

COMMISSIONING AND PROCUREMENT SUB-COMMITTEE – 10/09/2019

Subject:	Fresh Fruit and Vegetable supply contract		
Corporate Director(s)/ Director(s):	Andy Vaughan, Corporate Director of Commercial and Operations		
Portfolio Holder(s):	Neghat Khan, Portfolio holder for Early Years, Education and Employment		
Report author and contact details:	Jacquie Blake, Commercial Operations Manager jacquie.blake@nottinghamcity.gov.uk		
Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Subject to call-in	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons: <input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision			<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total value of the decision: £1,678,512			
Wards affected: All		Date of consultation with Portfolio Holder(s): 07/08/2019	
Relevant Council Plan Key Theme:			
Strategic Regeneration and Development			<input type="checkbox"/>
Schools			<input type="checkbox"/>
Planning and Housing			<input type="checkbox"/>
Community Services			<input type="checkbox"/>
Energy, Sustainability and Customer			<input type="checkbox"/>
Jobs, Growth and Transport			<input type="checkbox"/>
Adults, Health and Community Sector			<input type="checkbox"/>
Children, Early Intervention and Early Years			<input checked="" type="checkbox"/>
Leisure and Culture			<input type="checkbox"/>
Resources and Neighbourhood Regeneration			<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users):			
Nottingham Catering provides a catering service to 70 sites across the City and in some sites in Nottinghamshire, which include schools, commercial operations and additionally the Nottingham care homes. They all require the supply of quality fruit and vegetables that meet our high standards and to ensure best value for money we seek permission to tender and award this contract for a 2 +1 +1 (total 4 years) period.			
Exempt information: None			
Recommendation(s):			
1 To approve the undertaking of a tender, using a public sector framework, to procure a contract for the supply of fresh fruit and vegetables. The contract will be for a 2 year period with the option to extend for a further 1+1 years.			
2 To delegate authority to the Corporate Director for Commercial and Operations to award the contract, following the tender process.			

1 REASONS FOR RECOMMENDATIONS

- 1.1 The current contract for the supply of fresh fruit and vegetables expires on 31 December 2019. A new contract needs to be put in place and therefore a competitive tender process will ensure that there will be both quality of product and value for money for the education and commercial sites.

- 1.2 This is a contract for supplies and is subject to the Public Contracts Regulations 2015, which requires the City Council to undertake a competitive tender process to award the contract.
- 1.3 The rationale for the decision is that this expenditure will be covered by the charges for school meals that is either through paid meals or the free school meal budget of schools and academies, or income from commercial sites.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 There are 70 sites split between schools, commercial and care homes, which all require fresh fruit and vegetables in order to provide their service. The previous contract has been running for 4 years, successfully. We will engage with local suppliers as we did last time and will split the contract into smaller lots to allow for local suppliers to tender for a lot in their area. Additionally this will keep food miles to a minimum.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 Do nothing. This option has been rejected as Nottingham Catering requires a supplier to provide fruit and vegetables to schools and commercial sites to ensure that services can be provided to citizens and ensure that the business continues to provide a net return to the council.

4 FINANCE COLLEAGUE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)

- 4.1 Base budget for the annual cost already exists within schools and commercial catering. Annual spend is typically between £400,000 and £500,000 in total. This tendering exercise will help schools and commercial catering to continue to contribute a surplus to the MTFP through greater value for money and competitive pricing. The contract should adhere to Financial Regulations and be reviewed throughout and at the end to ensure prices remain competitive and are still fit for purpose for the service.

Advice provided by Susan Turner, Senior Commercial Business Partner, 8 August 2019

5 LEGAL AND PROCUREMENT COLLEAGUE COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND INCLUDING LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)

- 5.1 This proposal raises no significant legal concerns. The Council intends to go out to tender using the relevant ESPO framework which allows the council to call off goods as and when required throughout the proposed term.

Advice provided by Sarah O`Bradaigh, Senior Solicitor, 1 August 2019

6 SOCIAL VALUE CONSIDERATIONS

- 6.1 Procuring the best quality provisions to provide a nutritious and balanced diet to the City's schoolchildren, Residential Unit users and commercial customers and staff. The tender will be open to local suppliers for consideration, this will allow us

to use local suppliers, as we currently do, which means added value to the local economy and reduces food miles.

7 REGARD TO THE NHS CONSTITUTION

7.1 Not Applicable

8 EQUALITY IMPACT ASSESSMENT (EIA)

8.1 An EIA is not required because no equality issue will result as part of this decision, this is a process to procure products for the service and does not involve amending any current policies.

9 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

9.1 None

10 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

10.1 None