Item 6

24th November 2022

Glasgow City Council

Contracts and Property Committee

Report by Director of Legal and Administration

Contact: Maureen Fitzpatrick Ext: 76406

The Supply and Distribution of Janitorial Cleaning Products, Chemicals and Paper Products

Tender Reference: - GCC005183CPU

Purpose of Report:

To submit details of the tenders received for the supply and distribution of janitorial cleaning products, chemicals and paper products and recommend acceptance of the most economically advantageous tender as detailed in this report.

Recommendations:

The Contracts and Property Committee is requested to approve the award of a contract for the supply and distribution of janitorial cleaning products, chemicals and paper products to the supplier listed below.

Arrow County Supplies Limited
Companies House Number 06355141

Ward No(s): Xxxxxxxx Citywide: ✓

Local member(s) advised: Yes ☐ No ☐ consulted: Yes ☐ No ☐

1 Background and Tender

1.1 Glasgow City Council's ("the council's") budget for the supply and distribution of janitorial cleaning products, chemicals and paper products is £2,509,256 per annum.

1.2 The council's Catering and Facilities Management (CFM) team in Financial services is responsible for the cleanliness of council facilities. The contract is predominately to support CFM deliver this soft facility management provision. The contract incorporates the supply and delivery of a range of janitorial products including paper towels, cleaning chemicals, hand-soap, refuse sacks, cleaning equipment such as mops, buckets, and brushes to approximately 770 sites, including schools, nurseries, and council venues such as Glasgow City Chambers. The contract also includes the specific requirements for Glasgow Life, estimated at £225,833 (9%), and City Building Glasgow £37,638 (1.5%) of the annual value.

1.3 In line with the efficiency and effectiveness aim of the council's Corporate Procurement and Commercial Improvement Strategy 2018-2022, located at https://edrms/livelink/llisapi.dll?func=ll&objaction=overview&objid=180699489 (which promotes consideration of National and Collaborative Frameworks), it was agreed that a mini competition process from Lot 4 of Scotland Excel's (SXL) Framework for the Supply and Delivery of Janitorial Products, reference 12-18, would be the most appropriate method to deliver this contract.

1.4 The initial duration of the contract is 12 months, from 1st December 2022 to 30th November 2023, with two optional extensions of up to 12 months each.

1.5 The Purchase to pay route is via a Pecos catalogue.

1.6 The contract will be utilised council wide, with the lead client being CFM in Financial Services. CFM will monitor the supplier's day to day operational performance. Overall contract and supplier performance will be managed by the CPU.

2 Evaluation

2.1 All 7 suppliers appointed to Lot 4 of the SXL Framework were invited to bid for this contract. 4 suppliers submitted a bid, 1 supplier declined, and 2 suppliers failed to bid. Of the 4 bids received, 1 bid was rejected due to failing to comply with the process of obtaining approval to offer alternative items.

2.2 The award evaluation was based on the following criteria and weightings:-

Lot	Price	Quality (Framework Score)	Framework Quality Sub Criteria
4	**82%**	**18%**	Customer Communication & Staff Resources - 3%
			Service Performance – 4%

			Supply Chain – 1%
			Recycling – 2%
			Community Benefits – 4%
			Fair Work Practices – 4%

2.3 The evaluation score and estimated award value of the supplier which has been recommended for award is shown in the table below:-

Supplier	Total Evaluation Score	Estimated Contract Value (per annum)
Arrow County Supplies Limited	99.50%	£1,646,385

2.4 The commercial evaluation was based on a basket of goods, historic volumes, and a forecast of requirements. Based on the current baseline costs, the mini competition resulted in rates that provide a saving of £862,870 (34.2%). Of this £71,592 (8.3%) has been further obtained by the CPU via tender clarifications. The savings have been achieved over a variety of items, including disinfectants, paper products, floor care hardware and soaps. While the rates for these products do represent a significant saving on current pricing this is a commodity that has seen multiple price increases since 2020 and the initial Covid-19 outbreak. As a result this means that the rates secured via this tender represent a 5% increase on pricing in 2019.

2.5 A summary of the unsuccessful tender evaluation results can be found at Appendix A.

3 Policy and Resource Implications

Resource Implications:

Financial: The total estimated contract value of £5,153,934, over a period of up to 3 years, will be met via service areas revenue budgets.

The tender has resulted in a saving of £862,870 (34.2%) as detailed in section 2.4.

Legal: The report raises no new legal issues.

The Director of Legal and Administration will be responsible for concluding the contract.

Personnel: No direct personnel implications.

Procurement:	Mini-Competition process as detailed in section 1.3.
Does the proposal support the Council's Equality Outcomes 2021-25	The proposal supports best practice in the procurement of goods.
What are the potential equality impacts as a result of this report?	No impact.
Please highlight if the policy/proposal will help address socio economic disadvantage.	Fair Work Practices - all suppliers were evaluated on fair work practices at a 4% weighting on appointment to the SXL Framework. The supplier recommended for award, Arrow Country Supplies Limited, is not currently an accredited Real Living Wage employer. However, all staff relied upon to assist in the delivery of this contract will be paid the Real Living Wage. Arrow Country Supplies Limited is included in the 25% of SMEs which hold the Investors in People Gold Certification. There is no reliance on zero hour contracts, and a minimum of 30 hours training/annum is mandatory. Flextime, family friendly policies and employee benefits are available to all staff. Community Benefits - the supplier recommended for award, Arrow Country Supplies Limited, has exceeded the mandatory 310 Community Benefit Points (CBP's) required in line with SXL's community Benefits model. For every £250k of core and non-core spend, 25 CBP's will be accumulated. A minimum annual spend £100k is required to qualify for the points. The outcomes offered are: • 2 x 5 CBP Fundraising (£2k) • 5 x 10 CBP Training Sessions (£10k) • 5 x 10 CBP Employability Workshops/Events (£10k) • 8 x 25 CBP Donation of Materials/labour to support community projects (£40k)

Climate Impacts:

Does the proposal support any Climate Plan actions? Please specify:	Climate plan Theme 44: Support the delivery of the plastic reduction strategy. This will be achieved by the recommended supplier uplifting refillable containers from locations across the city.
What are the potential climate impacts as a result of this proposal?	The recommended supplier, Arrow Country Supplies Limited, has confirmed the following: • All Vehicles utilised to service this contract meet the Euro 6 standard. • Clear refuse bags included within the basket of goods are compostable.
Will the proposal contribute to Glasgow's net zero carbon target?	The recommended supplier, Arrow Country Supplies Limited, will contribute as follows: • Will work with the council to uplift packaging that can be refilled, in a closed loop system, at no additional cost to the council.
Privacy and Data Protection impacts:	No data protection impacts identified.

4 Recommendations

The Contracts and Property Committee is requested to approve the award of a contract for the supply and distribution of janitorial cleaning products, chemicals, and paper products to the supplier llisted below.

Arrow County Supplies Limited
Companies House Number 06355141

Appendix A

Supplier	Total Evaluation Score	Rank
Unico Limited (00861294)	82.81%	2
Bunzl UK Limited T/A Bunzl Cleaning and Hygiene Supplies (02902454)	69.50%	3