PCC 2026-020

TVP Reference PR25014

Contract for the supply of

Facility Management Hygiene Services

Gateway C: Commercial Outcome Report & OPCC Decision Report

Submitted By:
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Date Submitted:

SF027 – Issue 11 16.06.2025

Contract Award (and COR) Sign-Off Sheet

It is the responsibility of the Procurement Department to complete and present this paper to the CGB (this may be by a virtual process)

By approving this document the Commercial Governance Board confirms acceptance of the detail contained within this document, approval to proceed with contract award, implementation and realisation of the benefits.

In the case of a Procurement which results in a new contract (or extension) the document replaces the previous award paper, and has a section for the relevant sign-offs below.

PART 1 –
FOR PUBLICATION ON TVP / PCC INTERNET SITE

Public access to information
The information in this COR is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the website within 1 working day of approval. Any facts and advice that should not be automatically available on request should not be included in Part 1 but instead on a separate Part 2 form. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.

Executive Summary and Recommendations

1.1 BACKGROUND

1.1.1 Current / Baseline / Budgeted Spend ££18,400,000 Subjective Codes: *2326, 3520*

1.1.2 Summary of requirement and process

The requirement covers the provision of Facility Management Hygiene Services - Building Cleaning and Decontamination Services, Force-wide Laundry Services, Washroom and Medical Waste Services, and Building Window Cleaning Services.

The Service must fully meet the Authority's expectations as defined in the Specification, and its delivery must not disrupt the Authority's operational activities.

To fulfil this requirement, the Procurement Services Team working in collaboration with the Estates/Facilities Team as the primary stakeholder conducted a Mini Competition (MC) via the ESPO Framework. The process was delivered through the Intend portal.

Following a capability assessment, 13 suppliers were invited to participate in the tender process. 6 compliant bids were received at Stage 1 (RFI). All 6 suppliers were subsequently invited to submit bids at Stage 2; however, only 2 bids were received.

This COR therefore presents recommendations based on the scored, evaluated, and moderated submissions, setting out the option that offers the most financially, operationally, and strategically sustainable solution for the Force.

1.1.3 Regulation 84 form has been completed and is at Appendix A (Note that by default a regulation 84 form should be completed in all circumstances). This is a record of the exercise required to be kept by the Cabinet Office.

1.1.4 Contract Terms and Conditions: The suppliers meet all the requirements of the contract terms and conditions and specification and offer the Most Economically Advantageous Solution, as assessed through the evaluation process.

1.1.5 Legal Implications: This contract has been awarded by a legally compliant methodology

1.1.6 Equality and Diversity: There are no specific issues with regard to Equality & Diversity with this award.
1.1.7 Social Value: In line with Force Sustainability Policy

1.1.8 Realisation Implementation Plan. To be confirmed during the implementation meeting

1.1.9 SF007 Procurement Checklist it up to date and will be finalised and stored upon award contract award ☒

1.1.10 Contract Management Review: Tier 1 ☒ or Tier 2 ☐ or Tier 3 ☐

The tiering of contracts will be determined using the contract impact assessment process as described in SF056 Contract Tiering Tool

The contract has included the following key performance indicators to support the ongoing management of the supplier:

TVP cleaning KPIs
2025 Performance sc

1.1.11 The procurement process has followed all relevant legislation and complies with the objectives of: Transparency; Delivering value for Money, Maximising Public Benefit, and Acting with integrity and all relevant applicable legislation and regulations ☒

1.1.12 There is a confidential Part 2 form is for internal use and is not for publication into the public domain due to the sensitive/commercial nature of the information.

1.1.12 Attachments

Please include the following attachments as additional supporting information:

☒ Any additional Supporting information

N/A

1.1.13 FINANCIAL IMPLICATIONS - Finance

TVP Finance Business Partner - To be completed by the Accountant – this is to include comments about if the recommended contract award value may lead to an increased risk of an overspend to the current budget(s).

Despite receiving a 13.3% uplift in budget from FY25/26 to FY26/27, the recommended contract award would result in a **£58k cost pressure in FY26/27** when compared against the confirmed budget provision. Based on the contract award value and the assumptions outlined below, this **pressure is expected to increase to approximately £373k over the first three years of the initial contract term**.

This analysis assumes that, following the material uplift applied in FY26/27, the overall Facilities budget receives a 2% year-on-year inflationary increase from FY27/28 onwards. This aligns with long-run inflation forecasts published by the Bank of England and the Office for Budget Responsibility. It is recognised, however, that actual budget settlements may differ depending on future national funding decisions, representing a source of uncertainty.

If TVP were to utilise the full eight-year potential contract duration, and budgets continued to be uplifted at 2% per annum only, the cumulative impact would represent an estimated **£2.623m pressure to budget over the total contract period.**
The variance between the cost pressures identified above and the cashable savings declared within the procurement evaluation arises from the treatment of labour costs within the supplier's financial model. While the Sasse cost model presents cleaner costs as fixed for the duration of the eight-year term, accompanying notes explicitly state that contract prices will increase annually in line with changes to the Real Living Wage (RLW). As a result, the headline contract price does not reflect the likely cost to TVP over the life of the contract.

To provide a more realistic estimate of future costs, this analysis applies a proxy uplift to cleaner costs based on historical National Living Wage (NLW) increases, using government-published data over the last seven years. The resulting average annual uplift of 6.5% has been applied to cleaner costs only. This assumption represents both a financial risk, should actual wage growth exceed inflationary provision, and a potential opportunity, should future wage settlements be lower than this historic average. As stated below, Sasse had already applied a 2% year-on-year increase to management and OH costs.

Analysis Assumptions
* Facilities budgets grow at 2% year-on-year from FY27/28 onwards
* 6.5% annual wage uplift applied to cleaner costs only, based on the long-run average of historic NLW increases
* Historical spend proportions with Sasse across multiple budget codes are assumed to continue under the new contract structure
* No material changes to service scope, estate size, or operational demand
* Formal multi-scenario sensitivity analysis was not undertaken, due to year-end timescales and the need to support timely contract award

Is the value of the contract within budget **NO**	The identified £58k pressure in FY26/27 is considered manageable within the overall Property Services budget for that year. However, the recurring and cumulative nature of the cost growth, particularly driven by labour costs exceeding general inflation, will require explicit consideration as part of each year's budget-setting process. Ongoing affordability will therefore be a year-on-year decision for the Head of Property Services, informed by RLW increase, inflation, and wider financial pressures.
State full budget code(s) to be used for the purpose of the requisition / purchase order	Multiple. Primarily 2410 (Cleaning Contract – Main) but also spend on 2326 (Trade Refuse Charges – for hygiene and sani support), 2327 (Contract Cleaning), 3330 (Laundry), 3520 (Investigation Expenses), and 6572 (Custody Expenses).
Comment	

1.1.15 ICT IMPLICATIONS

To be completed by the ICT lead this is to include comments about the recommended contract award ICT implications and any risks associated that may lead to additional spend requirements.

N/A

Add a breakdown of refined ICT resource costings

State the resource start date for this project.

1.2 RECOMMENDATION

1.2.1 The Police and Crime Commissioner / Chief Constable of Thames Valley Police (Chief Finance Officer and Director of Finance) are invited to agree the award of contract in respect of the above to Sasse Limited.

The above contract is for an initial term of 36 months duration, with 1 extension option of 36 months and a second extension option of 24 months.

The total value of this contract is estimated at £17,766,920 over the full project period (including extension options). The total value is made up of £6,616,501 for the initial term and £6,675,637 for 36 months extension period and £4,474,782 for the second extension of 24 months.

Process and COR approval

Role	Name/Job Title/or Shoulder No.	Signature and Sign-Off Date
Project Sponsor (Stakeholder) Approving the proposal as meeting the requirements	Andy Candelent	02/04/26
Procurement Business Partner Approving the award as meeting the commercial and regulatory requirements of the force	A Hughes	16.04.26
Procurement Lead Confirming the process as meeting the objectives and regulatory requirements set	Maggie Tabakova	02/04/26
TVP Finance Confirming that they have approved the budgetary and financial implications of this proposal	Chris Leach	14/4/26
Legal (*If applicable*) Confirming their review of any legal implications of this proposal	N/A	

The below representatives have given their approval to implement the sourcing strategy as outlined within this document.

NOTE: If signature from representatives are not present in the document, please update the statement below:

Signed by the Head of Procurement on behalf of **ADD NAMES if no signature present and approval has been given by email**

Approval Role	Name or Shoulder Number	Job Title	Signature and Sign-Off Date
Approver / Supporter approving contract award up to a value of £200,000 and supporting values above £200,000	/ A Hughes	Del Auth: Head of Procurement	16.04.26
Approver / Supporter: approving contract award up to a value of £1,000,000 and supporting values above £1,000,000	Linda Waters	Director of Finance	22/4/26
Consulted / Approver: Consulted on contract award values of £200,000 up to £1,000,000 Approval on contract award values above £1,000,000	**Martin Thornley**	OPCC - Chief Finance Officer	23/4/26
Approver: Approval on contract award values above **£500,000**	**Gillian Ormston**	OPCC - Chief Executive	23/4/26
Final Approver: Approval on contract award values above £1,000,000	**Matthew Barber**	Police & Crime Commissioner	23/4/26
Final Approver (HIoWC) Approval on contract value greater than **£500,000** HIoWC commitment (ICT only)	**Donna Jones**	Police & Crime Commissioner	

Contract Summary and Information for BLPD	
Proposed Supplier	Sasse Limited
Planned Contract Start Date	4th May 2026
Contract Duration – Initial Term *(months)*	36 months
Contract Extensions Available *(months)*	Optional Period: 36 months Second optional: 24 months
Contract Value *Initial Period (months)*	£6,616,501
Contract Value Extension per extension periods	£6,675,637 for 36 months extension period and £4,474,782 for the second extension of 24 months.
Total Contract Value including all extensions	£17,766,920
Collaborative Purchase Information (who are we buying with and what is there proportion of spend).	N/A
ICT resource costs (note not part of contract value)	

Contract Savings (for use on Home Office benefits reporting – NOT TO BE INPUT ON BLPD)	
Baseline Spend *(highlight any changes to information provided in CLD)*	renewal of existing contract

Savings Enabled: *Detail at High, Low and Expected level if the savings are likely to be variable e.g. based on demand.* *Include Annual & Total Contract Savings*	Cashable: Under review
Savings Start Date if different from Contract start date	Cashable: N/A
Collaborative Savings	*N/A*
Savings Types *(based on Savings Definitions in Savings Analysis Worksheet)*	Cashable:£ N/A
Other Benefits:	It ensures continuity of service delivery, maintains operational stability, and avoids the risks typically associated with transitioning to a new provider. By retaining the existing supplier, the organisation benefits from their established knowledge, proven performance, and familiarity with our systems and processes. This reduces mobilisation time, minimises disruption, and supports a smoother continuation of the service.
Total Savings as a % of baseline spend:	Cashable: Under Review