



Essex Police, Fire and Crime Commissioner Fire and Rescue Authority

## Decision Report

**Please ensure all sections below are completed**

**Report reference number:** 033-21

**Government security classification** (e.g., Not protectively marked/Official - Sensitive):  
**Not protectively marked**

**Title of report:** REPLACEMENT OF SERVICE WORKWEAR

**Area of county / stakeholders affected:** ALL UNIFORM WEARING EMPLOYEES

**Report by:** Sheldon Dyer - Head of Purchasing and Supply

**Date of report:** 14<sup>th</sup> April 2021

**Enquiries to:** Sheldon Dyer - Head of Purchasing and Supply

### 1. Purpose of the report

The purpose of the report is to seek approval for the signing of the contract for the introduction of a new range of workwear for all uniform wearing staff within ECFRS. The contract the Service will enter into is the call off terms and conditions from the main Framework agreement between Kent and Medway Town Fire Authority and the supplier.

### 2. Recommendations

That the Police, Fire and Crime Commissioner approves and signs the 5-year contract with Ballyclare, with a minimum financial cost of £320,560 and an estimated total cost of £769,347, for a new range of workwear for all uniform wearing staff within ECFRS (excluding footwear).

The current annual workwear budget (excluding footwear) is £210,000, which equates to £1,050,000 over a 5-year period. The expected cost saving under the new contract is £280,653 over the 5-year period.

In agreeing this decision, the Police, Fire and Crime Commissioner is asked to agree:

- An expected £125,000 overspend in the 2021/22 workwear budget due to the initial rollout, and then a reduction in the workwear baseline budget of £80,000 from 2022/23 onwards.
- To authorise the Chief Financial Officer to approve a Purchase Order in DREAM (accounting software) for the year one roll out costs of £320,560.

### **3. Benefits of the proposal**

This project will ensure our uniformed employees are equipped with modern functional workwear for the next five years. It will also deliver a potential saving of approximately £280,653 over the 5-year period.

The new workwear is more suitable in terms of health and safety, functionality, comfort, and ease of maintenance. It also reduces the effects of temperature on the wearer as it has 'wicking' properties designed to keep perspiration away from the body in hot conditions while providing additional insulation in cold environments.

This proposal also delivers further efficiencies to the Service in the respect of direct replenishment to individuals from the supplier through an online portal. This will result in minimal local stockholding, reduction in 'up-front' costs over the contract lifecycle and reduced mileage, fuel, and staff resource for the Services central stores.

### **4. Background and proposal**

The Service workwear forms an integral part of the public perception of the Service and is required to present a professional appearance whilst also being suitable for the environment in which our employees work. This style of workwear achieves both of those aims.

The existing offering is not in keeping with the styles worn by other services or partner agencies. It is also no longer supported through any form of contract agreement. Additionally, prices have risen considerably as a result of there being no contract, with some garments seeing a cost increase of 40%. Owing to the nature of the clothing market, the Service is frequently subjected to either large minimum order quantities for each garment or 'end of line' products that are not always available. This has frequently resulted in higher expenditure as the minimum quantity cannot be spread across differing garment types, as well as some occasional variance in appearance from wearer to wearer. This creates a boom or bust stock profile which is not sustainable and a poorer appearance for our staff. This has also had a negative impact on our staff when they have not been able to be provided with uniform in a timely manner.

Kent FRS led a national procurement process on behalf of the NFCC to create a framework in late 2018. Essex took a supporting role in that process providing technical and commercial assistance, including garment selection to assess suitability of the supplier proposals. Most of the UK's providers submitted bids through the process and the final evaluation identified Ballyclare Ltd. as the winning bidder of Lot 1, Station Wear. The initial award was challenged by one of the unsuccessful bidders which delayed the final award by six months. In July 2019, the award to Ballyclare Ltd. was confirmed and the framework was released to all FRSs in the UK.

Upon completion of the process, it was agreed with the Chief Fire Officer that ECFRS should join the collaborative program in order to achieve the best cost options available and to further support national collaborative projects as directed by the Home Office.

This proposal also encompasses a fresh approach to replenishment. To date each wearer has been entitled to exchange their uniform for new on an annual basis. This is a costly approach that is unsustainable. The new approach to replenishment is 'New for Old' with line manager approval required. This will be subject to maximum annual allowances although exceptions will be able to be considered should there be extenuating circumstances for the additional

requirement. This replicates the system employed by Essex Police. It also delivers an additional benefit given that items that are no longer serviceable are returned to central stores for secure disposal.

## **5. Alternative options considered and rejected**

### **1. Do Nothing**

Our current situation regarding workwear is not sustainable. Costs are high and availability is poor.

### **2. Independent Tender Process**

It is feasible that the Service could undertake a new tender process, independent of the national framework. This would result in a delay of up to eighteen months as the entire process would have to start anew, including tender requests, bid submissions, evaluation of contract deliverables, re-evaluation of garments, wearer trials and renegotiation of commercial terms. Selecting this option would leave us in a state of limbo for anything up to two years, with identical outcomes as option 1 for the interim period.

### **3. Alternative Framework**

There is another framework for workwear available through the YPO (Yorkshire Purchasing Organisation). The framework requires a mini competition to determine the successful bidder. This would result in a delay of approximately six months as although the commercial agreements are in place there would still be a requirement to evaluate garments and conduct wearer trials. The suppliers on the framework are the same as those that bid for the NFCC framework and the proximity, in terms of time, to the NFCC framework means that there is no reason to believe that the outcome of such a process would be different to that already realised.

## **4. Strategic priorities**

It is an objective within the Service's annual plan to deliver a new workwear portfolio during the 2021 year. The Annual Plan has been discussed and agreed through the Commissioner's decision-making processes and at Strategic Board.

## **5. Operational implications**

It is essential that workwear is provided to our staff for them to carry out their duties. The introduction of this contract will ensure that the Service's obligations in that respect are met. During the project, the operations team have been consulted regarding the suitability of the garments proposed. The response has been very positive both from an appearance and technical suitable perspective. A survey was conducted with all employees, including non-uniformed, to decide on the colour of the new workwear and the range of garments was displayed at Kelvedon Park for two days during which time many of our crews took the opportunity to come and view it. The overall response was again extremely positive. The representative bodies were engaged at the onset of the procurement process and have given their support to the new range of options.

## **6. Financial implications**

The current annual budget for ECFRS workwear is £210,000 (excluding footwear). This is based around a re-issue of new workwear to all Firefighters on an annual basis thus making the cost over a five-year period £1,050,000.

Under the new contract, the projected cost over a 5-year period is £769,347 which will

result in a cost saving of £280,653 over the period.

The initial cost of implementing the proposed contract is £320,560 with reducing cost annually over the duration of the agreement owing to the new for old replenishment process.

Year one costs include the entire roll out to all uniformed staff, and also incorporates those green book employees that are issued workwear for their regular roles such as Workshop Engineers, ICT Technicians, Community Safety Team, Stores and Logistics and Water Services, among others. Those wearers are not currently accounted for in the main budget and the associated costs are taken from individual department budgets. By switching to this centralised process, the costs will be captured more accurately, and consumption can be monitored more closely.

Year one costs represent 125% of the total annual requirement. This has been implemented as some of our employees are uncertain of their actual sizes and/or may be between sizes. On initial issue there will need to be a period during which individuals can exchange items for better fitting ones. Our provider has advised that this figure usually sits around 25% for most organisations. The additional quantity purchased in year one would be carried forward to year two to supplement that year's supply, which in turn reduces the cost in year two.

The proposed change to the replenishment process will also deliver a saving to the Service over the lifetime of the contract. The supplier estimates that on average, a new for old system usually realises a reduction in ongoing supply of up to 50% year on year. This would potentially deliver a considerable saving.

#### Cost comparison Based on Five Year Contract

	<b>Existing Process</b>	<b>New Contract</b>
Initial Cost	£210,000	£320,560
Year 2	£210,000	£64,112
Year 3	£210,000	£128,225
Year 4	£210,000	£128,225
Year 5	£210,000	£128,225
Total	£1,050,000	£769,347
Potential Saving		<b>£280,653</b>

Annual comparisons based on 25% replenishment in year 2 (additional 25% purchased in initial order) followed by estimate of 50% replenishment year on year thereafter.

Additional savings will be realised through the direct supply nature of the agreement. Currently Central Stores hold all workwear at Kelvedon Park in containers to the rear of the site. They then distribute this around the county as required. The direct supply from the provider to the individual's place of work will result in reduced mileage on Stores vehicles although this cannot be accurately estimated at this stage. It will also require less on-site storage space and will utilise less time for Stores staff.

Monthly reporting on usages and trends provided by the supplier shall enable the procurement and supply team to monitor the contract and address any variances early in the process. The contract is for five years with no break clauses. There is a remedy for cancellation at any point should the supplier fail to deliver on their contractual obligations. The current financial commitment in relation to the contract is the first year's cost of £320,560. The contract is subject to annual escalation of 2% per annum over the five-year period. The Framework contract between Kent and Ballyclare confirms that the main Framework Agreement is not exclusive.

The year one rollout will be expected in the second half of the current financial year. The cost of the year one rollout is £320,560 and will result in an in year overspend in the workwear budget in 2021/22 of approximately £125,000.

A permanent reduction in the baseline workwear budget of £80,000 is expected from 2022/23.

The key financial points within the framework agreement are:

- A minimum financial commitment of £320,560, which equates to the cost in the first year of rolling out the new uniform.
- The pricing of the items for call-off are determined within the contract and are subject to an annual increase of:
  - A maximum of 1% on the portion of the price that relates to labour costs
  - An inflationary increase (based on CPI) of the remainder of the price, with a maximum cap of 2%.

## 7. Legal implications

There are no legal implications identified as a result of implementing this Contract.

## 8. Staffing implications

The feedback that has been provided by staff through workforce engagement has been very positive from an appearance and technical suitable perspective. There is also a significantly broader range of garments which supports our efforts to encourage diversity within the Service.

## 9. Equality and Diversity implications

Through engagements mentioned in Section 11, it has ensured that the contract provides a positive impact for gender, religion, and pregnancy/maternity as a full range of options are included within the garment portfolio offered. No negative equality impacts have been identified

<i>Race</i>	<i>X</i>	<i>Religion or belief</i>	<i>X</i>
<i>Sex</i>	<i>X</i>	<i>Gender reassignment</i>	<i>X</i>
<i>Age</i>	<i>X</i>	<i>Pregnancy &amp; maternity</i>	<i>X</i>
<i>Disability</i>	<i>X</i>	<i>Marriage and Civil Partnership</i>	<i>X</i>
<i>Sexual orientation</i>	<i>X</i>		

## 10. Risks

There are no Risk Implications identified as a result of implementing this contract.

## 11. Governance Boards

Although this procurement has not been through any official governance boards, there has been workforce engagement with the Operations and Technical Service Teams to ensure that the workwear meets the Service need. The project also forms part of the Annual Plan which has been discussed at Strategic Board.

## 12. Background papers

N/A

**Decision Process (033-21)**

**Step 1A - Chief Fire Officer Comments**

(The Chief Fire Officer is asked in their capacity as the Head of Paid Service to comment on the proposal.)

I support this recommendation



Sign:

Date: ...20/7/21

**Step 1B – Consultation with representative bodies**

(The Chief Fire Officer is to set out the consultation that has been undertaken with the representative bodies)

.....N/A: staff survey carried out and results accepted; staff chose the colour of the uniform

**Step 2 - Statutory Officer Review**

The report will be reviewed by the Essex Police, Fire and Crime Commissioner Fire and Rescue Authority's ("the Commissioner's") Monitoring Officer and Chief Finance Officer prior to review and sign off by the Commissioner or their Deputy.

Monitoring Officer

Sign:  .....

Print: Darren Horsman - Deputy MO .....

Date: 30.7.2021. ....

Chief Finance Officer

Sign:  .....

Print: .....Neil Cross.....

Date: .. 20/7/21 .....

**Step 3 - Publication**

**Is the report for publication? YES - not the appendices (as they contain commercially sensitive information)**

**If 'NO', please give reasons for non-publication** *(Where relevant, cite the security classification of the document(s). State 'none' if applicable)*

.....

If the report is not for publication, the Monitoring Officer will decide if and how the public can be informed of the decision.

**Step 4 - Redaction**


**If the report is for publication, is redaction required:**

- 1 Of Decision Sheet NO
- 2 Of Appendix Appendix not for publication

**If 'YES', please provide details of required redaction:**

**Date redaction carried out:** 18 August 2021

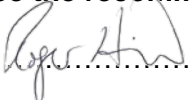
If redaction is required, the Chief Finance Officer or the Monitoring Officer are to sign off that redaction has been completed.

Sign: .....  ..... Print: .....Neil Cross.....

Date signed: .....23 August 2021.....

**Step 5 - Decision by the Police, Fire and Crime Commissioner or Deputy Police, Fire and Crime Commissioner**

**I agree the recommendations to this report:**

Sign:  ..... (PFCC)

Print: Roger Hirst Date signed: 18 August 2021