

Decision by Portfolio Holder



Report reference: CUS-001-2019/20

Date of report: 25 July 2019

**Epping Forest
District Council**

Portfolio: Customer Services

Author: Rob Pavey (Ext 4211) **Democratic Services:** J Leither

Subject: Request to waive Procurement Rules – Folder/Inserter Electoral Services

Decision: That the requirements of the Council’s Procurement Rules (Contracts exceeding £25,000 and Minimum Number of Tenders) be waived, in order to enter into a new six-year lease agreement with Neopost Ltd for the implementation and maintenance of a new folding and inserting machine for Electoral Services, at a total cost of £38,654.

ADVISORY NOTICE: <i>A Portfolio Holder may not take a decision on a matter on which he/she has declared a Pecuniary interest. A Portfolio Holder with a non-pecuniary interest must declare that interest when exercising delegated powers.</i>	
I have read and approve/ do not approve (delete as appropriate) the above decision:	
Comments/further action required: None	
Signed: Cllr S Kane	Date: 7 th August 2019
<i>Non-pecuniary interest declared by Portfolio Holder/ conflict of non-pecuniary interest declared by any other consulted Cabinet Member:</i> None	<i>Dispensation granted by Standards Committee:</i> Yes/No or n/a N/A
Office use only: Call-in period begins: 8 th August 2019	Expiry of Call-in period: 15 th August 2019

**After completion, one copy of this pro forma should be returned to
Democratic Services IMMEDIATELY**

Reason for decision:

The lease on the current machine has expired and the company has offered an on-going lease arrangement with a revenue saving of £3,025 per annum. Neopost have provided an excellent service to the Electoral Services with bespoke set-up requirements for the team and its specific needs.

Options considered and rejected:

To not renew the lease arrangement – there remains a need for a machine to fold and insert documents for the Electoral Services team otherwise provided internally on a manual basis. The machine is also available for other Council work.

To outsource the work to an external company – this could be an attractive option for periods of the year but in the run-up to deadlines for the electoral register or polls an almost instant response is required to support electors in a timely manner.

Shorter term lease options are available but with reduced savings - a four-year deal provides an annual saving of £2,121 and a five-year deal provides an annual saving of £2,563.

Background Report:

1 The Electoral Services team is a relatively small team of two full-time officers. The team provide an excellent service for the Council with an electoral registration rate of around 98%. To enable this effective service with such a small team the residual administration needs to be as streamlined and responsive as possible. This has until now been successfully delivered via a folder and inserter provided by Neopost for £9,468 per annum. This has been supplied on a five-year deal totalling around £47,000. Neopost are offering a new machine with a Total Care Service for £6,442 per annum over six years totalling £38,654, providing an equivalent saving of £3,025 each year. The offer therefore helps provide the Electoral Service team with the resilience to continue providing the effective service currently achieved and provides the authority with an annual revenue saving.

2 When Individual Electoral Registration was introduced in 2014, the Government provided funding for Councils to purchase/lease equipment to assist Electoral Services Teams in the delivery of the new electoral registration processes. The previous folder/inserter machine was obtained as part of this shift in registration to deal with the new way of working and was specifically designed to cope with the new size and style of forms involved. The new machine will be funded in the same way.

3 As the 6-year deal exceeds £25,000 Contract Standing Orders Appendix 1 ordinarily requires three quotes. The report is requesting a waiver of the standing order to enable the Neopost bid to be accepted without the cost and resource of a fuller procurement exercise for a relatively low-cost contract. Neopost have supported the Electoral Service excellently over the past 5 years and have remained flexible to their needs. The current offer also offers a reduction on the terms of the previous contract and can be seen as providing better value for money

Resource Implications:

The proposed agreement would cost £38,654 over a period of 6 years inclusive of a Total Care Service. This provides a revenue saving of £3,025 per annum

Legal and Governance Implications:

The decision involves a waiver of the Procurement Rules, which normally requires a minimum of three contractors to be invited to tender where the Total Contract Value is between £25,001-£50,000.

Safer, Cleaner and Greener Implications: None

Consultation Undertaken: None

Background Papers: None

Impact Assessments: None

Risk Management: None

Equality Analysis:

The Equality Act 2010 requires that the Public Sector Equality Duty is actively applied in decision-making. This means that the equality information provided to accompany this report is essential reading for all members involved in the consideration of this report. The equality information is provided as an appendix to this report.

Key Decision Reference (Y/N): N