

**APPENDIX A**

**Tender Evaluation Report**

**HRA Cleaning Contract**  
**Ref EPRO1000101**

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## 1. Management Summary

### Communal Cleaning in HRA (Housing Properties) EPR01000101

Somerset Council has a need to procure one or more contractors to cover the cleaning of sheltered housing meeting halls, extra care housing schemes, communal areas within flat blocks, and to have ad-hoc arrangements in place, for example for the removal of graffiti, deep cleaning and disposal of sharps.

The requirement is divided into two workstreams as follows:

**Workstream 1** Communal cleaning in meeting halls and extra care schemes (including specification for adhoc deep cleans and other adhoc requirements).

A contract is currently in place with Glen Cleaning for Work Stream 1. This Contract was originally awarded by Southwest One to Sodexo in 2014, it was subsequently transferred to Mercury Infrastructure and ultimately to Mercury's then sub-contractor, Glen Cleaning. Lot 1 is based on a broadly equivalent specification.

**Workstream 2** Cleaning of communal areas in flat blocks (including specification for adhoc deep cleans and other adhoc requirements).

Communal Areas are identified as ground floor entrance areas, stairwells and upper floor entrance areas in low rise blocks. The Council has a long-term arrangement in place with AIS Contract Cleaners for the cleaning of the Communal Areas. The service is limited to the quarterly removal of cobwebs above 1800mm and the cleaning of window and door glass within the communal area. This service was originally introduced as a result of the need to avoid the risk of residents working at height. The total spend is approximately £12,000 p/a.

Some residents have communicated a general disappointment in the level of service received and have indicated a desire to increase the scope and improve the quality of the cleaning service provided in the communal areas. The requirement on residents to clean communal areas has been less than adequate in terms of policing this and it can also present health and safety risks. This procurement acknowledges that relying on residents to carry out any significant levels of cleaning in communal areas is not a sustainable position for the upkeep of communal areas.

A recent TSM report highlighted that only 59% of our tenants are satisfied with communal areas. A more recent consultation aimed at determining residents' preferences in respect of the scope and frequency of cleaning, and the level of acceptable service charge residents are willing to contribute, which we understand to be £2.50 per week.

The design of the procurement for Workstream 2 therefore looks to balance these two competing influences:



1. The need to reduce demand on residents to clean the communal areas while still providing an expanded service.
2. Requirement to keep any subsequent service charge affordable for all residents, in particular for those that are self-payers.

Due to the bespoke nature of the housing related requirements, the new contract are being awarded separately from any contracts that SC may place for the cleaning of its corporate property.

The Council has a need to procure new contracts to cover Workstreams 1 and 2 to ensure the spend is compliant with procurement regulations, presents value for money, meets the needs of SC and its residents and is appropriately managed under a formal contract.

**These workstreams will be procured under three separate Lots.**

**Workstream 1** is being procured under Lot 1 Communal cleaning in meeting halls and extra care schemes (including specification for adhoc deep cleans and other adhoc requirements)

**Workstream 2** is being procured under two separate Lots, 2 and 3 as follows:

**Lots 2 & 3:** Each contract will cover a 50% of the flat blocks based on a geographical split. In both cases there are sub-Lots (2A & 2B, 3A & 3B) to allow potential bidders to respond to potential service and price options.

The preferred Lots for award are sub-Lots 2A & 3A which will be is evaluated within the budget available. The budget in this context is based on the desired price threshold set out above. Any bid under this Lot must be priced within the available budget.

Lots 2B & 3B will only be considered where there are no proposals under Lot A that meet the minimum standards required.

Following a Non-Key Decision approval dated **12.09.24**; the decision was taken to go out to tender using an above threshold Open Procurement process.

## **2. Procurement Process**

This procurement was carried out in accordance with the authority's Contract Procedure Rules and Standing Orders and Public Contracts Regulations 2015.

The contract opportunity was advertised on the Proactis 'Source to Contract' e-Tendering system as well as the mandated national 'Contracts Finder' and 'Find a Tender' portals.



Suppliers were invited to submit a response to the Invitation to Tender (ITT) through the e-Tendering System. The Procurement Documents were published on 11/11/2024.

Bid responses were received by the closing date of 11/12/2024 as follows:

- 8 Bidders responded.
- 6 Bidders submitted a compliant Bid.
- The six compliant Bids were evaluated in accordance with the criteria set out in the Procurement Documents and set out in section 2.1 below.

The Commercial and Procurement Team conducted the initial compliance checks.

One bid was deemed non-compliant because responses were not provided to the quality questions and the required cost model was not submitted

One bid was deemed non-compliant due to an increase in price following clarification regarding the validity of the tendered prices.

## 2.1. Evaluation Methodology

Bids were evaluated in accordance with the evaluation criteria set out within the Procurement Documents. Weightings and scores are contained within the Confidential Appendix B

| Evaluation criteria breakdown   | Means of evaluation |               |
|---|---------------------|---------------|
|   | Sub criteria        | Main criteria |
| <b>Quality</b>  |                     | 40%           |
| Q4.1 - Delivering the Service Standard, customer service and client liaison | 14%                 |               |
| Q4.2 - Contract Mobilisation, delivery and contract management              | 13%                 |               |
| Q4.3 - Health and Safety Management   | 13%                 |               |
| <b>Price</b>  |                     | 50%           |
| Appendix D1 Price Schedule  | 50%                 |               |
| <b>Social Value</b>   |                     | 10%           |
| 4.4 - Procurement Document F Social Value Calculator                        | 5%                  |               |
| 4.5 Social Value Commitment   | 5%                  |               |

## **2.2. Quality**

The quality questions were scored and evaluated in accordance with the published criteria.

The quality element of the Tenders was evaluated by a panel of officers and moderated by staff from the Commercial and Procurement Team at Somerset Council (see Confidential Appendix B for the list of evaluators and moderators). Each evaluation panel member scored each Bid on an individual basis and prior to the moderation meeting.

Moderated scores are available in Confidential Appendix B, including the recommended award decision.

## **2.3. Pricing**

Pricing was assessed based on the total tender price for each lot. The tendered prices are available in Confidential Appendix B, including the proposed award decision.

## **2.4. Social Value**

The qualitative score for social value (SV) was evaluated as per section 2.2 and moderated by the Commercial and Procurement team. The completion of the evaluation exercise is subject to further clarifications with the bidders, however any amendments to the scoring that may result from the clarification cannot affect the ultimate result of the overall evaluation due to the differential in the current scores, between the first and second placed bidders, exceeding the maximum 5 points available for the SV element.

Moderated scores are available in Confidential Appendix B, including the proposed award decision.

## **3. Contractual Position**

Whilst the procurement provides for the award of up to 3 contracts (1 per Lot) to be awarded, A single bidder has been successful in winning all 3 Lots

The form of Contract will be the Councils standard form for Services. A draft of the contract has been approved by the Legal Team and was shared with Bidders as part of the Procurement Documents. The Team will ultimately draft the final Contract Documents.

There is a clause within the Contract which allows termination under certain circumstances (for cause) by giving notice in writing to the supplier with immediate effect. The Contract contains a general clause for termination (without cause) by giving 3 months' notice to the supplier. For any extension to the Contract, discussions with the Supplier will be conducted sufficiently far in advance of the Contract expiry date to arrive at an agreed position.

As part of the bid response, Bidders were invited to offer specific measurable Social Value commitments in addition to the stated requirements of the specification. Delivery of these commitments will be monitored as part of contract management.

This is subject to approval of a **Key** Decision to award supported by this evaluation report.

### 3.1. Proposed Term

The awarded Contract will be for an initial term of **2** years. The contract will commence on **01/04/2025** and will continue up to the initial term which will expire on **31/03/2027**. 2 x 1 year contract extension option are available which would take the contract to **31/03/2029**.

### 3.2. Service Levels and Contract Management

Service levels will be monitored as part of Contract Management and the contract will be managed to ensure that the service meets expectations and to identify further opportunities for cost and service improvement.

## 4. Risk and Mitigation

Risk: (Re Lots 2 & 3) The impact of the Service charge to Residents, or the cost to the Council, exceeds the residents and/or the Councils expectations.

Mitigation: The specification and cleaning frequencies, together with the Lot structure, have been designed to mitigate this risk. The process has been successful in that the contracts will be awarded under Lots 2A and 2B

Risk:

Mitigation

## 5. Next Steps

- Suppliers to be informed of the decision by Commercial and Procurement Team **TBC**
- Standstill period **TBC**
- Contract Mobilisation/ Implementation **TBC**



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- Contract awarded **TBC**

**End of Report**