

**Report to** Cabinet  
13 June 2012  
**Report of** Executive head of customers, communications and culture  
**Subject** Award of Printing services framework contract

Item

21

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## KEY DECISION

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### Purpose

To advise cabinet of the tender process for the printing services framework contract carried out by the communications and procurement teams and seek authority to award the contract to the selected suppliers.

### Recommendation

Approve the award of the contract and appointment of the selected suppliers (Appendix A) to the contract framework agreement for a period of four years from 1 July 2012.

### Corporate and service priorities

The report helps to meet the corporate priority Value for money services.

### Financial implications

The financial consequences of this recommendation are likely to be positive. Consolidating the authority's printing service requirements through a framework contract agreement should provide the opportunity to manage the arrangements more effectively and realise cashable savings of scale. Please see the body of the report for more details.

**Ward/s:** All wards

**Cabinet member:** Councillor Waters – Deputy leader and resources

### Contact officers

Nikki Rotsos – head of communications & cultural services 01603 212211

Robin Hare – strategic contract manager 01603 212412

### Background documents

None

# Report

## Printing services framework contract award

1. During the 2011/12 financial year the authority placed approximately 800 print related orders valued at £375,000 with 75 different suppliers.
2. During this period competitive quotes were obtained for each order which was then subsequently awarded to the supplier who had submitted the lowest quote. Although this process offered the opportunity of some work to a wide range of suppliers and a degree of value for money it caused the following issues for the authority:
  - (a) Managing the quotation, selection and ordering process for the high number of orders and suppliers was very resource intensive from an administrative point of view. As a result of the need to reduce back office costs resources to support this process within the communications team have been reduced and a leaner more efficient way of ordering printing services needs to be developed.
  - (b) Although ordering printing services from such a wide range of suppliers offers some work for many it does not afford economies of scale and subsequent savings by offering more work to fewer suppliers. It is recognised procurement good practice to consolidate a common requirement in an attempt to develop more effective relationships with a smaller suppliers in order to reduce costs and realise savings on a win/win basis for both customer and supplier.
  - (c) It was difficult to establish and monitor the social, environmental, economic and technical credentials of such a high number of suppliers which raised the risk of procuring the authority's printing services from unethical sources.
3. Research established that an effective way of consolidating the provision of printing services was to join or form a framework contract. A number of framework contracts already existed but it was decided not to join them as their membership did not contain many local suppliers. The authority then embarked on forming its own framework contract for printing services which would contain four categories of printing requirement with six suppliers appointed to provide quotes for the printing requirements in each category.
4. The opportunity was advertised in the Official Journal of the European Union (OJEU) on 22 December 2012. A total of 115 pre-qualification questionnaire (PQQ) packs were sent to suppliers who expressed an opportunity. Of these, 36 were returned completed for evaluation.
5. Evaluation of the PQQs involved establishing the suppliers organisational, financial, contractual, social, environmental, technical and service specific ability to provide the service required. The PQQs were marked in accordance with published criteria and the 12 highest scoring suppliers from each of the four categories were invited to tender for the opportunity.

6. Tender packs were sent to the 18 successful suppliers on 5 April 2012. The tender packs asked suppliers to provide quotes for six printing service jobs in each of the four categories. The specifications provided were for 'real' jobs that are likely to be required within the next year. The six suppliers providing the lowest quotes in each category would be invited to join the framework contract to supply printing services for that category. In addition, the selected supplier providing the lowest quote for each job would be awarded the job when the opportunity arose.
7. A total of 16 completed tenders were returned and evaluated. The results of the evaluation showing the names of the suppliers submitting the winning tenders in each are shown in Appendix A.
8. Of the 13 suppliers shown on Appendix A the majority are small to medium enterprises (SMEs) and eight are based locally.

Appendix A

**Evaluation Results**

<b>Category A - Leaflets, magazines, brochures etc</b>		
<b>Place</b>	<b>Supplier</b>	<b>Tender</b>
1	Norse Commercial Services Ltd	£ 1,972.00
2	Hickling & Squires Ltd	£ 2,455.00
3	Keely Print Ltd	£ 2,543.00
4	Colour Print Ltd	£ 2,646.00
5	Clan Press Ltd	£ 2,742.00
6	Barnwell Print Ltd	£ 2,793.00

<b>Category B - Signage</b>		
<b>Place</b>	<b>Supplier</b>	<b>Tender</b>
1	Hussey & Knights Ltd	£ 892.00
2	Waypoint Print Solution Ltd	£ 1,881.50
3	ASAP UK Ltd	£ 1,914.00
4	Apex Signs & Engraving Ltd	£ 2,060.00
5	Barnwell Print Ltd	£ 2,163.00
6	Service Point UK Ltd	£ 2,290.28

<b>Category C - Envelopes</b>		
<b>Place</b>	<b>Supplier</b>	<b>Tender</b>
1	Norse Commercial Services Ltd	£ 6,378.00
2	Full Spectrum Print Media Ltd	£ 7,088.00
3	Keely Print Ltd	£ 7,090.00
4	Service Point UK Ltd	£ 8,543.78
5	Romec Ltd	£ 10,786.05
6	Clan Press Ltd	£ 12,790.00

<b>Category D - General Print</b>		
<b>Place</b>	<b>Supplier</b>	<b>Tender</b>
1	Colour Print Ltd	£ 935.00
2	Clan Press Ltd	£ 950.00
3	Norse Commercial Services Ltd	£ 1,009.00
4	Service Point UK Ltd	£ 1,038.48
5	Barnwell Print Ltd	£ 1,039.00
6	Keely Print Ltd	£ 1,215.50

## Integrated impact assessment



**NORWICH**  
City Council

### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	13 June 2012
<b>Head of service:</b>	Nikki Rotsos
<b>Report subject:</b>	Printing services framework contract award
<b>Date assessed:</b>	31 May 2012
<b>Description:</b>	To advise cabinet of the tender process for the printing services framework contract carried out by the communications and procurement teams and seek authority to award the contract to the selected suppliers.

	Impact			
<b>Economic (please add an 'x' as appropriate)</b>	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
<b>Finance (value for money)</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The financial consequences of this recommendation are likely to be positive. Consolidating the authority's printing service requirements through a framework contract agreement should provide the opportunity to manage the arrangements more effectively and realise cashable savings of scale. Please see the body of the report for more details.
<b>Other departments and services e.g. office facilities, customer contact</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	As above – will provide other departments/services with the opportunity to procure improved value for money printing services.
<b>ICT services</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Economic development</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Financial inclusion</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Social (please add an 'x' as appropriate)</b>	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
<b>Safeguarding children and adults</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b><u>S17 crime and disorder act 1998</u></b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Human Rights Act 1998</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Health and well being</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
<b>Equality and diversity (please add an 'x' as appropriate)</b>	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
<b>Relations between groups (cohesion)</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Eliminating discrimination &amp; harassment</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Advancing equality of opportunity</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Environmental (please add an 'x' as appropriate)</b>	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
<b>Transportation</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Natural and built environment</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Waste minimisation &amp; resource use</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Pollution</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Sustainable procurement</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Energy and climate change</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>The risks associated with this recommendation have been assessed as low. The main risks are as follows:</p> <p>(a) Challenge to the tendering process by an unsuccessful supplier. This is unlikely as the procurement procedure as specified by the Public Contracts Regulations 2006 have been strictly followed.</p> <p>(b) The restricted number of suppliers appointed to the framework contract agreement colluding to inflate quotes to the authority in a cartel type arrangement. The risk of this has been reduced by adopted the Office of Fair Trading guidelines which includes continued monitoring of quotes against prevailing market conditions once the contract has been awarded.</p>



## Recommendations from impact assessment

### Positive

### Negative

Reduce the risk of framework members forming a cartel by continued monitoring of quotes against prevailing market conditions once the contract has been awarded.

### Neutral

### Issues