



Officer Decision Report

Author/Lead Officer of Report: Jason Peck –
Contract Manager

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Report to: Tom Smith –Director – Operational Services

Date of Decision: 22/09/2023

Subject: Operational Services – Contract Procurement –
Supply of Office Stationery

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? 2109				
Has appropriate consultation taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>

Purpose of Report:

To detail the approach to the commissioning and procurement of a contract for the supply of office stationery for the Council. The procurement in this report is for goods/services that are a commonly recurring requirement of the Council. The report will specify the contract renewal with a brief description of the contract including the value, the proposed procurement strategy, the method of funding and the date for renewal. The purpose of the report is to provide sufficient information for the Director of Operational Services to provide authority for the procurement to be undertaken.

Recommendations:

That the Director of Operational Services:

- Approves the commissioning of the supply of office stationery from an external provider over a 4-year period and estimated value of £728,440, as set out in this report.
- Approves the procurement strategy to run a mini competition using the YPO Framework and subsequent contract award for office stationery supply, as set out in this report.

Background Papers: Not used.

Lead Officer to complete: -		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>Holly Nichol</i>
		Legal: <i>Richard Marik</i>
		Equalities & Consultation: Louise Nunn
		Climate: Jessica Rick
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	SLB member who approved submission:	<i>Not Applicable</i>
3	Relevant Policy Committee	<i>Not Applicable</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: <i>Jason Peck</i>	Job Title: <i>Contract Manager</i>
	Date: 22 September 2023	

1. PROPOSAL

- 1.1 It is proposed that the Council commission the supply of office stationery from an external provider over a 4-year period and estimated value of £728,440.
- 1.2 This report also seeks approval of the procurement strategy for the proposed contract for the supply of office stationery from an external provider.

Background

- 1.3 The Council has a reliance on external suppliers to deliver stationery for use by staff in undertaking their day-to-day activities. Products such as pens, paper, note-books, paper clips and staples are basic items required in the operation of the Council's administrative activities. Despite the increase in the number of people working from home and the evolution of electronic communication there is still a substantial and ongoing requirement for these consumable items.
- 1.4 The Council has a duty of care to its employees to provide equipment required to undertake their duties effectively. Stationery is an essential requirement for many council employees in undertaking their role, therefore the Council has a responsibility to ensure these items are available to staff.

Contract Title	Contract Type	Details	Value
Supply Of Stationery	Services	Contract for the supply of office stationery	£728,440

Current Position

- 1.5 The incumbent supplier of stationery to the Council is Lyreco. The contract with Lyreco was procured in 2017 and was due to expire in 2021 however, due to the pandemic procurement was delayed and the contract was extended for 2 years. The contract is now due to expire on 30th November 2023 and we have no options to further extend the contract therefore a procurement exercise is required to secure a contract for the supply of stationery beyond the 30th of November 2023.
- 1.6 The current contract with Lyreco has a core list of over 400 individual items of office paraphernalia and Lyreco also provide a 'to desk' service in their deliveries which means orders are delivered to the ordering person's desk rather than to a single location which saves the Council time and money in not having to re-distribute deliveries internally within the organisation. This also reduces the physical risks

to council staff around the manual handling of larger orders of items such as reams of printer paper. This service is provided to all Council Buildings which, therefore, also cuts down the cost of Facilities Management having to managing, sort and distribute orders across the Council estate.

Commission

1.7 It is therefore proposed that the Council commission a 4-year contract, with an estimated value of £728,440, for the supply of office stationery.

1.8 The specification for the commissioned service will require the successful contractor to provide a 'to desk' delivery service to all Sheffield City Council sites. The required product list will include a core list of over 400 individual items of office paraphernalia such as staples, paper and pens etc. all of which will be available for council staff to purchase as and when required.

Procurement strategy

1.9 A procurement strategy for the procurement of a contract to supply the Council with office stationery has been completed by Commercial Services. After undertaking market research, it was found that the stationery supply market is quite extensive with many suppliers and a good number of potential Frameworks that could be utilised.

1.10 The identified options and routes to market are:

- Undertake an Over Threshold Open Tender exercise to the whole market.

1.11 The procurement strategy in this instance would be for a service contract with an external provider and would be the alternative option to utilising a Compliant Public Sector Framework. It is possible that the option to procure a service contract would provide us with the cheapest prices possible but has been rejected due to the additional resource and time requirements involved in undertaking an open tender exercise in comparison to utilising a compliant Framework.

1.12 Additional time and resources will be required due to the need to undertake the Standard Suitability Questionnaire element of the tender and discussions will be required with the successful bidder to agree the terms and conditions. We would also potentially receive a high number of bids which would increase resources needed for evaluation, and it is likely a lot of these bids would be from companies without the capacity to deliver the amounts we order.

- Utilise a Compliant Public Sector Framework

1.13 The use of a public sector framework provides a compliant route to market for the Council. A review of currently available public sector

frameworks was undertaken by Commercial Services with details below.

- Crown Commercial Services Office Supplies Framework and the Northeast Purchasing Organisation were both rejected as options as the Frameworks only have one supplier which reduces our ability to secure the most competitive prices.
- The National Framework Partnership Office Supplies was rejected as the Framework does not provide any information on the number of suppliers available or the names of supplies on the Framework.
- YPO (Yorkshire Purchasing Organisation) Office Supplies Framework – 1001 includes the main suppliers in this category. The suppliers have already signed up to the Framework's terms and conditions so there will be no issues in terms of amendments which will make the processes quicker. There is also no requirement for a Suitability Standard Questionnaire to be undertaken as this has already been undertaken by YPO when onboarding the suppliers. There is also no requirement to hold a 10 day stand still period by using a Framework which would also reduce timescales (although we are likely to hold a voluntary stand still period)

1.14 It is therefore recommended to undertake a mini competition using the YPO Framework with the 4 registered suppliers to secure a new contract for the provision of stationery.

1.15 The Contract will be let on the Framework Terms and Conditions for a period of 4 years.

1.16 The contract tender documentation including the specification, method statement questions and key performance indicators will be developed in consultation with colleagues in Facilities Management, Commercial and Financial Services.

1.17 The contract will be managed by the Council's Facilities Management team. Contractor performance will be managed via regular minuted contractor meetings and evaluated against a set on agreed key performance indicators to ensure the Council is receiving the agreed and required level of service from the successful contractor. Tenderers will be offered the opportunity to subscribe to the Council's Early Payment Discount scheme when submitting their tender.

2. HOW DOES THIS DECISION CONTRIBUTE?

2.1 Strong economy

Local Economic Impact will be assessed as part of the total Social Value offering in line with the Council's award winning Ethical Procurement Policy.

2.2 Better health and wellbeing

The provision of a comprehensive and efficient stationery contract readily available to all Council staff will help ensure staff can access equipment as and when they need it.

2.3 Thriving neighbourhoods and communities

By providing staff with the tools and equipment necessary for them to undertake their duties in an efficient and timely manner will have a positive impact in delivering services to the citizens of Sheffield.

2.4 Tackling inequalities

None.

3. HAS THERE BEEN ANY CONSULTATION?

3.1 No external consultation is required / has taken place as the proposed procurement is for the provision of goods for internal Council departments, to support the service in the delivery of its day-to-day services.

3.2 The procurement strategy has been jointly developed in consultation with relevant stakeholders in Facilities Management and Financial & Commercial Services.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality Implications

4.1.1 Overall, there are no significant differential, positive or negative, equality impacts from this proposal.

4.2 Financial and Commercial Implications

4.2.1 The proposed contract spend is within existing budgets and will commit the Council to a spending figure of £728,440. Forecast spend figures are based on the future projection of spend based on historical spend data for the last two years. The spend is to be monitored within existing budgets.

4.2.2	Contract	Term	Value
	Stationery	4 years	£728,440

4.3 Legal Implications

4.3.1 The Council has a variety of powers and duties set out in legislation.

4.3.2 The proposal to commission the supply of stationery set out in this report will facilitate administrative tasks of Council officers which, in turn, will ensure that many of the Council's powers and duties are discharged.

4.3.3 The contracting arrangements in this report are permitted by the Local Government (Contracts) Act 1997.

4.3.4 The procurement arrangements proposed in this report must be in accordance with the Public Contracts Regulations 2015 and the Council's Contracts Standing Orders.

4.3.5 Where the Council proposes to utilise a public sector compliant framework, it must ensure that it complies with mini-competition requirements and calls-off individual service contracts in accordance with the terms and conditions set out in the framework agreement.

4.4 Climate Implications

4.4.1 A Climate Impact Assessment has been completed for this procurement. All potential suppliers will be required to provide information regarding the environmental impact of their activities in general in addition to specific measures to be taken in reducing the impact of their activities in the execution of this contract. Measures such as minimising carbon emissions from travel by efficient route planning and the potential use of electric vehicles along with waste management and minimising the environmental impact of their products' manufacturing process will be factors in assessing potential contractors.

4.5 Other Implications

(Refer to the decision-making guidance and provide details of all relevant implications, e.g. human resources, property, public health).

4.5.1 None.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Do nothing – Do nothing and allow the current contract to expire. This option has been excluded as there is a requirement for the provision of stationery and we have a legal duty to procure a contract for its supply.
- 5.2 Self-Deliver - this is not an option; the Council has not the capacity or appetite to supply its own stationery.
- 5.3 Further extend existing contract – this is not an option as all available contract extensions have been utilised. As ever, Council must adhere to the Public Contract Regulations (2015) thus further variations (value and duration) are not deemed easily reconcilable with the provisions set out within PCR.

6. REASONS FOR RECOMMENDATIONS

- 6.1 Preferred option – to procure the appropriate contract in the manner described in section 1 of this report. This will help enable the Council to continue to provide this key service. The procurement of the contract will ensure the Council is operating in accordance with the Public Contract Regulations 2015 and achieving best value in its procurement of the services.