



WEST OXFORDSHIRE
DISTRICT COUNCIL

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Name and date of Committee	EXECUTIVE – 21 JUNE 2023
Subject	APPROVAL OF AWARD OF CONTRACT FOR EXTERNAL PRINTING AND POSTAGE (HYBRID MAIL)
Wards affected	ALL
Accountable member	CIlr Dan Levy – Executive Member for Finance Email: dan.levy@westoxon.gov.uk
Accountable officer	Mandy Fathers – Business Manager for Environmental, Welfare and Revenues Email: mandy.fathers@publicagroup.uk
Report author	Mandy Fathers – Business Manager for Environmental, Welfare and Revenues Email: mandy.fathers@publicagroup.uk
Summary/Purpose	To consider the result of a procurement exercise to award a new contract for the provision of external printing and postage for the Council and its partners
Annexes	none
Recommendation(s)	That Executive resolves to: <i>a) Award the contract for external printing and postage from 1 August 2023 to IMail for a period of 3 plus 1 year</i>
Corporate priorities	<ul style="list-style-type: none">• Delivering our services to the highest standards• Responding to the challenges presented by the climate crisis
Key Decision	YES
Exempt	NO

Consultees/ Consultation	Executive Member for Finance, Chief Executive and Deputy Chief Executive, Monitoring Officer, Interim Head of Legal Services, Finance Business Partner, Assistant Director for Resident Services, Director of Finance (Publica), Members of the Overview and Scrutiny Committee
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1. EXECUTIVE SUMMARY

- 1.1** This report seeks approval to award a contract for the provision of the council's external printing and postage, also referred to as a hybrid mail solution.
- 1.2** Hybrid mail is a secure, fast, online method of producing, managing and sending documents direct to residents and businesses from any location.
- 1.3** As part of the items taken to the Shareholders forum in October 2022, a hybrid mail solution was identified as a potential savings area for the council.
- 1.4** Officers have now explored this solution further and through a procurement framework identified a supplier who can support the council in reducing its overall printing and posting costs.

2. BACKGROUND

- 2.1** The council maintains a traditional postal service for the majority of service areas in respect of its outbound mail. For the majority of its outgoing mail in respect of Revenues and Benefits, mail is delivered via a hybrid mail provider.
- 2.2** Within the council, the benefits of hybrid mail are seen in remote working flexibility, hardware, consumables, staff time and postage costs. To illustrate this point, a user would be able to send a file to the service provider from any location, be that home or office. There would be no need to print to a multi-functional device, so there would be a reduction in hardware and associated printing costs. There would be a reduction in the need for holding physical stock of letter headed stationary, inserts or envelopes. There would be a reduction in postal costs. Users across the council would recoup the time spent printing, collecting and processing items of outbound post, and could use that time to complete others tasks as required.
- 2.3** The impact of the Covid-19 pandemic increased the pressures on the traditional mail service. Many officers are now continuing to work remotely, and this has resulted in the need to consider alternative methods of processing mail. Remote/agile working will remain a key feature of how the council operates and so a solution to enable staff access to mail documents is crucial to business operations moving forward.
- 2.4** In 2017, an external contract for a hybrid print and post solution was awarded in partnership with Cheltenham Borough Council and Cotswold District Council Revenues and Benefits services. This contract has now expired and under the council's commissioning rules, a new tender exercise has been undertaken, with consideration to adopt hybrid mail across all council service areas.
- 2.5** The council must maintain a physical post solution as items such as those requiring recorded delivery to return personal documents for example, are not able to be returned electronically.

3. MAIN POINTS

- 3.1** Following approval from the Commissioning Board a procurement exercise has been undertaken in partnership with Cheltenham Borough Council, Forest of Dean District Council, Stroud District Council and Cotswold District Council to award a new contract for its off-site printing and mailing provision.
- 3.2** Procurement of the contract was undertaken via the GCloud I3_ RMI557.13 which is a Crown Commercial PCRI5 compliant framework. Under the terms of the Framework, the Authority must carry out an evaluation of all potential suppliers listed on the framework in order to arrive at a shortlist of potential suppliers. Shortlisted suppliers are then evaluated in 2 ways:
- 1) Most Economically Advantageous Tender (MEAT) criteria
 - 2) Direct award on lowest price only if they are comparable services
- 3.3** Following the initial assessment of providers listed on the framework, 4 were shortlisted and assessed using both methods of evaluation listed above with the chosen supplier, IMail meeting the requirements of the specification, providing the best unit price for first and second class mail; with no disruption to setup and implementation.
- 3.4** The Modern Slavery Act 2015 is an Act of the Parliament of the United Kingdom. It's designed to combat modern slavery in the UK and consolidates previous offences relating to trafficking and slavery. The act extends to England and Wales.
- 3.5** The Transparency in Supply Chains Provision of the Modern Slavery Act (MSA) requires commercial entities with an annual turnover of £36m or more to report annually on their actions to identify, prevent and mitigate modern slavery in their supply chain.

4. FINANCIAL IMPLICATIONS

- 4.1** Hybrid mail providers are able to provide postal services at postage rates that are cheaper than the traditional method. The joint procurement and wider use of hybrid mail solutions will provide economies of scale in respect of pricing.
- 4.2** It is difficult to estimate the value of the contract due to the changes in which our customers interact with the council, such as email; however, based on the costings for postage in 2022/2023 the value of the contact during its life would be in the region of £480,000
- 4.3** The financial savings arising from switching to hybrid mail compared to using traditional postage will vary depending on volumes, postage class and the number of items sent by

recorded/special delivery. Based on current volumes, Royal Mail charges and stationery savings are estimated to be in the region of £11K per annum. Longer term, further savings may be generated from the rationalisation of printing devices once they have reached the end of their service life. Moving to a hybrid mail service should also improve efficiency as staff will need to spend less time on mail handling and associated activities.

4.4 This figure is £9k more than the original projection set out in the outline business case.

5. LEGAL IMPLICATIONS

5.1 The value of this contract over its lifetime could be higher than the EU threshold for Services and the award of the contract therefore is government by the Public Procurement Regulations 2006. The award is also subject to the council's constitution including Contract Rules, the Council's Financial Rules and the Scheme of Delegation.

6. RISK ASSESSMENT

6.1 In changing to a new provider the quality of service is unfamiliar; however, a staged approach will be incorporated into the process; ensuring quality assurance checks are carried out within each stage.

7. EQUALITIES IMPACT

7.1 There are no unacceptable adverse effects on the protected characteristics covered by the Equalities Act 2010 that have been identified.

8. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

8.1 Public Services (Social Value) Act 2012 legislation requires Buyers of public sector services to consider related social, economic or environmental benefits that can be delivered through a contract. They must be relevant and proportionate and specific to the customer.

8.2 Whilst reducing the direct carbon footprint for the Council it will transfer this indirectly to the chosen provider. Compared to the average office, hybrid mail providers will generally use more environmentally friendly print and distribution equipment.

9. ALTERNATIVE OPTIONS

9.1 The Council's current hybrid mail contract has expired. The Council could decide to do nothing and continue to use the more traditional services for external print and posting. However, by doing so, it would not realise the potential cost savings of using a hybrid mail solution.