

20150422 Item 16.1.3 Report Managed Print Contract Services

Objective Reference: A163644
Reports and Attachments (Archives)

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Chief Executive Officer

**Responsible Officer/
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PURPOSE

This report recommends contracting with 'RBC Business Solutions' to supply Managed Print and Ancillary services to Council for just over three years plus three, one year options, namely to 30 June 2018 plus options to 30 June 2021.

The contract supports a price path of up to [REDACTED] than the current printing spend of almost [REDACTED] p/a whilst delivering environmental outcomes by increasing the integration of electronic processes and reducing paper based manual processes.

The report also recommends that Council resolves to implement a tender consideration plan under section 230 of the *Local Government Regulation 2012*; and to delegate authority to the Chief Executive Officer to negotiate, make, vary and discharge the proposed contract and to sign relevant documents in accordance with standard procedures and approved budget.

BACKGROUND

Council requires managed document services related to printing, scanning and publishing as integrated with records management and digitisation of incoming and outgoing data and documents.

The managed print services are currently provided by [REDACTED] which provides onsite staff to a managed print room and support to [REDACTED] printing and scanning devices across multiple Council sites. Since 2010 Council has reduced the printing fleet from [REDACTED] devices to [REDACTED] multifunctional devices. Council officers have also piloted a digitisation service for incoming mail registration, workflow and archive digitisation.

The digitisation service is part of the ancillary services offered by suppliers that extend traditional 'Managed Print Services' (MPS) into records management and analysis as integrated with other improved business practices and solutions.

ISSUESTender Consideration Plan:Market Scan - Vendors:

The Information Management Group has completed a detailed market scan and assessment of MPS and Digitisation services offered by [REDACTED]. These vendors have been selected as panel members of the existing Queensland Government Standing

Offer Arrangement QGCPO876/12 operating under standard Government Information Technology Contracts (GITC) modules.

Specifications / Requirements:

The scope of the assessment included the following services:

- Fleet Printing: Multifunction Devices (MFD) for general print, scan and copy services accessible to all staff;
- In-House Print Room: Bulk and Specialty print requirements such as large quantity information production and boutique marketing material;
- Digitisation: Incoming Mail Registration / workflow and Archive Digitisation;
- Software Support: to regulate and report on printing, scanning and document management.

Vendors were provided with the specification of our current MPS services and volumes and asked to tender a solution to replace our existing fleet and a second proposition to reduce and consolidate our MPS solution and ancillary services.

The vendors assessed the required number of printing devices at [redacted] to [redacted] devices based on current locations and print volumes being approximately [redacted] than the current fleet. The vendors would partner with Council in a transitional program to reduce the current fleet of devices whilst integrating new devices. The recommended vendor RBC also [redacted]

Cost Matrix:

The cost matrix is based on an assessment of key criteria including cost, quality, and power usage as split across the print room and fleet devices.

RBC is recommended [redacted] whilst retaining a comparable quality and quantity of devices. It is noted that other vendors including the incumbent have reduced the fleet to [redacted] devices giving greater potential for further cost savings.

Vendor	Devices	DPI Quality	Power	Print Room p/m	Fleet p/m	Annual
[redacted]						

Vendor Responses & Recommendations:

All the vendors provide to varying degrees a managed print and digitization service and transitional programs which offers high quality devices with ancillary value-add service options such as scanning, mail/courier services, rates printing, marketing material with supporting software.

Whilst all vendors were capable of providing a quality service the proposals were [redacted] and proposed minimal transitional costs as the incumbent vendor. However, this proposal was based on council having the

least number of devices with no proposal of integrating retired devices and or related pricing with community non-profit organisations.

RBC Business Solutions is recommended

STRATEGIC IMPLICATIONS

Legislative Requirements

Section 230 of the *Local Government Regulation 2012 (LGR)*, provides that council may avoid the need to strictly comply with the tendering provisions of the LGR by resolving to prepare a tender consideration plan and adopting that plan.

The tender consideration plan must state:

- a) the objectives of the plan;
- b) how the objectives are to be achieved;
- c) how the achievement of those objectives will be measured;
- d) any alternative ways of achieving the objectives, and why the alternative ways were not adopted;
- e) the proposed terms of the contract for the goods or services; and
- f) a risk analysis of the market from which the goods and services are to be obtained.

The following is the tender consideration plan to be considered, adopted and implemented by council.

Objectives of the Plan

The objectives of this tender consideration plan are to obtain the most competitively priced print managed and ancillary services contract.

How the objectives are to be achieved

The objectives of this tender consideration plan are to be achieved by engaging the vendors from existing Queensland Government Standing Offer Arrangement (SOA) QGCPO876/12 and other pre-established Government Contract arrangements, noting RBC Business Solutions is an affiliate of Ricoh as listed on the SOA.

How the achievement of those objectives will be measured

The achievement of the objectives of this tender consideration plan will be measured by reviewing the offers proposed by the vendors and delegating to the

Chief Executive Officer the authority to accept the proposal most advantageous to Council.

Alternate ways of achieving the objective

It is possible that the objectives can be achieved by undertaking a tender procedure in accordance with the LGR, or to purchase from one of the vendors directly from the State Government Standing Offer under s235 of the LGR. These alternatives were not adopted as officers believe the request for proposals from the current vendors is a balance between a full tender and direct purchase and provided the best market test to deliver the services to Council at the most competitive prices.

Proposed terms of the contract

The proposed general terms of the contract are contained within the standard Government Information Technology Contract (GITC) as modified by Council to ensure the key requirements are achieved in terms price, quality and integration and expansion with digitization services; with special conditions for maintaining improved environmental outcomes and community grants and access.

Risk Analysis

The market for print managed and ancillary services is a national market for which the reputable providers are large scale national companies. Proposals in accordance with the tender consideration plan have been obtained only from reputable providers, as smaller scale providers are incapable of providing the full services and more susceptible to financial difficulty.

Risk Management

Council has managed its risk by engaging internal experts and external referencing of credible vendors that are pre-approved operating on significant State, National and International contract arrangements. The proposed contract arrangements will be in accordance with standard GITC to protect Council interests.

Financial

People

There will be transitional impacts principally on IT staff to assist on the integration of the new vendor, and more broadly across Council to continue to move from paper based manual processes to electronic processes and digitisation of documents.

Environmental

The environmental implications of new devices and processes include a reduction in paper waste and electricity and associated costs. RBC offers

Social

To deliver a cost effective and responsible operational service to which other local non-profit community based organisations have access.

Alignment with Council's Policy and Plans

The recommendation supports the Corporate Plan for effective and efficient management of Council resources and sound contracting principles to deliver in particular value for money, competitive local industry and environmental protection.

CONSULTATION

Consultation has been conducted with Information Management Group, Procurement Services and Legal Group.

OPTIONS

Council has the following options available to it:

1. Resolve to adopt and implement the tender consideration plan contained herein in respect of council's managed print and ancillary services.
2. Reject the offer and resolve to conduct a formal tender in accordance with section 228 of the LGR.

OFFICER'S RECOMMENDATION

That Council resolves to:

1. **Adopt and implement the tender consideration plan contained herein;**
2. **Nominate the offer by RBC Business Solutions;**
3. **Delegate authority to the Chief Executive Officer, under s.257(1)(b) *Local Government Act 2009* to negotiate, make, vary and discharge the contract and to sign all relevant documentation, consistent with the objectives of the tender consideration plan; and**
4. **That this report remains confidential so far as containing commercial in confidence information.**