

CHESHIRE EAST COUNCIL

Cabinet Member for Strategic Communities

Date of Meeting: 29 July 2013
Report of: Head of Commercial Strategy, Business Innovation Performance
Subject/Title: Creative Design and Print Framework Agreement
Portfolio Holder: Councillor David Brown

1.0 Report Summary

- 1.1 Since April 2010 Cheshire East Council has not had an in-house creative design and print service. This means that when these services are required by the authority, they are procured externally by a number of different council services within the authority.
- 1.2 In September 2010 Cheshire East Council put in place a contract for Creative Design and print services with a single provider. This contract expired on 15 April 2013.
- 1.3 A new EU tender to provide Creative Design and Print services to Cheshire East Council was advertised in July 2012.
- 1.4 An evaluation panel undertook a detailed and comprehensive evaluation of all tenders submitted, and identified four suppliers whose tenders met or exceeded the minimum acceptable standards as specified in the Invitation to Tender.
- 1.5 This report requests authorisation to appoint suppliers to a new Creative Design and Print Framework Agreement. This new Framework Agreement will provide a value for money and flexible creative design and print service for the authority.
- 1.6 The Framework Agreement holds a notional value of between £800k and £1.2m over the period of the contract. The contract period is two years, with the option to extend for one year and then one more year, a potential total of four years.
- 1.7 At the Cabinet Meeting of the 28 May 2013, it was resolved that following an EU procurement process, the Portfolio Holder for Strategic Communities be given delegated authority to appoint the successful bidders to the Creative Design and Print Framework Agreement.

2.0 Recommendations

- 2.1 Following an EU compliant procurement process, and the Cabinet decision giving the Portfolio Holder for Strategic Communities delegated authority to appoint the successful bidders to the Creative Design and Print Framework Agreement, that the following suppliers are appointed to the Framework:

C21 Creative Communications Ltd
Charles Mason and Associates Ltd
Smith Creative
Splinter Design Communications

And that the Council will enter into the necessary Framework Agreements with the above suppliers.

3.0 Reasons for Recommendations

- 3.1 The existing Creative Services contract expired on 15 April 2013. A new contract is required to ensure that Cheshire East Council continues to procure Creative Design and Print in line with EU procurement law.
- 3.2 Since September 2010 a single provider contract has been in place to meet this need. Overall the provider has met the demand from the authority. However, over the life of this contract it has become apparent that to meet the complex and diverse needs of the Council a multi provider option will offer greater flexibility whilst delivering a transparent and cost effective service.
- 3.3 A framework agreement means that a contract can be awarded following a short mini competition process based on pricing and other information established in the original tender process thus giving confidence in value for money. Also, the range of suppliers appointed will collectively allow greater access to a wider range of services. On occasions where the authority is able to ascertain which supplier is best capable of meeting our needs without running a mini-competition, then a direct award is possible, however, it is believed that this will be minimal.

4.0 Wards Affected

- 4.1 All wards.

5.0 Local Ward Members

- 5.1 Not applicable.

6.0 Policy Implications

- 6.1 Creating this framework will result in a better controlled and consistent process by which Creative Design and Print Services are procured thus contributing to the overall aim of the authority to ensure quality and value in public services.

7.0 Financial Implications

- 7.1 At the date of this report, there is no central budget for the procurement of Creative design and print services. Budget to procure these services sits within services across the authority. Estimated spend for the financial year 12/13 for Marketing and publicity is circa £400k.
- 7.2 In order to conduct an EU compliant process to put a framework in place, a notional value for the potential spend for the authority as a whole against the framework has to be estimated.
- 7.3 The notional value that has been estimated for the potential four year life span of the contract is between £800k - £1.2m.

8.0 Legal Implications

- 8.1 The aggregate value of the Council's requirement for Creative Design and Print services is such that these services must be procured in accordance with EU legislation and the Council's Finance and Contract Procedure Rules. A framework agreement enables the Council to meet its need for a service for a set period of time in order to obviate the need to undertake a wide competitive process in relation to each individual procurement. It complies with EU requirements and the Council's rules.
- 8.2 The Public Contracts Regulations allow local authorities to enter into framework agreements with a number of service providers, following a competitive tendering process, and to thereafter select from those service providers to provide particular services, as and when required for a maximum period of four years. The Council can award contracts following a short mini competition process based on pricing and other information established in the original tender process.. On occasions where the authority is able to ascertain which supplier is best capable of meeting our needs without running a mini-competition, then a direct award is possible, however, it is believed that this will be minimal.
- 8.3 The Council has completed the procurement process and has awarded contracts to the suppliers referred to in paragraph2 above. The standstill period has passed and the necessary framework agreements may now be entered into with each supplier in order that the Council may validly enter into individual contracts with them over the lifetime of the framework.

9.0 Risk Management

- 9.1 Failure to procure services in line with EU legislation and the Council's Finance and Contract Procedure Rules puts the authority at risk of breaching these regulations and may result in contract terminations, contract shortening and awarding of damages.

10.0 Background and Options

- 10.1 Since April 2010 Council Services requiring "creative services" have needed to procure these from an external source. 'Creative Services' includes design, print and general publicity and marketing material.

- 10.2 In order to comply with EU legislation, these services must be procured in a managed and value for money manner. This is also critical to achieve economies of scale and to consistently manage the brand and hence the reputation of the authority. A contract for provision of this service has been in place for some time. This has been with a single provider and this contract expired on April 15 2013.
- 10.3 An analysis of the contract has taken place and whilst the contract has largely met the requirements from the Council, the opportunity to implement an improved service model has been considered. Experience to date has shown that greater flexibility and value for money can be achieved by appointing a framework of providers rather than a single supplier.
- 10.4 A procurement exercise has been undertaken to establish a framework of approved suppliers. The framework will include four providers. The procurement process has followed EU legislation and was conducted through The Chest. Tenders were subject to a comprehensive evaluation process based on the following criteria; cost and value for money; creativity; innovation; timescale compliance and ongoing support. The process included answering a series of questions addressing these issues and submitting a response to a creative brief designed to allow them to demonstrate their competence against these criteria.
- 10.5 The contract details were posted on The Chest and initially we received 215 Expression of Interest. Following this 50 companies completed Pre Qualification Questionnaires and returned them to us. These questionnaires were rigorously evaluated against comprehensive evaluation criteria using appropriate scoring principles.
- 10.6 This resulted in 7 companies being invited to tender, 2 of which subsequently chose to withdraw. Following this a final 5 companies were invited to the final round of the process, the Clarification interview.
- 10.7 The evaluation panel found that the four companies named above under 'Recommendations' met or exceeded acceptable standards specified in the Invitation to Tender.

11.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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