

Cleaning and Janitorial Products

REPORT TO; Gary Fielding, Corporate Director, Strategic Resources

DECISION DATE: 27 July 2021

SUPPORTING ANNEX; None

PROPOSED RECOMMENDATION

It is recommended that the Authority approves the recommendation to extend the current arrangement to purchase cleaning and janitorial products from Yorkshire Purchasing Organisation's (YPO) catalogue for a further three years from 1 August 2021 to 31 July 2024.

BACKGROUND TO SUPPORT THE RECOMMENDATION

North Yorkshire County Council (NYCC) has been purchasing cleaning and janitorial items through YPO since 2014 when a benchmarking exercise identified that YPO offered competitive pricing and had a track record of excellent customer service. There was no contractual obligation for the Council to guarantee volumes and there was a strategic advantage that the Council received a share of the profits created, due to being a part owner. Items are purchased directly from YPO's catalogue, however, the situation has been reviewed every two years in order to establish whether this approach remains the most appropriate option. To date the decision has been to maintain the arrangement through YPO. The last Gate 4 was approved by Procurement Assurance Board on 28 June 2019.

Orders are placed by the NYES Facilities Management Cleaning and Catering Team and the Buying Team with an average ratio of 80% : 20% respectively.

In line with the two yearly reviews, scoping for provision post July 2021 should have commenced mid-2020. The arrival of the Covid-19 pandemic and introduction of lockdown restrictions in March 2020 put paid to that and resulted in both internal and external (supplier) resources being directed to priority areas, with a sustained focus on maintaining social care provision and PPE supplies. Maintaining an immediate and reliable source of cleaning and janitorial products took precedence over establishing our future requirements.

Following a benchmarking exercise, the price difference was minimal compared to other framework pricing, taking into account the YPO dividend, school loyalty vouchers, no delivery charge or minimum order value. It is recommended that the current situation is maintained for a period of three years taking us to 31 July 2024 and passed any settling in period following the Local Government Reorganisation (LGR).

LEGAL AND GOVERNANCE COMPLIANCE

The ability to extend the current arrangement falls under Paragraph 37 of the Public Contracts Regulations 2015 (Centralised Purchasing Activities and Central Purchasing Bodies) as follows:

(4) A contracting authority fulfils its obligations under this Part when it acquires supplies or services from a central purchasing activity referred to in paragraph (10)(a) (Specific Exclusions for Service Contracts).

It is not anticipated that the proposed extension could be considered a substantial change as there will be no alterations to the scope of the service or the way the service operates, however, it is recognised that the necessary market testing and research is carried out in order to award a contract ahead of 1 August 2024.

As the whole life cost of the contract exceeds the financial thresholds specified in Rule 18.2 of the Procurement and Contract Procedure Rules, the Gateway process will be completed and signed off by the relevant officers.

RECOMMENDATION

It is recommended that the Authority approves the requested extension to 31 July 2024.