

# Finance and Resources Committee

10.00am, Tuesday, 7 November 2017

## **Adoption of the Scotland Excel Framework Agreement for Supply and Delivery of Personal Protective Equipment**

Item number	8.5
Report number	
Executive/routine	
Wards	
Council Commitments	

### **Executive Summary**

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This report seeks approval of the Finance and Resources Committee to adopt the Scotland Excel Framework Agreement for Supply and Delivery of Personal Protective Equipment (PPE).

The new framework will continue to provide the council with a mechanism to procure a wide range of PPE, including, workwear, footwear, safety wear and hi visibility wear.

The term of the Framework will be two years with the option to extend until 28 February 2021. The value of the Framework has been estimated at £1,524,000.

## Adoption of the Scotland Excel Framework Agreement for Supply and Delivery of Personal Protective Equipment

### 1. Recommendations

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- 1.1 It is recommended that Committee approve the adoption and implementation of the Scotland Excel Framework Agreement for Supply and Delivery of Personal Protective Equipment from 7 November 2017 to 28 February 2019 with the option to extend to 28 February 2021.

### 2. Background

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- 2.1 The Scotland Excel Framework for Personal Protective Equipment replaces a previous Framework Agreement utilised by the Council.
- 2.2 There is an on-going requirement to procure Personal Protective Equipment throughout the Council to adhere to Health and Safety requirements and staff well-being and covers a vast array of jobs.
- 2.3 Procurement of PPE through the Framework will ensure that purchased items will be fit for purpose and present best value for money having been competitively tendered for Councils across Scotland.

### 3. Main report

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- 3.1 As part of the Scotland Excel (SXL) strategy development, the SXL User Intelligence Group (UIG) consisting of representatives from participating councils endorsed an alternative lotting structure which reduces the current lot numbers in the framework from four to two without reducing market capacity. These are: hazard items, footwear, workwear, hi visibility & weather wear.
- 3.2 The lotting structure is as follows:

Lot 1	Safety, work wear, weather wear and footwear
Lot 2	Catering/food Industry

- 3.3 Following publication of a Prior Information Notice (PIN), supplier meetings were held to share information on market trends and recent developments. This resulted in a requirement to promote Supported Businesses through framework suppliers. It was agreed that the optimal approach to the market, to meet the requirements of end user organisations, would be to conduct a process resulting in a multi-supplier award across two lots.
- 3.4 The Scotland Excel UIG agreed that the procurement process should follow a two-stage tendering procedure:
  - 3.4.1 Stage one, Qualification, was undertaken using the European Single Procurement Document (ESPD).
  - 3.4.2 Stage two of the process involved evaluation of the bidders' offers against the following criteria and weightings:
    - 3.4.2.1 Technical 40%
    - 3.4.2.2 Commercial 60%
- 3.5 The Contract Notice was published on Public Contracts Scotland (PCS) portal and subsequently uploaded to the Official Journal of the European Union on 24 November 2016. The tender documentation was made available for immediate download to bidders on 25 November 2016 via the Public Contracts Scotland Tenders (PCS-T) system.
- 3.6 The qualification stage of the ESPD required bidders to answer a number of qualification questions and minimum standards for insurance, financial standing, quality management, health and safety and environmental management.
- 3.7 Within the technical section, bidders were required to evidence their knowledge and experience by responding to scored criteria which included method statements, a range of job scenarios and fixed pricing.
  - 3.7.1 The method statements were assessed upon the bidders' responses to the following criteria: customer service; framework objectives; community benefits including sustainability; and added value.

The job scenarios were based upon mainstream council job roles e.g. Road/Construction worker, Refuse Collector and Catering assistant. Lot 1 had six scenarios and Lot 2 had one. Bidders were required to complete a list of fit-for-purpose PPE for each scenario and were scored based upon the suitability of their choice.
- 3.8 Bidders were also requested to provide set percentage discount structures against Recommended Retail Prices (RRP) and/or product catalogue prices for specific products or product ranges relating to each lot, as well as confirming which councils they were prepared to service

- 3.9 Following analysis of tenders received, Scotland Excel appointed a total of 21 suppliers across both lots, the high numbers reflect the geographical coverage required across Scotland and the varied types of workwear required.

#### **4. Measures of success**

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- 4.1 This framework will provide the Council and other participating bodies with a mechanism to procure a wide range of Personal Protective Equipment (PPE) ranging from safety head, ear and eye wear, respirators, hi visibility clothing footwear, and safety clothing. A range of benefits can be reported in relation to price stability and community benefits.

#### **5. Financial impact**

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- 5.1 The Council forecast value of this framework, including extensions, has been estimated at £1,524,000, with a saving of £13,000 for over the full contract period (including extensions). Approximately 0.85% savings against the previous contract.
- 5.2 All suppliers have agreed to the 12-month fixed price period from the beginning of the framework. A number of suppliers agreed to fixed pricing for 24 months, offer non-core discounts and/or offer annual rebates.
- 5.3 Price increases are subject to price reviews every six months to accommodate market fluctuations. All requests for price increases will be evaluated against prevailing market conditions and supporting documentary evidence.
- 5.4 Council spend on PPE will be managed by continuous review of demand to minimise spend.
- 5.5 The costs associated with procuring this contract are estimated at up to £10,000.

#### **6. Risk, policy, compliance and governance impact**

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- 6.1 The Waste & Cleansing Services Team, will provide for the contract management of the contract due to being the highest spend area.

#### **7. Equalities impact**

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- 7.1 The Equalities Rights Impact Assessment (ERIA) has identified no impact on the Councils specific public sector equality duties.

#### **8. Sustainability impact**

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- 8.1 Bidders environmental assessments provided evidence that they were either members of the environmental management system, ISO14001 or that they work to an internally audited environmental management system. Others advised that they were working towards accreditation to ISO14001.
- 8.2 Within their ISO accreditation or own management system, bidders advised a range of environmental measures for their organisations, including: fuel reduction and energy efficiencies; minimising carbon footprint by reducing mileage consumption; identifying opportunities for waste reduction; recycling principles for waste.
- 8.3 Suppliers undertook to provide Community Benefits which will be monitored as Key Performance Indicators throughout the lifetime of the project. The range of benefits offered by bidders include - Lease all company vehicles, at additional expense, through a local Scottish Company who employ a large number of local people throughout the East of Scotland, textile repair service to local Boys Brigade companies and Scout Troops at greatly reduced rates, working with council Rapid Response Team helping communities in times of need, participating in the Scottish Government's "Developing the Young Workforce" scheme, assisting people back into work, etc.
- 8.4 Suppliers, as part of the sustainability method statement, bidders were asked to detail their current processes and procedures for recycling. They provided the following recycling methods: donating old and un-branded clothing to, e.g. Salvation Army; recycling footwear and clothing to clothing banks; re-using cardboard and bubble wrap; use of waste companies for chemical waste when required; and membership of recycling organisations were also mentioned – REPAK and National Waste & Recycling Association.
- 8.5 Sustainable Procurement Benefits (including Supported Business) - Bidders were also required as part of a method statement response to describe how they would ensure that products were ethically sourced. Their responses included: having accreditation to, e.g. Ethical Trade Initiative (ETI); members having detailed knowledge of their supply chains' ethical trading policy, requesting copies of these; requesting details of their membership to sustainable procurement schemes; and carrying out audit programmes on their supply chain and supported businesses with regular site visits.
- 8.6 In regard to Workforce Matters, bidders were asked to detail their structure for Fair Work Practices, in particular the Living Wage. Out of the 21 tenderers, 11 advised that staff are paid the Living Wage. Other tenderers stated they were working towards paying the Living Wage rate to all employees, whilst some advised that they were looking into accreditation of the Living Wage Foundation. Through regular review meetings with suppliers, Scotland Excel will monitor and encourage suppliers to pay Living Wage rates.

## **9. Consultation and engagement**

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- 9.1 A User Intelligence Group (UIG) consisting of procurement and technical representatives from the participating Councils was established to support the development of the procurement strategy and specification.
- 9.2 During the development of the procurement strategy, Scotland Excel consulted a wide range of stakeholders to inform the strategy including all Scottish Local Authorities, other Public Sector organisations and FIRA.

## 10. Background reading/external references

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10.1 N/A

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## 11. Appendices

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Appendix 1 – Summary of Tendering and Tender Evaluation Process

Appendix 2 – Scotland Excel Framework Scores

## Appendix 1 – Summary of Tendering and Tender Evaluation Processes

Contract	CT2194 Scotland Excel Framework Agreement for Supply and Delivery of Personal Protective Equipment
Contract period (including any extensions)	02 June 2017 – 28 February 2021 (including 2 x 12 month extensions)
Estimated contract value	£1,524,000 (Total includes extensions)
Procurement Route chosen	Open
Tenders returned	31
Price/Quality ratio	Technical – 40% Commercial – 60%
Evaluation criteria and weightings and reasons for this approach	<p><b>Commercial – 60%</b></p> <p>The Commercial element of the tender was based upon a basket of commonly purchased items.</p> <p><b>Technical - 40%</b></p> <p>The technical elements of the tender were based upon the technical knowledge of specific job roles and providing suitable items that meet compliant standards including being suitable for a given scenario and meeting safety requirements.</p> <ul style="list-style-type: none"> <li>•</li> </ul>
Evaluation Team	Scotland Excel & Procurement and/or Technical Representatives from participating Councils.

## Appendix 2 – Scotland Excel Framework Scores

Lot 1 PPE includes:  
Eye and Ear Protection, Respirators/Safety Masks, Safety Head Wear,  
Workwear, Hi Viz Wear, Footwear

<u>Tenderer</u>	<u>Technical Score</u>	<u>Commercial Score</u>	<u>Total Score</u>
Bunzl Greenham	32.50	59.04	91.54
WC Willis	32.00	58.00	90.00
Stax Direct	29.25	56.63	85.88
Arco Limited	35.00	50.63	85.63
Lion Safety	33.00	51.80	84.80
Cleaning & Wiping	33.00	51.48	84.48
JBS Group	37.50	46.55	84.05
Corston Sinclair	37.25	46.04	83.29
MWUK	38.13	44.32	82.45
Allison & Stiven	29.50	52.37	81.87
Protective Wear	30.00	51.68	81.68
McKinlay Workwear	26.63	54.25	80.87
Guthrie Group	30.25	49.73	79.98
Mo & Co	25.30	51.44	76.74
Ioma Clothing	29.50	46.70	76.20
Donside	30.15	45.96	76.11
D Gibson	35.50	39.85	75.35
Scott Direct	32.00	42.64	74.64
Unico	27.25	45.45	72.70
Rexel (UK)	27.00	44.31	71.31

Lot 2 PPE includes:  
Catering and Food Industry

<u>Tenderer</u>	<u>Technical Score</u>	<u>Commercial Score</u>	<u>Total Score</u>
Allison & Stiven	36.00	59.00	95.00
Stax Direct	35.25	57.38	92.63
Lion Safety	36.50	52.40	88.90
Corston Sinclair	37.75	50.59	88.34
JBS Group	31.50	53.49	84.99
McKinlay Workwear	28.63	54.39	83.02
Bunzl Greenham	32.50	50.29	82.79
GTS Group	37.00	45.18	82.18