

Strategic Procurement Unit
Town Hall, Main Road,
Romford, RM1 3BB

ross.duguid@onesource.co.uk

Tel: 07982427595

W www.onesource.co.uk

24 January 2020

Christine Cornall
Catering Operations Manager
Waltham Forest Catering
Room 203, 313 Billet Road,
Walthamstow, E17 5PX.

Jenny Pittam
Interim Head of Contract Services,
London Borough of Tower Hamlets
Toby Lane Council Offices
Toby Lane
Stepney
London E1 4DN

Dear Christine and Jenny

Re: Response to letter concerning the delivery of Procurements on behalf of the PAL/ LCSG Consortia

Thank you for your letters dated 9th December 2019 and 13th January 2020.

I have reviewed the issues you raised and can respond as follows:

Firstly, you asked why oneSource had not effectively managed the contract tender process.

Over time the central procurement department lost a number of staff members that had not been replaced for a variety of reasons. This led to capacity issues, including delays in procuring the catering contracts. Since I have taken over the leadership of the Service earlier this year I have rebuilt capacity through the engagement of a number of interims and implemented a restructure that will shortly see them replaced by permanent members of staff.

As a result we now have dedicated staff working on the procurement of these three contracts that are timetabled to be awarded by mid-Summer 2020, well ahead of the January 2021 date you referred to in your letter for which you sought assurances. We will send an up to date procurement plan by separate cover.

These are resource intensive procurements that, under current arrangements co-terminate. We would propose that we include provisions in future frameworks to allow the procurements to be staggered, reducing the strain on resource. Appendix 1 provides a table of recommended expiry dates. Further, in future we propose to move to a call-off contract arrangements rather than the current access agreements.

To clarify, despite whatever may have been the original intention of the MOU, the current level of rebate does not in practice fund **any** of the oneSource procurement activity. It is used to resource the ongoing framework management activities for the arrangements (which sit within Havering's Catering function). Whilst I am committed to ensure we deliver the current round of procurements, beyond this I hope you can appreciate this is no longer a sustainable arrangement for the procurement department for which it is not budgeted. The commitment I have made above will offer PAL the opportunity to discuss and agree appropriate future resourcing arrangements. I hope you can appreciate that the nature of the service we provide also means I cannot accept your request for indemnification.

With regard to forgoing the supplier contributions, as I have indicated above this will have no bearing on the procurements but may affect the ability of Dennis Brewin's team to continue to manage the future frameworks. I will leave you to have these discussions directly.

If you would like to discuss any aspects of my response please feel free to contact me at the below number or email.

Yours sincerely

A handwritten signature in black ink, appearing to be 'RD', written in a cursive style.

Ross Duguid | Interim Head of Procurement
oneSource

Town Hall, Main Road, Romford, RM1 3BB

Tel: 07982427595

e ross.duguid@haverling.gov.uk

w www.haverling.gov.uk

oneSource Shared Services – your shared service working for Bexley, Havering and Newham councils

Appendix: Proposed Contract Durations

Assumptions: As food not required over School holidays, the best time for the new food contracts to start is during the summer break.

	Current expiry date	Proposed Duration	Proposed Expiry date	Next re-let maximum duration	Expiry Date	Next re-let maximum duration	Expiry Date
LCG Catering disposables	(NB Let earlier this year)	48 months (actual)	31 st May 2023 (actual)	43 months	31 st December 2027	48 months	31 st December 2031
LCG Light Catering Equipment	With Extension 30 August 2020	28 months	31 st December 2022	48 months	31 st December 2025	48 months	31 st December 2029
LCG Fresh Fruit and Vegetables	With Extension 31 st July 2020	24 months	31 st July 2022	48 months	31 st July 2026	48 months	31 st July 2030
LCG Ambient Temperature goods	31 st December 2020	36 months	31 st July 2023	48 months	31 st July 2027	48 months	31 st July 2031
LCG Fresh and Frozen Meat and Poultry	With Extension 31 st July 2020	48 months	31 st July 2024	48 months	31 st July 2028	48 months	31 st July 2032

It should be noted that the mobilisation period required to account for any TUPE issues should be at least two months before the contract starts. That period will also allow the Councils to complete their call-off contracts ready for when their current call-offs end.