

Bath & North East Somerset Council – School Food Contract

Bath & North East Somerset Council (B&NES) has a service which provides meals in primary schools on a daily basis. The cooks in the schools prepare all the lunches (hot meals, salads, etc) fresh on the day they are consumed. These can either be cooked in the kitchens on site or, if the schools do not have kitchens, then another school's kitchen will make lunches and deliver them to the kitchen-less schools.

In order to make the lunches, fresh meat, vegetables and fruit need to be delivered to the schools on a regular basis, on specified days and within specified time slots to minimise disruption to the school. There cannot be an occasion where the schools cooks have no ingredients to make the lunches. Over 7,000 lunches are made per day across the area.

The contract being procured replaces is a contract broken into five lots with one supplier per lot. The contract to provide fresh meat, vegetables and fruit was due to be let in 2016. This replaced a contract that was coming to an end and could not be extended.

Under their procurement strategy B&NES have a commitment to buy from suppliers within their region and under the Local Food Strategy, they have another commitment to use local producers and suppliers where possible. However, these local suppliers and producers tend to be small without the logistical function to deliver to over 30 kitchens as and when needed. Historically, there has been little or no co-ordination between them to set up this logistics and transport requirement although it has been identified previously as needed.

B&NES, as a local authority, is governed by the EU Procurement Directive which controls how contracts for goods and services are obtained and have to follow set rules and procedures. Fortunately, in 2015 the rules on called a Dynamic Purchasing System were relaxed making it easier to implement.

Two key policies which had recently been adopted by the Council:

- 1 "Think Local" Procurement policy; encouraging local suppliers to be used wherever possible.
- 2 The Local Food Strategy which had a commitment to using procurement to support the local, rural economy.

After extensive market and stakeholder consultation, B&NES decided to let the contract in a completely different way to the previous contract. Remember the unmet requirement for logistics and transport? That held the key to making the new arrangement work whereby local producers and suppliers could be used. What was required was an organisation that already had:

- ✓ knowledge of local producers and suppliers
- ✓ had a logistics hub in the area which could receive (or collect) goods from local producers and suppliers
- ✓ could make consolidated deliveries to schools; ie, everything delivered on one delivery drop at the pre-arranged time

But, it had already been identified that such an organisation did not exist. However, what did exist was an organisation that *could* potentially work in that way and had some of the elements in place already although it served a retail market, rather than a public sector market. For this organisation there was a huge opportunity to expand the business but one which came with significant risk (unless mitigated) and where rewards would be significant. They decided to accept the opportunities, risk and rewards and work with B&NES.

Working with this organisation was also a challenge for B&NES as such an arrangement had not been done before. Between the two organisations there needed to be significant trust and a willingness to work in partnership for mutual benefit. In order to formalise the partnership approach, B&NES entered into a partnership agreement with the organisation. The organisation had been working on the development of its systems prior to the partnership agreement being signed based on assurances made by B&NES.

The subsequent contract model is illustrated below. The partner organisation (Fresh-Range) is responsible for order delivery and consolidation, quality assurance on suppliers, provide a single order point (with orders coming in from the school cooks), supplier management and an element of cost control. B&NES also have another contract direct with the suppliers and producers (the Dynamic Purchasing System) but this feeds in directly to the partner organisation.



