

	Officer Key Decision
	Report to the Corporate Director, Finance and Resources
AUTHORITY TO EXTEND CONTRACT FOR PRINTING SERVICES	

Wards Affected:	All
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	None
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Name: Philippa Brewin Job Title: Procurement and Contracts Manager, Shared Technology Services Email: philippa.brewin@sharedtechnology.services

1.0 Purpose of the Report

1.1 This report concerns the extension of a contract for printing services. This report requests authority to extend the contract as required by Contract Standing Order 112. A summary of the background to the recommendation, including details of the contract and the benefits to be obtained, is outlined below.

2.0 Recommendation(s)

That the Corporate Director, Finance and Resources:

- 2.1 Approves the variation of the contract with Ricoh (UK) Limited for printing services to allow differing extension durations for separate services under the contract.
- 2.2 Approves the extension of the contract with Ricoh (UK) Limited for printing services as follows:

- (i) Print Room services to be extended for nine months from 1 July 2023 to 31 March 2024; and
- (ii) Off site Bulk Print and Hybrid Mail services to be extended for 16 months from 1 July 2023 to 31 October 2024.

3.0 Detail

- 3.1 The Council has a contract with Ricoh (UK) Limited for its printing services, namely office printers (multifunctional devices, known as MFDs), offsite bulk printing and hybrid mail, and the print room in Brent Civic Centre. The contract was originally for a period of four years, with the offsite printing and hybrid mail and print room services expiring on 30 April 2023. In April 2023 these services were extended to 30 June 2023. The MFD services under the contract have previously been extended to 31 October 2024.
- 3.2 Under the contract, the MFD services are delivered to the three Shared Technology Services' councils, namely the London Boroughs of Brent, Lewisham and Southwark, and the Local Government Association. The offsite bulk printing and hybrid mail are used by Brent and Lewisham, and the print room is used by Brent only.
- 3.3 The council wishes to extend the offsite bulk print and hybrid mail and print room services.
- 3.4 Print Room: Following discussions with Ricoh (UK) Limited about the terms and length of the extension to the contract, including taking into account proposals for a reduction of the service the Brent Print Room, officers have decided to extend this part of the contract to the end of this financial year, ie. 31 March 2024. It is intended to drive Print Room demand downwards over the coming months, but until that is done, the preference is to maintain the current service arrangements. Any further extension can then take into account the anticipated reduced service need.
- 3.5 Offsite bulk printing and hybrid mail: These services are closely linked, as they are delivered through the same remote facility. It is proposed to extend these services until 31 October 2024, bringing the expiry date in line with the MFD services.
- 3.6 There will be no unit cost increases during the extension periods, other than the annual increase for postage, which is determined by the Royal Mail.
- 3.7 The extension will allow continued delivery of the existing offsite bulk printing and hybrid mail and print room services, without increase in unit costs.

3.8 Under section 3(b) of the table at paragraph 9.5 of Part 3 of the Constitution, Chief Officers are able to extend contracts and agreements without the need for Cabinet approval, provided that:

- (a) the extension, variation, renegotiation, novation or assignment would not be in breach of the Procurement Legislation.
- (b) the extension, variation, renegotiation, novation or assignment does not substantially alter the terms and conditions of the contract.
- (c) there is sufficient existing budgetary provision.
- (d) provided that in the case of any variation (other than an extension):
 - (i) the total value of the variation is less than £1 million; and
 - (ii) if the total value of the variation is more than £50k it is not more than 50% of the original contract value (calculated over the life of the contract including any extensions or possible extensions and adjusted in accordance with any price review mechanism provided for in the contract).
- (e) if the extension goes beyond the period of extension provided for in the contract (if any) or is otherwise not in accordance with the extension provisions in the contract:
 - (i) in the case of any contract, agreement, deed or other transaction with a life of not more than one year (including any possible extension provided for in the contract) the extension shall not exceed a period of six months; or
 - (ii) in the case of any contract, agreement, deed or other transaction with a life of more than one year (including any possible extension provided for in the contract) the extension shall not exceed a period of one year.
- (f) the relevant cabinet member shall be consulted prior to a decision within (d) (i) or (ii) or (e) (i) or (ii) above and may request that the decision instead be referred to them.

3.9 It is considered that you have delegated authority to agree the extension as:

- (a) the extension is not in breach of the Procurement Legislation, as it is provided for in the contract.
- (b) the extension does not substantially alter the terms and conditions of the contract.

- (c) there is sufficient existing budgetary provision in the IT and departmental printing budgets of the relevant organisations.
- (d) the variation proposed at Recommendation 2.1 does not of itself have a value as it merely allows differing extension durations for separate services under the contract and therefore the variation falls within (d)(i) above.
- (e) the extension does not go beyond the period provided for in the contract and is in accordance with the extension provisions in the contract.
- (f) there is a requirement to consult with the relevant cabinet member in relation to the variation proposed at Recommendation 2.1 and they may request that the decision instead be referred to them.

4.0 Financial Implications

4.1 The estimated value of the extension is as follows:

Service	Mths	Period	Cost
Brent Print Room	9	01/07/23 to 31/03/24	£108,000
Brent Bulk Print/Hybrid Mail	16	01/07/23 to 31/10/24	£420,000
Lewisham Bulk Print/Hybrid Mail	16	01/07/23 to 31/10/24	£572,000
Total			£1,100,000

4.2 The cost of the extension will be funded from the relevant Shared Technology Services boroughs' printing budgets.

5.0 Legal Implications

5.1 Officers recommend the extension of the contract for Printing Services with Ricoh (UK) Limited for the following periods:

- (i) Print Room services: Nine months from 1 July 2023 to 31 March 2024; and
- (ii) Off site Bulk Print and Hybrid Mail services: 16 months from 1 July 2023 to 31 October 2024.

5.2 The value of the original contract is such that it is subject to full application of the Public Contract Regulation 2015 (PCR 2015).

5.3 The Corporate Director, Finance and Resources is authorised pursuant to Paragraph 9.5 of Part 3 of the Constitution to extend contracts subject to the conditions set out in paragraph 3.8 above. Subject to consultation with the relevant cabinet member in relation to the decision to vary the

contract to allows differing extension durations for separate services and the relevant cabinet member not requesting that the decision instead be referred to them, then as set out in paragraph 3.9 above, none of these conditions precludes the Corporate Director, Finance and Resources agreeing the recommended variation and extension.

6.0 Equality Implications

6.1 Pursuant to s149 Equality Act 2010 (the “Public Sector Equality Duty”), the Council must, in the exercise of its functions, have due regard to the need to:

- (a) eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,

6.2 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

6.3 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.

6.4 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary.

6.5 The proposals in this report have been subject to screening and officers believe that there are no adverse equality implications.

7.0 Consultation with Ward Members and Stakeholders

7.1 The Shared Technology Services borough stakeholders have been consulted in relation to the proposed extension.

8.0 Human Resources/Property Implications (if appropriate)

8.1 The services are currently provided by an external contractor and there are no implications for Council staff arising from the extension of the contract.

9.0 Public Services (Social Value) Act 2012

9.1 The Council is under a duty pursuant to the Public Services (Social Value) Act 2012 (“the Social Value Act”) to consider how services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the Council might act with a view to securing that improvement; and whether the Council should undertake consultation. Whilst this report concerns an extension to the contract, nevertheless Officers have had regard to considerations contained in the Social Value Act in relation to the extension.

Report sign off:

Minesh Patel

Corporate Director Finance and Resources