

To: Finance, Resources and Customer Services Policy Board

On: 6 June 2018

Report by: The Chief Executive and the Director of Environment & Communities

Heading: Contract Authorisation Report for Supply of Janitorial Products

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award a Contract to Unico Limited for the Supply of Janitorial Products for the period 1 September 2018 to 31 August 2022.
 - 1.2 The Contract will be awarded under Scotland Excel's Framework Agreement, Contract Schedule Number 14-14, Janitorial Products ("Framework").
 - 1.3 In accordance with Standing Order relating to Contracts 29.5, The HOPAC has identified that the Framework provides a suitable route to market and provides a facility to make direct awards where best value can be demonstrated. The Council considered the current Framework rates and a subsequent desktop analysis carried out by procurement officers within the Council demonstrated that best value could be achieved by entering into a direct award contract with Unico Limited for the length of contract as described in section 2.3.
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2. Recommendations

- 2.1 It is recommended that the Finance, Resources and Customer Services Policy Board authorise:

- 2.1.1 the Head of Corporate Governance to award a direct award Contract for the Supply of Janitorial products made under the Scotland Excel Framework Agreement, Contract Schedule Number 14-14, Janitorial Products to Unico Limited;
- 2.1.2 up to a maximum contract value of £1,300,000 excluding VAT; and
- 2.1.3 for the Contract period from 1 September 2018 to 31 August 2022, or until the maximum contract value is reached.
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3. Background

- 3.1 Scotland Excel established a Framework Agreement for Janitorial Products Contract Schedule Number 14-14 on 1 March 2015, which was initially tendered for three years with the option to extend for a fourth year, and that option was exercised.
- 3.2 The Framework is structured by product categories and contains three distinct product areas – paper, janitorial and chemicals. There are a total of approximately 200 items within the three areas.
- 3.3 The Council currently uses the Framework for Janitorial Services and has purchased supplies from Unico Limited under the Framework. Unico Limited have made a firm commitment to offer a better rate for Framework listed products were a four year contract be awarded to Unico Limited. As part of the review of requirements, the Council has identified that savings could be made by product rationalisation and purchasing one rather than numerous types of the same product and further benefits could be made by consolidating the spend. Procurement Officers have considered the Framework Rates, the offer made by Unico Limited and, were the offer to be accepted, it was identified that anticipated savings could be achieved in the region of £170,000 for the period of the contract.
- 3.4 A subsequent desktop evaluation of the current Framework rates for janitorial supplies also confirmed that best value could be achieved by entering into a Contract with Unico Limited for the term as described in section 2.1.3.
- 3.5 As well as the savings which could be achieved as outlined in 3.3, further benefits have been identified:
- Two year fixed pricing, with prices in years three and four increasing in line with CPI;
 - Environmental benefits - reduced paper wastage of 48% or 18 tons of the Council's current hand towel usage; and
 - Ongoing service and support including circa £150,000 free on loan dispensers and installation.
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Implications of the Report

1. **Financial** – The costs under this Contract will be met by Environment & Communities and Education Services.
 2. **HR & Organisational Development** - No TUPE implications have arisen or are anticipated.
 3. **Community/Council Planning**
 - Creating a sustainable Renfrewshire for all to enjoy- This project is projected to reduce paper wastage by 48% or 18 tons of the Council's current hand towel usage.
 4. **Legal** – The procurement exercise has been carried out in compliance with the requirements of the Scotland Excel Framework Agreement, Contract Schedule Number 14-14, Janitorial Products and the Council Standing Orders relating to Contracts for a supply contract.
 5. **Property Assets** – None.
 6. **Information Technology** - No Information Technology implications have arisen or are anticipated.
 7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
 8. **Health & Safety** – Unico Limited's health & safety has been assessed under the Scotland Excel Framework Agreement for Janitorial Products to ensure that they met the minimum requirements regarding Health & Safety.
 9. **Procurement** - The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.
 10. **Risk** – None.
 11. **Privacy Impact** - No Privacy Impact Assessment requirements were identified within this procurement.
 12. **Cosla Policy Position** – No Cosla Policy Position implications have arisen or are anticipated.
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List of background papers – N/A

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