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| Multifunction Device and Printers (MFDP) State Purchase Contract (SPC) User Manual  |

Document control

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# SPC overview

## Background

The Department of Premier and Cabinet (DPC) issued an Invitation to Supply via Tenders Victoria on 3 June 2019 for the provision of Multifunction Device and Printers (MFDP) including hardware, secured print technology and managed print services.

During this open tender, all submissions were evaluated based on the overall Value for Money represented by their total offering for supplier owned equipment. Competitive bid was achieved through the use of each Invitee’s weighted Professional Competence and Social Procurement Policy scores, combined with their average price for Managed Print Service (Standard (Monochrome and colour)) across all equipment sub-categories.

The tender process was concluded in December 2019 with the recommendation report being approved by the Project Control Board and Evaluation Team.

## Contract overview

**This contract is:**

Whole of Victorian Government (closed panel)

**Use of this contract is:**

Mandated

(Refer to contract Schedule 4 – Purchasers)

DPC encourage any Non-Mandated or Non-Budgeted sector agencies to use this SPC and leverage the savings and benefits at the Whole of Victorian Government level.

If any time, a Non-Mandated or Non-Budget sector agency Purchaser wishes to acquire services from this SPC, please obtain contract access and approval from DPC via Confidential Information System. <https://apps.dtf.vic.gov.au/apps_state_purchase_contracts/> or contact DPC ICT Procurement team for any questions. (Refer to contact detail in the last page of this User Manual).

**Contract date:**

**1 January 2020 to 31 December 2022 (3 years)**

**Extension options:**

Two \* 12-month extension option remaining

## Supplier detail

This closed panel includes five suppliers:

| **Supplier** | **Contact Detail** |
| --- | --- |
| **Canon Australia** | ABN: 66 005 002 951 |
| Address: Building 1, Unipark, 195 Wellington Road, Clayton VIC 3168 |
| Website: [www.canon.com.au/business](http://www.canon.com.au/business)  |
| Contact name: Scott Frood/Sales Manager |
| Phone: 03 8585 8584 |
| Mobile: 0400 818 328 |
| Email: scott.frood@canon.com.au  |
| **Fuji Xerox Australia** | ABN: 63 000 341 819 |
| Address: 509 St Kilda Road, Melbourne, VIC 3004 |
| Website: [www.fujixerox.com.au/](http://www.fujixerox.com.au/)  |
| Contact name: Daniel Maher/Manager, Government and Health |
| Phone: 03 9246 3000 |
| Mobile: 0403 243 808 |
| Email: daniel.maher@aus.fujixerox.com  |
| **Konica Minolta Australia** | ABN: 50 001 065 096 |
| Address: Level 5, 441 St Kilda Road, Melbourne, VIC 3004 |
| Website: [www.konicaminolta.com.au](http://www.konicaminolta.com.au)  |
| Contact name: Robert Hornak/Sales Manager |
| Phone: 03 8699 0735 |
| Mobile: 0402 513 602 |
| Email: robert.hornak@konicaminolta.com.au  |
| **Kyocera Australia** | ABN: 77 003 852 444 |
| Address: Level 4, 695 Burke Road, Camberwell Vic, 3124 |
| Website: [www.kyoceradocumentsolutions.com.au](http://www.kyoceradocumentsolutions.com.au)  |
| Contact name: Craig Gardiner/Strategic and Major Accounts Manager |
| Phone: 03 8844 6655 |
| Mobile: 0439 255 000 |
| Email: craig.gardiner@dau.kyocera.com  |
| **Lexmark Australia** | ABN: 86 050 148 466 |
| Address: 80 Dorcas Street, South Melbourne, VIC 3205 |
| Website: [www.lexmark.com/en\_au](http://www.lexmark.com/en_au)  |
| Contact name: Rory O’Dowd/Executive Account Manager |
| Phone: 03 9473 3127 |
| Mobile: 0416 029 657 |
| Email: rory.odowd@lexmark.com  |

# What’s covered by this SPC

## Scope

The MFDP SPC provides two options without any print volume or term commitments:

* Managed Print Service (MPS); and
* Purchase outright.

(Refer to Schedule 2 – Specification section 2.5.4 for MPS definitions; Schedule 3 – Price List and Catalogue for the full list).

The following goods are out of scope:

* 3D printers;
* Servers; and
* Network devices.

## Key benefits

* More suppliers on the panel with a wider product range;
* No term and minimum volume commitment. No upfront cost under MPS model;
* Ready to go contract, no need to negotiate/re-invent any new legal terms and conditions;
* Enhanced MPS model (Click Rate only) that incorporates an all-inclusive service including hardware and managed services to drive down printing costs. Pay only for what you print;
* Introduced two levels of MPS (Minimum or Standard Monitoring) to meet the requirements of those Purchasers who have specific and restrictive security constraints;
* Introduced more stringent Service Level Agreements with penalty applied. Service Credit to be issued back to the Purchasers. (Refer to Schedule 9, Table 4: Service Credit);
* Optional services including Follow Me/Pull Printing option for enhanced data reporting; and
* Social Procurement Framework including Key Performance Indicator (KPI) have been included.

## Service categories

The MPS is charged by Click Rate only (no upfront cost, and you only pay for what you print). It fits broadly within two categories with additional Optional Services that a Purchaser may choose to add to either of the 2 MPS categories listed below:

| **Services Category** | **Inclusions** |
| --- | --- |
| **MPS (Minimum)** | Monitoring (outbound push from Equipment of status information) |
| Replenishment of consumables |
| Maintenance and repairs |
| Reporting |
| Fleet Management |
| Training |
| Firmware, driver and software updates |
| Disposal |
| **MPS (Standard)** | Includes all aspects of MPS (Minimum) |
| Monitoring (including remote diagnostics, management and support) |
| **Optional Services** | Concierge service |
| Pull (Secure) print |
| Extended Support Hours |
| Customised packaging of firmware, driver and software updates |

It is expected most Purchasers to use MPS Standard, unless any specific security requirements needed.

* **Note: Refer to Schedule 3 - Price List and Catalogue for the full list.**

## Optional services

There are additional options for devices and services with incremental fees applied to both Purchase Outright and MPS model.

For Purchase Outright, the Purchaser can also choose to pay a discounted MPS click rate on top of the purchase devices to receive MPS Minimum/Standard services.

## Price list and catalogue

There are 14 pricing schedules listed in Schedule 3 – Price List and Catalogue:

* **PS1 MPS** – provide MPS click rate for MPS (Minimum) and MPS (Standard) services for both Supplier owned, and Purchaser owned equipment.
* **PS1 MPS Options** – provide incremental price for MPS (Minimum) and MPS (Standard) services for additional accessories and Pull Printing options.
* **PS2 to PS11** – provide individual pricing and specifications for Purchase Outright devices and its service category and sub-category.
* **PS12 Optional Services** – provide incremental price for MPS (Minimum) and MPS (Standard) services for additional services including extended support hours and concierge service.
* **PS13 Rate Card** – provide professional services hourly and day rate per the description.

## How MPS pricing works

MPS pricing has been broken down to 3 impression tiers per month. (based on 0 to 50,000, 50,001 to 500,000 and 500,001+ clicks/print volumes).

This allows better visibility and transparency displaying how the price evolves than the previous SPC. This can also be used as a validation tool when comparing the quotes received from the panel suppliers.

* **Note: all price listed in the tier volume tables (PS1 MPS) are for BASE UNIT only. Any additional accessories, services can be add-ons with incremental charges on top. (Refer to PS1 MPS Options & PS12 Options Services for additional options).**
* **Note: the 3-impression tier pricing is to be used as a validation tool when receiving quotes from the suppliers after the Audit and Discovery assessment. The agreed click rates (one blended rate for Colour, one blended rate for Monochrome across the whole fleet) with the suppliers should be the contract rates throughout the agreed term. The click rate charges should not change month to month.**

**Not to exceed price**

There is an MPS click rate (WOVG) table at the top of PS1 MPS schedule. The intention of this table is to provide an overall click rate for the MPS (Minimum) and MPS (Standard) that represents the ‘’not to exceed’’ (ceiling rate) price for the Managed Print Services available under this SPC.

* **Note: This is a simple tool for the Purchasers to validate the quotes received from the panel suppliers. It is never intended to be used as a comparison tool for unit price. Devices across 5 panel suppliers are different (all meet the minimum specifications listed in Schedule 2 – Specifications) so the pricing simply cannot be a ‘’apple-to-apple’’ comparison.**
* **The ceiling rates are also only applied to the BASE UNIT – a lot of MFD have duplexers and finishers which aren’t included in this ceiling rate.**

# Buy from this SPC

## New Purchasers

**Step 1:** Obtain contract access and approval from DPC via the Confidential Information System. <https://apps.dtf.vic.gov.au/apps_state_purchase_contracts/> or contact DPC ICT Procurement team for any questions. (Refer to contact detail in the last page of this User Manual).

**Step 2:** Get internal approval. Purchasers to review their internal procurement policies and procedures in proceeding the procurement activities with the MFDP panel suppliers.

* **Note: DPC have no set rule on number of quotes required to Purchasers’ procurement activities under the SPC. However, it is recommended that at least three quotes for the Audit and Discovery assessment are obtained to generate competition. A full tender process is not required when obtaining quotes from the MFDP panel suppliers.**

**Step 3:** Provide a list of requirements to the panel supplier(s).

**Step 4:** Arrange an Audit and Discovery assessment with the panel supplier(s) for a detailed ‘’fit for purpose’’ proposal. Refer to Schedule 2 – Specification section 3 for Audit and Discovery assessments.

* **Note: Purchasers are required to provide current fleet detail including annual print volume, device specifications and floor plans to the suppliers for the Audit and Discovery assessments.**

**Step 5:** Confirm the final specification and order detail by completing the Customer Service Agreement (CSA) - Agreement for the Supply of Multifunction Device and Printer Services with the selected supplier. (this is the chance for the Purchaser to add/note any specific requirements and terms under the SPC)

* **Note: when the quote is received it will contain one click rate for color and one click rate for black & white printing. These click rates will be used for all printers identified in the Audit and Discovery assessment.**
* **IMPORTANT: before signing the CSA with the selected supplier, please send a copy of the final document to DPC for endorsement.**
* **Note: This step provides better visibility to the use of SPC as well as aligning the terms and conditions. The final version of the CSA can be provided from either the Purchaser or its selected supplier to DPC for endorsement before execution.**

Refer to Schedule 7 – Form of Customer Service Agreement.

**Step 6:** complete Purchase Order Form to finalise order.

Refer to Annexure A – Form of Purchase Order.

## Purchasers with devices/services from previous SPC

There is no term/volume commitment under the MFDP SPC. If a Purchaser has an existing fleet under the previous MFDP SPC 2015 - 2019 (Fuji Xerox, Konica Minolta or Lexmark), it is acceptable to keep the previous agreement running until its end of agreed term. However, **a NEW CSA and Purchase Order Form must be executed under the new MFDP SPC if a Purchaser wishes to acquire any NEW devices/services.**

* **Note: Purchasers are encouraged to review their existing agreement with previous SPC panel suppliers (Fuji Xerox, Konica Minolta or Lexmark) and discuss the process of migration all previous agreement to the new SPC. This does not mean all devices need to be transitioned out. Purchasers should discuss the possibility of keeping the existing fleet with the incumbent suppliers while enjoy the savings and benefits from the new SPC.**
* **Note: Another benefit of moving all previous SPC to the new one means only one contract to manage – one set of KPI reporting data and one set of invoicing requirements.**

# Social Procurement

## Scope

In April 2018, the Victorian State Government released a Social Procurement Framework (SPF) signalling the increased Government priority to addressing disadvantage through social procurement and recognising the social value government buyers can add.

There are total 7 objectives outlined in this MFDP SPC:

| Social Procurement Objectives | Outcomes Sought |
| --- | --- |
| Opportunities for Victorian Aboriginal people | * Purchasing from Victorian Aboriginal businesses
* Employment of Victorian Aboriginal people by suppliers to the Victorian Government
 |
| Opportunities for Victorians with disability | * Purchasing from Victorian social enterprises and Australian Disability Enterprises
* Employment of people with disability by suppliers to the Victorian Government
 |
| Women’s equality and safety | * Adoption of family violence leave by Victorian Government suppliers
* Gender equality within Victorian Government suppliers
 |
| Opportunities for disadvantaged Victorians | * Purchasing from Victorian social enterprises
* Job readiness and employment for:
* long-term unemployed people
* disengaged youth
* single parents
* migrants and refugees
* workers in transition
 |
| Sustainable Victorian social enterprise and Aboriginal business sectors | * Purchasing from Victorian social enterprises and Aboriginal businesses
 |
| Sustainable Victorian regions | * Job readiness and employment for people in regions with entrenched disadvantage
 |
| Supporting safe and fair workplaces | * Purchasing from suppliers that comply with industrial relations laws and promote secure employment
* The Supplier will ensure that its supply chain partners are contractually required to comply with strict rules around fair workplaces and social compliance including the requirements around anti-slavery and other fair workforce measures.
 |

All 5 panel suppliers have committed to 3 KPIs as of the contract commencement date and will work with DPC to further agree to the remaining objectives during the first year of the contract term (by end of 2020).

* **Note: each supplier has different targets to each objective based on their current baseline and organisational goals. (Refer to Clause 33.7(b) for detail).**

## Reporting

All Social Procurement KPI performance from the panel suppliers will be self-reported by the supplier and monitored by DPC on a quarterly basis. All KPI results will be shared with the SPC Purchasers via quarterly User Reference Group meetings hosted by DPC.

Purchasers can also include the Social Procurement reporting in the CSA as part of the requirements for the supplier.

# Local Jobs First

## The policy

Strengthened in August 2018, the Local Jobs First Act (The Act) amends the former Victorian Industry Participation Policy Act 2003.

The Act enshrines:

* Local Jobs First - Victorian Industry Participation Policy (VIPP)
	+ this policy is about local industry development.
* Local Jobs First - Major Projects Skills Guarantee (MPSG)
	+ this policy is about growing the next generation of skilled workers in Victoria.

Local Jobs First is applied if the purchase amount reaches above and beyond the thresholds including:

* Standard Projects (VIPP):
	+ over $1 million in regional Victoria; and
	+ over $3 million in metro Melbourne and State wide.
* Strategic Projects (VIPP):
	+ over $50 million or declared by Government.
* Construction Projects (MPSG):
	+ over $20 million.

(The project value refers to the total budget allocated over the life of the project and not the value of individual contracts, excluding GST).

* **Note: DPC have verified with Industry Capability Network (ICN) that Local Jobs First does not apply to the SPC level as the SPC itself does not commit to any spend. The Act is applied at the Purchaser level if the project/purchase amount exceeds the thresholds as mentioned above. (Refer to Schedule 5 – Local Jobs First Policy)**

## Registration process

**Step1:** Register with Industry Capability Network (ICN) if a Purchaser’s MFDP Purchase Order/projects exceed the thresholds.

**Step 2:** Visit <https://www.icnvic.org.au/VIPP> and create/log into VMC account.

**Step 3:** Upload Scope of Works or Specifications and any other appropriate drawings, plans, cost breakdown, or a document that details what is expected of the contractor) in the upload documents field. Alternatively, email the documents to vippteam@icnvic.org.au.

**Step 4:** Request for Contestability Assessment (a questionnaire determining the category of works).

**Step 5:** Upon submission, ICN will review and provide a recommendation (approximate 2 business days) on how Local Jobs First policy should be applied to the purchase/project.

**Step 6:** The contestability assessment is then issued to the Purchaser along with a Local Industry Development Plan (LIDP) template. The selected supplier from the MFDP panel must outline their local content commitment and how they will achieve it for all project subject to Local Jobs First.

**Step 7:** Purchaser to monitor and report LIDP progress with the selected supplier. (Refer to Attachment 1 to Schedule 5 – LIDP Monitoring Table).

* **Note: Visit** [**https://localjobsfirst.vic.gov.au/about-us/key-documents**](https://localjobsfirst.vic.gov.au/about-us/key-documents) **for documents regarding Local Jobs First Policy, Guideline, Development Plan and Contract Clauses.**

# Q&A

**Q1: What should I do if our department already have existing agreement with a supplier from previous SPC and wish to add additional devices to the fleet?**

Any new devices/services required must be acquired under this new SPC. Executing a new CSA and PO is required.

**Q2: Are the Customer Service Agreement and Purchase Order Form mandatory? Can I amend anything to better suit my requirements?**

Yes, both documents are mandatory. CSA gives Purchasers the opportunity to define any specific requirements or terms and conditions as a blanket statement. Purchase Order Form outline each individual order requirement including delivery locations, times and reporting template. If any of the sections are not applicable the Purchasers can amend to better suit the requirements.

**Q3: We have done the cost analysis and found the rates under this new SPC are much more competitive. What should I do to transit from the previous SPC to the current one?**

If a Purchaser has an existing fleet with the previous suppliers (Fuji Xerox, Konica Minolta or Lexmark), DPC encourages that the Purchaser to discuss the opportunity of terminating the previous SPC and executing a new agreement under the new SPC but keeping the existing fleet as they are.

If a Purchaser decides to move from previous SPC to a different SPC supplier, Transition In & Transition Out process are to be followed under the agreement.

**Q4: What if my department wish to purchase a device or service that is not on this SPC?**

If you are a Mandated department, you must provide sufficient information on the rationale and seek exemption approval from DPC before commitment to the purchase. Exemption approval is not required for Non-Mandated Purchasers.

**Q5: Do I need to conduct a tender to select a supplier from the panel?**

A full tender is not required. As the purpose of the SPC, a detailed commercial analysis, risk assessment and legal negotiation have already been done by DPC. Purchasers simply need to provide the requirements on the MFDP and request the panel suppliers to perform a Discovery/Audit Process to submit a Fit for Purpose quote/proposal.

**Q6: How many quotes/proposals should I obtain from the panel suppliers for my procurement activity?**

It depends on each Purchaser’s departmental procurement policy and MFDP strategy. DPC recommends at least 3 quotes to get a competitive price.

**Q7: Which supplier on this panel provides the best rates?**

It is not recommended to compare only the unit cost side by side. All the devices in the Price List meet the minimum specification but have different strengths and features. Purchasers should determine its own Value for Money calculation based on a mixture of technical and commercial requirements.

**Q8: For Purchase Outright, are there any consumables (inks & other) listed in the Price List?**

No consumables are listed as they are managed by the Purchasers for Purchase Outright. However, an MPS overlay on a purchased device includes the replenishment of the consumables.

**Q9: For Supplier Owned/MPS models, is there a minimum number of print volumes or period commitment required?**

The MPS pricing is a volume tier based structure but there is no minimum print volume or term commitment required.

**Q10: What if I want to lease MFDPs?**

Leasing is not an option under this SPC. The SPC pricing and offers are strictly between government Purchasers and panel suppliers only. The purchase detail is not to be shared with a leasing company or a 3rd party. DPC encourages Purchasers to explore MPS option if there’s any capital expense concerns.

# Contact detail

This SPC is managed by DPC. If you have any questions in regard to contract or if you need any assistance in your MFDP procurement activities, please contact:

**Ura Liao** | Contracts Manager - Hardware | WOVG ICT Procurement
Department of Premier and Cabinet  |  Level 45, 80 Collins Street, Melbourne Victoria 3000
**P** (03) 7017 3272**M** 0424 850 711

ura.liao@dpc.vic.gov.au

**Andrew Kenter** | Category Manager - Hardware | WOVG ICT Procurement
Department of Premier and Cabinet  |  Level 45, 80 Collins Street, Melbourne Victoria 3000
**M** 0447 267 968

andrew.kenter@dpc.vic.gov.au