

WEST DUNBARTONSHIRE COUNCIL**Report by Chief Officer – Supply, Distribution and Property****Tendering Committee: 15 March 2023**

Subject: Contract Authorisation Report – Supply of Fresh Fruit and Vegetables**1. Purpose**

- 1.1** The purpose of this report is to seek the approval of the Tendering Committee to authorise the Chief Officer – Regulatory and Regeneration to conclude the award of the contract for the Supply of Fresh Fruit and Vegetables.

2. Recommendations

- 2.1** It is recommended that the Tendering Committee:
- a) Authorise the Chief Officer – Regulatory and Regeneration to conclude on behalf of West Dunbartonshire Council (the Council), the award of the contract for the Supply of Fresh Fruit and Vegetables utilising the Scotland Excel (SXL) Framework Agreement (FA) for Supply & Distribution of Fresh Fruit and Vegetables to McLay's Ltd.
 - b) Note that the contract shall be for a period of four years with no extension at a value of £639,166.26 inclusive of VAT. The estimated commencement date of the contract is 1 April 2023.

3. Background

- 3.1** The Council has a requirement for Education and Health and Social Care establishments to procure a range of Fresh Fruit and Vegetables.
- 3.2** The overall budgets for the Supply of Fresh Fruit and Vegetables was approved as part of wider service budgets at the West Dunbartonshire Council meeting on the 9 March 2022 and 21 March 2022 for the West Dunbartonshire Health & Social Care Partnership (WD HSCP) Integrated Joint Board.
- 3.3** This procurement exercise has been conducted in accordance with the Council's Standing Orders and Financial Regulations and the Public Procurement Regulations. A Contract Strategy document was also approved on 17 February 2023.

4. Main Issues

- 4.1** Historically, the Council has used SXL FAs to source these products and the Contract Strategy identified that SXL is still the best route to market for these products.

- 4.2** A benchmarking exercise was carried out using the SXL basket of goods which showed McLay's Ltd was the cheapest supplier. McLay's Ltd also offered a 2% discount which no other supplier offered. The exercise also highlighted the weight and units of measure resulting in McLay's Ltd having more kilograms per box meaning less packaging. McLay's Ltd is the incumbent supplier and by staying with the current supplier there is minimal disruption or cost of change. Finally, McLay's Ltd have been awarded other food provision contracts for the Council which means all orders will be combined in one delivery, supporting the Council's carbon reduction measures.
- 4.3** It is recommended that the contract is awarded to McLay's Ltd of Glasgow. The contract shall be for a period of four years with no option to extend and at a value of £639,166.26 inclusive of VAT.
- 4.4** McLay's Ltd has committed to paying all staff as a minimum the real Living Wage (£10.90 per hour) and promotes Fair Working Practices across their organisation.
- 4.5** Social benefits will be discussed at the implementation meeting with McLay's Ltd and actions to take these forward will be agreed.

5. People Implications

- 5.1** There are no people implications

6. Financial and Procurement Implications

- 6.1** Financial costs in respect of the contract will be met from the approved revenue budgets of Council and WD HSCP establishments approved at the Council meeting of 9 March 2022 and the Integrated Joint Board meeting of 22 March 2022.
- 6.2** This procurement exercise was conducted in accordance with the agreed Contract Strategy produced by the Corporate Procurement Unit in close consultation with the services of Facilities Management and WD HSCP officers and the provisions of Contract Standing Orders, the Financial Regulations and Public Procurement Regulations.

7. Risk Analysis

- 7.1** McLay's Ltd has no known links to Serious and Organised Crime which would have significant political and reputational ramifications for the Council.

8. Equalities Impact Assessment (EIA)

- 8.1** An equalities screening was undertaken for this report to determine if there is an equalities impact. The results were that there is no equalities impact.

9. Consultation

- 9.1** Citizen, Culture and Facilities Services, WD HSCP, Finance Services and Legal Services have been consulted on the contents of this report.

10. Strategic Assessment

10.1 The Supply of Fresh Fruit and Vegetables will contribute to the delivery of the Council's and WD HSCP strategic priorities:

- Our communities – resilient and thriving;
- Manage resources effectively, making best use of our integrated capacity.

Name: Angela Wilson

Designation: Chief Officer – Supply, Distribution and Property

Date: 23 February 2023

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Appendices: None

Background Papers: Contract Strategy
EIA screening

Wards Affected: All