



PART A:	MATTERS DEALT WITH UNDER DELEGATED POWERS
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	24 JUNE 2010
REPORT OF THE:	HEAD OF TRANSFORMATION CLARE SLATER
TITLE OF REPORT:	PRINTER RATIONALISATION PROJECT
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to seek member approval to procure a managed network printer service for Ryedale District Council. This has been approved by the Council's ICT Programme Board, however the total contract value of the solution approved by the ICT Programme Board is beyond the level of officer delegation.

2.0 RECOMMENDATIONS

2.1 It is recommended that:

- (i) Members approve a 5 year managed print service with Alto Digital. The cost will be £23,263 a year. Total contract value of £116,316.
- (ii) Members approve of the contract being called-off the national Buying Solutions framework contract for multifunction printing, subject to approval by the Councils Section 151 Officer and Solicitor as per the Council's Standing Orders.
- (iii) Members note that this project will produce cashable savings £22,467 per year, £112,332 over the 5 years of the contract.

3.0 REASON FOR RECOMMENDATIONS

3.1 The attached Business Case has been approved by the Council's ICT Programme Board and recommended for member approval to continue delivery of the Council's ICT strategy.

4.0 SIGNIFICANT RISKS

4.1 Failing to move forward with this proposal risks the Council continuing to spend an unnecessarily large amount on network printing through the current arrangement. The Council is currently spending £11,432 a quarter on printing (this is desk top printing alone, this does not include copying). This solution will dramatically reduce

this to £5,815 a quarter.

- 4.2 Implementation risks are summarised in the attached Business Case.
- 4.3 There is a risk that cash savings generated across such a wide array of cost centres will be lost in operational budgets. This will be prevented by using data on our current costs for each existing printer, provided by the proposed suppliers, to make appropriate adjustments to each departmental printing and stationary budget. This will ensure the maximum saving is realised.

REPORT

5.0 BACKGROUND AND INTRODUCTION

- 5.1 The Council's ICT Programme Board reviewed the Council's ICT applications in the light of the ICT Strategy drawn up by a Socitm consultant in September 2008 and developed an ICT Programme Plan.
- 5.2 The ICT Programme Plan has been further developed into a workstream schedule, drawing upon Council priorities and from this a number of projects requiring approval by Members, being of a value greater than delegated limits, are presented for Member approval.

6.0 POLICY CONTEXT

- 6.1 Rationalising the current fleet of printers is a core project of the Council's ICT Programme.

7.0 CONSULTATION

- 7.1 This Project does not involve any customer consultation.

8.0 REPORT DETAILS

- 8.1 Currently the vast majority of the printing needs of the Council's ICT users are met through a fleet of 63 network printers located in Ryedale House. These printers have been purchased outright by the Council and as such the Council is responsible for their consumables and maintenance. They are supported by the Council's ICT department.
- 8.2 Some of these devices are almost 10 years old and very few devices use the same consumables. This has led to very expensive desktop printing which currently costs the Council £45,728 a year to print nearly 2 million sheets of paper annually (2.3p per black and white, 11.87p per colour sheet). The current printer fleet is costing approximately £1,800 a year in electricity used, which also has a knock-on effect on RDC's CO₂ emissions.
- 8.3 The ICT Programme Board considered several alternative options for delivering network printing, as outlined in the attached business case, and recommended implementing a corporate Print Management System along with an Alto Digital Printer Managed Service over 5 Years.
- 8.4 The corporate print management software can be purchased within the scheme of officer delegation and gives the Council the ability to accurately account for print

costs and control usage and ensure that the most appropriate printer and type of printing (double versus single sided) is used automatically.

- 8.5 Moving to a managed service printing solution will mean the replacement of the current 63 printers of various age and type with 21 new Kyocera printers strategically located within Ryedale House.
- 8.6 The new print fleet will be paid for by all inclusive cost per page which will include all the printer hardware, associated software for monitoring the devices, all toner, all parts and all labour as well as all Alto Digital support services. This means that Alto Digital, the proposed supplier, retains ownership and responsibility of the printers and their support. This will provide the added benefit of reduced demands on the Council's ICT section enabling capacity to be diverted to the other projects within the ICT Programme Plan.
- 8.7 A suitable support package has been agreed with Alto Digital which will ensure minimum downtime for the printers.
- 8.8 It is anticipated that further savings can be achieved through reduced printing. This will be assisted by other projects such as the Electronic Document extension and implementation of Northgate Revenues and Benefits. Internal communications and publicity will also be used to ensure all users consider the cost, financial and environmental, of printing.

9.0 IMPLICATIONS

9.1 The following implications have been identified:

a) Financial

There will be a capital spend of approximately £800 from the ICT capital programme to procure the Papercut print management solution. This is within officer delegation levels.

The managed print service proposed to be procured from Alto Digital will be revenue spend. This proposed arrangement is pay-per-page printing.

The cost per page, inclusive of all toner, servicing and support, for this proposal will be:

- 1.19p per monochrome print
- 5.9p per colour print

Based on the volumes of monochrome and colour print produced by the Council, the managed service will cost £23,263 a year. The total contract value over 5 years is £116,316. This would be payable monthly and the amount charged would be for the actual number of prints produced, so the cost can fall further as users printing habits change.

There will be some savings in 2010/2011, which were not budgeted for and a full year impact in 2011/2012 which will assist in balancing the budget. With the uncertainties over future funding levels such efficiency savings are important in protecting services.

b) Legal

As the proposed agreement would be called-off the national Buying Solutions OGC framework contract it will need agreement from the Councils Chief Financial Officer (Section 151 Officer) and Council Solicitor to forego the traditional tender approach as per section 13.10 of the Council standing financial orders. This procurement approach has been recommended following

consultation with the Council's Procurement Partnership.

- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)

Some of the current fleet of printers are approaching 10 years old and printers of this generation do not have modern power management features. The Kyocera machines that are proposed to replace the existing fleet are popular for their low environmental impact. Replacing the current fleet with the proposed solution, will generate a significant power saving. This will reduce the Council's annual electricity cost by £1,800. This will also reduce the annual cO2 output of the Council by 9.4 tonnes.

The proposed supplier will undertake to provide operational training on each of the new devices to staff in each Council department.

10.0 NEXT STEPS

- 10.1 Following member approval, a project plan will commence to deliver the solution, with implementation through July and August 2010.

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Background Papers:

None.

Background Papers are available for inspection at:

N/a.