

# North Yorkshire Council

## Executive Members

23<sup>rd</sup> January 2024

### Procurement of Multi-Function Devices and Associated Print Management Software

#### Report to the Corporate Director

<b>1.0 PURPOSE OF REPORT</b>
1.1 To Seek approval from the Corporate Director for Resources in consultation with the Executive Member for finance, assets and resources, and special projects, for the procurement of Multi-Function Devices (MFD's) and Associated Print Management Software

## 2.0 SUMMARY

- 2.1 It is recommended North Yorkshire Council (NYC) commence procurement activities to procure Multi-Function Devices (MFD's) and Associated Print Management Software up to a value of £1.5m.
- 2.2 It is recommended that North Yorkshire Council procures a solution which enables colleagues to access MFDs in all council offices.

## 3.0 BACKGROUND

- 3.1 The Authority currently has contracts with several suppliers, providing multifunctional devices including print management services and software (primarily through a 3rd Party solution called Cirrato), desktop printers, print room equipment and duplicators.
- 3.2 The fleet inherited from the former 8 councils consists of 348 multifunctional devices (copiers, printers and print room devices). The current total cost is £300k per year.
- 3.3 We are looking to achieve an overall single supplier solution – one contract with a maximum of 3 different MFD device types. The aim is to ensure a simplified and consistent user experience, reduce device types and create a simplified support model. We anticipate that 321 devices will be required moving forward – there is the potential that this could subsequently be reduced further.
- 3.4 Our objective is also to achieve cost savings derived from MFD rationalisation, single support and maintenance contract and behaviour and process changes to reduce printing volumes.
- 3.5 We are required to procure a solution which will enable a simple and consistent user experience across the council. Due to network restrictions on the back of Local

Government Reorganisation, the current system of 'on premise' printing will not enable delivery of user requirements. The proposed option, Virtual Private Cloud, will enable users to print from any council office location across the county. Indicative costs for the possible options have been difficult to obtain from suppliers.

- 3.6 Printing Data provided by former district/borough councils shows significant variances in printing habits by users across the council. The service has identified that through reporting, monitoring and process reviews, significant savings can be made through challenging printing behaviour (e.g., mono/colour print ratios).

#### **4.0 PROCUREMENT**

- 4.1 Market engagement has been undertaken via a series of meetings with a number of the existing suppliers – namely, Xerox, XMA and Apogee.
- 4.2 There is insufficient time to allow us to undertake engagement with all nine suppliers on the Lot 2 of the framework, but the information taken from these initial technical supplier meetings allows us to have an informed position with regard to progressing our requirements – as we now understand the current technologies available in the market and how our needs can be met based on appropriately written tender specification.
- 4.2 There is no requirement to split the tender into Lots, this will ensure that single supplier can be nominated to cover all our requirements.
- 4.3 There are nine suppliers on the framework identified from CCS. A further competition with all nine suppliers invited will ensure that best value is delivered based on our rationalised equipment requirements.
- 4.4 The contract will be drawn up in line with the CCS framework terms. This may include the provision for inflation on devices that are contracted within the five-year term, tbc by legal services.

#### **5.0 ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 Alternative routes to market have been considered for this procurement. Engagement took place with Crescent Procurement Consortium (CPC) as an appropriate Lot on this framework was identified.
- 5.2 The decision was taken not to proceed using CPC following conversations with the frameworks and suppliers.
- 5.3 CCS is the most used public sector framework and is the framework we have used in previous exercises to procure multi-function devices. Feedback from suppliers is that the CCS framework is the most competitive framework for this type of procurement exercise, providing the suppliers we spoke to with most of their business. Conversations also indicated that CPC public sector rates are significantly higher than those on the CCS framework. For this reason, we believe that CCS framework will give NYC greater buying power and we would achieve lower prices using this framework than on CPC.

- 5.4 Service Level Agreements on Crown Commercial Services framework mandate higher levels of service. The framework terms and conditions also offer the Council more leverage over suppliers to challenge underperformance.
- 5.5 The Crown Commercial Services framework contains clauses which allow the Council to return machines which become surplus to requirements without penalties.
- 5.6 Alternative technical solutions have been considered and both a business and solutions options appraisal undertaken following initial consultation with suppliers outside of the procurement process. The final recommendation is a result of the feedback received from stakeholders and following approval at the necessary technical boards such as SRB.

## **6.0 FINANCIAL IMPLICATIONS**

- 6.1 Following initial conversations with property regarding their proposed rationalisation of the estate, the service estimate that a 10% reduction in devices can be achieved across the council.
- 6.2 It should be noted that it is five years since the previous contract was procured, and market prices have not significantly fallen, we are not expecting savings to be generated through cost reductions on existing arrangements.
- 6.3 It is expected that by reducing the number of devices by 10%, plus securing copy costs on a comparable rate to the former NYCC, the service will achieve a saving of £40k per year over the 5 year duration of this contract.
- 6.4 It is anticipated that the recommended technical option will involve a cost to the service. Indicative pricing structures for possible technical options has been hard to obtain from suppliers, however conversations with existing suppliers across the county have indicated that the Virtual Private Cloud will be the lower of the supplier provided options.

## **7.0 LEGAL IMPLICATIONS**

- 7.1 The framework we propose to use to procure services is Crown Commercial Services, Lot 2, which is a compliant Framework.
- 7.2 The CCS Framework is a compliant route to market and in accordance with the Public Contract Regulations 2015, and where applicable, the Public Concession Regulations 2016

## **8.0 EQUALITIES IMPLICATIONS**

- 8.1 An initial Equalities Impact Assessment has been completed for this project and can be found at Appendix A. The procurement exercise will have thresholds are in place to ensure the successful supplier is able to provide a solution which meets our equality standards.
- 8.2 The main social impact for this procurement revolves around the provision of printing and copying services within the public libraries. If this provision were to stop, or

become inaccessible for an extended period of time, it may have an adverse effect on residents. Residents potentially affected are more likely to be within the ageing demographic, and the inability to print or copy at home (in most cases) means that the provision at libraries is essential

- 8.3 The implementation plan will be designed to have minimal impact on the service that end users experience, both within workplaces and public libraries. It is anticipated that the roll-out and replacement of a single machine will take roughly an hour, which means minimal downtime.

## **9.0 CLIMATE CHANGE IMPLICATIONS**

- 9.1 There are no significant climate change impacts because of this project. The CCIA can be found at Appendix B.

## **11.0 REASONS FOR RECOMMENDATIONS**

- 11.1 The largest of the current MFD contracts (former NYCC-Xerox) expires on 30<sup>th</sup> June 2024. Procurement needs to launch as soon as possible to enable a supplier to be procured, and sufficient time allowed to prepare for delivery (3 calendar months- 90 days).
- 11.2 Exit planning with Xerox has already started ahead of the contract end date of 30<sup>th</sup> June 2024.
- 11.3 A route to market through a framework for MFDs is preferred because of the advantages it offers in terms of the quality of the suppliers on the list.
- 11.4 Crown Commercial Services offers the Council a framework which we anticipate will deliver best value for the Council on this procurement exercise, whilst providing assurances with regards to underperformance and the flexibility to respond to change in service demand from across the Council.

## **12.0 RECOMMENDATION(S)**

- i) To undertake a further competition via Crown Commercial Services RM6174 for the provision of Multi-Function Devices and Digital Transformation Solutions – Lot 2.

### **APPENDICES:**

Appendix A – EIA  
Appendix B – CCIA

### **BACKGROUND DOCUMENTS: N/A**

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Presenter of Report – *John Metcalfe, Business Support Manager*

Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

***PLEASE ALSO NOTE THAT IF ANY REPORTS / APPENDICES INCLUDE SIGNATURES THESE MUST BE REMOVED / DELETED PRIOR TO SENDING REPORTS / APPENDICES TO DEMOCRATIC SERVICES. Appendices should include an Equality Impact Assessment and a Climate Impact Assessment where appropriate***