

# Report to seek authority to award a contract for the Supply of Snacks and Drinks

Date: 17<sup>th</sup> November 2022

Report of: Lisa Broadest, Head of Operations & Enterprise

Report to: Chief Officer Culture and Economy

Will the decision be open for call in? ☐ Yes ☒ No

Does the report contain confidential or exempt information? ☒ Yes ☐ No

## Brief summary

The purpose of this report is to seek approval to award a contract for the Supply of Snacks and Drinks to J L Brooks Ltd.

The Supply of Snacks and Drinks is currently undertaken off contract. The contract will secure snacks, drinks and related products at the best possible prices and secure the supply chain.

If the award of the contract is not approved, then either the service required by end users cannot be provided, or significant revenue spend will be incurred off contract.

The value of the contract is estimated to be £45,037.31 per annum.

The contract was tendered in 5 Lots (Lot 1A Standard Snacks, Lot 1B Premium Snacks, Lot 2A Standard Drinks, Lot 2B Premium Drinks and Lot 2C Water) J L Brooks Ltd were the successful tenderer in all 5 Lots.

## Recommendations

The Chief Officer Culture and Economy is recommended to award a contract for the Supply of Snacks and Drinks to J L Brooks Ltd.

The contract is due to commence on 5<sup>th</sup> December 2022 for a period of 1 years, with 4 x 12-month extensions. The estimated annual value is £45,037.31 (the total estimated value including extensions is £225,186.55).

## What is this report about?

- 1 The Supply of Snacks and Drinks is currently undertaken off contract and arrangements are sporadic across the Council. Due to the lack of a contract each section has developed their own method for purchasing these products for resale.

- 2 Multiple companies are used for the supply of snacks and drinks through these local agreements.
- 3 The contract will secure snacks, drinks and related products at the best possible prices and secure the supply chain for all Council outlets.
- 4 Leeds Museums and Galleries, Arts, Events and Venues, Parks and Countryside and Civic Flavour with the guidance from Procurement and Commercial Services (PACS) advertised a tender opportunity through the YORtender Portal and Find a Tender.
- 5 The tender was split into 5 Lots (Lot 1A Standard Snacks, Lot 1B Premium Snacks, Lot 2A Standard Drinks, Lot 2B Premium Drinks and Lot 2C Water).
- 6 Two suppliers submitted a tender for all 5 Lots.
- 7 The tender submissions were evaluated by the panel and both suppliers reached the minimum score thresholds set for the evaluation criteria.
- 8 The submissions were then assessed on price and awarded to the lowest priced bidder per lot. J L Brooks Ltd were the lowest priced bidders on Lots 1A, 1B, 2B and 2C. Chapple & Jenkins Ltd were the lowest priced bidder on Lot 2A but chose to officially withdraw from the tender, Lot 2A has therefore also been awarded to J L Brooks, who were less than 0.4% more expensive on this lot.

#### **What impact will this proposal have?**

- 9 Appendices 1-5 Confidential Evaluation Matrix per lot summarise the evaluation of the tender submissions for both suppliers who submitted a bid. They show the quality scores achieved by each bidder per lot and the estimated value per lot based on a schedule of rates of the basket of goods the evaluation team put together.
- 10 If the award of the contract is not approved, then either the service required by end users cannot be provided, or significant revenue spend will be incurred non-contract.
- 11 Income generated from the sale of snack and drinks across Leeds City Council supports activities not only within Leeds Museums and Galleries but also within wider services across City Development in Arts, Events and Venues and across venues within Parks and Countryside all who have been included within this report.

#### **How does this proposal impact the three pillars of the Best City Ambition?**

☐ Health and Wellbeing
 ☒ Inclusive Growth
 ☒ Zero Carbon

- 12 Inclusive growth will be met through the contracted supplier delivering on the social value commitments provided into their social value response.
- 13 The contract will also consider the carbon impact created through manufacture and transportation of the required goods. Along with supporting related procurement food initiatives such as single use plastics, healthy weight initiatives, Fairtrade, localism, and food waste.

#### **What consultation and engagement has taken place?**

Wards affected:

Have ward members been consulted? ☐ Yes ☒ No

- 14 It is not considered that the content of this report or the recommendation made will have a significant impact on any individual ward or community.
- 15 Leeds Museums and Galleries, Arts, Events and Venues, Parks and Countryside and Civic Flavour have been involved throughout the procurement process.
- 16 Consultation and advice has been provided by colleagues in Procurement Commercial Services throughout.

### **What are the resource implications?**

- 17 The estimated annual spend from this contract is in the region of £45,037.31.
- 18 The contract will be used to generate income from the sale of snacks and drinks across Leeds City Council.
- 19 Representatives from Leeds Museums and Galleries, Arts, Events and Venues, Parks and Countryside and Civic Flavour will manage this contract going forward.
- 20 Not to approve this request to give authority to award the contract risks non-compliant spend and higher prices.

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

- 21 Not awarding this contract would mean there would be off contract spend in this area.
- 22 Not to have a contract in place will mean either the services required cannot be provided, or significant expenditure will be incurred non-contract.
- 23 It is important to secure a negotiated position on snacks, drinks and related products to refresh the current stock throughout the services.
- 24 PACS have provided guidance to ensure any risk in awarding a new contract is reduced.

### **What are the legal implications?**

- 25 The procurement was undertaken in line with the Council's Contract Procedure Rules and the Public Contract Regulations 2015.
- 26 In making the final decision, the decision maker should note the above comments and be satisfied that the course of action chosen represents best value for the Council.
- 27 The decision is a significant operational decision and not open to call in.

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

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

- 28 Do nothing and allow the spend on Snacks and Drinks to continue off-contract.

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

- 29 Key Performance Indicators will be implemented and managed by the contract managers.
- 30 Continued supplier reviews will ensure the new contract demonstrates value for money and is successful.

### **What is the timetable and who will be responsible for implementation?**

- 31 The contract needs to be in place for 5<sup>th</sup> December.

## **Appendices**

- Appendix 1 Confidential Evaluation Matrix Lot 1A
- Appendix 2 Confidential Evaluation Matrix Lot 1B
- Appendix 3 Confidential Evaluation Matrix Lot 2A
- Appendix 4 Confidential Evaluation Matrix Lot 2B
- Appendix 5 Confidential Evaluation Matrix Lot 2C

## **Background papers**

- [Link to Approval to Procure Decision](#)