



# THE POLICE & CRIME COMMISSIONER FOR CLEVELAND

## DECISION RECORD FORM

**REQUEST:**

For PCC Approval

**Title:**

Options Report for the extension of Canon Multi-Functional Devices Contract

**Executive Summary:**

The provision of multifunctional devices (MFD) – (i.e. printers/scanners) within the OPCC/Force is supplied by Canon (UK) Ltd via the Crown Commercial Services (CCS) Framework and the current rental agreement expires on 30<sup>th</sup> April 2016.

The Fleet of MFD's still includes some old devices where spare parts are difficult to locate and there is an increase in the downtime of these devices.

The e-Copy licences across Force devices, that all for scanning, are also out of support and are required to be upgraded to a newer version for which the minimum term for this support is 3 years.

An assessment of the current devices has taken place, liaising closely with our supplier and taking into account the age of the devices and the volumes on certain devices. The move to the Community Safety Hub has also been considered and also that there should be a reduction in the number of different models throughout the Force which will assist agile working.

An options paper is attached setting out some further background to the proposed decision.

**Decision:**

The PCC is asked to approve to extend the contract for 3 years (Option3 in the attached paper). This option puts the OPCC/Force in a much better position going forward to the Community Safety Hub and due to the reduction in the number of models in a much better position to re-tender.

**OPCC Lead Officer:**

Michael Porter

**Contractor Details (if applicable):**

Canon (UK) Ltd

**Implications:**

Has consideration been taken of the following:	Yes	No
Financial	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Legal	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Equality & Diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Human Rights	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sustainability	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Risk	<input checked="" type="checkbox"/>	<input type="checkbox"/>

(If yes please provide further details below)

## Decision Required – Supporting Information

Financial Implications: (Must include comments of the PCC's CFO where the decision has financial implications)

The total cost to extend the contract for 3 years is £292,624.46. This provides a reduction in the number of different models across the Force, e-Copy installed on capable devices, upgrades in areas with high volumes and replaces end of life devices therefore reducing downtime. These costs represent a small saving over the next 3 years and therefore is affordable within the current budgets.

Legal Implications: (Must include comments of the Monitoring Officer where the decision has legal implication)

Terms & Conditions are those set out within the Crown Commercial Service RM1599

Equality and Diversity Implications

There are no diversity & equal opportunity implications arising from this decision.

Human Rights Implications

There are no Human Rights Act implications arising from this decision.

Sustainability Implications

There are no sustainability implications arising from this decision.

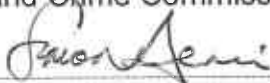
Risk Management Implications

There are no risk management implications arising from this decision.

### OFFICER APPROVAL

#### Chief Executive

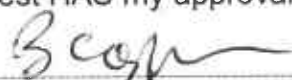
I have been consulted about the decision and confirm that financial, legal, and equalities advice has been taken into account. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner.

Signed: 

Date: 10/2/16

#### Police and Crime Commissioner:

The above request HAS my approval.

Signed: 

Date: 10/2/16



## **Report of the Chief Constable to the Police and Crime Commissioner for Cleveland – December 2015**

**Status: For Decision**

### **Options Report for the extension of Canon MFD Contract – CPC-0001372**

#### **Background & Current Costs**

The provision of multi-functional devices (MFD) within the Force is supplied by Canon (UK) Ltd via the Crime Commercial Services (CCS) Framework RM1599 and the current rental agreement expires on 30<sup>th</sup> April 2016.

In 2013 the contract was renegotiated to include uniFLOW (to allow anyone in the Force/OPCC to use any MFD) this agreement expires 30<sup>th</sup> September 2018.

eCopy licences (used for scanning) are currently out of support and are required to be upgraded from Version 5.0 to 5.4 and brought back into support. The minimum term for this support is three years; there is no benefit for terminating early.

Canon have expressed due to the age of the current MFD's, a change is required. Spare parts for the older devices are difficult to locate. This can cause longer downtime as these parts are sought and shipped from overseas.

If we progress with an MFD refresh, Canon has advised that there is a current lead time of four to six weeks for hardware allocation and three weeks for full deployment. Canon consultancy costs for this redeployment work are inclusive of the costs listed within each option.

An assessment has been carried out of the options available taking into account the above and the development of the new Community Safety Hub.

<b>Current Costs per 6 months</b>	
Rental	£7,441.80
Usage	£26,409.50
UniFLOW Rental	£6,348.48
UniFLOW Support inc Additional MEAP Licences; Card Readers	£1,374.00
	<b>Total per 6 month</b>
	<b>£41,573.78</b>
	<b>Total annual cost</b>
	<b>£83,147.56</b>

<b>Current Device Summary</b>	
Number of different models	21
Total number of devices	73

There are currently 21 different models which makes it difficult for staff to swap between devices, functions etc. There is no uniformity of models across the Force. Some models have now reached their end of life and are not cost effective to repair and need to be replaced.

### **eCopy Licences**

eCopy is used across the majority of the Force MFDs to provide a standard scanning solution.

Currently there are 59 eCopy licences across the Force devices. These licences are now out of support.

With the proposed plans, the number of eCopy capable devices will increase up to 71 depending on the option chosen. The suggestion would be to deploy eCopy to all capable devices to give consistency across the Force fleet. This will allow any officer/staff member to access any Canon MFD and have the same standard scanning connectors available.

The quantity below is quoted for 70 as one device is not networked and therefore cannot be included in this quantity.

To bring eCopy back into support, the following costs are applicable to each of the options identified.

<b>eCopy Licences – Version 5.4 – 3 years support</b>			
<b>Description</b>	<b>Cost</b>	<b>Qty</b>	<b>Total</b>
New Server OS Licences	£350	2	£700.00
ECopy Office (each licence comes with 5 copies of PDF pro)	£600	70	£42,000.00
Canon Consultancy Days (a third day at this rate may be required)	£800	2	£1,600.00
	<b>Total cost for 3 years</b>		<b>£44,300.00</b>

Costs to implement eCopy and continue 'as is' with the current fleet of devices. This includes removal of current devices from the old system, adding current devices to the

new system, migration of connectors to new system, testing and deployment of connectors onto devices.

<b>Sopra Steria ICT costs</b>			
<b>Description</b>	<b>Cost</b>	<b>Qty</b>	<b>Total</b>
Sopra Steria ICT	£546	4	£2,184.00
<b>Total</b>			<b>£2,184.00</b>

Costs for 18, 24 & 36 month options. For the initial setup, installation and configuration of the proposed options it is anticipated ten days of Sopra Steria ICT effort will be required. Wherever possible we would utilise BAU resource to deliver this work so the budgetary figures are based on the assumption that additional resource would be required to deliver all activity at the agreed rate card price i.e. no BAU resource available scenario.

<b>Sopra Steria ICT costs</b>			
<b>Description</b>	<b>Cost</b>	<b>Qty</b>	<b>Total</b>
Sopra Steria ICT	£546	10	£5,460.00
<b>Total</b>			<b>£5,460.00</b>

## **Option 1 – Extend contract for 18 months**

This option is the shortest extension option available.

- Replaces end of life devices, as listed previously;
- Upgrades areas with high volumes;
- Reduces model count within the force by four;
- Reduces the number of devices by one;
- Canon will cover costs for delivery/removals/re-sites;
- If this option is taken, there is no benefit to terminate eCopy early due to the minimum term of the support.

<b>Device Summary</b>	
Number of different models	17
Total number of devices	72
Retained devices	45
New devices	27

<b>Costs per 6 months</b>	
Rental	£22,488.28
Usage	£21,470.49
UniFLOW Rental	£6,348.48
UniFLOW Support inc. Additional MEAP Licences; Card Readers	£1,349.44
<b>Total per 6 month</b>	<b>£51,656.69</b>

<b>Total Option Cost</b>			
<b>Description</b>	<b>Cost</b>	<b>Qty</b>	<b>Total</b>
Total cost for 18 months	£51,656.69	3	£154,970.07
Hard Drive Retention costs	£60.00	17	£1,020.00
eCopy (see above for breakdown)	£44,300.00	1	£44,300.00
Sopra Steria ICT (see above for breakdown)	£546.00	10	£5,460.00
<b>Total Cost for 18 months</b>			<b>£205,750.07</b>

## Option 2 – Extend contract for 2 years

This option:

- Replaces end of life devices, as listed previously;
- Upgrades areas with high volumes;
- Rental costs reduced compared with 18 month option;
- Reduces model count within the force by four;
- Reduces the number of devices by one;
- Canon will cover costs for delivery/removals/re-sites;
- If this option is taken, there is no benefit to terminate eCopy early due to the minimum term of the support.

<b>Device Summary</b>	
Number of different models	17
Total number of devices	72
Retained devices	45
New devices	27

<b>Costs per 6 months</b>	
Rental	£11,664.48
Usage	£21,470.49
UniFLOW Rental	£6,348.48
UniFLOW Support inc. Additional MEAP Licences; Card Readers	£1,064.72
<b>Total per 6 month</b>	<b>£40,548.17</b>

<b>Total Option Cost</b>			
<b>Description</b>	<b>Cost</b>	<b>Qty</b>	<b>Total</b>
Total cost for 24 months	£40,548.17	4	£162,192.68
Hard Drive Retention costs	£60.00	17	£1,020.00
eCopy (see above for breakdown)	£44,300.00	1	£44,300.00
Sopra Steria ICT (see above for breakdown)	£546.00	10	£5,460.00
<b>Total Cost for 24 months</b>			<b>£212,972.68</b>

### Option 3 – Extend contract for 3 years

This option:

- Replaces end of life devices, as listed previously;
- More of the older devices being replaced as opposed to other options;
- Upgrades areas with high volumes;
- Reduces model count within the force by eight;
- Reduces the number of devices by two;
- Canon will cover costs for delivery/removals/re-sites;
- Rental costs increased over other options;
- Actual print costs reduce as more cost efficient devices included in this option;
- If this option is taken, this ensures full use of the eCopy support term;
- This option coincides more closely with the term of the uniFLOW contract;
- Coincides with the new Community Safety Hub.
- All the devices within this option are fully eCopy and uniFLOW compatible

<b>Device Summary</b>	
Number of different models	13
Total number of devices	71
Retained devices	32
New devices	39

<b>Costs per 6 months</b>	
Rental	£12,278.61
Usage	£20,779.20
UniFLOW Rental	£6,348.48
UniFLOW Support inc. Additional MEAP Licences; Card Readers	£781.12
<b>Total per 6 month</b>	<b>£40,187.41</b>

<b>Total Option Cost</b>			
<b>Description</b>	<b>Cost</b>	<b>Qty</b>	<b>Total</b>
Total cost for 36 months	£40,187.41	6	£241,124.46
Hard Drive Retention costs	£60.00	29	£1,740.00
eCopy (see above for breakdown)	£44,300.00	1	£44,300.00
Sopra Steria ICT (see above for breakdown)	£546.00	10	£5,460.00
<b>Total Cost for 36 months</b>			<b>£292,624.46</b>



**Financial – Summary of current MFD Contract v New MFD Contract – showing the calculations over the three options**

	Year 1	6 Months	Year 3	Total Cost
	£	£	£	£
Current Contract *	£ 129,631.56	£ 41,573.78	N/A	£ 171,205.34
Option 1 **18 months	£ 154,093.38	£ 51,656.69	N/A	£ 205,750.07
Difference between current costs and proposed	£ 24,461.82	£ 10,082.91	N/A	£ 34,544.73

	Year 1	Year 2	Year 3	Total Cost
	£	£	£	£
Current Contract *	£ 129,631.56	£ 83,147.56	N/A	£ 212,779.12
Option 2 **2 years	£ 131,876.34	£ 81,096.34	N/A	£ 212,972.68
Difference between current costs and proposed	£ 2,244.78	-£ 2,051.22	N/A	£ 193.56

	Year 1	Year 2	Year 3	Total Cost
	£	£	£	£
Current Contract *	£ 129,631.56	£ 83,147.56	£ 83,147.56	£ 295,926.68
Option 3 ** 3 years	£ 131,874.82	£ 80,374.82	£ 80,374.82	£ 292,624.46
Difference between current costs and proposed	£ 2,243.26	-£ 2,772.74	-£ 2,772.74	-£ 3,302.22

\* Current Contract costs include rental and usage costs, eCopy & Sopra Steria ICT costs to implement eCopy is 4 days @ £546 per day = £2,184 this includes removal of current devices from old system, adding current devices to new system, migration of connectors to new system e.g. Scan to Y Drive, Testing and deployment of connectors onto devices.

\*\* Year 1 costs for each option include the rental and usage costs, Hard Drive Retention costs applicable to the appropriate option, e-Copy & Sopra Steria ICT costs. The following years do not have these costs included as they are only payable at the outset i.e. Year 1.

## Recommendation

The recommendation to the PCC would be to take the three year option. The advantages and disadvantages are as follows:

### Advantages

- Brings eCopy back into Support, allowing for fault calls to be raised with the supplier;
- Fully utilises eCopy support term, no wasted expenditure by having to terminate eCopy support early;
- Coincides more closely with the term of the uniFLOW contract;
- Brings the follow-me print, scanning and hardware together. This puts the Force in a better position for re-tendering the next contract;
- Coincides with the completion of the Community Safety Hub. In the final year of this option, if the number of devices from the current HQ needed to be reduced within the Community Safety Hub, Canon have advised there are no penalties for this reduction;
- Upgrades more devices compared with other options. This should reduce the downtime as the average age of the fleet is decreased;
- All the devices within this option are fully eCopy and uniFLOW compatible;
- Reduces the model count by an additional four models as opposed to options one and two. This allows the users to move from machine to machine more easily;
- Print costs reduce as more cost efficient devices included in this option;
- As more devices are being replaced, there is more of a cost saving as Canon will cover the costs of delivery/removal/re-sites;
- This is still cheaper than continuing with the current aging fleet for three years and their associated costs based on current usage.
- A saving of £3,302.22 over the 3 year term, against the current provision, which included eCopy, all installation costs and upgrading devices where appropriate.

### Disadvantage

- Rental costs increased over other options. This is counteracted by the reduced click costs on the new devices replacing the older fleet.