#### WEST DUNBARTONSHIRE COUNCIL

# Report by Executive Director of Infrastructure and Regeneration

# Infrastructure, Regeneration and Economic Development Committee: 18 June 2014

Subject: Tender for the Supply and Delivery of Fresh Fruit, Vegetables, Potatoes and Prepared Products.

## 1. Purpose

- **1.1** This report seeks Committee approval to issue a tender for the Supply and Delivery of Fruit, Vegetables, Potatoes and Prepared Products.
- **1.2** Committee approval is required for this tendering process to conform with Council's financial regulations and procurement procedures.

#### 2. Recommendations

- **2.1** A tendering exercise will provide a competitive and transparent option for the Supply and Delivery of Fruit, Vegetables, Potatoes and Prepared Products.
- 2.2 The Committee is invited to approve the initiation of a competitive tendering procedure by West Dunbartonshire Council and delegate authority to the Executive Director to award the contract to the most economically advantageous tenderer.

### 3. Background

- The contract for the Supply and Delivery of Fruit, Vegetables, Potatoes and Prepared Products expired on 31 December 2013.
- 3.2 The current contract supplier, Failte Foods Ltd (formerly trading as Forsyths Fruit and Veg) will provide an ongoing supply arrangement until a formal contract is in place.
- **3.3** Facilities Management, Educational Services and Residential/Day Care Services currently have a requirement for the Supply and Delivery of Fruit, Vegetables, Potatoes and Prepared Products.

#### 4. Main Issues

**4.1** From 31 December 2013 there has been no formal contract in place for the Supply and Delivery of Fruit, Vegetables, Potatoes and Prepared Products.

- 4.2 Failte Foods has confirmed that they will provide an ongoing supply arrangement based on the previous contract to supply Fruit, Vegetables, Potatoes and Prepared Products. However, to ensure Best Value and compliance with EU Public Procurement regulations it is important to start a competitive tendering process forthwith.
- 4.3 As the aggregated value of this contract will exceed EU Procurement threshold of £172,514, the tender will be advertised in the European Journal as well as on the Public Contracts Scotland Website.

### 5. People Implications

**5.1** There are no personnel issues.

#### 6. Financial Implications

- 6.1 The estimated annual spend on this requirement is £75,000 per annum. It is expected that the contract will be for 3 years with an option to extend for a further 12 months. The contract (excluding any extension) is therefore likely to have a value estimated at £225,000.
- 6.2 Having a contract in place for a period of 3 years will facilitate fixed pricing which assists with ongoing budgetary planning.

## 7. Risk Analysis

7.1 If the contract is not re-tendered the existing supplier will be able to provide the service, however, the prices will be subject to fluctuation. Having a contract in place enables the prices to be set for a fixed period and a formal price review mechanism to be put in place.

# 8. Equalities Impact Assessment (EIA)

**8.1** Screening shows no need for an EIA therefore there is only General Relevance.

#### 9. Consultation

**9.1** No consultation was undertaken.

### 10. Strategic Assessment

- **10.1** The initiation of a tender process for the Supply of Fruit and Vegetables will ensure efficiency in the provision of the service.
- 10.2 This approach supports the Corporate Procurement Strategy which, in turn, supports proper budgetary control and sound financial practice, which are cornerstones of good governance. It also supports the Council and officers to pursue the 5 strategic priorities of the Council's Strategic Plan.

# **Richard Cairns**

**Executive Director of Infrastructure and Regeneration** 

Date: 14 May 2014

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Appendices: None

**Background Papers:** None

Ward Affected: All