

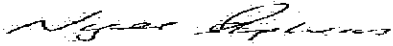
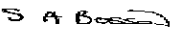
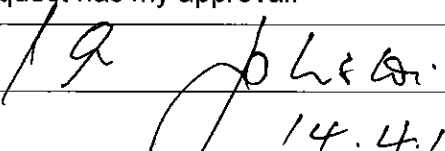
DECISION NO: PCCG-2015-015	
<u>OFFICE OF POLICE AND CRIME COMMISSIONER</u>	
LEAD CHIEF OFFICER:	Nigel Stephens – Assistant Chief Officer - Resources
TITLE:	Provision and Maintenance of Multi-Functional Devices
DATE:	6 April 2015
TIMING:	Urgent
PURPOSE:	For decision
1.	<u>RECOMMENDATION</u>
1.1	To extend the current contract with Canda Copying Ltd for one year from 1 April 2015 to 31 March 2016 inclusive in accordance with paragraph 118 of the Manual of Governance.
2.	<u>INTRODUCTION & BACKGROUND</u>
2.1	In March 2011 a contract was awarded to Canda Copying Ltd for the Provision and Maintenance of Multi-Functional Devices (MFD). The contract is a Collaborative Agreement on behalf of the then Gwent Police Authority, South Wales Police Authority ("SWP"), Dyfed-Powys Police Authority, Torfaen County Borough Council ("TCBC") and Monmouthshire County Council (collectively the "Parties"); however, Monmouthshire County Council never utilised this contract.
2.2	The contract began on 1 April 2011 for four (4) year duration and was put in place following a mini-competition under the Buying Solutions Framework RM450.
2.3	The contract is due to expire on 31 March 2015, however it is recommended that the contract be extended for one year to enable the Parties to utilise the National Procurement Service (NPS) MFD framework which is scheduled to be awarded in either October 2015 or December 2015 (dependent on their category approach).
2.5	It should be noted, however, that each time a Party member enters into a leasing agreement for a MFD under the existing contract, they enter into a separate 4 year leasing/support contract for that MFD.
3.	<u>ISSUES FOR CONSIDERATION</u>
3.1	The current contract was let under a Buying Solutions Framework, and was let for the maximum amount of time permitted under a framework, namely four years.
3.2	Despite the fact that the existing contract expires on 31 March 2015, there are separate four year contracts in place for each MFD, with a number in place as late as 2018.
3.4	There are a number of options available as stated below;

	<ol style="list-style-type: none"> 1. Extend the current contract with Canda 2. Allow the contract to expire and wait until the NPS framework is available 3. Put in place a new contract following a mini-competition under CCS Multifunctional Devices and Services Managed Print Services and Print Audit Services framework RM1599
3.8	On review of the benefits and disadvantages of each of the options as part of a separate report, it is recommended that Option 1 be approved as it is believed the advantages to this approach outweigh the disadvantages.
4.	<u>NEXT STEPS</u>
4.1	On approval of the report, contract extension documents will be issued to the provider.
4.2	Procurement will look to meet with a competitor to Canda that has expressed an interest in bidding for an MFD contract with Gwent Police to explain and provide details of the much larger opportunity under the forthcoming NPS framework that all Parties referred to above will look to utilise when required following the expiry of this proposed extension. It will also be explained that the likelihood of any new business during this interim period is expected to be very small.
5.	<u>FINANCIAL CONSIDERATIONS</u>
5.1	<p>An analysis of each of the expiry dates has enabled calculations to be made on exactly how much would be spent by each Party under the proposed extension period on MFDs that are or become out of lease, this is assuming no additional leases for new MFDs are taken out in this period and has taken account of the reduced pricing offered by the current provider. A summary can be seen below;</p> <ul style="list-style-type: none"> • Gwent Police - £45,857 • Dyfed Powys Police - £33,056 • SWP - £77,178 • TCBC - £0
5.2	This totals £156,091 utilising the past years usage for each Party, which is below the EU threshold for Good and Services. This figure may also reduce as a party may look to achieve better fleet optimisation in order to reduce the number of MFDs, as is the case for Gwent Police. Should the NPS framework be awarded sooner than October a further competition will be undertaken as soon as soon as possible after the award, to reduce the risk to the force.
5.3	It is considered that this spend is not a consideration for this extension as it relates to MFD leases taken out within the contract period that have or will expire during the extension period, and so it is a matter for each force to justify the continued use of older MFDs and spend with Canda that are effectively out of contract.
5.4	Consideration should be given to new MFD leases that are taken out during the period. While the exact figure is not known, due to budget constraints this is unlikely to be excessive;

	<ul style="list-style-type: none"> • Gwent Police has no intention of taking out a lease for any new MFDs in the proposed extension period, and has already looked to reduce the MFD fleet. • SWP has no intention of taking out a lease for any new MFDs in the proposed extension period, but cannot guarantee this should the need arise. • TCBC may have a requirement for several new MFDs in the extension period, but this cannot be guaranteed. • Dyfed Powys Police cannot confirm the number of additional machines that would be leased during the extension period as they are requested on an ad hoc basis.
6.	<u>PERSONNEL CONSIDERATIONS</u>
6.1	As part of this extension there will be no internal staffing/personnel implications above and beyond the normal requirements of the current service provided to the Commissioner.
7.	<u>LEGAL IMPLICATIONS</u>
7.1	The initial mini-tender exercise was run in accordance with the original framework terms.
7.2	The proposed extension period is not provided for under the terms of the original contract and therefore any further extension is not permitted. Legal advice has been sought paragraph 9.2 refers.
8.	<u>EQUALITIES AND HUMAN RIGHTS CONSIDERATIONS</u>
8.1	This project/proposal has been considered against the general duty to promote equality, as stipulated under the Single Equality Scheme and has been assessed not to discriminate against any particular group.
8.2	In preparing this report, consideration has been given to requirements of the Articles contained in the European Convention on Human Rights and the Human Rights Act 1998.
9.	<u>RISK</u>
9.1	There is a risk that this one year extension may be challenged by a competitor to our currently contracted provider.
9.2	If an extension was awarded, it would be open to challenge. If a challenge was received, which would appear to be a real possibility from the interest already noted by a competitor to Canda, the risk is that an award of damages could be made against the framework partners (as the contract has already been awarded the remedy of the contract being set aside is not available). Without being able to quantify the amount of any new call off contracts being awarded during any period of extension, it is difficult to quantify the risk.
9.3	The risk free option is to secure the services via another available framework (ensuring that such framework is available to all parties, including TCBC).
9.4	If an extension was awarded, it might assist to mitigate the risk of challenge by notifying potential challengers of the decision and reasoning (and low value of the contract price during the extension).

10.	<u>PUBLIC INTEREST</u>
10.1	Following approval of this report, this document will be made available to the Public.
11.	<u>CONTACT OFFICER</u>
11.1	Natalie Noble, Senior Procurement Officer.
12.	<u>ANNEXES</u>
12.1	None

For OPCC use only

Office of the Chief Constable I confirm that the Provision of Multi-Functional Devices report has been discussed and approved at a formal Chief Officers' meeting. It is now forwarded to the OPCC for approval.	
Signature: 	
Date: 10/04/15	
	Tick to confirm (if applicable)
Financial The Chief Finance Officer has been consulted on this proposal.	✓
OPCC (insert name) The Chief Executive has reviewed the request and is satisfied that it is correct and consistent with the PCC's plans and priorities.	✓
Legal The legal team have been consulted on this proposal.	✓
Equalities The Equalities Officer has been consulted on this proposal.	N/A
Chief Executive/ Deputy Chief Executive: I have been consulted about the proposal and can confirm that financial, legal, equalities etc... advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate report to be submitted to the Police and Crime Commissioner for Gwent.	
Signature: 	
Date: 10/04/15	
Police and Crime Commissioner for Gwent I confirm that I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. The above request has my approval.	
Signature: 	
Date: 14.4.15.	

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