

<b>Cabinet Meeting</b>		<b>Agenda Item: 6</b>
<b>Meeting Date</b>	7 October 2015	
<b>Report Title</b>	Stationery supplier – extension of existing contract	
<b>Cabinet Member</b>	Cllr Duncan Dewar-Whalley	
<b>SMT Lead</b>	Mark Radford	
<b>Head of Service</b>	Anne Adams	
<b>Lead Officer</b>	Debbie Hardy	
<b>Key Decision</b>	No	
<b>Classification</b>	Open	
<b>Forward Plan</b>	<b>Reference number:</b>	
<b>Recommendation</b>	1. That the existing contract for the supply of stationery be extended for nine months from January 2016 to 30 <sup>th</sup> September 2016.	

## **1 Purpose of Report and Executive Summary**

- 1.1 The purpose of this report is to seek members' approval to extend the existing two year contract for the supply of stationery for a further nine months until October 2016. Following this, a full procurement exercise will be carried out that takes due account of the Council's Local First policy.

## **2 Background**

- 2.1 A commissioning exercise for the purchase of stationery was carried out for the first time in 2013. Prior to this, the purchase of stationery was on an ad-hoc basis with a number of different suppliers being used and departments "doing their own thing".
- 2.2 The outcome of the commissioning process was that it was decided to carry out a joint procurement exercise with and led by Maidstone Borough Council using an existing framework agreement managed by Dartford Borough Council. This is because it was evident that significant cost savings could be achieved when compared with the suppliers that were being regularly used at the time. There were also extensive discussions at the time about whether the nature of the contract would be likely to significantly impact on social value and it was concluded that the contract offered limited opportunities in this regard.
- 2.3 The framework agreement commenced on 1<sup>st</sup> October 2012 for an initial two years with an option to extend for a further two years. This means that the framework

agreement ends on 30<sup>th</sup> September 2016. Swale joined the framework in January 2014 for an initial two years which expires in January 2016. Swale therefore has an option to extend its contract until 30<sup>th</sup> September 2016 to correspond with the end of the framework agreement.

- 2.4 In order to determine whether or not to extend the existing contract, a wide consultation exercise was carried out which included users of the ordering system, the Commissioning and Procurement teams, Heads of Service and key Cabinet members.
- 2.5 The annual contract value is approximately £30,000 which means that by extending the contract for nine months, the total value of the contract will be approximately £82,000. Cabinet approval is therefore required due to the total value of the resultant contract exceeding the threshold of £75,000.

### **3 Proposals**

- 3.1 The consultation exercise resulted in the following key views and comments:
  - The overall performance of the current supplier has been very good.
  - The contract should only be extended for nine months and at the end of this period a full procurement exercise should be carried out that takes due account of the Council's Local First policy.
  - Out of 21 users consulted there were 7 responses received and all bar one were very positive. The users generally find the supplier helpful, the delivery is usually the next day and the website is easy to use. There were difficulties reported with completing the online ordering process but this is due to having to enter an official order number for any purchases onto the website which have to be first authorised on the Council's own financial system. The negative comment concerned a number of non-standard products that are not available through the contract however these can be purchased from an alternative supplier if found to be necessary.
- 3.2 It is therefore recommended that the existing contract be extended until October 2016 to take advantage of the full extent of the current framework agreement.

### **4 Alternative Options**

- 4.1 The alternative option would be to commence a procurement exercise within a shorter timescale to allow a contract to begin in January 2016. This is not recommended as the current contract is delivering a high quality service and demonstrable value for money.

## 5 Consultation Undertaken or Proposed

5.1 Wide consultation has been carried out as set out in sections 2 and 3.

## 6 Implications

Issue	Implications
Corporate Plan	The recommendation will provide good value for money for the next nine months
Financial, Resource and Property	There are minimal financial and resource implications associated with the proposal.
Legal and Statutory	Some legal input will be required to formalise the extension of the existing framework contract.
Crime and Disorder	None identified at this stage.
Sustainability	The current framework supplier provides quarterly reports setting out the proportion of spend under the contract that is defined as “eco sustainable”. They also have a sustainable development programme which sets out their strategy for increasing the sale of green products, reducing CO <sub>2</sub> emissions and increasing recycling.
Health and Wellbeing	None identified at this stage.
Risk Management and Health and Safety	None identified at this stage.
Equality and Diversity	None identified at this stage.

## 7 Appendices

7.1 None

## 8 Background Papers

8.1 None