

Subject: Sussex Stationery Consortium Contract
Date of Meeting: 11 November 2010
Report of: Director of Finance
Contact Officer: Name: James Breen Tel: 29-3593
E-mail: James.breen@brighton-hove.gov.uk
Key Decision: No
Wards Affected: All

FOR GENERAL RELEASE**1. SUMMARY AND POLICY CONTEXT:**

- 1.1 To seek authority to re-tender the Sussex Stationery Consortium contract, for a period of 3 years with an option to extend for up to 12 months. The contract will be for the provision of office stationery, office sundries, computer consumables and paper ("Office Supplies").
- 1.2 The council's current annual spend on these services is in the order of £465,000. The Consortium contract total annual spend is approximately £1.2m. Brighton & Hove City Council are lead contracting authority and therefore are leading the tender process.

2. RECOMMENDATIONS:

- 2.1 That Cabinet approves the tendering for the provision of office stationery, office sundries, computer consumables and paper ("Office Supplies") for a period of 3 years with an option to extend for up to 12 months (the "Contract").
- 2.2 That the Director of Finance, in consultation with the Cabinet Member for Central Services, be given delegated authority to award the contract to the successful bidder following evaluation and recommendations of the evaluation team and to determine whether to award the twelve month extension when such consideration becomes due.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The Council is tendering on behalf of the Sussex Stationery Consortium (the "SSC"). Current membership consists of:
- Adur District Council
 - Arun District Council
 - Brighton and Hove City Council
 - Chichester District Council
 - East Sussex County Council
 - East Sussex Fire & Rescue Service

- Eastbourne Borough Council
 - Hastings Borough Council
 - Lewes District Council
 - Rother District Council
 - Wealden District Council and
 - Worthing Borough Council
- 3.1.1 The SSC was formed 10 years ago as one of the first collaborative contract groups across Sussex. The group consisted of a number of unitary, borough, county, district, parish and town councils, local authorities and other agencies who wished to combine their purchasing power to gain a better working contract for Office Supplies.
- 3.1.2 The Council is the lead authority for the SSC. In addition to current SSC members, the contract will be available to other public bodies located across Sussex.
- 3.2 The current SSC contract is a framework of three providers, which was initially led by West Sussex County Council, and has been operational from October 2006. BHCC took on the role of lead contracting authority from West Sussex County Council in September 2009. The three providers on the current consortium arrangement are Office Depot, Supplies team, QC supplies. The Consortium members consist of 11 local area Authorities across Sussex. The Consortium spend is approximately £1.2 million per annum. BHCC use Office Depot as their main stationery supplier. The other consortium members access the contract in varying degrees, some for stationery & paper, others for stationery and consumables and some for stationery alone. One of the objectives of this tender exercise is to implement a sole supplier for the consortium to enable greater economies of scale and alignment/consistency with all authorities.
- 3.3 The procurement has been conducted in accordance with the EU and UK guidelines on the 'restricted procedure'. An OJEU (Official Journal of the European Union) advertisement has requested expressions of interest, followed by a requirement for those interested to complete a pre-qualification questionnaire to determine suitability. Tenderers will then be invited to submit a formal tender and supply sufficient supporting documentation to demonstrate their ability to deliver the service and make improvements to include staff resources, experience, specific requirements, relevant contracts, service overview, subcontractor arrangements, sustainability, equality, financial and health and safety information.
- 3.4 The tenders will be evaluated on a 40% quality and 60% price split. A cross - functional evaluation panel consisting of representative from procurement, and at least two procurement officers from the SSC will evaluate the tenders according to a methodology set out in the invitation to tender and evaluation guidelines.
- 3.5 An e-auction shall be held to determine final pricing for this contract. The e-auction is to be hosted by IESE (Improvement and Efficiency South East) one of the 9 Regional Improvement and Efficiency Partnerships (RIEPs).

4. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 4.1 Brighton & Hove City Council acts as the lead for the Sussex Stationery Consortium, and will be the lead authority in this tender process. The tender is for the provision of Office Stationery, Sundries, Computer Consumables and paper within the counties of East and West Sussex and the City of Brighton & Hove.
- 4.2 The contract length is for 3 years with a possible 12 month extension. The Consortium value is estimated at £1.2 million per annum with Brighton and Hove City Council spend being in the order of £0.465 million per annum, based on the previous years consortium amalgamate spend. The tender will aim to contribute to the councils objective of reducing spend, delivering value for money and improving the effectiveness of the contract and internal efficiencies.

Finance Officer Consulted: John Timson

Date: 19/10/10

Legal Implications:

- 4.3 The value of supplies under this contract exceeds the relevant threshold for the purpose of EU procurement law and UK procurement Regulations and therefore must be procured in accordance with their requirements. Contracts valued in excess of £75,000 must be in a form approved by the Head of Law. The Council must take the Human Rights Act into account in respect of its actions but it is not considered that any individual's Human Rights Act rights would be adversely affected by the recommendations in this report.

Lawyer Consulted: Sonia Likhari

Date: 19/10/10

Equalities Implications:

- 4.4 These issues will be addressed in the tender documentation.

Sustainability Implications:

- 4.5 Sustainability issues will be addressed in the pre-qualification and specification documents. The new contract will contain the following sustainable efficiencies:
- All recycled paper products on the core list will have a minimum 75% content of recycled pulp, and preferably 100%.
 - All paper products must originate from sustainable sources; this is defined as not from a temperate rainforest or monocultural plantations. The Council reserves the right to inspect any mill as necessary.
 - The Contractor shall proactively support local supply initiatives where practicable.
 - The Contractor shall sponsor/support generic recycling initiatives.

- The Contractor shall report carbon impact as a result of the delivery of the service, and shall work with SSC to reduce/negate any carbon impact including targets made towards transportation.
- The Contractor shall work with the SSC to reduce packaging of products and deliveries.
- The Contractor shall keep its staff and the SSC up-to-date with environmental activities relating to the Contract.

Crime & Disorder Implications:

- 4.6 There are no direct implications in respect of the prevention of crime and disorder within this report

Risk & Opportunity Management Implications:

- 4.7 Full risk assessments will be undertaken by the successful Contractor in conjunction with each individual Contract Manager. Key risks identified will need to be dealt with and regularly reviewed and updated by the respective parties.

Corporate / Citywide Implications:

- 4.8 The tendering of this contract will achieve value for money, and obtain professional, properly defined and costed propositions and solutions for Office Supplies for all corporate departments.

5. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 5.1 **Do Nothing** – this is not recommended, as all corporate departments need to purchase stationery, it would not be possible to just let the current contract expire with no alternative in place.
- 5.2 **Framework Agreements** – There are existing framework agreements that the SSC (Brighton & Hove City Council) could use in place of a tender process, but it was decided that holding a restricted tender process and incorporating an e-Auction into the process would help achieve the most environmentally sustainable office supplies and best value for money.

6. REASONS FOR REPORT RECOMMENDATIONS

- 6.1 The existing contract is due to expire in 1st December 2010. A new contract is needed to ensure that departments can purchase Office Supplies that are fit for purpose and represent best value for money.

SUPPORTING DOCUMENTATION

Appendices:

None

Documents in Members' Rooms

None

Background Documents

None

