

Report of Director of City Development

Report to Chief Officer Culture and Sport

Date: 24th November 2017

Subject: Permission to extend contract 9PUF-3XJLZ8 Supply of Soft Drinks and Vending for a further 12 months

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): All	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The contract for the supply of goods for resale is up for renewal on the 31st January 2018. There is an agreement on the initial contract to extend the contract for a further 12 month period. Authorisation in the form of a significant operational decision is required from the Chief Officer Culture and Sport to extend this contract for a further 12 month period to the following providers
 - Lot 3 - Soft Drinks Vending – Coca Cola
 - Lot 4 – Snacks Vending – Wilkes Vending
 - Lot 5 - Hot Drinks Vending – Wilkes Vending
2. The current contract is progressing well and there is no reason not to agree to the extension.

Recommendations

3. The Chief Officer, Culture and Sport is requested to approve the extension of this contract for the permitted 12 months as stated in Contract Procedure Rules 21.1

1 Purpose of this report

- 1.1 The Chief Officer, Culture and Sport is requested to approve the extension of this contract for the permitted 12 months as stated in Contract Procedure Rules 21.1
- 1.2 The advertised estimate of this contract is £114,000 per annum.

2 Background information

- 2.3 The current vending contract has been in place since 1st February 2015, and is due to finish on 31st January 2018. There is the available option to extend this contract by one period of 12 months
- 2.4 Under the initial tendered document 6 lots were advertised. Due to lack of market interest Lot 1 for the supply of cold drinks and Lot 2 for the supply of snacks were subsequently procured separately. Lot 6 for the vending of sports nutrition products was initially awarded, but due to the poor performance from an early stage was cancelled and procured at a later date via a separate tender procedure.
- 2.5 Lots 3 (vending of soft drinks), 4 (vending of snacks) and 5 (vending of hot drinks) were awarded following the tender process, and it is this contract which we would like to extend for a further period of 12 months.
- 2.6 The process for the tender of the new vending contract is scheduled to commence at the start of June 2018, with the new contract due to be in place from February 1st 2019. The new contract will likely be the same as the current deal with a 3 year fixed agreement and a possible 12 month extension period.

3 Main issues

- 3.7 The current vending contract has been in place since 1st February 2015, and is due to conclude on 31st January 2018. There is an option available to extend this contract by one period of 12 months.
- 3.8 The performance of the 2 suppliers, 'Wilkes Vending' (who were awarded lots 4 & 5) and 'Coca Cola' (who were awarded lot 3) has been sufficient enough to take up the initial 12 month option to extend.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Sport and Active Lifestyle staff have been made aware of the upcoming contract coming to an end, and are happy for the contract to be extended.
- 4.1.2 The appropriate Executive Member has been made aware of the plans to extend this contract.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 The outcome of this process will have no effect on equality and diversity, cohesion or integration of our customers.

4.3 Council policies and Best Council Plan

4.3.1 The details in this report are likely to affect the following policies which constitute the Council's policy framework:

- Safer and Stronger Communities Plan
- Vision for Leeds
- Best Council Plan

4.4 Resources and value for money

4.4.1 This contract extension offers the best value for money. 'Coca Cola' are a market leader and their products are well known and trusted by consumers. 'Wilkes Vending' are a firm located close to Leeds, who are able to react quickly to stock refills or maintenance requests. Both firms have performed well over the duration of the contract, and there are no reasons why the 12 month extension period should not be taken up.

4.5 Legal Implications, Access to Information and Call In

4.5.2 The awarding of an extension to this contract does not require a call in.

4.6 Risk Management

4.6.1 A risk assessment has been undertaken and no significant risks to the council are evident.

5 Conclusions

5.1 The Chief Officer, Culture and Sport is requested to approve the extension of this contract for the permitted 12 months as stated in Contract Procedure Rules 21.1

6 Recommendations

6.1 The Chief Officer, Culture and Sport is requested to approve the extension of this contract for the permitted 12 months as stated in Contract Procedure Rules 21.1

7 Background documents¹

7.1 There are no background documents

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.