

TO: EXECUTIVE
DATE: 15 JUNE 2020

SCHOOL MEALS SERVICE - AWARD OF CONTRACT
(Executive Director, People)

1 PURPOSE OF REPORT

- 1.1 The purpose of the report is to seek approval to award of contract for the framework for provision of school meals due to commence from August 2020.
- 1.2 This decision report is late because the procurement process was delayed by Covid for approximately six weeks.
- 1.3 The award decision is urgent because of the time needed for mobilisation (including TUPE) that needs to take place before the contract goes live in August.

2 RECOMMENDATION

- 2.1 **That subject to consultation with participating schools, the contract for the framework for provision of the school meals service from August 2020 be awarded to Contractor A on the attached confidential Annex.**

3 REASONS FOR RECOMMENDATION

- 3.1 The current contract for the provision of school meals expires at the end of July 2020.
- 3.2 Following consultation with schools, the re-procurement of this service commenced in 2019, but has been delayed by the Covid-19 outbreak and is currently running approximately six weeks behind schedule.
- 3.3 Whilst the tender evaluation is complete, time is required to consult schools on the tender outcome, so the award decision is subject to consultation with participating schools.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Doing nothing is not an option because the current contract expires at the end of July 2020, after which there will be no provision for school meals from September 2020.
- 4.3 Schools could be required to make their own arrangements, however there would be insufficient time for schools to organise the re-procurement of this service for themselves, or make arrangements to bring the service in-house by employing their own staff.

5 SUPPORTING INFORMATION

Background

- 5.1 The current school meals contract commenced in 2011 and was subsequently extended twice under the original contract provisions. The contract expires at the end of July 2020.
- 5.2 The current contract is managed by the Council on behalf of schools under a service level agreement which covers the Council's costs.
- 5.3 A total of 21 schools currently participate in this contract.

New Framework Contract

- 5.4 From August 2020, 12 schools have committed to participating in the new Framework Agreement. The remaining schools will make their own arrangements for school meals by a combination of individually tendered contracts and in-house delivery.
- 5.5 Under the new Framework Agreement individual schools will enter into call-off contracts with the approved supplier.
- 5.6 The new Framework Agreement will be open to any other schools in Berkshire to join in the future, and if the contract proves successful, it is intended to market this Framework to increase the number of participating schools and the overall financial viability.
- 5.7 The new Framework will run for three years from August 2020 to July 2023 with the option to extend for a further year to July 2024. The Framework value is estimated at approximately £750k per annum for the 12 Bracknell Forest schools. This would obviously increase should additional schools decide to use the framework during its term. The total estimated framework value stated in OJEU advert was between £2,000,000 and £6,000,000 (6 million) depending on framework and call-off contract lengths and take up by other Berkshire schools.

Tenders

- 5.8 In October 2019 the Executive approved the Procurement Plan, and following advertisement and evaluation of Selection Questionnaires, tenders were invited. The submitted tenders have been evaluated against the pre-defined criteria, based on the 50/50 Cost/Quality ratio in the Procurement Plan.
- 5.9 Following the COVID-19 outbreak, one tenderer decided to withdraw following a decision to furlough the business.
- 5.10 Supplier presentations were held remotely on 13th and 14th May 2020 using an internet collaboration tool where the remaining tenderers were given the opportunity to market their companies and to respond to clarifications raised during the initial desk-based tender evaluation.
- 5.10 Following the presentations, the tenderer that had scored highest during the desk-based tender evaluation remained ranked 1st.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The framework has been set up in accordance with the requirements of the Public Contract Regulations 2015 and the Council's Contract Standing Orders.

Director of Finance

- 6.2 Schools are responsible for the provision and funding of school meals and will therefore experience a financial gain from this proposal. In respect of the Council, the number of schools purchasing the School Meals Contract Management Service Level Agreement has reduced and there will be a resultant £0.010m reduction in income from school support services which will need to be managed from within the overall budget of the People Directorate.

Head of Corporate Procurement

- 6.3 Procurement comments have been incorporated into this report and confidential Annexe.

Equalities Impact Assessment

- 6.4 An initial EIA screening was completed at Procurement Plan stage, but it is not considered that this decision is likely to affect or impact relevant groups.

Strategic Risk Management Issues

- 6.5

| Issue | Risk | Comment |
|------------------|-------------|---|
| Financial Risk | LOW | The 12 participating schools is in excess of the minimum of 10 schools previously estimated for financial viability |
| Programme Risk | MEDIUM | The procurement process has been delayed by Covid-19, but there is still time to mobilise for August 2020. |
| Commercial Risk | LOW | Sufficient tenders have been received which enables demonstration of value for money. |
| Viability Risk | LOW | Participating schools have been required to commit to lock into the new Framework for the duration of the contract period. |
| Performance Risk | MEDIUM | There are contractual key performance indicators and schools have the option to pay for contract monitoring in the Council SLA. Ultimately it is for the contractor to perform. |

7 CONSULTATION

Principal Groups Consulted

7.1 Schools and BFC Procurement Team.

Method of Consultation

7.2 In 2019 all schools were consulted by email about whether they wished to participate in a new Framework.

7.3 A working group was subsequently established comprising four Headteacher representatives who met to review and draft the specification and terms & conditions.

7.3 The 12 participating schools were consulted on 4th May by letter about whether to continue with the re-tendering process during Covid.

Representations Received

7.4 Twelve BF schools have committed to participating in the new Framework.

7.5 The Headteacher representatives on the working group input directly into the wording of the new specification and terms & conditions.

7.6 A majority of participating schools expressed their preference for the re-procurement to be completed.

Background Papers

- Procurement Plan
- Invitation to Tender

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