



**REPORT TITLE: Procurement of Physical Book Stock for Gloucestershire Libraries**

<b>Cabinet Date</b>	22 September 2021
<b>Cabinet Member</b>	<b><i>Cllr Norman, Cabinet Member for Public Protection, Parking and Libraries</i></b>
<b>Key Decision</b>	Yes
<b>Purpose of Report</b>	To gain approval for Gloucestershire Libraries & Information to work with the Consortium for United Stock Purchase (CUSP) to undertake a procurement for the supply of physical adult and children's books for a period of 5 years.
<b>Recommendations</b>	<p>That Cabinet delegates authority to the Executive Director for Economy, Environment and Infrastructure in consultation with the Cabinet Member for Public Protection, Parking and Libraries to:</p> <ol style="list-style-type: none"><li>1) Approve the continued membership of the CUSP consortium arrangement</li><li>2) Procure as a member of CUSP, led by Somerset County Council, for the supply of Adults and Children's books to combine our budget with other public bodies to leverage better value for money</li><li>3) Conduct a compliant procurement process in accordance with the arrangements with CUSP and using the 376F Library Stock ESPO Framework Agreement for the supply of physical stock:<ol style="list-style-type: none"><li>a. to do a direct award for Adult book stock under Lot 1 to Askews &amp; Holts Library Services Ltd, which is a single supplier lot.</li><li>b. to use ESPO Framework Lot 2 to undertake a mini competition for the supply of Children's and Teen stock</li></ol></li><li>4) Award one or more Call-Off Contracts under the ESPO Framework Agreement whose combined aggregate value shall not exceed £2million and for a term of up to five years.</li></ol>

<p><b>Reasons for recommendations</b></p>	<p>Through the approval of this procurement, and the selection of suppliers as a result, Officers will be well placed to achieve best value for the Council in the supply of physical stock suitable for use in libraries for the next 5 years, meeting statutory responsibilities.</p> <p>The availability of stock represents one of the core service elements of the public library service, meeting the 1964 Libraries and Museums Act and therefore the supply and delivery of stock, and the associated tasks achieved via the procurement will enable the Council to comply with its statutory duties.</p> <p>The CUSP arrangement working in a consortium enables GCC to maximise value by benefiting from discounts owing to the combined buying power of the 12 authorities.</p>
<p><b>Resource Implications</b></p>	<p>The anticipated maximum spend by Gloucestershire Libraries via the Call-Off Contract/s would be £2 million for the potential life of the Call-Off Contract/s of 5 years.</p> <p>This is funded from within existing Library Service revenue budgets and allows for expenditure from Capital if funds are available.</p> <p>Expenditure will be within allocated resources.</p>
<p><b>Background Documents</b></p>	<p>Cabinet Report 2016 16<sup>th</sup> November  <a href="https://glostext.gloucestershire.gov.uk/ieDecisionDetails.aspx?ID=895">https://glostext.gloucestershire.gov.uk/ieDecisionDetails.aspx?ID=895</a>          Extension 23/7/2020  <a href="https://glostext.gloucestershire.gov.uk/mglIssueHistoryHome.aspx?IId=34480&amp;optionId=0">https://glostext.gloucestershire.gov.uk/mglIssueHistoryHome.aspx?IId=34480&amp;optionId=0</a></p>
<p><b>Statutory Authority</b></p>	<p>Libraries &amp; Museums Act 1964</p>
<p><b>Divisional Councillor(s)</b></p>	<p>All</p>
<p><b>Officer</b></p>	<p>Colin Chick, Director Economy, Environment and Infrastructure</p>
<p><b>Timeline</b></p>	<ul style="list-style-type: none"> <li>• Cabinet Decision to Procure 22 September 2021</li> <li>• Procurement commences – 30 September 2021</li> <li>• Decision to Award for both Lot 1 Adult and Lot 2 Children’s stock to be completed by end of January 2022</li> <li>• Contracts paperwork to be completed by 1 April 2022</li> </ul>

## Background

1. Gloucestershire Libraries requires the supply of physical stock by specialist public library stock suppliers. Physical stock in this definition is physical, printed books.

This includes specific stock to fulfil the following categories:

- Junior fiction, non-fiction, picture books, picture books for older readers, Start to read collections
  - Teen fiction and non-fiction, graphic novels and manga
  - Parent and Child collections
  - Adult Fiction
    - Adult Non-fiction – including Innovation and Business, Health and Well Being, Sustainability and Reference collections
2. The supply of stock to public libraries is different to simply buying items from a bookshop. For instance:
    - We buy across a range of thousands of specific titles, often pre-publication, as part of large orders, across our 31 Council Library locations, and our Library Service for Education. This book stock is also accessed by people using our Community libraries.
    - We seek to use suppliers who service each item to meet our specific public library requirements e.g. labels to provide customer information, barcodes and RFID tags inserted.
    - The supplier is required to be able to directly deliver to all 31 statutory library locations.
    - The supplier is also required to work with our systems and processes e.g. electronic data process interfacing with library management systems to ensure the public catalogue is accurate regarding on order items.
    - The supplier is required to offer supplier selection where we set the criteria and budget for the supply of stock, and the supplier's specialists select stock based on this requirement.
  3. Supply is also subject to discounts on the cost of items, recognising the scale of the Consortium's buying.
  4. Gloucestershire Libraries & Information has been a member of a stock procurement consortium (CUSP) since 2003. The consortium membership comprises 12 library authorities in the south west and reflects the close working relationship between the public library authorities in the region across a range of activities.
  5. The current stock contract was awarded by use of an ESPO framework in 2016 for 3 years with an option to extend for 2 years. The extension was agreed in April 2020 meaning that the contract now expires in July 2022. The contract covers the supply of physical, mainstream adult and children's fiction and non-fiction, graphic novels and reference books.

6. Having reviewed options for procurement, the following advantages that we gain from membership of the consortium have driven the recommendation to continue to work with CUSP:
  - Discounts from library book suppliers are based on the value of the overall contract so belonging to a consortium has clear financial benefits.
  - Staff input in the procurement process is greatly reduced by working through the consortium. A proposed single lead authority will represent the consortium during the procurement reducing the cost of the procurement process to GCC, compared to GCC procuring individually.
  - Working as a consortium means we benefit from the experience and best practice from multiple professionals meaning we can elevate the service offered to Gloucestershire Library Users, and continue to develop our learning in an efficient way.
  - The library book supply market is very fragile with only 2 main suppliers and the significant discounts are only available for high volumes which as an individual authority would not be so strong a case for discounting.
  - The majority of local authorities buy library stock through consortia that are geographically based. CUSP, as the consortia for the SW aligns with our regional working on a wide range of library projects and best practice.

## **Options for Procurement**

7. The alternative options that were considered were:
  - To not procure
  - To procure as an individual authority using the same Framework
  - To procure as an individual authority via Open Tender
8. These options are not recommended because:
  - Section 7.2 of the Libraries & Museum Act 1964 details the duty to keep stock, “sufficient in number, range and quality to meet the general requirements and any special requirements both of adults and children”.  
In order to do this:
    - We manage our stock using data and other methods to edit stock and remove grubby, out of date stock.
    - We rotate stock to maximise the range of stock available physically in each library, and to maximise the loan per volume.
    - We offer non-physical stock e.g. digital eBooks, e-Audio and Virtual Reference Information.
    - We utilise inter lending with other authorities and academic institutions.

In addition to these methods using existing stock it is essential to have stock supply options for the procurement, within available budgets, of new physical stock to capture newly published titles, to expand the range of collections in diversity, to keep physical information sources up to date and to replace popular titles with new editions. This also meets public demand and maintains the reputation of the library service to meet public expectations.

Therefore, the option to not procure new stock supply arrangements is the least desirable option.

- The majority of local authorities buy library stock through consortia that are geographically based so joining another consortium is not a helpful option and the additional benefits of being in a consortium with neighbouring authorities would be lost.
- The library book supply market is very fragile with only 2 main suppliers and the significant discounts are only available for high volumes which as an individual authority would not apply.

9. Within the CUSP consortium the options considered for procurement were:

- Framework
- Open Market Tender

10. The market for public library book stock provision has shrunk so there are 2 main suppliers, one of which specialises in Children’s titles. Stock managers in each of the 12 authorities that make up the CUSP consortium were consulted whether the procurement should be open or utilise a Framework, and if so, should the Framework be one that included this specialist supplier. Based on the outcome of this consortia engagement the decision was taken to select the 376F\_18 Library Stock ESPO Framework Agreement for the supply of physical stock as the preferred procurement route if we do proceed as recommended and procure as part of the CUSP consortium.

## Risks

11. Risk Table:

<b>Risk</b>	<b>Mitigation</b>
Significant reduction in stock budget	We do not commit to a level of expenditure in order to reflect potential fluctuations in expenditure
Business failure of company/s awarded the contract	<ul style="list-style-type: none"> <li>• Goods are paid for on receipt, not in advance, so low risk of financial loss.</li> <li>• If more than one company is awarded the contract the remaining company/s may be able to supply on an interim basis</li> <li>• Stock can be ordered retrospectively if there is a gap in supply</li> <li>• Financial checks have been carried out under the framework agreement</li> </ul>
Timeline for the Procurement	<ul style="list-style-type: none"> <li>• Both available Frameworks (ESPO and NEPO) terminate in March 2022. Therefore, this procurement is subject to an accelerated timescale. Working as a consortium enables us to utilise the resource and expertise of a</li> </ul>

	number of experienced staff across the South West to achieve this procurement within the deadline.
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## Financial implications

12. The costs associated with the procurement can be met within allocated resources and the proposed procurement is designed to maximise the best value for the Council with regard to expenditure on physical book stock and the work associated in managing the selection, processing and supply of library stock. In addition, it is designed to maintain efficient use of professional resources required to support procurement – Commercial, Legal, and Librarian.
13. As we propose to continue to be part of the CUSP consortium there will be costs payable to the lead authority Somerset County Council who will lead on the procurement on behalf of the Consortium. These costs are estimated to be in the region of £2k and will be funded from within existing revenue budgets.

## Climate change implications

14. The supply of library stock does have an environmental impact in respect of the delivery of items and processing of stock using a range of paper and plastic products. However, this has to be balanced by the fact that the resultant books are then loaned by multiple times by public borrowers and are available to support the learning and development of library users who often access the library by foot or using public transport. These items therefore support the green agenda of the county by providing a lending service, reducing the purchase and use of 'single read' books.
15. Working with CUSP we are as a group developing a specification for the procurement that includes criteria for the sustainable supply of stock e.g. recyclable packaging, recyclable covering for books, reduction in the use of paper and plastic.

## Equality implications

16. The Equality Impact Assessment demonstrates that the selection of physical stock is managed in order to meet the duties as set out in the Libraries & Museums Act 1964 to ensure a wide range of stock is offered to the Gloucestershire Public.
17. In order to achieve this, Gloucestershire Libraries has a Stock Policy which sets out how stock is selected and managed.

*Paying due regard to the protected characteristics, within budgetary constraints we aim to provide a wide range of stock that will reflect the interests of our customers and we closely monitor levels of use and potential gaps in stock.*
18. Having carried out the EIA we will be working with CUSP to ensure the procurement enables the assessment, at the bidding stage, of how the supplier can enable us to supply stock that represents diverse voices, both as authors, and as characters in books, and with positive quality illustrations for children's books.

## **Data Protection Impact Assessment (DPIA) implications**

19. None

## **Social value implications**

20. Every opportunity to secure social value will be looked at as part of the procurement process but it is generally regarded that given the type of contract that we are accessing there are limited opportunities to secure local social value enhancements through the contract, not least as it is not a competitive process but we are buying in to an established consortium. However the use of the consortium will keep service costs down which will allow the libraries to offer improved social value options through the service direct.
21. The supply of physical stock is a core element of the statutory public library service and as such provides free access to a wide range of reading material for all residents in Gloucestershire of all ages, abilities and backgrounds. Libraries encourage individuals of all ages to read for pleasure and purpose to increase their understanding of the world, stretch their imaginations and think differently.
22. What makes libraries unique is their neutral status allowing them to build a trusted relationship with the customer in a way that other public bodies cannot. This is the crux of what is called socio-recreation or relating to society through recreation and can be achieved without the need for a doctor, referral or any other 'medical' intervention.
23. The Library Stock Policy outlines the principles for selection of physical stock and sets out the ethos for this, linking to the broad aspiration to select stock to meet the needs of the Gloucestershire public and being representative of the diverse needs, experience and aspiration.

## **Consultation feedback**

24. Gloucestershire Libraries has completed a customer engagement in the summer of 2021 which will inform future strategy and policy. The findings of this consultation are yet to be fully analysed but will be used to inform future stock selection.
25. We positively welcome suggestions for items of stock from both individuals and groups within our local communities and see this as part of our commitment to public involvement in service development.
26. The contracts that result from this recommended procurement route will establish the stability required in supply for up to 5 years. This will enable our Librarian team to work with our supplier/s in order to continually respond to the changing needs of our users and the wider public. Changes in use will be informed by data that shows stock performance, requests for specific titles, and engagement with communities. We have recently undertaken a local community engagement in the Matson area to inform the community stock requirements as part of the project to refurbish and revitalise the service on offer within that community.

## **Officer recommendations**

27. That Cabinet approves the recommendations as set out in this report:

## **Performance Management/Follow-up**

28. The supply of physical stock will be monitored regularly via Contract Management with the successful supplier, based on their performance against KPI.
29. The supply of physical stock will be managed using a range of professional tools including Stock Selection Specifications, and regular meetings with selection teams and account representatives. Stock selected by the supplier/s on behalf of the library service is reviewed by the Librarian team.
30. The relationship with Somerset County Council and CUSP as the key procurement contacts will be managed throughout the procurement process