

ANGUS COUNCIL

RESOURCES AND CENTRAL SERVICES COMMITTEE EXECUTIVE SUB-COMMITTEE
15 DECEMBER 2005

PRINT & DESIGN UNIT - RENTAL AGREEMENT FOR VOLUME PHOTOCOPYING EQUIPMENT

REPORT BY THE DIRECTOR OF LAW & ADMINISTRATION

ABSTRACT

The Sub-Committee is requested to approve the placing of a three year rental agreement for volume photocopying equipment with NRG Group UK and to note the advantageous terms available to the Council through use of an abc appointed supplier.

1. RECOMMENDATIONS

The Sub-Committee is requested to approve placing of a three year rental agreement for the supply of 2 high volume photocopiers with NRG Group, one of three suppliers available within the abc procurement catalogue.

2. INTRODUCTION

The Print & Design Unit based in St James House, Forfar not only provides printed matter for Council departments and other agencies/partners through traditional offset printing methods, but also provides a comprehensive volume photocopying service. Examples of the use of volume photocopying are the production of committee reports, agendas and minutes, bills of quantity for capital projects and other large documents required for other Council purposes. Due to the vast improvements in quality and speed of modern photocopiers, this medium can also be used for short run requirements where traditional printing would be both costly and time consuming.

To enable the Unit to meet its photocopying commitment there is a requirement for two high specification high speed photocopiers with sophisticated finishing accessories. This type of equipment is not available within the convenience photocopier contract in which the Council participate, in partnership with Dundee City Council and Perth & Kinross Council, and requires to be subject to a separate rental agreement.

3. PROPOSAL

The present contract with Capitol Copiers ended in June 2005 but has been extended on a monthly basis to enable the Print & Design Coordinator to fully explore the range of machines available through the abc procurement consortium which the council joined earlier this year.

Three organisations have been appointed by abc to supply photocopying equipment ranging from small table top models to high range, high volume machines. The Print & Design Coordinator has examined the range of machines available and the tariffs applicable based upon the Unit's current throughput of 4 million copies per annum. One supplier, Konica, was discounted as they could not meet the desired machine specification and applying the schedule of rates available from the remaining two suppliers, NRG Group UK Ltd and Canon UK, annual costs have been calculated.

Although required by Council policy to use abc suppliers, the existing supplier was approached only to confirm that value for money was being achieved by using abc suppliers in this particular instance. The results of the pricing exercise are as follows, with the existing supplier's quotation shown for comparison.

NRG Group UK Ltd	£21,338
Canon UK	£24,713
Capitol Solutions	£23,236 (existing supplier)

4. FINANCIAL IMPLICATIONS

The current contract with Capitol Copiers is in the sum of £28,465 per annum. Therefore, the savings to be achieved by entering into an agreement with NRG Group UK Ltd will be £7,127 per annum.

5. CONSULTATION

The Chief Executive and the Acting Director of Finance have been consulted in the preparation of this Report.

6. CONCLUSION

Notwithstanding the general decrease in the rental costs of high volume equipment as demonstrated by the reduced quote from the present supplier, further savings have been achieved through use of an abc supplier.

As the Print & Design Unit operates as an informal trading account dependant upon surpluses funding future investment in new equipment, the reduced rental charges assist in maintaining competitiveness whilst providing best value to the Council and its partnership customers.

CATHERINE A COULL
Director of Law & Administration

NOTE: No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.