

## Contract extension DN389827 for the supply of fresh bread and morning goods for 12 months from 8<sup>th</sup> May 2022.

Date: 01 April 2022

Report of: Head of Catering and Fleet Services

Report to: Chief Officer Civic Enterprise Leeds

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

### What is this report about?

#### Including how it contributes to the city's and council's ambitions

- To extend the existing contract for the supply of fresh bread and morning goods to meet the requirements of catering operations across the city
- Benchmarking has demonstrated the existing contract continues to provide good value for money
- Provision of fresh bread and morning goods ensures healthy balanced options are available to service users
- This contract continues to support front line council in delivering their services.

### Recommendations

The Chief Officer Civic Enterprise Leeds is recommended to approve the contract extensions from 8<sup>th</sup> May 2022 for a period of 12 months as detailed below:

Lot 1 Fresh Bread (Contract Catering) to Fresh Pastures Ltd from 8<sup>th</sup> May 2022 for a period of 12 months estimated value £95,000

Lot 2 Baked Artisan Breads and Morning Goods to Haigh's (Guiselley) Ltd from 8<sup>th</sup> May 2022 for a period of 12 months estimated value £10,000

Lot 3 Baked Traditional Cakes and Savouries to Haigh's (Guiselley) Ltd from 8<sup>th</sup> May 2022 for a period of 12 months estimated value £35,000

### Why is the proposal being put forward?

- 1 The current contracts DN389827 for the supply of fresh bread and morning goods is due to end on 8<sup>th</sup> May 2022, with an option to extend for 12 months
- 2 The current contract is for 3 year period, from 8<sup>th</sup> May 2019 to 7<sup>th</sup> May 2022, with one 12 months extensions.
- 3 Leeds City Council require a compliant contract to ensure they can continue to provide fresh dairy produce as a nutritious part of catering services that are provided across the city.
- 4 The current contracts continue to demonstrate good value for money.

### What impact will this proposal have?

**Wards affected:**

Have ward members been consulted?

 Yes No

- 5 Approving the contract extensions will ensure the council will continue to have a supply of fresh bread and morning goods.
- 6 Having compliant contracts in place ensure the council can continue to access quality fresh bread and morning goods a variety of council departments to meet their front-line service requirements. This includes the provision of school meals, including free school meals
- 7 If contracts are not in place, the Council will be subject to non-compliant spend and potentially significantly higher prices.
- 8 Benchmarking has taken place and demonstrates the contracts continue to offer good value for money.
- 9 The Council will continue to work with the current suppliers to mitigate any impacts of food inflation in the bread sector. The council will work with the successful bidder to look for further efficiencies and added social value.
- 10 Catering Leeds holds a bronze level, "food for life served here" accreditation. Fresh bread can help in maintaining this accreditation.
- 11 The Council will work with the current suppliers to reduce carbon emissions in providing this service. The current suppliers will also be requested to make an offer of social value.

### What consultation and engagement has taken place?

- 12 Catering Leeds have been consulted as to their continuing requirements.

### What are the resource implications?

- 13 Leeds Catering and PACS have resources available to manage the contract extension for the supply of fresh bread and morning goods.

### What are the legal implications?

- 14 PACS have advised there are no legal implications to extend the contracts for the supply of fresh bread and morning goods, as this was stated in the original tender documents.

### **What are the key risks and how are they being managed?**

- 15 i) Having a compliant contract reduces any risk of legal challenge. PACS confirm that any extension risks are minimal.
- ii) Not to extend the contracts risks the council having to incur non-compliant spend with higher costs.

### **Does this proposal support the council's three Key Pillars?**

- Inclusive Growth       Health and Wellbeing       Climate Emergency

- 16 i) The existing contracts ensure catering services can continue to offer healthy meal choices to all citizens of Leeds.
- ii) The council will continue to work with the existing supplier to reduce environmental impact of the contract. This will, where possible, using greener vehicle, sourcing produce close to Leeds and making fewer deliveries.

### **Options, timescales and measuring success**

#### **What other options were considered?**

- 17 A full tender exercise was considered, but given the uncertainty in the markets, and benchmarking confirming good prices, it was felt to be a significant risk, that both significantly higher prices, or no additional bids might be forthcoming

#### **How will success be measured?**

- 18 Success will be measured by continuing with compliant contracts that meet the requirements of the council for the supply of fresh dairy produce, whilst offering excellent value for money.

#### **What is the timetable for implementation?**

- 19 The contract extensions need to be in place for 8 May 2022.

### **Appendices**

- 20 Appendix A Benchmarking - Confidential

### **Background papers**

- 21 None