

Finance and Resources Committee

10.00am, Thursday, 27 August 2020

Contract Extension for Stair Cleaning services to Domestic Properties 2016-2020

Executive/routine Wards Council Commitments	Routine All
---	----------------

1. Recommendations

- 1.1 Committee is asked to approve an extension to the ISS Facility Services Limited contract for provision of stair cleaning services, via a waiver of Contract Standing Orders (CSOs). This extension would be for a period of six months, until 30 April 2021, allowing time for the procurement process to be finalised and a new contract put in place.

Paul Lawrence

Executive Director of Place

Contact: Elaine Scott, Housing Services Manager

E-mail: Elaine.scott@edinburgh.gov.uk | Tel: 0131 529 2277

Contract Extension for Stair Cleaning services to Domestic Properties 2016-2020

2. Executive Summary

- 2.1 This report provides an update on the procurement process relating to a new stair cleaning contract and seeks approval to extend the current contract, via a waiver of CSOs, with ISS Facility Services Limited for a six month period from 1 November 2020 to 30 April 2021. The value of this waiver would be in the region of £500,000.

3. Background

- 3.1 The stair cleaning contract with ISS UK Ltd provides regular cleaning of common stairs in around 2,500 wholly Council owned, mixed tenure tenement blocks, located across the four localities, and a further 496 wholly privately-owned stairs.
- 3.2 The service is paid for through the Housing Revenue Account (HRA) with tenants paying a service charge for this along with their rent. Owners are billed separately where they opt in to the service.
- 3.3 The contract contributes to the maintenance of standards within localities and provides a rapid response to emergency health and safety issues. This element of the service has been particularly important during the current Covid-19 pandemic, where the contractor continued to provide a response to emergency cleaning of hazardous/fire risk materials and bodily fluids. In addition, a revised cleaning service, including a focus on communal touch points in sheltered housing, was implemented as a priority during lockdown to help to ensure the safety of some of the city's most vulnerable residents.
- 3.4 The current contract ends on 31 October 2020. The procurement process which was underway is now being revised to take account of changes to the specification and related contract requirements due to the Covid-19 pandemic and to review the best route to market for the new contract, taking account of potential supplier capacity.

4. Main report

- 4.1 The [current contract](#) commenced on 1 November 2016 for an initial period of two years with the option to extend for up to a further 24 months. The extensions in the original contract terms end on 31 October 2020. Approval of a six-month extension, via waiver of CSOs, to the current contract with ISS Facility Services up to 30 April 2021 is sought from Committee to ensure the essential cleaning services are maintained.
- 4.2 The tender process is underway, and the extension is being sought to ensure the new stair cleaning contract meets all future requirements for the service. The extension to the existing contract is required to allow the additional time to:
 - 4.2.1 review and update the specification to take account of any Covid-19 requirements, and learning from delivery of the service during the pandemic;
 - 4.2.2 update analysis of current marketplace capacity and capability; and
 - 4.2.3 complete the tender process and manage the transition to the new contract.
- 4.3 If this extension is approved, the new contract would be implemented from 1 May 2021.
- 4.4 The feasibility of aligning stair cleaning within a future estate management model is also being taken forward through the agreed Housing Service Improvement Plan, to significantly improve customer satisfaction and operating performance, as well as reducing costs. The estates management work is at an early stage and a contracted stair cleaning service is still required in the interim to maintain the cleaning standard in stairs and ensure there is a responsive service for any potential health and safety concerns.

5. Next Steps

- 5.1 If Committee approves this extension, the contract with ISS Facility Services Limited will be extended to 30 April 2021.
- 5.2 The tender process will be completed soonest practicable building in the additional Covid-19 related requirements and lessons learned as applicable, and, subject to Committee approval, the new contract will be in place from 1 May 2021.

6. Financial impact

- 6.1 The contract is funded through the HRA but tenants pay a charge for the service as part of the overall rent charge for their home. The current annual charge to tenants and owners in mixed tenure stairs for a weekly clean is £105.12 per property.
- 6.2 The estimated value of extending the contract with ISS Facility Services Limited for a further six months is £0.5m.

- 6.3 Agreeing an extension will allow further time to ensure a continuing value for money approach for tenants and completing a further assessment of the current contract element that covers wholly owned private stairs.

7. Stakeholder/Community Impact

- 7.1 Contract monitoring for the stair cleaning service is managed through a Stair Cleaning Management Board (SCMB). The SCMB, which includes representation from the Edinburgh Tenants Federation (ETF), has the overall responsibility for monitoring the delivery of the stair cleaning service to the standards set out in the contract. Performance standards set in the contract are also monitored through regular meetings with the contractor. The required performance standards have been met in the operation of the current contract.
- 7.2 The SCMB members have contributed to discussions on the future approach to the service. Some initial work on scoping a new specification was also carried out through a series of focus groups held with tenants and other service users. The extension would allow for emerging priorities due to the current Covid-19 pandemic to be taken into account in the contract specification.
- 7.3 Contract Standing Order 9 provides an option for the Council to waive the CSOs where the requirement is in the Council's best interest having regard to Best Value, risk, the general principles of procurement and the impact upon service users. It is assessed that the recommendation to extend the current contract will satisfy these requirements.
- 7.4 There is a risk of procurement challenge by suppliers who could undertake these works if competitively tendered, however, the risk is deemed to be low given the short timescales associated with this extension and the intention for these services to be fully tendered in the near future.

8. Background reading/external references

- 8.1 None.

9. Appendices

- 9.1 None.