

Listening Learning Leading

Record of Delegated Officer Decision Head of Housing and Environment	
Issue	To agree interim contracts with Healthmatic to provide Public Convenience cleaning services within South Oxfordshire and Vale of White Horse District Councils
Is this a key decision?	Yes, due to the effect on the communities of more than one ward
Asset reference	N/A
Name of officer recommending decision	Adrian Lear
Details of decisions	<p>To award interim contracts to Healthmatic from 6 January 2020 until 31 October 2020 to undertake the cleaning, unlocking and locking up of the public toilets in both South Oxfordshire and Vale of the White Horse District Councils. The new contracts will provide the same service as currently within the existing contract which expires on 31 December 2019 and which was part of a framework agreement with other Oxfordshire councils and at the same contract cost.</p> <p>The head of service can agree this further contract with our existing contractor as an interim arrangement without further competition under Contract Procedure Rule 141 as an exception to the councils' Contract Procedure Rules. It is permitted by law; the terms and conditions of the original contract in relation to service and price will apply; the total value of this additional contract does not exceed 25 percent of the original contract sum. the cost is within budget provision and the additional contract period is to be agreed with the head of legal and democratic.</p>
Details of authority to make decision and required consultees	As the cost of this work is less than £75,000 per council (£63,640 for South and £51,624 for Vale) and below the OJEU threshold, the head of service is able to take these decisions as set out above
Background and reasons for recommending decision	<ol style="list-style-type: none"> 1. Healthmatic were awarded separate public convenience cleaning (WC) contracts through a framework produced by West Oxfordshire DC with access provided for South Northampton DC Cotswold, Cherwell District Council as well as South Oxfordshire and the Vale of the White Horse. The contracts for South and Vale expire on 31 December 2019 and no extensions to the contracts are permissible. 2. The procurement of the new service contract has been delayed allowing the new administration elected in May 2019

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to agree the specification.

3. A full procurement process considering all options will be commenced shortly and the earliest the service can commence is 1 November 2020.

4. The annual value of the current WC contracts are: -

- Vale £61,944 and
- South £76,368

The price for each Council is based on the number of facilities that each Council operates directly.

5. The toilets covered within the contract are

- South

Dorchester	Bridge End car park	OX10 7JP
Goring	Wheel Orchard car park	RG8 9HB
Henley	Greys Road car park	RG9 2AA
Henley	Kings Road car park	RG9 2DQ
Henley	Train station	RG9 1AF
Thame	Market House	OX9 3HH
Thame	Cattle Market car park	OX9 3FD
Wallingford	Cattle Market car park	OX10 0AU

(Note: officers are discussing the cleaning of the WC at Riverside, Wallingford with the council's leisure contractor GLL who maintain the adjacent swimming pool and changing facility which reduces the current contract cost for South).

- Vale

Abingdon	Abbey Meadow	OX14 3JD
Abingdon	Charter car park	OX14 3LZ
Abingdon	Hales Meadow	OX14 3HX
Faringdon	Southampton Street car park	8:30am - 6:00pm
Grove	Millbrook Square	OX12 7JZ
Wantage	Manor Road	OX12 8DW
Wantage	Portway car park	OX12 9BU

New interim contract from 6 January to 31 October 2020 and thereafter

6. The value of each current contract is below £75,000 per annum. As the value of the joint procurement for several years is likely to be in excess of the OJEU contracts for services threshold of £181,302 calculated over the lifetime of the contract officers are required to carry out a full OJEU procurement process and the earliest the contract likely to be able to be awarded is 1 November 2020. The previous contracts expire on 31 December 2019, so if we wish to

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	<p>continue providing a service, we need to enter into two short-term contracts with the existing provider Healthmatic, to provide the public toilet cleaning and unlocking service from 6 January to 31 October 2020 (the interim contract) without going through the normal/legal procurement process.</p> <p>7. The interim contracts will cover the delivery of the same services as current arrangements within the above facilities and at the same contract price. The services are:</p> <ul style="list-style-type: none"> • Cleaning - undertake the cleaning of the facilities to the standard specified within the contract specification • Locking and unlocking
<p>Risks to council in proceeding with recommended decision</p>	<p>8. There is a risk that the councils may not be able to continue to provide this service. Whilst not entirely risk free, the proposed short-term contract arrangements will allow the current contractor to provide the existing service, up until 31 October 2020. During this period procurement options can be fully considered, and procurement process carried out to enable a new longer-term contract to commence.</p> <p>9. There is a risk of a procurement challenge from other potential service providers, this risk is mitigated because officers can demonstrate from the project gateway documents which cover both Grounds Maintenance and Toilet Cleaning services that this is only a short-term measure and officers can demonstrate from the project documentation that a full service review is underway which will inform the decision for the future before a new procurement process is followed..</p>
<p>Alternative options rejected, or other relevant considerations not dealt with above</p>	<p>Several other options were considered</p> <ul style="list-style-type: none"> • extend current contracts. As the framework agreement has now come to an end and the provisions within it to extend the contract have been fully used, there is no legal means by which officers can extend the current contract with Healthmatic. • not provide Public toilets. Rejected at this time as consultation with councillors is required on the future provision of the service. • to pass over responsibility for the toilets to local groups or parish/town councils. Rejected at this time as consultation with councillors is required on the future provision of the

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	<p>service.</p> <p>The future provision of the public toilet service will be a project put forward next year for consultation with councillors to understand how they would wish to see the service provide in the future.</p>
Financial implications	<p>10. South: Any decision that has financial implications must be made with the knowledge of the council's overarching financial position. This is as reflected in the council's medium-term financial plan (MTFP) as reported to Full Council each February as part of the budget setting report. The February 2019 MTFP and the budget report showed that the council was due to receive £3.3 million less in revenue funding than it planned to spend in 2019/20 (with the balance coming from reserves and accumulated New Homes Bonus). This funding gap is predicted to increase to over £6 million per annum by 2023/24. Every decision should be made in cognisance of the need to substantially reduce this funding gap over the medium term and to eliminate it after five years.</p> <p>11. Vale: Any decision that has financial implications must be made with the knowledge of the council's overarching financial position. This is as reflected in the council's medium-term financial plan (MTFP) as reported to Full Council each February as part of the budget setting report. The February 2019 MTFP and the budget report showed that the council was due to receive £474,000 less in revenue funding than it planned to spend in 2019/20 (with the balance coming from accumulated New Homes Bonus). This funding gap is predicted to increase to over £5.6 million per annum by 2023/24. Every decision should be made in cognisance of the need to eliminate this funding gap during the next five years.</p> <p>12. Healthmatic have agreed to provide the interim contract under the same terms and conditions and the same financial cost as their current contract arrangement with both Councils. There is existing budget for this period.</p>
Legal implications	<p>13. The award of interim contracts to the councils existing service provider could be challenged as officers are seeking an officer decision to award as an exception to the councils' contract procedure rules. However the councils can show they are currently embarking on a procurement process for a longer-term contract and that in terms of value for money the existing supplier is holding their current contract prices for</p>

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	the interim contract period of 10 months.		
Proposed action plan assuming grant of authority	14. Officers request that officers in legal prepare a short-term interim public toilet contract to provide to Healthmatic to sign under the same terms and conditions as within the current contract. Short term is from 1 January to 31 October 2020.		
Consultations required under scheme of delegation	Name	Comments	Date
	Legal (Pat Connell)	Comments/changes included within the report.	27/11/2019
	Finance (Emma Creed)	Agreed	29 November 2019
	Procurement (Angela Cox)	Amendments agreed	28 November 2019
Any additional consultations	Name	Comments	Date
	Sustainability (Heather Saunders)	No Comment	2 December 2019
	Name	Comments	Date
Agreed by Council's Head of Housing and Environment	<i>Liz Hayden</i>	<i>Agreed by email 18 December 2019.</i>	<i>6 January 2020</i>

