

WEST DUNBARTONSHIRE COUNCIL

Report by Executive Director of Housing Environmental & Economic Development

Tendering Committee – 19 January 2011

Subject: Tender for the Supply and Delivery of Fresh Bread and Rolls.

1. Purpose

- 1.1** This report seeks Committee approval to award the Most Economically Advantageous Tender for the Supply and Delivery of Fresh Bread and Rolls.

2. Background

- 2.1** The contract for the Supply and Delivery of Fresh Bread and Rolls previously tendered by Scotland Excel on behalf of West Dunbartonshire Council expired on 31 August 2010. The contract is now categorised by Scotland Excel as a Category C commodity and requires West Dunbartonshire Council to put in place its own contract.
- 2.2** The current supplier is D. McGhee & Sons Ltd.
- 2.3** Since the contract ended on 31 August 2010 the Council has been receiving supply on an interim contract basis from D. McGhee & Sons Ltd while the requirement was re-tendered.

3. Main Issues

- 3.1** Using the Open tender process the requirement was advertised in the Official Journal of the European Union, Public Contracts Scotland, the Clydebank Post and Dumbarton Reporter. Only one tender bid was received from:

D McGhee & Sons Ltd, 10 Keppochhill Dr, M8 Food Park, G21 1HX

- 3.2** During the open tender period two suppliers with the capability to meet the Council's supply requirements (Mortons Rolls and Aulds Bakery) were provided with tender documents but did not submit a bid.
- 3.3** McGhee's tender bid was subject to the appropriate selection and award evaluation as part of the most economically advantageous tender process. The company successfully met all the Council's requirements in terms of financial capability, delivery requirements, and ability to meet supply.

4. People Implications

- 4.1** There are no issues associated with this Tender submission that affects the workforce or trade unions.

5. Financial Implications

- 5.1** The annual spend based on historical spend patterns and in line with existing budgetary provision is estimated to be £70,000 per annum and this can be accommodated within existing departmental budgetary provision. It is expected that the contract will be for 2 years with an option to extend for a further two 12 month periods. The contract is likely to have a value estimated at £280,000.
- 5.2** Prices submitted in the tender bid for 2011 have remained the same as prices paid in 2010.

6. Risk Analysis

- 6.1** If the bid is not approved, the existing supplier will be able to supply the Council however current prices may be more expensive and may increase as a result of market fluctuations. Having a contract in place enables item prices to be held firm for the first 12 months and has ensured compliance with EU Public Procurement regulations.

7. Equalities Impact

- 7.1** No significant issues were identified in a screening for potential equality impact of this service.

8. Conclusions & Recommendations

- 8.1** The tendering process has successfully identified a supplier that can provide service and competitive pricing for the Council over the period of the contract.
- 8.2** The Committee is invited to approve the award of the tender for a period of 2 years with an option to extend for a further two 12 month periods (2015) to the company listed below:

D McGhee & Sons Ltd, 10 Keppochill Dr, M8 Food Park, G21 1HX

Elaine Melrose
Executive Director of Housing Environmental & Economic Development
Date: 16 December 2010

Person to Contact: Kevin McGrath, Corporate Procurement Officer
Kevin.mcgrath@west-dunbarton.gov.uk
Tel 01389 737846

Appendices: None

Background Papers: None

Ward Affected: All