

Nottingham City Council Delegated Decision



Reference Number:	3960
Author:	Elisa Flintoff
Department:	Children and Adults
Contact:	Elisa Flintoff (Job Title: Procurement Officer, Email: elisa.flintoff@nottinghamcity.gov.uk, Phone: 62737)
Subject:	Supply and delivery of office stationery and computer consumables
Total Value:	Up to £587,325 over a 5 year period (Type: Revenue)
Decision Being Taken:	<ol style="list-style-type: none">1. To undertake a competitive tender process to procure new contract for the supply of office stationery and computer consumables for a period of 3 years, with the option to extend for an additional 2 years, at a cost of up to £587,325 over a 5 year period2. To delegate authority to the Head of Contracting and Procurement to award and sign any contracts.

Reasons for the Decision(s) Nottingham City Council currently holds a contract with Office Depot for the supply and delivery of stationery. The fixed term for this contract is due to expire on 30 September 2020. The current budget requested is based on actual spend on stationery between April 2018/2019 and April 2019/2020. It is however anticipated that Nottingham City Council will be able to realise savings against the estimated budget and work is underway to ensure further value for money (VFM) for the Authority is achieved as follows:

- Further streamlining the list (reduction) of approved products for staff to purchase, particularly as there will be an increase of staff working from home
- Replacing or switching to cheaper products
- The introduction of an electronic system which does not allow any orders outside of the approved product list
- Introducing additional authorisation processes before orders are made
- Encouraging higher volume orders to drive down prices on items and reduction on delivery costs
- Setting up a framework agreement or similar contracting arrangement which does not commit the Authority to a set volume of orders or spend

Other Options Considered:

1. Extend the current contract for a further two year period. This was rejected as the provider has indicated they are not able to continue to deliver at the agreed pricing in their original contract.
2. Not replacing the stationery contact. This was rejected as there will continue to be a need for the Council to order stationery and a contract is therefore needed to ensure compliance with Procurement Regulations and the Council's Contract Procedure Rules and Financial Regulations.

Background Papers: None

Published Works: None

Affected Wards: Citywide

Colleague / Councillor Interests: None

Consultations: Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

None

Equality:

EIA not required. Reasons: There is no direct impact on citizens

Social Value Considerations:

The tender will emphasise on the purchasing of recycled products (eg recycled paper) and encouraging bigger orders to reduce carbon footprint. The tender will provide the opportunity for local suppliers to bid therefore potentially generating additional jobs in the area.

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

28/08/2020

Advice Sought:

Legal, Finance, Procurement

Legal Advice:

This report raises no significant legal issues provided the procurement process is undertaken in accordance with the Public Contracts Regulations 2015 and the City Council's contract procedure rules. The terms and conditions in the agreement will need to make it clear that there is no committed volume of supplies to be purchased. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 20/07/2020.

Finance Advice:

This decision seeks approval to tender for the corporate stationery contract for a period of up to 5 years (3+2 years), at a maximum value of £0.587m. This will be funded from existing stationery budgets across departments within NCC.

The value of the decision has been calculated based on the average spend on stationery across the council over the past 2 years, however, it is anticipated that actual spend on stationery will be lower than this due to the impact of covid and the potential new ways of workings. This is supported by the minimal year to date spend in 20/21. Procurement should continue to attempt to minimise spend on stationery to an absolute minimum and in conjunction with any new longer term new ways of working and any digital transformation work ongoing within services.

Potential savings are unknown at present and will not be known until prices are received and modelling and analysis has been undertaken against these new prices and expected usage. Should savings materialise from the tender of this contract then they will need to be captured corporately and not be consumed within departmental service area budgets. An existing 20/21 corporate contract saving of £0.200m sits within Procurement and any saving from this contract should go towards this initially. Further savings in addition to this should be put up corporately to contribute to the wider NCC financial situation.

Once tender submissions are received and the analysis on the actual expected cost and savings is complete then a budget virement will need to be processed to capture any savings from departmental stationery budgets in order to centrally capture the saving.

Advice provided by Philip Gretton (Finance Analyst) on 29/07/2020.

Procurement Advice:

Procurement colleagues will assist with the tendering exercise to ensure that a fully compliant value for money contract is entered into. Advice provided by Paul Ritchie (Lead Procurement Officer) on 13/07/2020.

Signatures

Sam Webster (PH Finance, Growth and City Centre)
SIGNED and Dated: 08/08/2020
Laura Pattman (Strategic Director of Finance)
SIGNED and Dated: 20/08/2020