

**To: Procurement Sub Committee**

**On: 16 March 2016**

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**Report by:**

**Joint Report  
by  
The Chief Executive & Director of Finance & Resources**

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**Heading:**

## **Contract Authorisation Report – Postal Goods & Services**

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### **1. Summary**

1.1 The purpose of this report is seek approval from the Procurement Sub-Committee to enter into a contract for Postal Goods & Services to be made under the Crown Commercial Service (CCS) framework for Postal Goods & Services RM1063 Lot 3 from 4 April 2016 to 3 April 2018, with the Council reserving the option to extend for up to two 12 month periods.

1.2 The Direct Award has been enabled under the following Lot 3 as detailed within the Crown Commercial Services (CCS) Framework Contract RM1063 Postal Goods & Services:

#### **LOT 3: HYBRID MAIL OFF SITE SOLUTION**

Lot 3 offers a hybrid mail solution that is wholly external. Lot 3 suppliers will receive work electronically and will be responsible for the printing, addressing, enveloping and delivery (physical or electronic) of mail items. Suppliers will offer a range of electronic and physical delivery options, such as SMS or email and will provide supporting software where necessary.

1.3 A contract strategy document for Postal Goods & Services was signed in February 2016 by the Strategic Commercial & Procurement Manager and the Head of Customer and Business Services.

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## **2. Recommendations**

2.1 It is recommended that the Procurement Sub-Committee authorise:

- The Head of Corporate Governance to make a Direct award Call off Contract for Postal Goods & Services under Lot 3 of the Crown Commercial Services (CCS) Framework Contract RM1063 Postal Goods and Services to Critiqom Limited.
- The value of the contract will be up to a total value of £860,000 excluding VAT where the Council's option to extend on two separate occasions is utilised.
- The Call-Off Contract will commence on the 4<sup>th</sup> April 2016 to 3<sup>rd</sup> April 2018 with the option to extend for up to two 12 month periods, on two separate occasions to no later than 3 April 2020.

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## **3. Background**

- 3.1 The Crown Commercial Service provides national contracts for central government and the wider public sector to utilise in order to make savings.
- 3.2 A Direct Award can be made from the Crown Commercial Service Framework RM1063 Lot 3 - Hybrid Mail Off-Site Solution
- 3.3 Analysis of the RM1063 Framework Agreement rates was undertaken by officers of Finance and Resources and the Corporate Procurement Unit, in order to determine the best value for the Council.
- 3.4 The Council will achieve best value by utilising the Direct Award option with Critiqom Limited.
- 3.5 Savings from utilising the Direct Award procedure with Critiqom Limited will be in the region of £17,000 per annum.

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## **Implications of the Report**

1. **Financial** - Financial costs in respect of this Contract will be met from the Service's capital and revenue budgets
2. **HR & Organisational Development** – None
3. **Community Planning** - None
4. **Legal** - The procurement exercise was tendered in accordance with the Direct Award conditions of the Crown Commercial Services (CCS) Framework

Contract RM1063 Postal Goods and Services and with Council's Standing Orders Relating to Contracts for contracts awarded under a pre-existing framework agreement.

5. **Property Assets** - None
6. **Information Technology** - None
7. **Equality & Human Rights** - None
8. **Health & Safety** The procurement exercise was tendered in accordance with the Direct Award conditions of the Crown Commercial Services (CCS) Framework Contract RM1063 Postal Goods and Services and with Council's Standing Orders Relating to Contracts for contracts awarded under a pre-existing framework agreement.
9. **Procurement** – The procurement procedure outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and Modern Government
10. **Risk** – The procurement exercise was tendered in accordance with the Direct Award conditions of the Crown Commercial Services (CCS) Framework Contract RM1063 Postal Goods and Services and with Council's Standing Orders Relating to Contracts for contracts awarded under a pre-existing framework agreement.
11. **Privacy Impact** – due to be undertaken on 2 March 2016

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**List of background papers** – Not Applicable

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