

BARNSELY METROPOLITAN BOROUGH COUNCIL

REPORT OF: MATT O'NEILL EXECUTIVE DIRECTOR, GROWTH & SUSTAINABILITY

TITLE: PROCUREMENT OF MULTI-FUNCTIONAL DEVICES (MFDs), RELATED HARDWARE AND SOFTWARE AND ONGOING SUPPORT AND MAINTENANCE DECEMBER 2022 TO 2027

REPORT TO:	Cabinet Spokesperson Cllr Frost
Date of Meeting	N/A
Cabinet Member Portfolio	Regeneration and Culture
Key Decision	No
Public or Private	Public

Purpose of report

To seek agreement to reduce the number and specification of multi-functional print/copy/scan devices (MFDs) as part of a pre-approved procurement process.

Council Plan priority

Barnsley 2030 Plan
Zero 40
#Digital First

Recommendations

1. Cabinet Spokesperson agrees to reduce the number and specification of MFD devices across the borough.
2. Delegated authority is given to the Service Director, Regeneration and Culture, to oversee and approve procurement and change management activities relating to the project.

1. INTRODUCTION

- 1.1 As part of the #Digital First (#DF) agenda the Facilities Management (FM) team was challenged to help BMBC move towards a 'paperless office'. This sought to address printing, copying, postage, stationery usage and paper waste management behaviours with the aim of improving GDPR compliance and reducing our carbon footprint. A cost saving of £251k was achieved (to contribute to the wider #DF ambitions to improve IT infrastructure and enabling technologies to support agile working practices) and a printing and print

management policy was introduced to reinforce expected positive behaviours. At that time, it was also agreed that the budgets for each department in relation to print and mail should be centralised and managed by FM to reduce recharging administration time for diversion to more value-added activities.

- 1.2 While many people have embraced #DF and agile working practices there is still a demand for printed material and physical posting of mail. While prices related to those activities have increased in recent years, the FM budget has not increased in parallel. This is creating a pressure on the FM team to find further savings while enabling the organisation to deliver its services.
- 1.3 The existing contracted fleet of MFDs and associated hardware and software is obsolete across both BMBC and Berneslai Homes (BH) premises. The incumbent supplier has indicated they will cease supporting the devices at the end of the current contract (25th December 2022) as replacement parts are no longer available. Therefore, it is necessary to undertake a procurement process to update the fleet. As well as the devices under contract, there are several aged 'standalone' machines in service across both organisations. Where required, these will be brought into the new contract so they can be properly maintained.
- 1.4 Approval for the procurement process has already been agreed.
- 1.5 This report now seeks permission to reduce the functionality and number of devices available across the Borough, based on feedback from staff and lessons learned about printing habits during and since the pandemic. Print statistics show that usage during the pandemic dropped by two thirds vs 2019 figures but, since offices have opened back up, that usage is now more like half of 2019's, indicating we are in danger of slipping back into behaviours which are counter to the #DF and Zero 40 agendas.

2. PROPOSAL

- 2.1 As part of a procurement exercise to replace the obsolete fleet of MFDs (installed circa 2014) this report proposes to reduce the number and specification of MFDs and associated hardware at numerous BMBC and BH sites across the Borough.
- 2.2 The existing contracted fleet utilises 3,155kWh of energy per month; which is around 39,600kg of CO₂ and £3,000 per annum. As prices for electricity are set to increase, it will be more important to reduce usage wherever possible, just to break even. Newer models have energy saving functions which will reduce those figures. This supports both the Zero 40 agenda and BMBC's need to find additional savings to bridge the £10m funding gap.
- 2.3 Recent IT infrastructure upgrades and migration away from national grid for learning (NGFL) to public access network means historical issues around public vs corporate use of MFDs and connectivity issues has reduced. This creates an opportunity to reduce the number of MFDs in public facing premises (e.g., libraries, adult learning centres and business centres).

- 2.4 Soft market testing with suppliers through the YPO framework has identified that it is now possible to install secure print release software (needed for BMBC and BH staff to comply with GDPR) on MFDs which will be accessible by both staff and the public. This also supports the reduction in numbers required.
- 2.5 Much of the output from MFDs was in relation to postal items but staff have now migrated to the hybrid mail system with anything needing to be physically sent out being managed through the corporate print unit (CPU). These cultural changes provide an opportunity not only to reduce device numbers, but also specification and therefore rental costs.
- 2.6 It is acknowledged through staff consultation that there are some teams which do still rely on printed material to deliver their service (e.g., requirement for large format for maps/plan drawings or to support public engagement and legislative activity). Therefore, it is not proposed that such sites be asked to manage without an MFD but that the number of devices at those sites is reduced.
- 2.7 A comparison of current vs proposed device numbers can be found in appendix B. More details can be provided upon request.
- 2.8 The overall proposed reduction in the fleet is from 117 devices to 78 across the Borough (a 33% reduction). The Corporate Print Unit (CPU) will remain available for staff to divert large volumes away from the MFD fleet; thereby mitigating any potential impact on service delivery.
- 2.9 The up-and-coming transformation programme and wider review of the Asset Management Strategy will further impact, and potentially reduce, the need for devices across the portfolio.

3. IMPLICATIONS OF THE DECISION

3.1 Financial and Risk

- 3.1.1 Consultations have taken place with representatives of the Service Director - Finance (S151 Officer).
- 3.1.2 This report is seeking approval to reduce the number of MFDs from 117 to 78 and to embark on a procurement exercise to obtain quotes for reducing the number of devices and associated services.
- 3.1.3 At present, the Council has the Corporate Print Unit (CPU) for high volume printing and 117 MFD devices at various locations for individual and lower levels of printing. Most MFD devices are leased under a contract with Konica which terminates on 25 December 2022. Konica has also notified us that all the devices we operate under this contract will become unsupported from December 2022 so there is no option to extend the contract. It is therefore necessary to carry out a procurement exercise to replace these devices. The contract for the CPU devices has another 4 years to run so these will not be part of the procurement exercise.
- 3.1.4 During the recent pandemic, printing volumes were seen to reduce significantly and have remained lower than pre-pandemic levels since then. In

view of this and the timing of the contract renewal, the service has taken the opportunity to review the suite of MFD devices, both within the existing contract and some owned outright but now at end of life and concluded that these could be reduced to 78 devices, with some of these changing to lower specification and so lower cost models, without impacting user experience and need. This represents an opportunity to reduce leasing costs, click costs for using the devices, licence costs and electricity costs as well as freeing up office space.

3.1.5 The current budget/cost of the contract with Konica is £251,500 per year:

	Annual Budget for 2022/23
Konica Machine Rentals	130,000
Konica Copy Costs	100,000
Konica Safe Q Licence	20,000
Konica Card Reader Warranty	1,500
Total	251,500

3.1.6 The reduction in devices should result in savings but the extent of these will not be known with certainty until we receive submissions to the tender. If they are in line with the reduction in the numbers of devices then the savings could be in the region of around £170,000 per annum excluding savings on electricity, paper, and space. All savings generated through this exercise will be considered as part of the next MTFS refresh.

3.1.7 No Appendix A is required at this stage.

3.1.8 Some possible risks and mitigations are set out below.

Risk Detail	Probability and Impact	Mitigation
Cost estimates above may not be reflective of market prices at time of procurement. This could lead to overspend resulting in the need for additional funding approval and possible delays to implementation.	Medium	Cost estimates do incorporate some contingency value. Procurement activities to take place at earliest opportunity to reduce risks of price changes.
Supplies of IT-related equipment are currently extended due to supply chain issues. This may mean the timeline for implementation of the new fleet and software solution may exceed the existing contract end date. This would require us to consider	Medium	Once agreement is reached on the number of devices to procure, all tender documents will be ready to be released via an approved YPO framework agreement. This is a faster route to market than a fully open tender.

<p>extending the contract for some months (the incumbent may not be willing to do that – especially considering their ability to support re maintenance of the aged fleet) or managing without MFDs for a period of time.</p>		<p>Soft market consultation has already taken place with suppliers (including the incumbent) on that framework, so they are aware of the December target date.</p> <p>If we are unable to implement by December, and the incumbent does not agree to extend, essential printing can be diverted to the CPU and either collected or delivered – although the latter will incur courier costs.</p>
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3.2 Legal

3.2.1 There are no expected legal implications of this proposal.

3.3 Equality

3.3.1 While some colleagues may find a reduced number of devices inconvenient, staff and public will benefit from the new generation of devices which have inbuilt features such as larger touch screens which can have the background and text colouring altered to support individuals with sight impairments or manual dexterity issues.

3.4 Sustainability

3.4.1 Decision-making wheel completed



- 3.4.2 **Negatives:** New equipment will have to be manufactured and transported.
Positives: Reduced number of devices with more efficient operation aligns to the sustainable Barnsley 2030 theme and the Zero 40 ambition. Public still have access to free printing, supporting the learning and growing Barnsley 2030 themes.

3.5 Employee

- 3.5.1 Some staff may encounter mild inconvenience at having to move further to recover printed material. This could, though, be considered a positive impact as it will encourage exercise and time away from their computer screens; both important for health and wellbeing, in line with the healthy Barnsley 2030 theme.

3.6 Communications

- 3.6.1 Staff will be kept informed throughout the project and particularly when the implementation phase commences. Those staff working in public access sites can support the project team through explanations to members of the public.

4. CONSULTATION

- 4.1 Pre-COVID-19, substantial engagement was undertaken with services to understand their printing, copying and scanning requirements. Where services identified something 'out of the norm' further consultation has taken place to determine whether their requirements have altered because of the #Digital First programme and the agile working practices accelerated through the pandemic. These changes have been reflected in the specification documents.

5. ALTERNATIVE OPTIONS CONSIDERED

Option	Reason for Rejection
Only provide MFDs at public access/tenanted sites and direct staff to those sites if they need to generate printed material.	This could be a suitable alternative should SMT and Councillors consider this degree of inconvenience for staff to be an acceptable outcome. This would reduce the fleet to around 40 devices. It would, however, hinder operations at sites such as depots and the crematorium.
Re-procure the same number and functional specification of devices.	Does not support BMBC and BH's ambitions to reduce carbon emissions. Is counter to the #DF agenda. Does not take advantage of recent investments in IT infrastructure. Does not reflect the changing needs of the organisations.
Don't procure any new devices; continue to utilise the current fleet.	Devices are beyond their life expectancy. Spare parts are more difficult to obtain, meaning once a device breaks down, it will remain

	<p>inoperable and need replacing. Feedback from users indicates the existing machines are difficult to navigate and have poor facilities for people with visual and manual dexterity issues.</p>
<p>Don't procure any new devices and allow the current fleet to be removed at the end of the current contract.</p>	<p>While the pandemic and #DF programme identified that many people can manage without the need to use an MFD, there are some teams who do still require access to enable them to deliver their services.</p> <p>Diverting all printing/copying needs to the CPU would put additional strain on that team and their equipment. This would be particularly difficult to manage during annual billing and any election processes.</p> <p>Where materials have to be delivered to users, this would incur courier costs.</p>

6. REASONS FOR RECOMMENDATIONS

- 6.1 Reducing the specification of devices (e.g., pages per minute throughput, stapling and finishing functions, number of paper trays) will mean lower rental costs per device.
- 6.2 Reducing the number of devices in the fleet will also reduce rental costs.
- 6.3 Reinforcing the #DF agenda and agile working practices is already becoming embedded within the organisation and supports the Zero 40 carbon ambition.
- 6.4 The proposal strikes a balance between the learning and growing Barnsley themes and the sustainable and healthy themes. Public, businesses and staff will still be able to access printing/copying/scanning facilities while BMBC and BH demonstrate their commitment to reducing emissions and improving staff health.

7. GLOSSARY

N/A

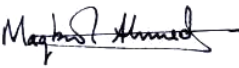
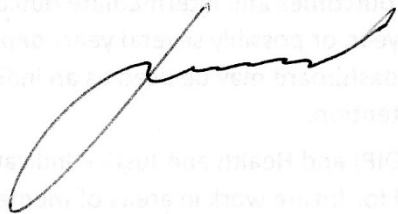
8. LIST OF APPENDICES

Appendix B: Current vs proposed fleet numbers by site

9. BACKGROUND PAPERS

N/A

10. REPORT SIGN OFF

Financial consultation & sign off	Senior Financial Services officer consulted and date  22/07/2022 <i>This box must be signed to confirm that there are no financial implications. Alternatively, a signed Appendix A outlining the financial implications is required.</i>
Legal consultation & sign off	Legal Services officer consulted and date  Jason Field 26/07/22

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