

DMPC Decision – PCD 1369

Title: Contract Award - Stationery, Small Electrical & Franking Services

Executive Summary:

This paper seeks approval to award a contract for the supply of stationery, small electrical goods and franking services. The proposal is for the award of a call-off contract for a term of 4 years from a Crown Commercial Services framework. The annual value of the call off contract is estimated at £1,750,000 which over a 4 year term is £7,000,000. The cost will be met from within existing MPS budgets.

Recommendation:

The Deputy Mayor for Policing and Crime is recommended to:

1. Approve the initiation and award of a contract for Office Stationery and Electronic Office Supplies via Crown Commercial Services (CCS) RM6059 Framework Agreement (Lot 1) with a maximum contract value of £7 million

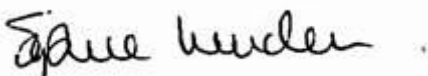
Deputy Mayor for Policing and Crime

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 28/02/2023



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

1. Introduction and background

- 1.1. The existing contract for the supply of stationery expired on 31 December 2022. The MPS has under delegated authority approved extensions until 28 February 2023.

2. Issues for consideration

- 2.1. This proposal includes the acquisition of stationery, digital franking and small electrical goods such as CDs and DVDs. The purchasing of the digital franking services is a new element to this contract and had previously been provided under a separate contract which has also expired.
- 2.2. The supply of these goods and services will support the operational requirements of the MPS, and move the MPS further toward being a more integrated and digital organisation.

3. Financial Comments

- 3.1. The estimated annual value of goods to be purchased is upto £1,750,000, which over 4 years is £7,000,000.
- 3.2. The cost of call-offs from the contract framework will be met from within existing MPS budgets.

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 exceed this threshold and therefore the Regulations apply.
- 4.2. The MPS assure that the use of this compliantly procured Framework Agreement will constitute a compliant process where the Framework Agreement's ordering processes are followed.
- 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); and
 - All requests to go out to tender for contracts of £500,000 or above, or where there is a particular public interest (paragraph 4.13).
- 4.4. Paragraph 7.23 of the Scheme 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. 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.

5. Commercial Issues

- 5.1. The goods/services to be acquired are stationery, digital franking and small electrical goods such as CDs and DVDs.
- 5.2. The MPS assure that in collaboration with the GLA other markets were investigated and a bench marking exercise conducted with the conclusion that the Crown Commercial Services framework RM6059 offered the best value for money.
- 5.3. The attached appendix 1 includes an assessment showing that the proposed call off contract could deliver an estimated 5.1% saving against the current arrangement.
- 5.4. The MPS assure that the CCS framework include the most up to date Social Value requirements e.g. social and environmental impacts and commitments to equal opportunities, Covid recovery, promotion of SME's and diversity and inclusion.

6. GDPR and Data Privacy

- 6.1. MOPAC will adhere to the Data Protection Act (DPA) 2018 and ensure that any organisations who are commissioned to do work with or on behalf of MOPAC are fully compliant with the policy and understand their GDPR responsibilities.
- 6.2. The MPS assure that this project does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered

7. Equality Comments

- 7.1. MOPAC is required to comply with the public sector equality duty set out in section 149(1) of the Equality Act 2010. This requires MOPAC to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations by reference to people with protected characteristics. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.2. The MPS assure that this business case has undergone initial equality screening. Due regard has been taken to the Equality Act's Public Sector Equality Duty. Real consideration has been taken to assess equality impact caused by the proposed business changes. As a result no positive or negative impact has been identified to any individual and/or group safeguarded by a protected characteristic and those who are not.

8. Background/supporting papers

- Appendix 1 MPS Report - MPS Stationery, Small Electrical & Franking Services BJP

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 –NO

ORIGINATING OFFICER DECLARATION	<i>Tick to confirm statement (✓)</i>
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 Commercial issues are covered in the body of the report.	✓
GDPR/Data Privacy GDPR compliance issues are covered in the body of the report .	✓
Drafting Officer Alex Anderson has drafted this report in accordance with MOPAC procedures.	✓
Director/Head of Service: The MOPAC Chief Finance Officer and Director of Corporate Services 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 13/02/23

Sanakuchford.

MPS Stationery, Small Electrical & Franking Services BJP**MOPAC Investment Advisory & Monitoring meeting 24th January 2023****Report by Simon Tee on behalf of the Marie Heracleous****Part 1 – This section of the report will be published by MOPAC. It is classified as OFFICIAL – PUBLIC***EXECUTIVE SUMMARY*

The MPS has a requirement for office stationery and digital franking services. This includes a number of bespoke items to support operational policing; such as interview CDs and DVDs. The inclusion of a digital franking service is aligned to the aspirations set out in MPS mobile technology and agile working policies, and the move towards a more integrated and digital organisation. The Crown Commercial Services (CCS) Framework Agreement RM6059 has been identified as a financially beneficial way to procure these critical items. This paper is seeking approval for the initiation and award of a contract for Office Stationery and Electronic Office Supplies via CCS RM6059 Framework Agreement (Lot 1).

Recommendations

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

1. Approve the initiation and award of a contract for Office Stationery and Electronic Office Supplies via Crown Commercial Services (CCS) RM6059 Framework Agreement (Lot 1) with a maximum contract value of £7 million. Lot 1 of RM6059 consists of one sole supplier i.e., Banner Group Ltd

Time sensitivity

A decision is required from the Deputy Mayor by 21 February 2023. This is because the current extension to the contract expires on 28 February 2023.

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

The MPS has a requirement for office stationery and electronic office supplies including digital franking services. This also includes the supply and delivery of several bespoke items to support operational policing; such as interview CDs, DVDs and Police tapes.

The CCS Framework Agreement RM6059 Lot 1 has been identified as a financially beneficial way to procure Office Stationery & Electronic Office Supplies.

The inclusion of a digital franking service is aligned to the aspirations set out in MPS mobile technology and agile working policies, and the move towards a more integrated and digital organisation.

Issues for consideration

1. Lot 1 refers to a single supplier Framework agreement within which we are seeking a maximum call-off value of £7M. The total contract term will be four years (2 + 1+ 1 structure in line with the Framework agreement) and will run from 1 March 2023 to 28 February 2025 with an option to extend for two 12-month periods.

We sought and secured a 1-month extension to the current contract that expired on 31 January 2023. A further 1-month extension to 28 February was sought and has been approved under MPS delegated authority.

2. The expenditure will be met from a combination of the MO11 budget (£542k p.a.) for catalogue purchases and from Business Group devolved budgets for non-catalogue purchases.
3. This proposal includes the provision of a digital franking service. Franking services have historically been provided through a separate contract which has now expired.

Contributes to the MOPAC Police & Crime Plan 2022-251

4. Inclusions of digital franking service moves the MPS towards a more integrated & digital organisation.
5. Bespoke office supplies are required for operational policing

Financial, Commercial and Procurement Comments

As part of the GLA Collaborative Procurement Programme, Commercial Services engaged with Assistant Commercial Manager Lorne Belcher (TfL) to provide the procurement delivery services for the replacement contract.

The MPS collaborated with TfL, the GLA and other functional bodies to replace the contract for stationery and office supplies. The agreed strategy was to use the Lot 1 Crown Commercial Services framework RM6059, as it was identified as the most compliant route to market and offered the best value for money.

This Lot has 1 supplier, Banner.

The maximum contract value is £7 million. The expenditure will be met from a combination of the MO11 budget (£542k p.a.) for catalogue purchases and from Business Group devolved budgets for non-catalogue purchases.

The MPS have benchmarked their basket of goods with a mixture of generic products and bespoke items and the MPS have obtained lower prices than the GLA collaboration when they did their benchmarking.

Table 1 set outs the results of the CCS Framework benchmarking exercise undertaken by Commercial Services. The items benchmarked were based on historic usage from the top fifty most frequently used items. These included bespoke items such as CDs for audio and DVDs for visual recordings. Such items are required to meet a specification and are tested by the supplier. The MPS utilises approx. 12,000 units of CDs and 470,000 DVDs per annum (based on 2021/2 usage figures) making them appropriate items for benchmarking.

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

Table 1: Benchmarking

<i>Framework</i>	<i>Supplier</i>	<i>Basket of Goods total Value</i>	<i>Bench Mark saving per Annum</i>	<i>Benchmarks saving per contract period</i>
Ref RM3723	Banner	£768,374.00	£39,112.00	£156,448.00
Ref RM6059.	Banner	£729,262.00	5.1%	

Whilst the overall value of the items has reduced, some items have not. The estimated savings will be dependent upon the items called-off the contract. MO11 will be restricting the number of purchasers and will be putting a catalogue of core items in place to improve the ordering process and reduce the number of off-contract transactions. Any items which are not available via the electronic catalogue will be purchased using Business Group devolved budgets and local cost centre codes.

Value for Money is demonstrated by the use of the pre-competed CCS framework and will be maintained through the effective management of the contract and an agreed Performance Framework which will enable tracking of spend and regular reporting. This will be owned by the MO11 Supplier Assurance Function which works with suppliers to manage performance and to drive greater value from our contracted services. The contract will be supported by a dedicated Supplier Assurance Manager

The inclusion of digital franking services into the Office Stationery and Electronic Office Supplies represents a new approach for the MPS. The previous contractual provision for this service was reviewed with the outcome that bringing this essential service into the Office Stationery and Electronic Office Supplies contract bought monetary and efficiency saving to the MPS. This has been achieved by reducing the number of franking machines across the estate, moving to a digital process and reducing the number of contracts, we have to manage. Franking machines are now covered by the current contract with Banner and are sub-contracted through Pitney Bowes.

The digital franking service will provide greater controls over postage costs through the use of 4G dongles to top-up funds and digital weighing which will ensure the correct postage charge is applied. The digitisation of this service is also estimated to reduce current costs by 18% (based on current costs of using Royal Mail) and a negotiated discount on Parcelforce deliveries.

The Crown Commercial Services Framework offers suitable Terms & Conditions (T&C's) meeting the requirements of the MPS. The se T&Cs include the most up to date Social Value requirements (e.g., social and environmental impacts and commitments to equal opportunities, Covid recovery, promotion of SME's and diversity and inclusion etc.,)

Legal Comments

6. 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 exceed this threshold and therefore the Regulations apply.

The use of a compliantly procured Framework Agreement will constitute a compliant process where the Framework Agreement's ordering processes are followed.

The MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime ("DMPC") has delegated authority to approve:

- a. Business cases for revenue or capital expenditure of £500,000 and above (paragraph 4.8); and
- b. All requests to go out to tender for contracts of £500,000 or above, or where there is a particular public interest (paragraph 4.13). This paper is seeking to initiate and award the new Contract.

Paragraph 7.23 of the Scheme provides that the Director of Commercial Services has consent for the approval of the award of all contracts, except for those called in through the agreed call-in procedure. 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

7. This business case has undergone initial equality screening. Due regard has been taken to the Equality Act's Public Sector Equality Duty. Real consideration has been taken to assess equality impact caused by the proposed business changes. As a result, no positive or negative impact has been identified to any individual and/or group safeguarded by a protected characteristic and those who are not.

Privacy Comments

8. 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.

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.

The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the project meets its compliance requirements.

The programme/project does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

Real Estate Implications

9. None

Environmental Implications

10. The MPS Environment Policy and the MPS Environment and Sustainability strategy has been taken into consideration

Background/supporting papers

1. Business Justification Paper Office Stationery and Electronic Office Supplies. The relevant information from this document has been included in this paper..

This paper is not subject to exemption.