



**OFFICE OF THE POLICE & CRIME
COMMISSIONER FOR THAMES VALLEY**

REQUEST FOR DECISION – PCC 2019 / 009

Title: Contract for the supply of Printing and Document Services – ‘Think Print’ Project

The ‘Think Print’ project is a collaboration between Thames Valley Police (TVP), Hampshire Constabulary (HC), Surrey and Sussex Police (S&S). The aim was to support the South East Regional IT (SERIT) objective to focus on front line police officers and introduce smarter ways of working using digital platforms. The outcome of this project will encourage joint ICT working practices across the four forces and will align the technology and software used whilst introducing constant saving opportunities with a long term supplier partnership for a print and document management service.

TVP was the lead force for this procurement exercise and supported the collaboration and project managed the process between the other organisations.

Tenders were evaluated on price (40%) and deliverables (60%). Representatives from all 4 forces were on the evaluation panel.

Surrey & Sussex have their own Governance approval process so this decision report concentrates on TVP and Hampshire.

Full details are provided in Annex 1.

Recommendation:

The Police and Crime Commissioner is invited to agree the award of contract in respect of the above mentioned supply and delivery of a managed service to *Kyocera Document Management Solutions UK Limited*.

The above contract is for an initial term of 48 months duration with 3 extension option(s) of 12 months each period. The estimated contract value is £1.46m for TVP and £1.34m for Hampshire for the 4 year period.

Surrey & Sussex will award to the same provider but will form their contracts independently to TVP & Hants.

Police and Crime Commissioner

I hereby approve the recommendation above.

Signature  Date **23. V. MMXIX**

PART 1 – NON-CONFIDENTIAL

1 Introduction and Background

- 1.1 The 'Think Print' project is a collaboration between Thames Valley Police (TVP), Hampshire Constabulary (HC), Surrey and Sussex Police (S&S). The aim was to support the South East Regional IT (SERIT) objective to focus on front line police officers and introduce smarter ways of working using digital platforms. The outcome of this project will encourage joint ICT working practices across the four forces and will align the technology and software used whilst introducing constant saving opportunities with a long term supplier partnership for a print and document management service.
- 1.2 Full details are provided in Annex 1

2 Issues for Consideration

- 2.1 Ten companies bid for this contract, although three were determined to be non-compliant
- 2.2 Tenders were evaluated on price (40%) and deliverables (60%)
- 2.3 This is a 4 year contract with three options to extend by 12 months for each option.
- 2.4 This is a 4 force tender, although Surrey and Sussex have their own governance and sign-off arrangements.

3 Financial Comments

- 3.1 The value of this contract is £2.8m over 4 years for TVP and Hampshire or £5m if the options to extend are taken. This initial contract value is split £1.46m for TVP and £1.34m for Hampshire
- 3.2 Cashable savings are estimated at £0.495m per annum for TVP.
- 3.3 Further cost reductions in electricity, toner cartridges and paper are also expected.
- 3.4 Non-cashable savings are estimated at £0.050m per annum for TVP.

4 Legal Comments

- 4.1 Although there are existing contracts in both TVP and Hampshire, TUPE does not apply.

5 Equality Comments

- 5.1 The evaluation process took into consideration the need for any printers to meet the needs of a diverse workforce.

6 Background Papers

- 6.1 Not applicable.

Public Access to Information

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the website within 1 working day of approval. Any facts and advice that should not be automatically available on request should not be included in Part 1 but instead on a separate Part 2 form. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.

Is the publication of this form to be deferred? No

**If yes, for what reason?
Until what date?**

Is there a Part 2 form? Yes

ORIGINATING OFFICER DECLARATION (as appropriate):

	Officer	Date reviewed
Head of Procurement	Richard Fowles	23.4.19
Financial Advice	Linda Waters	11.5.19

OFFICER'S APPROVAL

We have been consulted about the proposal and confirm that financial and legal advice have been taken into account in the preparation of this report.

We are satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner.

Chief Executive



Date

21/5/2019

Chief Finance Officer



Date

20/5/19



Procurement Services

Procurement Outcome Report

TVP Reference [TVP00161](#)

Contract for the supply of

Printing and Document Services – ‘Think Print’ Project

Submitted By
Alison Jerred

Date Submitted:
[April 2019](#)

Contract Award (and POR) Sign-Off Sheet

By approving this document the Procurement Governance Board confirms acceptance of the detail contained within this document, approval to proceed with contract award, implementation and realisation of the benefits.

In the case of a Procurement which results in a new contract (or extension) the document replaces the previous award paper, and has a section for the relevant sign-offs below.

Executive Summary and Recommendations

1.1 BACKGROUND

1.1.1 Current / Baseline / Budgeted Spend: estimated - £870k p.a for TVP and £800k p.a. for HC = £6.7 Million over 4 years for HC/TVP combined (NOTE: costs are inflated due to excessive spend in consumables and break fix costs for the OKI machines – Procurement will be looking to support reductions in these areas over the course of the contract).

Subjective Codes: 3421 – Photocopier Maintenance, 3435 - Consumables , 3431 – stationary (where circa 5% Print consumables have been coded too), 38 – TVP Hardware Purchases (where a text search identified printer hardware purchase) & BB025 – Capital Purchases (where a text search identified printer hardware purchase)

1.1.2 Summary of requirement and process:

The 'Think Print' project is a collaboration between Thames Valley Police (TVP), Hampshire Constabulary (HC), Surrey and Sussex Police (S&S). The aim was to support the (South East Regional (IT) SERIT objective to focus on front line police officers and introduce smarter ways of working using digital platforms. The outcome of this project will encourage joint ICT working practices across the four forces and will align the technology and software used whilst introducing constant saving opportunities with a long term supplier partnership for a print and document management service.

TVP was the lead force for this procurement exercise and supported the collaboration and project managed the process between the other organisations. This POR represents the collaborative approach undertaken during the procurement process. S&S have their own Governance approval process that they will follow concurrently with our process.

The demand for each police force requirements to copy/scan and record all paper documentation is growing, due to legislative pressures, it became apparent that the aging fleet of printers, copiers and fax machines across TVP/HC wasn't up to the job.

There were too many different suppliers and models for effective fleet management. The devices were generally old and in poor repair so the department's employees couldn't rely on them when doing their jobs. ICT decided to procure the existing OKI devices through Dacoll (for TVP use) without conducting a best fit analysis across sites and without a supporting monitoring structure in place. This resulted in devices that were not fit for purpose in their environments.

ICT used Dacoll to service the devices, but it became apparent that repair to OKI devices was outsourced to another third party as Dacoll did not have the skills in house, that added another supplier to the management mix. ICT had not agreed a KPI between Dacoll and the third party. The response times were often days to weeks before an engineer was on site – this of course impacted considerably on staff doing their jobs as the OKI devices were out of action for long periods of time.

The decision to use re-manufactured toner cartridges in new OKI devices contributed to mechanical breakdowns and the change of paper did not work well in some of the older devices. This contributed to an inefficient service. It became apparent that the stationery provider had moved toner manufacturers and not informed TVP of their decision and although rectified this caused long term reputational damage with regards to the current service provision.

The above combined factors caused increases in ICT Service requests across TVP that were higher than the industry average. This reduced staff moral and faith was lost in the OKI devices being able to deliver.

The TVP Canon devices that were part of the Procurement Services Team legacy managed service contract. The main concern was the Canon devices age and the possible security risks associated with an aging fleet.

HC procured HP print devices through Computacentre and utilised their Engineers for their servicing and maintenance of the devices. A number of the HP devices had supporting care packages and warranties in place, but there was no holistic view of the devices performance or sustainability within their environment. Service call outs were low and managed through their service desk to agreed KPI response times.

S&S already had a lease agreement and a partial managed service contract with Ricoh. This gave them the advantage of knowing what devices were in their fleet and the total cost of ownership over the term of their contract.

Procurement started to put together with key stakeholders a specification for a tender exercise. Management Information had not been systematically gathered within TVP/HC and so the costs and reliability of the current estate was unknown. It was therefore necessary to gather the base data on which to evaluate options. The first part of the process was to conduct an audit across all sites with TVP/HC. This involved a two staged approach – electronic ‘software’ deployment and a physical audit. TVP/HC conducted a joint procurement exercise against Lot 7 of the CCS framework to find an independent auditor to conduct a commercial audit.

The winning supplier was EKM global, their collection of data from software deployment provided the project team with the data necessary to undertake the appropriate form of exercise for TVP/HC.

Equally importantly, TVP/HC wanted to improve the sustainability of its offices by reducing their use of energy and consumables. Further focus will deliver savings and improvements in the below areas:



Once the audit concluded the statistics required the route to market was a Mini-Competition against the Crown Commercial Services framework RM3781 – Lot 2. All Nine suppliers on Lot 2 were invited to tender, as agreed in the PLD.

- Capita
- Canon

- Konica
- Kyocera
- Richo
- SCC
- Vision
- Xerox
- XMA

Fujitsu were not part of the framework but could offer the service as part of the EUD contract and so were invited to quote using the existing End User Device (EUD) contract terms and conditions due to the synergies with the break fix of equipment and EUD support.

Compliant bids were received from Konica, Kyocera, Richo, Vision, Xerox, XMA and Fujitsu.

Capita and SCC declined to bid. Post bid process will seek a rationale behind their decision.

Canon failed to submit their bid on time to the EU Supply tendering portal.

After a full investigation in partnership with EU Supply it was confirmed that the bid was legitimately late and was not down to system error. It was mutually agreed that Canon were to be eliminated from the rest of the procurement process and informed accordingly.

The remaining bidders were evaluated on price 40% and deliverables 60%. A breakdown as follows:

Mandatory Criteria		
Please refer to the relevant sections in the Commercial Questionnaire.		
Scoring Criteria	1st Level Weighting	2nd Level Weighting
e.g Cost	40%	
e.g Deliverables	60%	
Model Selection		10%
Software Solution		9%
Security		10%
Deployment Services		4%
Operational Services		12%
Commercial Requirements		10%
Management Information		2%
Bidder Capability		3%

Representatives from all four forces formed the evaluation panel. And it was agreed that ICT would own the project. Steve South was to be the Project Sponsor. Mike Lattanzio, Head of ICT is the Senior Reporting Officer for this project.

Price review was validated by both nominated procurement representatives.:

Procurement Manager – TVP and Hampshire

Senior Contracts Officer – Surrey and Sussex

The deliverables review was assessed by:

Head of Service Delivery – TVP and Hampshire

Service Delivery Manager – TVP and Hampshire

End User Device Manager – TVP and Hampshire

Procurement Manager – TVP and Hampshire

ICT Manager – Surrey and Sussex

Each member of the deliverables panel reviewed the compliant bids and scoring using the agreed scoring matrix.

Scores were then collated and moderated to provide the final percentage score for each supplier.

Summary Sheet	Moderated Score	Deliverables Weighted Score %	Price Weighted Score %	Combined	Ranking
Bidder 1 - Canon UK Ltd			Non-compliant		
Bidder 2 - Capita Business Services Ltd			Non-compliant		
Bidder 3 - Konica Minolta Business Solutions (Uk) Ltd	136	48.00%	18%	66.00%	7th
Bidder 4 - Kyocera Document Solutions (UK) Ltd	154	54.35%	35%	89.35%	1st
Bidder 5 - Ricoh UK Ltd	128	45.18%	40%	85.18%	2nd
Bidder 6 - Specialist Computer Services PLC			Non-compliant		
Bidder 7 - Vision Group Holdings Limited	126	44.47%	28%	72.47%	4th
Bidder 8 - Xerox (UK) Ltd	140	49.41%	29%	78.41%	3rd
Bidder 9 - XMA	126	44.47%	24%	68.47%	6th

Bidder 10- Fujitsu	126	44.47%	26%	70.47%	5th
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A full breakdown of the scoring matrix for both price and deliverables is attached.

1.1.3 Regulation 84 form has been completed and is at Appendix A This is a record of the exercise required to be kept by the Cabinet Office.

1.1.4 Contract Terms and Conditions: The suppliers meet all the requirements of the contract terms and conditions and specification and offer the Most Economically Advantageous Solution, as assessed through the evaluation process.

Kyocera scored highly in the deliverables section of their tender response due to their unique innovation and technological advances both with their existing equipment and the further development in the following areas:

- The new printers will incorporate "cartridge-free" technology using a durable print drum and high yield toner container that provides thousands of printed pages, a low total cost of ownership and less routine user involvement.
- Ceramic technology – unique to the marketplace that supports durability of the devices glass screens.
- Award winning product solutions (environmentally and security sectors)
- Increase in energy efficiency (zero standby power consumption – thermos electro coolers)
- 99.1% of plastic parts used are recyclable.
- Unique toner lock system – prevents the removal of toner until it reaches 0% (currently between 20%-35% with existing fleet)
- Unique black toner bottles (removes waste toner)
- Enhanced security features (IEEE 2600.1)
- All Kyocera devices are accessible and available for instant modification for users with disabilities or impairments.
- Multi language support (bespoke to end user)
- Clear future roadmap for innovation and design improvements.

Although difficult to quantify this will support further efficiency savings and increase the collaborations environmental footprint and device security – taking TVP and the collaboration from an underperforming fleet to the fleet of the future.

As a consequence there are further benefits expected from the Kyocera bid that will reduce their pricing in comparison to that the other bidders proposed but due to the actual nature of these savings it was not appropriate to build them into the evaluation criteria and as a consequence the actual operating costs of the contract could be significantly lower than the cost used for evaluation and for benefits calculations.

1.1.5 Legal Implications: N/A – although there are existing contracts in both forces TUPE does not apply.

1.1.6 Equality and Diversity: Please state any equality and diversity implications / assessment in award of this Contract or state – The process took into consideration the need for any printers to meet the needs of a diverse workforce.

1.1.7 Realisation Implementation Plan:

S&S will work together to provide a realistic implementation plan for their own environment.

Separately TVP/HC have proposed the below implementation plan. This will be subject to change when discussions with the supplier take place.

It is envisaged that any suggested changes will be completed by Q4. Any changes brought about by the 'Think Print' project will be supported by a full communications plan where Jonathan Chainey from the Corporate

Communications Department will support the implementation team. A dedicated Knowzone page has been created and Twitter training has been provided to Procurement staff to ensure updates are real time and true to existing timescales.

Canon (TVP): The Canon devices are coming to their end of life. The best option would be to replace all devices after the tender procedure has been conducted. The ICT Procurement Team are managing the existing portfolio and will dispose and re-locate devices until the tender has been awarded and running efficiently. The new devices will then be rolled out to sites that require their legacy Canon device to be replaced.

HP devices: HC have HP printers, it is envisaged that 12 printers will be kept in the estate, as they have been procured in the last 12 months and have a good life expectancy. Pricing comparisons will need to be done to look at any additional costs in adding card readers. Under the new contract a review of these devices will be done before a direct replacement is issued.

The argument for a desktop device supports security and confidentiality for certain documentation will now be eradicated. The new devices within the marketplace will cover those concerns by utilising the follow me software and pull print solution.

OKI devices (TVP): Currently any failing device throughout TVP is automatically replaced with a like for like OKI device. It has become apparent that the OKI's purchased for Finance and other departments do not fulfil their existing printing needs. A decision to keep any existing OKI devices is still to be made, but this will be based on their estimated life expectancy and reliability. Again a feasibility study on their usage will determine a like for like replacement.

Scanning (TVP & HC): There is a slight increase in the demand for scanning across both forces as the electronic filing of documents is increasing (towards a paperless office). A multifunctional device is not suitable for high volume scanning as the deterioration of the print drivers will be accelerated if used at optimum capacity for prolonged periods of time. How can this be accommodated – options to consider - The review will need to include the prospect of purchasing separate scanners to accommodate this.

Allowances have been made within the tender process and provision of separate scanning devices will support the follow me, pull print solution. This area requires more investigation to support the changing needs, but this contract will support the procurement of these devices, so to ensure device consistency; this will be considered in the future.

Departments with bespoke and larger scanning requirements will need to investigate alternative outsourcing solutions or utilising any in-house Reprographics capability.

It is envisaged that there will be a phased implementation process across TVP/HC. This will be based on the EKM audit data that supports sites with high usage and high service requirements.

The implementation team will be managed by Chris Egan in ICT. Chris is responsible for co-ordinating the appropriate teams within ICT to make the roll out happen. Procurement will support Chris by documenting all requirements in the Contract. Procurement will further support any agreed KPI's and polices regarding print and changes across both forces. A draft first design is below.

EUD SLAs;

Prioritisation Matrix		EUD		Target SLA
Priority	Priority Type	Response Time	Resolution Time	
P1	Critical (Infrastructure Only)	n/a	n/a	90%
P2	High (EUD - Priority users only)	1 hour	8 hours	90%
P3	Medium	2 hour	8 hour	90%
P4	Low	2 hour	2 working days	90%

1.1.8 Contract Management Review: Tier 1 or Tier 2 or Tier 3

1.1.9 Attachments

Please include the following attachments as additional supporting information:

Supplier Scoring Evaluation

Insert here

Any additional Supporting information - as part of the scoring review additional pricing calculations were conducted to support the final decision – these have been attached.

1.2 RECOMMENDATION

1.2.1 The Police and Crime Commissioner / Chief Constable of Thames Valley Police (Chief Finance Officer and Director of Finance) are invited to agree the award of contract in respect of the above mentioned supply and delivery of a managed service to *Kyocera Document Management Solutions UK Limited*.

The above contract is for an initial term of 48 months duration with 3 extension option(s) of 12 months each period. *Surrey & Sussex will award to the same provider but fill form their contracts independently to TVP & Hants.*

Process and POR approval

Role	Name/Job Title	Signature and Sign-Off Date
Project Sponsor TVP/HC	Steve South	Via e-mail 04.04.2019
Procurement Business Partner	Dino Tsagris	Via e-mail 3.04.2019
Procurement Lead	Alison Jerred	3.04.2019 
TVP Finance	Helen Davies Charles Alele conducted financial check	Via e-mail 27.03.2019
Evaluation Team TVP/HC – Implementation Manager	Chris Egan	Via e-mail 15.04.2019

Contract Award Approval

Approval Role	Name	Job Title	Signature and Sign-Off Date
Reviewer:	Richard Fowles	Head of Procurement	Richard Fowles 23.4.2019
First Approver:	Linda Waters	Director of Finance	
Second Approver:	Ian Thompson	Chief Finance Officer	
Third Approver:		OPCC	

Public access to information

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**PART 1 –
FOR PUBLICATION ON TVP INTRANET SITE**

Contract Summary and Information for BLPD

Proposed Supplier (s)	Kyocera Document Solutions UK Limited.
Planned Contract Start Date	April 2019
Contract Duration – Initial Term (months)	48 Months
Contract Extensions Available (months)	3 Options to extend by 12 Months for each Option
Contract Value Initial Period (months)	£2.8 Million over 4 years (combined 2 forces) TVP & Hants only £5 Million over 7 years (combined 2 forces) TVP & Hants only
Contract Value Extension per extensions periods	£0.7 Million Year 5, 6 and 7 (total 6.3 Million)
Collaborative Purchase Information (who are we buying with and what is there proportion of spend).	TVP are leading the award and sourcing on behalf of HC and S&S. TVP will prepare contracts for TVP and HC and obtain the relevant signatures. S&S will produce their own separate call of contracts and purchase orders.

Project Savings (for use on Home Office benefits reporting – NOT TO BE INPUT ON BLPD)

<p>Baseline Spend (highlight any changes to information provided in PLD)</p>	<p><i>This is a new procurement exercise to replace the printing devices in TVP/HC There are no contracts in place for HP or OKI as the devices were purchased – we have sole ownership.</i></p> <p><i>The Canon contract has now expired, and procurement decided to keep a few devices available on an ad-hoc service call out contract – this can be terminated giving 30 days' notice.</i></p> <p><i>Spend was based upon an estimate based upon the spend across multiple cost centres over the last four years. The average spend is estimated as being circa £850k pa for TVP.</i></p> <p><i>There are significant potential savings that may be generated by the adoption of pull printing as this, it has been forecast, will reduce print volumes by circa 35%. (Circa £90k)</i></p>
<p>Savings Enabled: Detail at High, Low and Expected level if the savings are likely to be variable e.g. based on demand. Include Annual & Total Contract Savings</p>	<p>Cashable: £495k pa <i>Method The costs from the bids were broken down on a per device basis consistently across all bidders. This included the professional services.</i></p> <p><i>Two analyses were done.</i> <i>Firstly, the bid data from the 7 potential suppliers was applied to the audited sites at TVP, where a generic device and re-design had</i></p>

	<p>been applied. The device types and full costs proposed by the bidders were applied in place of the generic devices. It therefore represents a real-world situation for all the suppliers and allows direct comparison to the current costs, and the pre-tender cost target benchmark.</p> <p>The sample area covers 393 devices with the volume produced according to the actual usage at the sites and being applied to the correct mix of equipment.</p> <p>Tables have been produced to show all the per device costs for ease of comparison.</p> <p>These figures have then been applied to the Four Force entire estate with estimated volumes per model type which may be different from the final design implementation but gives an overall view.</p> <p>NOTE: These savings will be diluted if individuals in the collaborative start to increase the number of devices. The new pull print and reporting software tools will support the case of refusing a desk top printer for security/confidential reasons, as only delegated individuals can print from the devices using the swipe card technology.</p> <p>Non-Cashable: True cashable savings will be highlighted when a full roll out plan has been agreed with Kyocera – estimated £50k pa for TVP Total: £200k over 4 year contract.</p>
Savings Start Date if different from Contract start date	Estimated true savings after implementation circa Q4.
Collaborative Savings	Yes Collaboration Partner Savings £ 890k estimate (TVP & HC)
Savings Types (based on Savings Definitions in Savings Analysis Worksheet)	Tender negotiation – based on the EKM audit data or device numbers and the proposed re-design from the 7 bidders this has given a tender negotiation saving of circa 57% from the winning supplier Kyocera.
Other Benefits:	<p>Further cost reductions in electricity, toner cartridges and paper consumption are expected.</p> <p>The roll out of a print policy will support educating printing methods to include – duplex printing – standard mono printing to reduce colour costs.</p> <p>Consumable costs will be reduced as this will become part of the cost per copy charge – these savings will be quantified when a full roll out plan has been agreed.</p>
Total Savings as a % of baseline spend:	57%

Contract Documents Insert) Insert here – Note these are being prepared once approval has been given.