

Report of: The Head of the Business Support Centre

Report to: The Director Resources and Housing

Date: 24th September 2019

Subject: Approval to procure a contract(s) for the provision of Personal Protection Equipment (PPE) and corporate workwear.

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Will the decision be open for call-in?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary

1. Main issues

- The Council's contracts for the provision of workwear and the provision PPE are due to expire on 10th April 2020 and new contracts will therefore need to be procured under the Council's Contract Procedure Rules.
- There is a statutory requirement for the Council to provide PPE to its employees under the PPE Regulations 1992 and the Health and Safety at Work Act 1974.
- In addition to the above statutory obligation the Council also provides employees that are engaged in certain tasks with clothing and footwear that is suitable and durable for the type of task they are expected to carry out. This clothing follows a corporate style and carries a Leeds City Council brand identity.

2. Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

- The procurement of these contracts feeds in to the Best Council Plan 2019/20 to 2020/2021 and the stated ambition to be an efficient, enterprising and healthy organisation. It ensures that the Council spends its money wisely by seeking to achieve the best price possible for strategically important goods and that those Council employees who require PPE have access to the best up to date products to support them in their tasks.

3. Resource Implications

- The estimated value of the PPE and workwear contracts, based on the previous financial year, are £335K and £180K per annum respectively.

Recommendations

The Director of Resources and Housing is recommended to approve:

- a) That the Council commence a procurement under the Council's Contract Procedure Rules for new contracts for the supply of Personal Protection Equipment (PPE) and Corporate Workwear to the Council;
- b) That the tender exercise be split in to 2 lots; Lot 1 for the provision of PPE and Lot 2 for the provision of corporate workwear and that a contract be awarded to the successful tender for each lot for a term of 3 years with an option to extend for a further 12 months.
- c) The tenders received be evaluated on the basis of a 60% price and 40% on quality.

1. Purpose of this report

- 1.1 The purpose of this report is to obtain approval from the Director of Resources and Housing to support the procurement of a new contract for the supply of PPE and a new contract for the supply of workwear and uniforms for Council employees.

2. Background information

- 2.1 As an employer the Council are legally required to provide employees with suitable PPE that will protect the user against potential health and safety risks that may exist whilst carrying out their role.
- 2.2 The Council also has a duty to support its employees where they are engaged in certain manual tasks that would result in excessive wear and tear on their clothing and footwear and/or tasks that may expose them to dust, dirt, liquids, grime and other similar substances, and/or variable weather conditions, by providing them with suitable and durable clothing and footwear to enable them to work effectively in these conditions.
- 2.3 In 2015 the Best Council Design Team (BCDT) approved the proposal to centralise the procurement of both PPE and workwear in order that the Council may better support those services needing to purchase PPE and workwear. This was to be achieved by leveraging the economies of scale to obtain the best price possible, to ensure continuity of supply through more coherent and consistent contract management arrangements and to ensure that there was compliance across all services with the Council's CPRs when making these purchases.
- 2.4 In April 2016 the procurement exercise concluded with the award of a contract for the supply of PPE to Bunzl Greenham and the award of a contract for the supply of workwear to Arco, effective from 10th April 2016, each for a term of 3 years with an option to extend for a further 12 months.
- 2.5 The option to extend each of the contracts was taken up in April 2019 and as such there is now a need to re-tender both the PPE and Workwear contracts and award new contracts from April 2020.
- 2.6 The total spend on PPE and workwear across all council services is approximately £515k per year and as with the previous procurement this re-tender exercise will need to be a full open tender under the Official Journal of the European Union (OJEU) and will be let in 2 lots; Lot 1 will be for PPE and Lot 2 will be for corporate workwear and uniforms.

3. Main issues

- 3.1 The Council has a statutory duty to provide its employees with PPE, including hi-vis clothing and safety footwear, to protect them from potential health and safety risks whilst carrying out their tasks. It is therefore important that council services have access to a contracted supplier that can provide the required PPE that this is of the highest standard, utilising the latest technology and innovations as well as adhering to all the relevant statutory requirements that may exist now and at any time in the future, to ensure and improve the health and safety of its employees.
- 3.2 In a similar vein, the Council has a duty of care to its employees which extends to providing suitable clothing and footwear to those employees who may be engaged in activities that could be exposed to variable and changeable weather conditions, bring them in to contact with, liquids, dirt, dust, grime and similar substances and/or

cause excessive wear and tear on their clothing and footwear in the ordinary course of their business.

- 3.3 In order to deliver on the above objectives and ensure that all the council's services are compliant with the council's CPRs when making these business critical purchases, a centralised contracting approach was adopted in April 2016.
- 3.4 The development of the central contract arrangements over the last 3 years has sought to streamline the way services purchase PPE and workwear and by introducing greater rigour to the purchasing process, improving the contract management arrangements and providing greater business intelligence and understanding of the types of products being purchased and in what volumes.
- 3.5 The contracts awarded in 2016 were for 3 years with an option to extend for a further 12 months and both contracts will expire on 10th April 2020 with no further option to extend.
- 3.6 In order to build on the work undertaken to date and to continue to support all the Council's services with a central contract, it is proposed that a further procurement activity is now commenced.
- 3.7 The total value of the spend across both PPE and workwear is approximately £515k per annum.
- 3.8 Based on the value of the annual spend the re tender will require a full OJEU procurement exercise to be undertaken and it is proposed that the tender be split into 2 lots; Lot 1 – Personal Protection Equipment (clothing and equipment) with an estimated contract value of £335k per annum; Lot 2 Corporate workwear and uniforms with an estimated contract value of £180k per annum.
- 3.9 The central contract approach will again look to standardise the products on offer by developing a core list of items that can be purchased under each of the lots. The core list approach however needs to recognise the very different requirements of each service and the very different roles and tasks that people undertake. As such the PPE (clothing/ footwear requirements) and the workwear requirements may have some similarities across services, but for very good reasons, there may also be a requirement for very different types of products depending on the task being undertaken. The list will therefore be based on the type and quality of products purchased by services from the current contracts during 2018/19.
- 3.10 In considering the tender evaluation criteria to be applied other options such as the use of a minimum specified quality approach followed by price thereafter was considered, but discounted as being too complex to specify the required quality to a sufficient level for each product due to the variety and number of products on the current core lists. As such, in line with the previous tender exercise for the procurement of the current contracts, it is proposed that the evaluation criteria be on a 60/40 split. With 40 percent of the evaluation based on the quality of the supplier's products across a selection of the key products on each of the core lists under each lot, together with the quality of service and the added value that the bidder can provide in the delivery of the contract.
- 3.11 It is proposed that the successful bidder for each lot be awarded a contract for a term of 3 years with an option to extend for a further 12 months.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 The Procurement Category Manager has been consulted regarding the need to procure new PPE and workwear contracts and the most appropriate route to market. As there is no known suitable framework agreement available that would meet the Council's requirements in this instance a full OJEU tender exercise must be followed. It was also deemed through this consultation that as the previous procurement had been successfully split in to lots, that a similar approach be followed again.
- 4.1.2 In addition to the Procurement Category Manager, The Head of Fleet Services, the Senior Civil Enforcement Officer and a lead HR Health and Safety Manager, as key service leads and interested parties, have been consulted on the scope and approach for the procurement.
- 4.1.3 Over the life of the current contract arrangements the requirements and views of those making purchases and those ultimately using the products purchased from the contract have been considered. With particular attention given to ensuring that the PPE clothing is suitable and available in wide range of appropriate sizes and fittings following issues raised through the Women's Voice network. Work has also been done to engage with staff on the safety footwear available on the contract by the carrying "footwear roadshows" in key locations, to ensure that those available on the contract meet the needs of the end user and are suitable for the tasks that they are engaged in.
- 4.1.4 As part of the staff engagement process ahead of drafting the core product lists that will form part of the tender documents a number of staff who have been identified as having placed orders or authorised orders for PPE or Workwear from the current contracts have been contacted and asked to feedback any comments they or their teams may have regarding the products currently provided under the contracts. Of the 193 staff contacted a total of 10 responses have been received. 2 of these responses confirmed their satisfaction with the products and service currently being provided; 4 were related to issues they have experienced with the service and delays in responses from one of the existing contractors and these issues will be addressed with the contractor directly and 4 related the quality and suitability of specific products on the contract, which will be addressed in the core product list tender specification.
- 4.1.5 As part of the evaluation of the tender submissions it is envisaged that a sample selection of a number of key items from each of the core lists will be evaluated by the tender evaluation team and a selection of relevant end users from across service areas, to assess the quality of the products being proposed by the bidder.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 An equality, diversity, cohesion and integration impact screening has been conducted and no impact has been identified with regard to this proposal. A copy of the screening is attached to this report.
- 4.2.2 A Data Protection Impact Assessment Screening has been completed and as there is no personal data exchanged in respect of these contracts no issues with regard to data protection have been highlighted. A copy of the screening is attached to this report.

4.3 Council policies and the Best Council Plan

- 4.3.1 The procurement of new contracts to provide both PPE and workwear contributes to the Best Council Plan ensuring that the health and wellbeing of our staff is at the forefront of our planning and that they have access to the right personal protection clothing and equipment and other suitable workwear to carry out their duties. Further supporting the stated ambition to be an efficient, enterprising and healthy organisation and ensuring that the Council spends its money wisely by seeking to achieve the best price possible for these important products.

Climate Emergency

- 4.3.2 It is acknowledged that the production of many of the products on the core lists for these contracts do involve the use of plastics and/or plastic based elements and that as many of the products are produced outside of the UK they require packaging and transportation. In addition many of the PPE products are single use items, adding to the need for these to be disposed of effectively.
- 4.3.3 Due to the statutory and/or welfare requirement to purchase the majority of the products related to these contracts, the Council is looking for supplies that will work with the Council through these contracts to look at ways to reduce the environmental impact that these products may have in terms of their production, transportation and ultimate disposal. This includes such as the desire to reduce the use of single use plastics in the products and packaging where possible, encourage the development of improved production methods within the supply chain to reduce energy, materials and water consumption. Improve facilities for disposal and recycling where possible and ensure that every effort is made to reduce the CO2 omissions in the transportation and delivery of items across the Council's estate.

4.4 Resources, procurement and value for money

- 4.4.1 The estimated contract value of £515k has been calculated by reference to the actual spend over the financial year 2018/19. The total spend on PPE during this period was £334,816 and the total spend on workwear £180,757.
- 4.4.2 As part of the review of the procurement process and the route to market, the availability of suitable frameworks was considered. Due either to the time left on the framework or the specification, none of those reviewed were found to be suitable. As a result, because of the value of the procurement a full OJEU tender will need to be undertaken.
- 4.4.3 One of the key factors in the decision to centralise the contracts for PPE and workwear was to harness all the spend from across all services thereby ensuring that the Council was able to take full advantage of the economies of scale to achieve the best possible price. By repeating this model for this next procurement the council will be again exploit fully its purchasing power to achieve the best possible prices from a competitive market place.
- 4.4.4 In addition the centralising of the contract management ensures that there is a greater degree of control and rigour applied to the purchasing activities for such items and there is great intelligence on the products been purchased.

4.5 Legal implications, access to information, and call-in

- 4.5.1 The estimated spend on the PPE and workwear is in excess of £515k per annum and as such the decision to procure new contracts is a key decision and subject to call in.

4.5.2 As a Key Decision the intention to procure was listed on the list of forthcoming decisions on the 8th August 2019. With a decision to be taken not before 16th September 2019.

4.6 Risk management

4.6.1 The Council has a statutory obligation to provide PPE to its employees under the PPE Regulations 1992 and the Health and Safety at Work Act 1974. It is therefore a risk to the Council if adequate arrangements are not in place to support its employees or it is able to ensure that the equipment purchased meets all the relevant health and safety standards.

4.6.2 If approval to procure is not given and the current arrangements for a corporate contract are not replicated with new contracts in place at the end of the current term for each service to access and purchase the PPE or workwear items they require, then services will be required to make their own arrangements to meet their statutory obligations and either buy goods off contract or set up alternative contracts of their own ahead of the contract expiring in April 2020. The level of risk associated with this area is increased considerably if suitable contracts are not established for the supply of PPE with reputable organisations who have a track record and extensive knowledge of the market.

4.6.3 There is an increased risk that some service areas and some purchases of PPE and workwear fail to comply with the Council's CPR.

5. Conclusions

5.1 As the Council has a statutory obligation to provide its employees with PPE and also has a duty of care to support those employees that need suitable work clothing and footwear to be able to carry out their duties, then effective contractual arrangements are critical to ensure that the Council can effectively discharge these responsibilities. Considerable effort has already been invested in changing the way in which such items are purchased using a corporate contract model approach and it would seem in the Council's best interests to build on this work and re-tender for both PPE and corporate workwear using a similar model.

6. Recommendations

The Director of Resources and Housing is recommended to approve:

- a) That the Council commence a procurement under the Council's Contract Procedure Rules for new contracts for the supply of Personal Protection Equipment (PPE) and Corporate Workwear to the Council;
- b) That the tender exercise be split in to 2 lots; Lot 1 for the provision of PPE and Lot 2 for the provision of corporate workwear and that a contract be awarded to the successful binder of each lot for a term of 3 years with an option to extend for a further 12 months
- c) The tenders received be evaluated on the basis of a 60% price and 40% on quality.

7. Background documents¹

7.1 None.

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.