

REPORT TO EXECUTIVE			
PORTFOLIO AREA: STRATEGY AND PERFORMANCE			
Date of Meeting:	15th APRIL 2002		
Public			
Key Decision:	Yes	Recorded in Forward Plan:	Yes
Inside Policy Framework			

Title: PURCHASING OF STATIONERY AND I.T. CONSUMABLES

Report of: THE DIRECTOR OF ENVIRONMENT & DEVELOPMENT

Report reference: EN 048/02

Summary:

This report details the results of an exercise reviewing the Authority's stationery and consumable purchases and identifies anticipated savings resulting thereon.

Recommendations:

1. That the contract for supply of Stationery and General items be awarded to Guilbert UK of Leeds.
2. That the contract for supply of IT Consumables be awarded to D. P. Supplies of Gateshead.
3. That the Director of Environment and Development enter into negotiations with Grosvenor House, Kendal and Premier Papers, Carlisle to determine an alternative proposal for the supply of Authority paper and envelopes.
4. That Members note the anticipated full year's savings from this exercise and approve the reduction of overall Council budgets by the saving identified

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1. BACKGROUND INFORMATION AND OPTIONS

1. In July 2000 members approved a recommendation that the Council appoint a single supplier for the provision of stationery and consumables. The recommendation was implemented and Guilbert UK were appointed as main provider.
2. The agreement with Guilbert UK was for a 12-month period subsequently extended to 18 months to accommodate the implementation of the Council's electronic purchasing system.
3. The Council has generated financial savings during the agreement period of some 19% based upon previous year benchmark prices.
4. As a consequence of the implementation of the electronic purchasing system 'Radius Orbit' and the review of the former stationery contract the Council have initiated a re-tendering exercise based upon 3 categories of supplies:-

- a. Stationery and General items
- b. Paper and Envelopes
- c. I.T. Consumables

1. In compliance with the Constitution of the Council suppliers were requested to submit a tender for the above categories and would be assessed for appropriateness on the following criteria:-

- i. Price – (analysed against current benchmark values)
- ii. Quality – (Product, After Sales, Delivery, Terms and Conditions)
- iii. Electronic Capability – (Compatibility with Council system)

1. The tendering exercise has attracted a fairly broad spectrum of interest from local and national companies. Tenders were received on the 25th March 2002 and analysed to determine appropriateness and acceptability on the criteria identified.
2. Price analysis has produced a potential for overall savings of some 9% or £12,000 based on existing expenditure levels as follows:

Stationery and General items - £45,000

I.T. Consumables - £50,000

Paper and Envelopes - £35,000

which it is proposed is utilised as an overall reduction to stationery budgets for 2002/2003.

3. Based on the exercise undertaken and the quotes received, the successful companies are as follows:-

Stationery and General items – Guilbert UK, Leeds

I.T. Consumables – D.P. Supplies, Gateshead

Paper and Envelopes – Premier Paper, Carlisle / Grosvenor House, Kendal.

4. Each of these companies have provided information to prove their suitability and acceptability with the City Council's requirement.
5. Members are requested to note that the Council currently has existing arrangements with Grosvenor House for the supply of printed envelopes and with Premier Papers for the supply of reprographic paper. The annual expenditure for these two agreements have not been included in this exercise but it is recommended that further negotiations with each of these companies be undertaken to identify potential savings overall.
6. Members may be aware that the Procurement Group has produced a forward plan defining actions to strengthen the procurement role within the Council. This incorporates the adoption of similar exercises in the following areas of Council expenditure: -

Protective Clothing, Uniforms and Workwear.

Office Furniture.

Photocopying Equipment.

1.12 The result of these exercises and any subsequent developments will be presented by the Director of Environment and Development as part of the Council's Procurement Strategy when details are clarified.

2. CONSULTATION

1. Consultation to Date.
2. Consultation proposed.

3. STAFFING/RESOURCES COMMENTS

3.1 The Procurement Group, which incorporates the Portfolio holder, has a reporting structure in place, which includes a steering group of Departmental Officers. This group has carried out the evaluation process and their recommendation has produced the above proposal, which is an initial stage of the Procurement Group forward plan.

1. CITY TREASURER'S COMMENTS

4.1 As part of the 2002/03 budget, a savings target of £60,570 was made which was to be achieved via various corporate procurement exercises. The savings identified in this report (a minimum of £12,000) will be the first contribution towards this overall target.

5. LEGAL COMMENTS

Not Applicable.

6. CORPORATE COMMENTS

6.1 The saving generated from this exercise is the first contribution to the Council Procurement budget recently identified as part of the Procurement Strategy. Further exercises will be undertaken by the Corporate Purchasing Unit based at Carlisle Works' to achieve budget savings as identified. The Director of Environment and Development will refer these issues to the portfolio holder as part of the regular meeting process.

7. RISK MANAGEMENT ASSESSMENT

7.1 Risk management issues have been incorporated as part of the evaluation exercise.

8. EQUALITY ISSUES

8.1 Not applicable

9. ENVIRONMENTAL IMPLICATIONS

9.1 All products supplied conform to recognised environmental regulations and have been considered as part of the evaluation process.

10. CRIME AND DISORDER IMPLICATIONS

10.1 Not applicable.

11. RECOMMENDATIONS

1. That the contract for supply of Stationery and General items be awarded to Guilbert UK of Leeds.
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3. That the Director of Environment and Development enter into negotiations with Grosvenor House, Kendal and Premier Papers, Carlisle to determine an alternative proposal for the supply of Authority paper and envelopes.
4. That Members note the anticipated full year's savings from this exercise and approve the reduction of overall Council budgets by the saving identified.

12. REASONS FOR RECOMMENDATIONS

12.1 These tenders form an integral part of the implementation of the Council's procurement strategy.