

Report of: Assistant Head of Financial Services (BSC)

Report to: The Head of the Business Support Centre

Date: 4th April 2020

Subject: Approval to award contracts 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 type="checkbox"/> Yes <input checked="" 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

- 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 clothing and footwear to those employees that are engaged in certain tasks to ensure they have suitable and durable clothing 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.
- The Council's current contracts for the provision of workwear and the provision PPE are due to expire on 10th April 2020.
- In line with the recommendations contained in the report to The Director of Resources and Housing dated 24th September 2019, a competitive tender under the Council's Contract Procedure Rules (CPRs) to procure new contracts for the supply of Personal Protection Equipment (PPE) and Corporate Workwear to the Council has been conducted.

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 and workwear have access to the best up to date products to support them in their tasks.

3. Resource Implications

- The combined quality/price scores of the evaluation concluded that Direct Corporate Clothing PLC (DCC) presented the highest scoring tender.
- As a result of this tender exercise the Council will be required to change from its exiting contracted supplier arrangements and will therefore necessitate new working arrangements for the ordering of goods to be developed and communicated to key staff who access the contract.

Recommendations

- a) The Head of the Business Support Centre is recommended to approve the award of a contract for the supply of PPE to the council under lot 1 of the tender to Direct Corporate Clothing PLC for 3 years with the option to extend for a further 12 months effective from 11th April 2020.
- b) The Head of the Business Support Centre is recommended to approve the award of a contract for the supply of corporate workwear to the council under lot 2 of the tender to Direct Corporate Clothing PLC for 3 years with the option to extend for further a 12 months effective from 11th April 2020.

1. Purpose of this report

- 1.1 The purpose of this report is to provide the Head of the Business Support Centre with the relevant information so that they may consider the recommendations and approve the award of the contracts for both the supply of PPE and workwear to Direct Corporate Clothing PLC.

2. Background information

- 2.1 As an employer the Council are legally required to provide its employees with suitable PPE that will protect them against potential health and safety risks and hazards that may exist whilst carrying out their employment activities.
- 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 The existing contract arrangements for the supply of both PPE and workwear are due end on the 10th April 2020.
- 2.4 The total spend on PPE and workwear across all council services is approximately £515k per year based on current spend. As the value of both the PPE and workwear contracts is estimated to exceed £500k over the term, the decision to

procure new contracts was classed as a key decision under the Council's delegated decision process. This approval for this was granted by way of a delegated decision notice approved by the Director of Resources and Housing and published as a key decision on the 24th September 2019.

- 2.5 In line with the Council's CPRs a full open tender exercise has been conducted under the Official Journal of the European Union (OJEU). The tender was split in to 2 lots; Lot 1 for the provision of PPE and Lot 2 for the provision for corporate workwear and uniforms.

3. Main issues

- 3.1 The required OJEU notice of the Council's intention to issue a tender was published on 5th November 2019.
- 3.2 The invites to submit tenders for the new contracts were published on Yortender 7th November 2019 and closed for tender submissions at noon on 11th December 2019.
- 3.3 The Council received 13 tender submissions under lot 1 for the PPE contract and 14 under lot 2 for the workwear contract. Of these 12 submitted a tender submission in respect of both of the lots.
- 3.4 In line with the approval to procure, the tender submissions were evaluated on a 40% quality and 60% price split.
- 3.5 The tender evaluation panel was made up of 3 members; The Assistant Head of Financial Services (The Chair) and the Financial Services Manager, both from the Council's Business Support Centre, and a Health and Safety Manager from the Council's Human Resources' Health, Safety and Wellbeing Management Team.
- 3.6 The tender evaluation was undertaken in three parts; first a desktop exercise for each submission conducted by each of the panel members against the product specification to ensure that the products being proposed met with the Council's minimum specified requirements. Of the 13 tenders received under lot 1, 5 were rejected and of the 14 received under lot 2, 6 were rejected, as the panel agreed their submissions had failed to satisfactorily demonstrate that the products, they were proposing to supply, met the minimum specified requirements.
- 3.7 The remaining 8 prospective tenders under lot 1 and 8 prospective tenders under lot 2 were requested to supply samples of specific key products for review. The products were placed on display at the Highways Seacroft Depot and at Knowsthorpe Gate Site, with key staff from across all the service areas invited to review the products being offered, to score them and to make comments regarding any of the items. A total of 23 staff attended these events and scored the products. The subsequent scores were collated and any comments considered to ensure that each of the suppliers satisfied the product quality threshold specified in the tender. All of the 8 tenders on both lots satisfied this requirement.
- 3.8 For the second part of the evaluation each of the panel members undertook an independent assessment of the method statement submissions. Evaluating each submission against a prescribed scoring matrix, awarding a mark out of 10 for each question. The panel then met to discuss the merits of each submission and arrive at a consensus score for each tender. 3 of the tenders for lot 1 and 4 of the tenders for lot 2 failed to achieve the required minimum score in one or more of the method statement questions and thereby discounted from any price evaluation under the prescribed evaluation criteria.

- 3.9 The pricing schedule submissions were then evaluated for the remaining 5 tenders under lot 1 and the remaining 4 under lot 2 with the best pricing score being achieved by Direct Corporate Clothing PLC under the tender evaluation criteria .
- 3.10 Based on the combined quality evaluation scores and the pricing evaluation scores Direct Corporate Clothing PLC scored the highest for both lot 1 and lot 2 and as such Direct Corporate Clothing PLC were the preferred tender for each lot.
- 3.11 In line with the Council's procurement procedure, the Procurement Category Manager was instructed and has undertaken the relevant due diligence checks for the preferred tender, and requested and received their references. The checks and references have all been satisfactorily completed and the prescribed standstill letters were issued to all the suppliers who submitted tenders on 11th March 2020.
- 3.12 One query has been raised from one of the unsuccessful tenders relating to the decision to discount their submissions on the basis that they had not submitted a response to a question. Following consultation with the Council's Procurement Category Manager and Procurement Legal Managers a response, setting out the Council's position and reiterating the Council's intention to proceed with the award of the contract in line with the result of the tender evaluations, was issued by email return of email on 23rd March 2020.
- 3.13 It is also noted that this contract award is being made at time of great uncertainty because of the Coronavirus pandemic (Covid-19). Which has resulted in particular difficulties with the supply of PPE and there is both an immediate need for the Council to look for supplies of key and essential products outside of the current contractual arrangements and a concern that there will be difficulties and disruptions to supplies over the coming months.
- 3.14 The contract award is therefore non - exclusive which will enable the Council to look to alternative providers should an urgent item not be available under this contractual arrangement.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 The Procurement Category Manager has supported the procurement activity throughout the process and has been consulted at each stage of the procurement to ensure the appropriate procedures were followed.
- 4.1.2 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 contracts 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. This work has fed in to the contract specification for the new contract and will be pursued with the new supplier once the award has been approved.
- 4.1.3 As detailed in the approval to procure report dated 24th September, as part of the staff engagement process a number of staff identified as having placed orders or authorised orders for PPE or Workwear from the current contracts were contacted and asked to feedback any comments they or their teams may have regarding the products provided and their comments were addressed and considered in the drafting of the tender specifications.

- 4.1.4 In finalising the product specifications that underpin the contracts, analysis of the workwear and PPE products currently being ordered on the contracts was undertaken to ensure that the products added to the respective product specifications reflected the purchases made by the services areas that access the contract.
- 4.1.5 Subject matter experts with relevant knowledge and experience of the types of products being used by services; in the Head of Fleet Services and one of the lead HR Health and Safety Managers, were consulted for their input in to the product specification and the tender specification and their comments were taken in to consideration in the drafting of the these documents.
- 4.1.6 As part of the evaluation of the tender submissions samples for a selection of the key items from each of the products on the specification were provided by the suppliers that passed the first stage of the evaluation and key staff from across the council were invited to view the products, score and comment on the products being proposed by the perspective suppliers. In total 23 staff attended these events held at the Highways Depot at Seacroft and at the Knowsthorpe Gate site on 14th and 17th January 2020.
- 4.1.7 The Procurement Legal Manager and Legal Officers were consulted in the award and regarding the challenge that was subsequently received. To ensure that the appropriate processes have been followed and that all due consideration was given to the challenge.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 The tender specification document contains a requirement for products to be provided in a fit suitable for all body shapes for both men and women and across a wide range of sizes to meet the needs of all staff.
- 4.2.2 An equality, diversity, cohesion and integration impact screening was completed and appended to the approval to procure report. This has been reviewed and no impact has been identified with regard to the proposal to award. A copy of the screening is attached to this report.
- 4.2.3 A Data Protection Impact Assessment Screening was conducted ahead of the approval to procure, this has been reviewed and there remains no change and no issues with regards to data protection. This will however be further reviewed once discussions with the new supplier commence regarding mobilisation of the contract to ensure that any resulting change to working practice, that may impact on data protection and/or of sharing personal data, are appropriately considered and managed. 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 was looking for suppliers that demonstrated a willingness to work with the Council through these contracts, and 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.
- 4.3.4 The response provided to the tender specifically around these issues, suggested that the preferred supplier is well aware of the issues and the desire of the Council to seek reductions of the environmental impacts described above and have given assurance within their tender submission that they are willing work with the Council to look at practical ways to try and positively impact on these key climate related issues.

4.4 Resources, procurement and value for money

- 4.4.1 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 from a competitive market place.
- 4.4.2 The procurement exercise resulted in the Council receiving 13 PPE tender submissions and 14 workwear tender submissions, which included some of the largest suppliers in the market. As such the Council can demonstrate value for money having been achieved through this open tender and the best price obtained from the open market.

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

- 4.5.1 As the decision to procure the new contracts for PPE and workwear was a Key Decision taken by way of a delegated decision notice published on 24th September 2019. The decision to award the contract following the procurement exercise flows from this decision as a Significant Operational Decision under the Council's delegated decision process and is not subject to call in.
- 4.5.2 Under the Council's scheme of delegation The Head of the Business Support Centre may take significant operational decisions and as such is able to approve the decision to award the contracts as recommended in this report.

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 considerable risk if adequate arrangements are not in place to support its

employees or it is unable to ensure that the equipment purchased to safeguard employees meets all the relevant health and safety standards.

- 4.6.2 If approval to award is not given and 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 and look to set up alternative arrangements of their own when the current contracts expires on 10th April 2020. The level of risk associated with this is increased considerably if suitable contracts are not established promptly for the supply of PPE with reputable organisations who have a track record and extensive knowledge of the market.
- 4.6.3 As the preferred supplier has been selected under the Council's procurement policy and procedure, by way of an open competitive tender, then there is a reasonable expectation that that they will be awarded the contracts they have been successful in tendering for. As such if the award is not approved or unreasonably delayed, then there is a risk that the preferred supplier may seek clarification and/ or challenge the process, resulting in potential damages being claimed and the associated reputational impact on the Council.
- 4.6.4 In consideration of the effects of Covid-19 and the risks associated with disruptions to the supply of key PPE products then there remains a higher risk than normal in entering in to a contract with a new supplier or if the Council relies on only one single supplier. The contract terms are therefore non- exclusive and should there be issues with supply then alternative options will need to be considered.

5. Conclusions

- 5.1 The procurement of the new contracts for PPE and workwear has been conducted in accordance with the Council's stringent procurement procedures following an open competitive tender approach, which resulted in the Council receiving a total of 15 tender submissions across both lots, from some highly regarded industry suppliers.
- 5.2 The combined quality/price scores of the evaluation concluded that Direct Corporate Clothing PLC (DCC) presented the highest scoring tender for both lot 1, PPE and lot 2, Workwear.

6. Recommendations

- a) The Head of the Business Support Centre is recommended to approve the award of a contract for the supply of PPE to the council under lot 1 of the tender to Direct Corporate Clothing for 3 years with the option to extend for a further 12 months effective from 11th April 2020.
- b) The Head of the Business Support Centre is recommended to approve the award of a contract for the supply of Corporate workwear to the council under lot 2 of the tender to Direct Corporate Clothing Limited for 3 years with the option to extend for further a 12 months effective from 11th April 2020.

7. Background documents¹

7.1 Equality, diversity, cohesion and integration impact screening

7.2 Data Protection Impact Assessment Screening

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.