



Kent Fire &
Rescue Service

Procurement Process Report

Framework Agreement for the Provision of Personal Protective Equipment for Firefighters

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Executive Summary

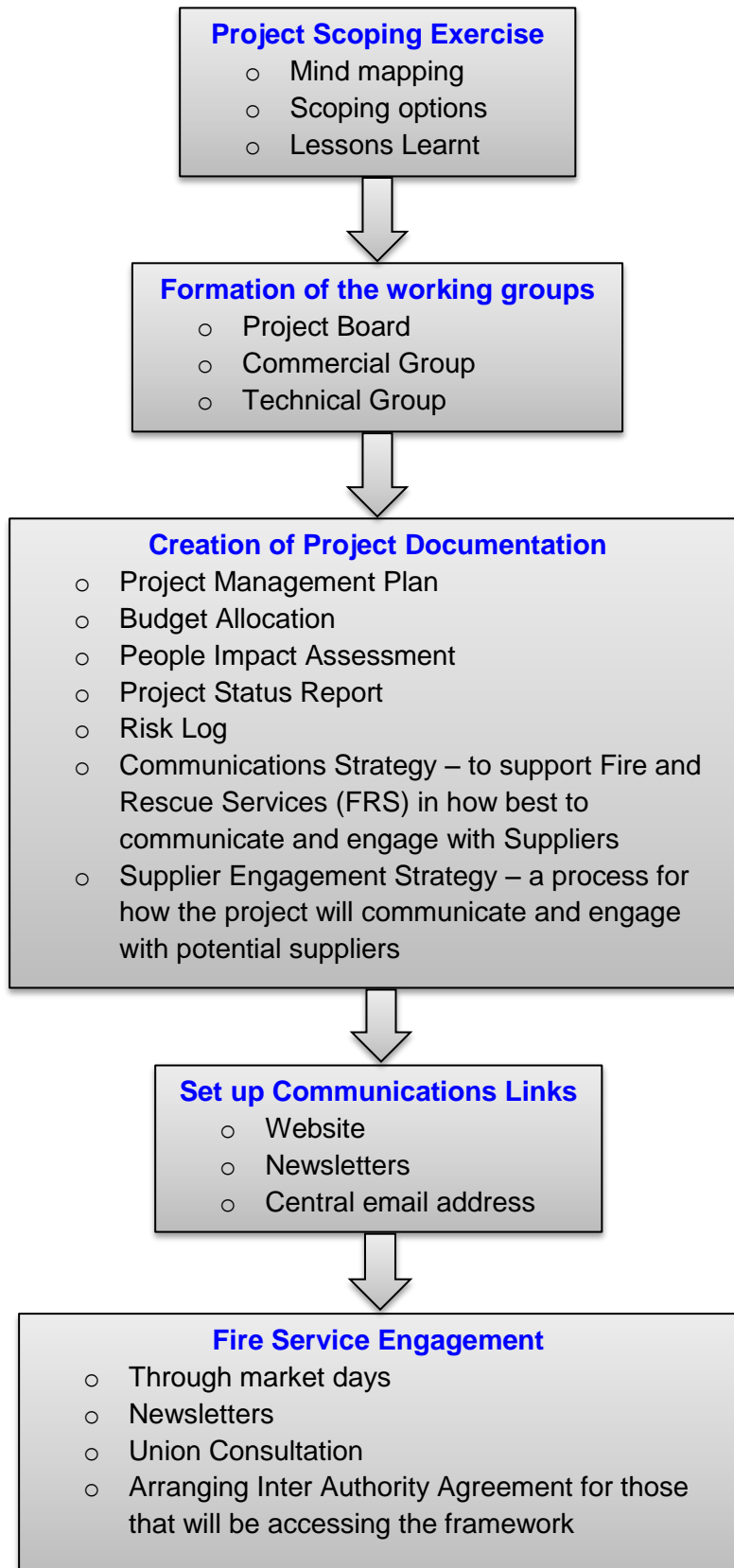
In 2014, Kent Fire and Rescue Service (KFRS) began work on the renewal of the South East and Eastern Regional Personal Protective Equipment (PPE) Framework which was being accessed by 13 Fire and Rescue Services (FRS) and expired in June of that year. The new Framework would be open to FRS, Police Forces, NHS bodies, Scottish NHS bodies, Ministry of Defence and Northern Ireland DHSSPS within the UK. It includes the options of full structural firefighting PPE, a layered jacket, rescue jacket and also the provision of Urban Search & Rescue kit. It would also include both 'fully managed' and 'purchase only' options.

In line with the steer from Government to collaborate, a total of 20 FRS initially joined the project with a total buying power of approximately £70,000,000 with approximately 20,500 wearers. Ongoing marketing with the aim of enticing more FRS's to join continued throughout the project with facilities being made to allow new entrants at any stage of the process.

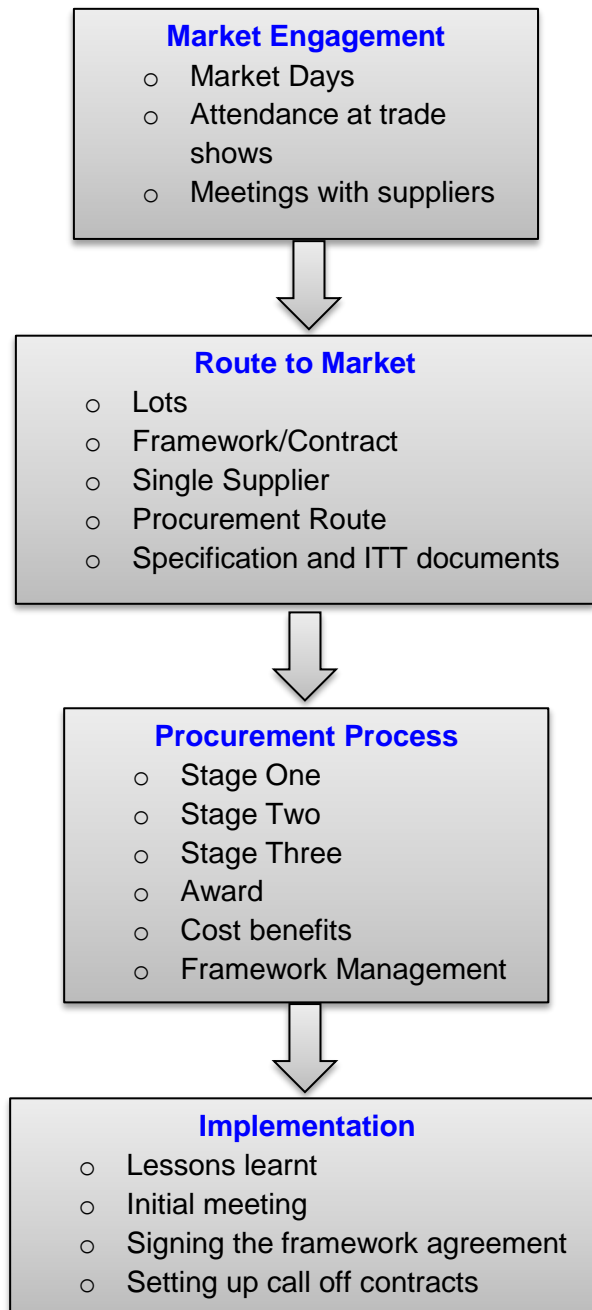
There was a requirement for the Collaborative PPE framework to be ready for the summer of 2017 for FRS to have their chosen option available for January 2018.

This report sets out the procurement process that was followed from initial project scoping through to implementation. It should be noted that this project commenced prior to the Fire Commercial Transformation Programme being established and there was no national agreed approach or documentation at the time of initiating the project. All documentation and guidance followed the KFRS Project Management Process.

PPE Procurement Process Flow Chart



PPE Procurement Process Flow Chart continued



Project Scoping Exercise

Mind mapping

The initial scoping exercise involved creating a mind map looking at all of the different aspects that needed to be covered as well as all of the interdependencies for the project. This included the personnel that needed to be involved. In line with KFRS Project Methodology, the Project Sponsor and Project Manager were identified and Technical and Commercial Leads to run the project. At this stage this was enough to get the Project established.

Scoping options

The requirement was discussed with the Kent Chief Executive as the Project Sponsor. Three options for the scope were discussed and the preferred option was decided. The reason that the scoping option was initially discussed with Kent Chief Executive is due to a national strategy not being available at the point that the scoping exercise took place and these discussions took place prior to the formation of the working groups. The project would consist of two working groups, technical and commercial who report into a project board. This model may not be suitable for all National Projects and each project should be reviewed to determine how they will be run. For example a requirement that does not need as much technical input may only have a commercial team with representatives from FRS to develop the specification but not as formal as a technical group.

Lessons Leant

All services that were involved in the previous collaboration and those that were joining, fed back any lessons learnt from previous Procurement Exercises, particularly relating to PPE. This was collated and used as the basis for the initial discussions with the working groups.

Formation of the working groups

For all of the working groups that were established, a terms of reference document was drawn up.

Project Board

The Project Board comprised of senior representatives from each region that was involved in the collaboration.

The Project Board had the responsibility to drive forward and deliver the outcomes and benefits of the Project. Members were to provide resource and specific commitment to support the project manager deliver the outline deliverables that were highlighted in the Project Management Plan.

To undertake this responsibility effectively the Project Board committed to:

- Sign off the Project Management Plan
- Report on a monthly basis to the Project Sponsor
- Receive reports and monitor progress/authorise slippage

- Review risks, issues and exceptions and determine appropriate course of action based on recommendations
- Sign off risk assessment, user specification and tender documentation
- Sign off project stages/closure including the recommendation report
- Maintaining communication across participating services

Commercial Group

The Commercial Group comprised of Procurement Professionals representing five FRS within the collaboration.

The Commercial Group, along with legal representation when required, ensured that a fair and transparent Procurement Process was carried out in line with the 2015 EU Procurement Directives and that all equality issues were considered in line with The Public Services (Social Value) Act 2012 and the Public Sector Equality Act.

To undertake this responsibility effectively the Commercial Group developed and agreed the following:

- Tender Documentation
- Evaluation Methodology
- Evaluation and testing strategy
- Pricing Schedule
- Terms and Conditions
- Arrangements for de-briefs

All documentation and recommendations were reported back into the Project Board by the Commercial Lead.

Technical Group

The Technical Group comprised of Technical representatives from FRS within the collaboration including Fire Brigades Union representatives. The Technical Lead for this group reported back into the Project Board.

The Technical Group researched and developed an output based user specification for firefighter's PPE and USAR ensembles ensuring that all equality issues contained within the projects People Impact Assessment were duly considered. An output based specification was chosen to allow suppliers to have the flexibility to provide innovation but still ensuring that the products would meet the minimum performance requirements agreed by the Technical Group. It focuses on the performance that would be expected and providing the minimum level of performance required for an item of PPE rather than constraining a supplier to provide a specific item.

The aim of the group was to:

- Produce a collaboratively agreed risk assessment in respect of Personal Protective Equipment in accordance with PPE at Work Regulations 1992 (Regulation 6)

- To agree a service delivery user specification for the agreed scope of Fire Fighting PPE.
- To agree a service delivery user specification for a managed service to include any other PPE that FRS's wish to be included in a managed service.
- To ensure consultation with accredited safety/union representative.

All documentation and recommendations were reported back into the Project Board by the Technical Lead.

Creation of Project Documentation

It was agreed that even though this was to be a national project, as Kent were the lead Authority, their project methodology would be used.

Project Management Plan

The plan detailed the full background of the project and an options appraisal for consideration by the Project Board. Benefits had started to be realised and these were detailed as well as the anticipated timescales and budgets associated with the project.

The table below shows a high level Project Plan which includes the time period for a particular part of the process.

Milestone	Time
Market research and engagement	January 2015 – April 2016
Risk Assessment completed and agreed	January 2015 - July 2015
Specifications complete and agreed	July 2015 – February 2016
Tender documents prepared and agreed	July 2015 - February 2016
PQQ's and OJEU notice issued	April 2016
PQQ responses received and evaluations commenced	May 2016
Tender Issued to successful suppliers	May 2016
Tender responses received	August 2016
Desktop evaluations (Stage 1)	August – September 2016
Negotiations	September – November 2016
Product evaluations (Stage 2)	October - December 2016
Final ITT issued	January 2017
Final ITT responses received	February 2017
Final Ensemble Evaluations (Stage 3)	March – April 2017
Final evaluation and recommendation of framework award	February – April 2017
Framework award	May 2017
Framework prepared and signed	May – June 2017
Call off contracts available	June 2017

The overall time period required on this project prior to the Procurement Process commencing was 15 months. The procurement process itself, including all of the required

steps was 13 months. It is important to note that following the award, time is required to engage with Fire Services and ensure that they sign up to the framework so time should be allowed for post award engagement.

Decision Gate: This document required approval by the Project Board before the project could progress further.

Budget allocation

The Project Management Plan included the costs that will be associated to the project. A budget of £123k was allocated which covered travel, subsistence, legal fees, research fees and marketing. This did not include the wages of the members of staff assigned to work on the project.

On completion, the total spend was under budget and made a saving of £11.6k.

People Impact Assessment

It was important to this project that it gave due consideration to the equality impact of its policies/projects on local communities and its workforce. In particular, it needed to consider the effect on employees and service users with protected characteristics. Before the project could be submitted for approval, reasonable steps were taken to research any further information required and/or engage in consultation, in order to be able to complete this impact assessment.

This project would affect Operational staff that are required to use PPE equipment to deliver the requirements of their role. The impacts were identified and the People Impact Assessment was agreed by the Project Board prior to the Project starting. This document went alongside the Project Management Plan.

Project Status Report

The report was based on a RAG system and was updated and presented to the Project Board at each meeting. It contained the major accomplishments for the previous reporting period and looked forward to the aims for the next period. The risks, project milestones and finances were also captured in the report.

Risk Log

This was completed at the start of the project and amended by the Technical and Commercial leads through the process. The risks with the highest probability/impact were detailed within the Project Status Report and presented each meeting to the Project Board.

Communications Strategy – to support FRS in how best to communicate and engage with Suppliers

The aim of this Strategy was to provide reassurance to FRSs, accredited representatives and Members of the process and understand what the project was trying to achieve.

The Strategy outlined why the project had been started, why the PPE specifications needed to be reviewed, how and when the project will take place and who will be involved in the process. The likely benefits that FRS would see from the project was also detailed.

In order to support FRS during the process, guidance was provided to how any queries raised by suppliers should be dealt with. This would ensure that a consistent and co-ordinated approach was taken.

Supplier Engagement Strategy – a process for how the project will communicate and engage with potential suppliers

The aim of this Strategy was to provide a robust process for communicating and engaging with potential suppliers that was fair and transparent. It also provided potential suppliers with reassurances that any information shared will be treated equally and confidentially if required.

There were three phases of communication which were detailed in the strategy.

Phase One: Soft market testing stage to enable the Project Team to gain a good understanding of the products available. Intelligence gathered from market sounding was used to form the procurement strategy and decide on the appropriate procurement process/route to market. Communication links were established as detailed within section 'Market Engagement'.

Phase Two: During the tender process, all correspondence with suppliers took place via the e-tendering portal to ensure a full audit trail was maintained.

Phase Three: Following the evaluation of final tenders, communication was made through the e-tendering portal with all tenderers receiving a full de-brief document which included relative advantages of the preferred tender in line with current Legislation.

Set up Communications Links

Website

The website was created to provide updates on the project to both Fire services and Suppliers and give details of events that the project team will have a presence at.

To ensure fairness and transparency, all of the presentations delivered were made available to suppliers on the project website as well as video recordings of the presentations.

The website also included information on the timescales of the project and the strategy outlining how suppliers will be communicated with at various points in the process.

Newsletters

The govDELIVERY portal was used as a central communication tool for individuals within the Fire Service. FRS could sign up to receive updates on the project as and when they were published. Please see Fire Service Engagement below for more information.

Central email address

A central email address was created to deal with any queries relating to this project. This provided resilience during periods of staff absences, to ensure that all emails are dealt with by a member of the team and provided a full audit trail linked directly to the project. Any emails sent or received prior to the project starting were moved into this inbox.

Fire Service Engagement

Market days

The Project Team held an additional Market Engagement session which was held in a breakout room at the Emergency Services Show. A separate session was held for Fire Services and Suppliers. The aim was to encourage new services to join the collaboration and provide some background information on the project.

Newsletters

The govDELIVERY portal was used as a central communication tool for individuals within the Fire Service. FRS could sign up to receive updates on the project as and when they were published. At the point of contract award, 8 updates had been circulated.

A letter was sent out to all of those individuals that had already registered their interest in the project and to all Fire Chiefs through the CFOA network from KFRS Chief Executive. In this letter they were asked to register onto this portal in order to receive regular updates. It was anticipated that updates would be sent bi-monthly.

They provided information on timescales, how to get involved with the project, an update at each stage of the process and details of when the next meetings were being held.

Union Consultation

To ensure that the unions were consulted throughout the project, there was representation from Union officials on the Technical Team when drafting and agreeing the specifications. Discussions were also held with the National Health and Safety Representative on the progress of the project and visits were made to the wearer trials and relevant events throughout the process.

Arranging Inter Authority Agreement for those that will be accessing the framework

Following engagement with Suppliers, it was evident that there was some concern within the market about the level of commitment from Fire and Rescue Services to access the framework.

As such, the Project Board agreed that an Inter Authority Agreement would be developed, which would require Fire and Rescue Services, to sign up to take part in the procurement and confirm their intention to call off under the framework agreement.

Following evaluation and when a preferred bidder is appointed, each FRS would ensure that a report is submitted to their decision making body giving details of the outcome of the procurement. However the final decision as to whether to enter into that arrangement will be for the FRS decision making body.

Market Engagement

Market Days

A series of market days were held with potential suppliers prior to the Pre-Qualification Questionnaire and OJEU notice being published. There were 3 market days as well as representation from the project at the Emergency Services Show. This enabled officers to seek advice and opinions from the marketplace prior to beginning the formal tender process and update suppliers on the progress of the project.

All invites to the market days were sent through the Eventbrite system and they were also advertised on the project website.

These days aimed to inform the suppliers of the requirement, the timescales for the project and gave them the opportunity, in an open forum to ask questions about the project. All sessions were recorded and made available on the website.

These sessions were also an opportunity for the Sector to obtain a greater insight into the health of the market (i.e. capacity to meet National demands and whether there are any new entrants or potential consortiums being created to meet the National requirement) and the general appetite to respond to a National tender, testing the requirement in the process.

Attendance at trade shows

The Project held an additional Market Engagement session which was held in a breakout room at the Emergency Services Show. A separate session was held for Fire Services and Suppliers. The aim was to give suppliers an update on the timescales for the project and FRS's requirements at that point in the process.

The Technical Lead attended Interschutz 2015 and meetings could be arranged by suppliers if they wished to discuss any new (innovative) designs/products that were being released. This was on a 1:1 basis which was of benefit as suppliers were more open about their

Commercial IP in this closed forum. Suppliers who had products in development that were not being released at either Interschutz or the Emergency Services show, could submit their details by email. A confidentiality agreement could be signed if required.

Meetings with suppliers

All suppliers were welcomed to submit information about their current product ranges. All suppliers were given the opportunity prior to the PQQ being issued, to arrange a meeting with the Commercial and Technical Leads to discuss the project and their product ranges.

Route to Market

A Procurement Report was developed by the Commercial Team and agreed by the Project Board. This report provided the justification for the recommendations to the Project Board with regards to the use of Lots, Framework/Contract, Single Supplier contract model and the Procurement Route that would be taken.

Decision Gate: The Project Board were required to agree this recommendation

Lots

The use of Lots were considered according to Regulation 46 of the Public Contracts Regulations 2015. It was agreed that the use of lots would not be suitable for this project for the following reasons:

- Technically difficult as compatibility between the different elements of PPE needs to be executed. This would be difficult to implement if there were different suppliers awarded different lots.
- The use of lots does not allow for the management of PPE under a fully managed service option.
- Due to the volume of wearers that this project may be providing for, true economies of scale will only be achievable with one supplier and this would not be possible if lots were attributed to the project. One supplier would only be able to win a limited number of lots and the risk would fall back onto the FRS to manage.
- Co-ordination of different lots would be costly to the FRS

Framework/Contract

The Commercial Group produced a matrix for the suitability of both a framework and a contract and detailed the advantages and disadvantages for both.

The advantages of a framework outweighed the advantages for using a contract. This approach was agreed and advised that the most suitable route for this project would be a framework. The advantages and disadvantages for choosing a framework/contract are detailed below:

Framework

Advantages	Disadvantages
Allows flexibility for Fire and Rescue Services (FRS) to get what they require	May not know definite numbers or have buy in from FRS prior to issuing the tender documentation or at the point of contract award
Different options with regards to the service provided can be included	Work will be required by each FRS to set up call off contracts and manage their contract once established
Simpler local management and control by FRS to manage call off contracts	
Direct control/contact between each FRS and the supplier	
Benefits of volume across the UK	
Flexibility to allow FRS to access the framework over the framework term which will allow services who are unsure about their future funding to consider	
Stronger force/impact of a united front from the FRS to the supplier	
Previous experience and knowledge of managing frameworks	
Allows business continuity for supplier and FRS	
Allows for a mechanism for services to come on board and for the prices to be reduced accordingly for all services. Will help determine whole life costs at the start of the project	
Less work for each FRS as a mini competition would not be required following contract award	
Ability to show within the ITT how many FRS are included and indicative dates of when call off contracts will be established	

Contract

Advantages	Disadvantages
Buy in from FRS would be known prior to the tender being issued	Only one FRS managing the whole contract for everyone
As the volume of kit required would be known, it would provide certainty for the suppliers and may increase the number of bids based on a firm commitment	Separate agreements with main FRS managing the contract and other FRS and the requirement for SLA's
	Liabilities on one FRS
	Legal complexities for setting up separate agreements and terms and conditions
	Complicated performance structure and would need to be managed by one FRS on behalf of all FRS
	Increased central staffing requirements
	Not going to get benefit if you do not join the contract at the beginning
	Less buy in from Fire Services as the kit that is being provided under the contract would be unknown until it's awarded
	Less control for individual Fire Services/reporting structure complexities
	Unknown future funding may mean that FRS are unlikely to sign up without knowing the pricing structure

The use of existing frameworks such as the Yorkshire Purchasing Organisation (YPO) and the Central PPE & Clothing Contract (CPCC) were explored. Both frameworks were assessed and did not meet the operational needs required by the existing consortium, in that it will not offer the same service standards that are currently received. The timescales for both of these frameworks also did not meet those required by the participating FRSs.

Single Supplier

The Commercial Group produced a matrix outlining the advantage and disadvantages to determine whether the award could be made to one or multiple suppliers.

A lot of the components to an ensemble are sourced through third parties and suppliers were encouraged to work together in order to provide the best ensemble.

The Personal Protective Equipment (PPE) at Work Regulations states the responsibility placed on an employer for where the risk cannot be removed in any other way. This project specifically looked to transfer certain aspects of this risk onto the supplier.

The risk would be too high for an FRS to maintain these regulations, particularly if multiple suppliers were used; therefore, based on the level of risk of transferring the responsibility onto an FRS to compile an ensemble, the recommendation was to have a single supplier.

Procurement Route

The Commercial Group discussed the possibility of using the competitive with negotiation procedure as well as the restricted process and discussed the advantages and disadvantages for both procedures. The discussions included input from the Technical lead and legal representatives. It was agreed that the complexities of the pricing schedule would determine whether competitive negotiation would be used. The specification would be output based and conversations regarding the requirements were determined through the market days which followed the process set out in the supplier engagement strategy.

Independent legal advice was sought which confirmed that it would be possible to go through the Competitive with Negotiation Route. This was detailed within the tender documentation.

The Commercial and Technical groups both agreed that there would be a need to negotiate but only on specific parameters of the tender submissions. These were the Fully Managed Service, Pricing Models and Terms and Conditions.

It should be noted that a PIN notice was not used for this procurement process. This was due to the length of time that the market engagement occurred and it would have fallen outside of the 12 month period allowed for a PIN notice to be published before the PQQ was issued. There was a risk that not all suppliers would have seen the engagement opportunities that took place but this risk was low due to the knowledge of the market place and the number of suppliers that could deliver the requirement. Due to the complexities of the requirement, there was no requirement to shorten the length of the tender stage so there was no benefit to this project to issue a PIN notice. The length of time the tender was with suppliers was actually increased to ensure that quality submissions were returned.

Decision Gate: The Project Board agreed with the recommendation for the use of the Competitive with Negotiation Route.

Specification and ITT documents

Following the outcomes of the risk assessments, market research and end user feedback, an output based requirements specification was completed for all elements of the ensemble and for the requirements of the fully managed service.

An independent research body was used to justify any elements of the specification where the requirement exceeded the British Standard.

To ensure that a fair and transparent procurement process was carried out in line with the EU Procurement Directives, documentation was checked by a legal representative to ensure compliance.

Decision Gate: All documentation was agreed by the Project Board prior to being published

Procurement Process

The procurement would follow a Competitive with Negotiation route. Pre-Qualification Questionnaires (PQQ) were sent out and evaluated and the successful suppliers were issued the Tender documents. Six companies submitted PQQ's and following the evaluation process and approval by the Project Board, three companies were invited to tender.

Decision Gate: The Project Board were required to approve the PQQ recommendation report for which suppliers progressed through to the next stage.

Stage One

On receipt of tenders, an initial desktop evaluation was carried out. This included the technical specifications. Representatives from the Commercial Team, Technical Team and Project Board carried out the evaluations.

Any pass/fail elements were evaluated at this stage and then main tender responses reviewed to enable negotiations to take place, specifically relating to the initial pricing, managed service and technical specifications.

Negotiations with suppliers also took place during this stage. Each supplier had 2 days of negotiations with representation from an independent Legal advisors and members from each of the working groups.

During this stage, the aim was to only eliminate products from the process, rather than looking to eliminate tenderers completely.

Stage Two

Following Stage 1 desktop evaluations, the products supplied by each tenderer were evaluated to determine the best performing elements of an ensemble, 3 options were able to be provided for Stage 2 evaluations. The tunic and trousers were required to have had 5 washes prior to being provided for the trials. These scores did not form part of the main evaluation Matrix and they were only used for product selection based on the highest scoring product.

The product evaluations were carried out using methodology based upon BS 8469: 2007 'Personal Protective equipment for firefighters – Assessment of ergonomic performance and capability – Requirements and test methods' with 28 wearers from across the country. Each pair of wearers was allocated an official recorder who observed them on the fire ground and noted any comments the wearers made whilst they were trialling the ensembles.

Following negotiations and completion of the product evaluations, the final tender documentation was issued to suppliers. All three suppliers responded to the final ITT.

Decision Gate: The Project Board were required to review and approve the recommendation of each supplier's final ensemble. The final ITT documentation was also agreed by the Project Board.

Stage Three

Following Stage 2 product evaluations, the best performing products from the evaluations were collated to make a final ensemble, for each supplier. The tunic, trousers, gloves and fire hoods for each wearer, were required to be laundered and the same kit returned ready for Stage 3 evaluations. Each pair of wearers was allocated an official recorder who observed them on the fire ground and noted any comments the wearers made whilst they were trialling the ensembles.

Suppliers were required to re-submit their tenders with their best and final offer based on the final ensemble selected through Stage 2 and resubmit elements of their tender from discussions held at the negotiation sessions.

Each of the Contractor's final ensembles were evaluated by the wearers using methodology based upon BS 8469: 2007 'Personal Protective equipment for firefighters – Assessment of ergonomic performance and capability – Requirements and test methods'. The scores were then inputted in the final evaluation matrix.

Award

The tenders were evaluated on the basis of the criteria published in the tender document which was the most economically advantageous tender (MEAT) in terms of cost (40%) and quality (60%)

An award recommendation report was presented to the Project Board by the Commercial Lead.

Decision Gate: The Project Board approved the recommendation and an award was made to the successful supplier.

The successful supplier was notified and the 10 day Alcatel Standstill period enforced.

Cost Benefits

Savings will be made through collaboration, not only through economies of scale but also because of reduced duplication of work conducted by individual services by not having to go out to market for the provision of firefighting PPE. The cost for KFRS to run the process was approximately £111k and this did not include the wages of the resources allocated to run the project.

The cost model within the project also enables volume discounts, thereby optimising the collective buying power of the FRS and generating cashable savings. This will only be realised as services access the framework.

Services will also benefit from the reduction in time and resource to place a call-off via this framework as there is also no requirement for mini competitions or additional charges for FRS wishing to access the framework.

Framework Management

KFRS, as the National Lead for the Clothing Category was responsible for the procurement process, award and are the legal entity named on the contract on behalf of all UK FRS. KFRS shall therefore also be responsible for the ongoing management of this Framework Agreement.

Quarterly contract meetings and regular technical meetings will be held with the successful supplier. All services accessing the framework will be invited to attend these meetings. As the framework grows there may be a requirement for some meetings to be held regionally but this will be determined as services sign up.

Implementation

Lessons Learnt

All working groups were required to provide feedback on the relevant areas of the process for their working group. This has been collated in a master 'Lessons Learnt' document and will be available for circulation. The aim of this document is to ensure that all comments are captured for the areas that went well and particular aspects that could have been improved upon. This can then be used for future procurements.

Initial meeting

Prior to signing the Framework Agreement, a meeting was held to agree the final layout/design of the garment, i.e. radio loops, pen pockets etc. and to ensure that the Framework Agreement was ready to be signed.

Signing the framework agreement

The agreement was signed with the successful supplier for Fire Services to start accessing the Framework. The Framework is for a period of 4 years.

In order to access the information on pricing and the offerings available through the Framework, FRS were required to sign a Confidentiality Agreement. Following the signing of the Framework, FRS that signed the agreement were sent an encrypted CD which included all the relevant information regarding the Fully Managed Service and Purchase Only pricing models and the Terms and Conditions for the Call off Contracts.

Setting up call off contracts

Call off contracts could be set up with the supplier by each FRS following their own internal decisions to access the framework. The Call off contracts are for a period of 8 years.

Call-Off Contracts awarded via the Framework Agreement shall be the responsibility of the relevant Participating Authority.