolling contract is ended.

14. PERSONNEL CONSIDERATIONS

14.1 N/A

15. LEGAL CONSIDERATIONS

16. IMPACT ON HEALTH AND WELLBING

16.1 N/A

17. WARD COUNCILLOR VIEWS

17.1 N/A

Non-Applicable Headings:	6, 8, 9, 10, 14,16, 17
Background Documents: (Access via Contact Officer)	