



Cabinet
14 March 2016

**Report from the Strategic Director,
Community Wellbeing**

Wards affected:
ALL

Libraries Stock Contract

1.0 Summary

- 1.1 This report sets out the officer recommendation following the successful procurement exercise for the supply of stock items to Brent library service. Following a report to Cabinet in February 2015 officers were authorised to review two frameworks, Central Buying Consortium (CBC) and London Libraries Consortium (LLC) to determine which would provide the best value and most efficient service.
- 1.2 The new CBC Framework has an estimated purchasing power of £19,000,000 and the CBC have negotiated a strong range of discounts with greater flexibility than other frameworks. It is therefore felt to be the strongest framework in terms of providing value for money to Brent Council. The recommendation from the review is for Brent to call off from the CBC framework to provide the majority of its library stock.

2.0 Recommendations

- 2.1 That Cabinet gives approval for the Council to be an Associate Member of the Central Buying Consortium (CBC) Library Group from 1st of April 2016 for up to four years
- 2.2 That Cabinet gives its approval for the Council to call off services under the CBC single supplier Library Book and AV Framework
- 2.3 That the Cabinet gives its approval for the Council to enter into a call off contract and place an order with the winning bidder, Askews and Holts Library

Services Ltd, for an initial two years with the option to extend for a further two years effective from 1st April 2016.

3.0 Detail

- 3.1 The current libraries stock contract, commenced in April 2012 and is with the CBC for the purchasing of library stock. The existing CBC framework is administered by West Sussex County Council ("WSCC") and consists of 47 local authorities across the country (mainly in the south east). By combining buying power with other local authorities, the Council was able to ensure a higher discount from book suppliers and therefore better value for money.
- 3.2 Cabinet decided not to undertake a formal tender on the open market due to the costs of the tender process and the likelihood of worse terms and conditions, due to low purchasing power.
- 3.3 Officers were tasked with reviewing two major frameworks – the CBC and the LLC as well as a contingency option should these frameworks not be in place in time. During the process a new framework was created by Cultural Services Solutions, which was also considered.
- 3.4 Officers recommend not pursuing participation in the LLC framework due to its small purchasing power (only 7 authorities) and the lack of any additional features or localised specialism that may have set it apart from the CBC. There was also uncertainty as to whether this framework would be re-tendered, with a decision only agreed in November 2015, increasing the risk that the tender would not be ready by April 2016.
- 3.5 The new framework from Cultural Services Solutions (managed by Carillion Library services across 4 London Boroughs) was also considered. However this again lacked the purchasing power of the CBC and involved losing local responsibility and decision-making for stock purchasing for no additional savings. It is therefore not recommended that we pursue this option.
- 3.6 The new CBC framework has been completed and the winner of the tendering process were announced by WSCC on the 4th of January 2016. Brent Library officers have contributed to the CBC tendering process to ensure it would meet our needs.
- 3.7 The new CBC Framework will be a single supplier framework awarded to Askews and Holts Library Services Ltd by WSCC. With the addition of new members (up to at least 49 local authorities) and an estimated purchasing power of £19,000,000, the CBC have negotiated a strong range of discounts with greater flexibility than other frameworks. These discounts represent an improvement on the previous contract, covering a wider range of book material and providing additional savings. It is therefore felt to be the strongest framework in terms of providing value for money to Brent Council.

4.0 Financial Implications

- 4.1 The current budget for library stock amounts to £450k and the majority of this budget is spent on purchasing items through the CBC, to the approximate value of £300k (based on 2016/17 estimates and dependent on the exact value of materials purchased in line with demand and publishing trends). The additional funds are spent on specialist stock purchases such as foreign language materials, e-books and newspapers which are not covered by this framework.
- 4.2 The framework is proposed for an initial period of two (2) years with an option to extend for a further two (2) years (potential maximum of four (4) years) therefore the value of the contract could be as much as £1.8m. This will save approx £80k per year towards the departments savings target.
- 4.3 Supplier selection costs have reduced by £1.5k, discounts on mass produced bestselling titles will rise from 35% off the recommended retail price to 48.5%, and discounts of 10-15% on textbooks and reduced print items will be available where previously the full recommended retail price was payable.

5.0 Legal Implications

- 5.1 The Public Libraries and Museums Act 1964, section 7, states; 'It shall be the duty of every library authority to provide a comprehensive and efficient library service for all persons desiring to make use thereof'. The duty arises in relation to persons who are resident, work in or are in full time education in the borough. In fulfilling its duty the Council shall in particular have regard to the desirability of:
- i) securing, by the keeping of adequate stocks, by arrangements with other library authorities, and by any other appropriate means, that facilities are available for the borrowing of, or reference to, books and other printed matter, and pictures, gramophone records, films and other materials, sufficient in number, range and quality to meet the general requirements and any special requirements both of adults and children; and
 - ii) securing that facilities are available for borrowing books, records, films etc sufficient in number, range and quality to meet the needs of all, and the special requirements, of adults and children.
 - iii) encouraging adults and children to make full use of the service and provide advice
- 5.2 It is the statutory duty of the Secretary of State for Culture, Media and Sport to:
- superintend, and promote the improvement of, the public library service provided by local authorities in England (section 1(1))
 - secure the proper discharge by local authorities of the functions in relation to libraries conferred on them as library authorities.

- (i) The Secretary of State has a statutory power to intervene when a library authority fails (or is suspected of failing) to provide the required service (section 10).
- (ii) The Secretary of State may commence a local inquiry either on receipt of a complaint or at his/her own initiation.

5.3 Officers obtained Member approval to express an interest in joining the CBC Library Group managed by WSCC at its Cabinet meeting on 23 February 2015.

5.4 In accordance with Contract Standing Order 86(e) ("CSO") no formal tendering procedures apply where contracts are called off under a framework established by another contracting authority, such as the WSCC, provided the relevant Chief Officer has confirmed that there is sufficient budgetary provision for the proposed call off and the Chief Legal Officer advises that participation in the WSCC Framework is permissible. However, where the proposed call off contract represents a High Value Contract under CSOs then Officers are required to seek and obtain Cabinet approval prior to award.

5.5 As stated within the body of this report, the council's existing libraries stock contract is with a supplier (Askews and Holts Library Services Ltd) under an existing framework agreement managed by WSCC, due to expire on 31 March 2016. On 4 January 2016 WSCC sought and obtained approval from its Executive Director to award a new framework agreement comprising of 4 Lots to a single supplier, Askews and Holts Library Services Ltd. The Council's anticipated spend under the CBC Framework Agreement will be deemed a High Value Contract under CSOs and as such, Cabinet approval is required prior to placing an Order with the single supplier on the CBC Framework.

5.6 For the purposes of CSO 86 (e)(ii) it is confirmed that the council's proposed participation/call –off under the CBC Framework is permissible; Brent being one of the named Associate Members referred to in the OJEU Contract Notice, under the CBC Framework Agreement permitted to access services thereunder.

5.7 Members should note that under the proposed new CBC Framework Agreement each Associate Member, is required to pay a management fee to WSCC. The management fee proposed will be charged on a quarterly basis, in arrears, in the sum of an amount equal to 1% of the total value of amounts invoiced to that specific Associate Member under the CBC Framework Agreement during the preceding quarter.

6.0 Diversity Implications

6.1 The library service is a universal service for all residents. Specifications are carefully drawn up, monitored and reviewed using demographic and service usage data to ensure that the needs of all residents are identified. When we are unable to use the CBC to buy stock in community languages or for other

identified groups, a proportion of the stock budget is retained and used to purchase the books from specialist suppliers.

Contact Officers

Rashmi Agarwal – Head of Culture

Andrew Stoter – Stock Development Manager

Operational Director: Jon Lloyd-Owen

Phil Porter

Strategic Director. Community Well being