

# **Report of the Strategic Director of Corporate Resources to the meeting of the Corporate Overview and Scrutiny to be held on 24<sup>th</sup> September 2020**

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## **Subject:**

**Contract for the provision of Personal Protective Equipment (PPE) and Corporate Uniforms**

## **Summary statement:**

**This report is provided for information to advise members of the forthcoming procurement of a framework agreement for Personal Protective Equipment and Corporate Uniforms with a value in excess of £2 million in line with the requirements of Contracts Standing Orders (CSO4.7.1) prior to the commencement of the procurement process.**

**Bradford Council's Procurement Service currently manages a corporate contract for the provision of Personal Protective Equipment (PPE) and Corporate Uniforms. The current framework agreement has been in place since 12 December 2016 and is due to expire on 11<sup>th</sup> December 2020.**

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Joanne Hyde  
Director Corporate Resources

**Portfolio:**  
**Leader**

Report Contact: Ian Westlake  
Phone: 07971 540171  
E-mail: [ian.westlake@bradford.gov.uk](mailto:ian.westlake@bradford.gov.uk)

**Overview & Scrutiny Area:**  
**Corporate**

## 1. SUMMARY

- 1.1 This report seeks to inform members of a forthcoming procurement and award of new contract(s) for Personal Protective Equipment (PPE) and Corporate Uniform for a term of three years from 12<sup>th</sup> December 2020 to 11<sup>th</sup> December 2022, with an option of a one-year extension, subject to satisfactory performance of the appointed supplier(s).

The expenditure across the current contract has averaged at around £262,000 per year until the start of the pandemic in March 2020. Expenditure from March 2020 to August 2020 currently stands at £9.7m, approximately £1.6m per month.

Currently the Council holds stock of pandemic PPE within the District and is supplying Council departments and functions with regular protective equipment. Based on current usage, and not accounting for a winter spike, stockholding will run low during December/January.

## 2. BACKGROUND

- 2.1. The Council has a statutory obligation to provide its staff with the necessary and fit for purpose work wear required for staff to complete their duties, as stated in the Health and Safety at Work Act 1974. The Council must also satisfy its own due diligence to ensure the well-being of its staff.
- 2.2. The framework agreement for PPE and Corporate Uniforms is coming to an end on the 11<sup>th</sup> December 2020. The current agreement has been in place since the 12<sup>th</sup> December 2016, running for three years and then extended for a year in 2019 as per the contractual provisions.
- 2.3. The scope of each Lot and of the framework is as follows:

**Lot 1:** Casual Clothing  
**Lot 2:** Protective Wear  
**Lot 3:** Uniforms  
**Lot 4:** Footwear  
**Lot 5:** PPE

## 3. Context

- 3.1 Local Government has faced unprecedented challenges in its response to COVID 19. The virus has had a radical impact on all of the District's citizens and its businesses. The pandemic also led to a rapid change in the way in which the Council has operated, with some services stopped temporarily (such as libraries and leisure centres), some services changing the way in which they operate and others such as community services and business support have experienced significant surges in demand.

- 3.2 The scale and nature of the COVID-19 pandemic and the call on the Council's resources has been unparalleled. Severe disruptions and shortages in PPE supply in the District and country saw sudden closure of the limited markets available to local anchor organisations. The Council were able to offer access to our supply chains who in turn gave support where they were able either directly through our contractual arrangements or directly with the local public sector organisations.
- 3.3 Under the current contract the Council has been able to supply private care homes with PPE when they were unable to source their own and the same with undertakers, coroners, childcare settings, dentists, and taxis. At the same time our contract has supplied the majority of PPE required in various Council areas, such as, residential homes, warden service, facilities management, markets and to officers in customer facing roles. Emergency Planning have been able to focus PPE interventions in public health and safety issues because of the volume and range of PPE procured through the framework agreement.

#### **4. Council Outcome: Well Run Council**

- 4.1 We want to use our resources wisely, work in partnership well and make sure we are well governed, accountable and legally compliant. The procurement of a new PPE and Corporate Uniform framework agreement will be run in accordance with the Bradford Council's Contract Standing Orders and The Public Contracts Regulations 2015.
- 4.2 The procurement strategy for the new framework agreement is to open this procurement more formally to our local community anchors placing the informal support we were able to give during the pandemic into a commitment of opening collaborative working practices across the District.
- 4.3 Procurement should in part help achieve value for money across the public sector and by including other buying organisations in the tender the Council is attempting to pre-empt uncertainty around future provision of local PPE with the inclusion of a new Lot 6 to the procurement strategy.
- 4.4 It is anticipated that the tender opportunities will attract a portfolio of suppliers for a limited quantity of goods, which will offer resilience and help preparation for further outbreaks. Lot 6 will require some stock holding with visibility of advanced orders of items which quickly became exceptionally hard to source, for example masks, visors, gloves and Coroner's PPE.
- 4.5 We are taking this approach to the procurement route to minimise the risk, as best we can, in order that the economy and local services can operate safely in the knowledge that PPE supplies are in place to help minimise and prevent the spread of infection. In turn this will give confidence that there are safe spaces, workplaces, schools and transport as we adapt to a period of living alongside the virus. Ensuring that the economy and local services can operate safely and that measures taken in this procurement are in place to minimise and prevent the spread of infection.

## **5. Council Outcome: Better skills, more good jobs and a growing economy**

5.1 Lot 6 is an attempt at a new way of working, building resilience in the PPE supply chain by encouraging local suppliers to diversify into one or more products facilitating this in how the Lot is structured. Splitting supply chains could be one answer which may also mitigate risk. The simultaneous re-launch of production sites will create spikes in demand for raw materials, sub-components and other supplies, causing a so-called 'bullwhip' effect. A high level of uncertainty will likely remain but Lot 6 gives the local business the opportunity to step in and supply. We will be asking for greater visibility of the entire supply chain; we would expect to see manufacturers move toward multiple sourcing from different suppliers and regions to help us mitigate any future risk of supply.

5.2 A major aim of the procurement of a new PPE and Corporate Uniform contract is to obtain social value for the District, buying goods and services from local providers where possible and where local businesses do not bid for business we are still obtain social value across a range of activities. By embedding social value into procurement additional value is unlocked and, ultimately, leads to better community outcomes. It also ensures that the best and most responsible businesses are rewarded with the opportunity of working with the public sector through contracts. We plan to use the National Themes Outcomes and Measures (TOMs), using a set of proxy values which will allow us to assess the financial impact that any measure will make. It is of course recognised that social value is not all about money but nonetheless this is an important metric which can help understand the scale and breadth of impact that a measure can make. Importantly, it allows the Council to compare tenders in a way that is proportional and relevant to the bid, and to better justify a procurement decision. The social value tool has five headings;

- Promoting Skills and Employment,
- Supporting the Growth of Responsible Regional Businesses,
- Creating Healthier, Safer and More Resilient Communities,
- Protecting and Improving our Environment
- Promoting Social Innovation.

Suppliers will choose from those headings a range of actions which, if their tender is successful, will form part of the contract and they will be managed on the delivery of their selection.

## **6. OTHER CONSIDERATIONS**

6.1 No formal contract means the Council will not be able to continue to provide its staff with appropriate PPE or Corporate Uniform required for staff to continue to perform their duties as stated in the Health and Safety at Work Act 1974.

6.2 Without a formal contract the PPE and Corporate Uniform used by staff may not have health and safety standards approval. This could leave the Council open to legal challenge under the Health and Safety at Work Act 1974.

6.3 Uncontrolled spending on PPE and Corporate Uniform due to no formal contracts in place could leave to the Council open to challenge through FOI and audit.

- 6.4 There is risk of overspending on PPE and Corporate Uniform due to maverick buying and range of prices on non-contractual PPE, Corporate Uniform products.

## **7. FINANCIAL & RESOURCE APPRAISAL**

- 7.1 The expenditure across the current contract has averaged at around £262,000 per year until the start of the pandemic in March 2020. This was met from service budgets. Expenditure from March 2020 to August 2020 currently stands at £9.7m, approximately £1.6m per month. This has been in excess of service budgets and to date Central Government COVID19 Grant has been insufficient to meet in full the full financial implications of COVID19 to the Council.
- 7.2 The draft Medium Term Financial Plan currently reflects additional ongoing forecast costs of PPE. Recent announcements indicate we will be provided with enough free PPE stock to cover COVID19 related PPE needs up until March 2021.
- 7.3 It is essential our employees are provided with the PPE to work safely. The financial implications will be monitored and we will continue to seek full recompense from Central Government for COVID19 related costs

## **8. RISK MANAGEMENT AND GOVERNANCE ISSUES**

- 8.1 Risks in relation to budgetary implications of COVID 19 impact are noted and will be monitored and reported.
- 8.2 Having contracts in place will ensure the procured PPE and Corporate Uniform meets the health and safety standards stipulated under the Healthy and Safety at Work Act 1974 and ensures the Council meets its duty of care and obligations

## **9. LEGAL APPRAISAL**

- 9.1 The Council's Contracts Standing Orders provide for details of contracts with estimated value in excess of £2m be reported to the relevant Overview and Scrutiny Committee
- 9.2 The procurements set out in this report will be carried out in accordance Contracts Standing Orders and EU Procurement Regulations. The current EU threshold for procurements of supplies is £189,330.

## **10. OTHER IMPLICATIONS**

### **10.1 EQUALITY & DIVERSITY**

- 10.2 Compliance with Equality Act 2010 is embedded in the Council's procurement process and requirements.

## **11. SUSTAINABILITY IMPLICATIONS**

- 11.1 In non-clinical settings, waste must be disposed in a plastic bag and tied, placed into a second bag and tied, stored in a secure place for 72 hours, then put into a normal waste collection service. We expect the successful Contractors to help the Council reduce the environmental impact of their products and the disposal

methods we must use.

- 11.2 The Procurement Service's tender documents and specification have been updated to ensure that they include details of the Council's commitment to reducing its carbon footprint through promoting sustainable best practice and through working with Contractors who are actively taking steps to minimise the impact of their activities on the environment.

## **12. GREENHOUSE GAS EMISSIONS IMPACTS**

- 12.1 By undertaking a tendering exercise the Procurement Service will seek to minimise future environmental impact, through selection and contract management of suppliers who propose sustainable and environmentally friendly products (as appropriate), alternative fuel efficient vehicles etc. and that manage their work activities to minimise any environmental impact through energy/resource conservation, efficient route planning, deliveries etc.

## **13. COMMUNITY SAFETY IMPLICATIONS**

- 13.1 None

## **14. HUMAN RIGHTS ACT**

- 14.1 There are no known human rights implications within the contents of this report.

## **15. TRADE UNION**

- 15.1 The Council has a duty of care and a legal obligation to provide staff fit for purpose Work wear which complies with the Health and Safety at Work Act 1974. Under this framework the PPE and Corporate Uniforms will be fit for purpose and adhere to all Health and Safety requirements and will be what staff will be recommended and approved to purchase.

## **16. WARD IMPLICATIONS**

- 16.1 No Ward or area implications.

## **17. AREA COMMITTEE ACTION PLAN IMPLICATIONS (for reports to Area Committees only)**

## **18. IMPLICATIONS FOR CORPORATE PARENTING**

- 18.1 N/A - There are no Corporate Parenting implications arising from this report.

## **19. ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT**

- 19.1 Tender documents and the specification have all been brought up to date with the latest requirements of the General Data Protection Regulations (GDPR), Data

Protection Act 2018 and the Council's technical security requirements for Data, Information Systems & Confidentiality.

## **20. NOT FOR PUBLICATION DOCUMENTS**

20.1 None

## **21. OPTIONS**

21.1 Use of other collaborative frameworks, managed by CCS, ESPO, YPO (Crown Commercial Services, Eastern Shire Purchasing Organisation and Yorkshire Purchasing Organisation), however no collaborative agreements have been found that include any local suppliers or give the opportunity to use the Themes Outcomes and Measures social value tool.

21.2 The Procurement Service expects that through completing an open competitive OJEU tender via YORtender there will be a compliant framework in place which meets the Council's requirements and achieves best value.

21.3 Recommendation that an open OJEU tender be undertaken by the Council with the framework divided into Lots to encourage SMEs and local suppliers to bid for the Council's business.

## **22. RECOMMENDATIONS**

22.1 Recommended -

22.2 *That the report is noted and the option to undertake the procurement exercise and publish the PPE and Corporate Uniform framework as an open competitive tender is supported.*

## **23. APPENDICES**

23.1 None

## **24. BACKGROUND DOCUMENTS**

24.1 None