

 <p><b>COTSWOLD</b> DISTRICT COUNCIL</p>	<b>COTSWOLD DISTRICT COUNCIL</b>
Name and date of Committee	<b>CABINET - 12 APRIL 2021</b>
Report Number	<b>AGENDA ITEM 7</b>
Subject	<b>PROPOSALS FOR TRANSFERRING CURRENT CONTRACT CLEANING TO PUBLICA MANAGEMENT &amp; EXTENDING OFFICE OPENING HOURS</b>
Wards affected	Not Applicable
Accountable member	Cllr Mike Evemy Deputy Leader of the Council Email: <a href="mailto:mike.evemy@cotswold.gov.uk">mike.evemy@cotswold.gov.uk</a>
Accountable officer	Andrew Dike Property & Facilities Manager Tel: 01285 623244 Email: <a href="mailto:andrew.dike@publicagroup.uk">andrew.dike@publicagroup.uk</a>
Summary/Purpose	To provide a proposal for more flexible facilities management arrangements for the office cleaning, opening and use of the offices at Trinity Road.
Annexes	<b>EXEMPT Annex A - Financial Implications</b>
Recommendation/s	That Cabinet: Agree to: (a) either; (i) procure a new external contract for cleaning at an estimated annual cost of £59,800 or, (ii) Request Publica undertake the cleaning service (with pay based on the Living Wage Foundation minimum living wage) at an estimated annual cost of £70,466 and one off Costs of £3,200, and that the Council, (b) Extend opening hours for officer and Member use between 7pm - 9pm weekdays and 9am - 1pm on Saturdays.
Corporate priorities	To ensure that all services delivered by the council are delivered to the highest standard
Key Decision	YES
Exempt	Exempt Annex A
Consultees/ Consultation	Cabinet Members and Senior Officers

## I. BACKGROUND

- 1.1 There is an opportunity to review the facilities management function currently provided due to the current cleaning contract expiring on 31 March 2021. Consideration has therefore been given to whether the current arrangements remain suitable, whether additional benefits could be achieved by an 'in house' service, provided in the future by staff who would be employed by Publica.

## 2. MAIN POINTS

### Cleaning contract

- 2.1 Cleaning services are currently provided by the Council's appointed external contractor 'Intoclean'. They provide cleaning to the Council Offices at Trinity Road and the Moreton Area Centre, common areas of the commercially let buildings at 44 Black Jack Street and Abberley house and the housing support property in Ashcroft Road, Cirencester. The current contracted hours across all sites are approximately 99 per week.

Additional temporary cleaning services of 26hrs per week are currently being provided to support with COVID hygiene services guidelines. This equates to an additional monthly cost of £927.00

- 2.2 As part of the contract, the cleaning contractor also provides a 'security locking service to the Trinity Road offices at 7pm each day after the cleaning shift.

- 2.3 Additional costs outside the current contract are also incurred for the following which would remain as separate items funded by the Council.

- unlocking of the offices as required (Monday - Friday)
- deep cleaning such as carpet cleaning
- window cleaning
- atrium sails cleaning

- 2.4 This contract was extended on 1st October 2020 for a six month period due to Covid-19 related issues and to enable further time to be taken to obtain cost comparisons for the options of securing the service from Ubico. A cost proposal was put forward by Ubico to provide the service but costs were too high and therefore it was deemed not economically viable. Costs are shown in Annex 1. Further work on bringing the proposal in-house, via the Council's own service providing company Publica Group Ltd (Publica), was then carried out. The Council is able to award the contract directly to Publica as the company is wholly owned by local authority partners, including this Council, and therefore qualifies for exemption from a competitive procurement process, commonly referred to as a Teckal exemption.

- 2.5 A further extension with Intoclean has been agreed in principle with a formal term of three months requested. This will allow for the formal decision making process to take place and would allow for the service to be procured or the transfer of staff to Publica to take place, subject to the Cabinet decision.

Transferring the service to Publica will allow for the current contracted hours to be utilised in a more flexible and efficient manner. Staff currently employed by Intoclean on the Council Contract would be subject to TUPE provisions and would therefore transfer to Publica on their current terms and conditions of employment but would be subject to future assimilation into the Publica terms and conditions which includes the Living Wage Foundation Real Minimum Wage provision.

### **Extended Opening Hours**

- 2.6 To allow more flexible use of the offices for staff and Members at Trinity Road opening hours could be extended to 07:00 - 21:00, Monday to Friday (except public and bank holidays) and 07:00 - 13:00 on Saturdays. The offices will continue to remain closed on Saturday afternoon and Sundays.
- 2.7 There is no intention to open to the public at these times, as no public demand for this has been established and no staff resources are currently available to provide services during these periods. A requirement to provide staffing during these periods would need to be carefully considered as it would require a significant change to staff Terms and Conditions or recruitment of new additional staffing.
- 2.8 Extended opening would be for a specific area only with the remainder of the building secured. The area available for the extended period would be the first floor area to the east courtyard and the Civic Suite allowing access to the Council Chamber and Committee Rooms, Members Offices and meeting rooms, Corporate and Democratic Services Offices and provision of an Agile work space to the landing area.
- 2.9 By providing a restricted area for evening and Saturday morning use it will:
- have less impact on increased energy demand as only a small part of the building would be available
  - reduce security risk as the majority of the building would be locked and alarmed once empty
  - reduce the risks around health and safety procedures for evacuation, first aid and lone working provision. Risk assessments would still be required to ensure staff welfare & Health and Safety regulations are met

To facilitate this extended opening arrangements need to be made for locking the building at the later time and at the weekend. Currently the cleaning staff lock the building at 7pm however they could not be required to carry out locking at the later time of 9pm as it is outside the terms of their employment. If Publica staff or staff that would TUPE to Publica are needed to undertake the security locking role, this would need to be negotiated. Mechanisms need to be in place to ensure the building is empty and secure and any lone person locking the building is not at risk and safely leaves the building. Based on the human resource implications, health and safety concerns and cost, the most practical solution would be to employ an external company such as CIA security (existing alarm system contractor and building key holder) to carry out this function.

### 3. FINANCIAL IMPLICATIONS

#### Contract change

- 3.1 A breakdown of cost implications is provided in Annex I. Provision of cleansing services by Publica would increase contracted revenue costs by £10,766 per year, from £59,800 to £70,566 annually. The increase to annual contract costs can be funded within the 2021/22 budget. There would also be one-off costs of £3,200 in 2021/22 for equipment, uniforms and training which can be funded from the Building Maintenance Fund.

#### Extended opening

- 3.2 A change in opening hours would result in increased costs either if services are contracted out or delivered through Publica. There is no comparative cost currently for requiring these services through a cleaning contractor, however, costs are likely to be proportionately higher than they are currently as the hours are more unsociable. The Council has explored options to require cleaning staff to undertake unlocking and locking late evenings and Saturdays but it would require a change in terms and conditions. Costs for a facilities manager have also been explored but similarly to create an efficient role, it would mean amending an existing role and a change to terms and conditions. Both scenarios could therefore result in redundancy and related redundancy costs and recruitment costs to appoint new staff. The annual costs to commission a suitable security company to carry out this service on the Councils behalf is £18,750 (weekdays) and £6,250 for Saturdays (unlock and lock) although further options can be explored to try and reduce this cost.
- 3.3 Utility cost increases for extended opening is estimated at £1,000 so the total additional revenue cost would be £26,000. These additional costs can be funded from within the 2021/22 revenue budget.
- 3.4 There would also be one-off capital costs of £10,000 for installation of additional access controls, alarm and hardware infrastructure. These one-off costs can be funded from the Building Maintenance Fund.

### 4. LEGAL IMPLICATIONS

If the proposal to bring the service in-house is supported then TUPE will apply and be managed through HR and legal services.

The Council has a legal duty to protect the safety of anyone entering the Council building and will therefore need to ensure suitable arrangements are in place for lone working at times when there may be very few people coming into the building.

Should the Council decide to instruct Publica to undertake the cleaning service a contract variation will need to be completed.

## 5. RISK ASSESSMENT

5.1 The costs in this report for both the Publica service and a procured service are estimates only. Staff or contract costs, cost of consumables etc may increase.

5.2 With a move to agile working there is highly likely to be a permanent reduction in office space required by the Council and Publica which would reduce cleaning needs and result in redundancy costs if this cannot be managed via natural staff wastage.

### Extended opening hours

5.3 The Health and Safety (First-Aid) Regulations 1981 require employers to provide adequate and appropriate equipment, facilities and personnel to ensure their employees receive immediate attention if they are injured or taken ill at work. The council's approach is to have a minimum of one first aider on site at any time. In addition the current "temporary emergency procedures" require a trained roll call officer to be on site to ensure a safe evacuation as required under the Regulatory Reform Fire Safety Order. Both these essential requirements may be difficult to fulfil with a limited staff and member presence during the extended opening, exposing the Council and Publica to liability issues, legal and financial risks.

## 5.1. EQUALITIES IMPACT (IF REQUIRED)

5.2. There are no equality implications arising from the recommendations in this report.

## 6. CLIMATE CHANGE IMPLICATIONS

### 6.1. Cleaning service

Should the service transfer to Publica, specific product control and reduced travelling would facilitate a marginal reduction in carbon emissions, as there would be no need for the Contractors area supervisor to inspect sites, this would be managed by onsite Publica staff.

### 6.2 Extended opening hours

Any increase in office opening hours will increase the utilities consumption such as heating and lighting requirements which will increase carbon emissions. Extending the opening hours from 7pm -9pm weekdays and 7am-1pm on Saturdays gives an estimated increase of 12% in electricity consumption over the year, and 26% increase in gas. That equates to the same percentage increase in our current carbon emissions, that is for electricity, additional CO<sub>2</sub>e emissions of 17 tonnes, from 143 tonnes CO<sub>2</sub>e to 160 tonnes. For gas it's an additional CO<sub>2</sub>e emissions of 57 tonnes, from 220 tonnes to 277 tonnes.

The combined carbon impact from electricity and gas results in an estimated increase of 74 tonnes CO<sub>2</sub>e per year.

## 7. ALTERNATIVE OPTIONS

### Cleaning services

- 7.1. The cleaning service could be re-tendered and contracted out through procurement procedures for a set term. All specification, contract and tender documents have been prepared for this purpose.
- 7.2. The staff who would TUPE into Publica would do so on their current Terms and Conditions. The Council could request that Publica retain them on their current rates of pay rather than increasing their pay to the Publica minimum living wage rate. This would reduce the net increase in contract costs by £6,900 each year, so the overall increase in transferring cleaning services to Publica would be £3,866.

### 7.3 Extended Opening Hours

#### **Existing arrangements remain**

The locking of the building would remain within the role of the cleaners and Facilities team

The current opening times are 07:00 - 19:00 for staff and 8:45am to 5:00pm for members of the public, Monday to Friday except public and bank holidays where the offices remain closed.

Late access arrangements are currently provided, as required, to the Civic Suite for late meetings via either a lock up pack so that someone attending the meeting can lock up on finish, or an officer from Property Services attends at the end of the meeting to lock up. During this time the main offices are locked with no access for security purposes. This area consists of the Council Chamber, Committee Rooms, Leaders office, Whiteway meeting room, welfare facilities & the Red meeting room

Locking (physically securing the building) is currently carried out as part of the cleaning contract or on occasions by Publica staff on an overtime basis where late opening is necessary, and this system would remain

## 8. BACKGROUND PAPERS

None