

**BRISTOL CITY COUNCIL
CABINET
INSERT DATE OF MEETING**

REPORT TITLE: Tender for the supply of Books to Library Service

Ward(s) affected by this report: All

Strategic Director: Alison Comley/Strategic Director Neighbourhoods

Report author: Kate Murray/Head of Libraries

**Contact telephone no. 0117 352 1264.
& e-mail address: K.Murray@bristol.gov.uk**

Purpose of the report:

The Library Service's stock of books is at the core of its service. In order to provide customers with the widest possible range of up to date, relevant, high quality material, within the constraints of the budget allocated, it is essential to have a purchasing contract that is flexible, has no minimum spend and delivers the best possible value for money, for Bristol.

In 2012 in order to obtain the best value for money we could in the tendering process, Bristol Libraries joined a larger buying consortium 'Consortium for United Stock Purchase' (CUSP) which is based in the South West. CUSP still gives us the best method of obtaining value for money in the supply of books to the Library Service because of the joint buying power of the 14 local authorities who are members of CUSP

The current CUSP Book contract is due to expire at the end of March 2017. In order to ensure no break in the supply of books, a tender process must be undertaken now, with a contract to be in place for the beginning of April 2017. If the contract is not undertaken, the library service may not be able to purchase enough books at a cost effective price to enable it to meet its statutory duty to provide a comprehensive and efficient library service. As the contract is for 5 years, and it is not possible to join during that period, this situation could continue until 2022.

Book materials are to include adult fiction, adult non-fiction, reference items, and children's books. These materials need to be supplied shelf ready. We also require suppliers to offer other services which contribute to efficiency and cost effectiveness, such as supplier selection.

There will be no commitment to a minimum, or indeed any spend, as part of the contract, thus ensuring flexibility in the changing circumstances that Bristol City Council is operating in.

The council wide budget consultation is scheduled to finish in January 2017, with targets for savings in library services, and possible changes in how the service is delivered. Any decisions about the future service will not conflict with this tender process as any books purchased can be scaled depending on the number of council run libraries and any possible relationship with the community libraries. However the tender ensures a continuous flow of

books which is core business to Bristol Libraries.

RECOMMENDATION for the Mayor's approval:

- 1. To recognise the requirement for flexible contract terms, in line with local changing circumstances in all partner local authorities.**
- 2. To agree to continue to procure the supply of books for Bristol Libraries, via CUSP using the ESPO framework 376F (library stock supply framework agreement).**
- 3. To authorise the Strategic Director Neighbourhoods to participate in the CUSP tendering process and to appoint the preferred supplier/s from this process to supply book materials to Bristol Libraries.**

The proposal:

1. A tender process is the best way to ensure that Bristol Libraries are obtaining the best efficiencies and savings by going out to the market. To further enhance our efforts to obtain the best possible value we intend to tender via CUSP, a large buying consortium based in the South West. CUSP is planning to use an existing ESPO Framework 376F (library stock supply framework agreement)

2. Due to the value of the contract and in line with the Council's financial regulations and constitution a competitive tender process is required. Based on 2016-17 agreed expenditure, the approximate annual spend is £400,000 on adult and children's books for Bristol libraries. This represents 63% of the current budget for expenditure on library materials of £630,000. The proposed contract length is 4 years plus an option to extend for a further 12 months. The maximum combined value over five years is £2,000,000, but could be lower.

3. In Bristol the majority of the book fund is spent on physical books and periodicals. This year, we plan to spend £100,000 on e-resources which include online reference tools as well as e Books. The balance between e books and hard copy fiction is not like for like as most of the newly published titles are not available to public libraries as e books, because of digital rights management issues. For example, this prevents British libraries offering Amazon kindle e books. Therefore we have not reduced the amount spent on hard copy lending books. We are subscribing to an additional e book service for Bristol to meet demand with a range of different titles. The e book offer is still developing for public libraries and we are not in a position yet to replicate the range of stock we have in hard copy. We have endeavoured to expand our reference, newspapers and periodicals offer through online services such as Zinio and Newsbank. We constantly consider the cost of electronic resources that are sometimes extremely expensive against the possible usage and the benefit of increased access.

4. The ESPO library stock supply framework, which was established in 2014, will be used as all the main suppliers in the market are on the framework and it provides a route to a contract that has already been let in accordance with EU and national procurement regulations and advertised through the Official Journal of the European Union. A mini competition will be used within the framework to ensure that best value is obtained for the CUSP members and individual consortium members will then enter into call-off contracts with the successful bidder(s).

5. There is no exclusivity clause, but it is a contract for library stock, which makes reference to spending 70% of the available budget with the awarded supplier/s and so it is strongly implied that the awarded supplier would receive the vast majority of business from each member. However the council is not committed to actual spend – only a percentage of the available budget. The available budget could be altered.

6. If there is a delay to the contract, Bristol Libraries will not have a book supplier, ceasing supply of new and annually published books. There is no other commercial bookshop that can provide the same service with the same discounts. As a statutory service Bristol could be contravening the statutory duty and face a legal challenge. Procurement with a group of 14 local authorities is a very time effective and cost effective way of managing contract renewal instead of Bristol procuring as a single authority.

Consultation and scrutiny input:

a. Internal consultation:

BCC Procurement Service consulted in relation to the procurement process.

b. External consultation:

Discussions with our LibrariesWest Consortium partners in North Somerset, Bath and North East Somerset, South Gloucestershire and Somerset who are also members of CUSP.

Other options considered:

We could have gone out to tender independently of CUSP but decided against this because CUSP offers us the best way to obtain the best terms available for the supply of book material. CUSP as a group has considerably greater buying power than any individual authority and so is in a better position to obtain the best value for money. The size of the CUSP contract makes it more attractive to prospective suppliers, which in a difficult market, is an advantage.

Risk management / assessment:

FIGURE 1							
The risks associated with the implementation of the (subject) decision :							
No.	RISK Threat to achievement of the key objectives of the report	INHERENT RISK		RISK CONTROL MEASURES Mitigation (i.e. controls) and Evaluation (i.e. effectiveness of mitigation).	CURRENT RISK		RISK OWNER
		(Before controls)			(After controls)		
		Impact	Probability		Impact	Probability	
1		High	Medium		High	Low	
2							

FIGURE 2						
The risks associated with <u>not</u> implementing the (subject) decision:						
No.	RISK	INHERENT RISK		RISK CONTROL MEASURES	CURRENT RISK	
		(Before controls)			(After controls)	

	Threat to achievement of the key	Impact	Probability	Mitigation (i.e. controls) and Evaluation	Impact	Probability	
1	The total value of our spend is less attractive to prospective suppliers due to contractions within the library book supply market.	High	High	None – use tender process	Low	Low	Kate Murray
2	The impact on staff capacity would be considerably higher and would necessitate additional staffing resources, and therefore cost, to support the procurement process.	High	High	None – use tender process	Low	Low	Kate Murray
3	Disruption in the supply chain. Bristol Libraries being unable to put alternative procurement arrangements in place in time to enable the continuity of stock supply starting 17/18. A period with no new stock is a risk to the reputation of Bristol Libraries and Council.	High	High	None – use tender process	Low	Low	Kate Murray

Public sector equality duties:

The contract will enable Library Service to supply lending materials to fulfil needs of all customers as regards access, equality & diversity and human rights. A full assessment of the impact any resources will have on citizens with protected characteristics must be undertaken to ensure that we meet the duty and give due regard to any adverse impacts, when the contract is awarded. Consultation with community groups will ensure that the needs of communities are considered in both what and how items are loaned.

Eco impact assessment

The significant impacts of this proposal are...

- Consumption of resources to produce books
- Travel, primarily through deliveries
- Creation of waste through packaging and disposal of redundant stock

The proposals include the following measures to mitigate the impacts...

Within the tender prospective suppliers are required to develop and implement a comprehensive environmental policy that sets out that it will be energy efficient and committed to recycling and reusing goods and products in respect to:

- a) Waste and recycling
- b) Transport and travel
- c) Purchasing of goods and services
- d) Energy use and efficiency

We also require that all cartons are either reusable or recyclable.

The net effects of the proposals are...

As this is a continuation of existing arrangements, no net change is anticipated.

Resource and legal implications:

Finance

A. Financial (revenue) implications:

The nature of the proposed purchasing arrangements means that there is no financial commitment arising from the recommendations. The Library materials fund expenditure budget is currently £630k. The Council is currently consulting on proposals to reduce the number of council run libraries with different options to be explored and the level of savings to be achieved from the material fund will depend upon the approach taken

Advice given by Robin Poole, Finance Business Partner
Date 18 October 2016

B. Financial (capital) implications:

N/A

Comments from the Corporate Capital Programme Board: N/A

c. Legal implications:

The Council must satisfy itself that CUSP has complied with the relevant mini-competition process for the ESPO framework agreement and that the terms of the call-off contract are acceptable to it.

Advice given by Kate Fryer, Solicitor
Date 3 October 2016

d. Land / property implications:

As the proposals in this report relate to a procurement contract for the purchase of books, there are no property implications

Advice given by Steve Matthews, Project Leader Asset Strategy
Date 14 October 2016

e. Human resources implications:

As proposals in this report relates to a procurement contract for the purchase of books, there are no HR implications.

Advice given by Sandra Farquharson, HR Business Partner, Neighbourhoods Directorate
Date 10/10/2016

Appendices:

Access to information (background papers):

www.espo.org/Frameworks/Social-care/Library-stock-Supply