

# LONDON BOROUGH OF BRENT

## MEETING OF THE EXECUTIVE 28 May 2003

### REPORT FROM THE DIRECTOR OF SOCIAL SERVICES

FP NO

NAME OF WARD(S)  
ALL

### PROCUREMENT OF FROZEN MEALS FOR MEALS SERVICES

Above  Below

**Confidential Line**  
(Except Appendix 2)

#### 1. SUMMARY

- 1.1 Following the report to the Executive on 10 February 2003 this report requests approval to invite tenders in respect of the procurement of frozen meals for the Meals on Wheels, Day Centre and Luncheon Club Meals. It also provides information on the progress in formulating proposals for the future provision of the entire service.
- 1.2 Appendix 2 contains information on the value of the contract and is not for publication. This part of the report is not for publication as it contains the following categories of exempt information as specified in Schedule 12A to the Local Government Act 1972, namely

"The amount of any expenditure proposed to be incurred by the authority under any particular contract for the acquisition of property or the supply of goods or services".

#### 2. RECOMMENDATIONS

- 2.1 The Executive to give approval to the pre-tender considerations and evaluation criteria as set out in paragraph 6.4 of the report.
- 2.2 The Executive to give approval to officers to invite tenders and evaluate in accordance with the approved evaluation criteria referred to in 2.1 above.
- 2.3 The Executive to note the process to be employed to formulate proposals on options for the future delivery of the entire service.

### **3. FINANCIAL IMPLICATIONS**

- 3.1 The Council's Contract Standing Orders state that contracts for supplies and services exceeding £500k or works contracts exceeding £1 million shall be referred to the Executive for approval to invite tenders and in respect of other matters identified in Standing Order 89.
- 3.2 The estimated value of this supplies contract is in excess of £500k over the lifetime of the contract.
- 3.3 It is anticipated that the cost of this contract will be funded from existing resources.

### **4. STAFFING IMPLICATIONS**

- 4.1 This is a contract for the supply of frozen meals and therefore has no staffing implications for the Council.

### **5. LEGAL IMPLICATIONS**

- 5.1 The estimated value of this contract is higher than the EU threshold for Supplies. The tendering of this is therefore governed in full by the European Public Procurement Regulations as well as the Council's own Standing Orders in respect of High Value Contracts and Financial Regulations.
- 5.2 Once the tendering process is undertaken officers will report back to the Executive in accordance with Contract Standing Orders, explaining the process undertaken in tendering the contract and recommending award.

### **6. DETAIL**

- 6.1 Following the agreement by the Executive that all meals for Meals on Wheels, Day Centres and Luncheon Clubs should be purchased as frozen complete meals, regenerated in the Meals Service Kitchens and delivered hot, interim arrangements for their supply were made with the suppliers nominated in the report. This arrangement commenced on 1 May 2003 and will result in savings of £187,000 in the financial year 2003/4 after taking into account redundancy costs. At that time it was envisaged that this would be a short term arrangement whilst proposals for the longer term provision of the entire service were formulated. It is now apparent that more in depth analysis, research and consultation needs to be carried out to evaluate the wide range of options available for the longer term so that realistic and acceptable proposals can be formulated. A consultant has been engaged to carry out this work commencing in May 2003 with a view to reporting proposals for the whole service back to the Executive in September 2003. If the recommendation is to change the way the service is provided and a tendering process is necessary to implement the recommendation this is likely to take a further year. It is therefore necessary to undertake a tendering process now to

formalise the interim purchasing arrangements for the frozen meals to ensure the procurement is in line with the Council's Contract Standing Orders and the European Public Procurement Regulations. The contract planned to commence in February 2004 will contain a clause allowing the Council to terminate upon notice to enable any new arrangements arising out of the investigation into alternative options to commence as soon as the further tendering process is completed.

6.2 This report therefore seeks approval from the executive for the tendering of the supply of frozen meals and for the procurement process to be undertaken.

6.3 As part of the tender evaluation process tenderers will be asked to submit sample meals which will be evaluated by a panel of service user representatives. This element of the evaluation will carry a high weighting to ensure that meals are acceptable to service users. In addition officers will visit tenderers production units to check food hygiene and health and safety standards are being met and maintained.

6.4 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations have been set out below for the approval of the Executive.

<b>Ref</b>	<b>Requirement</b>	<b>Response</b>
(i)	The nature of the service	Supply of Frozen Meals for Meals on Wheels, Day Centres and Luncheon Clubs
(ii)	The estimated value	In excess of £500k over the term of the contract including the potential 1 year extension
(iii)	The contract term	Two years with a possible extension of one year at the option of the Council
(iv)	The tender procedure to be adopted	Two-stage restricted process – European Public Procurement Regulations apply
(v)	The procurement timetable	<p>Indicative dates are:</p> <ul style="list-style-type: none"> <li>▪ Adverts placed 30 May 03</li> <li>▪ Expressions of interest returned 8 July 03</li> <li>▪ Shortlist drawn up in accordance with the Council's approved criteria 22 July 03</li> <li>▪ Invite to tender 25 July 03</li> <li>▪ Deadline for tender submission 18 Sep 03</li> <li>▪ Panel evaluation and shortlist for site visits/meals samples 30 Sep 03</li> <li>▪ Site Visits 1-17 Oct 03</li> <li>▪ Food Samples Evaluation 22 Oct 03</li> <li>▪ Final Panel Evaluation 23 Oct 03</li> <li>▪ Report recommending contract award circulated internally for comment by 21 Nov 03</li> <li>▪ Executive approval Dec 03</li> <li>▪ Contract start date 1 Feb 04</li> </ul>
(vi)	The evaluation criteria and	Shortlists are to be drawn up in accordance with the Council's Contract Management Guidelines,

	process	<p>namely the select list questionnaire and thereby meeting the Council's financial standing requirements, health and safety standards and technical expertise. The panel will evaluate the tenders against the following criteria:</p> <ul style="list-style-type: none"> <li>▪ Production standards of meals including food hygiene standards</li> <li>▪ Demonstrated ability to provide service</li> <li>▪ Quality of meals</li> <li>▪ Range of meals</li> <li>▪ Service User acceptability</li> <li>▪ Packaging of meals</li> <li>▪ Portion sizes</li> <li>▪ Nutritional content</li> <li>▪ Delivery arrangements</li> <li>▪ Sub-contracting arrangements</li> <li>▪ Business Continuity</li> <li>▪ Price</li> </ul> <p>A draft evaluation grid is set out in Appendix 1</p>
(vii)	Any business risks associated with entering the contract	No specific business risks are considered to be associated with entering into the proposed contract. Financial Services and Legal Services have been consulted.
(viii)	The Council's Best Value duties.	The Meals Service had a full Best Value review completed in April 2000 and the letting of this contract is necessary as a result of the implementation of service efficiency recommendations.
(ix)	Any staffing implications, including TUPE	None, see section 4 above
(x)	The relevant financial, legal and other considerations	See sections 3 and 5 above

6.5 The Executive is therefore asked to give its approval to these proposals as set out in the recommendations of this report and in accordance with Standing Order 88.

## 7. BACKGROUND INFORMATION

7.1 Report to the Executive "Reorganisation of Meals on Wheels Service" on 10 February 2003 and associated minutes.

7.2 Any person wishing to inspect the above report or requiring further information should contact :

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**APPENDIX 1**

**PROCUREMENT OF FROZEN MEALS FOR MEALS SERVICES SEPTEMBER 2003- TENDER EVALUATION MATRIX**

Criterion	Tenderer 1			Tenderer 2			Tenderer 3			Tenderer 4			Tenderer 5			Tenderer 6			Tenderer 7			Benchmark Min Acceptable Scores					
	Weight	Score	Total	Weight	Score	Total	Weight	Score	Total	Weight	Score	Total	Weight	Score	Total	Weight	Score	Total	Weight	Score	Total	Weight	Score	Total			
<b>Production Standards</b>																											
Food Hygiene Practices	12			12			12			12			12			12			12			12			12	6	72
Application of H&S	12			12			12			12			12			12			12			12			12	6	72
Quality Control	10			10			10			10			10			10			10			10			10	6	60
<b>Demonstrated Ability</b>																											
References	9			9			9			9			9			9			9			9			9	6	54
Quality Management System	9			9			9			9			9			9			9			9			9	6	54
Complaints Handling	10			10			10			10			10			10			10			10			10	6	60
<b>Quality of Meals</b>	12			12			12			12			12			12			12			12			12	6	72
<b>Range of Meals</b>	10			10			10			10			10			10			10			10			10	6	60
<b>Service User Acceptability</b>	15			15			15			15			15			15			15			15			15	6	90
<b>Packaging of Meals</b>	10			10			10			10			10			10			10			10			10	6	60
<b>Portion Sizes</b>	10			10			10			10			10			10			10			10			10	6	60
<b>Nutritional Content</b>	12			12			12			12			12			12			12			12			12	6	72
<b>Delivery Arrangements</b>	10			10			10			10			10			10			10			10			10	6	60
<b>Sub-contracting Arrangmts</b>	10			10			10			10			10			10			10			10			10	6	60
<b>Business Continuity</b>	3			3			3			3			3			3			3			3			3	6	18
<b>Price</b>	7			7			7			7			7			7			7			7			7	6	42
<b>Best Value Considerations</b>	7			7			7			7			7			7			7			7			7	6	42
<b>TOTAL</b>																											1008

Signed by the Evaluation Panel Members

Weight =weighting, the relative significance of the element  
 Score =score on a 1-10 scale as indicated  
 Total =weighting multiplied by score

**Key to Scores**  
 1-4 Unacceptable  
 5-7 Acceptable  
 8-10 Excellent

