Decision Pathway – Report

PURPOSE: Key decision

MEETING: Cabinet

DATE: 07 May 2019

TITLE	**Library technology replacement and upgrade**
Ward(s)	**Bristol City Wide**
Author: Kate Murray	**Job title: Head of Libraries**
Cabinet lead: Cllr Asher Craig	**Executive Director lead: Colin Molton**
Proposal origin: *Mayor*	
Decision maker: Cabinet Member **Decision forum:** *Cabinet*	
Purpose of Report: This report seeks approval to: 1. To approve the procurement of replacement self-service kiosks (and supporting equipment) that are now considered to be 'end of life' and the associated support & maintenance contract at a cost of £705,000 over 7 years.	

Evidence Base:
 	
 1. **Context**
    - Since 2012 Bristol City Council (BCC) has significantly increased its 'self-service' offering across a number of Libraries, giving the public greater access to Library services via extended-access solutions, free public computers and booking systems, as well as self-service kiosks. This increase in self-service has also contributed to reduced annual running costs (approx. £220K p.a.).
    - In October 2018 Cabinet endorsed the commencement of a library technology review to look at the Library service's systems and technology contracts to ensure the service is supported by resilient, sustainable systems, and continues to enable communities to get the most from their local community assets.
 	
 2. **Why do we need to invest? –** Following completion of the technology review, it has been identified that the self-service kiosks and supporting equipment (purchased 7 years ago) that enable Library users to self-serve (issue their own books, make renewals, pay fines, book PCs and printers etc.) are considered to be 'end of life' and require replacement. The implications of being 'end of life' are:
    - From January 2020 the self-service kiosks that run on Windows 7 will become 'unsupported' – this will increase Bristol City Council's IT security risks.
    - Between now and January 2020 Bristol City Council will be upgrading Library desktop computers to Windows 10 – current equipment will not be compatible, making it impossible to tag new books, therefore impacting on core library service delivery.
    - From December 2020 the chip and pin devices within current kiosks won't meet new financial security standards. From then on, it won't be possible for library users to pay via card.
    - The three libraries with Extended Access won't work 'out of hours' given these are connected to the kiosks, and are dependent on them working.
    - Some of the chip and pin modules have already begun to fail and are unrepairable. There is an increasing risk of more breaking, meaning there will be more time out of use (waiting to be fixed), more costs involved in fixing, and in some cases the inability to fix or replace parts (reducing the service offer and leading to needing more staff).
    - The support & maintenance contract will be out of contract. We need to ensure it complies with procurement	

regulations.

3. **Are there any other benefits?**
   - Newer self-serve kiosks models meet the technological and financial security requirements.
   - They offer extended payment methods such as contactless, enabling the Library service to further modernise the service and provide library users with more payment choices, and meet customer expectations.
   - The kiosks are also portable, so can adapt to changing patterns of use.

4. **What's being proposed?**
   - It is proposed that 35 new portable kiosks are purchased and old ones removed. Where required, other supporting equipment will also be replaced with new versions to meet new technological/ financial security requirements. This will include replacing the 60 tagging stations to comply with the new Windows 10 staff computers. A project is already underway to procure these products via a compliant route to market (expected use of ESPO framework).
   - The project is subject to agreed internal governance and controls via CPG (Commissioning and Procurement Group, and Corporate Leadership Board).

5. **Why is a Cabinet decision needed?**
   - Cabinet approval is required to progress with the purchase given the cost associated and impact to more than two wards.
   - The expected costs of implementing and subsequently supporting and maintaining the self-service kiosks are estimated to be £705k over 7 years (equipment is expected to last approximately 5-7 years).
   - Based on current cost estimates, these can all be met within existing capital and revenue budgets.

6. **What next?** A higher level of confidence of the final costs and delivery plan will be achieved through the procurement exercise and via Full Business Case approvals.

Cabinet Member / Officer Recommendations:

That Cabinet: -
1. Approve the procurement of the replacement self-service kiosks and associated equipment and maintenance contract.
2. Delegate authority to the Director: Economy of Place in consultation with the Deputy Mayor for Communities to procure and award the contracts.

Corporate Strategy alignment:
This proposal contributes to the following corporate strategy themes/ principles:
1. Redesign the council to work effectively as a smaller organisation (this proposal *maintains* the current smaller workforce)
2. Empowering & Caring: Provide 'help to help yourself' and 'help when you need it' through a sustainable, safe and diverse system of social care and safeguarding provision, with a focus on early help and intervention.

City Benefits:
   - Improved customer service, providing modern self-service capabilities in line with customer expectations
   - Supports provision of a range of payment methods available to all citizens in order to pay fines in a convenient, efficient manner.
   - Gives citizens access to a wider range of Library products across Libraries West, reducing need to travel and providing greater choice.

Consultation Details:
None

Revenue Cost	Approx. £35k p.a.	Source of Revenue Funding	Library base budget – cost centre 10659

Version April-2018

Capital Cost	Approx. £460k	Source of Capital Funding	PL25 Capital
One off cost ⊠	Ongoing cost ⊠	Saving Proposal ☐	Income generation proposal ☐

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance advice

This report requests approval to replace 35 self-service library kiosks the hardware and software for which are now assessed as being 'end of life'. It also requests approval to procure, according to CPG specified processes, the associated annual licences, support and maintenance.

Libraries have been of significant public interest in recent years. This request has multi-ward impact and, taking in to account both the £460k investment cost plus the £35kp.a. revenue costs for up to 7 years, this request's estimated spend meets the £500k threshold for a key decision and as such should follow the decision pathway to Mayor and Cabinet for approval.

Confirmation of funding source(s):
- Libraries monies of £557k are retained within capital programme PL25 (across years 19/20-20/21). These would be used to cover the estimated one-off capital cost of £460k.
- Libraries BAU Revenue budget would contain the annual ongoing revenue costs of £35k per annum.

Finance Business Partner: Jemma Prince (06/03/2019)

2. Legal Advice:

The procurement of the equipment and any associated maintenance contracts will need to comply with the Public Contracts Regulations 2015 and the Councils own procurement rules.
In particular, use of the ESP0 framework is subject to compliance with the Council's Procurement Rules in relation to the use of an external framework, that the Framework agreement has been procured lawfully and it demonstrates value for money.

Legal Team Leader: Eric Andrews, Team Leader, Legal Services (13/03/2019), updated Husinara Jones, 16 April 2019.

Implications on IT: The IT Services is supportive of the need to replace the obsolescent technologies used in the Self-Service facilities in the libraries; failing to update these would present a significant security and operational risk. IT Services therefore supports this business case.

IT Team Leader: Ian Gale (23/02/19)

4. HR Advice: This approach will have minimal impact on the Library workforce with no requirement for additional staffing resource. A number of key Library management staff will be retiring from the service in the coming months. To mitigate that risk the service are recruiting to replace departing staff, to ensure appropriate transition and handover arrangements are in place.

HR Partner: Celia Williams (13/03/2019)

Background Documents: 2nd October 2018 Library Strategy Cabinet report

EDM Sign-off	G&R EDM –Colin Molton	06/02/2019
Cabinet Member sign-off	Cllr Asher Craig	28/02/2019
For Key Decisions - Mayor's Office sign-off	Mayor's Office	08/04/2019

Appendix A – Further essential background / detail on the proposal	NO
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	NO
Appendix E – Equalities screening / impact assessment of proposal	YES

Appendix F – Eco-impact screening/ impact assessment of proposal	**NO**
Appendix G – Financial Advice	**NO**
Appendix H – Legal Advice	**NO**
Appendix I – Exempt Information	**NO**
Appendix J – HR advice	**NO**
Appendix K – ICT	**NO**