

Report to Executive Board– 2nd December 2002**APPROVAL TO AWARD THE PRINT SUPPLY CONTRACT TO ONE SUPPLIER
AS FROM 1st JANUARY 2003**

Report of:	<i>Strategic director of Finance and Corporate Services</i>	WARDS AFFECTED ALL
Report Author:	<i>Jane Lubbock Head of Administration. Extension 2218</i>	
Portfolio Holder:	<i>Councillor W Baker</i>	
Overview and Scrutiny Committee Responsibility:	<i>Finance and Performance Management</i>	
Key Decision:	<i>Yes</i>	
SUMMARY AND RECOMMENDATIONS		
This report provides members with information on the tenders received to supply the Council's printing needs and requests approval to award the print supply contract for two years starting on 1 st January 2003		
This report has financial implications and the proposed contract award will achieve savings of up to £38,000 per year.		
The Executive Board is asked to approve the award of the print contract to tenderer D.		
Additional details of the six tender submissions and pricing is listed in Appendix 1 on the confidential agenda		

1. BACKGROUND

- 1.1 In February 2002 the Executive Board approved the recommendation that the Council's printing requirements be consolidated into one contract and provided through a single supplier contract.

2. TENDERING PROCESS

- 2.1 The Council spent £197,000 on general print in 2001/2002. The predicted expenditure for 2003/4 is £170,000. The reduction is due to budget cuts. As the value of the contract is in excess of the EU threshold, the tendering process has been carried out in line with the OJEC procurement regulations.

- 2.2 The contract was advertised in March 2002 and tenders were invited using the restricted tendering process. Unfortunately none of the tender submissions met the required evaluation criteria and a decision was made to re advertise the contract using the open tendering procedure to enable a larger number of print suppliers to submit tenders.
- 2.3 The contract was re advertised in August and twenty-two tenders were received by the deadline of 1st October.

3. TENDER EVALUATION

- 3.1 A panel of Council officers has evaluated the tenders.
- 6.2 The tenders have all been evaluated in line with the evaluation criteria based on 60% price, 40% quality.
- 3.3 Six of the print tenderers offer both competitive pricing and meet the required quality standards. An analysis of the tender pricing submitted is in Appendix 1.
- 6.2 All six suppliers have given a presentation to Council officers and further detailed analysis including a site visit has taken place as part of the quality evaluation.
- 3.5 Supplier D is able to provide both the most competitive pricing on all general print, has excellent quality systems back up by ISO 9002 and is able to offer electronic procurement.

4. SAVINGS

- 4.1 The key financial evaluation criteria for this tender is that the new supplier is able to provide all our printing needs and achieve price savings. The pricing supplied by tenderer D will achieve savings of approximately £38K a year based on current annual spend and the prices quoted in the tender will be fixed for 12 months.
- 4.2 The actual savings from the introduction of the new contract arrangements will depend on the mix of printed items ordered in the year. These will be monitored monthly.

5. ENVIRONMENTAL ISSUES

- 5.1 All the suppliers were required to submit details of their environmental policies and procedures as part of the quality assessment.
- 6.2 Tenderer D meets all the minimum standards and has a documented environmental policy and procedures.

6. CONCLUSION

- 6.1 In accordance with the Constitution it is recommended that the contract be awarded to tenderer D.
- 6.2 The contract will start on 1st January 2003 and the contract will be awarded for two years with the option to extend for one further year.

This report has been seen and approved by:

Councillor W Baker	Portfolio holder
Mark Luntley	Strategic Director of Finance and Corporate Services
Paul Sheppard	Financial Management
Lindsay Johnston	Legal Services

Background papers:

Report to the Executive Board 12th February 2002.

APPENDIX 1

Analysis of tender pricing based on current spend and mix of items ordered

	Samples "A"	Samples "B"	Samples "C"	Total	Savings in %
Oxford City Council current spend	£93,415	£35,592.	£40,993	£170,000	-
Tender "A"	£90,491	£37,057	£38,378	£165,926	2.4%
Tender "B"	£65,502	£32,358	£44,059	£141,919	16.5%
Tender "C"	£71,984	£28,015	£43,004	£143,003	16%
Tender "D"	£62,653	£29,366	£39,970	£131,989	22%
Tender "E"	£87,843	£32,854	£37,982	£158,679	6.6%
Tender "F"	£77,994	£38,111	£40,113	£156,218	8%

Samples A Printed stationery, NCR pads, forms, repeat stock items, envelopes

Samples B Leaflets, printed items up to 2 colour, posters and re order items

Samples C One off printed items up to 4 colour and complex print work