



**WEB PRINTING SERVICES: RENEWING A FRAMEWORK AGREEMENT – CONTRACT AWARD**

**Report of the Leader of the Council – Councillor Nicholas Botterill**

**Open Report**

A separate report on the exempt part of the Cabinet agenda provides exempt information relating to the evaluation of the tenders received.

**Classification:** For Decision

**Key Decision:** Yes

**Wards Affected:** All

**Accountable Executive Director:** Jane West, Executive Director of Finance and Corporate Governance

**Report Author:** Peter Kiberd, Print Manager

**Contact Details:**

Tel: 020 8753 2235

E-mail: [peter.kiberd@lbhf.gov.uk](mailto:peter.kiberd@lbhf.gov.uk)

**1. EXECUTIVE SUMMARY**

- 1.1 The procurement to re-award a Framework for Web Printing Services has reached the point where the Council is now able to formally confirm the inclusion of those contractors who will comprise the new Framework (Lot 1) following a detailed and comprehensive tender evaluation.
- 1.2 The Framework is designed not only for use by Hammersmith & Fulham but also other London authorities. To date, the LB Hounslow and Wandsworth Councils have committed to use the Framework once in place.
- 1.3 This report recommends that the contract is awarded to the following contractors who submitted the most economically advantageous tender in terms of the approved price/quality evaluation model:
  - St Ives plc
  - Warners Midlands plc
  - Woodford Litho Ltd

- 1.4 It also recommends that officers meet with the successful contractors to agree contract mobilisation.
- 1.5 The recommendation is that the contract will commence on 01 April 2013 and will be for a period of four years.
- 1.6 The establishment of the framework agreement of designated providers is designed to provide a competitive framework in which contractors with a proven quality/service record will systematically be called upon to bid and ultimately carry out the Council's print services. Thereby it will perpetuate an existing arrangement (Framework) which has shown itself to provide enhanced value for money and improved service quality.

## **2. RECOMMENDATIONS**

- 2.1 That approval be given to the award of a Framework Agreement for Print Services to the contractors set out in paragraph 4.1 of the report for a period of four years, to commence on 1 April 2013.
- 2.2. That, following formal award of the Framework, officers hold mobilisation meetings with successful contractors to ensure smooth implementation.

## **3. EVALUATION OF TENDERS**

- 3.1 Contract advertisements for the establishment of this framework agreement for print services were submitted to the EU Official Journal web-site on 29 April 2012. The advert stated the scope of the framework agreement, its length and estimated annual value.
- 3.2 42 expressions of interest were received, out of which 5 actually responded with completed application forms (Pre-Qualification Questionnaires – PQQs).
- 3.3 Following receipt of completed application forms, in November 2012, the Cabinet Member approved a short list of 4 organisations that would be invited to tender for inclusion into the framework agreement for Lot 1 (Web Printing)\*. The detailed Evaluation Tender Model against which tenders were evaluated is attached as Appendix 1. This required tenders to be evaluated through a staged approach, with those having passed through the earlier stages being evaluated on the basis of a 50/50 Price/Quality Model.
- 3.4 The remainder of this report only relates to the assessment of applications for Web Printing Lot 1.

The Framework agreement is comprised of 1 category and a total of 4 organisations were invited to tender.

Lot 1 - Web Offset printing (Magazines) – up to 4 colour

One organisation failed to submit tenders by the closing date (26 January 2013).

- 3.5 The 3 organisations which submitted tenders were evaluated in accordance with the agreed Tender Evaluation Model. All tenders were subjected to detailed examination of price and quality.
- 3.6 Each of the organisations was scored on quality against the criteria in the evaluation model. Scores against price and quality were then inserted into the evaluation model and tenderers were ranked in order of their overall scores. The contractors recommended for inclusion in Lot 1 are set in paragraph 4 below. Three (3) contractors are recommended for Lot 1. Detailed scores attained by each tenderer are set out in the exempt Appendix.
- 3.7 Officers consider that this selection of contractors will provide ample capacity to provide for the current and future requirements of the Council and the Councils which have committed to using the framework. Moreover it will also provide for the likely rate of attrition over the 4 year period of the Agreement.
- 3.8 A Cabinet Member Decision was taken in November not to proceed with Lot 2 of the framework – web-offset printing of newspapers – as a result of only one application being received.

#### **4. RECOMMENDED CONTRACTORS**

- 4.1 The contractors recommended for inclusion are as follows.

##### Lot 1

St Ives plc  
Warners Midlands plc  
Woodford Litho Ltd

- 4.2 The outcome of the tender assessment is shown in the Appendix to the exempt report.

#### **5. KEY BENEFITS OF THE FRAMEWORK AGREEMENT**

- 5.1 The Framework will provide the Council with a competitive, reliable pool of contractors for its web printing requirements with the Central Print Unit acting as a corporate gateway to produce best value and best quality printing services for print users. The Council's print unit will ensure the efficient management and close monitoring of this work, and ensure universal adherence to corporate identity guidelines.
- 5.2 The competitiveness of contractors will be maintained through a systematic means of 'further-competition'. In this way, each job commissioned will generally be subject to a prior quotation from suitable contractors before an order is placed.

- 5.3 Although the specific objective is to meet our own print needs, the resultant Framework agreement will be made available for use by the London Borough of Hounslow and Wandsworth Council together with other local authorities in London.

## **6. RISK MANAGEMENT**

- 6.1. The operational risks associated with the procurement are managed by the Communications Division as part of the tendering process. Benefits from the savings of the procurement contribute to the entry on the Enterprise Wide risk and assurance register, risk number 1 Managing Budgets.

## **7. EQUALITY IMPLICATIONS**

- 7.1 The Council's ability to produce communications materials in accessible formats (Braille, tape, video) is unaffected by this framework.

## **8. FINANCIAL AND RESOURCE IMPLICATIONS**

- 8.1 The framework agreement has delivered considerable savings to departments in its first four years, it is anticipated that these savings will continue going forward.
- 8.2 Implications verified by Jane West, Executive Director of Finance and Corporate Governance. Tel. 020 8753 1900.

## **9. LEGAL IMPLICATIONS**

- 9.1 It is noted that all tenders met the Council's quality/price criteria as set out in the ITT and that it is therefore recommended to appoint all tenderers onto the framework.
- 9.1 Implications verified by Cath Irvine, Principal Contracts Lawyer, Legal Services Division. Tel. 020 8753 2774

## **10. PROCUREMENT IMPLICATIONS**

- 10.1 The Procurement & IT Strategy team has actively supported this procurement exercise and has ensured that the Public Contract regulations 2006 and the Council's Contract Standing Orders have been complied with.
- 10.2 The Director for Procurement and IT Strategy is represented on the Tender Appraisal Panel and supports the recommendations for the reasons set out in the report.

**LOCAL GOVERNMENT ACT 2000**  
**LIST OF BACKGROUND PAPERS**

<b>No.</b>	<b>Description of Background Papers</b>	<b>Name/Ext of holder of file/copy</b>	<b>Department/ Location</b>
	None	Peter Kiberd Print Manager  020 8753 2235	Communications Services, Hammersmith Town Hall, King Street, W6 9JU
<b>CONTACT OFFICER:</b>		<b>NAME: Peter Kiberd EXT. 2235</b>	

## Appendix 1

### **TENDER EVALUATION AND AWARD CRITERIA**

The Council will recommend for inclusion onto the Framework those tenderers who submit the most economically advantageous Tender(s) based on a combination of price and quality. This section is provided in the interests of transparency and fair competition and sets out and explains how that evaluation will be carried out.

Each Tender for Lot 1 must achieve a minimum level of acceptability as defined by the following compliance standards:

Compliance Hurdle	Rationale
Compliant and bona fide Tender	Each Tender shall be checked to ensure that there is no material breach of ITT conditions; that the Tender is complete; that there is no collusion or corruption or anti-competitive behaviour; and that all required information is provided.
Legal Acceptability	Each Tender shall be checked to ensure that there is no legal impediment to the Council entering a contract with the successful Tenderer in the Council's form.
Complete Tender	Each Tender shall be assessed as to whether the Tenderer has confirmed that it is able to provide the Services as detailed within the Specification.

The Council reserves the right to reject without further discussion any Tender which does not meet the above compliance standards.

The maximum total score available across Price and Quality is 100 (ie. max 50 for price and max 50 for Quality).

TENDER FOR THE PROVISION OF WEB OFFSET PRINTING SERVICES

REFERENCE: 2012/S 85-140539

## Scoring

### PRICE 50%

#### Lot 1

The pricing matrices for Lot 1 (completed by tenderers with tendered prices for a typical range of jobs) will be evaluated by calculating the aggregated costs across all jobs for the Lot.

The Tenderers will be scored on Price as assessed in relation to the lowest bid (for the total aggregated costs for Lot 1). A maximum of 50 points will be available in relation to the Price assessment. The formula for assessment will be:

$\text{Lowest Tendered Price} / \text{Tenderer's Price} * 50 = \text{points awarded for Price.}$

Accordingly, the Tenderer with the lowest tendered Price will obtain the maximum points for Price (i.e. 50 points).

All calculations will be undertaken to two decimal places.

The following table provides an example.

<b>Tenderer</b>	<b>Total Aggregated Costs for Lot 1</b>	<b>Weighted Price score</b>
A	£120,000	<b>47.92</b>
B	£128,000	<b>44.92</b>
C	£115,000	<b>50.00</b>
D	£240,000	<b>23.96</b>

**Any Tenderer who does not achieve 25 points overall may be rejected.**

TENDER FOR THE PROVISION OF WEB OFFSET PRINTING SERVICES

REFERENCE: 2012/S 85-140539

## QUALITY 50%

Each Tender for Lot 1 will be scored by the evaluation team against each of the evaluation areas set out below. To ensure the relative importance of the evaluation criteria are correctly reflected in the overall scores a weighting system will be applied as set out below.

Each response to the evaluation criteria will be marked out of a total possible score of 5. The methodology for calculating the scores is as set out in the individual criteria below. Scoring will be based on the general principles and descriptions shown below.

### Scoring out of 5

- 0 = unacceptable. No information provided or does not meet the Council's requirements.
- 1 = some evidence provided but poor in quality or insufficient detail to show requirements are met.
- 2 = evidence provided but does not show basic requirements are met (unsatisfactory).
- 3 = evidence provided and meets requirements.
- 4 = evidence provided and shows all requirements would easily be met with added value.
- 5 = evidence provided and shows all requirements would be met excellently with extensive added value offered.

**Any Tenderer who does not achieve 25 points overall on Quality (after weighting) may be rejected.**

Finally, the evaluation team will add together the final total weighted scores for Quality and the scores for Price to arrive at the most economically advantageous Tender(s).

## LOT 1

<b>Evaluation Criteria – Quality</b>	<b>Weighting</b>	<b>Max raw score</b>	<b>Max weighted score</b>
Assessment of the likely quality of products and service;	5	5	25
Organisational and management experience and capabilities, and resources to be employed in the Contract;	2	5	10
Commitment to a collaborative relationship;	2	5	10
Sustainability considerations	1	5	5
<b>Maximum total weighted score for Quality = 50 points</b>			<b>50</b>

TENDER FOR THE PROVISION OF WEB OFFSET PRINTING SERVICES

REFERENCE: 2012/S 85-140539



The Tender scoring the highest points for Quality for Lot 1 will be awarded 50. Each of the remaining Tenders for the Lot will be awarded a mark on a pro rata basis in accordance with the following calculation:-

Tenderer's score x 50 divided by highest score = Z%

All calculations will be undertaken to two decimal places. For example based on a notional highest points score of 45 points an illustrative example is shown below.

**Lot 1 – Quality scores**

Tenderer	Points awarded for Quality	Weighted Score awarded
A	45	50%
B	42	46.7%
C	40	44.4%
D	38	42.2%

The scores for Quality and Price attained by each Tenderer will then be added to assess a total evaluated score for Lot 1. A simple illustrative example follows.

**Lot 1 – Total scores**

Tenderer	Weighted Quality Score	Weighted Price Score	Total Weighted score
A	50	47.92	97.92
B	46.7	44.92	91.62
C	44.4	50.00	94.40
D	42.2	23.96	76.16

**Rejected – not achieved Price threshold (25)**

TENDER FOR THE PROVISION OF WEB OFFSET PRINTING SERVICES

REFERENCE: 2012/S 85-140539