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Award

NEPO407 - Frozen Food

THE ASSOCIATION OF NORTH EAST COUNCILS LIMITED

UK5: Transparency notice - Procurement Act 2023 - [view information about notice types](#)

Notice identifier: 2025/S 000-033899

Procurement identifier (OCID): ocds-h6vhtk-05507a

Published 20 June 2025, 8:46am

Scope

Reference

NEPO407

Description

This Framework is being established for the provision of frozen food to Contracting Authorities in the North East only.

The Framework will provide North East Contracting Authorities access to suppliers capable of meeting their requirements for the delivery of frozen food to education establishments, including primary and secondary schools, alongside Council owned and operated sites.

Suppliers awarded to the Framework are able to provide concurrent deliveries, aligned to the delivery schedules of Contracting Authorities, including the specified days, restricted delivery windows and site entry requirements.

Commercial tool

Establishes a framework

Framework

Maximum percentage fee charged to suppliers

3%

Further information about fees

A 3% management premium will be applied to all invoices for goods under this Framework.

Contracting authorities that may use the framework

The Framework will be made available to the following Contracting Authorities:

Darlington Borough Council

Durham County Council

Gateshead Council

Hartlepool Borough Council

Middlesbrough Council

Newcastle City Council

Northumberland County Council

Redcar and Cleveland Borough Council

South Tyneside Council

Stockton On Tees Borough Council

Sunderland City Council

Contracting authority location restrictions

- UKC - North East (England)
-

Contract 1. NEPO407 - Frozen Food

Suppliers (3)

- JJ FOOD SERVICE LIMITED
- P.F.D.(CARLISLE)LIMITED
- Sysco GB Limited (Brakes)

Contract value

- £20,000,000 excluding VAT

- £24,000,000 including VAT

Above the relevant threshold

Earliest date the contract will be signed

30 June 2025

Contract dates (estimated)

- 18 July 2025 to 17 July 2027
- 2 years

Main procurement category

Goods

CPV classifications

- 15100000 - Animal products, meat and meat products
- 15200000 - Prepared and preserved fish
- 15300000 - Fruit, vegetables and related products
- 15400000 - Animal or vegetable oils and fats
- 15500000 - Dairy products
- 15600000 - Grain mill products, starches and starch products

Contract locations

- UKC - North East (England)

Other information

Conflicts assessment prepared/revised

Yes

Procedure

Procedure type

Direct award

Direct award justification

Extreme and unavoidable urgency

NEPO intends to award a Framework for the Provision of Frozen Food. This award will establish a multi-lot, multi supplier Solution for access only by NEPO's Member Authorities.

The award is justified on the basis of section 41 and paragraph 13 of Schedule 5 of the Procurement Act 2023.

The current framework is NEPO407 - Food and General Provisions and is utilised by North East Contracting Authorities to supply food for catering services in a range of environments,

including pre-school, primary and secondary educational establishments, care facilities and Council operated sites.

The incumbent Supplier on framework NEPO408 is Hopwells Ltd. The supplier has notified NEPO of its intention to withdraw from the Framework and terminate existing Call-Off contracts, effective July 18th, 2025.

The termination of service to North East Contracting Authorities represents a significant risk to the provision of catering service to the school children, vulnerable individuals and the Council's residents and service users.

Service users require specialised supply to ensure that essential allergen requirements are adhered to, school food standards compliance is maintained, and individual dietary needs are met inclusively.

The risk to supply presents an acute risk to Contracting Authorities. Due to the timescales required to operate a full tender process, and the imminent risk of contract failure, NEPO have determined that a direct award is justified and necessary to avoid severe impacts to Contracting Authority's residents.

The direct award will retain only existing provision and its original scope and safeguards the continuity of service for Contracting Authorities.

Eligible Contracting Authorities have been named in the 'Participation' section of this Transparency Notice.

The Framework will allow those Contracting Authorities named in this notice the ability to call-off with awarded suppliers at their discretion.

NEPO is satisfied that the current supplier's decision to withdraw from the existing Framework presents an extreme and unavoidable urgency to protect Contracting Authority's service users. The urgency is unavoidable as it is not attributed to any act or omission of NEPO and could not have been foreseen by NEPO.

The direct award will be for a term of two years, this term is considered strictly necessary for the reasons set out below.

The intended two year term reflects the required time to enable an appropriate and proportionate return on investment for Suppliers. In mobilising at pace to meet the needs of the Contracting Authorities, Suppliers are anticipated to incur a number of costs including:

- Implementation costs
- Procurement and sourcing fees

- Vehicle and asset costs
- Site refurbishment
- Additional staffing and resourcing costs
- Systems and administrative fees

Market engagement identified that, in the absence of an appropriate and proportionate term, Suppliers would be unlikely to meet requirements to an acceptable standard without investment or would be unable to service the Framework entirely.

The primary users of the Framework are education establishments, which operate against academic years. To ensure that the Framework provides sufficient protection of supply for users, it is necessary for the award length to align to academic years. A shorter term would disrupt term time and would incur significant additional cost and resource for contracting authorities in duplicating implementation and operations and would present risk to continuity of pre-planned menus, which consider user requirements and strict allergen control.

The value of the award reflects the historic demand of the Framework however the Framework provides no guarantee of any orders or value of goods. Contracting Authorities named in this notice make no commitment of exclusivity or use.

NEPO has undertaken extensive market exploration to identify potential risks and inform its options appraisal. Multiple Suppliers, including regional SMEs, have been engaged to understand the market's capability, capacity, and readiness to support Contracting Authorities' urgent requirements in light of the decision taken by the incumbent supplier.

Several rounds of dialogue have been undertaken with Suppliers to identify challenges in supporting delivery of the Framework scope, including:

- Logistics and routing challenges
- Investment requirements
- Existing capacity
- Ability to scale
- Sustainability of service and cost
- Risks to supply

- Cost and commercial models
- Price control
- Service levels
- Contract Management
- Mobilisation
- Timescales
- Public sector supply challenges, including rigid delivery timescales and delivery windows.

A second round of dialogue then took place to validate and test the robustness of Suppliers' ability to meet requirements was held prior to a pricing exercise, which requested proposals from Suppliers.

To mitigate the risk of single supplier failure, the existing regional Lot was fragmented into 4 Lots, split geographically. Suppliers were asked to provide pricing for each Lot, where they were able to service that Lot in its own right.

Following assessment, and in line with the disaggregation of demand into separate regional Lots, 3 Suppliers were identified as being best placed to meet the requirements of the Framework.

NEPO intends to begin market engagement on the renewal of this Framework as a priority to ensure that the future iteration addresses the on-going risks to supply, reflects the changing dynamics of the supply market, and adopts a structure which retains value for money while providing greater resilience.

It is likely that the renewal of this solution, alongside the wider renewal of NEPO food solutions will result in a significantly different approach to food procurement for the region. A comprehensive phase of discovery, engagement and assessment will take place in response to the existing challenges. Suppliers will be encouraged to provide feedback on how the renewal could be shaped to encourage participation.

NEPO anticipates that market engagement will begin in Q4 2025, in anticipation of a future Framework award in Q1 2027 to replace this temporary, direct award solution. This timescale will allow the appropriate scoping and options appraisal in the design of the solution as well as an appropriate period for the effective mobilisation of the solution. Interested Suppliers are advised to register at www.open-uk.org to receive future updates on activity.

Suppliers

JJ FOOD SERVICE LIMITED

- Companies House: 02330996
- Public Procurement Organisation Number: PCJZ-1587-TCML

7 Solar Way

Enfield

EN3 7XY

United Kingdom

Email: nationalaccounts@jjfoodservice.com

Website: <http://www.jjfoodservice.com>

Region: UKI54 - Enfield

Small or medium-sized enterprise (SME): No

Voluntary, community or social enterprise (VCSE): No

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P.F.D.(CARLISLE)LIMITED

- Companies House: 00557210

- Public Procurement Organisation Number: PQPL-1318-WBWN

Pioneer House

Carlisle

CA1 2RW

United Kingdom

Email: g.jenkins@pioneerfoods.co.uk

Website: <http://pioneerfoods.co.uk>

Region: UKD12 - East Cumbria

Small or medium-sized enterprise (SME): No

Voluntary, community or social enterprise (VCSE): No

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Sysco GB Limited (Brakes)

- Companies House: 02035315
- Public Procurement Organisation Number: PYDW-5326-VLZT

Enterprise House

Ashford

TN25 4AG

United Kingdom

Email: bid.team@brake.co.uk

Website: <http://www.brake.co.uk>

Region: UKJ45 - Mid Kent

Small or medium-sized enterprise (SME): No

Voluntary, community or social enterprise (VCSE): No

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Contracting authority

THE ASSOCIATION OF NORTH EAST COUNCILS LIMITED

- Companies House: 05014821
- Public Procurement Organisation Number: PYVX-2132-JNMM

Northern Design Centre

Gateshead

NE8 3DF

United Kingdom

Email: cdpnepoteam@nepo.org

Website: <http://www.nepo.org>

Region: UKC22 - Tyneside

Organisation type: Public authority - sub-central government