

Report of: Facilities Management Business Manager

To: Executive Board

Date: 17th July 2006

Item No:

Title of Report : Award of Contract for The Supply of Print to Oxford City Council



Summary and Recommendations



Purpose of report: To request major project approval to award a contract for the supply of print to Oxford City Council.

Key decision: YES

Portfolio Holder: Councillor Stephen Tall, Better Finances

Scrutiny Responsibility: Finance Scrutiny Committee



Ward(s) affected: All

Report Approved by:

Councillor Stephen Tall, Better Finances

Mark Luntley, Strategic Director of Finance and Corporate Services

Emma Burson, Finance and Asset Management

Lindsay Cane, Legal and Democratic Services



Policy Framework: Oxford City Council Corporate Plan

Ensuring better and more efficient services

- Embed the procurement strategy



Recommendation(s):

That the Executive Board agrees to:

1. Grant major project approval for the purchase of print to Oxford City Council



2. To award the contract to Corporate Document Services Ltd, the supplier selected as a result of restricted tender process in accordance the EU procurement regulations. The contract will be for 2 years starting on 1st August 2006 with an option to extend for up to 1 further year

1 Background

- 1.1 The Council spends approximately £180K a year on print and has had a contract in place with a single print supplier since 2003. The original contract was put in place after the Buying Team identified that the Council could achieve both financial and efficiency savings from working with a single supplier.
- 1.2 The original contract, which enabled officers to order print (particularly stationery, business cards, headed paper and repeat forms) on-line, produced financial savings from fixed pricing and resulted in the supplier printing items in bulk and holding stocks so that items were called off and then delivered as needed, saving storage space.
- 1.3 This contract has run successfully for 3 years and in line with the EU procurement rules has been re-tendered.

2 Tender process

- 2.1 An advertisement and OJEU notice advertising this contract was placed in December 2005. This contract attracted a lot of interest both locally and nationally. Fourteen print suppliers were invited to tender. These were evaluated and seven tenderers were asked to submit final prices.
- 2.2 A panel of officers from across the Council have carried out a detailed evaluation of the submissions and evaluated each submission on:-
 - Quality of work and capacity to fulfil our print requirements
 - Processes, and environmental management arrangements
 - Account management
 - E commerce (procure to pay, job tracking)
 - Price and ability to demonstrate savings
 - Innovation
 - Environmental policy, systems and processes through the supply chain

The panel agreed unanimously to recommend that the Council award a new print contract to the tenderer that scored the highest marks. This tenderer is Corporate Document Services Ltd (CDS) and is based in Aylesbury. The company also provides a print service to Buckinghamshire County Council and Essex County Council.

CDS scored the highest marks for its environmental systems and processes. The company works to ISO 14001 standards and has internal auditing systems to support this. The company has 13 key environmental measures which also take into account whole life costs. The measures range from reviewing the need for a process, the process itself, the inputs and outputs, through to the delivery arrangements. The CDS policy covers both environmental management measures relating to their own systems and processes as well as throughout their supply chain. The measures will be monitored by the procurement team as part of the contract monitoring process

3 Other Options

3.1 The Constitution and Procurement Strategy advises that the Executive Board considers what other options are available before giving major project approval and awarding a contract over 100K. These are as follows:-

- Purchase print through spot buying and obtaining quotes for each order. This would not comply with the spirit of the EU regulations as would be seen as artificially reducing the Council's spend to avoid the EU tender process.
- Set up a framework agreement with a number of suppliers. This is unlikely to result in financial savings or enable the Council to achieve process efficiencies.
- Use a contract set up by another organisation. The only available contract is one that has been set up with the County but this does not provide fixed pricing.

The award of a contract will provide both additional financial and efficiency savings.

4 Financial Implications

4.1 The fixed pricing offered by all 7 final suppliers would have resulted in the Council achieving financial savings, however, CDS also offered a superior arrangement from order through to fulfilment as well as proactive account management to help the Council achieve savings and drive down costs over the contract period.

4.2 The fixed pricing offered by CDS will achieve annual savings of approximately 19%, equal to approximately £34,000 a year based on a range of standard and repeat type work. These savings have already been accounted for in the Facilities Management budgets from 2005/6.

5 Legal Implications

5.1 There are no additional legal implications as this contract has been tendered in accordance with EU regulations.

6 Staffing Implications

6.1 There are no new staffing implications. The in-house Print Unit is now a high speed central Copier Unit and the manager of the team will be the named contract manager for this contract.

7 Other means of achieving this objective

7.1 There are no other means of achieving this objective.

8 Recommendation

8.1 Executive Board is asked to approve the award of a 2 year (plus 1) print contract to Corporate Document Services and to grant major project approval.

Appendices -

Appendix 1 – Tender Scores

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Background papers: None