



CABINET

19TH JANUARY 2017

AGENDA ITEM (8)

**AWARD OF OFF-SITE PRINTING AND MAILING CONTRACT - REVENUES AND HOUSING
SUPPORT SERVICES**

Accountable Member	Councillor Lynden Stowe Leader of the Council
Accountable Officer	Jon Dearing Group Manager, Revenues and Housing Support Services 01285 623304 jon.dearing@cotswold.gov.uk

Purpose of Report	To consider the result of a tendering exercise for the Revenues and Housing Support Services (RHS) off-site printing and mailing service contract to be effective from January 2017.
Recommendation(s)	That the Council awards the off-site mailing services contract to Supplier B identified within Appendix A to this report for a three-year period from January 2017, on the terms indicated within this report and with the option to extend the contract annually for a further two years.
Reason(s) for Recommendation(s)	These proposals reflect the Council's Aims and Objectives of being recognised as a leading Council that provides efficient, value for money services.

Ward(s) Affected	All
Key Decision	Yes
Recommendation to Council	No

Financial Implications	<p>To maintain this provision in-house there would need to be a significant investment across the shared service in purchasing and maintaining a bulk mail packaging solution. This would require an initial investment of approximately £27,000, plus an annual maintenance of approximately £2,500.</p> <p>The RHS shared service spends approximately £78,000 per annum on postage/print costs. This works out at an average unit cost of 53p per item.</p> <p>The associated cost for staff resource to undertake the current provision is difficult to quantify; however, based on an average requirement of 30 minutes of work per day for one member of staff, savings would be in the region of £2,000 per annum.</p>
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	<p>These additional efficiency savings will be realised within the first quarter of the next financial year as part of a broader restructure of the staffing structure.</p> <p>The Tender bid total is anticipated to show a saving across the shared service in the region of £35,000. The recommended chosen provider has submitted evidence to confirm that it is able to provide a high quality service at a competitive price.</p>
Legal and Human Rights Implications	None
Environmental and Sustainability Implications	None
Human Resource Implications	None
Key Risks	In changing to a new provider, the quality of service is unfamiliar. However, a staged approach will be incorporated into the process ensuring quality assurance checks are carried out within each stage
Equalities Analysis	None

Related Decisions	None
Background Documents	None
Appendices	Appendix 'A' - Summary of Tenders Received

Performance Management Follow Up	<p>(i) Implement Cabinet decision.</p> <p>(ii) The RHS shared service will monitor quality against cost on a regular basis.</p>
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Options for Joint Working	This tender process has been in partnership with West Oxfordshire DC and Cheltenham Borough Council. Within the tender contract, provisions have also been made to ensure other partners and/or service areas within partner organisations can use this service.
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Background Information	
1.	During the last few months, a tendering exercise has taken place in partnership with West Oxfordshire District Council and Cheltenham Borough Council for an off-site printing and mailing provision. Procurement of the contract was undertaken via the ESPO procurement framework on which a wide variety of service providers are listed.
2.	The joint procurement was undertaken to try and maximise the potential saving of this service provision, as well as aligning processes across the RHS partner authorities. At the start of this process, Cheltenham Borough Council was still considered to be part of RHS partnership arrangement. Although it is effectively now not a part of the partnership, it was still financially beneficial for this exercise to continue in order to optimise a higher saving for all three Councils.
3.	The off-site printing and mailing tender invited bids on 'Lot 3' within the ESPO framework:- <ul style="list-style-type: none"> • Lot 3: Hybrid mail off-site solution.

4. The framework includes 20 providers. In respect of this tender, four bids were received.
5. The evaluation of these bids involved a two stage process of assessment:-
 - Stage 1 - suitability assessment, which was a 'pass' or 'fail';
 - Stage 2 - a contract award evaluation criterion, which was based on a set of questions with an attached 'weighting' score of 60/40 - 60% being evaluated against specification requirements and 40% being evaluated against cost.
6. The attached **Appendix 'A'** to this report shows details of the tenders submitted, together with a summary of recommendations. Based upon the bids received, it is recommended that the contract is awarded as follows:-

Contract Lot	Chosen Supplier	Price £
Lot 3: Hybrid Mail Off-Site Solution	Supplier B	Based on numbers for 2016/17 £43,030

7. The formal tendering process has been timetabled to put in place a new off-site printing and mailing solution from January 2017. If the proposals are not accepted, or the recommendation is not supported, RHS will continue to provide the service internally at a greater cost.
8. For the absolute avoidance of doubt, this report relates solely to an off-site printing and mailing service contract for Revenues and Housing Support Services - it does not relate to, or impact upon, the work of the Council's in-house print and design service.

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