

Divisions Affected – N/A

**DELEGATED DECISIONS BY CABINET MEMBER FOR COMMUNITY
AND CORPORATE SERVICES**

27 February 2024

Cleaning Service Contract Award

Report by Executive Director of Resources

RECOMMENDATION

1. **The Cabinet Member for Community and Corporate Services is RECOMMENDED to:**
 - a) approve the award of a contract to Parkers Contract Cleaning Ltd for the cleaning service at each of Oxfordshire County Council's (OCC) sites where there is less than 25 hrs cleaning per site.

Executive Summary

2. Since the collapse of Carillion, OCCs property service partner from 2012 to 2018, the cleaning of the corporate estate has been managed in house by the Facilities Management team within Property Services. The cleaning service operates across all OCC corporate sites and 12 schools.
3. The management function of the team is resourced with OCC staff and the cleaning staff are a combination of staff transferred under TUPE regulations¹ from Carillion to OCC with support from a third party, Parkers Contract Cleaning Ltd.
4. The service currently faces significant challenges in recruiting staff. This has led to a reliance on a third-party contractor to support a high number of vacancies across the county. Many recruitment campaigns and initiatives have been undertaken with little success. And, despite restructuring and various cost saving initiatives, the service has not been able to manage within the budget available.
5. Options appraisals for future service delivery models were undertaken with a range of critical success factors. The preferred option identified from the appraisal was an OCC Blended Model with OCC staff cleaning larger

¹ TUPE – Transfer of Undertakings (Protection of Employment) Regulations which protects employees' rights when an organisation or service transfers from one employer to another.

corporate sites and a third-party contract for smaller remote sites (under 25 hrs per week).

6. Following a procurement process, Parkers Contract Cleaning Ltd was identified as the sole but compliant bidder. The recommendation is to award a contract for three years with an option to extend for a further year.

Options Appraisal

7. OCC operates a hybrid model for the delivery of cleaning services to the corporate estate and schools with an agreed Service Level Agreement. There are circa 100 staff employed by OCC with the remainder (approx. 30 staff) provided by Parkers Contract Cleaning Ltd.
8. Four options for service provision have been considered and each evaluated against critical success factors which were savings achieved; least reputational risk; least user risk and strategic aims achieved.
9. The four options for service delivery considered were:
 - Option 1 – Do Nothing Option/Base Case (current hybrid model)
 - Option 2 - OCC Blended Model - OCC Staff clean larger corporate sites and 3rd Party contract for smaller remote sites (under 25 hrs per week)
 - Option 3 – Fully OCC, static and enhanced mobile, with no support by contractor.
 - Option 4 – Completely outsourced.
10. The option which achieved the highest scoring was Option 2, OCC Blended Model. This option gives OCC a self-delivery team in key corporate and school sites while outsourcing remote and smaller sites which are difficult to resource.

Contract Award to Parkers Contract cleaning

11. A procurement was undertaken to appointment a Service Provider to provide a reliable, professional, and good quality Cleaning Service delivered in a safe and efficient manner.
12. Following a procurement process, Parkers Contract Cleaning Ltd was identified as the sole but compliant bidder. The recommendation is to award a 3-year contract to Parkers Contract Cleaning Ltd from 1 April 2024, with an option to extend for a further 1-year period.
13. Subject to the recommendation being agreed, there are potentially around 50 staff who will transfer to Parkers Contract Cleaning Ltd on 1 April 2024. In line with TUPE Regulations, all terms and conditions will be honoured. Whilst every effort will be made to avoid any redundancies, there may potentially be a risk of

redundancy for up to four staff. UNISON have been engaged throughout the process.

Financial Implications

14. The budget for the whole service in 2024/25 is £1,575k. This includes a saving agreed by Council in February 2023 of £100k relating to action to be taken to reduce dependency on agency staff. A further savings of £100k is also required for 2025/26.
15. The value of the contract for 2024/25 is £865k, which provides a saving of £120k against the 2024/25 budget. This means that the further savings required from 2025/26 has been achieved a year early.
16. Any redundancy costs are expected to be low and will be met from the corporate redundancy reserve.

Comments checked by:

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Legal Implications

17. OCC has, following an open procurement, selected Parkers as the preferred supplier to be appointed as the Contractor for the required Cleaning Services of the Sites where there is less than 25 hrs cleaning per site. The selection is in accordance with the terms of the ITT and the Public Contracts Regulations 2015. This does not give rise to any issues from the legal perspective.

Comments checked by:

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LORNA BAXTER
EXECUTIVE DIRECTOR OF RESOURCES

Background papers: Nil

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