

Procurement Title

The Supply of Food and Drink Products to Lancashire County Council

Procurement Option

Public Contracts Regulations 2015 Compliant – Above Threshold Open Tender Procedure

The use of an external 3rd party framework has been discounted for the supply of these contracts. Under the provision of a food distribution network (approved by Cabinet in November 2022), a strategy was agreed to appoint a main distributor so that the individual supply of food groups could be tendered in such a way as to encourage bids from local small and medium size enterprise providers. The use of a 3rd party framework would not support this strategy as they restrict the potential number of suppliers who are able to bid for these contracts and in the majority of cases, are limited to large-scale national suppliers.

New or Existing Provision

Existing

Estimated Contract Value and Funding Arrangements

Approximately £6,600,000 to £7,600,000 per annum

Estimated Total Contract Value: £13,200,000 to £15,200,000

*Approximately 90 to 95% will be funded by the School and Residential Care Catering Service (Facilities Management) and the remaining 5% to 10% across the rest of the county council, including but not limited to: Facilities Management Services, Children's Services and Adult Services.

Contract Duration

12 Month Framework Agreement with the option to extend for a maximum period of a further 12 months.

(Same contract length for each Lot, although the commencement dates may vary between Lots due to current arrangements.)

Lotting

Lot	Product Type	Proposed Commencement Date
Lot 1	Cheese	4 th July 2023
Lot 2	Milk	4 th July 2023
Lot 3	Eggs	4 th July 2023
Lot 4	Yoghurt	4 th July 2023
Lot 5	Cooked Meats	4 th July 2023
Lot 6	Sandwich Fillings	4 th July 2023
Lot 7	Cooking Oils	4 th July 2023
Lot 8	Fresh Non-Halal Meat Products (Primary Schools Only)	1 st December 2023
Lot 9	Organic Pasta, Flour and Rice Products	1 st September 2023
Lot 10	Tinned Tuna	1 st September 2023
Lot 11	Baked Beans	1 st September 2023
Lot 12	Chopped Tomatoes and Puree	1 st September 2023
Lot 13	Butter and Cooking Spreads	1 st September 2023
Lot 14	Frozen White Fish Products	1 st September 2023
Lot 15	Frozen Vegetables	1 st September 2023
Lot 16	Miscellaneous Groceries	1 st September 2023
Lot 17	Miscellaneous Frozen Food Products	1 st September 2023

Evaluation – Applicable to each Lot

Quality Criteria 30%

Financial Criteria 70%

Social Value will account for 10% of the quality criteria focusing on environmental sustainability, supporting themed events in schools, promoting healthy eating in schools, and promoting training and employment opportunities for the people of Lancashire, particularly, those from vulnerable groups, i.e. looked after children. A lower weighting has been placed on the quality criteria as thorough product specifications, which tenderers must be able to meet, will be included in the tender documentation. The ability to meet the requirements of the specifications will be included as pass/fail criteria. In addition, areas such as ordering, invoicing and logistics are covered by the Authority's contracted distributor.

Contract Detail

The current food and drink contracts (product groups detailed within the Lotting section of this report) have been awarded and in place between a period of 4th July 2019 and 1st September 2021.

In November 2022, Cabinet approved the commencement of a procurement exercise to identify a single provider to operate a food distribution network (including supply of Fresh Fruit and Vegetables). This contract is due to commence on the 1st May 2023 and is currently in the latter stages of evaluation and is likely to be awarded late February / early March 2023.

Following the award of the above contract, the strategy is to immediately tender for supply only contracts, of the above lotted product ranges into the council's contracted distributor

These supply contracts will then commence on the dates provided and will be staggered as outlined in the Lotting section to allow for a gradual rollout as opposed to wholesale change of every single lot, which may create logistical issues. The nominated distributor will deliver these products to over 550 council units, the majority of these being schools and colleges.

The aim of this strategy is to encourage bids from local small and medium size enterprises that do not have the infrastructure to distribute their products to the number of units stated above and at the frequency required, across the entire Lancashire region.

There are no restrictions for the number of Lots suppliers can bid for and subsequently no restrictions for the number lots that can be awarded to any individual supplier.

Procurement Title

Provision of Apprenticeship Levy Training for Social Worker Level 6

Procurement Option

Further Competition using the Yorkshire Purchasing Organisation third party framework for Apprenticeships and Associated Training Framework

New or Existing Provision

Existing – current contract runs to May 2023

Estimated Contract Value and Funding Arrangements

Approximately £2.8 million over the four year contract period.

Where an Employer's pay bill exceeds £3m – the Apprenticeship Levy will be charged at a rate of 0.5% of the pay bill. Each apprenticeship qualification is allocated to one of 30 funding bands, which range from £1,500 to £27,000. This band sets the maximum amount of digital funds an employer who pays the levy can use towards an individual apprenticeship.

Contract Duration

Initial period of 24 months with an option to extend the contract beyond the initial term to a maximum of a further 24 months.

Lotting

Not Applicable.

Evaluation

Quality Criteria 90%	Financial Criteria 10%
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Apprenticeship qualifications are subject to funding bands, resulting in minimal pricing differences across training organisations, the financial criteria weighting is deliberately low (at 10%) in order to allow a higher focus on the required quality aspects. Social value will account for 10% of the quality criteria focusing on delivery the main social value objectives, in particular, retaining skills within the Lancashire area, promoting training and employment opportunities for local people and raising the living standards of local residents.

Contract Detail

The Apprenticeship Levy is a levy on UK employers to fund apprenticeships. In England, control of apprenticeship funding will be put in the hands of employers through the Digital Apprenticeship Service account. The levy is charged at a rate of 0.5% of an employer's pay bill. The Levy arrangements were introduced in April 2017.

The Council's Skills, Learning & Development Team are responsible for the management of the Apprentice Levy funding that supports the apprentice qualification training to all of the Council Services and the 300 Schools (where the Council is the Employer).

The Levy funding can only be used to fund apprenticeship training – it can't be used to the fund salaries of employees.

The Council currently has a multi lot framework which commenced in 2021 to meet a number of training requirements. In addition to the framework, the Council has additional training requirements being identified by the service areas which need to be procured.

In 2019 a procurement strategy paper identified the different procurement options available to the Council to simplify the procurement and contract award process for apprentice levy contracts. In addition to the formal tender processes conducted by the procurement service the report included details of a compliant third party framework let by the Yorkshire Purchasing Organisation which allows for direct awards and further competitions.

The current agreement for the provision of contract for the Training for Social Worker Level 6 ends May 2023, a new contract is required from July 2023, the Council is therefore required to undertake a tender exercise to meet the training requirements which will be completed via a further competition using the Yorkshire Purchasing Organisation framework based on an initial contract period of 24 months with the option to extend for a further 24 months.