

North Lanarkshire Council Report

Environment and Climate Change Committee

Does this report require to be approved? Yes No

Ref: LR/AH

Date: 30 April 2025

Contract Award for Supply and Delivery of Fresh Fruit and Vegetables

From Lyall Rennie, Chief Officer (Community Operations)

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Executive Summary

The Committee is asked to acknowledge the award of a contract for the Supply and Delivery of Fresh Fruit and Vegetables (the 'Agreement') to George Carruthers & Sons Limited. The Agreement was procured on behalf of the council by South Lanarkshire Council (SLC) in a joint collaborative arrangement.

The Agreement commenced on 01 April 2025 for an initial period of 36 months with an option to extend Agreement for additional periods up to a maximum of a further 12 months.

The total value of the Agreement is £4,773,744.75 exclusive of VAT with the councils value totalled at £2,423,597.73 across the Agreements full four-year term.

Recommendations

It is recommended that Environment and Climate Change Committee:

- (1) Acknowledges the award of the Agreement by South Lanarkshire Council to George Carruthers & Sons Limited, with the councils total value being at the value of Two Million Four Hundred and Twenty-Three Thousand Five Hundred and Ninety-Seven Pounds and Seventy-Three Sterling (£2,423,597.73) exclusive of VAT.

The Plan for North Lanarkshire

Priority Improve the health and wellbeing of our communities

Ambition Statement (25) Ensure intelligent use of data and information to support fully evidence based decision making and future planning

Programme of Work Statutory / corporate / service requirement

1. Background

- 1.1 The council is required to purchase a wide range of fresh fruit and vegetables to enable the delivery of school meals, catering options etc.
 - 1.2 The requirements within this Agreement were previously under contract with George Carruthers & Sons Limited. This arrangement expired on 31 March 2025 with the Agreement detailed within this report superseding it.
 - 1.3 The current arrangement commenced in April 2020, again in collaboration with SLC being the lead authority in a joint partnership with the council and procured via the existing Scotland Excel framework at the time of procurement. This was for an initial period of 3 years to 31 March 2023 with the option to extend for up to 24 months subject to availability of funding and satisfactory performance.
 - 1.4 The council has an annual spend of circa £530,000 with Facility Support Services, Community Operations having the largest spend for all the council's services.
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2. Report

- 2.1 A group of technical and procurement representatives was formed to develop and agree the procurement strategy for the Agreement to enable the council to achieve maximum benefit for the requirements.
- 2.2 The initial estimated value of the Agreement dictated that the procurement procedure be undertaken in accordance with the Public Contracts (Scotland) Regulations 2015.
- 2.3 The procurement procedure was undertaken by SLC as a "Direct Award" from the Scotland Excel framework agreement for Fresh Fruit and Vegetables 0823 (the "Framework")
- 2.4 Following the justification detailed and appraised within the associated contract strategy document, SLC (with input and agreement from the council) considered that the Direct Award procedure was justified as:
 - the councils have used the previous three generations of the Framework and has proven to be a cost effective and reliable route to market.
 - The Framework selection criteria states where councils consider that the Framework sets out all the terms governing the provision of the requirements;
 - suppliers on the Framework were assessed on a 25% price / 75% quality basis to enable appointment;
 - ability to obtain additional commercial benefits based on:
 - % On-cost applicable to Tender Prices
 - % Discount applicable to Tender Prices
 - availability of appropriate measures based on Fair Work First, Sustainability, and Community Benefits; and
 - undertaking of a benchmarking analysis against previous contractual pricing that pricing available via the Framework that indicated potential savings and efficiencies.
- 2.5 The tender received from George Carruthers & Sons Limited. underwent appropriate appraisal to ensure it was complete / compliant with the council's requirements and demonstrated best value.

- 2.6 Further details of the procurement procedure is provided in Appendix 1 and the SME status and location of the tenderer is located within Appendix 2.

Financial / Budget Consideration

- 2.7 The councils pre-tender wholelife estimate budget for the Agreement was circa £2,500,000.
- 2.8 Based on the councils value within the Agreement, price received resulted in a circa £75,000 saving below pre-tender estimates. Additionally, based on the benchmarking undertaken by SLC, rates agreed by George Carruthers & Sons Limited could result in a potential further saving of circa 13.5% based on items included within Agreement, However, given the recent volatility of food pricing, and the purchasing of requirements via the Agreement can be sporadic and pertinent to supply and demand, any potential savings detailed previously cannot be guaranteed.
- 2.9 The costs associated with delivery of the Agreement will be contained within the revenue budget for Facility Support Services, Community Operations.

Price Stability

- 2.10 Prices within the Agreement are fixed for the first 12 months, Thereafter, prices will follow the price stability process applied within the Framework. Accordingly, Scotland Excel will undertake appropriate analysis on receipt of a price request from George Carruthers & Sons Limited and determine whether this should be applied or not as per the Frameworks governance arrangements.

Community Benefits

- 2.11 The council is committed to maximising the delivery of community benefits. The procurement included a community benefit requirement, this approach is designed to deliver local community benefits where possible.
- 2.12 Within their tender, George Carruthers & Sons Limited and committed to deliver community benefits within the Agreement specific to North Lanarkshire. Community Benefits will be agreed as part of the Agreements mobilisation and will follow the process set out in the Framework.

Fair Work First

- 2.13 As part of the Frameworks contract management, Scotland Excel will continue to monitor Fair Work Practices including encouraging further uptake by suppliers committing to paying staff the Real Living Wage, during contract and supplier management activity.
- 2.14 In Addition to above and specific to this Agreement, George Carruthers & Sons Limited are an accredited real living wage employer.

Contract Management

- 2.15 Officers from Facility Support Services, Community Operations will be responsible for managing the Agreement which will be undertaken in accordance with the contract and supplier management conditions applied within the Agreement.
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3. Measures of success

The Agreement will deliver the following outcomes;

- 3.1 Best Value has been considered to be demonstrated as outlined above in sections 2.4 and 2.8 above;
- 3.2 The appointment of a supplier who has the experience and capability to provide the requirements in an efficient form of arrangement;
- 3.3 Conclusion of a procurement procedure that is compliant with procurement legislation and internal procedures; and,
- 3.4 Delivery of a range of Community Benefits in the form of a rebate provided direct to the council to apply accordingly.
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4. Supporting documents

- 4.1 **Appendix 1** Summary of Procurement Process
- 4.2 **Appendix 2** SME Status and Location of All Tenderers
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Lyall Rennie
Chief Officer (Community Operations)

5. Impacts (<http://connect/report-template-guidance>)

<p>5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? A budget has been agreed with finance to ensure delivery of contract.</p>
<p>5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.6 Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>

Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?

Yes No

5.7 Environmental / Carbon impact

Does the report / project / practice contain information that has an impact on any environmental or carbon matters?

Yes No

If Yes, please provide a brief summary of the impact?

5.8 Communications impact

Does the report contain any information that has an impact on the council's communications activities?

Yes No

If Yes, please provide a brief summary of the impact?

5.9 Risk impact

Is there a risk impact?

Yes No

If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?

Key risks are the contract supplier is unable to deliver produce to schools and impact delivery of schools meals. Contingency plans are in place as per Corporate risk assessment.

5.10 Armed Forces Covenant Duty

Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?

Yes No

If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.

5.11 Children's rights and wellbeing impact

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes No

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes No

Appendix 1 – Summary of Procurement Process

CPT Contract Reference Allocated:	NLC-CPT-24-070 (SLC/CE/24/085)
Procurement Procedure Utilised:	Direct Award From Framework Agreement
Governing Legislation / Regulations:	Public Contracts (Scotland) Regulations 2015
Date Contract Strategy Approved:	10 March 2025
Framework Owner:	Scotland Excel
Framework Title:	Fresh Fruit and Vegetables
Framework Reference Number:	0823
Companies Appointed to Framework:	10 (Only 4 could service Lanarkshire)
Number of Tenders Received:	1
Tenders from SME's:	1
Tenders from NLC Based Tenderers:	0
Tenders from Supported Businesses:	0
Number of Recommended Tenderers:	1
Start Date of the Agreement:	01 April 2025
Total Agreement Period (Months):	36 + 12
Awarded Value of the Agreement:	£2,423,597.73

Appendix 2 – SME Status and location of all Tenderers

Name of Tenderer	Size of Tendering Organisation (Micro, Small, Medium or Large)	Location (Local Authority / Council Area)
George Carruthers & Sons Limited	Small	Glasgow City