CHESHIRE EAST BOROUGH COUNCIL

CONTRACT 22 049: PROVISION OF FRANKING MACHINES

APPENDIX A:

SPECIFICATION

Authors and Approvals

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BACKGROUND

Cheshire East Borough Council (CEBC) have three corporate mail sites where they use Franking machines to pre-pay postage which is then collected by the postal service and sent through the mail system.:

1. **Crewe Municipal Buildings**
   Earle Street
   Crewe
   CW1 2BJ

The Crewe Municipal Buildings are the main post hub for Cheshire East and most of mail related activities happen at this site.

2. **Westfields**
   Middlewich Road
   Sandbach
   CW11 1HZ

Westfields is CEBC's main corporate office. Most outgoing post is collected from here and released from the Crewe Municipal Buildings rather than from Westfields. There is a requirement for a franking machine at this office to support post produced by services at this building that misses the cut-off time to get outgoing mail to the Crewe Municipal Buildings via CEBC internal services.

3. **Macclesfield Town Hall**
   Unicorn Gateway
   Macclesfield
   SK10 1EA

Macclesfield Town Hall is CEBC's corporate office to the North of the Borough. A significant amount of the post is collected from here and processed from the Crewe Municipal Buildings. As with the Westfields office, there is a requirement for a franking machine at this office to support post produced by services at this building that misses the cut-off time to get outgoing mail to the Crewe Municipal Buildings via CEBC internal services.

REQUIREMENTS

CEBC require three franking machines on a lease and service basis to support the mail activities at each of the locations given.

Each of these machines must be appropriately sized to support the levels and types of post generated at each of these buildings and facilitate the processes used by each of the sites as part of their mail duties within the size of the post rooms available.

Complete information around the estimated quantities of post serviced by each of these machines for the 12 months pre Covid is available in the attached Pricing Template (Appendix G), which should allow the vendors to propose a suitable machine for each of the buildings. The data from the Pricing Template should be used in conjunction with the information stated in this Specification.

CEBC does not fund mail centrally; services sending out post are subsequently recharged internally for the cost of the mail that their service has sent out via the franking machine. In order to do this, the following is required from the franking machines:

1. The franking machines must be able to be programmed with different cost codes to attribute costs to, so that costs can be attributed and recharged back to the correct departments.

2. The cost codes must be able to be labelled with user attributable names to assist in identification and the ability must exist to turn each code on and off and remove completely as required.

3. Each of the three franking machines needs to be capable of collecting usage statistics to an online portal, where reports on totals and spend over user configurable timeframes can be created, displayed, exported out to standard office format (csv and excel xls) allowing the service to print. These reports must be able to report statistics back on each individual cost code for any period over the last 12 months to enable the internal recharges to be calculated.

Each of the machines should be under a full-service contract as per the Framework Agreement.

MACHINE SPECIFICATIONS

Each of the machines must meet the below specifications:

CREWE MUNICIPAL BUILDINGS

- Main office machine – Batch Processing speed: 300 lpm
- Weighing speed: 180 lpm
- Capable of handling envelopes up to 18mm thick
- Mixed media mail feeder
- 5Kg weigh platform
- Capable of printing return address which can be turned off if required
- Capable of printing a logo which can be turned off if required
- Mailmark compliant (or equivalent) with the ability to produce the new indicia and barcodes for Special Delivery Guaranteed® and Royal Mail Signed For®.
- Account reporting and control – at least 85 cost codes / departments. Input mechanism for program and use (via integrated touch screen / keyboard)

Online management to include:
- Postal rate changes
- Low ink email alerts (a visual low ink warning on the device is acceptable if low ink e-mail alerts are not possible)
- Loading of funds onto the franking machine

Please note that this site handles circa 475,000 items of post through the franking machine per year.

WESTFIELDS

- Batch processing speed: 40 lpm
- 2.5Kg weighing platform
- Differential weighing (item removal calculates postage cost)
- Envelope size between 89x127mm and 229x324mm
- Capable of handling envelopes up to 9mm thick
- Account reporting and control – at least 10 cost codes / departments
- 9 Memory settings required
- Capable of printing return address which can be turned off if required
- Capable of printing a logo which can be turned off if required
- Input mechanism intergrated into unit for program and use (via integrated touch screen / keyboard)
- Mailmark compliant (or equivalent) with the ability to produce the new indicia and barcodes for Special Delivery Guaranteed® and Royal Mail Signed For®.

Online management to include:
- Postal Rate changes

- Low ink email alerts (a visual low ink warning on the device is acceptable if low ink e-mail alerts are not possible)
- Loading of funds onto the Franking machine

Please note that this site handles circa 3,500 items of post through the franking machine per year.

MACCLESFIELD TOWN HALL

- Batch processing speed: 110 lpm
- Dynamic weighing Speed: 60 lpm
- Auto-Feeder
- Envelope size between 89x127mm and 254x330mm
- Capable of handling envelopes up to 16mm thick
- Mixed media mail feeder
- 3Kg weigh platform
- 9 Memory settings
- Capable of printing return address which can be turned off if required
- Capable of printing a logo which can be turned off if required
- Mailmark compliant (or equivalent) with the ability to produce the new indicia and barcodes for Special Delivery Guaranteed® and Royal Mail Signed For®.
- Account reporting and control – at least 30 cost codes / departments. Input mechanism for program and use (via touch screen / keyboard)
- Input mechanism integrated into unit for program and use (via touch screen / keyboard)

Online management to include:
- Postal Rate changes
- Low ink email alerts (a visual low ink warning on the device is acceptable if low ink e-mail alerts are not possible)
- Loading of funds onto the franking machine

Please note that this site handles circa 26,000 items of post through the franking machine per year.

The machines must be capable of providing the following postage classes (or their equivalent):

1. Business Mail Mailmark, Inland, Advanced
2. Business Mail Mailmark, Inland, 1st Adv.
3. 2nd Class, Inland, Large Letter
4. Special Delivery by 1pm £500 insured
5. 1st Class, Inland, Large Letter
6. Intl. Letter, Europe EU, none
7. RM Signed For, Inland, 1st Letter
8. 2nd Class, Inland, Small Parcel

9. RM Signed For, Inland, 1st Lrg Let.
10. Intl. Letter, RoW Z1
11. Imprint, Inland, Manual
12. Intl. Letter, RoW Z2
13. 2nd Class, Inland, Medium Parcel

14. 1st Class, Inland, Small Parcel
15. RM Signed For, Inland, 1st Small Parcel
16. RM Signed For, Inland, 1st Medium Parcel
17. 1st Class, Inland, Medium Parcel
18. Special Delivery by 1pm £1000 insured
19. Large Letter, Europe EU, none
20. RM Signed For, Inland, 2nd Letter
21. 1st Class, Inland, Letter
22. Large Letter, RoW Z1, zone
23. Special Delivery by 1pm £500 and Saturday delivery Guaranteed
24. RM Signed For, Inland, 2nd Small Parcel
25. 2nd Class, Inland, Letter
26. Special Delivery by 1pm £ 2500 insurance
27. Large Letter, Europe non-EU
28. Large Letter, RoW Z2
29. PrePay Reply 2nd, Inland, Letter
30. PrePay Reply 1st, Inland, Letter
31. PrePay Reply 2nd, Inland, Large Letter
32. Imprint, Inland
33. Intl. Letter, Europe non-EU

Please complete the accompanying pricing template which gives processing quantities for each of these franking machines at each of the three sites.

SERVICE

Each of the franking machines is required on a lease and service basis for 5 years.

The supplier submissions will be required to meet Lot 2 of Postal Goods and Service Framework Agreement (RM6017) Statement of Requirements (User guidance_RM6017 Statement of Requirements.pdf) and to provide additional clarification around Statement of Requirements paragraphs 5.2.12 and 5.2.46 as below:

5.2.12. Due to changing requirements, it may be necessary to occasionally replace a machine with a different model. In these circumstances the Contracting Body reserves the right to upgrade or downgrade the machine within the Supplier's accepted range at any time without incurring any redemption penalty on the original machine.

5.2.46. In accordance with paragraph 5.2.12 above, there will be a requirement from time to time, for Contracting Bodies to upgrade or downgrade existing goods to more suitable goods due to a change in circumstances.

In the event of significant change in supplier postage costs, products or arrangements that would offer additional benefits to the contracting body, the supplier will replace the lease

equipment with hardware capable of taking advantage of the benefits whilst still maintaining the contract term already in force.

The supplier will be required to perform site surveys at each location to confirm suitability of the nominated site for physical space along with confirmation of suitable access to adequate ventilation, electrical power and network connectivity prior to installation and to raise any issues with these for resolution to be agreed and signed off by both parties.

Upon installation the installed hardware should clearly display the serial number/identification number along with the supplier's contact details to ensure that any callouts for the machine for service or consumables is quickly and easily serviced.

Service Wrap requirement (paragraph 5.3.7) for each of the 3 machines is:

5.3.7.3.

NFMA Same Day Cover

Annual Royal Mail Inspection
All Royal Mail and Parcelforce rate updates
Same Day Engineer Callout
Preventative Maintenance

All updates/callouts/software/setup costs included in rental/service price

It is anticipated that 'same day' callout is 8hr max response to site and that the machine is covered 'bumper-to-bumper' for service and parts, excluding inks.

The machine will be upgraded to the latest recognised software as part of the engineer's visits; they will check operational aspects of the machine as part of their normal callout routines. All rate changes will be applied by the supplier, either remotely or via an organised and booked site visit to ensure that the machine software and rates available are as up-to-date as possible and included in the service costs.

The supplier must supply an invoice via paper or PDF when required to for any PO raised to support loading of funds on to the franking machines. For the avoidance of doubt, a statement is _**not**_ sufficient for CEBC's billing reconciliation. It should also be noted that CEBC requires immediate terms for payment of the invoice of funds to ensure that in the

event a run occurs on the franking machines that the internal billing process has time to process the adding of additional funds.

Paragraph 5.4.5 Purchasing and Lease – these machines will be provided on a **_lease_** basis.

Service reviews with the account manager (and other services when required e.g. finance/billing services) will be required at least biannually to:

•   Review activity on the machines so that the supplier can suggest more productive/efficient/financially beneficial ways of using them
•   Review supplier's service performance over the previous period
•   Review the general health of the account and opinions of both parties on how the agreement is operating

TRAINING

Formal training sessions will be required on each of the machines with staff at each site and an additional session on using the web portal, running reports and machine admin (including setup)

Crewe

It is anticipated that at least 2 different session types are required: an 'administrator' session demonstrating how to set up and use the non-day-to-day aspects of the machine (Including web portal and reports); and day to day usage. One administration session will be required, however, to ensure that other activities can continue in the post room.

'day-to-day use' training will need to be held in 2 separate sessions so that the post room can still operate.

Westfields

It is anticipated that there will need to be one formal training session at this site along with a brief overview of the administration functions of the machine.

Macclesfield

It is anticipated that there will need to be one formal training session at this site along with a brief overview of the administration functions of the machine.

These sessions will need to be organised in conjunction with the installation of the hardware, with agreement from CEBC on suitable dates to ensure that at no point staff are left without franking machines that they are trained to use. In addition it is important that

the franking machines are loaded with funds accessible on the day of training and swap over.

REPORTS

A web portal will be supplied as part of the requirement which allows users with an appropriate login to check on the status of each of the franking machines and to query the ink level and run trend reports on usage and spend.

Reports MUST be capable of producing output showing:

- Spend on any period over the last 12 months per department
- Spend on any period over last 12 months per postage class
- Spend on any period over the last 12 months per department where each department is broken down into postage class
- Number of items per department and per class over a given period

These reports are important to be able to perform the internal recharges per department.

This will allow CEBC to challenge internal departments on their usage of different classes and analyse and compare them against other departments, to drive down costs.