

## **DMPC Decision – PCD 1288 Managed Print Services FY22/23**

**Title:      Managed Print Service via Pegasus**

### **Executive Summary:**

This decision seeks approval to take up the option of corporate managed print services (CPMS) from the Pegasus Infrastructure supplier (Capgemini) that has already been competed when Pegasus was competed. This will be a £17.1m foreseen extension to the Capgemini contract and will require up to £6.26m capital expenditure to replace all end of life printers and deliver the project and £1.04m project revenue costs to implement the transition.

The option will provide a print service for the next five years for the MPS and replace all the end-of-life (EoL) equipment currently used.

### **Recommendation:**

The Deputy Mayor for Policing and Crime is recommended to:

1. Approve an extension of £17,100,000 to the contract with Capgemini UK PLC for the Pegasus Infrastructure Services Agreement, to accommodate the Managed Print Optional Service for the duration of the Pegasus Agreement Term. This is a foreseen extension to the infrastructure contract.
2. Approve ongoing Revenue expenditure of £9,850,000 from the print revenue budget for service charges for a five year period. The print option will co-terminate with the remaining Pegasus Infrastructure service contract, which has an initial term of 5 years to February 2026 plus two optional one-year extensions.
3. Approve Capital Spend of up to £6,260,000 to replace all end of life printers and deliver the project.
4. Approve Revenue Project spend of £1,040,000 to enable the transition.

### **Deputy Mayor for Policing and Crime**

I confirm 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. Any such interests are recorded below.

The above request has my approval.

**Signature**

**Date 11/10/2022**

*Spive Under*

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DMPC**

### **1. Introduction and background**

- 1.1. This contract extension will provide print services on Foundation across the MPS estate and partnership locations including the 24/7 business critical custody suites. Support for printing for existing secure services (non-Foundation) is also included.
- 1.2. Because of estate closures and print reduction, the printer fleet has reduced from 2500 to 1500 printers. Most of the remaining printers are now life expired and need replacing.
- 1.3. This option will replace all of the retained end of life (EoL) Multi-Function Device (MFDs) printers that are now expensive to support.
- 1.4. It will also remove all obsolescence in the print infrastructure and upgrade to the latest print management software.

### **2. Issues for consideration**

- 2.1. Print is a critical service for custody suites as well as a service that supports many functions across MPS business.
- 2.2. However print use has declined since a high of over 100M prints per rolling 12 months in 2017 to 70M prints in 2020 before the Covid pandemic. During the pandemic it fell to a low of 44M but is now increasing and it remains an important service supporting MPS Business processes.
- 2.3. Both the reduction in printing and the reduction in the property estate have led to fewer printers needing to be deployed. It is projected there is an ongoing need for a printer estate of circa 1500 machines across 315 sites. This is a reduction of 1000 machines since the CMPS was first tendered.
- 2.4. As older printers have failed and parts have been unavailable MPS have replaced those and under this decision for renewed managed print services the actual number of new printers needed to replace remaining life expired models will be less than 900; this may decrease further if projected MPS site closures are confirmed and on detailed modeling of print demands. Printers will be purchased in multiple tranches as the need becomes defined.
- 2.5. This contract extension contains a click charge for printing, allowing ongoing print charges to be directly aligned to print volumes for the first time.
- 2.6. DP strategy is to consolidate suppliers into the two service towers (Infrastructure & Applications), therefore under the Pegasus Infrastructure services procurement all suppliers offered an optional print option that the MPS could decide to take up. This was fully competed and awarded to Capgemini.

- 2.7. Approval is now being sought for this option to be taken up.

### **3. Financial Comments**

- 3.1. The costs are ongoing revenue spend of £9.85m for the service charges over a five year period, as well as a Capital spend of up to £6.26m to replace all EoL printers and deliver the project and a Revenue Project spend of £1m to enable the transition from Canon to Capgemini.
- 3.2. All capital and revenue costs are covered by Digital Policing budgets and the Digital Policing capital programme.

### **4. Legal Comments**

- 4.1. The Mayor's Office for Policing and Crime ("MOPAC") is a contracting authority as defined in the Public Contracts Regulations 2015 ("the Regulations"). All awards of public contracts for goods and/or services valued at £213,477 (inclusive of VAT) or above shall be procured in accordance with the Regulations. This report confirms the value of the proposed contract change exceeds this threshold and therefore the Regulations apply to each contract.
- 4.2. The use of the compliantly procured Infrastructure Services Agreement with Capgemini which included within its advertised scope print management as an optional service will constitute a compliant process where the agreement's optional change process is followed. This report confirms the contract change to include the optional print service would be in accordance with terms of the Infrastructure Services agreement and therefore in compliance with the Regulations.
- 4.3. The MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime ("DMPC") has delegated authority to approve Business cases for revenue or capital expenditure of £500,000 and above (paragraph 4.8);
- 4.4. Paragraph 7.24 of the Scheme of Delegation and Consent provides that the Director of Strategic Procurement has consent for the approval of all variations and extensions for contracts, not elsewhere approved, with the exception of:
- Those called in through the agreed call in procedure; or
  - Unforeseen variations and extensions with an original value of £500,000 or above that the DMPC is required to approve in line with the Scheme of consent.
- 4.5. Paragraph 4.14 of the Scheme provides the DMPC reserves the right to call in all variations and extensions to contracts with an original value of £500,000 or above.

### **5. Commercial Issues**

- 5.1. This service will be procured from Capgemini as part of the Pegasus Infrastructure Services contact.
- 5.2. The Pegasus programme for infrastructure services demonstrated Capgemini was value for money, including for optional services, when it awarded the contract. To demonstrate VFM specifically for the print option, Digital Policing commissioned Gartner Inc. the global research and benchmarking consultancy, to review the print offer from Capgemini. In their assessment they concluded that: “Analysis suggests that the Capgemini/Canon BAFO shows Value for Money at the aggregate level” and go on to state that “[the BAU service offering excluding transformation] is 9.8% below the average price of the comparable services”
- 5.3. Full commercial information available in the restricted section of the report.
- 5.4. London Anchor Institutions’ Charter - Accelerate a cleaner, greener London. The main new printer model that this option proposes, the image RUNNER ADX C5800, is less heavy, produces less noise and uses 15% less energy when operating compared to the printer models it is due to replace. New modern toner technology allows for a lower melting point which contributes to the 15% energy reduction.

## **6. GDPR and Data Privacy**

- 6.1. The MPS is subject to the requirements and conditions placed on it as a 'State' body to comply with the European Convention of Human Rights and the Data Protection Act (DPA) 2018. Both legislative requirements place an obligation on the MPS to process personal data fairly and lawfully in order to safeguard the rights and freedoms of individuals.
- 6.2. Under Article 35 of the General Data Protection Regulation (GDPR) and Section 57 of the DPA 2018, Data Protection Impact Assessments (DPIA) become mandatory for organisations with technologies and processes that are likely to result in a high risk to the rights of the data subjects.
- 6.3. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the project meets its compliance requirements.
- 6.4. The project not use currently personally identifiable data of members of the public, so there are no current GDPR issues to be considered. If the project personally identifiable data of members of the public at a later date DPIAs will be completed as needed.

## **7. Equality Comments**

- 7.1. This project will not impact Equality and Diversity. All work will be let through existing MOPAC contracts. These existing MOPAC contracts are fully compliant with legal

requirements, including Equality Law, and MPS legal advisors confirmed this during contract review prior to contract award.

**8. Background/supporting papers**

- 8.1. The Pegasus Infrastructure Services Agreement was approved in PCD 923 in February 2021.

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOIA) and will be made available on the MOPAC website following approval.

If immediate publication risks compromising the implementation of the decision it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

**Part 1 Deferral:**

Is the publication of Part 1 of this approval to be deferred? NO

If yes, for what reason:

Until what date:

**Part 2 Confidentiality:** Only the facts or advice considered as likely to be exempt from disclosure under the FOIA should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a **Part 2** form – YES

**ORIGINATING OFFICER DECLARATION**

*Tick to confirm statement (✓)*

**Financial Advice:**

The Strategic Finance and Resource Management Team has been consulted on this proposal.

✓

**Legal Advice:**

The MPS legal team has been consulted on the proposal.

✓

**Equalities Advice:**

Equality and diversity issues are covered in the body of the report.

✓

**Commercial Issues**

The proposal is in keeping with the GLA Group Responsible Procurement Policy.

✓

**GDPR/Data Privacy**

- GDPR compliance issues are covered in the body of the report.
- A DPIA is not required.

✓

**Drafting Officer**

Craig James has drafted this report in accordance with MOPAC procedures.

✓

**Director/Head of Service:**

The Interim Chief Finance Officer has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.

✓

**Chief Executive Officer**

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime.

**Signature**

**Date 12/10/2022**



Managed Print Service via Pegasus

**MOPAC Investment Advisory & Monitoring meeting 07/09/2022**

**Report by Simon Colenutt on behalf of the Chief of Corporate Services**

**Part 1 – This section of the report will be published by MOPAC. It is classified as OFFICIAL – PUBLIC**

#### *EXECUTIVE SUMMARY*

This paper seeks approval to take up the option of corporate managed print services (CPMS) from the Pegasus Infrastructure supplier (Capgemini) that has already been competed when Pegasus was competed. The option will provide a print service for the next five years for the MPS and replace all the end-of-life (EoL) equipment currently used.

#### **Recommendations**

The Deputy Mayor for Policing and Crime, via the Investment Advisory and Monitoring meeting (IAM), is asked to:

- 1. Approve an extension of £17.1M to the contract with Capgemini UK PLC for the Pegasus Infrastructure Services Agreement, to accommodate the Managed Print Optional Service for the duration of the Pegasus Agreement Term. This is a foreseen extension to the infrastructure contract.**
- 2. Approve BAU Revenue spend of £9.85M from the print revenue budget for service charges for a five year period.(4+1 to co-term with remaining Pegasus Infrastructure service contract)**
- 3. Approve Capital Spend of up to £6.26M to replace all EoL printers and deliver the project**
- 4. Approve Revenue Project spend of £1M to enable the transition**

#### **Time sensitivity**

A decision is required from the Deputy Mayor by (21/09/22). Current print contract will end in May 2023 and the new contract requires period leading up to that end point to complete the transition and transformation to the new print service.

#### **Non-confidential facts and advice to the Deputy Mayor for Policing and Crime**

#### **Introduction and background**



1. **This contract extension will provide print services on Foundation across the MPS estate and partnership locations including the 24/7 business critical custody suites. Support for printing for existing secure services (non-Foundation) is also included.**
2. **Because of estate closures and print reduction, the printer fleet has reduced from 2500 to 1500 printers. Most of the remaining printers are now life expired and need replacing.**
3. **This option will replace all of the retained end of life (EoL) Multi-Function Device (MFDs) printers that are now expensive to support.**
4. **It will also remove all obsolescence in the print infrastructure and upgrade to the latest print management software.**

#### **Issues for consideration**

5. **Print is a critical service for custody suites as well as a service that supports many functions across the business.**
6. **However print use has declined since a high of over 100M prints per rolling 12 months in 2017 to 70M prints in 2020 before the Covid pandemic. During the pandemic it fell to a low of 44M but is now increasing and it remains an important service supporting MPS Business processes.**
7. Both the reduction in printing and the reduction in the property estate has led to fewer printers needed to be deployed. Its projected there is an ongoing need for a printer estate of circa 1500 machines across 315 sites. This is a reduction of 1000 machines since the CMPS was first tendered.
8. Actual number of new printers needed to replace remaining life expired models will be less than 900; this may decrease further if projected MPS site closures are confirmed and on detailed modeling of print demands. Printers to be purchased in multiple tranches as the need becomes defined.
9. This contract extension contains a click charge for printing, allowing ongoing print charges to be directly aligned to print volumes for the first time
10. DP strategy is to consolidate suppliers into the two service towers (Infrastructure & Applications) therefore under the Pegasus Infrastructure services procurement all suppliers offered an optional print option that the MPS could decide to take up. This was fully competed and awarded to Capgemini.
11. Approval is now being sought for this option to be taken up.

#### **Contributes to the MOPAC Police & Crime Plan 2022-25<sup>1</sup>**

12. **Printing is a Business critical service for all custody suites which require it to function to remain operational.**
13. **It underpins many other operational activities in the MPS as well as normal office printing**
14. **The service includes the fixed penalty notice (FPN) printing for traffic offences undertaken for TFL.**

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<sup>1</sup> [Police and crime plan: a safer city for all Londoners | London City Hall](#)

## Financial, Commercial and Procurement Comments

15. The costs are a spend of £9.85M service charges for a five year period, as well as a Capital spend of up to £6.26M to replace all EoL printers and deliver the project and a Revenue Project spend of £1M to enable the transition from Canon to Capgemini.
16. All capital and revenue costs are covered by Digital Policing budgets and the Digital Policing capital programme .
17. This service will be procured from Capgemini as part of the Pegasus Infrastructure Services contact.
18. VFM - The Pegasus programme for infrastructure services demonstrated Capgemini was value for money including for optional service when it awarded the contract. To demonstrate VFM specifically for the print option, Digital Policing commissioned Gartner Inc. the global research and benchmarking consultancy, to review the print offer from Capgemini. In their assessment they concluded that: "Analysis suggests that the Capgemini/Canon BAFO shows *Value for Money* at the aggregate level" and go onto state that "[the BAU service offering excluding transformation] is 9.8% below the average price of the comparable services"
19. Full commercial information available in the restricted section of the report.
20. London Anchor Institutions' Charter - *Accelerate a cleaner, greener London*  
The main new printer model that this option proposes, the image RUNNER ADX C5800, is less heavy, produces less noise and uses 15% less energy when operating compared to the printer models it is due to replace. New modern toner technology allows for a lower melting point which contributes to the 15% energy reduction.

## Legal Comments

21. The Mayor's Office for Policing and Crime ("MOPAC") is a contracting authority as defined in the Public Contracts Regulations 2015 ("the Regulations"). All awards of public contracts for goods and/or services valued at £213,477 (inclusive of VAT) or above shall be procured in accordance with the Regulations. This report confirms the value of the proposed contract change exceeds this threshold and therefore the Regulations apply to each contract.
22. The use of the compliantly procured Infrastructure Services Agreement with Capgemini which included within its advertised scope print management as an optional service will constitute a compliant process where the agreement's optional change process is followed. This report confirms contract change to include the optional print service would be in accordance with terms of the Infrastructure Services agreement and therefore in compliance with the Regulations.
23. The MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime ("DMPC") has delegated authority to approve Business cases for revenue or capital expenditure of £500,000 and above (paragraph 4.8);
24. Paragraph 7.23 of the Scheme of Delegation and Consent provides that the Director of Strategic Procurement has consent for the approval of the award of all contracts, with the exception of those called in through the agreed call in procedure.
25. Paragraph 4.14 of the Scheme provides the DMPC reserves the right to call in any MPS proposal to award a contract for £500,000 or above.

## Equality Comments

26. This project will not impact Equality and Diversity. All work will be let through existing MOPAC contracts. These existing MOPAC contracts are fully compliant with legal requirements, including Equality Law, and MPS legal advisors confirmed this during contract review prior to contract award.

## Privacy Comments

27. The MPS is subject to the requirements and conditions placed on it as a 'State' body to comply with the European Convention of Human Rights and the Data Protection Act (DPA) 2018. Both legislative requirements place an obligation on the MPS to process personal data fairly and lawfully in order to safeguard the rights and freedoms of individuals.
28. Under Article 35 of the General Data Protection Regulation (GDPR) and Section 57 of the DPA 2018, Data Protection Impact Assessments (DPIA) become mandatory for organisations with technologies and processes that are likely to result in a high risk to the rights of the data subjects.
29. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the project meets its compliance requirements.
30. The project not use currently personally identifiable data of members of the public, so there are no current GDPR issues to be considered. If the project personally identifiable data of members of the public at a later date DPIAs will be completed as needed.

## Real Estate Implications

31. No changes to the real estate

## Environmental Implications

32. The main new printer model Canon propose, the image RUNNER ADX C5800 series is less heavy, produces less noise and uses 15% less energy when operating compared to the printer models it is due to replace. New modern toner technology allows for a lower melting point which contributes to the 15% energy reduction.
33. The *ecostaple* function will allow the elimination of metal staples in any printed document
34. Obsolete electrical equipment will be disposed of securely and the disposal routes will take into consideration the waste hierarchy in accordance with The Waste Electric and Electronic Equipment (WEEE) Regulations 2013 and the waste duty of care imposed under section 34 of the Environmental Protection Act 1990 and the Environmental Act 2021, Part 3 Waste and Resource efficiency.

## **Part 2 – This section refers to the details of the Part 2 business case which is NOT SUITABLE for MOPAC Publication.**

The Government Security Classification marking for Part 2 is:  
OFFICIAL-SENSITIVE [COMMERCIAL]

Part 2 of 'Managed Print Services via Pegasus' is exempt from publication for the following reasons:

- Exempt under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011 (Data Protection Section 43 – Commercial Interests).

The paper will cease to be exempt until after the option is taken up.