



# SELECTING BEST VALUE

A GUIDE FOR PRIVATE AND PUBLIC  
ORGANISATIONS AWARDDING CONTRACTS  
FOR CLEANING SERVICES







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AWARDING CONTRACTS FOR CLEANING SERVICES

THIS GUIDE HAS BEEN REALISED  
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# EXECUTIVE SUMMARY

The guide is developed by the European Federation of Cleaning Industries (EFCI) and UNI Europa with the financial support of the European Commission and aims to assist buyers in their tendering process by **highlighting the benefits of choosing quality services**.

As it has been co-drafted by **the European social partners in the cleaning services industry**, it offers a **unique approach to selecting best value** reflecting the experience of the cleaning sector. For the same reason, this guide suggests that the cleaning services industry should be seen as a partner in the process of procuring services.

With this guide, social partners aim to help readers in understanding how to include and measure quality and social aspects in their procurement process. Whereas quality of cleaning services is determined by technical merit and professional ability, social aspects include the respect for collective agreements and good employment conditions. Both the quality and social aspects represent two sides of the same coin. If these are not taken into account, unfair competition between companies and social dumping of employees is likely to be the rule. Cleaning is a highly labour-intensive service where labour accounts for around 85% of costs. As a consequence, the social partners strongly underline that awarding contracts purely on price or cost will lead automatically to quality shortcomings and unlawful practices.

This guide is easy to use, with sections independent of one another and the executive summaries at their beginning provide an overview of each one. To achieve its role as a reference tool for selecting best value, the guide includes the following:

**Section 1:** Acts as an introduction to best value and to why it matters to the buyer. The concept of “best value” seeks to establish a system according to which various elements relating to the quality of service are scaled and weighted to the price, in order to assess the offer that best suits the specific needs and preferences of the buyer and thereby presenting the economically most advantageous offer.

This section also outlines the risks to the buyers if they opt for a low quality cleaning services provider, which most often is synonymous with choosing the lowest price.

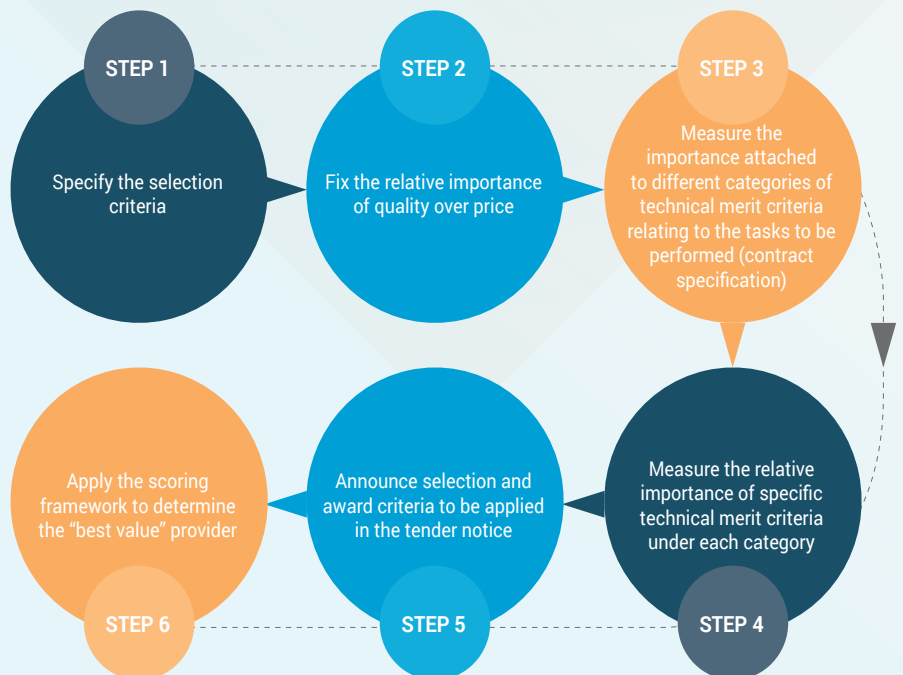
**Section 2:** The European Union has developed an extensive legislative framework with regard to public procurement. The main legal tool is the EU Directive on Public Procurement (2014/24/EU). This section outlines the latest EU public procurement rules and procedures of relevance to the cleaning sector. Readers can find information on the exclusion, selection and award criteria.

In this section we also add our recommendations, such as using MEAT criteria, respecting collective agreements, rejecting abnormally low prices or avoiding electronic options. To improve the section’s readability, we are clearly separating our recommendations from the legally binding elements.

**Section 3:** The quality of a cleaning service depends mainly on three factors: personnel, management and equipment. This section seeks to assist buyers with identifying the appropriate quality criteria for cleaning services in the process of selecting and awarding contracts to cleaning companies.

Therefore, this section first offers advice on applying a sound tendering procedure and calculating the actual cost of a service. It then describes the criteria for assessing the capabilities of cleaners and the working conditions that a company is offering to them. This is followed by an overview of criteria for selecting a company that would be able to provide a sound management of the cleaning services and that would use infrastructure, such as equipment and cleaning material, which would fit to buyers’ premises and expectations.

**Section 4:** This section includes a user friendly tool aimed at assisting buyers in defining their needs for cleaning services. The tool contains an easy to use framework for allocating values/scores to different criteria of importance to the buyer. It aims to provide buyers with maximum autonomy in defining the quality criteria which are of particular relevance to them and to the private cleaning services to be performed. It follows a six step procedure:



# CONTRIBUTION OF THE CLEANING SECTOR TO THE EUROPEAN ECONOMY (2014)

## TURNOVER 1999 – 2014

According to the EFCI survey of 2016 (data 2014) cleaning contractors achieved a total turnover of 73.925 billion € in the 20 European countries covered by the survey. This represents an increase of 14.5% over two years (2012-2014). On average, the annual turnover growth in the industry over the last 24 years is 9.35%.

## TURNOVER BY COUNTRY

Germany, France, UK, Italy and Spain are the 5 largest national markets. Together, they represent around 72% of the total European turnover. The relative importance of the Dutch, Swedish and Danish markets confirms an organic growth over recent years, which is mainly due to outsourcing.

## MARKET PENETRATION RATE

The market penetration is defined as the share of the global cleaning services contracted out to specialised cleaning companies with the difference being performed in-house. The market penetration by cleaning contractors has continually grown over recent years, to around 65%. In addition, this figure shows that around 35% of the cleaning market is still performed in-house.

## NUMBER OF COMPANIES

In 2014, the total number of cleaning contractors exceeded 171.560. This represents a slight increase with regard to the year 2012 and confirms a higher level of concentration of companies that had been registered in previous periods.

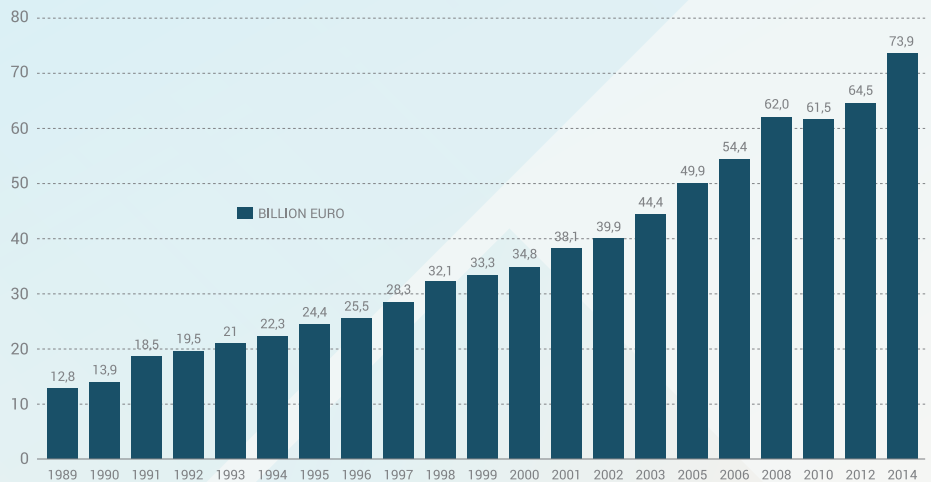
## NUMBER OF EMPLOYEES

In 2014, more than 3.39 million people<sup>1</sup> were employed in the cleaning industry, representing a growth of 2% in relation to 2012. As cleaning is a labour-intensive activity, the growth in the sector's turnover clearly translates to an employment increase throughout Europe. Indeed, the average annual employment growth in the industry over the past 24 years is at 4.13%.

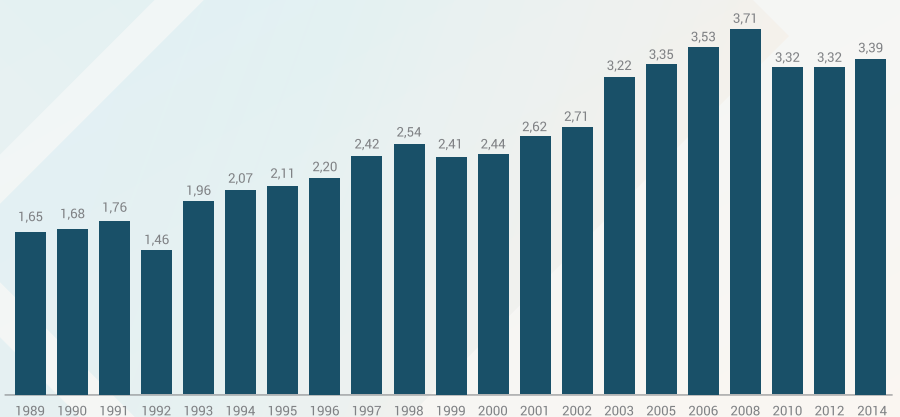
## WORK ORGANISATION

Part-time work<sup>2</sup> remains the most frequent form of employment in the industry and covers 66% of the workforce. This figure has however been slowly decreasing since 2001, thereby offering an increasing number of full-time employment opportunities. The average duration of work in the cleaning industry is at 23 hours per week, slowly increasing from 19 hours per week in 2001. Finally, women represent 73% of the total number of employees in the cleaning industry.

Turnover 1989 - 2014




Employment growth (millions)



<sup>1</sup> Employment figures are expressed "per capita" and not in terms of "full-time equivalent"  
<sup>2</sup> Any duration of work inferior to full-time work as defined by law or collective agreements

# INTRODUCTION

This guide is developed both for public and private buyers of cleaning services situated in the EU or outside. It aims to assist them in choosing a quality cleaning service. The introduction presents the guide's key objectives and explains why the guide was updated, as well as the importance of opting for best value in the cleaning services sector.

 Terminology & definitions can be found at the end of the document.

## WHO ARE THE SOCIAL PARTNERS BEHIND THIS GUIDE?

Established in 1988, **EFCI**<sup>3</sup> (European Federation of Cleaning Industries) unifies the representative national professional organisations of the cleaning industry. EFCI is the privileged interlocutor of the European Institutions regarding all questions related to the industry. Recognised as social partner by the European Commission, the EFCI represents the employers' interests within the Social Affairs Committee towards its trade union partner, UNI Europa.

As the European trade union federation representing 7 million service workers, **UNI Europa**<sup>4</sup> speaks for the sectors that constitute the backbone of economic and social life in Europe. Headquartered in the heart of Brussels, UNI Europa represents 272 national trade unions in 50 countries across the skills and services industry, and including representing the rights of workers across Europe in the cleaning sector.

## OBJECTIVES OF THIS GUIDE

With this guide, EFCI and UNI Europa aim to assist buyers of cleaning services in clearly defining their needs according to the specificities of their premises and cleaning tasks.

It covers all aspects of tendering cleaning services:


- Defining the buyers and their premises' needs and what a quality service would look like for them.
- Drawing up a procurement procedure where these quality elements are reflected.
- Comparing tender submissions through a practical tool developed as part of this guide, whereby different bids can be evaluated against the originally selected quality criteria.
- Evaluating bids using the selected quality criteria, and selection of the bid with the highest quality up to signing the contract.

This guide includes a user friendly tool, found in the workbook at the back of this guide, aimed at assisting buyers in defining their needs for cleaning services.

The tool contains an easy to use framework for allocating values/scores to different criteria of importance to the buyer.

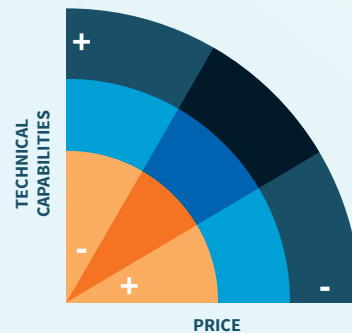
The aim of this framework is to provide buyers with maximum autonomy in defining the quality criteria which are of particular relevance to them and to the private cleaning services to be performed. After values are allocated to the different criteria, the tool allows for applying weightings according to the buyer's own estimation. Thereby, the buyer can set the balance between quality and price elements.

In conclusion, by using this tool, the buyer should be able to define, search, identify and select best value cleaning services companies where the contract awarded reflects the quality criteria originally allocated by the buyer to the specific tender.

 This guide can also be used as a tool to control whether contractors are fulfilling their obligations throughout the duration of a contract. For example, it would allow the buyer to check whether the contractors keep to their commitments in terms of recruitment procedures, quality assurance and training.

Therefore, this guide can be used as an initial information and training tool for contracting officers, outlining the technical merit and quality criteria which will help them identify providers offering a high standard of service.

Moreover, this guide can prove useful as a reference tool for buyers that make use of other tendering guidelines. It would allow them to assess their evaluation criteria against methods proposed in this guide.



<sup>3</sup> EFCI - [www.efci.eu](http://www.efci.eu)

<sup>4</sup> UNI Europa - [www.uni-europa.org](http://www.uni-europa.org)

**HOW TO USE THIS GUIDE**

The guide is designed to be used as a menu of options. Interested buyers do not have to read the whole document in order to find the most relevant points for them. Instead, all the sections are independent and can be read separately as per interest. The table of contents allows for immediate re-direction to your most relevant sections. Moreover, short executive summaries are included in the beginning of each section providing buyers with an indication regarding the content and allowing them to decide quickly whether the section is relevant or not. Finally, in order to facilitate easy referral to concepts and sections in the manual, hyperlinks are used throughout the document for those reading electronically.

**WHY WAS THIS GUIDE UPDATED?**

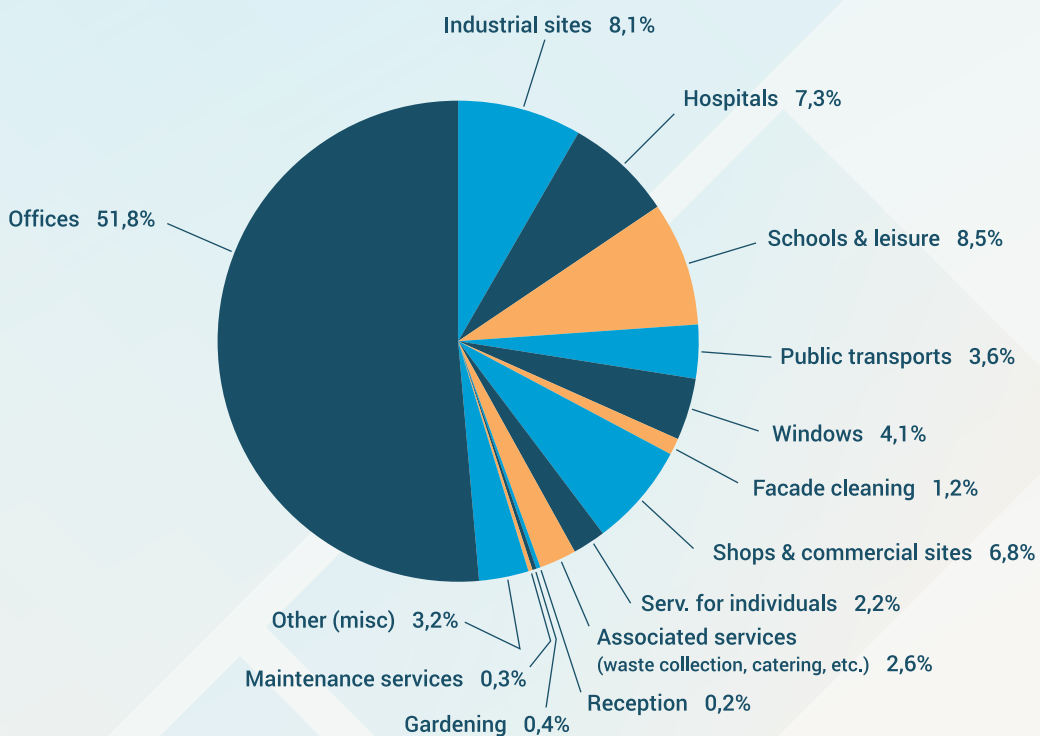
The first version of this guide was published in 2005 and it has been updated in 2016 to reflect developments in the cleaning services industry, the buyers' expectations and changes in the European legislation on public procurement. The new version also aims to build on the experience of using the guide for the past decade. Key changes in this guide include:

**OUTSOURCING CLEANING SERVICES BECAME THE NORM**

Over the past decade the outsourcing of cleaning services has become the norm. Nevertheless, the buyers – both public and private – remain responsible for ensuring the cleanliness and hygiene of their premises. Therefore, buyers should be in a position to find the external contractors that would provide them with a service that fulfils the expectations of the users and visitors of their premises.

**DIVERSIFICATION OF ACTIVITIES**

In the past, cleaning services were predominantly provided at office sites. While office cleaning still represented half of the sector's turnover in 2014, its importance is slowly declining. Gradually, even highly-specialised sites, such as hospitals, food and high-tech industries, are entrusted to cleaning companies. Although office cleaning is still the most important segment, it has consistently reduced over the past 20 years (from 67,6 % in 1995 to 51,8 % in 2014). In parallel, specialised services constantly increased over the past 20 years (from 32,4 % to 48,2 %).



## DEVELOPMENTS IN THE CLEANING SECTOR

In absolute figures, the cleaning industry is still largely dominated by very small companies; with around 77 % of them employing less than 10 people. On the other hand, only 1,39% of the companies employ more than 500 people, generating almost half of the sector's turnover.

Increasingly, cleaning companies develop into facility management companies. Therefore, a buyer may consider opting for a company that is able to act as "one-stop-shop" for different kinds of services.

In the same spirit, multinational companies are opting to have a single interlocutor throughout the EU. This can be either a single cleaning company or a network of cleaning companies. This better suits buyers interested in receiving the same level of quality and in negotiating a single set of conditions throughout the EU.

## DIVERSE TYPES OF CLEANING CONTRACTS

While in the past most contracts were "activity based", there is an increasing tendency to use more flexible "result based" and "mixed type" contracts. As a result, buyers have to draft their bid in a way largely different than in the past, using the cleaning companies as partners as much as possible.

## TECHNOLOGICAL PROGRESS AND PRODUCTIVITY

As new machinery for cleaning and coordination of services became available and companies invested more in trainings, the sector's productivity has increased. Buyers today can also opt for companies using efficient machinery. For example, in some countries cleaning personnel are equipped with connected equipment that directly informs the coordination team regarding the time that cleaning of a specific part of the premise took place.

## LEGISLATIVE CHANGES

Since April 2016, the EU Member States have to apply rules for public procurement adopted at EU level in 2014. It is important to note that the European Commission is also developing horizontal guidance for the application of the procurement legislation. For example, there is specific guidance for public authorities entitled "Buying Social: A Guide to Taking Account of Social Considerations in Public Procurement"<sup>5</sup>, which is particularly relevant for the cleaning services industry.

## DAYTIME CLEANING

Over the past ten years, cleaning during "normal office hours" has constantly increased. In their Joint Declaration on daytime<sup>6</sup> cleaning, the EFCI and UNI-Europa stress the benefits daytime cleaning offers to clients, companies and employees and indicates their support for all initiatives aiming to increase daytime cleaning. Indeed, daytime cleaning offers substantially more opportunities for full-time work and, consequently, improves professionalism (including for example, easier access to professional training), employees' motivation and recognition (cleaning is no longer anonymous), as well as a better balance between private and working life.

<sup>5</sup> "Buying Social - A Guide to Taking Account of Social Considerations in Public Procurement" edition of 2010 can be found [here](#).

<sup>6</sup> Adopted in March 2007 by the European Sectoral Social Dialogue Committee on Industrial Cleaning

# SECTION 1: WHY OPT FOR BEST VALUE?

This section acts as an introduction to best value and to why it matters to the buyer. The concept of “best value” seeks to establish a system according to which various elements relating to the quality of service are scaled and weighted to the price, in order to assess the offer that best suits the specific needs and preferences of the buyer and thereby presents the economically most advantageous offer. This section also outlines the risks to the buyer if they opt for low quality private cleaning services provider, which most often is synonymous with choosing the lowest price.

In principle it seems evident why buyers would choose the best possible professional services to ensure the hygiene and cleanliness of their premises.

Quality professional cleaning services allow the buyer not only to fulfil their legal obligations to ensure the health, safety and hygiene of their premises, but also to preserve their facilities at a level that would minimise maintenance needs, such as painting.

Furthermore, they provide users and visitors with a high-level service. Quality cleaning services also allow the buyer to ensure a high level of aesthetics that also reflect the buyers’ level of services.

Overall, working with well-respected professional cleaning companies also contributes to the positive reputation of the buyer.

Nevertheless, cost containment measures, lax regulation of the sector, as well as the lack of knowledge on the negative implications of low standard services often lead to price dictated decisions.

The consequences of selecting lowest bid instead of best value are twofold: they **create unfair competition amongst employers** whilst also contributing to adverse conditions for cleaners, as the lowest bidders might not be respecting wage legislation, social

contribution or tax obligations.

For example, as labour costs in this sector amount to 85% to 90% of the turnover, a decrease in price quickly translates into a **heavy pressure upon the conditions of employment**.

In turn this often leads to **quality shortcomings**, as personnel and cleaning infrastructure are reduced to make cost savings. It may even have broader implications, such as the **adoption of unethical or illegal practices**.

In this framework, it is worth noting that in some countries the client might have shared responsibility in case of illegal practices applied by the cleaning company.



Readers are reminded to follow and respect collective agreements and national labour law aspects defining social and employment rules and that these are taken in due consideration when defining the lowest acceptable price.

## WHAT ARE THE BENEFITS OF CHOOSING CLEANING SERVICES BASED ON BEST VALUE?

- Full performance of contract
- Ensuring the hygiene & cleanliness of premises
- Full respect of legislation
- Minimise future maintenance needs
- Provide users and visitors with high-level services
- Better choice and a level playing field within the market
- Positive image for buyers and the industry

## WHAT ARE THE RISKS OF CHOOSING CLEANING SERVICES BASED PREDOMINANTLY ON PRICE?

- Unethical or illegal competition amongst employers
- Loss of jobs
- Inadequate remuneration of employees
- Lack of respect to social contributions and taxation
- Deficiencies in the quality of the cleaning undertaken and in results in the premises, leading to health and safety concerns for cleaners, as well as visitors and users
- Reduction in the investment for the improvement of technical and human resources
- Quicker deterioration of the facilities
- Deterioration of the image and the buyers assets
- Negative image for buyers and the industry

## SECTION 2: UNDERSTANDING THE EUROPEAN LEGISLATION FOR PUBLIC TENDERING AND RECOMMENDATIONS FROM THE SOCIAL PARTNERS

The European Union has developed an extensive legislative framework with regard to public procurement. The main legal tool is the [EU Directive on Public Procurement \(2014/24/EU\)](#). This section outlines the latest EU public procurement rules and procedures of relevance to the cleaning sector. In this section we also add our recommendations, clearly separating it from the legally binding stipulations.

### EU LEGISLATION KEY HIGHLIGHTS

The EU Directive on Public Procurement which took effect from April 2016 in the Member States provides for a positive legal framework and facilitates the selection of quality cleaning services in public tendering. The Directive is substantially improved compared to the previous rules because:

- the quality award criteria in the new rules will be based on the principle of the “most economically advantageous tender” (the “MEAT” criteria, Article 67) which aim to ensure quality and best value for money by putting more emphasis on social aspects, environmental considerations or innovative characteristics, while still taking into account the price or life cycle costs of the work, good or service procured.
- the lowest price as independent criterion may still be used, however the Directives request rather a cost-effectiveness approach, indicating the possibility of using methods such as life-cycle costing (Article 67 & 68).
- explicit rules about the importance of complying with existing social and labour standards, including those set by collective agreements, have been included (Article 18.2).
- abnormally low tenders should be carefully evaluated when awarding contracts and offers shall be rejected if the abnormally low price is due to a lack of respect of the collective agreements or social or labour laws (Article 69).
- when awarding contracts there is a possibility that the cost element takes the form of a fixed price on the basis of which bidders compete only on the quality elements (Article 68).

### KEY RECOMMENDATIONS BY THE SOCIAL PARTNERS

The social partners welcome the new public procurement rules as they are the right way forward towards ensuring quality cleaning services. While the new rules are obligatory for public buyers, the social partners strongly recommend that private buyers take inspiration and use them in their tenders.

Our key recommendations for buyers are:

- 1 Use the **MEAT criteria** and quality criteria provided for in the legislation and refrain from using the price as key indicator for procurement. In our sector, buying based upon the price element often has substantial impact on the labour conditions and social wellbeing of the cleaning staff and it may mean that their health and safety is not ensured. Moreover, it creates unfair competition amongst companies, which are consequently not able to ensure quality services.
- 2 Ensure the respect for **labour law** and social standards: they are key in a labour intensive sector, such as the cleaning services sector.
- 3 Reject **abnormally low tenders**, as they lead to unfair competition amongst cleaning companies, bad working conditions for employees and possibly social dumping.
- 4 Avoid **electronic auctions** when procuring cleaning services. While the new rules allow their use, the social partners recommend to avoid them as they are made for driving prices down and do not contribute to procuring quality cleaning services.
- 5 One option when awarding contracts can be the possibility that the cost element takes the form of a **fixed price** on the basis of which bidders compete only on the quality elements. The social partners recognise that this could be one option, but not the mainstream way to procure cleaning services.
- 6 If made available by your national legislation, make use of exclusions grounds allowing you to exclude offers which do not comply with social or labour law obligations.

**GENERAL PROVISIONS**



As a general principle, Article 18.2 requires national authorities to ensure that bidders e.g. companies, organisations, comply with applicable obligations in the fields of environmental, social and labour law established by European Union law, national law, and **collective agreements** or by certain international environmental, social and labour law provisions. This is an obligatory requirement also for subcontracting where the bidder subcontracting services has to ensure compliance with the above mentioned legislation and collective agreements by the sub-contractor (Article 71).

The legislation sets out **rules for public tendering in the European Union**. The rules include types of procedures, exclusion, selection and awarding criteria which public buyers (“contracting authorities”) should adhere to.

The EU public procurement rules apply to public procurement for cleaning services with a net value of value-added tax (VAT) equal to or greater than (Article 4):

- €134 000 for public supply and service contracts awarded by central government authorities. Central authorities are defined in Annex I of the legislation and include ministries, state agencies having executive power, etc.
- € 207 000 for public supply and service contracts awarded by sub-central contracting authorities including municipalities, regional authorities or bodies governed by public law.
- Nothing prevents national governments from applying EU legislation for lower threshold contracts or private buyers from applying the same rule.

According to the EU Public Procurement legislation, public buyers are required to set out the technical specifications laying down the characteristics of a service, works or supply (Article 42). These technical specifications shall be linked to the subject-matter of the contract and proportionate to its value and its objectives. Annex VII of the EU legislation states that in the case of public service contracts, a specification in a document defining the required characteristics of a product or a service, such as quality levels, environmental and climate performance levels shall be included. In addition, reference to EU, international or national standards adopted by a recognised standardisation body may be included. This provision is yet again aimed at ensuring that the quality aspects are taken into account in public procurement since the onset of the procurement procedure.

**EXCLUSION CRITERIA**

These criteria grant automatic exclusion from the tendering process. There are two types of criteria:  
**Mandatory exclusion criteria** (See page 14)  
**Optional exclusion criteria** (See page 14)

**AUTOMATIC EXCLUSION FROM TENDERING PROCESS**

**SELECTION CRITERIA**

Applicants may be requested to provide the following:  
**Suitability to pursue the professional activity**  
**Economic and financial standing** (See page 15)  
**Technical & professional ability** (See page 15)


**SELECTION OF NATURE OF COMPANY TO BE INVITED TO TENDER**

**AWARD CRITERIA** (See page 18)

Awarding contracts on the basis of the economically most advantageous tender, assessment is based on the following:

- the price or cost by using a life-cycle costing approach
- the best price-quality ratio which shall be assessed on the basis of qualitative, environmental and/or social criteria

**SELECTION OF COMPANY BASED ON BEST QUALITY-PRICE RATIO**

 Although the EU legal framework does not govern tenders for private buyers, EFCD and UNI Europa encourage private buyers to take note of the best practices and quality standards to be found in EU legislation and to keep them in mind for their tendering processes.

## EXCLUSION CRITERIA

Exclusion criteria define the type of companies that are to be automatically excluded from the tender. They are defined in Article 57 of the EU Public Procurement legislation and are divided into mandatory exclusion criteria and optional ones. Member States can choose which elements of the optional criteria to include in their legislation and tenders. Below some examples of both categories are listed:

- **Mandatory exclusion criteria:** participation in a criminal organisation; corruption, fraud, terrorist offences or offences linked to terrorist activities, money laundering or terrorist financing, child labour and other forms of trafficking in human beings, breach of payment obligations of taxes or social security contributions.
- **Optional exclusion criteria:** EU, international and national environmental, social and labour law as well as collective agreements are not respected; bankruptcy or insolvency or winding-up proceedings; grave professional misconduct, etc. As social partners, we strongly encourage the use of these criteria in every selection process.



### EXCLUSION CRITERIA

Where the contracting authorities have evidence that the applicants have been involved in the below points, they will exclude them from the process.

#### MANDATORY EXCLUSION CRITERIA

- Criminal organisation
- Corruption, fraud, terrorist offences or offences linked to terrorist activities, money laundering or terrorist financing, child labour and other forms of trafficking in human beings
- Breach of payment obligations of taxes or social security contributions

#### OPTIONAL EXCLUSION CRITERIA

- EU, international and national environmental, social and labour law as well as collective agreements are not respected
- Bankruptcy or insolvency or winding-up proceedings
- Grave professional misconduct, which renders integrity questionable
- Agreements with other economic operators aimed at distorting competition
- Conflict of interest
- Significant or persistent deficiencies in the performance of a substantive requirement under a prior public contract are known
- Undue influence of decision-making process of the contracting authority

### AUTOMATIC EXCLUSION FROM TENDERING PROCESS



Social partners strongly recommend to take into account the optional exclusion criteria

## SELECTION CRITERIA

Article 58 of the EU public procurement rules describes the main selection criteria for tenders which are divided in three strictly-defined and non-expandable main areas:

- **Suitability to pursue the professional activity:** This may include a requirement for bidders to be enrolled in one of the professional or trade registers kept in their Member State of establishment, possess a particular authorisation or to be members of a particular organisation in order to be able to perform in their country of origin the service concerned, etc.
- **Economic and financial standing:** Buyers may require that bidders have a certain minimum yearly turnover, including a certain minimum turnover in the area covered by the contract. In addition, bidders may have to provide information on their annual accounts showing the ratios, for instance, between assets and liabilities. They may also require an appropriate level of professional risk indemnity insurance.
- **Technical and professional ability:** With regard to technical and professional ability, buyers may impose requirements ensuring that bidders possess the necessary human and technical resources and experience to perform the contract to an appropriate quality standard. As described in the section below, for cleaning services this mostly includes the personnel, management and equipment.



### SELECTION CRITERIA

Applicants may be required to provide the following:

#### SUITABILITY TO PURSUE THE PROFESSIONAL ACTIVITY

- Enrolment in one of the professional or trade registers kept in their Member State of establishment
- Authorisation or to be members of a particular organisation in order to be able to perform in their country of origin the service concerned

#### ECONOMIC AND FINANCIAL STANDING

- Proof of certain minimum yearly turnover, including a certain minimum turnover in the area covered by the contract. It shall not exceed two times the estimated contract value, except in duly justified cases such as relating to the special risks attached to the nature of the works, services or supplies
- Information on their annual accounts showing the ratios, for instance, between assets and liabilities

#### TECHNICAL AND PROFESSIONAL ABILITY

- Level of experience demonstrated by suitable references from contracts performed in the past. A buyer may assume that an economic operator does not possess the required professional abilities where the contracting authority has established that the economic operator has conflicting interests which may negatively affect the performance of the contract
- In procurement procedures for supplies requiring siting or installation work, services or works, the professional ability of economic operators to provide the service or to execute the installation or the work may be evaluated with regard to their skills, efficiency, experience and reliability
- Sufficient level of experience demonstrated by suitable references from contracts performed in the past (for example, a list of the works carried out over at the most the past five years, accompanied by certificates of satisfactory execution and outcome for the most important works)
- Educational and professional qualifications of the bidder or contractor or those of the undertaking's managerial staff, provided that they are not evaluated as an award criterion
- In procurement procedures for supplies requiring siting or installation work, services or works, the professional ability of bidders to provide the service or to execute the installation or the work may be evaluated with regard to their skills, efficiency, experience and reliability.

## CRITERIA FOR AWARD OF TENDERS

The European legislation obliges public authorities in Article 67 to base the award of public contracts on the **most economically advantageous tender (MEAT)**. The most economically advantageous tender is identified on the basis of:

- Price or cost, using a cost effective approach such as a life-cycle costing approach outlined in Article 68. **As social partners, we recommend that this is not the only criterion and that quality criteria are of paramount importance and should be taken into account when awarding tenders.**



Life-cycle costing is explained in Section 3 under price and cost calculations.

- Therefore, we recommend the best price-quality ratio, which shall be assessed on the basis of criteria including qualitative, environmental and/or social aspects. Such criteria may comprise of, for instance, quality, including technical merit; qualification and experience of staff assigned to perform the contract, where the quality of staff assigned can have a significant impact on the level of performance of the contract. The cost element may also take the form of a fixed price on the basis of which bidders will compete on quality criteria only.

- In any event, it should always be the case that an award criterion bears a link to the subject-matter of the contract. In other words, it must be related with the specific contract and the specific performance required. It cannot concern elements which are not related to the contract or e.g. corporate-wide policies.

The EU Public Procurement Rules also provide procedural guidance with regard to abnormally low tenders in Article 69.

Should there be an abnormally low tender submitted, buyers shall require bidders to explain the price or costs proposed in the tender.

**The explanations that would be required may in particular relate to compliance with obligations referred to in Article 18.2, such as compliance with social and labour law and collective agreements. An offer which is abnormally low due to non-compliance with such provisions must be rejected.**

Finally, in order to allow for the quality aspects to be taken into account when awarding contracts in public procurement, the EU rules state that buyers may lay down special conditions relating to the performance of a contract, provided that they are linked to the subject matter (Article 70). Those conditions may include economic, innovation-related, environmental, social or employment-related considerations.



### AWARD CRITERIA

Contracts are awarded on the basis of the economically most advantageous tender, based on the following methods:

- the price or cost (for instance by using a life-cycle costing approach)
- the best price-quality ratio which shall be assessed on the basis of qualitative, environmental and/or social criteria. These may comprise of:
  - quality, including technical merit
  - qualification and experience of staff assigned to perform the contract

The cost element may also take the form of a fixed price on the basis of which bidders will compete on quality criteria only. The assessment may for instance break down into the following quality criteria:

#### CONTRACT MANAGEMENT/OPERATIONS

- Structure, organisation, contract specific know-how of the contract manager/management team
- Skills and experience of operational and management staff to be assigned to the contract
- Availability, response time, promptness of intervention
- Rostering methodology, start-up of cleaning in the company, terms of delivery, back-up capacity, general and buyer specific procedures
- Reporting, communication related to site and customer, response to special requirements
- Quality assurance; frequency of control; documentation of quality, system of quality improvement; way and frequency the company evaluates the fulfilment of the contract
- Other criteria

#### CONTRACT INFRASTRUCTURE

- Maintenance and use of equipment and materials, cleaning adapted to the characteristics of the building, uniforms and safety equipment
- Products and methods used; environmental, health and hygiene consideration

**SELECTION OF COMPANY BASED ON BEST QUALITY-PRICE RATIO**

# SECTION 3: ACHIEVING BEST VALUE FOR YOUR CLEANING SERVICES

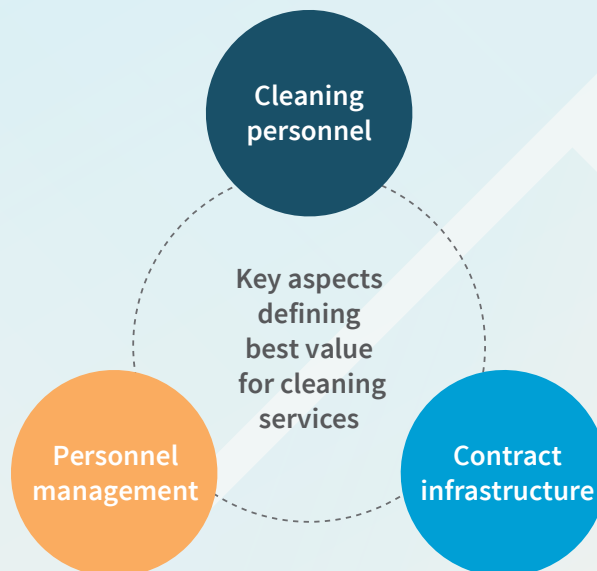
The quality of a cleaning service depends mainly upon three factors: personnel, management and equipment. The following chapter seeks to assist buyers with identifying the appropriate quality criteria for cleaning services in the process of selecting and awarding contracts to cleaning companies. Therefore, it describes all the elements comprising each key aspect. Buyers seeking to apply any (or indeed all) of the quality criteria set out below are advised to highlight them in the general selection and award criteria in their tender notices.

## INTRODUCTION

The criteria described above practically adapt the legislation's definitions of most "economically advantageous tender" criteria to the specific needs of cleaning services.

In particular, research and empirical observations identify the following as key aspects for achieving quality in cleaning services:

- **Apply a sound tendering procedure:** A sound tendering procedure will allow buyers to first evaluate their own priorities and consequently select a bidder who not only offers a competitive price, but also demonstrates the skills and capabilities to provide a service which matches their needs according to MEAT criteria (more can be found under section 3.2, "Organising a Sound Tendering Procedure").
- **Understanding the actual cost:** Calculating the cost in accordance with varied criteria relating to the premises' needs may lead to more meaningful choices (more can be found under section 3.3."Price & Cost Calculations").
- **Cleaning personnel:** The capabilities of cleaners on the ground, as well as their skills and motivation are of high importance as they affect the day-to-day performance of the work. Therefore, the working environment and employment practices should allow for motivated work (more can be found under section 3.4. "Cleaning Personnel").
- **Contract management and operational planning:** The operational planning and its implementation by the management team ensure that the service is performed to the highest possible quality standards and that shortcomings are prevented (more can be found under section 3.5 "Contract Management and Operational Planning).
- **Contract infrastructure:** This comprises of the equipment and products used by the bidder, as well as the training that the bidder is offering to the personnel for the proper use of the infrastructure (more can be found under section 3.6 "Contract Infrastructure").



## ORGANISING A SOUND TENDERING PROCEDURE

### DEFINING YOUR EXPECTATIONS

This section outlines the social partners' views on how to achieve the most economically advantageous offer (MEAT) for professional cleaning services.

The first important point is to define clearly the buyer's needs, as only after assessing their own expectations, will buyers be able to submit a tender which has Specific, Measurable, Achievable, Realistic, Time-bound (SMART) objectives.

The objective characteristics of the premises determine to a high extent the cleaning requirements. For example, buyers should consider the size of surfaces (m<sup>2</sup>), the height of the buildings, the materials of the surfaces, the materials that cover the surfaces (such as carpets), and the complexity of the building. This will define the equipment and the material to be used for cleaning, as well as the number of cleaning personnel.



It is key to consider the cleaning companies as a partner in the process and use their expertise to define your needs.

Moreover, the use of the premises is a crucial factor when implementing the MEAT criteria. Buyers should consider:

- **The nature of the organisation which has to be cleaned:** if the building is a highly specialised one, such as a hospital or an organisation holding sensitive information, the cleaning personnel should be trained to follow strict procedures for its cleaning.
- **Types of building's users:** these will again define the cleaning needs, as for example the needs of an airport or a prison can be more demanding than those of an office building or a hotel. Specific attention should be given to vulnerable users, such as children or elderly persons, for whom the buyer could be legally bound to protect.
- **Building's pollution:** the buyer could also assess the nature of the pollution (one-time/regular, strong/not strong pollution). For example, industrial premises might require more intense and more regular cleaning than offices.
- **Cleaning occurrence:** the buyer should consider how often the building can be cleaned on a weekly or monthly basis without affecting its use. It is also worth assessing whether it is possible to conduct the cleaning whilst the building is in use (daytime cleaning). This is found to be very positive for the coexistence of cleaners and the users of premises, but may not always be possible, such as in the case of laboratories.
- **Environmental considerations:** given increased concerns around the environmental impact of various methods of cleaning, some buyers may wish to take this factor into consideration when awarding a call to tender.



### ENVIRONMENTAL CONSIDERATIONS

To take into account the environmental impact of cleaning, the call to tender could therefore invite cleaning companies to include in their bid:

- The types of cleaning products used and their environmental impact, including whether they use certified environmentally friendly products
- The use of energy saving machinery
- A policy of undertaking daytime cleaning; whereby cleaners work during existing office hours, rather than requiring lights to be on during the night and outside the hours that the client's premises are open
- **Further services:** it is worth considering whether the use of the premises also requires other outsourced services, such as catering, security or reception ones. In this case, the buyer may opt for a one-stop-shop contractor.
- **Dividing the contract into lots:** often buyers responsible for large or complex buildings are considering whether it is sensible to award a contract in the form of separate lots or in its totality. The contractors should weigh the pros and cons of these two options. The European legislation applies the "divide or explain principle", which means that contracting authorities may decide to award a contract in the form of separate lots and provide justification if they decide to award the tender in its totality.
- Finally, the buyer should take into account its **own quality standards and values**. In particular, it is important to be able to inform the bidders about any particular quality standards, recruitment policies or social responsibility programmes that the bidder would need to be aligned with or at least respect.

Once these questions are answered, the buyer will be in a position to define precise requirements in their call for proposals to bidders.

**QUESTIONNAIRE TO ASSIST BUYERS IN DEFINING THEIR CLEANING NEEDS**

Does my building require special attention in terms of cleaning?	
Who are the main users of my building?	
Are there vulnerable users that require special attention?	
How often does pollution occur in the building?	
How often and to what extent is it possible to clean the building?	
Is daytime cleaning possible?	
Do I require further services supplementary to cleaning, such as catering?	
Which of my quality standards and values can be reflected in the cleaning service?	



It is advisable to have a team evaluating bids and maintaining its composition during the whole procurement process, stating clearly the role of each participant in the team. It is suggested to include different types of expertise relevant to the tender. Any changes in the team should be communicated by the buyer to the bidders.

**ORGANISING A SOUND PROCUREMENT PROCESS**

Procurement is costly both for the buyer and for the bidders. Therefore it is important to set up a sound process in order to ensure best value in the cleaning service.

Buyers should rely on the expertise of a cleaning company for putting forward a good tender, as well as for assessing, awarding and monitoring the contract, or rely on external consultants. The expertise of a cleaning company can be complemented by tendering consultants.

The buyer can undertake market consultation to inquire about the types of companies that could provide the required services. The **market consultation** may consist of visiting the companies, as this provides a good impression of the culture of the company, inviting contractors or holding an information session.

After acquiring all the information possible, the buyer should develop a coherent and unique document for each tender linked to the specific intent and purpose of the contract. This should include all the relevant selection criteria.




It is important to remember that buyers remain responsible for ensuring the hygiene and cleanliness of their premises. It is also worth noting that in some countries the client might have shared responsibility for illegal practices applied by the cleaning company. We strongly advise buyers to check if this is the case in their country.


There are a number of important **elements that the buyer should include in the tender document** to ensure that bidders can make detailed and meaningful offers. It is important to keep in mind that the cleaning company will be a valuable partner that would be working on an equal footing with the buyer.

- After having defined the nature and needs of the premises, it is important to include them in detail in the tender document to ensure that bidders will be able to foresee the extent of the required services.
- The most important aspect is to decide which **type of contract** is suitable. Therefore the tender notice should specify whether the buyer prefers an activity based, result based or mixed contract and the number of minimum hours necessary according to the criteria defined above.
- **Planned duration of the contract:** The tender document should specify for how long the bidders will be requested to provide their services.
- The tender notice should include **transparent quality requirements**. This should include the buyer preferences for the three aspects described below (personnel, management and infrastructure).
- The buyer should ask the bidders **how they intend to achieve** these requirements, so that the quality-oriented bidders can be specific in their offer.
- The buyer may include in the call for tender **case studies** that they have already experienced or that may occur. This way good quality companies have the opportunity to present their expertise and the buyer receives tenders that are tailored to their specific circumstances.
- The buyer can also choose to test the cases along with one or more bidders. This way, bidders can showcase in practice how they plan on carrying out the service.

The tender notice should outline in detail how the buyer wants the contract to be managed.

- **Change of contract:** the buyer should include in their specifications how changes to the contract can be made (date, transfer of staff, acquisition of materials and resources).
- **Contract start:** the buyer may require a complete detailed implementation plan on how the work will be launched. Topics may include: recruitment of personnel and instruction of the employees this new assignment, instruction of new employees on the job, help desks and buyer training, materials, etc.
- **Contract management by the bidder:** The buyer may ask the bidder to indicate how they will manage the contract. This is possible through targeted questions, for example “during the execution of the contract, what measures will be taken if the bidder does not adhere to the agreements in the contract?”
- **Contract management by buyer:** The buyer should indicate to the bidder how the contract will be governed within their organisation (contact points, checkpoints and the like).
- **Transfer of the contract to another company:** The call for tenders should specify how the tenderer deals with an eventual transfer of the contract to another company with regard to respecting social conditions or taking over cleaning personnel. In any case, the public procurement process must respect the national legislation that implemented the Transfer of Undertakings Directive 2001/23/EC.

 A cleaning company may be a useful partner in drafting efficient tendering documents, as they can share their expertise in the aspects of cleaning activities.

 See a complete example of a tender document in step 5 of evaluation guidelines.

**HOW TO CALCULATE TOTAL COST**

Before usage (acquisition cost):

1. Cost of changing contractor
2. Cost of launching the tender

Running operating costs:

1. Cost of labour, which is in most cases determined by the collective agreement in relation to the number of hours, as well as other health and safety rules, social contributions, taxation and supervisory cost
2. Energy consumption
3. Cleaning material consumption and provision of users’ sanitary material
4. Disposal costs

After utilisation:

1. Cost of terminating the contract
2. Cost of changing contractor

**PRICE & COST CALCULATIONS**

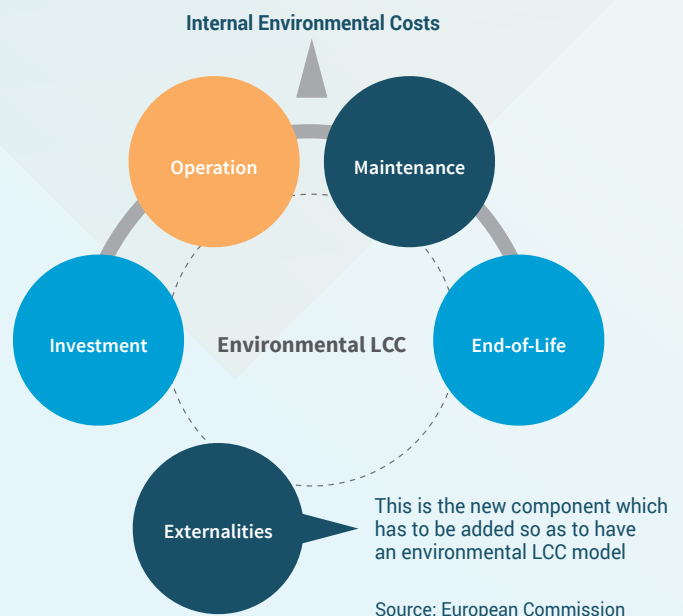
Using the lowest price as an independent award criterion is no longer permitted in the EU public procurement rules (Article 67). The most economically advantageous tender is now the rule for awarding public contracts<sup>7</sup> (Article 67). We recommend that this approach also be used for private tendering.


**Awarding tenders on price:** in this case tenders are solely evaluated on the basis of total price including criteria such as hourly fees and unit prices. This is no longer possible, as according to the new Directive buyers have to use life-cycle costing criteria (Article 68). Life cycle costing (LCC) is a tool that evaluates the costs of an asset throughout its life-cycle.

In the European legislation it means that costs may be calculated on the basis of the whole life-cycle of the supplies, services or works, and not solely on the purchase price (Article 68). Tenders are evaluated on the basis of costs before, during and after the utilisation period.

The main difference between total cost and life-cycle cost is that with the latter you can also include externalities, for example both for the environment, such as opting for environmentally-friendly cleaning products, minimising future maintenance costs and/or taking into account the positive impact on the buyer’s image through having exceptionally clean premises.

**Awarding tenders on total cost:** according to this model, tenders are evaluated on the basis of total costs in the utilisation period, including acquisition costs and costs related to the usage of the services. This includes cost price, running & operating costs, energy consumption and disposal costs.



 Step 2.4 of the evaluation guidelines will help you find the right balance between price and technical merit of a bid

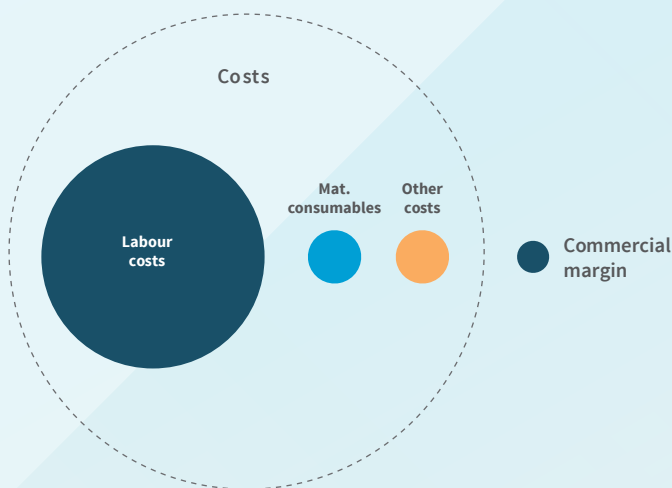
<sup>7</sup> These are award criteria in the EU Public Procurement Directive, Article 67

## CLEANING PERSONNEL

This section analyses a number of criteria that would allow buyers to assess whether a contractor's personnel corresponds to their expectations. These are later used in the evaluation tables.

The cleaning personnel is an important part of the service's quality, as it performs the tasks expected by the buyer. It is with their diligence, motivation, skills and experience that the daily performance of the service stands and falls.

Therefore, both buyers and bidders should have a responsible personnel policy. Bidders can describe this policy with one or more case studies<sup>8</sup> in the tender documents and/or with Key Performance Indicators in support of the policy. To achieve good quality services, buyers may in this area also impose requirements on the contractor (such as responsibility for payment and contributions, training of staff, continuity of service, applicable legislation and collective agreements).



### EXPERIENCE AND SKILLS OF THE CLEANING PERSONNEL

Entrusting the cleaning service to experienced personnel is important for all buyers and in particular for those in charge of highly specialised locations.

There are two types of experience that a buyer should look for: **experience in the cleaning industry** and **experience relevant to the specific activity** that they would like to engage the contractor for<sup>9</sup>.

To ensure that the personnel assigned for their premises are suitable, buyers may consider the following when drafting the tender notice<sup>10</sup>:

- That information about the personnel can be obtained. This could be done by requesting permission to obtain information regarding individual training records to assess both the personnell's overall cleaning experience along with their activity-relevant experience. Thereby, the buyer would be able to find a company capable of delivering quality service whilst of course respecting labour legislation.

- In the case of highly specialised locations, such as hospitals, buyers may ask for permission to obtain proof from the bidder that they have appropriately trained the staff in working in premises such as theirs and that the staff has received relevant and (where available) accredited training.
- That the bidders can showcase a methodology to recruit suitable staff and provide them with sufficient training in case of personnel turnover or increases in personnel demand by the buyer.
- That information about the level of **staff turnover** is available, as it can provide an indication of the bidders' stability and the quality of the working environment. Thereby, it will allow the buyer to evaluate whether the experienced personnel will remain to a large extent with the bidder for the duration of the contract.

### SKILLS AND CAPABILITIES: TRAINING OF CLEANING PERSONNEL

Training benefits the effectiveness and efficiency of the cleaning staff. Moreover, trained staff might be required for highly specialised premises. In order to choose a quality service, buyers may take the following steps to be able to assess whether the assigned staff would have the training that they require<sup>11</sup>:

- Request information about the **basic training** (in house or external) that the bidders provide to their personnel. This would allow the buyer to choose a company with a training culture that would attract and retain employees by ensuring that their skills and qualifications remain updated.
- Specifically mention in their calls for proposal any **additional training** that they would require for the personnel to be assigned to their premises. This can include not only **technical or activity specific training**, but also the ergonomics, health & safety requirements or the country's language.
- Request proof that **recurring training** of the existing and any new employees will take place throughout the period of the contract. This does not have to be limited to obligatory health & safety trainings, but can include professional development ones as those mentioned above. Thereby, the personnel assigned to the contract will receive training on any new developments, such as changes in the cleaning products used or in the legislation relevant to health and safety.
- Request whether the training is certified by any nationally or internationally accredited training institutes.
- Request **whether any training provided is connected to the career path** of the staff undertaking them. Such a structure is recognised to improve staff's motivation and consequently the service to the buyer.

<sup>8</sup> These are selection criteria in the EU Public Procurement Directive, Article 58

<sup>9</sup> Both of these criteria are selection criteria in the EU Public Procurement Directive, Article 58

<sup>10</sup> These criteria are selection criteria in the EU Public Procurement Directive, Article 58

<sup>11</sup> These criteria may be used as selection criteria in the EU Public Procurement Directive, Article 58

**CAREER OPPORTUNITIES**

It is widely recognised that the availability of career opportunities contributes to higher retention rates of skilled staff. Particularly given the growth of that cleaning enterprises acting as facility management enterprises offering further services, such as security, catering and reception services, the personnel should have the opportunity to opt for learning new skills and to be involved in diverse tasks.

Therefore, multifaceted companies, which either offer a wide range of services or can serve different types of premises, have the possibility to provide their staff with career opportunities to ensure that they would invest in their career progression.

Buyers may ask bidders what career and training schemes they have in place to retain and motivate their employees, along with evidence of an equal opportunities policy. Moreover, as mentioned above, they can ask how training and career advancement are interconnected.

Finally, buyers may request information about the existence of additional performance related reward structures and staff grading and assessment systems.

**SELECTION, RECRUITMENT AND VETTING**

Often the reliability, efficiency and effectiveness of potential personnel are embedded into the selection and recruitment procedure of the contractor. Buyers may request the following information from bidders in order to choose the quality-oriented ones:

- Whether and how the recruitment procedure incorporates the principles of respect the national legal obligations for equal opportunities. In the case of a buyer applying a specific equal opportunities policy, they should require sufficient information from the contractor to be able to compare their standards with the bidders’ ones.
- Whether the bidders check their personnel’s employment track records. For particularly sensitive sites, such as prisons, systematic vetting by the buyer may be required.
- Whether they implement any guidelines or codes for ethical recruitment.

Moreover, systematic vetting or checks is recommended to ensure that the contractor continues to apply the agreed recruitment policies even after they have been awarded the contract.

**EMPLOYMENT CONDITIONS AND HEALTH AND SAFETY OF WORKERS ON SITE**

Well-regulated working conditions and information and consultation among employers and employees reduce not only potential disputes, but more importantly health and safety risks. Furthermore, fair and transparent reward structures have a positive impact on the retention of experienced staff, their motivation and job satisfaction, and therefore the quality of their performance.

In order to choose good quality providers, buyers should request bidders for evidence that they fulfil the legally binding employment conditions and whether they have in place any further favourable systems for their personnel. In particular, they may ask for evidence from the bidders on:

- Whether their **salary and benefit levels** respect any existing collective agreements, as well as cross sectoral agreements or any other reference text.
- How they ensure that the **working conditions are in compliance with national legislation and/or collective agreements**. Where no collective agreement exists, rostering schedules should provide information on working hours and length of shifts. This is important as excessively long working hours can lead to accidents and affect performance.
- Whether they respect the national and European legislation for employees’ representation, such a legislation governing European works councils.
- Whether they have a company policy respecting social representative rights.
- How they manage the **personnel-employer relations**. For example, communication channels can be established through a works council – where the establishment of such a body is required by legislation – or through another structure enabling dialogue.
- How they will ensure the application of **health and safety policies and procedures** for the staff working in the buyers’ premises. These should conform to European framework regulations and national legislation<sup>12</sup>. In this framework, buyers may ask for a **health and safety plan or track records**. These can indicate a company that rates its personnel as its highest asset. Such companies are likely to offer a higher quality-working environment and should therefore have lower rates of absenteeism and more motivated staff.
- Whether they can offer **daytime cleaning**, as it is proved to improve the dynamics of the relationship between the bidder and the buyer and reduce the consumption of energy.



The social partners have developed an Online Interactive Risk Assessment (OIRA) tool specifically for the cleaning sector that allows the user to allow you to perform a health and safety risk assessment of workplaces.



You can see an example on how to apply these principles in step 2 of the evaluation guidelines.

<sup>12</sup> On the EU OSHA website you can find more information on the EU occupational health and safety regulatory framework, as well as a number of guidance documents, including the OIRA tool

CLEANING PERSONNEL	
Experience	<ul style="list-style-type: none"> <li>• Experience in the industry</li> <li>• Activity specific experience</li> <li>• Staff turnover and absenteeism</li> </ul>
Skills and capabilities	<ul style="list-style-type: none"> <li>• Basic training</li> <li>• Additional training and qualifications</li> <li>• Activity specific training</li> <li>• Recurring training</li> <li>• Other skills</li> <li>• Career opportunities</li> </ul>
Selection and recruitment	<ul style="list-style-type: none"> <li>• Recruitment and selection methodology including equal opportunity methodologies</li> </ul>
Employment conditions and health and safety	<ul style="list-style-type: none"> <li>• Salary and benefit levels</li> <li>• Personnel employer relations</li> <li>• Working conditions</li> <li>• Health and safety provisions respect and conform with EU and national legislation</li> <li>• Working patterns, such as daytime cleaning</li> </ul>
Other criteria to be defined by the customer	<ul style="list-style-type: none"> <li>• A justification of these criteria must be provided</li> <li>• They must remain within the framework of relevant European and national legislation</li> </ul>

### CONTRACT MANAGEMENT AND OPERATIONAL PLANNING

This section goes through the main aspects relevant to selecting a cleaning company whose management and operational planning will contribute to achieving best value for the cleaning service.

The competence and organisation of the external contract management team is highly significant.



It is the management team that will minimise the supervisory role of the buyer.

Therefore, with a good quality company as a cleaning partner, the buyer will be able to feel confident about the following<sup>13</sup>:

- The **skills** of the management team, and in particular that members of the team have the **specific know-how and experience relevant to the requirements of the particular cleaning service**.
- The **allocation of responsibility** between the buyer and the management team, as well as amongst the management team members.
- **Expected response time and back-up capacity**.



It is recommended that the bidders offer a provisional operational plan.

These criteria can be summarised in the tender document from the side of the buyer and reflected in the provisional operational plan provided by the bidders.

#### THE SKILLS OF THE MANAGEMENT TEAM & THE CONTRACT MANAGER

Quality bidders would be able to provide information in the provisional operational plan regarding the **skills** and experience of each member of the management team. They should also be able to explain the **structure and organisation** of the management team, clarifying the responsibility of each person or unit within the framework of the contract<sup>14</sup>.

As the interface between the buyer and the bidder, the contract manager is likely to play the most important role in the performance of the contract. Therefore, it is crucial that the buyers choose a company that can provide them with a contract manager with the required **skills and capabilities** for their premises and needs.



It is crucial that the bidders define a contract manager.

For this purpose, buyers who want to achieve good quality, should ensure that the cleaning company can provide detailed information on the identity, skills and experience of the contract manager. In certain cases, **in-depth contract specific knowledge may be required to reduce the induction period**, complaints or health and hygiene risks. In these cases, it is advisable that the buyers calls for a contract manager able to demonstrate a thorough understanding of the buyer's requirements.

<sup>13</sup> These criteria are selection criteria in the EU Public Procurement Directive, Article 58

<sup>14</sup> These criteria are selection criteria in the EU Public Procurement Directive, Article 58

It is also important that the bidder defines the extent of the contract manager's **availability** for issues related to the specific contract.

The bidder should moreover explain how it will be ensured that the contract manager can be contacted **in a prompt response time** and that s/he has the capacity to make **effective interventions** within a clear responsibility chain.

### OPERATIONAL PLANNING

The operational plan will define the expectations and understanding of the buyer and the bidder from the management team and from the contract manager.

For example, it may include the standards in relation to how quickly a buyer's queries are dealt with and who has ultimate responsibility. In relation to sites requiring more specialised cleaning skills, or where a premium is being placed on the immediate smooth functioning of the service, evidence of contract specific experience may be required.

It is advisable that the provisional operational plan includes the following in order to achieve good quality services:

- A suggested **operational planning methodology** according to the requirements of the premises in question, with particular attention paid to the **rostering methodology**. Ideally, and where possible, this will take into consideration the number of hours required to provide staff with a decent salary, and will take into account the number of hours of cleaning required to undertake the required work to a high standard and to ensure the health and safety needs of staff are respected.
- Suggestions on how to fulfil the expectations of the buyer in terms of standards of service provision and the **special requirements** imposed by the building's nature and use
- Proof that the contractor has sufficient organisational capacity in **terms of delivery**, including qualified and experienced manpower to ensure that equipment and members of staff can be replaced or supported at short notice (**back-up capacity**).
- Proof that the contractor has in place – or can set up – procedures for a **quick and smooth start-up** and operation of the contract.
- Proof that the contractor would be in a position to **respond to any further requests** of the buyer, such as cleaning after a large event or ceremony.
- Guarantees that any **general and buyer-specific procedures** agreed with the buyer will be respected and they will be consulted in advance of any modifications.
- Concrete **procedures for communication** regarding the contract, the premises and the buyer, as well as the frequency and the means of communication (such as whether meetings are required).

- Concrete **reporting methodology** on the activities and results of the cleaning project.



The operational plan presented by bidders can act as the basis of contractually agreed levels of provision.

Moreover, the operational plan should include proof that the contract manager can monitor the performance of the contract on a regular basis and at specified times/dates.

To this end, the provisional operational plan should outline a comprehensive reporting structure that would aim at ensuring that the reporting:

- is actually conducted
- respects a set timeframe
- provides responses to relevant questions
- is objective
- is more thorough than an administrative task
- is tailored to the buyer's expectations
- collates and analyses results
- refers to cleaning requirements



Overall, the contractual negotiations should aim at achieving a clear agreement on quality standards and should define a clear system of quality inspection

### BACK OFFICE SERVICES

Effective back office services assist in ensuring the smooth running of the contract. They include for example the daily administration of the contract, invoicing and human resources management. Therefore, they should be included in the provisional operational plan.

### QUALITY LEVEL/ASSURANCE

It is important that both the buyer and the contractor are clear about the quality standards to be achieved and how these are to be guaranteed in order to ensure a stable and satisfactory contract. Clarity can be achieved by using standards, such as the existing European standards<sup>15</sup>.

Firstly, the buyer should take into consideration its own quality standards when drafting their requirements from a cleaning contractor. Moreover, they should make their quality standards available to bidders.

Secondly, it is important to define what "quality" stands for in the context of a particular cleaning contract<sup>16</sup>. The agreed **quality will be the result of objective and subjective criteria and expectations**.

**Objective aspects of quality** are generally measured with reference to established service activities or results. This allows for quality assurance and monitoring procedures to be carried out, which can be compared to the contract, documented and reproduced.

<sup>15</sup> A good example is the European standard providing basic requirements and recommendations for quality measurement systems for cleaning performance (EN 13549). Moreover, buyers may as well use sector-specific standards' provisions according to their premises

<sup>16</sup> This is an award criterion in the EU Public Procurement Directive, Article 67

The objective quality of cleaning services is built on evaluations that by virtue of precise and limited definitions give a representative picture of conditions of cleanliness. In the case of a results oriented quality measurement, one may assess the maximum levels of dust, hygiene norms, or non-skid safety coefficient, as these can be measured objectively with the help of measuring tools designed for this purpose. Moreover, one can also assess if the agreed activities are respected in an activity-based contract, such as frequency of cleaning.

The subjective quality of the provision of services is an expression of the overall impression, measured for example through user surveys. By repeating comparable users' surveys, one may assess the degree of user satisfaction.

**QUALITY INSPECTIONS**

Quality systems are based both on objective and subjective assessments, as set out above, using different tools to ensure the maintenance of quality levels. Inspections offer a structured mechanism to guarantee the agreed quality level and to prevent any shortcomings.

Therefore, it is advisable that the call for proposals includes the following:

- The **frequency** of internal and external inspections
- The **allocation of responsibility** for conducting the inspections among the management team
- That **inspection methods**, for example internal inspections are generally carried out with the use of specially prepared charts, which should in turn tie in with the requirements of the contract
- Systems to rectify any downward deviation in quality standards as quickly as possible and to promote **quality improvement**.
- The **frequency and methods to evaluate the inspection results**, to assess whether purchases or investments on tools, machinery, cleaning products are necessary to achieve the required quality standards
- **Documentation of quality**, for example through the use of proof of the inspection results
- The instructions that the management team should have for conducting the quality assurance inspections.

Buyers may request from bidders accredited certification for quality assurance, if they consider it relevant.

**TABLE 1: QUALITY CRITERIA RELATING TO CONTRACT MANAGEMENT AND OPERATIONS**

<b>CONTRACT MANAGEMENT AND OPERATIONS</b>	
The management team/ the contract manager	<ul style="list-style-type: none"> <li>• Structure, organisation and skills of the contract manager and management team</li> <li>• Contract specific know-how of the contract manager and management team</li> <li>• Availability</li> <li>• Response time                             <ul style="list-style-type: none"> <li>• Promptness of intervention</li> </ul> </li> </ul>
Operational planning	<ul style="list-style-type: none"> <li>• Operational planning methodology and rostering methodology</li> <li>• Start-up of cleaning process</li> <li>• Terms of delivery</li> <li>• Back-up capacity</li> <li>• General and buyer-specific procedures</li> <li>• Reporting                             <ul style="list-style-type: none"> <li>• Communication related to site and customer</li> <li>• Response to buyer's special requirements</li> <li>• Response to the buyer's further requests</li> </ul> </li> </ul>
Support services	<ul style="list-style-type: none"> <li>• Support services in administration, invoicing, human resources management</li> </ul>
Quality assurance and inspections	<ul style="list-style-type: none"> <li>• Frequency of controls</li> <li>• Allocation of responsibility</li> <li>• Documentation of quality</li> <li>• Systems to rectify downward quality terms</li> <li>• System of quality improvement</li> <li>• Way and frequency the buyer evaluates the fulfilment of the contract</li> </ul>
Other criteria to be defined by the customer	<ul style="list-style-type: none"> <li>• A justification of these criteria must be provided</li> <li>• They must remain within the framework of relevant European and national legislation</li> </ul>


## CONTRACT INFRASTRUCTURE

### EQUIPMENT

Cleaning equipment refers to various machines and tools used for cleaning such as mops, automated devices and vacuum cleaners.

To ensure good quality services, it is advisable that the contract foresees that:

- All cleaning equipment to be used is appropriate to the location and surface on which it is to be used
- Where special equipment is required, the contract must stipulate whether the company has access to this equipment or whether it will be purchased specifically for the contract
- Training on the safe use and maintenance of the equipment take place. This is crucial for protecting the safety of both the individual using it and the area where it is to be used
- The contractor can make available **appropriate uniforms and safety equipment** as required in the use of different cleaning equipment and products
- The contractor is able to ensure the **proper maintenance of the equipment and materials**

 The term “contract infrastructure” is used here to refer to any equipment and products to be used in pursuance of the contracts.

### PRODUCTS

The contract should refer to the cleaning products to be used. It is advisable that bidders demonstrate to the buyer that they are capable of providing:

- A number of cleaning methods to treat diverse surfaces according to legal and quality requirements
- Different types of cleaning products according to the premises’ needs and surfaces
- Training to the staff for the application of different products
- Proof that the products to be used conform with the legally binding health, safety and environmental requirements, as well as to any further quality-based requirements of the buyer


 Buyers should consider using environmentally friendly cleaning products to promote sustainability and energy efficiency. This for example can be achieved by using LCC for defining the cleaning services’ cost.

TABLE 1: QUALITY CRITERIA RELATING TO CONTRACT MANAGEMENT AND OPERATIONS

CONTRACT INFRASTRUCTURE	
Equipment	<ul style="list-style-type: none"> <li>• Ensure the maintenance and proper use of cleaning machines and materials</li> <li>• Cleaning equipment and methods adapted to the characteristics of the building</li> <li>• Uniforms and safety equipment</li> <li>• Specific training for safety purposes</li> </ul>
Products	<ul style="list-style-type: none"> <li>• Cleaning methods used</li> <li>• Cleaning products used</li> <li>• Environmental, health and hygiene considerations</li> </ul>

## SECTION 4: EVALUATION GUIDELINES AND INTERACTIVE TOOL

This section includes a user friendly tool aimed at assisting buyers in defining their needs for cleaning services. The tool contains an easy to use framework for allocating values/scores to different criteria of importance to the buyer. It aims to provide buyers with maximum autonomy in defining the quality criteria which are of particular relevance to them and to the private cleaning services to be performed.

As set out in Section 3 of this guide, every call for tenders should follow a three-stage process, in which tenders are assessed according to specified exclusion, selection and award criteria. Exclusion and selection criteria are merely designed to eliminate companies from the tendering process which:

- Have not met their statutory requirements in relation to tax or social security payments and are not considered financially stable

- Do not meet the selection criteria in terms of their size or expertise and in relation to their capacity to provide a quality service – in particular regarding personnel, technical capacity and professional ability, as well as innovation

Finally, we suggest that the award of a contract according to best value can be achieved by taking the following steps.

**1** Use the **MEAT criteria** and quality criteria provided for in the legislation and refrain from using the price as key indicator for procurement. In our sector, buying based upon the price element often has substantial impact on the labour conditions and social wellbeing of the cleaning staff and it may mean that their health and safety is not ensured. Moreover, it creates unfair competition amongst companies, which are consequently not able to ensure quality services.

**2** Ensure the respect for **labour law** and social standards: they are key in a labour intensive sector, such as the cleaning services sector.

**3** Reject **abnormally low tenders**, as they lead to unfair competition amongst cleaning companies, bad working conditions for employees and possibly social dumping.

**4** Avoid **electronic auctions** when procuring cleaning services. While the new rules allow their use, the social partners recommend to avoid them as they are made for driving prices down and do not contribute to procuring quality cleaning services.

**5** One option when awarding contracts can be the possibility that the cost element takes the form of a **fixed price** on the basis of which bidders compete only on the quality elements. The social partners recognise that this could be one option, but not the mainstream way to procure cleaning services.

**6** If made available by your national legislation, make use of exclusions grounds allowing you to exclude offers which do not comply with social or labour law obligations.

## STEP 1 – SELECTION OF COMPANIES FOR A QUALITY SERVICE

Buyers are recommended to use the following criteria in order to choose best value proposals:

- **Economic and financial standing & suitability to pursue the professional activity:** This criterion can be fulfilled if the company provides proof of enrolment in the relevant professional registers, the authorisation to perform cleaning services in the Member State in question, as well as proof of certain minimum yearly turnover and information on their annual accounts.



Find more details under section 2 – selection criteria.

- **Technical capacity:** This criterion refers to the company’s contract management and operational planning capacity, such as the experience of the management team, the operational planning methodology, the back office services and the quality inspections.



Find more details under section 3 – contract management and operational planning.

- **Professional ability (cleaning personnel):** This criterion refers mostly to the cleaning personnel, as well as to the methods that the company has for ensuring a sound working environment, such as selection, recruitment, trainings and health and safety conditions.

The following table suggests how to request proof for the three of them.

### SCORING METHOD FOR STEP 1

For the selection phase buyers can:

- either fix a maximum number of bidders who they wish to select and award the contract to the one receiving the highest score;
- or fix a minimum score to be reached (possibly in each of the three criteria set out above), in order to be selected.

### EXAMPLE

The buyer sets **60 overall points for the selection criteria** and then allocates:

- 18 points to the category of economic and financial standing & suitability to pursue the professional activity
- 18 points to technical capacity
- 24 points to professional ability, which the buyer defines in the following table.




The selection procedure should be clearly indicated in the call for tenders.

This table represents an example of allocating points for professional ability according to the different criteria relevant to personnel and its working conditions, as illustrated in section 3.


CRITERION	POINTS	PRIORITIES
<b>EXPERIENCE</b>		
Experience in industry	3	It is essential that cleaners have experience in the industry to ensure a problem free start-up or take-over period
Activity specific experience	2	Some activity-specific experience is needed as the cleaning environment requires specialist skills
Staff turnover and absenteeism	1	Satisfactory information should be available on staff turnover and levels of absenteeism
<b>SKILLS AND CAPABILITIES</b>		
Basic training	4	Cleaners must receive training to ensure quality of service is guaranteed
Activity specific training	1	Key personnel should have received activity-specific training to ensure awareness of the challenges posed by the cleaning environment
Recurring training	2	The contract requires the use of skills, which are constantly improving. Regular training must be given to ensure that skills are up-to-date
<b>RECRUITMENT, SELECTION &amp; VETTING</b>		
Recruitment and selection	2	Significant importance is attached to the selection of quality staff
<b>EMPLOYMENT CONDITIONS &amp; HEALTH AND SAFETY</b>		
Salary and benefit levels	2	Satisfactory salary and benefit levels contribute to the retention of skilled staff and increase motivation. In this regard objective measurement can be found either in the legislation, or collective agreements or in any other reference text in force in the place where the contract will be executed
Personnel employer relations	2	There is recognition that a good climate in the company improves the working environment and therefore employees' motivation and productivity. As indicator companies may be asked the number of working days lost the previous year due to strikes or other forms of labour conflict
Working conditions	2	Satisfactory working conditions contribute to the retention of skilled staff and increase motivation. In this regard objective measurement can be found either in the legislation, or collective agreements or in any other reference text in force in the place where the contract will be executed
Health and safety	2	Occupational, health and security plan leads to fewer accidents and lower levels of absenteeism
Working patterns, including daytime cleaning	1	For example, a commitment to daytime cleaning would be beneficial for the work-life balance and health and safety of workers
Other criteria	0	No other criteria are relevant
<b>TOTAL</b>	<b>24</b>	

**STEP 2 – FIXING THE RELATIVE IMPORTANCE OF PRICE**

Having passed from the selection to the award criteria, we can determine the relative importance of price. To this end, the following formula is used to arrive at the overall award score:


 Offers proposal score = Technical score + Price score

It is up to the buyers to determine their own priorities in relation to the weight to be given to the technical score and the price score.

 The social partners recommend that the price does not outweigh the importance of quality in the buyers’ considerations.

For example, allocating a number of points out of 100 can create a balance of quality and price as follows:

TECHNICAL SCORE	PRICE SCORE	PRIORITISATION OF TECHNICAL MERIT AND PRICE
50	50	Quality and price are of equal importance
60	40	Quality is more important than price, but price is still an important factor
80	20	Quality is of overarching importance, price is a secondary consideration
40	60	Price is more important, but quality is still an important factor
20	80	Price is more important, quality is a secondary consideration

 You can read more information on the different methodologies to assess the importance of prices under section 3 - price and cost calculations.

**STEP 3 – MEASURING THE IMPORTANCE ATTACHED TO DIFFERENT CATEGORIES OF TECHNICAL MERIT CRITERIA RELATING TO THE TASKS TO BE PERFORMED**

This step allows buyers to award the contract to the company offering best value by defining which categories of technical merit criteria are most important to them. This can be done by allocating a differing proportion of the points allowed for the two types of award criteria:

CATEGORY	PRIORITISATION OF CATEGORIES OF CRITERIA
Contract management	A high number of points allocated to this “contract management” category indicate that the skills of the contract manager and contract management team are considered to be of prime importance.
Contract infrastructure	A high number of points allocated to the “contract infrastructure” category indicate that the product and technical infrastructure to be used is highly significant.

**EXAMPLE A**

60 points have been allocated to the technical score and 40 to price according to the formula of step 2.



Within these examples it has to be stressed that the first category "cleaning personnel" belongs to step 1 (selection phase), which describes the general capacity of the company to compete for the published tender.

CATEGORY	POINTS	INDICATES FOLLOWING PRIORITIES
Cleaning personnel	30	The quality of cleaning personnel is considered to be the most important factor in contract performance
Contract management	20	Highly skilled contract management staff are considered to bring strong know-how and service guidance
Contract infrastructure	10	The quality of equipment and products used is also of relevance

**EXAMPLE B**

40 points have been allocated to the technical score and 60 to price according to the formula of step 2.

CATEGORY	POINTS	INDICATES FOLLOWING PRIORITIES
Cleaning personnel	30	The quality of cleaning personnel is considered to be paramount
Contract management	8	Supervision is more important than consultation
Contract infrastructure	2	The contract has a relatively low requirement for the use of additional equipment

**EXAMPLE C**

80 points have been allocated to the technical score and 20 to price.

CATEGORY	POINTS	INDICATES FOLLOWING PRIORITIES
Cleaning personnel	40	The quality of cleaning personnel is considered to be paramount
Contract management	20	Contract needs innovative management and close contact between buyer and management team
Contract infrastructure	20	The use of up to date equipment and products is significant in the performance of the contract

**EXAMPLE D**

20 points have been allocated to the technical score and 80 to price.

CATEGORY	POINTS	INDICATES FOLLOWING PRIORITIES
Cleaning personnel	18	An easy service is needed, change is not a problem, price is the highest priority
Contract management	2	Contact with the management team is minimal
Contract infrastructure	0	The contract has no specific requirements for the use of additional equipment

## STEP 4 – PRIORITISING TECHNICAL MERIT AWARD CRITERIA

This step allows buyers to prioritise the detailed award criteria which they consider to be important, allocating points out of the total assigned to the two award categories in step 3:

### EXAMPLE A

Out of 60 overall points for technical score, 15 points have been allocated to the “contract management” category.

QUALITY AWARD CRITERION	POINTS	INDICATES THE FOLLOWING PRIORITIES
Contract specific know-how of the contract manager and the management team	2	The buyer requires that certain members of the management team and the contract manager have contract specific experience to ensure awareness of the particular requirements of the cleaning environment
Availability	3	The buyer asks that the contract manager should be easy to reach for issues related to the contract
Response time	2	A quick response time by the cleaning company is of great importance
Operational planning and rostering methodology	1	The buyer calls for an adequate methodology for rostering and further operational planning
Back-up capacity	2	There must be clear evidence that the company has the terms of delivery and sufficient back-up capacity to meet the requirements of the contract should operational parameters change
General and buyer specific procedures	0	Not deemed relevant to the contract
Reporting, communication and response to special requirements	3	The buyer puts great importance to the methods for reporting and communicating with the bidder, as well as with its ability to respond to special requirements
Back office	0	Not deemed relevant to the contract
Quality assurance frequency, documentation and systems to rectify downward quality terms	2	The buyer puts some importance to the frequency of controls, the documentation of quality and the systems to rectify downward quality terms
Other criteria	0	Not deemed relevant to the contract
<b>TOTAL</b>	<b>15</b>	

### EXAMPLE B

Out of 60 overall points for the technical score, 10 points have been allocated to the “contract infrastructure” category

QUALITY AWARD CRITERION	POINTS	INDICATES THE FOLLOWING PRIORITIES
Cleaning equipment maintenance and use	4	Equipment must be provided by the contractor; a high standard of use and maintenance has to be provided
Cleaning methods adapted to the building's characteristics	1	Cleaning has to be provided without damaging the building or the inventory
Uniforms and safety equipment	2	Cleaning uniforms and safety equipment must be provided by the contractor and must be suitable for the personnel and applicable for surfaces to be treated
Products and methods used	1	Contractors must supply products and methods to meet required standards
Environmental, health and hygiene considerations	2	Products must meet prescribed environmental, health and hygiene standards
Other criteria	0	Not deemed relevant to the contract
<b>TOTAL</b>	<b>10</b>	

## STEP 5 – ANNOUNCE CHOSEN SELECTION AND AWARD CRITERIA IN TENDER NOTICE

The tender notice is an important document which should lay out all the necessary information for a specific tender.

Whilst public authorities have to comply with legislation setting out the information included in the tender notices, other buyers should also take inspiration from the example below, set out in the **EU Public Procurement Directive 2014/24/EU, Annex V Part C**. As outlined in Section 3, buyers seeking to award a contract to the “economically most advantageous tender” must state the selection and award criteria to be applied in their tender notices.

Moreover, within the workbook you can find empty tables that allow you to structure the exclusion, selection and award criteria to ensure that you include all relevant criteria in detail.

Finally, buyers seeking to use the “best value” framework to select and to award a contract to the economically most advantageous tender could, in their call for proposals, make reference to this guide.

### INFORMATION TO BE INCLUDED IN CONTRACT NOTICES (AS REFERRED TO IN ARTICLE 49)

1. Name, identification number (where provided for in national legislation), address including NUTS code, telephone, fax number, email and internet address of the contracting authority and, where different, of the service from which additional information may be obtained.
2. Email or internet address at which the procurement documents will be available for unrestricted and full direct access, free of charge. Where unrestricted and full direct access, free of charge, is not available for the reasons set out in the second and third subparagraphs of Article 53(1), an indication of how the procurement documents can be accessed.
3. Type of contracting authority and main activity exercised.
4. Where appropriate, indication that the contracting authority is a central purchasing body or that any other form of joint procurement is involved.
5. CPV codes; where the contract is divided into lots, this information shall be provided for each lot.
6. NUTS code for the main location of works in case of works contracts or NUTS code for the main place of delivery or performance in supply and service contracts; where the contract is divided into lots, this information shall be provided for each lot.
7. Description of the procurement: nature and extent of works, nature and quantity or value of supplies, nature and extent of services. Where the contract is divided into lots, this information shall be provided for each lot. Where appropriate, description of any options.
8. Estimated total order of magnitude of contract(s); where the contract is divided into lots, this information shall be provided for each lot.
9. Admission or prohibition of variants.
10. Time-frame for delivery or provision of supplies, works or services and, as far as possible, duration of the contract.
  - (a) In the case of a framework agreement, indication of the planned duration of the framework agreement, stating, where appropriate, the reasons for any duration exceeding four years; as far as possible, indication of value or order of magnitude and frequency of contracts to be awarded, number and, where appropriate, proposed maximum number of economic operators to participate.
  - (b) In the case of a dynamic purchasing system, indication of the planned duration of that system; as far as possible, indication of value or order of magnitude and frequency of contracts to be awarded.
11. Conditions for participation, including:
  - (a) where appropriate, indication whether the public contract is restricted to sheltered workshops, or whether its execution is restricted to the framework of protected job programmes,
  - (b) where appropriate, indication whether the provision of the service is reserved by law, regulation or administrative provision to a particular profession; reference to the relevant law, regulation or administrative provision,
  - (c) a list and brief description of criteria regarding the personal situation of economic operators that may lead to their exclusion and of selection criteria; minimum level(s) of standards possibly required; indication of required information (self-declarations, documentation).
12. Type of award procedure; where appropriate, reasons for use of an accelerated procedure (in open and restricted procedures and competitive procedures with negotiation).

- 13.** Where appropriate, indication whether:
- (a) a framework agreement is involved,
  - (b) a dynamic purchasing system is involved,
  - (c) an electronic auction is involved (in the event of open or restricted procedures or competitive procedures with negotiation).
- 14.** Where the contract is to be subdivided into lots, indication of the possibility of tendering for one, for several or for all of the lots; indication of any possible limitation of the number of lots that may be awarded to any one tenderer.  
Where the contract is not subdivided into lots, indication of the reasons therefor, unless this information is provided in the individual report.
- 15.** In the case of a restricted procedure, a competitive procedure with negotiation, a competitive dialogue or an innovation partnership, where recourse is made to the option of reducing the number of candidates to be invited to submit tenders, to negotiate or to engage in dialogue: minimum and, where appropriate, proposed maximum number of candidates and objective criteria to be used to choose the candidates in question.
- 16.** In the case of a competitive procedure with negotiation, a competitive dialogue or an innovation partnership, indication, where appropriate, of recourse to a staged procedure in order gradually to reduce the number of tenders to be negotiated or solutions to be discussed.
- 17.** Where appropriate, particular conditions to which performance of the contract is subject.
- 18.** Criteria to be used for award of the contract or contracts. Except where the most economically advantageous offer is identified on the basis of price alone, criteria representing the most economically advantageous tender as well as their weighting shall be indicated where they do not appear in the specifications or, in the event of a competitive dialogue, in the descriptive document.
- 19.** Time limit for receipt of tenders (open procedures) or requests to participate (restricted procedures, competitive procedures with negotiation, dynamic purchasing systems, competitive dialogues, innovation partnerships).
- 20.** Address to which tenders or requests to participate shall be transmitted.
- 21.** In the case of open procedures:
- (a) time frame during which the tenderer must maintain its tender,
  - (b) date, time and place for the opening of tenders,
  - (c) persons authorised to be present at such opening.
- 22.** Language or languages in which tenders or requests to participate must be drawn up.
- 23.** Where appropriate, indication whether:
- (a) electronic submission of tenders or requests to participate will be accepted,
  - (b) electronic ordering will be used,
  - (c) electronic invoicing will be accepted,
  - (d) electronic payment will be used.
- 24.** Information whether the contract is related to a project and/or programme financed by Union funds.
- 25.** Name and address of the body responsible for review and, where appropriate, mediation procedures. Precise information concerning deadlines for review procedures, or if need be, the name, address, telephone number, fax number and email address of the service from which this information may be obtained.
- 26.** Date(s) and reference(s) of previous publications in the Official Journal of the European Union relevant to the contract(s) advertised in this notice.
- 27.** In the case of recurrent procurement, estimated timing for further notices to be published.
- 28.** Date of dispatch of the notice.
- 29.** Indication whether the contract is covered by the GPA.
- 30.** Any other relevant information.



As from 2018, all the public procurement in Europe will be done electronically.

## STEP 6 - THE SCORING FRAMEWORK TO DETERMINE THE “BEST VALUE” PROVIDER

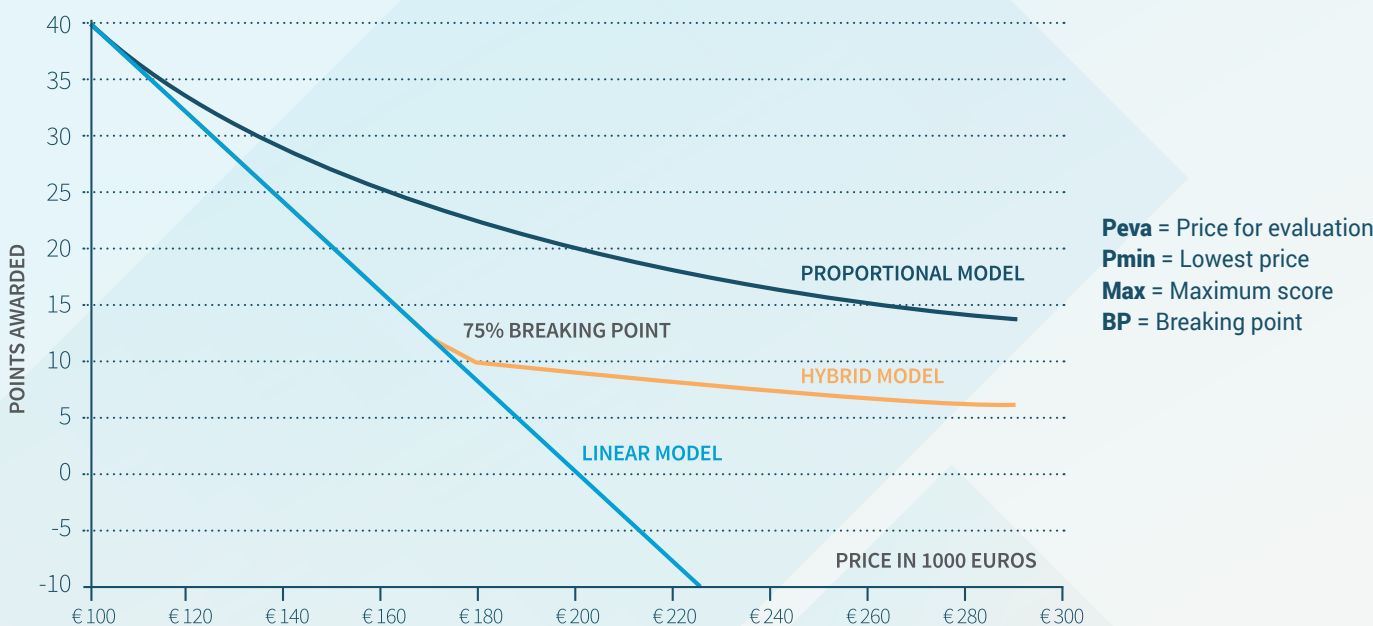
In the EU public procurement process, the buyer can carry out an evaluation of the prices quoted in the remaining bids after the elimination of the tenders that were not taken into account because of their failure to meet the selection criteria. This evaluation is based on the number of points that have been allocated to the price, as stated in the tender award notice. Therefore, this step first suggests how to evaluate the price of the remaining bids and then how to evaluate their technical merit in detail.

### PRICE EVALUATION

The bidder offering the lowest price is awarded the full number of points available for price. Then, all the other offers are assessed against the lowest price bidder. Out of the many different models existing, the following three are explained in more detail, being the most commonly used to assess the other bidders:

#### Linear model

With this model, points for price are deduced in relation to the percentage that the price offer is above that of the lowest bidder. In the example below, where a total of 40 points are available for the price score, a 10% increase in price leads to a deduction in points of 10% of 40 points and so on. As a consequence, a price that is much higher than the lowest, will lead exponentially to a very low points score although a much higher price can definitively improve the quality of the service. **In order to achieve the Best Value, the social partners strongly suggest not using this model.**



#### Proportional model

With this model, points for price are deduced according to the following formula:

$$Score = \frac{Pmin}{Peva} \times Max$$

With the proportional model, the difference in points becomes smaller the higher the price differences. This method distinguishes better among offers that lie much higher than the lowest price. As a consequence, a price that is 100% higher than the lowest, still scores half of the total points. We therefore recommend that buyers use this model.




An excel calculation system is available in a separate document.

**Hybrid model**

With this model, points for price are deduced according to the following formula:

$$Score = Pmin * \frac{100 - BP}{100} * Max * \left(1 + \frac{BP}{100}\right) / Peva$$

Although social partners recommend the proportional model, the hybrid model might be often used in practice. It is linear up to a given breakpoint (in the example, 75% higher price than the lowest price), then it goes to be proportional. The disadvantage of this model is that offers that lie much higher than the lowest price will only score a few points.



An excel calculation system is available in a separate document.

Example of different price points models when the maximum score is 40 points (given to lowest price):

TENDER OFFER	LINEAR	PROPORTIONAL	HYBRID
100.000 Euros	40.0	40.0	40.0
110.000 Euros	36.0	36.4	36.0
120.000 Euros	32.0	33.3	32.0
200.000 Euros	0	20.0	8.8
210.000 Euros	-4.0	19.0	8.3

**ASSESSING TECHNICAL MERIT**

After the buyer has defined its priorities in terms of technical merit as indicated in the previous steps, it is crucial that an objective assessment is made of extent to which bids meet these requirements. These are added to the bidders' price points according to the guidelines of step 2.

The points from the technical merit evaluation are added to the points awarded in the price evaluation to establish the "best value" provider.

<b>NOT APPLICABLE</b>	<b>0%</b>	This takes account of the fact that not every item is applicable to every client. The criterion is not applicable to the award of this tender and is therefore not scored. The assessment "not applicable" should not be used randomly, but needs to be justified in relation to the requirements of the tender
<b>INSUFFICIENT</b>	<b>25%</b>	The information provided on many points fails to meet the buyers requirements
<b>MEDIUM</b>	<b>50%</b>	The information provided does not allow a full assessment of whether the item proposed meets with the requirements
<b>GOOD</b>	<b>80%</b>	The information provided meets the requirements outlined in the tender notice and meets the buyer's expectations
<b>EXCELLENT</b>	<b>100%</b>	The information provided demonstrates an exceptionally high quality service

The assessment of technical merit is defined by buyers through giving a percentage in between 0% and 100%. For each element of technical merit the percentage goes towards 0% the lower the performance is and towards 100% the higher the performance is.

**EXAMPLE FOR SELECTION CRITERIA (STEP 6.1)**

Out of overall 60 points for the selection criteria (see step 2), 24 points have been allocated to the “cleaning personnel” category.


(Further details should be given respectively for “financial capacity” and “technical capacity”)

CLEANING PERSONNEL	POINTS AVAILABLE	NOT APPLICABLE 0%	INSUFFICIENT 25%	MEDIUM 50%	GOOD 80%	EXCELLENT 100%	WEIGHTED POINTS ALLOCATED
Experience in industry	3				✓		2.4
Activity specific experience	2					✓	2
Staff turnover and absenteeism	1				✓		0.8
Working patterns	1					✓	1
Basic training	4					✓	4
Activity specific training	1				✓		1.6
Recurring training	2					✓	2
Recruitment and selection	2			✓			1
Salary and benefit levels	2				✓		1.4
Staff employer relations	2			✓			1
Employment conditions	2					✓	2
Health and safety	2			✓			1
Other criteria	0	✓					0
<b>TOTAL</b>	<b>24</b>						<b>20.2</b>

**TOTAL SCORE FOR QUALITY OF CLEANING PERSONNEL: 20.2 POINTS OUT OF 24**

**EXAMPLE OF AWARD CRITERIA (STEP 6.2)**

The buyer decided to allocate price and technical merit equally (50 points each).


Offers proposal maximum score = 50 + 50

The technical merit categories (contract management and contract infrastructure) also receive an equal amount of points (25 points each out of the 50 allocated for technical merit)

CONTRACT MANAGEMENT CRITERIA	POINTS AVAILABLE	NOT APPLICABLE 0%	INSUFFICIENT 25%	MEDIUM 50%	GOOD 80%	EXCELLENT 100%	WEIGHTED POINTS ALLOCATED
Contract specific know-how of the contract manager and the management team	3					✓	3
Availability	1			✓			0.5
Response time	2					✓	2
Operational planning method and rostering method	1			✓			0.5
Back-up capacity	2			✓			1
General and client specific procedures	0	✓					0
Reporting, communication and response to special requirements	6			✓			3
Back office support	0	✓					0
Quality assurance frequency, documentation and systems to rectify downward quality terms	10				✓		8
<b>TOTAL</b>	<b>25</b>						<b>18</b>

**TOTAL SCORE FOR CONTRACT MANAGEMENT: 18 POINTS OUT OF 25**

CONTRACT INFRASTRUCTURE CRITERIA	POINTS AVAILABLE	NOT APPLICABLE 0%	INSUFFICIENT 25%	MEDIUM 50%	GOOD 80%	EXCELLENT 100%	WEIGHTED POINTS ALLOCATED
Cleaning equipment maintenance and proper use	6					✓	6
Cleaning adapted to the building's characteristics	3					✓	3
Uniforms and safety equipment	5			✓			2.5
Products/ methods used	2					✓	2
Environmental, health and hygiene considerations	7					✓	7
Other criteria	2				✓		1.6
<b>TOTAL</b>	<b>25</b>						<b>22.1</b>

TOTAL SCORE FOR CONTRACT INFRASTRUCTURE: 22.1 POINTS OUT OF 25

**TOTAL SCORE FOR TECHNICAL MERIT: 40.1 OUT OF 50**

# WORKBOOK – EVALUATION TABLES


Below you will find empty evaluation tables that you can use for the three phases of the process to select best value: exclusion, selection and award. You can use these tables both to prepare the tender notice (step 5) and to distribute them to interested bidders to fill in.

## EXCLUSION PHASE – ASSESSMENT SHEET

Proof of the following would exclude a bidder from the process

Company identification:

APPLICANTS MUST PROVIDE THE FOLLOWING	NOT APPLICABLE	APPLICABLE	REMARKS
Proof of no involvement in criminal organisations nor any offenses with regard to corruption, fraud, terrorist financing, etc.			
Certificate from social security authorities to the effect that the applicant is up to date with the payment of social security contributions			
Certificate from social security authorities to the effect that the applicant has met all its tax obligations in accordance with the legal provisions of the country in which he is registered			
Respect of the profit and loss accounts if publication is compulsory under the legislation or practice in the country in which the applicant is registered			


 A not applicable score in any of these 4 items leads to disqualification from the tender process

**SELECTION PHASE – ASSESSMENT SHEETS**

Company identification:
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**ECONOMIC AND FINANCIAL STANDING & SUITABILITY TO PURSUE THE PROFESSIONAL ACTIVITY:**

APPLICANTS MUST PROVIDE THE FOLLOWING	NOT APPLICABLE	APPLICABLE	REMARKS
Enrolment in one of the professional or trade registers kept in their Member State of establishment			
Authorisation or to be members of a particular organisation in order to be able to perform in their country of origin the service concerned			
Proof of certain minimum yearly turnover, including a certain minimum turnover in the area covered by the contract. It shall not exceed two times the estimated contract value, except in duly justified cases such as relating to the special risks attached to the nature of the works, services or supplies			
Information on their annual accounts showing the ratios, for instance, between assets and liabilities			

**TECHNICAL CAPACITY**

APPLICANTS MUST PROVIDE THE FOLLOWING	NOT APPLICABLE	APPLICABLE	REMARKS
Level of experience demonstrated by suitable references from contracts performed in the past			
The professional experience and relevant training of the persons proposed to carry out the work			
A proven track record of the organisation, provision and support of services similar to this contract			
Availability of the necessary infrastructure to meet the requirements set out in the tender			
Average annual manpower and managerial staff over the last three years			

**PROFESSIONAL ABILITY (CLEANING PERSONNEL)**

As the cleaning personnel are the most important element of the technical merit of the bidder, buyers can use the following table to specify in detail their criteria for the cleaning personnel. The buyer may choose to share the allocation of points with the bidders. Any score below sufficient in any of the categories will lead to the exclusion of the tenderers from the further selection/awarding process. If the score of a company is “medium”, further information may be requested.

Company identification:
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DESCRIPTION	POINTS AVAILABLE	NOT APPLICABLE 0%	INSUFFICIENT 25%	MEDIUM 50%	GOOD 80%	EXCELLENT 100%	WEIGHTED POINTS ALLOCATED
<b>EXPERIENCE</b>							
Experience in industry							
Activity-specific experience							
Staff turnover and absenteeism							
<b>SKILLS AND CAPABILITIES</b>							
Basic training							
Activity-specific training							
Recurring training							
Selection and recruitment							
<b>EMPLOYMENT CONDITIONS AND HEALTH AND SAFETY</b>							
Salary and benefit levels							
Personnel employer relations							
Employment conditions							
Health and safety							
Working patterns, such as daytime cleaning							
Other criteria							
<b>TOTAL</b>							

### AWARD PHASE – ASSESSMENT SHEETS

The contract will be awarded to the organisation presenting the economically most advantageous tender, assessed on the following criteria:

- Price
- A detailed description of how the service is to be organised, provided and supported in terms of quantity and quality of manpower, back-up capacity and the use of technology
- Compatibility with the objectives of the contract

#### SUMMARY

	NUMBER OF POINTS AVAILABLE	POINTS AWARDED	REMARKS
Contract management			
Contract infrastructure			

**TOTAL TECHNICAL MERIT:**

**PRICE:**

**TOTAL POINTS:**

#### CONTRACT MANAGEMENT/OPERATIONS

CONTRACT MANAGEMENT CRITERIA	POINTS AVAILABLE	NOT APPLICABLE 0%	INSUFFICIENT 25%	MEDIUM 50%	GOOD 80%	EXCELLENT 100%	WEIGHTED POINTS ALLOCATED
<b>THE MANAGEMENT TEAM &amp; CONTRACT MANAGEMENT</b>							
Structure, organisation and skills of the contract manager and management team							
Contract specific know-how of the contract manager and management team							
Availability							
Response time							
Promptness of intervention							
Operational planning							
Operational planning methodology and rostering methodology							
Start-up of cleaning process							
Terms of delivery							

CONTRACT MANAGEMENT CRITERIA	POINTS AVAILABLE	NOT APPLICABLE 0%	INSUFFICIENT 25%	MEDIUM 50%	GOOD 80%	EXCELLENT 100%	WEIGHTED POINTS ALLOCATED
<b>THE MANAGEMENT TEAM &amp; CONTRACT MANAGEMENT</b>							
Back-up capacity							
General and buyer-specific procedures							
Reporting							
Communication related to site and customer							
Response to buyer's special requirements							
Response to the buyer's further requests							
<b>BACK OFFICE SERVICES</b>							
Support services in administration, invoicing, human resources management							
<b>QUALITY LEVEL &amp; INSPECTIONS</b>							
Frequency of controls							
Allocation of responsibility							
Documentation of quality							
Systems to rectify downward quality							
System of quality improvement							
Trainings relevant to quality assurance							
Way and frequency the buyer evaluates the fulfilment of the contract							
Further criteria defined by the buyer							
<b>TOTAL</b>							

**CONTRACT INFRASTRUCTURE**

CONTRACT INFRASTRUCTURE CRITERIA	POINTS AVAILABLE	NOT APPLICABLE 0%	INSUFFICIENT 25%	MEDIUM 50%	GOOD 80%	EXCELLENT 100%	WEIGHTED POINTS ALLOCATED
Equipment							
Ensure the maintenance and proper use of cleaning machines and materials							
Cleaning equipment and methods adapted to the characteristics of the building							
Uniforms and safety equipment							
Specific training for safety purposes							
Products							
Cleaning methods used							
Cleaning products used							
Environmental, health and hygiene considerations							
Further criteria							
<b>TOTAL</b>							

CALCULATIONS

**TOTAL POINTS FOR PRICE:**

**TOTAL POINTS FOR TECHNICAL MERIT:**

**TOTAL POINTS ACHIEVED:**

## TERMINOLOGY & DEFINITIONS

This is a non-exhaustive list of the terms used throughout this guide. Further definitions can be found in the relevant EU legislation, as well as in standards.

**Abnormally low tender:** tenders where the price or costs proposed appear to be abnormally low in relation to the works, supplies or services. To assess this it is useful to reflect on the labour cost and the total costs of the contract (see section 3). The Public Procurement Directive foresees that bidders shall be excluded if the abnormally low price is due to lack of respect for the collective agreements or social or labour laws.

**Best value:** this concept seeks to establish a system according to which various elements relating to the quality of service are scaled and weighted to the price, in order to assess the offer that best suits the specific needs and preferences of the buyer and thereby presents the economically most advantageous offer.

**Bid:** refers to an offer made by a private cleaning service company in reply to a call for tender.

**Bidder:** private cleaning services companies participating in private or public tenders in or outside of Europe.

**Buyer:** tendering organisation or contracting authority looking to buy cleaning services. In this guide, buyer means potential & actual buyers, tendering companies and contracting authorities in and outside of the European Union, preparing to or currently buying cleaning services.

**Calls for tender:** procedures applied to generate offers from companies competing for work, supply or service contracts in the framework of public procurement.

**Cleaning personnel:** refers to the cleaners that are conducting the cleaning activities at the buyers' premises according to the instructions of the bidder.

**Collective bargaining agreement:** Negotiations that take place between an employer/group of employers and one or more workers' organisations in a defined bargaining unit (be that at a sectoral or company based level) to determine relations between employers and workers, namely around working conditions and terms of employment, inclusive of wages, and along with any other issues identified by the two parties.

**Common Procurement Vocabulary (CPV):** consists of the main vocabulary defining the subject of the contract, and a supplementary vocabulary to add further qualitative information. The main vocabulary is based on a tree structure made up by codes of up to 9 digits (an 8 digit code plus a check digit).

**Contract – activity based:** these contracts describe the activities that a cleaning contractor should conduct, such as the frequency of cleaning or the number of personnel involved, etc

**Contract – mixed:** mixed contracts stipulate a number of minimum activities to be executed and the expected level of results.

**Contract – result based (also called output or quality based):** according to these the contractor has the flexibility to arrange the resources committed to a project, as long as the agreed levels of quality are achieved. This gives more flexibility to the company.

**Contract infrastructure:** comprises of the equipment and products used by the contractor, as well as the training that the contractor is offering to the personnel for the proper use of the infrastructure.

**Daytime cleaning:** cleaning that occurs during normal office hours, allowing for a greater understanding among the cleaning personnel and the buildings' users, plus various other benefits.

**Dynamic purchasing:** procedure available for contracts for works, services and goods commonly available on the market. As a procurement tool, it has some aspects that are similar to an electronic framework agreement, but where new suppliers can join at any time.

**E-procurement:** purchase and sale of supplies, work, and services through the internet, as well as other information and networking systems. For example, electronic data interchange and enterprise resource planning.

**Equipment:** cleaning equipment refers to the various machines and tools used for cleaning such as mops, automated devices and vacuum cleaners.

**Facilities management services:** the whole range of services (e.g. cleaning, maintenance, security) provided to the client in order to support and improve the effectiveness of the client's primary activities. These services are consistently provided on a broader scale, through nation-wide or even pan-European contracts. For further details, see the relevant European standard<sup>17</sup>.

**Framework agreement:** an agreement between two parties recognising that they have not come to a final agreement on all matters relevant to the relationship between them, but have come to agreement on enough matters to move forward with the relationship, with further details to be agreed to in the future.

**Health & safety plan:** a plan that specifies how the bidder will ensure that the obligations concerning health and safety, both mandatory and voluntary, will be fulfilled during the execution of the contract.

**Life-cycle costing (LCC):** a tool which evaluates the costs on the basis of the whole life-cycle of the supplies, services or works, and not solely on the purchase price.

<sup>17</sup> European Standard EN 15221-1 : 2006 Facility Management – Part 1 (Terms and definitions)

**Management team:** refers to the team of the bidder that will manage the execution of the cleaning contract. Its role is crucial in minimising the supervisory role of the buyer.

**Market consultation:** the process during which the buyer enquires as to the types of companies that could provide the required services. The market consultation may consist of visiting the companies, as this provides a good indication of the culture of the company, inviting contractors or holding an information session.

**Minimum wage agreements in the cleaning sector:** as a minimum wage is not defined at EU level, the systems applied in each Member State are different. Therefore, buyers must ensure that the bidders respect the national and collective agreements in terms of minimum wage. These agreements may be horizontal or sectoral.

**Most economically advantageous tender (MEAT):** the most economically advantageous tender (MEAT) criterion enables the contracting authority to take account of criteria that reflect qualitative, technical and sustainable aspects of the tender submission in addition to price when reaching an award decision.

**NUTS code:** stands for “nomenclature of territorial units for statistics” and is a hierarchical system for dividing up the economic territory of the EU for statistical purposes and for socio-economic analyses of the regions and for planning regional policies.

**Operational plan:** outlines in detail how the bidding private cleaning companies intend to satisfy the requirements set out in the tender.

**Pan-European procurement:** a procurement procedure that is open to prospective contractors throughout the EU. Often these procurements refer to the pan-European needs of buyers, who may wish to have a central counterpart for all their cleaning needs in the EU.

**Procurement/Tendering:** the purchase or other form of acquisition of services by one or more contracting authority in the form of cleaning companies chosen by those contracting authorities, whether or not the services are intended for a public or private purpose.

**Public tendering:** tendering by public authorities and subject to EU legislation requirements. Private tendering is performed by private entities and does not fall under the scope of EU legislation for the time being.

**Reporting structure:** a hierarchy of administration within the bidding organisation for the dissemination of company and staff related communication.

**Rostering:** part of the operational plan and is a schedule of cleaners working on site on any given day, week or month. It is necessary for the day-to-day operation of work and is intended to balance the needs of the employees with the requirements of the contract. This is important as excessively long working hours can lead to accidents and lower quality results. The roster bears significant social implications for the cleaners, which is why it is crucial that there is a level of predictability, continuity and a process of review for the roster in place.

**Tender documents:** all documents produced or referred to by the buyer to describe or determine elements of the tender, including : the tender notice; the prior information notice where it is used as means of calling for competition; the technical specifications; the descriptive document, proposed conditions of contract, formats for the presentation of documents by candidates and tenderers; information on generally applicable obligations; any additional documents.

**Tender notice:** a document laying out all the necessary information for a specific tender.

**Tender submission:** a bid or offer document submitted by a bidder in response to a request for tenders containing detailed information on requirements and terms associated with the provision of the private cleaning services.

**Training plan:** set up by the bidder internally, it outlines who will deliver specific training to the cleaners, when and where it will take place, and including structural components for the training. It should be a document flexible enough to be amended, e.g. if operational requirements change.





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THIS GUIDE HAS BEEN REALISED WITH THE FINANCIAL SUPPORT OF  
THE EUROPEAN COMMISSION  
CE GUIDE A ÉTÉ RÉALISÉ AVEC LE SOUTIEN FINANCIER DE LA  
COMMISSION EUROPÉENNE