

<b>MERSEYSIDE FIRE AND RESCUE AUTHORITY</b>			
<b>MEETING OF THE:</b>	<b>AUTHORITY (ANNUAL GENERAL MEETING)</b>		
<b>DATE:</b>	<b>9<sup>TH</sup> JUNE 2022</b>	<b>REPORT NO:</b>	<b>CFO/029/022</b>
<b>PRESENTING OFFICER</b>	<b>CHIEF FIRE OFFICER PHIL GARRIGAN</b>		
<b>RESPONSIBLE OFFICER:</b>	<b>DEB APPLETON</b>	<b>REPORT AUTHOR:</b>	<b>MARK RICE ED FRANKLIN</b>
<b>OFFICERS CONSULTED:</b>	<b>STEWART MARTIN TOM HIRONS HYWYN PRITCHARD BERNIE KENNY TONY STRETCH</b>		
<b>TITLE OF REPORT:</b>	<b>MULT-FUNCTION DEVICE CONTRATCT RENEWAL 2022</b>		
<b>APPENDICES:</b>	<b>APPENDIX A:</b>	<b>EQUALITY IMPACT ASSESSMENT</b>	
	<b>APPENDIX B:</b>	<b>TENDER EVALUATION</b>	

### **Purpose of Report**

1. To request that Members approve the award of the Authority's Multi-Functional Device (MFD) Contract.

### **Recommendation**

2. It is recommended that Members approve the award of a five year contract to Hewell Packard ('HP') for provision and support of the Authority's MFDs.

### **Introduction and Background**

3. In its 2022-2027 ICT Asset Management Plan, the Authority approved the policy of using shared MFDs; having one MFD per Function as an alternative to printers.
4. The existing contract with Konica Minolta, for provision and support of MFDs and support software (PaperCut), commenced in July 2017, for a period of five years. The MFD contract printer rationalisation has contributed significantly to budget savings.
5. To continue this rationalisation and to have continued access to MFDs – which typically consist of combined printing, photocopying and scanning facilities – along with the provision of consumables and support by the MFD supplier, Merseyside Fire and Rescue Authority (MFRA) will need to a contract for the provision of MFD , with the current contract expiring on 29th July 2022.

## Mini Competition

6. In March 2022, a mini competition was published under Crown Commercial Services (CCS) Framework RM6174 Lot 2. The Provision of MFDs and Print Management Software and Services was the subject and there were nine possible suppliers who could have replied to the 'Request for Quote' (RFQ).
7. After a review by the ICT team and consultation with users, the number of MFDs in the organisation will be reduced from 66 devices to 63, and it is on *this* basis the RFQ was issued.
8. Four suppliers responded, including HP Inc. (UK) Ltd. A full list of the four respondents is provided in Appendix B, with HP being the preferred bidder having received the highest score from the tender evaluation..
9. When considering costs for MFDs there are distinct categories:
  - **Lease (rental) cost for each MFD:** This is the per annum cost to rent the device over the life of the contract.
  - **The 'Click Charge' for each MFD:** This is the estimated costs for printing on the MFD. A click can be defined as a rotation of the printing cylinder. For example, if we printed 50 pages one sided, the printer would pay a set fee based on 50 impressions or 'clicks'.
  - **The cost of paper:** Greater use of paper increases costs. At the same time as prompts and warnings were introduced regarding colour printing, similar techniques were implemented to promote double-sided (duplex) printing.
  - **Whether the printing is in black and white or in colour:** Following a Print Audit Review in November 2016 it was indicated the 'very high colour output' as an area that the Authority could dramatically reduce costs, if appropriate controls were put in place. Controls *were* put in place at the start of the previous contract (2017), in the form of on-screen warning prompts prior to printing and on-screen requests for written justifications for printing in colour (see 'PaperCut', below). These controls will continue with the new contract.
10. In addition to MFD provision, the current tender states the requirement for the use of our existing print management software – PaperCut – to be carried over to the new contract.
11. Of the four suppliers replying to the RFQ, it is recommend to award the contract for MFD provision and support to HP. The respective quality and price scores resulting from the evaluation are provided in Appendix B.
12. HP's Lease and Click costs of £269,000 (over five years) and a score of 74.05 has been chosen over the other three respondents.

13. When compared to the revenue budget allocation for 2022/23 (£314,500) this represents a potential reduction of £45,000 over five years. However, MFRA usage of MFDs and the incurred click charges could vary year on year, meaning the full reduction cannot be guaranteed.

#### PaperCut

14. Managing a print fleet can be time consuming and an expensive overhead for ICT and finance resources. PaperCut gives MFRA total control of the print fleet, with management able to overlay everything from performance monitoring and cost allocation, to secure printing and strategic policy enforcement. Continued procurement of PaperCut will enable the Authority to sustain the print cost savings which this solution has already achieved.
15. Cost savings are achieved by tracking employee usage by individual, office or department. PaperCut also provides comprehensive reports on usage costs, budgeting and environmental impacts.
16. PaperCut's main features are:
  - Tracking of print and associated costs by individual user, office or department
  - Implement print policy rules: Stop mistakes such as printing a document 100 times instead of once.
  - Enforcing double sided printing
  - Warning users when they are about to print emails in colour
  - Routing large jobs to the most cost effective devices
  - Printing monitoring reports to analyse and audit printer usage
  - Quick on screen overviews
  - Auto-deletion can be configured to a specified time
17. Continued use of PaperCut will sustain the following benefits:
  - Encourage responsible use of Authority resources
  - Reduce overall printing costs
  - All defaults set to mono and duplex as standard specifically reducing the cost of colour printer and paper
  - Help create an environmentally aware workplace
  - Submit and securely retrieve print job from any device using either name/password, PIN or access card reader.

#### Project Plan and Roll Out

18. HP provided an outline project plan and named a dedicated manager for the installation phase. The project plan will be further developed for sign off after award of the contract.
19. As Konica is the incumbent supplier, there will be a period of mobilisation, where MFRA's MFDs will be removed by Konica and replaced by HP.

## Equality and Diversity Implications

20. The Equality Impact Assessment (EIA) has been completed and submitted. Approval is pending, (Appendix A).
21. Equality and diversity implications were fully considered during the initial MFD contract (of 2017). The current proposal is for a *continuation* of the MFD contract; the devices are the same or better in terms of Equality, Diversity and Inclusion (EDI). This is evidenced by the attached EIA.

## Staff Implications

22. In early 2022 key users of the current MFD estate were asked to put forward their views on the current fleet of MFD's, including fitness for purpose and any additional requirements/suggestions they had. No concerns were raised.
23. Key users will be kept updated with progress once the contract is awarded and dates/times of decommissions and installations agreed, to ensure minimal disruption.
24. Training will be supplied, if necessary, and the training schedule will form part of the project plan.

## Legal Implications

25. The procurement process has been carried out under a compliant national framework in place with CCS.
26. As the total cost will exceed £250,000 this contract will require Authority approval.

## Financial Implications & Value for Money

27. Five-year lease period. This shows HP only. For the full comparison of all respondents, please see Appendix B:

		Revenue Budget Allocation 2022/2023	HP one-year costs
<b>Copy Charges</b>			
MFD: Annual Click Charges: 66* Devices	£25,200.00	£25,200.00	£15,367.52
<b>Lease Charges</b>			
MFD: PaperCut Print Management Solution: 1100 Licences: 4 Quarters: £1,729.98 Per Quarter	£6,919.92		£3,806.04
MFD: Lease: 66* Devices: 4 Quarters: £7,564.29 Per Quarter	£30,257.16		£34,683.69
<b>Total Lease Charges</b>	<b>£37,177.08</b>	<b>£37,700.00</b>	<b>£38,489.73</b>
Annual Total		£62,900.00	£53,857.26
Five Year Total		£314,500.00	£269,286.28
* Reduced to 63 devices for new contract			

28. Although the HP one-year costs exceed the one-year costs of another respondent, as the tender was also scored on compliance with our requirements, (see paragraph 12), HP have submitted the most economically advantageous tender and highest scoring tender overall.
29. Compared to the revenue budget allocation 2022/23, the award of the contract to HP represents a potential reduction of £45,000 over five years. However, MFRA usage of MFDs and the incurred click charges could vary year on year, meaning the full reduction cannot be guaranteed.

### **Risk Management, Health & Safety, and Environmental Implications**

30. HP confirm they will adhere to all MFRA Health and Safety requirements. All field staff are vetted, instructed and trained to ensure that MFRA's security, safety and confidentiality requirements are met in full by HP staff at all times.
31. HP's "Planet Partners Programme (PPP)" is designed to protect the environment and provides MFRA with a simple process to return and recycle used HP consumables (toner bottles, Cartridges and imaging units), free of charge.
32. MFD's are pre-configured to minimise environmental impact.
33. HP fulfil the mandatory sustainability and environmental requirements stated in CCS framework RM6174 Schedule 5.

**Contribution to Our Vision:** *To be the best Fire & Rescue Service in the UK.*

**Our Purpose:** *Here to serve, Here to protect, Here to keep you safe.*

34. The continued use of MFDs will serve our communities in two main ways. The first is that it will allow for efficient and secure printing, scanning and copying of important documents. The second is that costs will be minimised, allowing the allocation of valuable resources to other projects and actions which benefit our communities.

### **BACKGROUND PAPERS**

**CFO/111/11** None.

### **GLOSSARY OF TERMS**

<b>CCS</b>	Crown Commercial Services
<b>EDI</b>	Equality Diversity and Inclusion
<b>EIA</b>	Equality Impact Assessment
<b>MFD</b>	Multi-Functional (or Function) Device

**MFRA** Merseyside **F**ire and **R**escue **A**uthority is the physical and legal entity.  
When writing reports MFRA is the “object”.

**MFRS** Merseyside **F**ire and **R**escue **S**ervice is the service provided by MFRA.  
When writing reports MFRS is the “action”

**RFQ** Request for Quote