

DMPC Decision – PCD 1330

Title: Print Management, Distribution and Storage Contract – Re-Procurement and Contract Value Uplift

Executive Summary:

This paper seeks the approval to re-procure the print management, distribution and storage contract which expires in December 2023 at a value of £2,000,000 p.a. and for a up to four year term, and to increase the contract value of the current contract by £2,000,000 due to additional demand on the service. The proposed re-procurement is expected to be via a compliant collaborative procurement with Transport for London. The cost of the additional contract uplift and the future re-procured contract will be funded from within existing MPS budgets.

Recommendation:

The Deputy Mayor for Policing and Crime is recommended to:

1. That approval is given for the Directorate of Media and Communication (DM)C to initiate procurement activity via the Crown Commercial Services Framework, with a view to procuring a new print management contract, to replace the current contract when it expires in December 2023. Based on historical usage, the estimated contract value over 4 years is £8m. The budget requirement for the new contract will be confirmed by way of the annual budget setting process following the initiation of procurement activity. The procurement will be handled as part of a collaboration initiative with Transport for London (TFL). If there are any problems with this, our fallback option would be to run a MPS only CCS framework tender process.
2. Approve an increase of the maximum value of the current contract by £2,000,000 from £5,400,000 to £7,400,000 to accommodate business requirements for the remaining 12 month period. The proposal to increase the contract value is because there is insufficient contract value to last for the remaining contract period.
3. That approval to award the contract continues to be delegated to the Director of Commercial Services following completion of the tendering process on the basis that the supply category being procured is neither novel nor contentious.

Deputy Mayor for Policing and Crime

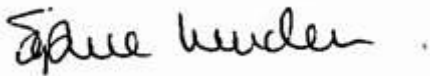
I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. Any such interests are recorded below.

The above request has my approval.

Signature

Date

09/12/2022



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

1. Introduction and background

- 1.1. The current print management, distribution and storage contract was awarded in December 2019 for an up to 4 year term, and expires in December 2023.

2. Issues for consideration

- 2.1. The MPS state that “Printed material contributes to all of the MOPAC’s priorities, particularly increasing trust and confidence and supporting victims. As an example of this are our ‘contact cards’ which are a very popular product and contain the details of local Safer Neighbourhood Teams. We also produce printed newsletters to low confidence wards across London and victim care leaflets for victims of crime. All of these products help to increase trust and confidence and support victims”.
- 2.2. The original contract was awarded at a £1,000,000 p.a. value, £4,000,000 over the life of the contract. The contract value was uplifted by £1,000,000 by MOPAC to account for the police officer uplift programme, and by a further £400,000 by the MPS under their delegated authority. The current contract value is £5,400,000.
- 2.3. The MPS has identified additional demand for the print management, distribution and storage contract during the first three years of its operation arising from higher than expected usage of the design and creative elements of the contract and greater usage to support the Police Officer Uplift programme, therefore requiring an contract value uplift.
- 2.4. The original contract was tendered as part of a collaborative tender with Transport for London (TfL). The TfL contract expires in May 2023, and the proposal is for MPS to collaborate again with TfL on the re-procurement. The re-procurement will focus on the print, pre-production (including some design services), storage and distribution services, with a separate procurement activity to focus on the creative services.

3. Financial Comments

- 3.1. This proposal seeks a £2,000,000 contract value uplift on the existing contract. The MPS assure that the costs of this contract are met from MPS business group devolved budgets or from the funding of approved project budgets.
- 3.2. The proposed re-procurement of the contract is estimated to have a £2,000,000 p.a. value, which with a proposed 4-year contract term will result in a estimated total

contract value of £8,000,000. This reflects the current trend of spend. The MPS assure that the costs of this contract would be met from MPS business group devolved budgets or from the funding of approved project budgets.

4. Legal Comments

- 4.1. 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 £213,477.00 (inclusive of VAT) or above must be procured in accordance with the Regulations. This report confirms the proposed re-procurement of the contract exceeds this value. Accordingly, the Regulations will be engaged.
- 4.2. The MPS Directorate of Legal Services assure that both the re-procurement and the contract variation are compliant with Public Contracts Regulations.
- 4.3. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime has delegated authority to approve all requests to go out to tender for contracts valued at £500,000 or above populated upon decision.
- 4.4. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime has delegated authority to approve all unforeseen variations and extensions to contracts with an original value of £500,000 or above, when the variation or extension is greater than 10% of the original value and/or is for a period of more than 12 months.

5. Commercial Issues

- 5.1. The existing contract provides for the supply of services in relation to the design and print requirements of corporate and internal campaigns, to manage design and print requirements for the attraction of new, experienced and volunteer police officers, and the provision, storage and distribution of operational books and forms.
- 5.2. The proposed re-procurement will focus on the print, pre-production (including some design services), storage and distribution services with a separate procurement for the creative services. The re-procurement is expected to be via a collaborative tender exercise with TfL via a Crown Commercial Services framework. If this route does not progress the MPS will undertake a separate tender exercise also via a Crown Commercial Services framework.
- 5.3. The proposed contract term would be an initial period of three years with an optional 1 year extension. The estimated annual contract value would be £2,000,000.
- 5.4. The MPS assure that any approved suppliers will be evaluated for acceptable equality and diversity statements, as well as their ability to meet the MPS requirements under the Equality Act 2010 as suppliers to MOPAC. The evaluation exercise will consider their ability to act as a responsible employer and meet employment obligations deemed commensurate with wider GLA objectives such as Responsible Procurement and the London Anchors Institutions' charter.

5.5. The now proposed contract value uplift of £2,000,000 and the previous approved uplifts of £1,400,000 combine to constitute £3,400,000 uplift which is 10.1% of the original contract value of the GLA-wide procurement which had an original value of £33,350,000.

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 there is no use of personal information in regard to the public within this contract, so there are no GDPR issues.

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 there to be no negative equality or diversity implications arising from these proposals negating the requirement to present any mitigation. Any approved suppliers have been/will be evaluated for acceptable equality and diversity statements, as well as their ability to meet the MPS requirements under the Equality Act 2010 as suppliers to MOPAC.

8. Background/supporting papers

- Appendix 1 MPS Report - Print Management, Distribution and Storage Contract

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 interim 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 1/12/2022

Hanahuchford.

Print Management, Distribution and Storage Contract

MOPAC Investment Advisory & Monitoring meeting – October 2022 via PIB Extremis

Report by Stephanie Day 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 report concerns the MPS contract for print management, distribution and storage. The current contract is a call-off from the Crown Commercial Services Framework RM6170 and was run by the GLA Collaborative Procurement Team (CPT) on behalf of the GLA Functional Bodies. The contract was awarded to Corporate Document Services (CDS) in December 2019 on the basis of an initial two year period with the option for two further 12 month periods with a maximum duration of 48 months. The Met's contract with CDS is due to expire in December 2023, although the GLA CPT's contract will expire prior to this in May 2023.

The board is requested to approve the following recommendations:

- **1. Re-procurement approval:** That approval is given for DMC to initiate procurement activity via the Crown Commercial Services Framework, with a view to procuring a new print management contract, to replace the current contract when it expires in December 2023. Based on historical usage, the estimated contract value over 4 years is £8m. The budget requirement for the new contract will be confirmed by way of the annual budget setting process following the initiation of procurement activity. The procurement will be handled as part of a collaboration initiative with Transport for London (TFL). If there are any problems with this, our fallback option would be to run a MPS only CCS framework tender process.
- **2. Current contract value amendment:** That approval is given to increase the maximum value of the current contract by £2m from £5.4m to £7.4m to accommodate business requirements for the remaining 12 month period. The proposal to increase the contract value is because there is insufficient contract value to last for the remaining contract period.
- **3. Contract award delegation:** That approval to award the contract continues to be delegated to the Director of Commercial Services following completion of the tendering process on the basis that the supply category being procured is neither novel nor contentious.

Time sensitivity

A decision is required from the Deputy Mayor by 30th **November 2022**. This is because we urgently need to increase the value of the existing print contract as its value is running out and insufficient for our requirements. There are certain items we need in stock that are business critical such as stop and search forms, incident/arrest report books, premises search books and so on. To ensure business continuity for the services required, the MPS will need to increase the contract value by £2m from £5.4m to £7.4m for the remaining period of the contract, until it expires in December 2023.

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

Introduction and background

1. The Directorate of Media and Communications (DMC) use the contract to manage design and print requirements for the attraction of new, experienced and volunteer police officers. The recruitment of new police constables is one of the MPS's biggest organisational priorities and the financial year 2022-2023 is potentially the most challenging as it is the final year of the uplift. During this time the organisation, will need to recruit circa 4000 police constables against the backdrop of the organisation facing significant reputational issues and a buoyant recruitment market.
2. DMC also use the contract to support the design and print requirements of corporate and internal campaigns to meet key operational requirements. In addition, it is used for ad-hoc projects and the provision of bespoke local engagement and crime prevention material.
3. Although DMC manages the contract on behalf of the Service, the contract serves the wider MPS through the provision, storage and distribution of operational books and forms. Whilst use of paper forms is declining, as more forms are converted to digital alternatives, there are some forms such as stop and search forms, incident/arrest report books, premises search books, which still require paper production and are business critical. The contract also provides a compliant route for business units to access design, photography, filming and print services.
4. The contract, when originally procured, included a relatively small design, photography and filming element to support campaigns and hoc organisational projects. Over the course of the contract, those services have been utilised flexibly across the organisation, to service a variety of communication projects. Furthermore, it became evident that police officer and internal communication campaigns required support from creative agencies with specialist knowledge, in each of the respective fields.
5. Servicing organisational priorities including the recruitment of new police constables and various demands for internal communications. For example, during the COVID period, large volumes of printed banners and stickers were needed to communicate social distancing requirements and changes to police procedure across 200 MPS sites, combined with ad-hoc projects from business units, has resulted in a significant increase in spend on design and creative services. This was not originally forecasted in the contract value. It is also worth noting that market conditions have impacted print prices. This has subsequently eaten into the contract value and created the need for a value uplift.

Issues for consideration

- 1) The MPS awarded the existing print management contract to Corporate Document Services (CDS) in December 2019. The contract was placed as part of a procurement collaboration with TFL. The Met's contract with CDS is due to expire in December 2023. Therefore this paper includes an approval request for the next contract to run from that point.
2. Following an options appraisal, the MPS is to partner with TFL to utilise the Crown Commercial Services (CCS) Print Management Services framework agreement to procure a new print management contract. This will replace the current contract when it expires in December 2023. (Our back up option is to run our own competition, independently from TFL).

3. To allow sufficient time to procure from the CCS framework agreement and to ensure business continuity for the services required, the MPS will need to increase the contract value by £2m from £5.4m to £7.4m for the remaining period of the contract, until its expires in December 2023. The existing contract value has proved insufficient because the print service has been used flexibly in recent years to assist with creative media solutions and the police uplift programme. Staff from across the Met have used the contract to gain access not just to print services but creative services such as film, video and animation. Even after two uplifts in value, the first for 10%, the second 25%, the appointment of a new Commissioner has continued to drive demand to support internal communications, and ad hoc projects. The police uplift programme has also continued to drive high demand from a recruitment and outreach point of view.

4. Our strategy will see us re-tendering for most creative services separately in Autumn 2022. However, the uplift proposed is to bridge the gap in the current service and allow us to continue the existing service until the new solution comes in to force. This is **business critical** as there are several printed books and forms vital to everyday policing that we must always have in stock. These include stop and search forms, incident/arrest report books, premises search books and so on.

We have assessed our procurement options (see commercial case). Our first option is to partner with TFL to place this contract in support of collaboration and spend aggregation with GLA partners. Our reserve option is for the MPS to procure directly via CCS.

Contributes to the MOPAC Police & Crime Plan 2022-25¹

Printed material contributes to all of the MOPAC's priorities, particularly increasing trust and confidence and supporting victims. As an example of this are our 'contact cards' which are very popular product and contain the details of local Safer Neighbourhood Teams. We also produce printed newsletters to low confidence wards across London and victim care leaflets for victims of crime. All of these products help to increase trust and confidence and support victims.

Financial, Commercial and Procurement Comments

The MPS business requirement for print service is essentially a straight re-buy, to be met through CCS frameworks for common goods and services. The project has featured on MPS procurement pipelines, to allow markets & suppliers to see what MPS requirements are planned.

The contract will be procured for up to four years on a 3 year +1 year basis, with an annual value of £2m.

The contract will include clear requirements for supplier reporting and performance management, along with commitments for regular management meetings with MPS

The value uplift to the existing contract is permitted within the scope of the Public Contract Regulations (PCR) 2015. The MPS requirement & expenditure was included within the original Greater London Authority procurement. When the contract was procured in 2019, the combined award value was £33.35m, inclusive of MPS' requirements. The intent of the procurement was for a single supplier to service the various Authorities, including MPS.

From a MOPAC governance and expenditure perspective, the combined MPS spend uplifts will increase from £4m to £7.4m – an addition of £3.4m. When seen as a proportion of the original £33.35m procurement, £3.4m represents a 10.1% value modification. There are no other changes

to the terms of the original GLA tender and the value modification is within the contract period. Therefore this activity is permitted within the Public Contract Regulations, as a reasonable modification of a contract value during its term. Legal advisers have been consulted and agree.

In terms of the collaborative procurement for our new print contract beginning in December 2023, the collaborative framework procurement will:

- Ensure that a minimum of 10% of the evaluation criteria are allocated to social value factors. For the print category this is likely to include recycling and carbon net zero elements.
- Ensure that a set of Service Level Agreements and KPIs are incorporated in to the resultant contract with the winner of the competition. We will also ensure that the top 3 KPIs are identified and available for external reporting when this practice begins.
- Cover the General Data Protection Regulation (GDPR) with a Data Protection Impact Assessment to mitigate any data risks.
- Give consideration to innovation and continuous improvement ideas in the tender assessment.
- Be designed with contract-end and decommissioning in mind. TUPE provisions will be written in to the contract terms to assist with transfers at the end of the contract, as required.
- Consider the sustainability of contract pricing to ensure that the successful bidder's pricing is realistic and robust for the life of the contract.
- Closely assess the financial viability of the successful supplier. This is an important diligence step in the current climate. The MPS has 'tiered' this contract as Silver. This means we will ensure the contract has regular management meetings between MPS, GLA and the supplier. We will also closely monitor the financial position of the winning supplier, to ensure we identify any financial risk concerns.
- Be compliant with the Public Contract Regulations 2015, for the procurement of goods & services above £213,477.

The new contract will not commit the MPS HQ to fixed expenditure with the supplier in any particular year. However, it will be awarded on the understanding that the MPS will use the contract services on a flexible basis, for any print management requirements.

Furthermore, following a review of the organisation's creative media service requirements, we are adopting a new strategy which will largely decouple print, pre-production (including some design services), storage and distribution services from specialist creative services. This means that both requirements can be more accurately forecasted and competitively tendered. It will also ensure the new contracts are fit for purpose and correctly aligned to supplier markets.

This business justification therefore seeks permission to start procurement activity for a new print management services contract only, to be put in place in time for when the current contract expires in December 2023. A separate business justification paper will be submitted for creative services as part of our decoupling strategy. It is expected that expenditure arising from the future use of a new print management services contract will be met from Business Group devolved budgets or from the funding of approved project budgets.

As a London police service, we fully support the values and principles of the London Anchor Institutions' Charter. The re-procurement of the print contract will be through the Collaborative Procurement Team, run on behalf of functional bodies including LFB and the GLA, via the Crown Commercial Services Framework. As such we can only select suppliers who are already part of this established framework. However, we will look for benefits from the suppliers on the framework that will support the charter working alongside the other functional bodies to give greater leverage.

Legal Comments

Legal issues

1. Re-procurement approval
2. 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 £213,477.00 (inclusive of VAT) or above must be procured in accordance with the Regulations. This report confirms the proposed contract exceeds this value. Accordingly, the Regulations will be engaged.
- 3.
4. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime has delegated authority to approve all requests to go out to tender for contracts valued at £500,000 or above populated upon decision.
5. It is lawful to award a contract from a compliantly procured framework agreement.
6. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime has delegated authority to approve all unforeseen variations and extensions to contracts with an original value of £500,000 or above, when the variation or extension is greater than 10% of the original value and/or is for a period of more than 12 months.
- 7.

Equality Comments

There are considered to be no negative equality or diversity implications arising from this process negating the requirement to present any mitigation. Any approved suppliers will be evaluated for acceptable equality and diversity statements, as well as their ability to meet the MPS requirements under the Equality Act 2010 as suppliers to MOPAC. The evaluation exercise will consider their ability to act as a responsible employer and meet employment obligations deemed commensurate with wider GLA objectives.

In addition, it should be noted that the MPS support the Mayor's Responsible Procurement Policy including: enhancing Social Value, encouraging inclusion, diversity and equality, embedding fair employment practices, enabling skills, training and employment opportunities, promoting ethical sourcing practices and improving environmental sustainability.

We are also committed to supporting the London Anchor Institutions' Charter where the opportunity arises.

Privacy Comments

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 Print, Distribution and Storage Contract does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

Real Estate Implications

No real estate implications.

Environmental Implications

Environmental impact will be a consideration in the procurement of the new contract and prospective suppliers will be assessed on their commitment to reducing waste and harm to the environment.

We are committed to supporting the London Anchor Institutions' Charter where the opportunity arises.

Background/supporting papers

N/A

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