EXCELLENCE IN CATERING PROCUREMENT
DENBIGHSHIRE COUNTY COUNCIL

Without TUCO’s procurement support, school meals in Denbighshire would have cost the council an extra £270,000 this year. But it’s the back-office assistance – due diligence, market intelligence and EU tender support - that staff value just as highly.

Denbighshire has some of the lowest priced school meals in Wales. The local authority was able to freeze meal prices right across the county for seven years before the recent rise in food costs forced them to add an extra 20p.

This is something that catering manager, Ian Kemp has mixed feeling about. “Despite the rise, we are still one of the most price competitive school catering services in the country. It’s all down to lots of hard work around marketing, staffing ratios, portion and waste control, menu monitoring and also competitive purchasing.”

Had Denbighshire Council not worked with TUCO on this competitive procurement activity, it would have paid an additional £270,000 this year.

TUCO is a professional membership body for in-house caterers, procuring food and beverages for 46 local authorities and 443 universities and colleges and driving down costs on over £140m of combined annual spend, via 19 EU compliant frameworks.

This gives its members purchasing ‘muscle’ that they wouldn’t have on their own. “Because we are relatively small, our spending power is quite low, Ian comments. “So, the fact that we join together with others under the TUCO umbrella, means that we benefit from being a member alongside bigger authorities.”

The local authority’s frozen food spend

WHAT’S ON THE MENU?
Denbighshire Council’s school meals and catering service spends more than £1.2m a year through TUCO. Here’s the breakdown of latest spend and savings:

<table>
<thead>
<tr>
<th>FRAMEWORK</th>
<th>ANNUAL SPEND (AUG 16 - JUL 17)</th>
<th>SAVING %</th>
<th>SAVING AMOUNT</th>
<th>PROCESS SAVING</th>
</tr>
</thead>
<tbody>
<tr>
<td>CATERING LIGHT &amp; HEAVY EQUIPMENT</td>
<td>£7,163.92</td>
<td>0.85%</td>
<td>£175</td>
<td>£59.67</td>
</tr>
<tr>
<td>CONFECTIONERY, SNACKS, CAKES &amp; ANCILLARY PRODUCTS</td>
<td>£2,815.86</td>
<td>5.20%</td>
<td>£154.46</td>
<td>£0.00</td>
</tr>
<tr>
<td>FRESH/FROZEN MEAT &amp; POULTRY</td>
<td>£36,714.52</td>
<td>19.62%</td>
<td>£73.47</td>
<td>£0.00</td>
</tr>
<tr>
<td>FROZEN &amp; CHILLED FOODS</td>
<td>£405,074.76</td>
<td>29.57%</td>
<td>£135,228.78</td>
<td>£0.00</td>
</tr>
<tr>
<td>FRUIT &amp; VEGETABLES</td>
<td>£133,398.13</td>
<td>5.14%</td>
<td>£1,106.85</td>
<td>£0.00</td>
</tr>
<tr>
<td>GROCERY PROVISIONS &amp; CHILLED FOODS</td>
<td>£373,765.53</td>
<td>11.46%</td>
<td>£47,973.04</td>
<td>£6,000.00</td>
</tr>
<tr>
<td>INNOVATIVE FOOD CONCEPTS</td>
<td>£44,362.30</td>
<td>3.00%</td>
<td>£257.24</td>
<td>£0.00</td>
</tr>
<tr>
<td>MILK, DAIRY, MORNING GOODS &amp; BREAD SUPPLY</td>
<td>£156,030.92</td>
<td>5.14%</td>
<td>£2,476.57</td>
<td>£6,000.00</td>
</tr>
<tr>
<td>SOFT DRINKS &amp; FRUIT JUICE</td>
<td>£65,845.00</td>
<td>19.51%</td>
<td>£15,960.19</td>
<td>£0.00</td>
</tr>
<tr>
<td>TOTAL</td>
<td>£1,225,170.94</td>
<td></td>
<td>£260,503.29</td>
<td>£12,000.00</td>
</tr>
</tbody>
</table>

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- Ian Kemp, Denbighshire Council
School meals in Denbighshire – who’s being served?

54 primary schools
7 secondary schools
1 commercial outlet in a craft centre
7,500 meals a day

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would have been £170,000 (29.5%) higher this year without TUCO’s support. Costs on soft drinks and fruit juice would have also been 19.5% greater if the council hadn’t worked with TUCO. In total, food and drink would have cost the council an additional 10% across nine different categories, had it not procured through TUCO.

These figures are calculated by benchmarking against the prices of other purchasing organisations through Quenelles’ food price monitoring service or by comparing prices from winning tenders against the average of all other tenders TUCO received.

Ian Kemp thinks benchmarking is a really important service. “TUCO’s assessment shows us that we are achieving best value for the local authority. This, in turn, helps us to price our school meals competitively.”

Procurement process costs are a significant expense for Denbighshire Council and without TUCO’s support, the local authority would have spent an extra £12,000 administering EU tenders.

Another way that TUCO has helped Denbighshire is via due diligence. Ian Kemp and his staff have a close relationship with TUCO’s six-strong procurement team. “Any information I need, if there are any food scares, then Jane Eve [Head of Contracts at TUCO] will check with suppliers and see if any of the foods in question are being delivered to Denbighshire. Then I can get reassurance to members of the council quickly.”

Speed is of the essence in any type of food scare. Last year there was a panic in the food service industry about contamination in eggs from abroad. Ian Kemp got in touch with Jane Eve and she immediately contacted all the companies that might supply products containing dehydrated and pasteurised eggs. “She quickly put our minds at rest.” Ian explains.

Denbighshire also benefit from the market intelligence that is freely available to them as a TUCO member. Ian emails Jane if he needs any catering industry research data or an update on legislation, saving time hunting for the information himself.

Sustainability is a key priority for most councils and it’s something that TUCO also helps Denbighshire achieve through catering procurement. “We have a contract with a Welsh butcher,” Ian explains. “Their meat is supplied via TUCO’s frozen food supplier, keeping everything on one invoice and in one vehicle, reducing our carbon footprint and supporting a local company at the same time.” Bread and morning goods also come from a supplier within the county. Welsh milk is bought for schools and a Denbighshire company distributes cheese and other dairy items which the council buys through TUCO.

As incomes are reducing in households, Ian has noticed more families trying to save by giving their kids packed lunches. This, he says, is a cost that is hidden within the weekly shop, but it makes parents feel they are saving money. The council are trying to address this by demonstrating the benefits of a hot school meal and although the key message is cost - there is also evidence that a proper nutritionally balanced school meal helps children to concentrate during the afternoon session in school.

“We do price comparisons of a typical packed lunch to a typical school meal and it’s the hot meals that always come out on top.” With Denbighshire’s keen eye on efficiency, this is something that is set to continue.

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- Ian Kemp, Denbighshire Council

About TUCO

TUCO is the leading professional membership body for in-house caterers operating in the higher and further education sector. Also among its members are more than 40 local authorities throughout the UK who benefit from savings and support for their catering operations.

It provides a platform where members can Share and celebrate achievements; Learn via a range of courses, professional advice, training and study tours; Grow their business through the latest market research, trends and analysis; and Buy via TUCO’s EU compliant catering frameworks and wide range of suppliers – maximising value through the combined £140m+ annual spend of TUCO members.

If you would like to find out how TUCO can support your council’s catering department, call us: 0161 713 3420, email us: info@tuco.ac.uk or visit www.tuco.ac.uk/buy