

Report Title:	Library Stock Purchase Contract
Contains Confidential or Exempt Information?	No
Member reporting:	Councillor Rayner, Deputy Leader of the Council, Resident and Leisure Services, HR, IT, Legal, Performance Management and Windsor; Armed Forces Champion
Meeting and Date:	Cabinet - 10 September 2020
Responsible Officer(s):	Louise Freeth, Head of Revenues, Benefits and Library and Resident Services
Wards affected:	All

REPORT SUMMARY

1. This report deals with the retendering of the Central Buying Consortium (CBC) contract, that the Royal Borough of Windsor and Maidenhead (RBWM) has been part of since August 2010 for the supply of library stock, for two years from 1 April 2020 to 31 March 2022 with the option to extend for a further two years.
2. It recommends that the Council remains a part of the CBC contract for the purchase of library stock and notes the tender process undertaken by CBC.
3. The expected spend would be £341k over two years or £682k over four years.
4. These recommendations are being made because the contract represents very good value for money for residents whilst offering a timely and broad choice of current books.
5. If renewed, the CBC contract will continue to offer very high discounts for library books with individual suppliers, which would not be possible if RBWM were to approach booksellers on its own. The contract also includes all stock processing so an internal stock services team is no longer required.
6. An additional point to note is the CBC contract offers a central point of contract negotiation saving RBWM the additional staffing resource that would be needed to complete this on a local basis within the Council.

1. DETAILS OF RECOMMENDATION(S)

RECOMMENDATION: That Cabinet:

- i) Notes the report and retender for the supply of library stock by the Central Buying Consortium under the OJEU compliant process.
- ii) Approves the Council continuing to remain an Associate Member of the Central Buying Consortium and utilising the new framework contract for the supply of library stock until 31 March 2022 with the option to extend for two years.

- iii) Delegates authority to the Executive Director of Resources & the Corporate Leadership Team in consultation with the Leader, the Lead Member for Finance and the Deputy Leader of the Council, Resident and Leisure Services, HR, IT, Legal, Performance Management and Windsor; Armed Forces Champion to award the tender and exercise the optional extension of the new contract for up to two more years, until 31 March 2024, if the Central Buying Consortium decides to pursue the extension.
- iv) To confirm the procurement process began prior to Lockdown with an effective contract start date of 01 April 2020. However, use was not made of this until the Library service re-opened in July. At that time, approval was sought from the Director of Resources, until such time as a paper could be brought before Cabinet.

2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

Options

Table 1: Options arising from this report

Option	Comments
This is the recommended option	
1. Continue with the CBC library stock supply contract. This is the recommended option.	<p>The renewal of this contract would reduce the need for significant additional staff resource, including legal and procurement resource, to negotiate and tender a library stock contract. It also increases the ability of the council to, jointly with other local authorities, negotiate higher discounts from suppliers.</p> <p>Service level planning and budgeting against consistent costs would continue ensuring high standards of service delivery would continue to be met.</p>
2. Buy stock independently at local level. This is not recommended	<p>Tendering for new contracts as a small local authority on its own would involve significant staff time and legal and procurement costs in going through a compliant tendering process. Suppliers would not be minded to offer equally competitive pricing to very small customer.</p> <p>Nearly all library stock purchasing in the country is via large consortiums due to the increased competitive edge and savings in staff recourse.</p>
3. Seek to set up a new consortium with members of SELMS (the library management system consortium for which the Borough is the	The majority of SELMS members are already members of the CBC consortium. The time & cost of disentangling authorities from the

Option	Comments
administrative lead). This is not recommended.	CBC arrangements and creating a new consortium would be more than any likely discounts achieved by a smaller number of partners (14 as opposed to 21 in CBC).

- 2.1 A robust open tender procurement process in compliance with West Sussex County Council Standing Orders on Procurement and Contracts and EU Procurement Directives has been undertaken..
- 2.2 Continuing membership of CBC and using the framework provides greater discounts on the purchase of library stock than would be possible with the buying power of a single library authority. Membership also significantly reduces the amount of staff resource required for local procurement activity.
- 2.3 Cabinet approved joining and continuing membership of the CBC library stock contract in 2010. As this offers excellent value for money, the Council has continued to approve associate membership of CBC and to take advantage of the contracts tendered and negotiated by CBC.

3. KEY IMPLICATIONS

- 3.1 RBWM's estimated spend on library stock and related peripherals in 2020-21 is £287,000. Approximately £160k of this spend would be via the CBC stock framework contract. The remaining £127k will be used to purchase Large Print, Spoken Word and non-English language stock from specialist suppliers, reference e-resources, audio-visual items and 24/7 digital services such as PressReader, E-magazines and E-books. It also covers the cost of inter-library loans and library stationery such as barcodes, RFID tags and date sheets.
- 3.2 The Council is charged a 1% fee by CBC for its participation as an Associate Member. This charge is invoiced on a quarterly basis based on stock spend via the appointed supplier for that quarter. The total fee for a spend of £160k will therefore be £1,600.
- 3.3 The expected level of spend over two years is likely to be £320k however there are no penalties should the spend be less than anticipated. If the opportunity to extend is taken up by CBC then the 4 year spend is estimated to be £640k.

Table 2: Key Implications

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
Discounts of at least 40% are applied	<40% discounts are achieved	40% discounts are achieved	>40% discounts are achieved	>50% discounts are achieved	1 April 2020

4. VALUE FOR MONEY

- 4.1 The CBC contract represents excellent value for money as the 1% fee is far less than the savings made from the discounts negotiated. Furthermore the level of discount that can be achieved by the Consortium is far higher than a small authority could achieve on its own.
- 4.2 The RBWM library service issued 733,015 physical issues (loans) in 2019-20. This includes an element of digital issues. The potential discount of over 40% per item ensures that maximum value for money is achieved and the Council is able to meet its statutory duty under Subsection 7 (2) of the Public Libraries Act 1964 to “the keeping of adequate stock.... that facilities are available for the borrowing of, or reference to, books... sufficient in number, range and quality to meet the general requirements and any special requirements both of adults and children.” The current budget for book stock is £287,550 in total but it should be noted that only £186,500 is direct funding with the remainder being comprised of S106 funding and donations, such as that provided by the Ascot Durning Trust.

5. LEGAL IMPLICATIONS

- 5.1 CBC (Central Buying Consortium) was formed in 1991. It is a non-profit federation of 21 local authorities based broadly across the southern half of England. Members collective procurement spend is currently in excess of £5,000m with the authorities involved representing over 24% of the population of England.
- 5.2 West Sussex is the Lead and Contracting Authority for the Library Supply contract and manages the contract on behalf of Members. At the point of tendering the contract a full OJEU process was implemented. The market is a specialist library supplier market with limited suppliers to choose from. However the consortium ensures a robust process is followed with a competitive outcome.

6. RISK MANAGEMENT

Table 3: Impact of risk and mitigation

Risks	Uncontrolled risk	Controls	Controlled risk
Failure of core supplier	Medium	Invoices only paid after receipt of stock	Low
Spend drops causing core supplier to withdraw	Medium	Maintain levels of spend	Low
Supplier performance is poor causing delays	Low	Monitor performance via consortium	Low

7. POTENTIAL IMPACTS

- 7.1 Equalities. No change to previous EQIA assessments
- 7.2 Climate change/sustainability. The library loan service encapsulates a recycling ethos, discourages single use approaches and provides residents with the opportunity to share resources while ensuring equality of access.
- 7.3 Data Protection/GDPR. No GDPR implications

8. CONSULTATION

- 8.1 No consultation undertaken as this is an internal procurement process.

9. TIMETABLE FOR IMPLEMENTATION

- 9.1 Implementation date if not called in: 1 April 2020

10. APPENDICES

- 10.1 None

11. BACKGROUND DOCUMENTS

- 11.1 None

12. CONSULTATION (MANDATORY)

Name of consultee	Post held	Date sent	Date returned
Cllr Rayner	Deputy Leader of the Council, Resident and Leisure Services, HR, IT, Legal, Performance Management and Windsor; Armed Forces Champion	07.09.20	10.09.20
Duncan Sharkey	Managing Director	07.09.20	10.09.20
Russell O'Keefe	Executive Director	07.09.20	10.09.20
Adele Taylor	Executive Director	07.09.20	10.09.20
Andrew Vallance	Deputy S151 officer	07.09.20	
Elaine Browne	Head of Law	07.09.20	
Mary Severin	Monitoring Officer	07.09.20	
Nikki Craig	Head of HR, Corporate Projects and ICT	07.09.20	
Louisa Dean	Communications	07.09.20	
Kevin McDaniel	Director of Children's Services	07.09.20	
Hilary Hall	Director Adults, Commissioning and Health	07.09.20	
Karen Shepherd	Head of Governance	07.09.20	

REPORT HISTORY

Decision type:	Urgency item?	To Follow item?
Key decision	No	No
Non-key decision	.	
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