

ENVIRONMENTAL SCRUTINY PANEL – 14 MARCH 2011

CABINET – 16 MARCH 2011

PUBLIC CONVENIENCES CLEANING CONTRACT

REPORT OF ASSISTANT DIRECTOR (HIGH QUALITY ENVIRONMENT)

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RECENT REFERENCES:

[CAB 2082](#) - Environmental Services Contract - Stage 2 Inter Authority Agreement - 19 January 2011

[CAB 2032](#) - Environmental Services Contract - Progress Report & Tender Evaluation Framework – 9 July 2010

CAB 2000 - Joint Working with East Hampshire District Council on Environmental Contract Services - Progress Report - 20 May 2010 (exempt)

CAB 1948 - Joint Working with East Hampshire District Council on Environment Contract Services –13 January 2010 (exempt)

EXECUTIVE SUMMARY:

This report is the latest in a series relating to the provision of environmental services provided by the City Council.

On 20 May 2010 Cabinet agreed that the public conveniences cleaning contract would be let in partnership with East Hampshire District Council as a separate contract outside of the main Environmental Services Contract (CAB 2000 refers).

This report provides further details of the services to be included, the contract letting timetable and the draft tender evaluation framework and seeks Cabinet's approval to delegate authority to the Joint Environmental Services Committee to undertake the procurement process in accordance with the principles within this report.

RECOMMENDATIONS:That Environment Scrutiny Panel:

- 1) Consider the draft tender evaluation framework for the Public Convenience Cleaning Contract Cabinet and refer any comments for consideration by Cabinet.
- 2) Identify any issues arising from the Public Conveniences Informal Scrutiny Group (ISG) review they would wish to see addressed when the Public Convenience Cleaning Contract is let and refer these to Cabinet for consideration.

That Cabinet::

- 1) Consider any comments received from the Environment Scrutiny Panel in relation to the letting of the Public Conveniences Cleaning Contract.
- 2) Agree to the procurement of the Public Convenience Cleaning Contract jointly with East Hampshire District Council, with a contract period of four years and an option to extend for a further four years from 1 October 2011.
- 3) Approve in principle the draft tender evaluation framework for the letting of the Public Conveniences Cleaning Contract, as outlined in Section 4 of the Report and based on 60% price: 40% quality.
- 4) Authorise the Assistant Director (High Quality Environment) (in consultation with the Portfolio Holder for High Quality Environment) to select the list of tenderers who are to be invited to submit tenders for the services.
- 5) Delegate authority to the Joint Environmental Services Committee to a) agree the content of the final contract specification; b) agree the detailed tender evaluation framework; c) award the contract to the most economically advantageous bidder, provided that the bid is within the approved budget and that all bids have been evaluated in accordance with agreed evaluation criteria.
- 6) Agree that in the event of future changes to current provision of public conveniences which will impact upon the cleaning contract costs including transfer or closure that a further report be brought back to Cabinet to confirm the detailed proposals and any budget implications.

ENVIRONMENTAL SCRUTINY PANEL - 14 MARCH 2011CABINET – 16 MARCH 2011PUBLIC CONVENIENCES CLEANING CONTRACTREPORT OF ASSISTANT DIRECTOR (HIGH QUALITY ENVIRONMENT)1 Introduction

- 1.1 This report is the latest in a series relating to the provision of environmental services provided by the City Council.
- 1.2 On 20 May 2010, Cabinet agreed that the Public Conveniences Cleaning Contract would be let in partnership with East Hampshire District Council, as a separate contract outside of the main Environmental Services Contract (CAB 2000 refers). The Inter-Authority Agreement allows for this contract to be procured jointly, in the same way as the Environmental Services Contract (i.e. with East Hampshire acting as the administering authority and letting the contract on behalf of itself and the City Council, and then the contract being managed through the Joint Environmental Services Committee).
- 1.3 This report provides further details of the services to be included, the contract letting timetable and the draft tender evaluation framework and seeks Cabinet's approval to delegate authority to the Joint Environmental Services Committee to undertake the procurement process in accordance with the principles within this report.

2. Public Conveniences

- 2.1 The City Council has 11 public conveniences within its District, seven of which are located within the Winchester town area and four located in the market towns of Alresford, Bishop Waltham, Wickham and Denmead.
- 2.2 Cleaning of these facilities was included within the original depot services contract and is carried out by the City Council's existing contractor, Serco, at a cost of approximately £160,000 per annum. East Hampshire has a smaller number of conveniences, the cleaning of which is carried out under a stand alone contract.
- 2.3 The re-letting of the public convenience cleaning contract provides a number of opportunities to both rationalise the facilities included and to review the service specification building on the previous work of an the Environment Scrutiny Panel ISG in 2009. Progress against the recommendations within their report will be reported to the Environment Scrutiny Panel on the 14 March (Report EN110 refers) and any conclusions relating to the procurement process for the new contract reported to Cabinet verbally as part of this report.
- 2.4 An abbreviated table of the recommendations identified by the ISG which might impact on the toilet cleansing contract, together with current progress

and also any implications for the new contract specification, is shown at Appendix 1.

2.5 In addition, the City Council are currently in the process of procuring a new Office Cleaning Contract which, for historical reasons, includes the cleaning of the public conveniences at the Winchester Park and Ride sites. The Park and Ride toilets will have to be cleaned under the Office Cleaning Contract until at least the commencement date of the Public Conveniences Cleaning Contract, but in order to have the opportunity to rationalise the services, it is sensible to now include the Park and Ride toilets as an option within the overall Public Conveniences Cleaning Contract.

2.6 Staff currently employed by the current contractor, either wholly or for the majority of their time on the Winchester City Council Contract, will transfer in accordance with TUPE regulations to any new contractor. Staff will transfer on their existing terms and conditions which will be set out in the tender documents.

3. Tender Evaluation Scheme

3.1 Assessment will be undertaken to ascertain tenderers' ability to comply with TUPE and other relevant employment, equality and Health and Safety legislation and good practices.

3.2 To ensure that the results of the tender evaluation are acceptable to both councils, it is essential that both authorities approve the tender evaluation scheme, in advance.

3.3 Details of the draft scheme are set out below. Procurement law is very clear and unequivocal, in that tender evaluation methods must be entirely transparent and justified. To that end, a full version of the tender evaluation scheme supporting guidance and the scoring matrix will be included with the Invitation to Tender documents.

3.4 Equally, the results of the final evaluation are also governed by what has been included in the Tender Evaluation Scheme. There is no latitude for the Joint Committee or either Council to revisit the scoring process once tenders have been invited.

4. Tender Evaluation Scheme – Details

4.1 The Joint Project Board considered the high-level process of evaluation at its meeting on 24 February 2011 when the draft evaluation criteria were agreed. Importantly, because of the high profile nature of public conveniences and the need to maintain sufficient quality in order to meet public expectations, it recommended that the following price/quality split be adopted for this contract.

Price: 60% of marks

Quality: 40% of marks

4.2 This differs from the other Environmental Services Contract which adopted a 70/30 price:quality split in order to attract competitive bids with improved

savings. A lower quality percentage was considered acceptable because of the reduced potential for lower service standards linked to price because of the nature of the work involved. Although the decision to only weight 30% of the scoring to quality presented a risk, the Project Board in that case felt it was acceptable when weighed up against the cost benefits and need to achieve savings. Given the lesser value of the Cleaning Contract, it is considered that a higher quality percentage is appropriate.

- 4.3 The draft quality scoring framework showing the weightings applied to each area is attached at Appendix 2. The framework will need to be agreed by the Joint Environmental Services Committee before the contract procurement process can commence and Cabinet are asked to comment on the content and delegate the decision for the final agreement of the framework to the Joint Environmental Services Committee.
- 4.4 Insofar as the final costs of services are concerned, this will depend upon which additional/enhanced services, such as increased frequency of deep cleansing, are implemented.

5. Procurement Timetable

- 5.1 The timetable is as shown at Appendix 3, which will ensure that the successful contractor is in place ready for a commencement date of 1 October 2011. It is proposed to let the contract for a period of 4 years, with an option to extend for a further 4 years to tie in with the 8 year contract period for the remaining Environmental Services (which include refuse and recycling and streetcare).
- 5.2 As with the Environmental Services Contract, it is recommended that once the tender evaluation criteria has been agreed then, authority to let the contract is delegated to the Joint Environmental Services Committee (provided the tenders received are within existing budgets).
- 5.3 If additional service options such as an increased number of deep cleans are included within the final contract, then it is anticipated that these can be funded through procurement savings on the core services, due to the highly competitive market that currently exists within contracted services.
- 5.4 In the event that overall service costs increase, a further report will be brought back to Cabinet for decision.

OTHER CONSIDERATIONS:

7. SUSTAINABLE COMMUNITY STRATEGY AND CHANGE PLAN

- 7.1 The delivery of the contracted services within the Environmental Services Contract make a significant contribution to a number of priorities within the Sustainable Community Strategy; namely:
- a) High Quality Environment outcome,
 - b) Access to Services priority,

- c) Reduction in the District's CO₂ footprint priority.

8. RESOURCE IMPLICATIONS

- 8.1 There should be no added resource implications as a result of this procurement process if the existing service is maintained. Staff resources to undertake the exercise have already been planned for and it is hoped that savings should be achieved once the tenders are received.
- 8.2 If additional service options, such as an increased number of deep cleans, are included within the final contract, then it is anticipated that these can be funded through procurement savings on the core services due to the highly competitive market that currently exists within contracted services. Any budgetary implications will be dealt with in accordance with Financial Procedure Rules, including any implications for the Winchester Town Account Budget.
- 8.3 The City Council receives contributions from the Winchester Town Account and Parish Councils towards the cost of running these facilities including cleaning. The re-letting of this contract will not alter these arrangements in operational and financial (proportionate) terms for the time being. However, the timing of the contract and break periods allow for changes to be made in the future, such as handing over a facility to a Parish Council or closure.
- 8.4 In the event that any changes are proposed to the current provision of conveniences in the future then a further report will be brought back to Cabinet to confirm the detailed proposals and budget implications.
- 8.5 In the event that overall service costs increase following the tendering process, a further report will be brought back to Cabinet for decision.

BACKGROUND DOCUMENTS:

See previous reports described above and project papers (other than exempt reports).

APPENDICES:

Appendix 1: Update on the Public Conveniences Informal Scrutiny Group's recommendations

Appendix 2: Public Convenience Cleaning Contract - Tender Evaluation – Draft Scoring Criteria

Appendix 3: Public Conveniences Cleaning Contract – High Level Project Plan

Appendix 1

Recommendation	Progress & Contract implications
<p>That the Tower Street Public Conveniences not be reopened and that the money planned for its refurbishment, where possible, be re-directed to improve other public conveniences in the town.</p>	<p>Action completed. Facilities 'mothballed' and disabled facility left open. Should reduce contract costs slightly.</p>
<p>That the Middle Brook Street Public Conveniences be closed, once the new public conveniences at Silver Hill become available. In the meantime, the lighting at the Middle Brook Street Public Conveniences should be improved.</p>	<p>Contract will allow for closure.</p>
<p>That officers prepare a long-term programme of planned refurbishment (with costings and identified priorities for improvement) and that these be reported to Cabinet as part of the 2010/11 Capital Programme</p>	<p>Survey completed and bid submitted for 2011/12 capital programme but was unsuccessful. May cause difficulties where structure problems hamper effective cleaning.</p>
<p>That, in terms of improving the condition of the public conveniences, officers execute the "quick wins" identified by the Group at paragraph 5.4 onwards and by New Alresford Parish Council (appendix 1), where practicable. In particular, the Group underlined the need to routinely check the operation of the disabled alarm systems, particularly at St Catherine's Park and Ride car park.</p>	<p>Most items completed. Remaining items will have to await a future successful capital bid. Checking of alarms may be included within contract specification for efficiency reasons.</p>

**Public Convenience Cleaning Contract
Tender Evaluation – Draft Scoring Criteria**

Working Methods

Provide a reliable attendant service

Methodology to show evidence of weekend cover	2.5 marks
Detail of work plan	2.5 marks
Carrying out maintenance	2.5 marks
Clear identity	2.5 marks

Total 10 marks

Carry out toilet cleansing to a high standard

Method statement for daily cleanse	2.5 marks
Method statement for monthly cleanse	2.5 marks
Method statement for six monthly cleanse	2.5 marks
Method statement for carrying out minor maintenance	2.5 marks

Total 10 marks

Ensure constant supplies of consumables

Recording of usage levels	2 marks
Trigger levels for topping up supplies	1 marks
Reporting to client	2 marks
Clear billing method	1 marks

Total 6 marks

Provide an auditable cash-handling service

Maximum marks for demonstrating knowledge of security measures and good practice.

Total 5 marks

Reporting of vandalism/anti-social behaviour

Methods of recording incidents	1 mark
Procedure for reporting incidents	2 marks
Training of staff	2 marks

Total 5 marks

Staff Resources**How many staff to carry out the contract?**

Organisation chart	5 marks
Clear plans for holiday / sickness absence cover	5 marks
Minimum use of agency staff	5 marks
Weekend cover	5 marks
Total	20 marks

How will contract supervision take place?

Clear plan needed. Details of who, how and when. What feedback will be given to client, and how?

Total **10 marks**

Is there a training policy for all staff covering ?

- Health & Safety	5 marks
- Conflict Management	5 marks
- Disability Awareness & Child Protection	5 marks

Management & Administration**How will performance be measured ?**

Method of sampling	5 marks
Reporting mechanism	5 marks
Total	10 marks

How will the mobilisation period up to commencement be managed ?

Project Plan and method statements detailing:

TUPE
 Training
 Key purchases and appointments.
 Contingencies for start up
 Familiarisation with facilities
 Establishment of supplies
 Development of cleaning regime
 Schedule of client liaison meetings.

Total **9 marks**

Overall Total 100 marks

Public Conveniences Cleaning Contract – Draft High Level Project Plan

Actions / Project Tasks	Start Date	End Date	Days
Write contract spec	01/02/2011	28/02/2011	28.00
Write Terms and Conditions and other documents	01/03/2011	30/03/2011	30.00
Write PQQ	01/03/2011	21/03/2011	21.00
Write Evaluation criteria	01/03/2011	14/03/2011	14.00
Decide No. of tenderers	14/03/2011	14/03/2011	1.00
Take spec and tender evaluation to Project Board	15/03/2011	15/03/2011	1.00
Write JESC report	16/03/2011	22/03/2011	7.00
Spec and tender evaluation to JESC for approval	28/03/2011	28/03/2011	1.00
Advertise in OJEU e-journal (+37 days)	01/04/2011	07/05/2011	37.00
Advertise in local press	01/04/2011	14/04/2011	14.00
Analyse expressions of interest/Complete tender list	10/05/2011	11/05/2011	2.00
Send out PQQ's / respond to queries	11/05/2011	24/05/2011	14.00
Assess returned PQQ's	25/05/2011	04/06/2011	10.00
Send out tender documents (40 days to return)	05/06/2011	14/07/2011	40.00
Write JESC contract award report	10/06/2011	17/06/2011	8.00
Analyse returned tenders	15/07/2011	21/07/2011	7.00
Tender evaluation results and award recommendation to Project Board	21/07/2011	21/07/2011	1.00
Tender evaluation results and award recommendation to JESC	27/07/2011	27/07/2011	1.00
Stand still (10 calendar days)	28/07/2011	07/08/2011	10.00
Formally award contract/publish decision in OJEU	10/08/2011	10/08/2011	1.00
Contractor mobilisation	15/08/2011	28/09/2011	44.00
Commence contract (1st October)	01/10/2011	01/10/2011	1.00
			240.00