

Waverley Borough Council

Report to: Executive

Date: 6 June 2023

Ward(s) affected: N/A

Report of Director: Community Wellbeing

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Report Status: Open

Hybrid mail – renewal of contract

1. Executive Summary

- 1.1 The purpose of this report is to seek approval to place the order to renew the Hybrid Mail contract. This service is used to deliver correspondence to customers.
- 1.2 The provision of funds to support this renewal is within the 2023/24 General Revenue Fund and HRA Budgets.

2. Recommendation to Executive

- 2.2 It is recommended that the Executive approves the renewal of the hybrid mail contract with MBA for a period of two years at a cost of £250,000.

3. Reason(s) for Recommendation:

- 3.1 The action is recommended to maintain and provide postal services to customers in the most cost effective and efficient manner.
- 3.2 After completion of a desk top analysis of providers on the procurement framework, the current provider remains the most cost effective.

4. Exemption from publication

- 4.1 No

5. Purpose of Report

- 5.1 To obtain Executive approval for the renewal of the hybrid mail contract.

6. Strategic Priorities

- 6.1 The introduction and use of hybrid mail since 2020 has reduced expenditure and increased efficiencies in line with the strategic priority, to continue to deliver services through careful financial management. The initial project saw savings of £60,000 which included a reduction in staff of 1 FTE.

7. Background

- 7.1 Hybrid mail is a digital mail solution that streamlines the process of printing and posting of business letters and print ready bulk mail.
- 7.2 Business letters and mailings are collated within a system from across our network and transferred to an offsite production facility. All letters are printed and mailed out via a dedicated postal provider for prioritised delivery with tracking and reporting capabilities.
- 7.3 This system also minimizing potential GDPR breaches.

8. Consultations

8.1 N/A

9. Key Risks

9.1 If the hybrid mail contract is not renewed, the council will need to revert to the traditional method of sending post which will have significant additional cost implications.

10. Financial Implications

10.1 A corporate budget for postage is provided for within both the General Fund and Housing Revenue account budgets. The 2022/23 budget as per February Council provides a budget of £115,060 before inflation for the cost of this contract. Once inflation budgets are applied, there is sufficient budget for each of the two years of the proposed contract. It should be noted that this is a call off contract and the council only pay for what it uses.

11. Legal Implications

11.1 The Council is empowered to use framework contracts for spend where this is above the standard threshold for procurement processes. The Council in adopting a specific contractor is required to have regard to the most effective approach including cost as a consideration.

12. Human Resource Implications

12.1 There are no implications for existing staff but reversion to a traditional mail room service from the Burys would need to be resourced and staffing put in place.

13. Equality and Diversity Implications

13.1 There are no direct equality, diversity or inclusion implications in this report. Equality impact assessments are carried out when necessary,

across the council to ensure service delivery meets the requirements of the Public Sector Equality Duty under the Equality Act 2010.”

14. Climate Change/Sustainability Implications

14.1 The council is striving to promote digitalisation in line with the corporate strategy, but more work is needed. Until the council moves to a more self-service digital service there is still a need to communicate with residents via Royal Mail.

15. Summary of Options

15.1 Following procurement rules, a desk top analysis of framework suppliers resulted in the recommendation to renew with MBA. This is the preferred option based on cost and quality.

15.2 The alternative option is to revert to a traditional mail service which would have additional cost implications to the council.

16. Conclusion

16.1 Following a desk top analysis, the recommendation is that the council renews the contract with MBA as this is the most cost effective method of delivering the service based on cost and quality. It should be noted that this is a call off contract and the council only pay for what it uses. With digitalisation we will look to reduce the need for the use of Post.