

Commissioning and Procurement Executive Committee – 14 June 2022

Subject:	Contract for the production, printing and despatch of Council Tax annual and weekly billing and reminder notices, Benefit statements and associated documents		
Corporate Director:	Clive Heaphy - Finance and Resources		
Portfolio Holder:	Councillor Adele Williams – Finance		
Report author and contact details:	Antony Snape, Team Leader, Revenues and Benefits Business Support 0115 876 3890 antony.snape@nottinghamcity.gov.uk		
Other colleagues who have provided input:	Tania Clayton-Perez, Senior Commercial Business Partner Naomi Vass, Team Leader, Legal Services Louise Dobson – Lead Procurement Officer		
Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Subject to call-in	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons:	<input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £750,000 or more taking account of the overall impact of the decision	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital	
Significant impact on communities living or working in two or more wards in the City			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Type of expenditure:	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital		
Total value of the decision: Up to £900,000 over four years			
Wards affected: All			
Date of consultation with Portfolio Holder: 24 May 2022			
Relevant Council Plan Key Outcome:			
Clean and Connected Communities		<input type="checkbox"/>	
Keeping Nottingham Working		<input type="checkbox"/>	
Carbon Neutral by 2028		<input type="checkbox"/>	
Safer Nottingham		<input type="checkbox"/>	
Child-Friendly Nottingham		<input type="checkbox"/>	
Healthy and Inclusive		<input type="checkbox"/>	
Keeping Nottingham Moving		<input type="checkbox"/>	
Improve the City Centre		<input type="checkbox"/>	
Better Housing		<input type="checkbox"/>	
Financial Stability		<input checked="" type="checkbox"/>	
Serving People Well		<input checked="" type="checkbox"/>	
Summary of issues (including benefits to citizens/service users):			
The current contract expires on 31/07/2022 and this report requests authority to undertake a procurement exercise for a new four-year contract on a 2 year +1+1-year basis			
It is also requested to delegate authority for the awarding of the contract to the successful bidder to the Corporate Director for Finance and Resources.			
Exempt information: None.			
Recommendations:			
1 To approve the undertaking of a procurement process for a new four-year contract (on a 2+1+1 basis) up to a value of £900,000, to commence 01 August 2022.			
2 To delegate authority to the Corporate Director for Finance and Resources to award the contract to the preferred supplier following completion of the tender process.			

1. **Reasons for recommendations**

- 1.1 The current four-year contract, which has operated on a 2 +1+1 basis since 2018, will expire on 31/07/22 and in order to comply with the City Council's contract procedure rules it is necessary to undertake another procurement exercise to award a replacement contract. It is anticipated that procurement may be made through a G-Cloud framework.
- 1.2 The 2+1+1-year contract arrangement allows the City Council to plan the cost over this period while retaining the flexibility to break after two years if circumstances require this

2. **Background (including outcomes of consultation)**

- 2.1 The Revenues and Benefits service issues 230,000 Council Tax bills, 80,000 e-bills, 250,000 Benefit Statements and 85,000 Council Tax reminder notices over the course of a year. A Supplier is required who can despatch this volume at both annual billing time and several times each week throughout the year and meet critical deadlines,
- 2.2 Many citizens require both bills and benefit statements as separate documents at the same time. Significant savings and efficiencies are currently being achieved by matching together documents for the same person and posting them as a single item. A Supplier is required who can manipulate our print data to achieve this.
- 2.3 We also promote and issue e-bills for Council Tax and cost savings of printing, stationery and postage are achieved by issuing documents in this way. We require a Supplier who can offer this service and who can demonstrate the ability to make further developments in electronic document delivery
- 2.4 A large proportion of the cost of this contract will relate to postal charges. The procurement exercise will seek a Supplier who can offer discounted postal rates as significant cost savings can be achieved in this way.

3. **Other options considered in making recommendations**

- 3.1 To bring the production of bills and statements in-house. This option has been rejected due to the complexity of the sorting and matching processes and resources and machinery do not exist to handle these volumes.

4. **Consideration of Risk**

Risks lie in the quality of the printing, failures to meet critical deadlines to despatch documents to meet statutory notice periods and potential issues with data sorting and matching. Procedures will be built into the contract to mitigate these risks for quality assurance and with penalties for non-compliance.

5. **Finance colleague comments (including implications and value for money/VAT)**

- 5.1 The estimated total cost of the contract over the full four-year period (2+1+1), to commence from 1 Aug 22, is £0.900m. This allows flexibility to break the contract if needed to achieve better value for money for the Council.

5.2 Contract expenditure is expected to be contained within the Revenue & Benefits division.

5.3 The approximate breakdown of the contract is below:

Contract Breakdown	£m
Production (including development costs)	0.270
Postages	0.630
Contract Value (2+1+1)	0.900

5.4 Expenditure is expected to be charged monthly and broken down by production and postage. Increased e-billing take-up will potentially reduce postages expenditure and should be maximised to provide value for money.

Tania Clayton Pérez – Senior Commercial Business Partner – 24 May 2022

6 **Legal colleague comments**

There are no legal concerns with this report. The proposed procurement will ensure that the Council has appropriate services in place to support its statutory revenues and benefits obligations. Any procurement must comply with the both the Council's Contract Procedure Rules and the Public Contracts Regulations 2015, together with delivering against the Best Value duty under the Local Government Act 1999.

Naomi Vass – Team Leader, Contracts and Commercial Team 24 May 2022

7 **Other relevant comments**

Finance have been in communication with Procurement to establish their best route to market and procurement options. Procurement will work alongside Finance to ensure that a compliant contract is established providing best value to the Council. The report mentions that the procurement process may take via G-cloud however, the final procurement route will be determined once final tender specification has been developed but a framework is the likeliest route to market for this provision.

Louise Dobson, Lead Procurement Officer - May 22

8 **Crime and Disorder Implications (If Applicable)**

Not applicable.

9 **Social value considerations (If Applicable)**

Not applicable.

10 **Regard to the NHS Constitution (If Applicable)**

Not applicable.

11 **Equality Impact Assessment (EIA)**

An EIA is not required because the award of this print contract will not have any equalities implications.

12. Data Protection Impact Assessment (DPIA)

A DPIA is not required because there is no change to the current specification and a DPIA is already in place for the current contract. Advice has been sought from the Data Protection Officer who has confirmed that no DPIA is required.

13. Carbon Impact Assessment (CIA)

A CIA is not required because there is no change to existing procedures or practices.

14. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

None.

15. Published documents referred to in this report

None.