

TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

1 February 2011

Report of Central Services Director

Part 1- Public

Executive Non Key Decisions

1 PROCUREMENT OF NEW FLEET OF MULTI-FUNCTIONAL DEVICES

Summary

This report updates Members on progress made in the procurement exercise undertaken for a new fleet of Multi-Functional Devices (MFDs) following consideration of this issue at the 13 October 2010 meeting of Cabinet. It also recommends that delegated authority be given to the Central Services Director (in consultation with the Leader of the Council and Cabinet Member for Innovation and Improvement) to accept the most economically advantageous tender. This will enable the procurement to proceed without delays associated with reporting the issue to a future Cabinet meeting later in the year.

1.1 Background

- 1.1.1 At the October meeting of Cabinet, Members received and endorsed the report of the Central Services Director which promoted the recommendation of Management Team that the Council procure a fleet of 24 new MFDs.
- 1.1.2 These will replace the existing six year old fleet of 13 and, with the purchase of an additional 11, enable the removal of the majority (approximately 75) of the more expensive desk-top printers of various types currently connected to the IT network. This follows an audit of the network carried out in February last year to establish volumes and assess the number of MFDs required to meet demand. Many of these current networked printers are quite old and IT will be rationalising the age and condition of those few essential printers remaining and disposing of the balance as appropriate.
- 1.1.3 The new fleet will include a mix of both black & white and colour machines that will also be able to 'follow-me' print from the network, photocopy, scan and receive/send faxes. They will generally be located centrally on each floor/wing at our main offices at Kings Hill and Tonbridge and also at our Leisure Centres. Print queues will be accessed via use of our existing staff (and Member) ID 'swipe' cards.

- 1.1.4 Appropriate funding is available within existing MFD and IT Capital Renewal budgets. The proposal, when linked to the introduction of print control software will show an estimated minimum annual revenue saving of around £14,500, giving an anticipated potential £72,500 saving over the five year predicted life of the machines. There are also un-costed additional savings anticipated from reductions in paper useage that will result from better management of printed output and energy savings from the use of a smaller number of MFDs replacing separate printers, scanners, fax machines and photocopiers.
- 1.1.5 The early procurement of these MFDs also forms an important part of the proposed strategy for the expansion of the Corporate Document Management System reported to Members elsewhere on this agenda.

1.2 Procurement

- 1.2.1 It was decided, following an initial evaluation, to procure the MFDs and associated software via a Kent County Council (Central Buying Consortium) Framework Agreement which was EU compliant. Accordingly a 'mini' tendering exercise will shortly be undertaken with the four manufacturers (Canon, Konica-Minolta, Ricoh and Sharp) available under the Framework.

1.3 Proposed Evaluation

- 1.3.1 In view of the impact the roll-out of MFDs and removal of networked printers may have, a small Officer Study Group was established with representatives from all Services. This Group has already visited each of the four manufacturers to see demonstrations of both the hardware and print control software on offer. In order to fully assess the subsequent tender submissions, officers will complete a detailed evaluation matrix.

1.4 Capital and Revenue Costs

- 1.4.1 We have estimated the full capital costs of purchasing the equipment and software to be in the region of £100K. The full revenue costs ('clicks' charge and software support) over the five years anticipated life of the equipment is estimated to be in the region of £90K. These costs are currently covered by provisions made in capital renewals and revenue estimates for MFDs and IT supported networked printers
- 1.4.2 It should be noted that a proportion of the capital and revenue software costs are associated with a 'job ticketing' link to the Print Room within the proposed software suite. This will automatically direct high volume jobs (above pre-set limits) to our central printing facility. This option will be financed from an existing renewals provision reserved for the purpose following the recent replacement of two high volume print machines.

1.5 Timetable

- 1.5.1 It is hoped to achieve the early introduction of the proposed MFD fleet in order not only to realise the resulting revenue savings but also to support the successful expansion of the Corporate Document Management System.
- 1.5.2 To achieve this aim it is recommended that, following the receipt of tenders and detailed evaluation by officers, delegated authority be given to the Central Services Director (in consultation with the Leader of the Council and Cabinet Member for Innovation and Improvement) to accept the most economically advantageous tender. This will enable the procurement to proceed without delays associated with reporting the matter to a meeting of Cabinet later this year.
- 1.5.3 Subject to a successful procurement process, it is hoped to arrange for the purchase, installation and commissioning of the new equipment by the end of April. Full training for staff is included in the arrangement. It is hoped that the printers selected for removal will be disconnected shortly afterwards to ensure the early realisation of the anticipated savings.

1.6 Legal Implications

- 1.6.1 By utilising an existing Kent County Council (Central Buying Consortium) Framework Agreement (which has already been subject to OJEU advertisement), it is not necessary for the Council itself to re-advertise the opportunity provided that it procures in line with the procedures set out in the Framework. The Council's Contracts Procedure Rules allow the use of Framework Agreements.

1.7 Financial and Value for Money Considerations

- 1.7.1 The proposed purchase of hardware and software via the Kent County Council (Central Buying Consortium) Framework Agreement enables the Council to take advantage of volume discounts negotiated direct with MFD manufacturers on behalf of all local authorities.

1.8 Risk Assessment

- 1.8.1 The proposed hardware and software will be chosen following a detailed evaluation process based on the individual tender submissions. To not replace the current ageing fleet of MFDs and networked printers would result in increasing unreliability and associated repair and downtime costs.

1.9 Equality Impact Assessment

- 1.9.1 See 'Screening for equality impacts' table at end of report

1.10 Policy Considerations

1.10.1 Procurement

1.11 Recommendations

- 1.11.1 That the suggested procurement of the MFDs via the Kent County Council (Central Buying Consortium) Framework Agreement be supported and agreed;
- 1.11.2 Delegated authority be given to the Central Services Director (in consultation with the Leader of the Council and Cabinet Member for Innovation and Improvement) to accept the most economically advantageous tender; and
- 1.11.3 The outcome of the procurement exercise be reported to a future meeting of Cabinet for Members' information.

Background papers:

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File - Print 6.3

Julie Beilby

Central Services Director

| Screening for equality impacts: | | |
|---|--------|------------------------|
| Question | Answer | Explanation of impacts |
| a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? | No | |
| b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? | No | |
| c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above? | | |

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.