

# Procuring PPE – Managing Risk

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# Managing Risk through Procurement

- Managing Risk to the Individual
- Managing Risk to the Organisation



# Overview – Work wear & PPE in SITA

- **Approximately 4000 manual grade workers nationwide**
- **Each wearer needs a range of different work wear & PPE depending on their role**
- **Range of roles & activities:**
  - Municipal waste collection
  - Fleet work shops
  - Street cleansing
  - Civic Amenity Sites
  - Landfill sites
- **Long-standing out-dated contract**
- **Dissatisfaction amongst employees with incumbent supplier**



# Issues

- **Lack of meaningful data related to garment usage**
- **Problems with garment quality/durability**
- **Contract leakage to other suppliers particularly with items such as gloves and boots**
- **Fluctuating levels of service & supply from incumbent supplier**
- **High levels of ‘squirrel’ stocking at each site**
- **Variations in garment type and style on individual sites**
- **No firm process for assuring garment suitability and branding**
- **Lack of information for sites on SITA’s current clothing range**
- **No centrally held samples of each garment to measure continuity in production against**
- **No centralised coordination of those departments best able to add meaningful input in to assuring the suitability of all garments included in the SITA range**
- **Lack of worker involvement in deciding the range**

# Methodology

- **Full contract review with incumbent supplier including site visit, stock review and usage report for 2006/2007**
- **Gathered figures on items being purchased outside of the main agreement**
- **Numerous site visits to gain feedback from managers and workers**
- **Every item ordered from incumbent supplier delivered to central offices for review**
- **Assigned key stakeholders in Marketing, Health & Safety, Operations & Legal to form the project team**
- **Decided on and set dates for a formal tender procedure to be undertaken**

# Key elements of the Tender

- Full review of clothing range by Marketing and Health & Safety
- Market research of potential suppliers and methods of supply
- **Employee Survey**
- Request for Information (RFI)
- Shortlist
- **Clothing Trial**
- **Request for Quotation (RFQ)**
- Negotiation
- Contract Award

# Employee Survey

- Questionnaire's were distributed to every manual worker and administrator possible
- Respondents were asked to comment on clothing Quality/Durability, clothing Comfort and aspects of the incumbent supplier's service delivery
- Key Themes:
  - Inconsistent deliveries
  - Confusion over garment suitability
  - Quality issues with:
    - > Ballistic Trousers
    - > Wet Weather Items
    - > Boots
  - Satisfaction with standard items such as T-Shirts, Polo-Shirts, Sweatshirts etc.

**PPE/Clothing Questionnaire**

Name (Optional) \_\_\_\_\_

Division \_\_\_\_\_

Site \_\_\_\_\_

Jobrole \_\_\_\_\_

What are your 5 key items of clothing (please give clear descriptions e.g. combat trousers/ballistic trousers)

1 \_\_\_\_\_

2 \_\_\_\_\_

3 \_\_\_\_\_

4 \_\_\_\_\_

5 \_\_\_\_\_

**Quality/Durability**  
Please tick the box which best describes your opinion of the items you listed above:

	Excellent	Good	Fair	Poor	Very Poor
1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments

**Comfort**  
Please tick the box which best describes your opinion of the items you listed above:

	Excellent	Good	Fair	Poor	Very Poor
1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments

# Example Comments

- **“The boots and trousers are very poorly made and we continually have to replace these (much sooner than we should have to)”**
- **“Ballistic trousers are of very bad quality. Trousers tend to rip after first or second wear. Trousers are tight around crutch area”**
- **“I would like to see continuous improvements in the clothing we use, advances in wet weather clothing has improved and we do not seem to be benefitting from the changes, Boots at the basic stage are poor, and I’ve got staff walking up to 10 miles a day”**
- **“We keep a stock of clothing at the depot and do not have to wait long for items now that our admin Manager has taken a more managed approach to our supply”**

# Clothing Trial

- **Three potential suppliers were shortlisted to undertake a wearer trial and subsequently provide a full response to the RFQ.**
- **Trial garments were to a defined specification and included:**
  - Boots
  - Ballistic Trousers/Combat Trousers
  - Wet Weather Coat & Trousers
  - T-Shirt, Sweatshirt, Polo-shirt
- **Participants were asked to complete a “diary” of their experiences and were interviewed at the end of the wearer trial in order to gain a detailed response.**
- **Suppliers were given the option to provide ‘innovative’ garments which they felt would better cater to SITA employee requirements.**

# Request for Quotation (RFQ)

- **The RFQ forms an appendix of the contract**
- **At this stage suppliers were asked to address the clarify how the would deal with all aspects of SITA's requirements**
- **SITA provided a list of approximately 120 'core' items with the related EN & BS standards they were to comply with, plus any additional requirements**
- **Suppliers were asked to provide full garments specifications and pricing for these items in order to ensure a level playing-field on which SITA could assess the responses**
- **Suppliers provided two references which were taken up to assess their experience in providing the level of service required by SITA**

# The Contract

- **SITA introduced the concept of liquidated damages to enforce the following Key Performance Indicators:**
  - 95% of orders shall be correctly picked, packed, by the Contractor and delivered to SITA UK LTD sites within 2 days of receipt of order
  - 95% of all made to order garments will be delivered by the Contractor to the customer within 6 weeks of receipt of an order which has been approved by the procurement team of SITA UK LTD
  - 95% of all returns will be completed within 5 days of notifying the Contractor of intent to return
  - 95% of deliveries to have P.O.Ds available for review for up to 12 months after delivery
  - 100% of orders accepted by the Contractor will have an official SITA purchase order number
  - 99% of sealed garments will not deviate from the sealed samples

# Minimising Risk - Conclusion

- **Individual**

- Employee feedback & involvement
- H & S approved garments
- Sealed Samples
- Suitability studies
- Guaranteed Supply

- **Organisation**

- Liquidated Damages
- Robust Contract
- Project Team
- Branding
- Process Formalisation in Garment Approval
- Financial Exposure

# The future of clothing...

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- **Continued garment innovation**
  - Banksman Gloves
- **Continued garment suitability**
  - Shorts
  - EN471 compliant hi-vis polo shirts
- **Continued range rationalisation**
  - Gloves
  - Boots