

Agenda Item No 7(i)

DERBYSHIRE COUNTY COUNCIL

CABINET

4 April 2017

Report of the Strategic Director - Corporate Resources

**SUPPLY OF STATIONERY - CONTRACT AWARD
(COUNCIL SERVICES)**

1 Purpose of the Report

To seek Cabinet approval to award a contract for the Supply of Stationery. The proposed contract is for a period of two years, from 1 October 2017, with an option to extend for two further twelve month periods, up to a maximum duration of four years to 30 September 2021, subject to an annual performance review.

2 Information and Analysis

The current contract for the Supply of Stationery is due to expire on 30 September 2017, consequently a replacement contract is required to commence on 1 October 2017.

A procurement exercise was undertaken and an open process was undertaken utilising the Council's eTendering system. The tender was advertised for a contract value of £1.25m over a maximum duration of four years on the Source Derbyshire website, Contracts Finder and in the Official Journal of the European Union (OJEU) on 31 January 2017, with a tender return date of 2 March 2017.

The proposed contract is open to all departments of the Council and to the following partner organisations as detailed below:

- Bolsover District Council
- Chesterfield Borough Council
- Derby City Council
- Derby Homes Limited
- Derbyshire Dales District Council
- High Peak Borough Council
- North-East Derbyshire District Council
- Rykneld Homes
- South Derbyshire District Council

- Staffordshire Moorlands District Council
- Wirksworth Town Council

The following criteria and weightings were used to assess tender responses and the bids were evaluated based on the most economically advantageous tender (MEAT):

- 95% Price
- 5% Social Value

A total of 65 suppliers expressed an interest in the contract, following which 4 bids were received by the tender deadline of 2 March 2017. All 4 suppliers met the standards outlined in the specification.

The total scores for each of the suppliers are tabled below:

Supplier	Score %
Akhter Computer Plc (Harlow, Essex)	59.57
Banner Group Limited (Sheffield)	99.00
Irongate Group Limited (Derby)	64.52
Quality Office Supplies (Wolverhampton)	87.22

Subsequent to the receipt of tender submissions, the Council's incumbent stationery and paper provider has given notice of its intent to default on the current contract and cease providing the Council with stationery from 1 April 2017. Prior to the start of the new contract, the Council will be required to purchase stationery goods and paper from a non-contracted provider. To reduce the impact of the potential disruption to the business, including increased prices, an earlier contract start date may be sought, subject to negotiation and agreement, with the winning bidder.

3 Financial Considerations

The contract was advertised with an anticipated total annual spend by all partners of £312,500 over the maximum four year period. The Council currently spends £219,000 per annum on stationery and the estimated costs associated with the Council's spend will be met from existing departmental budgets.

The contract will be reviewed and monitored on a regular basis to ensure savings are being delivered. Based on the Council's average spend on stationery, this could equate to a potential saving of £3,000 per annum.

Future inflationary avoidance savings are likely to be made over the period of the contract.

4 Legal Considerations

The Council's Financial Regulations state that where the value of the goods or services to be provided is above the OJEU threshold of £164,176, it is for Cabinet to decide whether to award the contract.

5 Social Value Considerations

Social Value formed part of the tender assessment criteria and a scored question which made up 5% of the overall tender assessment formed part of the bid requirements. All bidders were scored on what social value or added value their organisation could bring to the contract.

Banner Group Limited of Sheffield have proposed to provide three days of career talks in partnership with the Council, two weeks of work experience per year of the contract and discussion towards an annual traineeship at their national distribution centre in Derby. They have also indicated they are willing to attend career fayres to discuss the office supplies industry and also provide mock interview training for two days per year.

6 Other Considerations

In preparing this report the relevance of the following factors has been considered; prevention of crime and disorder, equality and diversity, human resources, environmental, health, property and transport considerations.

7 Background Papers

Held on file within Corporate Procurement, at County Hall. Officer details – Carolyne Knott, ext 36874

8 Key Decision

Yes.

9 Call-In (Is it necessary to waive the call in period)

No.

10 Officer's Recommendation

That Cabinet approves the award of a contract for the Supply of Stationery to Banner Group Limited, for a period of two years from 1 October 2017, with an option to extend for two further twelve month periods, up to a maximum duration of four years to 30 September 2021, subject to an annual performance review.

JUDITH GREENHALGH

Strategic Director of Corporate Resources