

# GREATER **LONDON** AUTHORITY

## REQUEST FOR DEPUTY MAYOR FOR FIRE & RESILIENCE DECISION – DMFD13

### **Title: Laundry and Dry-cleaning Services – Contract Award**

#### **Executive Summary:**

Report LFC-0070x (the “**Report**”) to the London Fire Commissioner seeks approval to award the contract for the provision of Laundry and Dry-cleaning Services to Berendsen (UK) Ltd. It is a four-year contract procured via the Crown Commercial Services (CCS) collaborative framework RM1031 for Laundry and Linen Services.

#### **Decision:**

The Deputy Mayor for Fire and Resilience approves:

The award of a contract for the provision of Laundry and Dry-cleaning Services to Berendsen (UK) Ltd for the value set out in the confidential appendices to the Report to the London Fire 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:**

7/11/18

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

### Decision required – supporting report

#### 1. Introduction and background

- 1.1. The arrangements for laundering, dry cleaning, repairing and fumigating items other than structural firefighting Personal Protective Equipment (PPE) has been historically provided by Berendsen (UK) Ltd and includes a weekly collection and delivery service to all London Fire Brigade (LFB) locations. The list of items included in the contract are listed in Appendix 1 to report LFC-0070 to the London Fire Commissioner. The service does not include personal clothing or items.
- 1.2. The existing contract was tendered in 2012 via an Official Journal of the European Union (OJEU) restricted procurement procedure and resulted in the receipt of two tenders from Sunlight (now Berendsen (UK) Ltd) and Lion Apparel System Ltd, who later opted out of the process. The contract with Berendsen (UK) is due to expire at the end of October 2018 and therefore the process to retender the contract was required. As a consequence of the poor response in the previous procurement, and in an attempt to maximise the potential level of competition, the following routes to market were considered as options for the procurement of the new contract:
  - *OJEU restricted procedure* – A two stage process consisting of a supplier questionnaire (a selection of pre-qualification criteria which covers financial standing, technical experience and business capabilities) and the tendering process. The restricted process allows any interested party to participate in the procurement process; however only those invited to tender following the Supplier Questionnaire stage may submit a tender.
  - *Crown Commercial Services (CCS) framework RM1031 Laundry and Linen Services* – The framework has 11 suppliers, which covers a range of laundry and dry-cleaning service options, specifically tailored to fulfilling the requirements of the NHS, Central Government and public sector customers.
- 1.3. Following a market analysis, the OJEU route was rejected in favour of the collaborative CCS framework, due to its immediate availability and confirmation that it would meet the Brigade's requirements. This allows the Commissioner to not only benefit from the economies of scale of this much larger framework but also the reduction in the time and costs involved in undertaking a mini competition, as opposed to a full tender process.
- 1.4. The tender was evaluated against pre-determined quality and price criteria (using a 60:40 ratio), set out in the framework agreement by a cross-functional evaluation panel from the Contract Management Group, Responsible Procurement Team, Central Operations Team and Corporate Procurement Services. Details of the suppliers invited to tender can be found in Table 1 of Appendix 2 of LFC-0070x.
- 1.5. The quality of the submission was evaluated across three sections (Technical, Contract Management and Social Value and Environmental) which were then divided into eight questions. Each question was scored out of five and weighted in accordance with the section sub-weighting. Quality was evaluated by the evaluation team and the price evaluation was carried out solely by Procurement to ensure that the price did not influence the evaluators' score. Price was evaluated across three categories: items laundered in high volume; items laundered less frequently; and dry-cleaning.
- 1.6. Following evaluation of the technical, contract management, social and environmental, and financial aspects of the bid, it is proposed to award the contract to Berendsen (UK) Ltd as set out in Appendix 2 to report LFC-0070x to the London Fire Commissioner.

## **2. Objectives and expected outcomes**

- 2.1. The Laundry and Dry-cleaning Service is a managed service that includes laundry, dry cleaning, repairs, supply, collection and delivery services. The items for processing include, but are not limited to, uniform clothing (excluding firefighting PPE), tea towels and other garments and articles. In addition, the service provider is from time-to-time required to provide a specialist service to deal with the effects of various types of contamination to clothing and other items.
- 2.2. The proposed contract award ensures that the Commissioner's Policy Notice 553 'Laundry, dry-cleaning, repair and fumigation' is able to be maintained, for the items listed in that policy.

## **3. Equality comments**

- 3.1. Under Section 149 of the Equality Act 2010, the London Fire Commissioner must have 'due regard' of the need to:
  - eliminate unlawful discrimination, harassment and victimisation; and
  - advance equality of opportunity and foster good relations between people who have a protected characteristic and those who do not.
- 3.2. The Public Sector Equality Duty – and the potential impacts of this decision on those with protected characteristics (age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation) – has been considered by the London Fire Commissioner and the Deputy Mayor for Fire and Resilience.
- 3.3. The CCS framework agreement provides that the service provider shall perform its obligations in accordance with all applicable equality law (whether in relation to race, sex, gender reassignment, religion or belief, disability, sexual orientation, pregnancy, maternity, age or otherwise); take all necessary steps, and inform the Cabinet Office of the steps taken, to prevent unlawful discrimination designated as such by any court or tribunal, or the Equality and Human Rights Commission or (any successor organisation).
- 3.4. In addition, to deal with the different requirements due to, inter alia, gender, disabilities, pregnancy, maternity and religion, the service provider must ensure that they can provide specific variant solutions to address these needs. This would include, but is not limited to:
  - range of sizes,
  - easy access garments (with appropriate fastenings),
  - head coverings,
  - modesty panels,
  - maternity wear,
  - clothing and work shoes free of animal products.

## **4. Other considerations**

### *Procurement and Sustainability*

- 4.1. Report LFC-0070x to the Commissioner supports the 'Staff and Resources' aims within the London Safety Plan, which says: *"The Brigade will maximise how it spends public money, ensuring that the Brigade is supported through intelligent systems and data, property investment, procurement, vehicles and equipment."* The report provides details and assurance of the Commissioner's approach, ensuring that competition, quality and cost received due consideration, achieving the savings detailed in the confidential appendix.

- 4.2. In line with the London Fire Commissioner's Responsible Procurement policy, the contract requires payment of the London Living Wage, actions to reduce the impact of their operations on the environment and investment in vehicle management systems to optimise fuel use and driver behaviour. The contract also covers details of Brigade premises that are located within the Ultra-Low Emission Zones (ULEZ).
- 4.3. The preferred bidder has demonstrated compliance with the Commissioner's responsible procurement policy and has a dedicated Energy Manager to promote, monitor and drive energy and water reduction.

## **5. Financial comments**

- 5.1. The value of the four-year contract is set out in the confidential appendix of report LFC-0070x to the Commissioner. There is provision in the Commissioner's budget to cover the cost of contract. No additional funds from the GLA are sought or required. There are no direct financial implications for the GLA.

## **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 Commissioner proposes to procure a service for the provision of laundry and dry-cleaning services. The value of the procurement detailed in the commercially sensitive appendix of the report to the Commissioner and Part 2 of this decision exceeds £150,000, requiring the prior approval of the Deputy Mayor for Fire and Resilience.
- 6.5. Officers must ensure that appropriate contract documentation is put in place and executed by the London Fire Commissioner and the successful bidder before the commencement of the services.

## **Appendices and supporting papers:**

Appendix 1- Report to the London Fire Commissioner LFC-0070x (redacted)

**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:

The bidder should only be named after contract award and the expiration of the cooling off period, so as to enable any competitive negotiations with other suppliers should the award not proceed as planned.

Until what date: (a date is required if deferring) 31 JANUARY 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 – YES**

**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 5 November 2018.

**EXECUTIVE DIRECTOR, RESOURCES:**

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

**Signature**

*M. D. Elce*

**Date**

6. 11. 18

