

Proposed Decision to be made by the Portfolio Holder for Finance and Property on or after 18 November 2016

Approval to proceed with Procurement – Multi Functional Devices (MFDs) with Print Management Solution Software

Recommendation

That the Portfolio Holder for Finance and Property approves the commencement of the procurement of Multi-Functional Devices (MFDs) with Print Management Solution Software, and that authority to award the contract is delegated to the Strategic Director of Resources.

1.0 Background

- 1.1 This report requests the approval to proceed with the procurement for the council's MFDs with Print Management Solution Software. An MFD is a combined printer/copier/scanner which has replaced the need for local printers.
- 1.2 The intention is to award a five year contract covering the period November 2016 to November 2021 and the Council will use ESPO framework RM3781 as its route to market. The predicted spend over the five year period is expected to be in the region of £1.5m.
- 1.3 The procurement is a renewal of an existing requirement without significant changes. The existing solution is an essential and core ICT service for WCC. MFDs are used for printing/scanning by staff on a daily basis, with over 140 devices across all council buildings. It also continues to support our smarter/flexible working initiative.
- 1.4 The Council undertook a review of the market a year ago, meeting with the key alternative suppliers to assess their offerings since the last contract. The review found that there would be no significant benefit to transferring our print estate across. It also found that there would be major start-up costs in doing so (see 1.10 below).
- 1.5 The introduction of the Corporate Printing approach delivered £50,000 into the 2012-14 Savings plans when the service was introduced. This was achieved through a rationalisation of the printing equipment managed by Information Assets.
- 1.6 Significant savings were also made in the printing costs. However these savings were left with the service departments as, while it remains in their budget, there is a clear incentive to print less. On current printing levels it is estimated that we will see further savings in this area in the new contract of

approx. £16k per quarter (£320k total). These will continue to be reflected in reduced costs for directorate users.

- 1.7 Lower environmental impact. e.g. reducing the amount of printing, reducing the cost of printing, reduced power consumption with reduced number of print devices and paper etc. These continue to build on the benefits of the existing contract.
- 1.8 Following engagement with the existing supplier we requested a potential direct award offering which was benchmarked against the framework catalogue pricing. We have also engaged experts at ESPO to review the proposals and advise on the replacement framework that is about to be launched in November 2016.
- 1.9 The direct award offering against the framework catalogue pricing has been checked and verified by ESPO team.
- 1.10 In our engagement with alternative suppliers, we estimated the cost of implementing a new solution and came to the following approximate additional costs:
 - New software licensing £40k
 - Replacement badge readers for authenticating users £3k
 - Business analysis to review and specify requirements £9k
 - Retraining of users £20k

In addition, there is significant additional work and costs migrating across:

- Duplication of costs during the migration while services parallel run
 - The management of two contracts, as a large proportion of the existing Canon devices are contracted to 2019
 - Technical oversight of any migration
 - Migration of key systems configuration, such as the authorities document management solution for electronic social care
- 1.11 With reduced internal resource availability to support these changes we would have to contract external support, adding a potential £80k of costs based on the experience of previous roll outs.

2.0 Timescales associated with the decision and next steps

- 2.1 To conclude procurement with new contract commencing November 2016.

3.0 Background Papers

- 3.1 None

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The report was circulated to the following members prior to publication:

Local Members: N/A

Other members: Cllr M Western, Cllr P Morris-Jones, Cllr N Dirveiks,
Cllr N Davies