



**Author/Lead Officer of Report:** Tim Dent /  
Procurement and Supply Chain Manager

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**Report of:** Eugene Walker / Mick Crofts  
**Report to:** Cllr Cate McDonald  
**Date of Decision:** 26 July 2021  
**Subject:** Corporate and Housing Flooring Contract Tender

Is this a Key Decision? If Yes, reason Key Decision:-

Yes ☒ No ☐

- Expenditure and/or savings over £500,000

☒

- Affects 2 or more Wards

☒

Which Executive Member Portfolio does this relate to? Resources and Place

Which Scrutiny and Policy Development Committee does this relate to? Overview &  
Scrutiny Management Committee

Has an Equality Impact Assessment (EIA) been undertaken?

Yes ☒ No ☐

If YES, what EIA reference number has it been given? 954

Does the report contain confidential or exempt information?

Yes ☐ No ☒

If YES, give details as to whether the exemption applies to the full report / part of the  
report and/or appendices and complete below:-

*"The (**report/appendix**) is not for publication because it contains exempt information  
under Paragraph (**insert relevant paragraph number**) of Schedule 12A of the Local  
Government Act 1972 (as amended)."*

### **Purpose of Report:**

This report seeks authority to re-procure and appoint a supplier to supply and install flooring products across Sheffield City Council's Corporate and Housing estates. This service provision is both an operational and commonly recurring requirement. The resultant contract will be used by Transport & FM, and Housing and Corporate Repairs and Maintenance departments.

**Recommendations:**

The Executive Directors of Resources and Place are recommended to approve the procurement of a supplier to supply and install flooring products across Sheffield City Council's Corporate and Housing estates for the next 4 years through a fully PCR compliant Open tender as set out in this report.

**Background Papers:**

N/A

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Karen Jones
		Legal: Sarah Bennett
		Equalities: Annemarie Johnston
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	<b>EMT member who approved submission:</b>	Eugene Walker / Mick Crofts
3	<b>Executive Member consulted:</b>	Cllr Cate McDonald
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> Tim Dent	<b>Job Title:</b> Procurement and Supply Chain Manager
	<b>Date:</b> 25 June 2021	

## **1. PROPOSAL**

- 1.1 The Council has an ongoing requirement for flooring products e.g. carpet, lino etc. throughout the Corporate Buildings estate and the Housing estate which includes both regular tenanted Council Housing and Furnished Accommodation provision. The current contract for this provision is due to expire on 31 July 2021 with no formal extension periods available (a small monthly extension may be required to enable us to complete the required procurement which is covered in the Procurement Strategy document).
- 1.2 There is considerable spend in this area with 2020/2021 invoices totalling around £520k which triggers a formal approach to the market under the new Finder a Tender Service (FTS) regulations (replacement for OJEU) that have been set up following the UK's exit from the European Union.
- 1.3 A formal approach to the market is a legal requirement but it will also enable us to review the products being used and facilitate an ongoing value for money service, taking into account the market intelligence and our internal customer experiences.
- 1.4 This procurement route will be fully compliant with the Public Contracts Regulations 2015 and subsequent amendments and Council Standing Orders and will have the benefit of providing access to pricing from a number of competent and competitive suppliers.
- 1.5 It is proposed the resulting contract will be let for 4 years with flexibility built in to future proof the service in terms of changes to the ways of working e.g. reduction in the number of Corporate Buildings and, the potential to introduce more environmentally friendly products as these become better developed for commercial use. The use of environmentally friendly products will be introduced during the term of this contract if available.
- 1.6 The procurement process will reflect the Council's commitment to Sustainability, Social Value and Ethical Procurement as other means of determining best value in a fully holistic manner via specific method statement questions.
- 1.7 The contract that results from this tender will be for the supply of suitable flooring products, installation of the flooring, the making good of the installation site and the disposal in an environmentally friendly manner of the old removed flooring.
- 1.8 The supplier will have to work in accordance with the Council's Health and Safety policies including undertaking a risk assessment at every property to ensure both the installers and residents are kept safe at all times.

## **2. HOW DOES THIS DECISION CONTRIBUTE ?**

- 2.1 This procurement is for commonly recurring goods and services which will affect all staff working in any capacity for the authority through the Corporate Building supply.
- 2.2 The supply chain will be tested via comprehensive method statement requirements which will seek commitment to deliver tangible Social Value, an understanding of where this supply chain is in respect of Ethical Procurement in addition to service delivery, continuous improvement and ongoing value for money.
- 2.3 This procurement will also affect all Council Housing tenants in a positive way due to being able to access replacement flooring which should improve their wellbeing and social status.
- 2.4 By using an open tender process rather than a 3<sup>rd</sup> party procurement framework we will be opening this opportunity to local suppliers which will potential have benefits for the local economy and reduce the carbon footprint of the contract if they are successful.

## **3. HAS THERE BEEN ANY CONSULTATION?**

- 3.1 The flooring for Corporate Buildings is chosen by Council employees in Facilities Management therefore, no consultation will take place wider than the client service areas.
- 3.2 Council House refurbishments are agreed between the Housing Asset Team and the individual tenants. Therefore, consultation on individual product requirements will take place at the time of refurbishment.

## **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

### **4.1 Equality of Opportunity Implications**

- 4.1.1 As this is a procurement of a flooring services only there is no equality of opportunity implications.

### **4.2 Financial and Commercial Implications**

- 4.2.1 There are no financial implications arising directly from this decision.
- 4.2.2 Budgets are agreed annually to cover this service with elements subject to internal recharges.

### **4.3 Legal Implications**

- 4.3.1 In setting up a contract following an open tender process we will assure compliance with the Public Procurement Regulations. The tender will also be compliant with the Council's Standing Orders.
- 4.3.2 A full audit trail of tender activity is available through the eProcurement platform.
- 4.3.3 This procurement has been confirmed as a being commonly recurring item.
- 4.4 Other Implications
- 4.4.1 Not applicable.

## **5. ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 As this is third party spend at a level that triggers a procurement under the Public Contracts Regulations 2015 and the Standing Orders of the Council there is no opportunity to consider options other than the route to market.
- 5.2 There is an option to do nothing however, this will leave us without a compliant route to purchasing flooring which will result in either no future flooring replacements or if colleagues continued to order with the current provider off contract could leave us open to risk and challenges from suppliers and the public under the Freedom of Information Act through the obligation to publish spend data.
- 5.3 Options considered have therefore been whether or not to do a full open tender in our own right or compete this via a further competition under a pre-existing compliant 3<sup>rd</sup> party framework such as East Shires Purchasing Organisation (ESPO).
- 5.4 The option of a full tender run in-house will allow for a bid from the incumbent supplier and other local companies where a further competition under a framework would not.
- 5.5 A pre-existing 3<sup>rd</sup> party framework does not allow us to factor in the Sustainability, Social Value and Ethical Procurement elements that a full open tender will.

## **6. REASONS FOR RECOMMENDATIONS**

- 6.1 The Council has an obligation to ensure its Council Housing estate is equipped with suitable flooring products so that its tenants are able to live in houses / flats of Decent Homes Standards.
- 6.2 Furnished Accommodation tenants pay a service charge as part of the rent which covers the upkeep of their property therefore, we are obliged

to maintain this service for these tenants

- 6.3 The Council has a responsibility to its employees to ensure their work environment is safe and comfortable to work in. Without the ability to replace worn and dangerous flooring there would be health and safety issues for employees at work sites.
- 6.4 The route to market is determined by the spend levels and the need to compete the requirement across an appropriate supply base.
- 6.5 By opting for a full tender over a 3<sup>rd</sup> party framework we will ensure we compete this procurement across a wider range of potential suppliers and that we are able to include local suppliers in the opportunity increasing the possibility of increases in the local economy and job opportunities for residents.