

Report of: Terry Pycroft, Head of Fleet Services

Report to: Chief Officer Human Resources

Date: 21st April 2021

Subject: To exercise the existing contract extensions for the supply of Emergency Personal Protective Equipment ('PPE') to Leeds City Council for a period of one year with the six Emergency PPE Suppliers named in this report

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| 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 checked="" type="checkbox"/> Yes <input 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

- The Council currently has contracts in place for emergency PPE supplies supporting the Council's requirements during the pandemic (Reference number DN477796).
- These contracts were established at the start of the COVID-19 pandemic due to shortages impacting on PPE across the UK around health care, providing additional flexibility around procurement.
- The contracts are for twelve months with provision for one twelve month extension to provide a robust and flexible procurement option throughout the pandemic to 21st June 2021.
- The Government has formally notified Leeds City Council that DHSC PPE provision will remain in place, indicating that PPE requirements will not ease to next year and a third wave is anticipated for Covid-19. This contract extension is a contingency in the event that there are challenges in the Council securing PPE supplies over the next year in the same way that we encountered at the start of the pandemic.

- The provision of PPE to reduce risk to staff and the members of LCC public is paramount, so to ensure supply and manage risk an extension to these contracts up to 21st June 2022 is being sought.
- The six emergency PPE suppliers are:
Plymouth Group t/a BAWA Medical
Danel Trading Ltd
Dencowear Ltd
MPH Enterprises Ltd
Orcagel Company Ltd
Windles Group

2. Best Council Plan implications (see the [latest version of the Best Council Plan](#))

- The provision of the PPE supplies are required to ensure the highest possible elimination of risk of infection from Covid-19 to the public of Leeds and the Authority as a whole. These contract extensions are being sought to ensure the efficient running of the service for the council, and supports wider city priorities around protecting the health and wellbeing of everyone in Leeds.

3. Resource implications

- The PPE hub is already established, therefore there are no resource implications to these contract extensions beyond the costs outlined in this report. In addition, extending these contracts does not commit the Council to any expenditure.

Recommendations

- a) The recommendation is that the Chief Officer Human Resources approves the existing contract extensions for the supply of Emergency Personal Protective Equipment ('PPE') to Leeds City Council for a period of one year with the six Emergency PPE Suppliers named in this report.

1. Purpose of this report

- 1.1 To seek approval to extend the existing contracts (number DN477796) with 6 suppliers until 21st June 2022.

2. Background information

- 2.1 In March 2020 the nation was suffering a pandemic, Covid-19. This pandemic was to prove fundamental in how we sourced PPE through the supply chain.
- 2.2 PPE supply during the early stages of the pandemic was critical, supply was low to the point of rationing through the government frameworks and the supply chain.
- 2.3 With China being at the centre of the Covid-19 pandemic and being the main PPE manufacturers supplying into the UK, supply chains took a severe impact in the UK and globally.
- 2.4 The Council already had main PPE suppliers in place, however, to ensure LCC had sufficient PPE through the PPE hub a procurement exercise was undertaken and resulted in six additional suppliers being made available for specific emergency PPE that was in high demand and short supply.
- 2.5 These suppliers have proven to be key to the robust supply over the many months at reasonable prices, helping reducing infection rates in Leeds and protecting staff.

3. Main issues

- 3.1 The expiry date of the contracts is 21st June 2021 and the Council requires continuity of the supply of emergency PPE.
- 3.2 Covid-19 remains prominent and DHSC supplies have been confirmed until March 2022 indicating the threat has not subsided with a 3rd wave anticipated.
- 3.3 In addition a 3rd wave of Covid-19 has been communicated from Government and is anticipated to occur in late 2021 which will only exacerbate the need for ongoing PPE provision. Extending these contracts is a contingency should the Council experience challenges in securing PPE supplies over the course of the next year and does not commit the Authority to any expenditure.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 The Authority has been working hard to minimise the infection rates in Leeds reducing fatalities. The Contracts supplying to the PPE hub will ensure any supply chain risks are minimised where possible.
- 4.1.2 The PPE provision is critical externally and internally within organisations to ensure staff remain safe while undertaking key work.
- 4.1.3 Consultation with Procurement and Commercial Services, Audit and Finance teams has been undertaken in relation to the requirement of this Contract Extension.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 The recommendation supports PPE provision while ensuring equality and diversity are part of the ongoing procurement exercise.

4.3 Council policies and the Best Council Plan

- 4.3.1 Adequate provision of PPE for council staff is paramount to the delivery of priorities in both the Best Council Plan and the Health and Wellbeing Strategy. In addition to the clear benefits in protecting staff themselves, we know that Covid-19 has had an especially damaging impact on the poorest in our city, including many of the communities with which council staff have the most contact.
- 4.3.2 Provision of PPE delivered through these contracts will contribute towards protecting and improving the health of the poorest fastest, and will ensure the council continues to support the health and social care sector to respond to and recover from Covid-19.

Climate Emergency

- 4.3.3 The PPE hub is trialling several new EV models of vans and transit style vehicles along with NHS partners in Leeds. LCC has our own fleet of EV's and is promoting the use of these within the hub and across Services in the Authority. The routes and delivery streams are currently under review looking to minimise vehicular travel across the City, therefore reducing emissions and contributing to the LCC clean air pledge.

4.4 Resources, procurement and value for money

- 4.4.1 These contracts ensure value for money is maintained in what has been and could be a very volatile market. Supplies are ordered via the contracts based on best price and availability. Currently, stock levels are high and the majority of PPE is being supplied free of charge through the DHSC (which will continue up to March 2022). However, extending these contracts allows for additional contingency measures up to 21st June 2022 in case of a third wave. Extending these contracts does not commit the Authority to any expenditure.

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

- 4.5.1 The current contracts contain provision to extend for a further twelve months so there are no particular legal implications for this contract extension.
- 4.5.2 Under CPR21.3 the decision to extend a contract which exceeds the threshold of a Key Decision may be treated as a direct consequence of the initial decision to procure provided it was in the contemplation of the decision maker at the time the initial decision to procure was taken. The decision to extend will therefore be a Significant Operational Decision and will not be subject to call-in.

4.6 Risk management

- 4.6.1 There are no significant risks to these extensions. It would be riskier not to extend the contracts since it was evident from the first two waves of the pandemic that the supply chain can be (and was) severely disrupted leading to shortages in critical PPE supplies.
- 4.6.2 Furthermore, extending the contracts helps to mitigate against the risk of increasing infection rates or fatalities by protecting Council staff, key workers and communities with properly sourced and compliant PPE.
- 4.6.3 The contracts are managed and monitored regularly to ensure the benefits of the supplies are maximised. The Suppliers' performance will be measured over the life of the contract by using KPI's around delivery, cost and availability.

5. Conclusions

- 5.1 While infections continue and new variants are appearing the threat of a 3rd wave is anticipated as the City begins to open up again. The PPE hub has procured and supplied PPE across the Authority. To ensure consistency and clarity the hub will continue to support as always.

6. Recommendations

- 6.1 The recommendation is that the Chief Officer Human Resources approves the existing contract extensions for the supply of Emergency Personal Protective Equipment ('PPE') to Leeds City Council for a period of one year with the six Emergency PPE Suppliers named in this report.

7. Background documents¹

- 7.1 There are no background documents.

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.