

Notice of Non-key Executive Decision

Subject Heading:	<i>Approval to embark on a tender for the supply of Fresh Meat on behalf of Havering, members of the London Catering Group (LCG) and other public sector bodies to deliver new contracts from 1 January 2020.</i>
Cabinet Member:	Councillor Robert Benham
SLT Lead:	Tim Aldridge
Report Author and contact details:	James Hughes 01708 433906 James.hughes@havering.gov.uk
Policy context:	High Customer Satisfaction and a Stable Council Tax - Commission goods and service in a way that provides the best possible value for money.
Financial summary:	There is no commitment by either Havering or any other participating bodies to use the framework contract. The indicative value of the contract is £4,500,000 per annum of which Havering's spend is c. £400,000 per annum, funded from purchasing services revenue budgets. The duration of the agreement is four years
Relevant OSC:	Overview and Scrutiny Board
Is this decision exempt from being called-in?	It is a non-key decision by a member of staff

The subject matter of this report deals with the following Council Objectives

Communities making Havering	<input type="checkbox"/>
Places making Havering	<input type="checkbox"/>
Opportunities making Havering	<input type="checkbox"/>
Connections making Havering	<input type="checkbox"/>

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

That the Director of Children's Services authorise officers to carry out a Fresh Meat tendering and procurement process on behalf of Havering, members of the LCSG and other public sector bodies based on the information, procedures and processes detailed in this report.

The Council's current arrangements using the LCG agreement terminates on 31 December 2019.

Havering has been asked to be the lead LCG member for the retendering of a new framework agreement for the supply of Fresh Meat for a four-year period starting 1 January 2020.

The agreement will be used by catering departments across a number of named London Boroughs and other public sector organisations, the current arrangements for both Havering and the LCG are managed by the catering team within the Council and procured by the Strategic Procurement Unit within oneSource. Within the framework agreement individual Councils can give 6 months' notice to discontinue calling off from the agreement.

Given the potential value of this agreement, the European Procurement Process will apply. Compliance with the European Procurement rules will ensure compliance with the Council's own competition requirements. A realistic timetable for undertaking this work requires tendering to commence early in 2019 to ensure that the specifications can be put together and a robust procurement process followed.

It is proposed that the contract be tendered on the basis of the open process, therefore all interested parties who apply in response to a European Journal advertisement will have access to the tender documents. It is intended that an e auction is used to ensure the best commercial solution providing value for money is identified from the tender exercise.

As the requirements will be clearly stated, including all appropriate standards for the supply of fresh meat in the tender documents, it is proposed to evaluate the opportunity as 100% price. This will support the participating bodies in achieving overall value for money and the economies of scale by procuring the opportunity collaboratively, it is also proposed to appoint a single supplier.

The requirements of the Social Value Act have been considered though due to the nature of this service has not been considered relevant.

The contracts will not include any commitment from either Havering or any member of the LCG regarding the amount of orders which will be placed with the suppliers.

The tender process was presented for approved at Checkpoint 1 on 14th February 2019. The process was approved.

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3, section 3.3 - powers of members of the Senior Leadership Team, contracts powers (a) to approve commencement of a tendering process for all contracts above a total contract value of £500,000.

STATEMENT OF THE REASONS FOR THE DECISION

To support the catering service and strategic procurement unit in commencing the tendering for a framework agreement for the supply of fresh meat on behalf of the LCG and other public sector bodies.

OTHER OPTIONS CONSIDERED AND REJECTED

That the contract is not re-tendered and each authority, including Havering, enters into individual contracts with suppliers which will have a significant impact on purchase costs.

That authorities source their own requirements in the wider marketplace, this would create a situation whereby the less reputable companies in this market would be provided with an opportunity to sell to each authority.

PRE-DECISION CONSULTATION


A meeting has been held with Boroughs who have expressed an initial interest in participating in the contract. The outcome of this meeting was that the Boroughs requested Havering act as the Contracting Authority for this procurement.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: James Hughes

Designation: Catering contracts Supplies Manager

Signature:



Date: 17th June 2019

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

This report seeks approval to commence an open/electronic tendering process for a 4 year framework agreement, for the supply and delivery of fresh meat.

The Education Act 1996 enables the Council to provide school meals for children at school and the proposals in this report support that provision.

The total value of the contract is £4,500,000 and is above the EU threshold for supplies. The opportunity will therefore be advertised in the OJEU, as confirmed above.

Officers intend to award the framework agreement to a single supplier. The Council and any participating bodies will therefore call-off the services from the Framework by a direct award as opposed to re-opening competition. Regulation 33(8) of the Public Contracts Regulations 2015 allows a framework agreement to be performed in this way.

The Local Government Act 1999, requires the Council to make arrangements to achieve best value in the exercise of its functions. While conducting the procurement and evaluating the bids, officers must satisfy themselves that the procurement process is in accordance with this principle.

The total estimated expenditure for the Council is £1,600,000. Therefore, the decision to award the Framework Agreement will need to be made as a Key Executive Decision.

FINANCIAL IMPLICATIONS AND RISKS

There are no immediate financial implications at this point of the procurement exercise; any financial and operational risks will be fully evaluated as part of establishing the framework. Being a wholly traded service, the expectation is for the framework to deliver effective value for money on the cost of supplies, allowing the service to continue operating a commercially viable catering service to its clients.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

There is no recognised Human resources risk in relation to this contract

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

There is no requirement for this process for the Council to undertake an Equalities Impact assessment.

BACKGROUND PAPERS

There are no additional background papers supporting this report.

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

Proposal NOT agreed because

Details of decision maker

Signed



Name:

Tim Aldridge

Cabinet Portfolio held:

CMT Member title:

Head of Service title DCS

Other manager title:

Date: 18/06/2019.

Lodging this notice

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Democratic Services Officer in Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on 18/05/2019

Signed



