

JLA/WASHSTATION MERGER INQUIRY

Minute of conference call with ESPO on 29 May 2018 at 3:00pm-3:15pm

1. ESPO said that public institutions, such as universities, use ESPO's frameworks for their tendering processes. The framework for laundry equipment covers the purchase or rental of laundry equipment.
2. ESPO said that the requirements for a company to be part of the framework are as follows:
 - a. companies must have 'positive net assets' and have been profitable overall, as determined from their published financial accounts for the last two years.
 - b. Companies must possess relevant experience, demonstrated by on-going and historical contract information.
 - c. For insurance cover, the requirement is £10m; for public liability, £10m for product liability and £10m employer's liability.
 - d. Companies must confirm that they have formal quality assurance processes in place and provide satisfactory proof of compliance with current Health and Safety legislative requirements.
3. ESPO said that there are three possible purchases under the ESPO framework:
 - The outright purchase of laundry equipment;
 - The rental of laundry equipment;
 - A Maintenance contract for laundry equipment.
4. ESPO explained that one of the options is a direct award, but only if the university's needs can only be met by a single supplier. Another option is to open a further competitive process for suppliers under a particular framework. The suppliers would then submit their bids and the university would evaluate those bids and award the contract to the most economically advantageous tenderer.
5. Public institutions choose to use ESPO because they need to comply with the Public Contract Regulation 2015, and all ESPO's frameworks are in full compliance with UK procurement regulations (and the EU procurement directives and regulations). This helps the institutions to speed up the tender process.
6. From the supplier side, ESPO said that a supplier needs to download a tender document from e-tendering portal, fill in the tender documentation, then ESPO would evaluate the bid based on the award criteria listed in the invitation. It is a two-stage process: first, the suppliers are evaluated under the selection criteria which are mandatory, e. g. financial stability, insurance, health and safety. If the suppliers pass these mandatory criteria, then they are assessed under the award criteria 1) on a price basis and 2) on a non-price basis (e. g. maintenance, warranty, contract management etc.).
7. ESPO said that universities have not used ESPO framework for either of the three purchase categories mentioned above in paragraph 3.