

TEIGNBRIDGE DISTRICT COUNCIL

EXECUTIVE COMMITTEE

FEBRUARY 2020

PART I

Report Title	Public Toilet & Building Cleaning Service Contract
Purpose of Report	To consider extending the existing contract for 2 years
Recommendation(s)	The Committee RESOLVES to: (1) Confirm the optional 2 year extension to the existing contract. (2) Approve a review of the current level of public toilet provision across the district and consider alternative service delivery options.
Financial Implications	Please see Section 2.1. Budget has been allocated to cover the 2 year extension pending negotiations. Chief Finance Officer martin.flitcroft@teignbridge.gov.uk
Legal Implications	Please see Section 2.2 as inserted by Paul Woodhead - Legal Services Team Leader & Deputy Monitoring Officer Email: paul.woodhead@teignbridge.gov.uk
Risk Assessment	Please see Section 2.3 Waste & Cleansing Manager chris.braines@teignbridge.gov.uk
Environmental/ Climate Change Implications	Please see Section 2.4 Waste & Cleansing Manager chris.braines@teignbridge.gov.uk
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Portfolio Holder	Cllr Alistair Dewhirst
Appendices / Background Papers	None

1. INTRODUCTION / BACKGROUND

The Council's existing contract for a 'Public Toilet & Building Cleaning Service' began on the 1st October 2012 for an initial term of 5 years.

Options were included in the original contract to extend for two further periods of 3 and then 2 years. The first 3 year extension commenced on 1st October 2017. The Council are contractually obliged to inform the incumbent supplier of the final extension or proposed contract termination by 31st March 2020.

The contract is split into 2 lots as follows;

Lot 1 – Buildings & Window Cleaning – for the cleaning of council run buildings.

Lot 2 – Public Toilets Cleaning – for the cleaning of all council run public toilets, including basic maintenance and the supply of all consumables and materials. The specification includes the daily locking/unlocking of sites where required.

The current contractor for both lots (Specialist Hygiene Service - SHS) has performed very well over the life of the contract, providing a flexible service to a high standard at agreed costs.

Future Service Options

In the current financial climate alternative options for the future provision of public toilets across Teignbridge need to be considered by the Council.

The current approach to this non-statutory service has a significant cost implication and the Council will need to balance the political and economic positions with wider issues such as tourism, the needs of local communities and economic development.

Any significant changes to provision, such as charging for use, transferring or closing public toilets would not be agreed prior to the end of the existing contract extension notification deadline of March 2020.

Approving the short term extension to the existing cleansing contract with SHS to Sept 2022 will give sufficient time for a full review of the service and allow for appropriate procurement in line with the agreed future service direction.

2. IMPLICATIONS, RISK MANAGEMENT & CLIMATE CHANGE IMPACT

2.1 Financial

In 2018/19 the cleansing contract costs totalled ~ £400k split as follows

Lot 1 £150k

Lot 2 £250k

Triggering the extension to the current cleansing contract would allow sufficient time to consider alternative options for the wider issue of public toilet provision in the district.

The current contract budget would be the starting point for the extension period, with negotiations undertaken to consider increases such as the Living Wage before extending. There is a transparent 'change mechanism' in place to manage work coming in or out of the contract, providing a degree of flexibility during the 2 year extension period.

2.2 Legal/ Procurement/ Audit

As the OJEU Notice included the two extension periods in addition to the Contract Term and as the contract specifically provides for the extension periods it is likely that the Council can extend the existing contract for a further two years without risk of challenge.

2.3 Risks

Risk	Proposed action to manage
Budget	Fixed Contract Value, agreed change mechanism
Further Living Wage increases	To be allowed for in Council budgets pending negotiation prior to extension.
Potential changes to work in contract	Flexible, proactive known Contractor, intelligent client, change mechanism, open book
Contract extension length	2 year extension allows for consideration to be given to future alternative service delivery models prior to tendering a new cleansing contract.

2.4 Environmental/Climate Change Impact

SHS operate an ISO14000 Environmental Management System. Specific initiatives include:

- Lighting timers in place to adjust for winter / summer daylight hours to reduce electricity usage.
- Meter readings taken routinely to identify any anomalies.
- Water reduction measures for urinals and WC's in place.
- Cleaning chemicals have no VOC's or environmental toxicities.
- Hybrid vehicles used by management staff.
- Tracking and reporting fuel usage to target reductions, vehicles are fitted with trackers to programme work efficiently, incentivise efficient working and minimise travel.
- All drivers trained in economical driving techniques.
- Waste is reduced, reused or recycled, wherever possible.
- Employ local staff to minimise travel to sites.

3. ALTERNATIVE OPTIONS

The contract could be retendered for a longer term (5 years plus) and the current extension option not utilised. This would not allow time to consider alternative service delivery models prior to retendering and be counterproductive if service delivery changes were then required following the introduction of a new long term contract.

The contract could be retendered for a shorter term (2 years total). This is likely to cost more as any new contractor would have less time to recover set up costs. It could also present risks associated with an unknown contractor and generate additional work to deliver the procurement process more frequently.

4. CONCLUSION

The current contract with SHS is delivering operationally and financially. It would be rational to extend the contract for 2 years to allow time for a full review of public toilet provision and associated service delivery options prior to retendering in 2022.