

WEST DUNBARTONSHIRE COUNCIL
Report by Executive Director of Corporate Services
Tendering Committee – 5 February 2009

Subject: Tender for the Supply of Paint, Wallpaper and Sundries

1. Purpose

- 1.1 This report seeks Committee approval to issue a tender for the supply of paint, wallpaper and sundries under joint purchasing arrangements in place between West Dunbartonshire, Inverclyde and Renfrewshire Councils.

2. Background

- 2.1 In 2005, a purchasing alliance was formed between West Dunbartonshire, Inverclyde and East Renfrewshire Councils to undertake collaborative tendering for three commodity groups i.e.

- ironmongery, fasteners and sealants
- paint, wallpaper and sundries and
- glass, double glazed units and sundries

- 2.2 A Minute of Agreement was drawn up outlining the terms of the joint purchasing arrangements. This was approved and signed by the Heads of Legal Services in all three councils. The Minute of Agreement made provision for each of the three authorities to take the lead in tendering the commodities as follows:

- ironmongery – East Renfrewshire
- paint – Inverclyde
- glass – West Dunbartonshire

- 2.3 Contracts were awarded for ironmongery and paint in 2005 for a three year period with options to extend for one year. The contract for glazing supplies was never let but there is still a possibility that this will be pursued in the future.

- 2.4 The lead buyer at Inverclyde has moved to River Clyde Homes which is no longer part of the alliance. It has, therefore, been agreed that West Dunbartonshire will now take the lead as contracting authority for paint and that Inverclyde will take the lead for glass in the event that this commodity is tendered in the future.

- 2.5 A revised Minute of Agreement has been prepared and is with the Head of Legal, Administrative and Regulatory Services for signing.

3. Main Issues

3.1 The lead authority is responsible for -

- the placing of adverts for tenders in Europe and the UK.
- the obtaining of Committee approval.
- contract management

on behalf of the Alliance for their specific goods or service.

3.2 The current contract cannot be extended beyond 30 June 2009. It will, therefore, be necessary to re-tender as soon as possible.

3.3 The current contract is used in West Dunbartonshire by the Housing and Property DLOs. Some commonly used items are held in stock. Others are bought directly by the Corporate Procurement section. The estimated annual spend in this Council is £34,000. The total annual spend across the 3 Councils is £62,000.

3.4 Paint has been proposed as a possible commodity to be tendered as part of a larger collaborative contract through Scotland Excel, however, this is not in Scotland Excel's immediate programme of work, therefore, it is proposed to let the contract for a period of two years from 1 July 2009 with an option to extend for a further twelve months. The tender will be advertised through the European Journal and an open tendering procedure will be used.

4. Personnel Issues

4.1 There are no personnel issues.

5. Financial Implications

5.1 The estimated annual spend on these items within the DLO is £34,000. Across the three councils the total estimated annual spend is £62,000.

5.2 Aggregation of demand tends to deliver financial benefits in the form of more competitive rates than if councils were to tender individually.

6 Risk Analysis

6.1 If the contract is not re-tendered the existing suppliers will be able to supply the materials, however, the prices will be subject to fluctuation. Having a contract in place enables the prices to be set for a fixed period and a formal price review mechanism to be put in place.

7. Conclusions

7.1 A joint tendering exercise will provide a competitive and transparent option for the supply of paint materials for the Alliance.

8. Recommendation

- 8.1 The Committee is invited to approve the initiation of an open tendering procedure by West Dunbartonshire Council on behalf of the Joint Purchasing Alliance.**

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Date: January 2009

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Appendices: None

Background Papers: None

Ward Affected: All