

Classification: Open	Decision Type: Key
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Report to:	Cabinet	Date: 05 June 2024
Subject:	Awarding of Fresh Fruit and Vegetable Contract to a supplier on behalf of Catering Services	
Report of	Cabinet Member for Corporate Affairs and HR	

Summary

1. Bury Council's Schools Catering team serve over 10,000 meals per day across 55 Schools within the borough of Bury.

To ensure that the meals provided are of the best value and of a high quality to ensure school food compliance, food suppliers must be procured under strict regulations.

YPO (Yorkshire Purchasing Organisation) offer food supply frameworks to support local authorities which need to get best value for money and a consistent quality.

The catering team have used the 001114 Food Deal 2 Framework, procured by YPO in compliance with the Public Contracts Regulations 2015 plus a further price benchmark.

This Price Benchmark invited Tenders from all Suppliers who were successfully awarded onto the relevant Lot(s) of the Food Deal 2 Framework as a Call-Off Contract for the supply of Frozen food. Suppliers from the following Lots were therefore invited to take part:

Lot 3

The Call-Off Contract covers the period from 01/04/24 to 31/03/26 with 2 options to extend for an additional 12 months (2+1+1). The first decision to extend the contract period will be taken by the end of December 2025 and will be dependent on satisfactory completion of all aspects of the contract to date, the current market conditions for this Lot and Bury Council's contracting structures. The maximum contract period will therefore be 4 years from 01/04/24 to 31/03/2028 subject to an annual review, incorporating price negotiations and KPI performance.

The Call-Off Contract has an estimated value of £1,864,000 for the maximum life of the contract (4 years). The supply will be to 55 school kitchens. The core service is currently provided 38 weeks a year and is fully paid for by schools through their SLA (Service Level Agreement) charge.

There are also meals provided as part of HAF (Holiday Activity Fund) which is an initiative to provide meals to children entitled to free school meals who take part in organised activities during school holidays.

A "Shopping Basket" for the price evaluation was used. This shopping basket contained the most frequently purchased items, although it will not have been an exhaustive list. The service reserve the right to buy any additional products from the awarded supplier where these products fall within the same product lot/lots.

This is at the winning supplier's best delivered price.

The following highlights the breakdown of how the suppliers were scored to ensure cost, quality, and social value / sustainability.

PRICE BENCHMARK AWARD CRITERIA	
CRITERION	PERCENTAGE WEIGHTINGS
Cost – 60%	A score was determined following evaluation of the shopping basket in this benchmarking exercise.
Quality – 30%	The full score was carried forwards from the initial tender evaluation. This section was not re-opened during the benchmark.
Social Value/Sustainability – 10%	The full score was carried forwards from the initial tender evaluation. This section will not re-opened during the benchmark.

The scores for each supplier who chose to bid were:

Scores

Supplier	Rank	% Overall (total) Out of 100	% Price (cost) Out of 60	% Quality (delivery) Out of 30	% Social Value (account management) Out of 10
Ralph Livesey	1	91.2	60	23.7	7.5
Brakes	2	88.36	54.36	24.6	9.4
G W Price	3	78.06	54.96	17.4	5.7
Millers	4	73.76	45.06	22.5	6.2

Turner Price	5	73.3	46.7	18.6	8
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YPO is committed to delivering social value through responsible procurement and aims to work with suppliers who have considered their impact on the wider community and who have a focus as to how their services can improve the social value within their community and the communities of their customers.

Each supplier has varied and extensive Social Value ranging from reducing carbon, increasing recycling, staff training and development and the use of organic food.

It was agreed during the scoring process that Ralph Livsey although did not offer the most wide-ranging social value, combined with the price and social value provided, scoring second, it scored the highest marks overall.

Recommendation(s)

2. Approve the award of a contract relating to Fresh Fruit and Vegetable to the successful bidder for the period stated.

To authorise the Director of Law and Democratic Services in consultation with the Cabinet Member for Corporate Affairs and HR to finalise the terms of the contract to be entered into with the successful bidder.

Reasons for recommendation(s)

3. Ralph Livsey scored the highest across the three criteria proving best value, quality, and social / sustainable value. It is the best price for the quality to meet the needs of the catering provision as well as supporting Council's strategic priorities as well as meeting all governance and legal requirements.

Alternative options considered and rejected.

4. The Schools Catering team can revert to the AGMA (Association of Greater Manchester Authorities) preferred supplier, to which Bury Council can access; Dunster's Farms, however the cost of using Dunster's is not best value or quality and creates further budget pressures to the catering service and overall council budget.

Dunster's Farm is not ranked in the top 6 for Price, Quality or Social Value. If Ralph Livesey's are not awarded, procurement rules state that the supply would revert to Dunster's as part of the AGMA contract.

Report Author and Contact Details:

Name: David Catterall
Position: Head of Commercial Services
Department: Operations
E-mail: d.catterall@bury.gov.uk

Links with the Corporate Priorities:

- 5. Awarding Ralph Livsey's supports lower cost food but meets the compliant school meal standards and therefore supports the Catering Service to provide quality school meals. Quality school meals support better learning and provides better meals for those entitled to free school meals which supports better health and wellbeing.

Continued cost control within the catering service through sustainable procurement whilst awarding local suppliers supports economic growth in the borough.

Continued viability of the catering service through diligent cost control supports employment of over 280 staff, who are predominantly female, in lower paid employment. Through viability of the service, they can access improved learning and development which support skills improvement, and links to economic growth and supports improved health and wellbeing outcomes.

Equality Impact and Considerations:

Full EIA has been completed identifying neutral and positive impacts for children and young people with protected characteristics. No additional mitigations are required.

Environmental Impact and Considerations:

- 6. Awarding Ralph Livsey, who is a local supplier will support decarbonisation as distance travelled to deliver will be low.

Improved food quality supports less food waste which also supports improved cost control.

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
Not awarding to Ralph Livsey would result in the catering service having to use AGMA awarded Dunster's Farm for Fresh Fruit and Vegetables, this would create increased food costs.	Award the contract based on 2+1+1 years will full reviews of the contract annually.

Legal Implications:

7. This procurement process has utilised the 001114 Food Deal 2 Framework, procured by Yorkshire Purchasing Organisation in compliance with the Public Contracts Regulations 2015. The suppliers accepted onto the framework have already undergone a selection process according to quality and price criteria. Furthermore, the price has been subject to additional price benchmarking by the Council to ensure compliance with its duty of best value.

Financial Implications:

The financial implications from this report should be neutral as the cost of the goods should be passed on to the customers purchasing the Catering services.

Appendices:

None.

Background papers:

None.

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
YPO	Yorkshire Purchasing Organisation
HAF	Holiday Activity Fund
SLA	Service Level Agreement
AGMA	Associated Greater Manchester Authorities
Shopping Basket	List of most used food items that are compared during the tender process
EIA	Equality Impact Assessment
Call Off Contract	Contract based on a period of time and of a forecasted value