

OFFICER DELEGATION SCHEME RECORD OF DECISION



Date: 15/5/2023		Ref No: 889
Responsible Officer: David Catterall – Head of Commercial Services		
Title/Subject matter: Decision to temporarily award a Janitorial and Cleaning Supplier		
Budget/Strategy/Policy/Compliance:		
(i) Is the decision within an Approved Budget?	Yes	
(ii) Is the decision in conflict with the council's policies, strategies or relevant service plans?	No	
(iii) Does the decision amend existing or raise new policy issues?	No	
Is publication still required? (see guidance)	No	

Item for decision: *[with reasons]*

In 2019, the Greater Manchester Combined Authority (GMCA), led by Bolton Council, undertook a procurement exercise to source a Janitorial and Cleaning supplier for all GMCA local authorities, including Bury.

During this procurement process, Bury Council's services which order cleaning and janitorial products were not consulted, resulting in some items being missed from the list of products used within some council services, including Building Cleaning and Caretaking.

The contract to the value of £315k for Bury was awarded via the GMCA to Arrow Ltd on a 3 + 1 year contract. The Building Cleaning and Caretaking and Admin Buildings were instructed to start ordering from Arrow for all cleaning and janitorial products.

As some paper products and cleaning materials were not included in the GMCA contract, this caused some items to fluctuate in price during the term of the contract.

The contract with Arrow has now ended. With the contract with Arrow ending, products provided have increased in cost on average by 44%

A review of cleaning and janitorial products is underway across Bury Council as part of the Operations Rationalisation project to save £100k.

This continued review, highlights that services that order cleaning and janitorial products are using over 35 different suppliers, which does not represent best value to the Council. It also represents a fragmented approach to ordering across the authority, which creates pressure on finance and procurement colleagues.

The top three suppliers being used are, Arrow (£177k), Alliance (£36k) and Moston Janitorial (£10k).

As part of this review, a procurement exercise is taking place. Current products and suppliers have been identified with prices and volumes, which has been collated on a master spreadsheet. This has enabled the project team to identify duplicate products to rationalise them into a smaller list.

This shopping list will be the basis of the procurement exercise and includes price comparisons for the top 3 suppliers and potential savings for each supplier. (Attached)



Top 22 Products
with Savings .xlsx


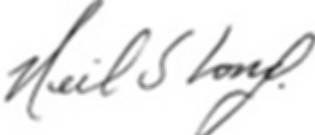
The issue faced is that to ensure that the procurement exercise is completed legally and meets all purchasing guidelines, it will take in excess of 6 months to complete.

Although this work is already being undertaken, savings will not be achieved if the current largest supplier (Arrow) is continued to be used as their prices have considerably increased since the end of the contract. Prices are likely to continue to increase over the financial year.

Following consultation with procurement colleagues, it is possible to temporarily award an alternative supplier to Arrow whilst the tendering process takes place, by providing 3 quotes for the products used, which is included in the top 22 products attachment above.

It is requested that the Executive Director for Operations and Assistant Director for Operations approve the temporary award to Alliance Ltd to be used as an alternative supplier across Admin Buildings, Leisure Services, Market Operations, Civic Halls, Schools Catering and Building Cleaning and Caretaking, for 6 months, until the tender process has been completed.

This will ensure in year savings forecasted between £60,000 and £67,300 are achieved, which will support meeting the £100k savings target as part of the Operations Rationalisation project, whilst the full procurement project takes place.

Decision made by:	Signature:	Date:
Executive Director of Operations		21/06/2023
Assistant Director		16/06/2023
Members Consulted (if applicable) [see note 1 below]		
Cabinet Member		
Lead Member		
Opposition Spokesperson		

Notes

1. Where, in accordance with the requirements of the Officer Delegation Scheme, a Chief Officer consults with the appropriate Cabinet Member they must sign the form so as to confirm that they have been consulted and that they agree with the proposed action. The signature of the Opposition Spokesperson should be obtained if required, to confirm that he/she has been consulted. Please refer to the MO Guidance.
2. **This form must not be used for urgent decisions.**
3. Where there is any doubt, Corporate Directors should err on the side of caution and seek advice from the Council's Monitoring Officer.