Woosnam Dairies Case Study

Background

Woosnam Dairies is a local Small – Medium Enterprise (SME) and traditional family owned dairy company, based in the Caerphilly Borough. Established in October 1978 by husband and wife Donald & Sian Woosnam, the company has gone from strength to strength to become one of the areas most popular independent retail dairies.

The company offers all residential customers the convenience of an early morning doorstep delivery, with the addition of a new online home shopping service.

Prior to 2009 Woosnam Dairies had no experience of working within the rules and regulations of public sector procurement. , The company's main business was doorstep deliveries to local households with a very limited number of commercial customers.

With the demise of Dairy Farmers of Britain in the early part of 2009 Caerphilly Council was left without a supplier for its supply of fresh milk and Woosnam Dairies were contacted to ascertain if they could temporarily support the Council whilst a new contract arrangement was being developed.

With the company being a micro SME at the time, with no public sector experience Woosnam Dairies together with the Council were initially apprehensive about taking on the contract, however following consultation with Senior Officers and Councillors within Caerphilly CBC all parties were content to take this initiative forward and it was agreed that Woosnam Dairies would supply milk to the Council's residential establishments to help them undertake a smooth transition into public sector supply.

The supply to the residential establishments was a great success and the company grew to accommodate the extra work that they had taken on. This growth allowed them to become more confident in supplying the Authority and look forward to taking on further elements of work with public sector clients.

Following on from the temporary supply arrangement the contract for the supply of milk was tendered and this time it included the supply of schools which was another element for Woosnam's to consider.

The schools element was a huge challenge in terms of quantity, supply and logistics of delivery. Strict deadlines for delivery had to be adhered to and also core delivery temperatures were stated.

Woosnam Dairies responded to this tender and proved via their submission that they were more than capable of meeting the strict guidelines in the specification and deliver within the strict time limits.

Since this initial tender response Woosnam Dairies have grown year on year as shown below to become a major supplier to various public sector bodies throughout South Wales.

Development

Woosnam Dairies fully embraced the opportunity to support Caerphilly Council in a time of need, being a micro SME with no public sector experience it was huge step for the company to take on an interim arrangement where they would be expected to deliver approximately 2239 pints of milk on a weekly basis. Due to the increase in business as part of the interim arrangement Woosnam Dairies recruited an additional member of staff to assist with the additional demand.

During the interim arrangement Woosnam Dairies worked closely with the Council's Business Development Team and Supplier Relationship Officer to develop a business plan and relevant policies and procedures that would assist them moving forward.

The Council tendered the provision later in 2009 and Woosnam Dairies were successful in winning the contract for a period of three years. The new contract meant that Woosnam Dairies were required to Supply and Deliver Fresh Milk to Schools and Residential Establishments again increasing the demand with the supplier. For this reason Woosnam Dairies committed to further investment in their business by purchasing additional fleet and recruiting a further three members of staff all of which were previously unemployed.

Having gained experience of public sector tendering and in accordance with their business plan to grow year on year Woosnam Dairies tendered for the Welsh Purchasing Consortium Milk arrangement and were successful on securing a contract for Merthyr Tydfil CBC. Following this success and an increase of business, Woosnam Dairies went on to employ an additional driver and part time Administrative Officer, again both of which were previously unemployed for a period of 26 weeks.

Following the success of securing the above mentioned contracts Woosnam Dairies worked with both Council's to develop an electronic catalogue on the then Xchangewales system to simplify the ordering process for customers.

Further investments were made by Woosnam Dairies to enhance their business process, with the investment in Dairy Data system from Broadshaw. This was achieved via a grant from the Local Investment Fund (LIF) which was supported by the Council's Business Enterprise Support Team.

In 2012 the tender for Caerphilly Council went back to market following a full EU open procedure. Woosnam Dairies were again successful in securing the contract with the Council for a further three years.

In 2014 Woosnam Dairies made a conscious decision to further develop their business and tendered for an opportunity with a Local Health Board, applying the skills and knowledge they had developed via various support and training provided by Caerphilly Council. Following the procurement process Woosnam Dairies were successful in securing a lot on the Framework for the Health Board which included a further 10 Hospital Sites to their already growing portfolio.

In 2017 the National Procurement Service tendered their Framework for the supply of Fresh Food & Beverages. This was the largest and most complex tender ever faced by Woosnam Dairies and they attended several Procurement Clinics with the councils Supplier Relationship Officer to assist them moving forward with the tender. The Dairy were successful in gaining a place on the framework and have since won work with Merthyr Council, Rhondda Cynon Taff Council, Newport Council and Aneurin Bevan University Health Board. As a result of this work they employed a further two full time drivers and a full time Administrative Officer

In a short period of time Woosnam Dairies has grown significantly from a doorstep milk company to a major public sector supplier delivering over 15,000 litres of milk a week across various public sector sites while making sure that quality and consistency of their service are always kept.

They are committed to further developing their business and tendering for other opportunities whilst delivering Social and Economic benefits by employing further members of staff.

Over and Above

Woosnam Dairies have successfully grown as a business year on year and have committed to developing their skills and knowledge to not only apply for tenders with Caerphilly Council but with other Public Sector and Private Organisations.

Through successfully tendering and securing contracts, Woosnam Dairies have been able to deliver significant social and economic benefits through recruitment and training of 10 previously long term unemployed residents of the Borough. Each employee has a dedicated training plan that is reviewed on an annual basis

Investments in systems have further enhanced the ordering experience for customers. Woosnam Dairies have fully embraced the concept of electronic ordering and manage an online catalogue for all their public sector clients via the Xchangewales System. In order to provide commercial customers and residents with a similar experience, an online shopping facility is available via the website – www.woosnamdairies.co.uk. Orders can be placed by customers for next day delivery.

Other developments such as e-Invoicing are also in place in order to provide a full end to end electronic process.

As part of Woosnam Dairies commitment to recycling in the community, they offer local schools the opportunity to take part in a Milk Carton Recycling Scheme. This scheme is to help encourage schools reduce their impact on the environment by recycling the cartons they have their milk in.

The milk carton recycling scheme was launched by Caerphilly County Borough Council's Plastics Challenge group with the help of Woosnam Dairies to encourage schools to reduce their impact on the environment. Schools are evaluated on their efforts, as part of the scheme, and the best performers awarded. The scheme has also seen plastic milk bottles replaced with paperboard cartons, which contain 69% less plastic than standard polyethylene bottles.

As part of the scheme cartons of milk delivered by Woosnam Dairies to schools daily are cleaned and bagged by pupils once drunk. Woosnam Dairies then collect the empty cartons and recycle them via a dedicated waste stream. The drivers who deliver the milk also collect the empty cartons and see first-hand which schools are performing best with washing and recycling their cartons; they then choose the winners.

The first round of awards were given out in July 2019 with Rhydri Primary School in Caerphilly winning first place in the awards; they were awarded with a winner's cup and £150. Second place was awarded to Pontllanfraith Primary School, Blackwood who received medal and £100 for their school. Idris Davies School 3 – 18 won third place and were awarded with a medal as well as £50. All prizes were donated by Woosnam Dairies and the awards will be given out twice a year with the next ones due in December 2019. *(More information available in the link below)*

https://www.caerphilly.gov.uk/News/News-Bulletin/August-2019/Recycling-awards-for-primary-school-pupils