

**Nottinghamshire Police and Crime Commissioner**  
**Notice of Decision**



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<b>For Decision or Information</b>	Decision
<b>Date received*:</b>	27.11.15
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\*to be inserted by Office of PCC

**TITLE: RECOMMENDATION FOR AWARD OF CONTRACT – LAUNDRY SERVICES**

**EXECUTIVE SUMMARY:**

**1. PURPOSE OF THE REPORT**

The purpose of this report is to recommend approval for the award of a Framework Agreement for Derbyshire and Nottinghamshire Police Forces, to Berensden UK Limited, for the future Provision of Laundry Services. The Framework Agreement will be for the period of 4 years, effective from 4 January 2016 and Nottinghamshire Police represent the lead force.

Whilst the total actual costs will be determined by the volumes of laundry sent to the appointed contractor in practice, it is anticipated that the new contracted costs will result in savings to the current spend / budget of both forces as outlined further on in this report.

**2. BACKGROUND INFORMATION**

Both Nottinghamshire (Lot 2) and Derbyshire (Lot 1) Police Forces have an ongoing requirement for these services, primarily in respect of its custody suites, for which current contracts have or are about to expire.

It was also apparent from discussions pre-tender that both forces had experienced some similar problems in the past over a number of service delivery issues and consequently this allowed for the development of a largely common specification.

The decision was therefore taken to put in place a Framework Agreement which would allow for the undertaking of a single procurement but at the same time the appointment of a different supplier to each Lot if required.

The outcome of the process as you will see from the rest of this report is that it is recommended that the same supplier be awarded both Lots.

**Nottinghamshire Police and Crime Commissioner**  
**Notice of Decision**

**3. TENDER PROCESS AND ANALYSIS**

The total potential value of the Framework Agreement was such that this procurement needed to be competitively tendered and subject to the full EU Public Procurement regulations.

The Open procedure was applied and following drafting of the specification and agreement over award criteria, an OJEU advert was issued on 24 August 2015, inviting tenderers to bid for one or both Lots involved, with a Tender Closing date of 28 September 2015. An invitation to tender (ITT) was issued through the police service e-tendering system and four (4) tenderers subsequently responded with a compliant completed tender response by the due closing date.

Evaluations were subsequently carried out involving EMSCU and input from relevant personnel within both Derbyshire and Nottinghamshire, with the aim of appointing a supplier for each Lot, in each case based on the principle of awarding to the most economically advantageous tender received taking into account both price and non-price criteria.

The outcome of the evaluation process is as follows:

**LOT 1: Derbyshire**

Tenderer	General Compliance	Price / Cost	Service Proposal	Business Continuity / Innovation	TOTAL
<b>Berensden UK Limited</b>	<b>Pass</b>	<b>52.36%</b>	<b>15.40%</b>	<b>4.37%</b>	<b>72.13%</b>
Central Laundry	Pass	22.64%	15.40%	4.37%	42.41%
Imperial Laundry	Pass	34.68%	12.80%	3.12%	50.60%
Pennine Acute Hospitals Trust	Pass	32.18%	15.60%	4.37%	52.15%

**LOT 2: Nottinghamshire**

Tenderer	General Compliance	Price / Cost	Service Proposal	Business Continuity / Innovation	TOTAL
<b>Berensden UK Limited</b>	<b>Pass</b>	<b>51.94%</b>	<b>16.30%</b>	<b>4.37%</b>	<b>72.61%</b>
Central Laundry	Pass	23.06%	15.80%	5.00%	43.86%
Imperial Laundry	Pass	32.72%	12.80%	3.12%	48.64%
Pennine Acute Hospitals Trust	Pass	27.27%	18.40%	4.37%	50.04%

**Nottinghamshire Police and Crime Commissioner**  
**Notice of Decision**

Tenderers were requested to respond to each Lot separately and each Lot was subsequently evaluated separately. Consequently there is some minor variation in scores but the outcomes including the ranking of tenderers is the same.

Based on the above scores, it is recommended that this Framework Agreement be awarded to Berensden UK Limited as the most economically advantageous and lowest cost tender received in the case of both Lots. Whilst Pennine Acute Hospitals Trust in particular submitted a good quality response, their Tender does not represent an affordable option in cost terms.

Financial checks were carried out on the preferred tenderer Berensden's by Finance at Derbyshire Constabulary. These checks determined that Berensden's were financially satisfactory for being awarded both Lots 1 & 2 of the Framework Agreement.

#### 4. FINANCIAL CONSIDERATIONS

As indicated at the outset of this report, the final total costs resulting to each force per annum, will be determined by the actual volumes of laundry sent to the appointed contractor in practice. However whilst there is no definite fixed value to the contract, the following statements and conclusions can be made in support of Berensden's as the recommended future supplier on cost as well as quality grounds following the undertaking of this procurement process:

- In all but the areas of table cloths for Derbyshire and tracksuit bottoms for Nottinghamshire, Berensden's represented the lowest cost tender received, significantly so in most cases, ranging from 4% to as much as 82% lower than the next tenderer. In particular Berensden's costs are 82% lower than the next tenderer in the case of the high volume item of blankets;
- From a comparison of the new proposed rates if Berensden's are appointed to this contract v current rates paid, for the high volume items in particular referred to in the Specifications for Derbyshire and Nottinghamshire, the outcome is as follows:

Laundry Item	Percentage Difference: New proposed rates v Current rates paid
Blankets	41% lower Derbys; 34% lower Notts
Bath Towels	30% lower Derbys; 44% lower Notts
Tracksuit Bottoms (Notts Only)	22% higher
Tea Towels (Derbys Only)	22% lower
High Risk Tops (Derbys Only)	41% lower
High Risk Shorts (Derbys Only)	41% lower
<b>AVERAGE EFFECT OF NEW TENDERED PRICES</b>	<b>New prices on average a third lower than current costs</b>



**Nottinghamshire Police and Crime Commissioner**  
**Notice of Decision**

Current spend within Derbyshire is circa £53,000 per annum and for Nottinghamshire the Detained Persons Clothing Budget for 2016/17 currently incorporates £31,000 for laundry costs.

Based on the overall projection shown in the table above, this would equate to cash savings in the order of circa £17K per annum for Derbyshire and £10K per annum for Nottinghamshire.

The ITT made it clear that pricing supplied by tenderers would be firm irrespective of actual volumes resulting during the course of any contract.

On the basis of all these facts the following recommendation for award of contract is proposed.

**5. RECOMMENDATION**

Approve award of contract to Berensden UK Limited for the ongoing Provision of Laundry Services to both Nottinghamshire and Derbyshire Police Forces for the reasons identified above.

**INFORMATION IN SUPPORT OF DECISION: (e.g report or business case)**

Appendix A – Detailed comparison of the new v previous rates with additional notation.

**FINANCIAL INFORMATION** (please include if is it capital or revenue or both. What the split is and the totals being requested. Is this a virement/ something already budgeted for or something that requires additional funding. Are there any savings that can be offered up/or achieved)

Already covered under section 4 of the above Executive Summary.

Signature:   
Chief Finance Officer

Date: 1<sup>st</sup> December 2015

**Is any of the supporting information classified as non public or confidential information\*\*?**

Yes

X

No

If yes, please state under which category number from the guidance\*\*

"3. Information relating to the financial or business affairs of individuals or organisations (including the Police and Crime Commissioner)."

**DECISION:**

Approve the award of contract to Berensden UK Limited for the ongoing Provision of Laundry Services to both Nottinghamshire and Derbyshire Police Forces for the reasons identified above.

**OFFICER APPROVAL**

I have been consulted about the proposal and confirm that the appropriate advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner.

Signature:   
Chief Executive

Date: 3/12/15

**Nottinghamshire Police and Crime Commissioner**  
**Notice of Decision**

**DECLARATION:**

I confirm that I do not have any disclosable pecuniary interests in this decision and I take the decision in compliance with the Code of Conduct for the Nottinghamshire Office of the Police and Crime Commissioner. Any interests are indicated below:

The above request has my approval.

Signature:



Date:

8/12/15

**Nottinghamshire Police and Crime Commissioner**

\*\* See guidance on non public information