

LIBRARIES: SELF SERVICE RADIO FREQUENCY IDENTIFICATION SOLUTION TENDER

Cabinet Date	27 September 2017
Public Health & Communities	Cllr Tim Harman
Key Decision	Yes
Background Documents	Due Regard Statement: Digital Innovation Library Strategy 2012
Location/Contact for inspection of Background Documents	Via Katie Smith, Digital Library Service Manager Katie.a.smith@gloucestershire.gov.uk
Main Consultees	GCC ICT Service GCC Corporate Finance Libraries & Information Bishops Cleeve Flagship Digital Libraries case study
Planned Dates	<ul style="list-style-type: none"> • By end October 2017– Invite to tender • By end January 2018– Award tender • Implementation to start by end April 2018
Divisional Councillor	Countywide
Officer	Katie Smith - Digital Library Service Manager, Libraries & Information Tel: 01452 426494 Email: katie.a.smith@gloucestershire.gov.uk

<p>Purpose of Report</p>	<p>To seek Cabinet approval for:</p> <p>(a) the procurement of Radio Frequency Identification (RFID) self service kiosks and associated software for libraries.</p> <p>(b) the conduct of a further (mini) competition under a framework tender process (Eastern Shire Purchasing Organisation (ESPO) Framework 350), and the award of a contract for the delivery of the RFID self service solution.</p>
<p>Recommendations</p>	<p>It is recommended that Cabinet:</p> <ol style="list-style-type: none"> 1. Approves the procurement of self service RFID devices and associated software 2. Authorises the Director of Communities and Infrastructure: <ol style="list-style-type: none"> (a) to conduct further competition under the Framework tender process for the award of a single supplier 7 year contract (with an initial term of 5 years and an option to extend for a further 2 years) for provision of RFID self service devices and software commencing 2018. (b) upon conclusion of the further competition process, to enter into a contract with the preferred provider evaluated as offering the Council best value for money for delivery of the RFID self service solution. In the event that the preferred provider is either unable or unwilling to enter into that contract with the Council, then the Director of Communities and Infrastructure is authorised to enter into such contract with the next willing highest placed and suitably qualified provider.
<p>Reasons for recommendations</p>	<p>The ESPO framework offers an effective route to select a supplier that meets our requirements. ESPO is a public sector-owned professional buying organisation and has established this Framework Agreement. An options appraisal and soft market testing process has been completed and the Framework has been assessed as offering a low risk, efficient procurement method.</p>
<p>Resource Implications</p>	<p>The estimated value of the contract is up to £350,000 capital and £220,000 revenue over the possible 7 year contract period (if extended). The revenue costs made up of support and maintenance will be funded via existing Libraries revenue budgets. The capital hardware costs will be funded via the libraries existing capital budget.</p>

1 MAIN REPORT CONTENTS

1.1 Gloucestershire Libraries use Radio Frequency Identification (RFID) technology in order to provide customer self service and elements of automated stock management. We currently have 54 self service kiosks installed in 30 of the 31 council-run libraries. These are used for over 2 million self service transactions per year handling the issue, renewal and return of items, plus the payment of fines and charges using coins and notes. 47 of the kiosks will reach end of life in March 2019.

1.2 The selection of the RFID self service contract is core to the delivery of the Library Strategy and Council's digital transformation plans as it will ensure:

- Efficient static core council library service
- Provision of stock issuing technology

1.3 Within the specification used to support the Further Competition Award we will ensure that the suppliers have to demonstrate their capacity to offer integrated IT solutions and the specification will build capacity to support current and future virtual library provision and automated self serve features.

1.4 We are selecting a supplier that offers public library focused self service using modern IT systems and maximising value to the Council.

1.5 The strategy for procurement and the specification for the supplier fits fully with the Gloucestershire County Council ICT strategy 2013-2018 as we aim to benefit from:

- Value for money in contracts
- Reduced physical hardware via virtualisation
- Increased capacity for integration
- Disaster recovery
- Maintain security of networks and data

1.6 By reviewing requirements and testing the market via procurement we will maximise the potential for equipment to be fully integrated and modern. We aim to further rationalise staff based processes in the library in order to free staff time to undertake value added services: e.g. Concessionary bus passes, public health based services, Universal credit assisted digital support. We can consider via the tender requirements building the potential for kiosks to support unattended library services and to maximise the use of GCC venues. Additional features that currently discourage customers to use self service will be reviewed and incorporated into the updated solution. In addition, by completing the further completion and awarding under the Framework we will have a new Service Level Agreement for the solution in order to ensure equipment is supported in a cost efficient and effective way. We will use this as an opportunity to review the ICT infrastructure requirements for solution.

1.7 Other options have been considered:

- Reviewed opportunities for joint procurement with other authorities but this was not possible because of the potential partner authorities own contract deadlines.
- To retain the current equipment past end of life. This was rejected as the service is reliant on the kiosks to offer reliable, quality user experience and aging, failing technology will not ensure this.

- To withdraw hardware upon end of support, the transactions currently being managed by the kiosks (81% of issue/ renew/ return transactions) would move to staff. This was rejected as it did not meet the aims and objectives of the council's strategy and would impact negatively on the library role to support GCC information access and transactional service support and impact on the digital innovation plans for libraries and the Tier 3 Growth Hub provision. Tier 3 Growth Hubs will be launched in all council-run libraries between 2017 and 2018. This is part of the Growth Hub strategy for the County which is externally funded and managed by the Growth Hub team working with the Local Economic Partnership. Library staff will undertake an information role answering local business enquiries and signposting businesses to business advisors and networks.

2 Risk Assessment:

In general the risks of the recommended procurement method are low.

Risk	Mitigation
Business failure of company awarded the contract	<ul style="list-style-type: none"> • Financial checks to be carried out as part of the Framework • Termination on Financial Standing and Termination on Insolvency and Change of Control will be specified within the Framework Agreement • Pay Mechanism will be specified within the Framework Agreement.
Supplier fails to meet requirements for support and maintenance	<ul style="list-style-type: none"> • The contract will be supported by a range of performance indicators and service levels that we will set out in the Call Off Contract.

3 Officer Advice

There are considerable benefits to using ESPO third party Framework

- Reduction in time needed for the tender process as OJEU has already been completed
- The Framework Includes the main suppliers who offer public library RFID Solutions
- The Framework Agreement is in place and Call Off templates are available so reduced procurement and legal team involvement

4 Consultation Feedback:

We have contributed to and have drawn upon the content of the international Library RFID Survey Autumn 2016

No external consultation has been carried out with the public of Gloucestershire with regard to the replacement of the existing RFID solution.

5 Performance Management/Follow-up:

- Tender
- Monthly Management Information reports
- The contract will include specific and measurable targets as part of the key performance indicators which will be actively managed between the authority and supplier
- The procurement will be managed against a clear specification
- The implementation phase will have clear milestones for implementation
- Penalties for consistent failure by the service provider to meet performance requirements are part of the Framework Agreement and will therefore be included in the contract placed under the Framework

6 Equalities considerations

The Due Regard Statement has considered impact on all groups with regard to digital innovation introduced into libraries and has shown no significant mitigations are required with regard to equalities. It will be a continual process to review this assessment.

The tender will assess the suitability of the kiosks and software on offer for use by customers with specific needs.

Alternative options for customer service exist at sites during staffed hours and Libraries are well placed to offer support by staff to individuals who are not confident in using digital services.

The RFID self service solution being contracted for will replace the existing service and is used for over 2 million self service transactions per year.

Cabinet Members should read and consider the Due Regard Statement in order to satisfy themselves as decision makers that due regard has been given.

Report Title	Libraries: Self Service Radio Frequency Identification Solution Tender
Statutory Authority	1964 Libraries & Museums Act
Relevant County Council policy	Library Strategy Gloucestershire County Council ICT Service Strategy 2013-18
Resource Implications	The estimated value of the contract is up to £350,000 capital and £220,000 revenue over the possible 7 year contract period (if extended). The revenue costs made up of support and maintenance will be funded via existing Libraries revenue budgets. The capital hardware costs will be funded via the libraries existing capital budget.
Sustainability checklist:	
Partnerships	n/a
Decision Making and Involvement	Internal support services
Economy and Employment	n/a
Caring for people	n/a
Social Value	n/a
Built Environment	Pre-agreed conditions and safeguards to underpin the contract placed under the Framework
Natural Environment' including Ecology (Biodiversity)	Pre-agreed conditions and safeguards to underpin all contract placed under the Framework
Education and Information	Library provision supports access to information and informal learning
Tackling Climate Change	Carbon Emissions Implications? Neutral Vulnerable to climate change? No
Due Regard Statement	Has a Due Regard Statement been completed? Yes Yes - considerations included in main body of report A copy of the full Due Regard Statement can be accessed on

	<p>GLOSTEXT via http://glostext.gloucestershire.gov.uk/uuCoverPage.aspx?bcr=1</p> <p>Alternatively a hard copy is available for inspection from Jo Moore, Democratic Services Unit, e-mail: jo.moore@gloucestershire.gov.uk.</p>
Human rights Implications	n/a
Consultation Arrangements	n/a