

Report No.3

Town Promotion & Tourism Committee Thursday 6 January 2014

Red Souvenir Shopping Bags

1 Purpose of the Report

- 1.1 To invite the committee to consider the purchase of a quantity of red “Malmesbury” shopping bags for sale in the TIC.

2 Background

- 2.1 Some years ago the council collaborated with Malmesbury Academy in the purchase of a supply of red shopping bags which we then sold through the TIC. Supplies of these bags ran out some time ago,
- 2.2 On several occasions we have been asked for these bags and had to turn away potential sales as they have not been available.
- 2.3 The School has now purchased 1000 bags and offered to split the order with the Town Council.
- 2.4 If we took 500 bags the unit cost would be £1.53 + VAT. However, they would also let us take 250 bags at the same unit cost.
- 2.5 The suggested selling price is £3.00 each

3 Proposal

- 3.1 To purchase 500 bags from the school for resale in the TIC
- 3.2 To purchase 250 bags from the school for resale in the TIC

4 Financial Implications and risks

- 4.1 Total cost for 250 bags would be £382.50 + VAT. The total cost for 500 would be £765 plus VAT.
- 4.2 The initial outlay would be recouped once the bags are sold. At a selling price of £3.00 breakeven would be 128 (ex VAT).
- 4.3 There is no certainty that the bags will sell, at what rate they would sell or what timescale it will take before the outlay is recovered.

5 Recommendation

- 5.1 To purchase either 250 or 500 bags at the unit price of £1.53 + VAT for sale in the TIC.

Cllr Sue Poole
Chair

Jan 2014