

To: Executive Sub Committee

On: 31 March 2017

Report by Director

Tender: Supply and Delivery of Personal Protective Equipment

Schedule: 04/16

Period: 1 March 2017 until 28th February 2019 - effective date of 01 May 2017 - with an option to extend for a further two 12 month periods

1. Introduction and Background

The current framework for Supply and Delivery of Personal Protective Equipment (PPE) expired on 28 February 2017. It is proposed that this renewal framework will operate from 01 May 2017 until 28 February 2019 with an option to extend for up to a further two 12-month periods.

This will be Scotland Excel's third generation PPE framework. The new framework will continue to provide councils and associate members with a mechanism to procure a wide range of PPE, including, workwear, footwear, safety wear and hi visibility wear. A wide range of council departments are expected to access this framework which covers a legislative requirement to protect users against health and safety risks at work.

2. Scope, Participation and Spend

As part of the strategy development, the User Intelligence Group (UIG) endorsed the development of an alternative lotting structure which would reduce the current lot numbers in the framework from four to two. The stimulus for this was a requirement to attract a wider range of experienced PPE suppliers with the ability to supply all requirements. This was in addition to a focus on developing SMEs and supported business within this framework. An analysis of current council spend also supported a new lotting structure. This highlighted that incumbent suppliers had the capability to supply all items from the first three lots. These are: hazard items, footwear, workwear, hi visibility & weather wear.

Therefore, Scotland Excel drafted a robust lotting approach which would amalgamate the lots above into one and because of the unique PPE supplier base for the catering industry, a separate lot for this was retained.

Table 1 illustrates the new lotting structure which covers all PPE related items for participating stakeholders.

Table 1: Lotting Structure

Lot 1	Safety, work wear, weather wear and footwear	95% of estimated framework value
Lot 2	Catering /food industry	5% of estimated framework value

All 32 Councils confirmed their intention to participate in this framework. In addition, NHS Scotland and Tayside Contracts verified that they would participate; member participation details were listed within the contract notice.

The annual spend for participating Councils was forecast at approximately £10million per annum. Together with the NHS' annual spend of circa £600,000, the value over the term of the framework has been estimated at £40million, which includes the two extension periods.

3. Procurement Process

A Prior Information Notice (PIN) was published on 6 June 2016, which generated expressions of interest from 118 organisations. As a result of this considerable interest, meetings were held with potential bidders, both incumbent and new suppliers, to discuss the requirements for the new framework.

In July 2016, a User Intelligence Group (UIG) consisting of representatives from participating councils agreed the procurement strategy. From this, a working group of technical and procurement representatives was formed to review the technical aspects of the tender and participate in that part of the evaluation. The UIG endorsed the use of an open tender process to ensure maximum competition and flexibility. It was also agreed that the procurement process should follow a two-stage tendering procedure:

1. Stage one, Qualification, was undertaken using the European Single Procurement Document (ESPD).
2. Stage two of the process involved evaluation of the bidders' offers against the following criteria and weightings:
 - Technical 40%
 - Commercial 60%

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.

The qualification stage of the ESPD required bidders to answer a number of qualification questions. They must also advise that the following valid information will be provided if the bidder is successful in this procedure:

insurance, financial standing, quality management, health and safety and environmental management.

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.

- 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. 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.

Job scenarios are described in Table 2.

Table 2: Job Scenarios

Lot No.	Job Scenario
1	Roads/construction worker
1	Electrician
1	Roofer
1	Refuse collector
1	Parks & recreation worker
1	Local authority cleaner
2	Catering assistant

- Fixed pricing on core items for 12 months was mandatory for both lots. However, bidders were given the opportunity to increase their score by holding their pricing for core items for 24 months and non-core for either 12 or 24 months.

Bidders were also asked within the technical section to specify which councils they had the ability to service.

In the commercial section of the tender, bidders were required to offer pricing for either one or both lots. Bidders were also asked to provide non-core spend rebates on annual orders.

4. Report on Offers Received

The tender documents were downloaded by 73 organisations with 31 tenders submitted by the deadline of 12pm on 22 December 2016. One bidder subsequently withdrew their offer which resulted in the evaluation of 30 tender responses.

One bidder submitted a non-compliant tender for one of the lots; another bidder failed to upload to PCS-T on time. Scotland Excel was therefore unable to accept either of these bids.

A summary of compliant offers received is provided in Appendix 2.

Based upon the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers received was completed. All respondents passed the first stage quality assessment.

5. Recommendations

In line with the evaluation undertaken, and with the criteria and weightings set out in the strategy, it is recommended that a two-lot supplier framework agreement is awarded to 21 compliant bidders as outlined in Appendix 3.

The 21 recommended suppliers offer comprehensive coverage for all geographical areas with a range of micro, small, medium and large organisations. 52 per cent (11) are classified as small enterprises and one organisation is classed as micro, where up to nine staff members are employed.

6. Benefits

Spend on this framework is almost entirely non-core which is bespoke to each council area and their requirements. As the tender was released with a view to increasing the quality of PPE in line with new legislation, a benchmark process has been undertaken with the top three suppliers which represents approximately 80 per cent of the overall PPE spend. Results of the benchmarking exercise are detailed in Appendix 1.

Price Stability

All suppliers have agreed to the 12 month fixed price period from the beginning of the framework. Provision thereafter is for 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.

Environmental Initiatives

Bidders' environmental criteria were assessed in the qualification envelope. Potential bidders were required to provide evidence of an accredited environmental management system or, alternatively, evidence their environmental policy, procedures and training.

Evidence provided highlighted that the bidders either were 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.

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.

Also 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.

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. ETI (Ethical Trade Initiative); 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.

Bidders were asked to explain how they would accommodate supply from a supported business, should a council require this. Seven currently work with supported businesses – Haven, Remploy and Dovetail were listed. Nearly all bidders advised they would consider this if it was a requirement; some stressed however, that items would have to meet their required specifications and commercial terms. One bidder stated that they would explore collaborative working practices and agreements.

Community Benefits

Within the tender documentation, bidders were asked to detail their organisation's community benefit initiatives and provide a list of these that their organisation would be able to deliver to the PPE framework. This framework has attracted many new suppliers; generating some new and original community benefits. The results reported on community benefits will be circulated to councils on a six monthly basis. The range of benefits offered by bidders included:

- 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
- Work with local schools/colleges participating in jobs fairs, providing students with an understanding of potential opportunities available to them.
- Stock donations to assist charitable organisations.
- Assisting people back into work.
- Encouraging local and supported business.
- Cash donations to registered charities, i.e. to healthcare, disability, environment, education and benevolent societies.
- Sponsorship of local sports teams or community events.
- Trainee sponsoring, with support, training and funding.
- Offer school/college/ work placements: a 3 month work placement.

Workforce Matters

As part of their tender submission, bidders were asked to detail their structure for Fair Work Practices, in particular the Scottish living wage. Out of the 21 tenderers, 11 advised that staff are paid the Scottish Living Wage. Other tenderers stated they were working towards paying the Scottish Living Wage rate to all employees, whilst some advised that they were looking into membership of the Living Wage Foundation.

Through regular review meetings with suppliers, Scotland Excel will monitor and encourage suppliers to pay the Scottish Living Wage rates.

7. Contract Mobilisation and Management

Each supplier will be invited to a mobilisation meeting to outline the operation of the framework, roles and responsibilities, management information requirements and community benefits commitments. Both suppliers and participating members will be issued with a mobilisation pack containing all required details to launch the framework.

In accordance with Scotland Excel's established contract and supplier management programme, this framework has been classified as a level two arrangement in terms of both risk and spend requiring annual supplier and user group reviews as appropriate.

8. Summary

This framework will provide councils 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.

The Executive Sub Committee is requested to approve the recommendation to award this framework agreement as detailed in Appendix 3.

Appendix 1 – Participation, Spend and Savings Summary – Personal Protective Equipment 04-16

Member Name	Participation in Contract	Participation Entry Date	Estimated Annual Spend	Source of Spend Data	% Estimated Forecast Savings	Estimated Annual Savings	Basis of Savings Calculation
Aberdeen City Council	Yes	01 May 2017	£289,229	Contract MI - Confirmed by Member	0.85%	£2,458	Benchmarked top spend items
Aberdeenshire Council	Yes	01 May 2017	£338,796	Contract MI - Confirmed by Member	0.85%	£2,880	Benchmarked top spend items
Angus Council	Yes	01 May 2017	£85,420	Contract MI - Confirmed by Member	0.85%	£726	Benchmarked top spend items
Argyll & Bute Council	Yes	01 May 2017	£126,003	Contract MI - Confirmed by Member	0.85%	£1,071	Benchmarked top spend items
City of Edinburgh Council	Yes	01 May 2017	£484,571	Contract MI - Confirmed by Member	0.85%	£4,119	Benchmarked top spend items
Clackmannanshire Council	Yes	01 May 2017	£53,315	Contract MI - Confirmed by Member	0.85%	£453	Benchmarked top spend items
Cumhaire nan Eilean Siar	Yes	01 May 2017	£46,649	Contract MI - Confirmed by Member	0.85%	£397	Benchmarked top spend items
Dumfries & Galloway Council	Yes	01 May 2017	£118,605	Contract MI - Confirmed by Member	0.85%	£1,008	Benchmarked top spend items
Dumfries City Council	Yes	01 May 2017	£301,519	Contract MI - Confirmed by Member	0.85%	£2,563	Benchmarked top spend items
East Ayrshire Council	Yes	01 May 2017	£367,237	Contract MI - Confirmed by Member	0.85%	£3,122	Benchmarked top spend items
East Dunbartonshire Council	Yes	01 May 2017	£108,189	Contract MI - Confirmed by Member	0.85%	£920	Benchmarked top spend items
East Lothian Council	Yes	01 May 2017	£116,572	Contract MI - Confirmed by Member	0.85%	£991	Benchmarked top spend items
East Renfrewshire Council	Yes	01 May 2017	£145,547	Contract MI - Confirmed by Member	0.85%	£1,237	Benchmarked top spend items
Falkirk Council	Yes	01 May 2017	£234,200	Contract MI - Confirmed by Member	0.85%	£1,991	Benchmarked top spend items
Fife Council	Yes	01 May 2017	£449,768	Contract MI - Confirmed by Member	0.85%	£3,823	Benchmarked top spend items
Glasgow City Council	Yes	01 May 2017	£1,000,000	Provided by Member	0.85%	£8,500	Benchmarked top spend items
Highland Council	Yes	01 May 2017	£280,435	Contract MI - Confirmed by Member	0.85%	£2,384	Benchmarked top spend items
Inverclyde Council	Yes	01 May 2017	£71,311	Contract MI - Confirmed by Member	0.85%	£606	Benchmarked top spend items
Midlothian Council	Yes	01 May 2017	£122,579	Contract MI - Confirmed by Member	0.85%	£1,042	Benchmarked top spend items
North Ayrshire Council	Yes	01 May 2017	£211,688	Contract MI - Confirmed by Member	0.85%	£1,799	Benchmarked top spend items
North Lanarkshire Council	Yes	01 May 2017	£427,549	Contract MI - Confirmed by Member	0.85%	£3,634	Benchmarked top spend items
Orkney Islands Council	Yes	01 May 2017	£23,796	Contract MI - Confirmed by Member	0.85%	£202	Benchmarked top spend items
Perth & Kinross Council	Yes	01 May 2017	£123,307	Contract MI - Confirmed by Member	0.85%	£1,048	Benchmarked top spend items
Renfrewshire Council	Yes	01 May 2017	£201,956	Contract MI - Confirmed by Member	0.85%	£1,717	Benchmarked top spend items
Scottish Borders Council	Yes	01 May 2017	£117,226	Contract MI - Confirmed by Member	0.85%	£996	Benchmarked top spend items
Shetland Islands Council	Yes	01 May 2017	£38,865	Contract MI - Confirmed by Member	0.85%	£330	Benchmarked top spend items
South Ayrshire Council	Yes	01 May 2017	£170,945	Contract MI - Confirmed by Member	0.85%	£1,453	Benchmarked top spend items
South Lanarkshire Council	Yes	01 May 2017	£485,257	Contract MI - Confirmed by Member	0.85%	£4,125	Benchmarked top spend items
Stirling Council	Yes	01 May 2017	£207,066	Contract MI - Confirmed by Member	0.85%	£1,760	Benchmarked top spend items
Tayside Contracts	Yes	01 May 2017	£160,000	Contract MI - Confirmed by Member	0.85%	£1,360	Benchmarked top spend items
The Moray Council	Yes	01 May 2017	£128,129	Contract MI - Confirmed by Member	0.85%	£1,089	Benchmarked top spend items
West Dunbartonshire Council	Yes	01 May 2017	£139,837	Contract MI - Confirmed by Member	0.85%	£1,189	Benchmarked top spend items
West Lothian Council	Yes	01 May 2017	£306,745	Contract MI - Confirmed by Member	0.85%	£2,607	Benchmarked top spend items
Totals			£7,482,311		0.85%	£63,600	

Appendix 2 - Summary of offers received

Bidders	SME	Location	Lots Tendered For
Allison & Stiven Limited	Small	Dundee	1 & 2
Arco Limited	Large	Linlithgow	1 & 2
Bunzl UK Ltd	Large	Isleworth	1 & 2
Cleaning & Wiping Supplies Ltd	Small	East Kilbride	1 & 2
Corston Sinclair Limited	Small	East Kilbride	1 & 2
Chas E Prossor & Co. Limited	Small	Liverpool	1 & 2
Cromwell Tools Limited	Large	Wigstow	1 & 2
D Gibson Road & Quarry Services Limited	Small	Glasgow	1
Donside Group LLP	Small	Aberdeen	1
GTS Trade Ltd	Small	Lerwick	1 & 2
Highland Industrial Supplies Limited	Medium	Inverness	1
Ioma Clothing Company Limited	Small	Liverpool	1 & 2
James Boylan Safety (NI) Limited	Medium	Derry - N.I.	1 & 2
K & L Ross Limited	Medium	Aberdeen	1
Lion Safety Limited	Small	Grangemouth	1 & 2
Mark Harrison t/a Hewat of Edinburgh	Micro	Edinburgh	2
McGregor Industrial Supplies Limited	Medium	Inverness	1 & 2
Mona Laird Ltd (t/a McKinley Workwear Supplies)	Micro	Inverness	1 & 2
Mo and Co (UK) Limited	Small	Aberdeen	1
MWUK Limited trading as Alexandra	Large	Bristol	1 & 2
Nalestar Limited	Small	Preston	2
Prime Industrial & Janitorial Supplies Limited	Small	Dunfermline	1
P.F. Cusack (Tools Supplies) Limited	Small	London	1
Protective Wear Supplies Ltd	Small	Plymouth	1
Rexel (UK) Limited Trading As Rexel MRO	Large	Birmingham	1 & 2
Scott Direct Limited	Large	Dunfermline	1 & 2
Stax Trade Centres PLC	Large	Manchester	1 & 2
The Guthrie Group Limited	Small	Livingston	1 & 2
Unico Limited	Medium	London	1 & 2
W.C. Willis & Company Limited	Medium	Glasgow	1 & 2
Ilasco Limited	Small	Bid Withdrawn	

Non- Compliant Bids

Tenderer	Non-Compliant Lot Number
MWUK Limited trading as Alexandra	Lot 2

Appendix 3 – Scoring and Recommendations – Lots 1 & 2

Asterisk (*) denotes recommended suppliers

Lot 1 PPE	
Eye and Ear Protection, Respirators/Safety Masks, Safety Head Wear, Workwear, Hi Viz Wear, Footwear	
Bidder	Score
Bunzl UK Ltd*	91.54
W.C. Willis & Company Limited *	90.00
Stax Trade Centres PLC*	85.88
Arco Limited*	85.63
Lion Safety Limited*	84.80
Cleaning & Wiping Supplies Ltd*	84.48
James Boylan Safety (NI) Limited *	84.05
Corston Sinclair Limited*	83.29
Allison & Stiven Limited*	81.87
Protective Wear Supplies Ltd*	81.68
Mona Laird Ltd (t/a McKinley Workwear Supplies)*	80.87
The Guthrie Group Limited*	79.98
MWUK Limited trading as Alexandra*	77.45
Mo and Co (UK) Limited*	76.74
Ioma Clothing Company Limited*	76.20
Donside Group LLP *	76.11
D Gibson Road & Quarry Services Limited*	75.35
Scott Direct Limited*	74.64
Rexel (UK) Limited Trading As Rexel MRO*	74.31
Unico Limited*	72.70

Lot 2 PPE	
Catering and Food Industry	
Bidder	Score
Allison & Stiven Limited *	95.00
Stax Trade Centres PLC*	92.63
Lion Safety Limited*	88.90
Corston Sinclair Limited *	88.34
James Boylan Safety (NI) Limited *	84.99
Mona Laird Ltd (t/a McKinley Workwear Supplies)*	83.02
Bunzl UK Ltd*	82.79
GTS Trade Ltd*	82.18