

Decision Report – Officer Decision
Forward Plan Reference: FP/23/11/02
Decision Date – 9th February 2024
Key Decision – yes



Decision to award a contract for statutory printing services

Executive Member(s): Deputy Leader of the Council and Lead Member for Resources and Performance

Local Member(s) and Division: All

Lead Officer: Nicola Hix, Service Director for Finance and Procurement

Author: Richard Sealy, Interim Revenues and Benefits Manager

Contact Details: Richard.sealy@somerset.gov.uk

Summary / Background

1. Somerset Council have responsibility for providing a revenues and benefits service to the people of Somerset. This includes annual council tax and business rate billing and also day to day communication with local residents and businesses. Prior to vesting day 2 of the districts had a formal contract arrangement with the same company for the provision of their printing requirements. The former Sedgemoor district largely undertook their printing in-house. Printing for the Mendip area is undertaken by Capita as part of the outsourcing contract. As part of our ongoing forward planning we would want to combine the requirement for the new council under one formal contract arrangement, although the printing for the former Mendip area will remain with Capita until that contract ends in 2025. This report is to detail the process that has been undertaken to reach the decision to award a new formalised contract to cover the next 2 years which will ensure we include the next annual billing requirements without needing to change current supply arrangements when the current contract ends in January 2024.
2. To ensure that Public Procurement Regulations are complied with a framework has been used which allows a direct award to the chosen supplier. Prices have been confirmed with the supplier which offer continued value to the council whilst also confirming continuation of the proven quality of the service already achieved. KPIs have been included in the proposal for the new contract. Negotiations are ongoing to try and reduce the cost of the service which includes postal charges.

Postage charges are out of the control of either the Council or the suppliers but we are looking to extend the use of a hybrid mail solution, currently in use for one of the legacy districts, across the other legacy districts. Doing so will enable us to take advantage of discounted postage rates for a greater proportion of the documents being issued. The supplier is based in the South West and their premises are easily accessible should the need for them or us to attend each others premises be necessary.

Recommendations

3. The Service Director – Finance and Procurement agrees to
 - a. Award an initial 2 year contract to the supplier as detailed in the Confidential appendix A for the provision of revenues and benefits printing. This contract may also include other statutory services such as housing and planning printing requirements and any other statutory requirements as required
 - b. The new contract will also include elections printing requirements which has been subject to a separate key decision.
 - c. In consultation with the Deputy Leader of the Council and Lead Member for Resources and Performance to consider a 2 year extension on the basis of a positive performance review and the achievement of savings as predicted in the original proposal from the supplier.
 - d. Agree the case for exempt information for the appendix A – confidential tender evaluation report to be treated in confidence as the case for the public interest in maintaining the exemption outweighs the public interest in disclosing that information.

Reasons for recommendations

4. This will ensure we are able to provide a compliant and effective revenues and benefits service which will include the next annual billing giving confidence that the statutory requirements are all met.

Other options considered

5. The opportunity to tender for this service was considered but the timeframe to complete and also to ensure that the service was maintained during the next annual billing was considered high risk. It is expected that a tender process will be considered in the future once all systems have been merged and the

requirement for the new council is fully understood. A move to more digital correspondence will then be considered to reduce the overall cost of this service but initially a contract for 2 years with the option to extend by up to 2 further years is envisaged.

Links to Council Plan and Medium-Term Financial Plan

6. A strong, robust, value for money contract gives the Council the security it requires to carry out the needs of the service whilst bringing efficiencies.
7. An efficient statutory printing service ensures that all of the council priorities are met including:
 - A greener more sustainable Somerset
 - A healthy and caring Somerset
 - A fairer and ambitious Somerset
 - A flourishing and resilient Somerset

Financial and Risk Implications

8. The estimated cost of this contract (excluding the elections element which is covered by a separate key decision report) is more that £500,000. A large element of this is postal costs which we are unable to control.
9. Key risks during the course of this contract are:

Not having a contract in place at the time of the anticipated commencement date

Likelihood	1	Impact	3	Risk Score	3
------------	---	--------	---	------------	---

Sudden and unexpected demise of the supplier

Likelihood	1	Impact	3	Risk Score	3
------------	---	--------	---	------------	---

Deterioration of contract relationship between the Council and the supplier

Likelihood	1	Impact	3	Risk Score	3
------------	---	--------	---	------------	---

Printers do not have capacity or expertise to meet the requirements of the contract

Likelihood	1	Impact	3	Risk Score	3
------------	---	--------	---	------------	---

Printers fail to meet the statutory deadline requirements for the annual billing element

Likelihood	1	Impact	3	Risk Score	3
-------------------	----------	---------------	----------	-------------------	----------

Legal Implications

10. Legal advice has been taken on both the procurement route and the form of contract that will be used

HR Implications

11. None

Other Implications:

Equalities Implications

12. There will be no change to the service received by the public through the procurement of this contract. Stationery will remain as in previous years so no negative impacts are anticipated. The accessibility requirements of the various teams will be supported locally including large print requirements, translation of documents and other formats using in house resources or specifically sourced council resources such as Word 360 for translation and interpretation work. An EIA has been considered and agreed that it is not required for this report.

Community Safety Implications

N/A

Climate Change and Sustainability Implications

13. The supplier is working towards being carbon neutral by 2030. A positive action to reverse the damage on our natural habitats by man-made

Health and Safety Implications

14. N/A

Health and Wellbeing Implications

15. N/A

Social Value

16. We are working with the selected supplier to identify social value in this contract. The supplier is completing the social value calculator spreadsheet to identify the value of the social value that they offer which includes a range of Environmental, Economic and Social activities in line with the Social Value Act 2012. Their social value commitments will form part of the new contract to ensure that they are monitored and achieved through the life of the contract.

Scrutiny comments / recommendations:

Background

17. The current provider has been providing printing services to the district councils in Somerset for a long period of time and has proven to offer value for money and a reliable service.

18. Revenues and benefits services are a statutory service and it is vital that it is carried out effectively and efficiently and therefore having a formal contract in place to achieve this provides reassurance to the council will be able to meet its obligations.

Background Papers

None

Appendices

- Confidential Appendix A

Report Sign-Off

	Officer Name	Date Completed
Legal & Governance Implications	David Clark	14/12/2023
Communications	Peter Elliott	18/12/2023
Finance & Procurement	Nicola Hix	15/1/2024
Workforce	Dawn Bettridge	15/12/2023
Asset Management	Oliver Woodhams	3/1/2024
Executive Director / Senior Manager		
Resources and Corporate Services	Jason Vaughan	19/12/2023
Executive Lead Member	Cllr Liz Leyshon	19/12/2023
Consulted:	Councillor Name	
Local Division Members		
Opposition Spokesperson	Cllr Mandy Chilcott Deputy Leader of the Opposition and Opposition Spokesperson for Resources and Performance	15/12/2023
Scrutiny Chair	Cllr Bob Filmer for Scrutiny Corporate & Resources Committee	15/12/2023