

Approved By: Mark Gilmartin ..... Chief Officer	Classification of Paper: .....
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Report to PCC	Report reference number <i>KEBR07213 – Multi-functional Devices and Printers Mini-Competition</i> <i>PCC / 0034 / 13</i>
Date of Decision Date of Report	Area of County/Stakeholders affected <i>All areas within Essex Police</i>
Title of report – <i>Supply and Maintenance of MFDs and Printers</i>	
Report by – <i>Barry Rimmer, Procurement Services</i>	
Enquiries to - <i>Barry Rimmer, Essex Police HQ</i> <i>Email – barry.rimmer@essex.pnn.police.uk</i> <i>Internal – 185002</i> <i>External – 01245 452358</i>	

**1. Purpose of report**

*This report is to inform the Head of Procurement, Director of Support Services and the Police and Crime Commissioner of a recommendation to appoint a Contractor for the provision and support of MFDs (printers, scanners, copiers) to Essex Police. The contract will also be available to Kent Police in due course though this would be subject to a separate business case*

**2. Recommendations**

*On the basis of our evaluation, agree to award a contract for the provision and maintenance of MFDs and Printers to Xerox Ltd.*

**3. Benefits of Proposal**

*The Contract is to maintain and improve access to printing and scanning technology in response to the changing requirements of areas such as CJD where current procedures demand the increased use of scanners in providing information to the courts.*

**4. Background and proposal**

*There is a need to establish a new contract to replace the previous one which has expired. Please refer to Contract Award Recommendation paper – KEBR07213 Provision and Maintenance of MFDs and Printers.*

**5. Police and Crime Plan**

*N/A*

**6. Police Operational Implications**

*The contract will serve to maximise the reliability, availability and serviceability of the current print/copy/scan capability in support of the improved management of information within the force.*

**7. Financial Implications**

*Please refer to Contract Award Recommendation paper – KEBR07213 Provision and Maintenance of MFDs and Printers.*

**8. Legal Implications**

*There are no legal implications arising as a result of this proposal.*

**9. Staffing and other resource implications**

*There are no resourcing implications as a result of this proposal.*

**10. Equality and Diversity implications**

*There are no equality and diversity implications as a result of this proposal.*

**11. Background papers**

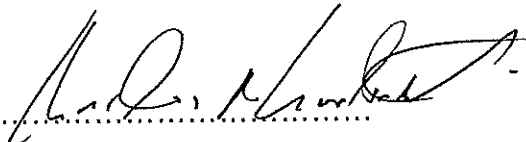
*Please refer to document KEBR07213 – Provision and Maintenance of MFDs and Printers.*

[NOT PROTECTIVELY MARKED]

- The report provides a justification supporting the recommendation that the contract should be awarded to Xerox Ltd.

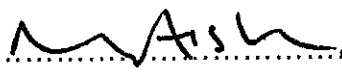
### Report Approval

The report will be signed off by the Chief Executive and CFO and the PCC Solicitor where legal implications arise.

Chief Executive/M.O.   
Chief Financial Officer .....  
PCC Legal Advisor ..... (As necessary)

**Decision**

I agree the recommendations to this report

  
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PCC/Deputy PCC

I do not agree the recommendations to this report because

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PCC/Deputy PCC

### Publication

Reasons for non-publication (state 'None' if applicable)

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[NOT PROTECTIVELY MARKED]

[NOT PROTECTIVELY MARKED]

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Signed/Print name

Report for publication

YES

NO

If the report is not for publication, the Chief Executive will decide if and how the public can be informed of the decision.

[NOT PROTECTIVELY MARKED]

TITLE OF TENDER: Provision and Maintenance of MFDs and Printers  
REF: KEBR07213

**CONTRACT AWARD RECOMMENDATION**

<i>Number of Suppliers Invited to Tender</i>	3
<i>No. of Bidders</i>	3
<i>Bidders details:</i>	[REDACTED] Xerox [REDACTED]
<i>Tender Issued Date</i>	15 <sup>th</sup> April 2013
<i>Tender Closing Date</i>	10 <sup>th</sup> May 2013
<i>Evaluation Period</i>	May 2013
<i>Evaluation Team</i>	Barry Rimmer, Jeni Windsor, Andy Banham (Essex), Davinder Gataora, Kesh Kotecha (SCC)
<i>Contract Award Date</i>	TBC
<i>Contract Awarded To</i>	Xerox
<i>Contract Period</i>	48 months + optional 12 months extension
<i>Estimated Contract Value over the contract period</i>	[REDACTED]
<i>Collaborative Contract</i>	Yes, via the SCC framework

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2. Background/Introduction

- *Purpose of Contract*

To maintain and improve the reliability, availability and serviceability of upgraded print facilities throughout Essex Police. The current equipment is out of contract and the new hardware will effectively replace most of the currently installed devices and through a process of rationalisation, reduce costs and the overall number of devices required across the county.

- *Brief overview of Goods/Services/Works and why it is required for policing needs*

The Contract is to maintain and improve access to printing and scanning technology in response to the changing requirements of areas such as CJD where current procedures demand the increased use of scanners in providing information to the courts.

- *Procurement Procedure undertaken*

Using the Sprint ii framework, we negotiated the involvement of SCC specialists in managing a tender at no cost to our organisation. The tender was issued to three agreed suppliers and following a joint evaluation of the costs, functionality and service quality, the best two suppliers were asked to provide a Best and Final Offer in terms of total cost of ownership. Tenders were initially issued on 15<sup>th</sup> April 2013, responses received on 10<sup>th</sup> May 2013 and the BAFO responses were received on 31<sup>st</sup> May 2013.

3. Tender Evaluation

- *Evaluation Criteria and weightings*

In view of the current focus on cost reduction, price was a key element of the evaluation criteria but functionality, serviceability and delivery timescales were also assessed.

Price		40%
	• <i>Total Cost of Ownership</i>	40%
Quality		60%
	• <i>Solution Compatibility</i>	20%
	• <i>Serviceability</i>	20%
	• <i>Delivery</i>	10%
	• <i>Sustainability</i>	10%

- *Tender Evaluation Panel*

The Tender Evaluation Panel comprised of representatives from Essex Procurement Department, members from ICT Directorate and specialists from SCC plc.

Following evaluation, the scores awarded to each supplier were as follows:

	Award Criteria	[REDACTED]	[REDACTED]	Xerox
<b>Total Cost of Ownership</b>	40%	72.8	60.8	80
<b>Solution Compatibility</b>	20%	36	28	36
<b>Serviceability</b>	2%	36	30	32
<b>Delivery</b>	10%	24	24	24
<b>Sustainability</b>	10%	14	14	14
<b>Total Score</b>	100%	182.8	156.8	186
<b>Ranking</b>		2	3	1

Proposed contract costs for the 4-year term were as follows:

**4 Year Comparison**

Manufacturer	Total per Quarter	Total over Term
Xerox	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

Currently, the force has 700 printers, 58 multi-functional devices (MFDs) and 198 standalone photocopiers installed. This project will reduce the overall number of devices to 200 printers, 165 MFDs and zero standalone photocopiers.

The following information details the current and future expenditure based upon the forecast reduction in devices as a result of the opportunity to share newly installed technology.

	Current Spend (annual)	Forecast Spend (annual)
Photocopiers/MFDs	[REDACTED]	[REDACTED]
Consumables	[REDACTED]	[REDACTED]
Support & Maintenance Essex Printer Fleet	[REDACTED]	[REDACTED]
Total	[REDACTED]	[REDACTED]
Total potential saving	-	£87,325

The current device spend of [REDACTED] is artificially low because Ricoh, following the expiry of the previous contract and on the basis that the devices are considered to be old technology, reduced the rental charges to zero and merely charged the force for the 'click' charges i.e. a fixed rate for printing per page.

The consumables charge is based upon toners and does not include paper. This is currently a high expenditure because there are 956 devices in use but this number will be reduced to 365 (200 printers and 165 MFDs). Consumables will therefore reduce to approximately 30% of the current cost.

The new costs negotiated by SCC include a discount to lease pricing offered in the first year if we can place an order for 80 devices before the end of June 2013. This volume is already identified in the initial installation schedule and represents a saving of £21,629.

As mentioned earlier, since November 2011 when the previous contract expired, the incumbent supplier, Ricoh, has only charged the force on a per copy basis but it is not possible to continue this arrangement due to the increased maintenance required by the ageing hardware. For obvious reasons, the supplier now considers this arrangement to be commercially unacceptable.

For these reasons and the savings presented by this migration to much improved technology, we would respectfully request your consideration of this recommendation as soon as possible so that we are able to take advantage of the discounts offered.

#### 4. Recommended Supplier

Whilst the submissions from [REDACTED] and Xerox were reasonable, acceptable and competitive, the total cost of ownership offered by Xerox produced the differential in our assessment.

Both suppliers were comparable in terms of technology and quality of service but the current pressure on budgets rightly suggests that our preferred supplier should be Xerox.

As part of the evaluation process, Essex Police contacted Cumbria Police seeking their views on the performance of Xerox as a strategic partner. Cumbria Police were extremely satisfied with the performance of hardware, levels of service and the technical competence of staff involved in supporting their contract. Overall, their level of satisfaction was very high and they would not hesitate to recommend Xerox as a trustworthy and competent supplier.

Consequently, on the basis of cost and the discussion with Cumbria Police which confirmed their capabilities, the Tender Evaluation Panel recommends that the Contract be awarded to Xerox Ltd.

#### 5. Period of Contract

The Contract will be for a term of 48 months plus an optional 12 month extension (total of 5 years) and will commence immediately. As mentioned earlier, the previous contract with Ricoh has now expired and it is necessary to schedule a swift transition to this new arrangement in order to achieve the targets of reduced revenue, improved functionality, improved reliability and reduced hardware volumes.

6. Experian Report

An Experian Report was run on 17<sup>th</sup> June 2013 and this confirmed the following:

The company is considered to be very low risk with a five star Delphi rating and a Delphi score of 100 out of 100.

Experian would have no hesitation in recommending credit transactions up to £10,000,000

7. Terms and Conditions

There are no known risks to highlight.

8. Recommendation

In conclusion approval is sought for Essex Police to engage Xerox Ltd for the specific provision and maintenance of multi-functional devices fully supporting the print, scanning and copying requirements of the force.

On the basis of projected plans, the total cost of the contract over the 4-year period is expected to be [REDACTED]

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Name: Barry Rimmer

Contracts Officer

Date: 16th April 2013

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Comments:

Head of Procurement:

Date:

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Comments:

Director of Support Services:

Date:

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Comments:

Police and Crime Commissioner for Essex:

Date: