

GREATER LONDON AUTHORITY

REQUEST FOR DEPUTY MAYOR FOR FIRE & RESILIENCE DECISION – DMFD37

Title: Supply and Delivery of Cleaning Consumables for Fire Stations and Ancillary Buildings

Executive Summary:

Report LFC-0196z to the London Fire Commissioner seeks approval to award a four-year contract with an expected value of £342,000 for the supply and delivery of cleaning consumables for fire stations and ancillary buildings to Banner Group Limited.

The Commissioner's Board have considered and recommended the proposal to the Commissioner, who has indicated in-principle support pending prior consent to spend from the Deputy Mayor. The Deputy Mayor for Fire and Resilience also considered the proposals to the Commissioner in report FRB-0062 at her Fire and Resilience Board on 6 August 2019 and indicated her in-principle support.

The London Fire Commissioner Governance Direction 2018 sets out a requirement for the London Fire Commissioner to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...".

Decision:

The Deputy Mayor for Fire and Resilience approves the expenditure of £342,000 by the London Fire Commissioner for procurement of services for the supply and delivery of cleaning materials and janitorial supplies as further described in report LFC-0196z to the Commissioner.

Deputy Mayor for Fire and Resilience

I confirm that I do not have any disclosable pecuniary interests in the proposed decision.

The above request has my approval.

Signature:



Date:

15/10/19

PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE DEPUTY MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1. The London Fire Commissioner's (LFC) current contract for supply of cleaning consumables has, for the previous eight years, been direct-awarded to Greenham Ltd (part of the Bunzl PLC) under an London Contracts and Supplies Group (LCSG) Framework set up by the London Borough of Newham over two contracts. Whilst operationally it worked well, commercially there are some issues which need to be addressed.
- 1.2. The framework's lists of 'core' and 'non-core' items are not tailored to the LFC's requirements. Specifically, the list of 'core' items (which attract the most competitive pricing) are those which were listed by other organisations, not by LFC, specifically the London Borough of Newham. Local authorities' requirements (e.g. cleaning materials for classrooms, etc.) differ from those of a Fire and Rescue Service which requires items such as nitrile gloves, oil and chemical spill kits, etc. The LFC's key requirements constitute the 'non-core' list which is the most profitable part of the contract for the supplier, as these items are not priced as keenly as core items.
- 1.3. The core and non-core lists within the framework have not been reviewed in recent years. Benchmarking for comparative purposes found that certain products could be purchased considerably cheaper from the open market. The contract, therefore, whilst competitively tendered by LCSG, does not fully meet LFC's requirements.

2. Objectives and expected outcomes

- 2.1. Report LFC-0196z to the London Fire Commissioner seeks approval to award a four-year contract with a value of £342,000 for the supply and delivery of cleaning materials and janitorial supplies for fire stations and ancillary buildings to Banner Group Limited following the procurement process as described further in section 4 below.
- 2.2. The proposed contract award by the report will ensure cleaning consumables and janitorial supplies are provided whilst achieving best value for money, by ensuring that the Commissioner's discrete requirements are the principle consideration.

3. Equality comments

- 3.1. The Public Sector Equality Duty under the Equality Act 2010 (the "Act") – and the potential impacts of this decision on those with relevant protected characteristics (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) – has been considered by the London Fire Commissioner and the Deputy Mayor for Fire and Resilience.
- 3.2. The Public Sector Equality Duty applies to the London Fire Brigade when it makes decisions. The duty requires the Deputy Mayor for Fire and Resilience to have regard to the need to:
 - a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful;
 - b) Advance equality of opportunity between people who share a relevant protected characteristic and those who do not; and

- c) Foster good relations between people who share a relevant protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 3.3. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).
- 3.4. The specification for the tendered contract was established in line with the London Fire Brigade's established Equalities Protocol for procurements and contracts. The performance of the contract against that protocol will be monitored.
- 3.5. Banner Group Limited provided an extensive Equality and Diversity Policy Statement in their tender response confirming it opposes all forms of unlawful, unfair discrimination and less favourable treatment of employees and job applicants on the grounds of the following protected characteristics: age, disability, gender, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sexual orientation, and any other characteristic determined by prevailing anti-discrimination / equality legislation. It states its policy statement has the full support of senior management and will be monitored and reviewed annually.

4. Other considerations

Procurement

- 4.1. No collaborative or CCS Framework was available; however, there was an ESPO framework which matched the Commissioner's requirements and allowed a further competition between four suppliers on that framework. This was considered the best option by providing a route which allowed the LFC's individual requirement to be competitively tendered and for suppliers to compete on price and on the quality of the service, which includes how the supplier will add value they while managing the account and how the goods will be delivered to the LFC's specification.
- 4.2. A further competition under ESPO Framework No. 777 'Cleaning Materials and Janitorial Supplies' was conducted, inviting the following four suppliers:
 - a) A UK Supplies t/a A+D Supplies;
 - b) Banner Group Limited;
 - c) Bunzl CHS; and
 - d) Nobisco Limited.
- 4.3. On 17 December 2018 procurement initiation consent was granted by the London Fire Brigade (LFB) Director of Corporate Services to commence the procurement.
- 4.4. The Fire Stations Department took the lead in ensuring the product range met the requirements of operational staff in consultation with the Procurement Department. The current specification was reviewed and overhauled to make it fit for purpose prior to going to the market.
- 4.5. On 8 January 2019 Invitations to Tender documentation packs were advertised through LFB's e-procurement system to the four framework suppliers. A tender deadline of 15 February 2019 was set.
- 4.6. Two suppliers provided a tender with the tender responses evaluated by LFB Procurement and Fire Station staff. Additionally, product samples for goods used operationally were acceptance tested at Old Kent Road Fire Station to ensure they were fit for purpose.
- 4.7. The award criteria and results are detailed in the appended report to the Commissioner, LFC-0196.

Sustainability

- 4.8. The contract includes requirements that support delivery of the GLA Group Responsible Procurement policy, specifically to supply products free from animal testing and the avoidance of micro-plastics and unnecessary use of single-use plastics.

5. Financial comments

- 5.1. Report LFC-0196 to the London Fire Commissioner seeks approval to award a four-year contract for the supply and delivery of cleaning consumables. This is at an anticipated annual cost of £342,000, which will deliver annual savings of £34,000 compared to the current contract. This saving will be considered as part of the budget setting process for 2020/21.
- 5.2. No additional funds are sought or required by the Commissioner from the Greater London Authority.

6. Legal comments

- 6.1. Under section 9 of the Policing and Crime Act 2017, the London Fire Commissioner (the "Commissioner") is established as a corporation sole with the Mayor appointing the occupant of that office. Under section 327D of the GLA Act 1999, as amended by the Policing and Crime Act 2017, the Mayor may issue to the Commissioner specific or general directions as to the manner in which the holder of that office is to exercise his or her functions.
- 6.2. By direction dated 1 April 2018, the Mayor set out those matters, for which the Commissioner would require the prior approval of either the Mayor or the Deputy Mayor for Fire and Resilience (the "Deputy Mayor").
- 6.3. Paragraph (b) of Part 2 of the said direction requires the Commissioner to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...".
- 6.4. The Deputy Mayor's approval is accordingly required for the London Fire Commissioner to purchase cleaning materials and janitorial supplies for the value of £342,000 over a four year term.
- 6.5. The arrangement proposed is consistent with the Commissioner's power under section 5A of the Fire and Rescue Services Act 2004 to do anything it considers appropriate for the purposes of the carrying-out of any of its functions.
- 6.6. Furthermore, under section 7 (2)(a) of the aforementioned legislation, the Commissioner has the power to secure the provision of personnel, services and equipment necessary to efficiently meet all normal requirements for firefighting.
- 6.7. The Commissioner's General Counsel confirmed the proposed contract has been procured in compliance with the Public Contracts Regulations 2015. ESPO have conducted a compliant OJEU procurement in accordance with section 33 of the Public Contracts Regulations 2015 to set up ESPO Framework No. 777 for the provision of cleaning materials and janitorial supplies, from which the Commissioner is able to make a compliant call-off.
- 6.8. In taking the decisions requested, the Deputy Mayor must have due regard to the Public Sector Equality Duty – namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010 and to advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons

who do not share it (section 149 of the Equality Act 2010). To this end, the Deputy Mayor should have particular regard to section 3 (above) of this report.

Appendices and supporting papers:

Appendix A: LFC-0196z

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:**Is the publication of Part 1 of this approval to be deferred? YES**

If YES, for what reason: To protect the commercial interests of the Commissioner, ensuring that the detailed procurement results and financial considerations are not available during the period that the contract award is being made and prior to the cooling off period expiring.

Until what date: 1 November 2019

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer

Andrew Nathan has drafted this report with input from the LFC and in accordance with GLA procedures and confirms the following:

✓

Assistant Director/Head of Service

Tom Middleton has reviewed the documentation and is satisfied for it to be referred to the Deputy Mayor for Fire and Resilience for approval.

✓

Advice

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 14 October 2019.

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

M. D. Allen

Date

14.10.19