



Haringey Council

Agenda item:

[No.]

Procurement Committee

On 28th July 2011

Report Title: Library Stock Supply – Award of Contracts

Report of **Director of Place & Sustainability**

Signed :

20/7/11

MARK DORFMAN

Contact Officer : Diana Edmonds

Assistant Director: Culture Services

Tel: 0208 489 2759

Wards(s) affected: **All**

Report for: **Key Decision**

1. Purpose of the report (That is, the decision required)

To seek the approval of the Cabinet Procurement Committee for the award of three contracts for Library Stock Supply comprising (1) Books for Adults, (2) Books for Children and (3) DVDs.

2. Introduction by Cabinet Member (if necessary)

I have noted this report and the financial saving the change of suppliers would bring to the Council. This forms part of our continuing efforts to find back office efficiencies in the library service, allowing us to support continued frontline library provision.

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

3.1. Delivering high quality, efficient services

- Contract awards to support the delivery of Value for Money, Smart Working and Customer focussed services (through appropriate stock selection processes)

3.2.A Thriving Haringey

- Contract awards to support the delivery of core library services, helping people to flourish and achieve in their leisure and educational activities.

4. Recommendations

That the Cabinet Procurement Committee approves the award of three contracts for Library Stock Supply comprising Books for Adults, Books for Children and DVDs to the three contractors identified in Part B

5. Reason for recommendation(s)

The supply of library stock materials is essential to the delivery of an effective public library service. The proposed contracts offer improved value for money; meet the service's operational requirements and provide an accessible range of stock to meet customer needs.

6. Other options considered

The Eastern Shires Purchasing Organisation (ESPO) holds a national EU compliant library stock supply framework agreement which includes all the main suppliers in this field and conducting a "mini competition" through the framework agreement was considered the most effective procurement method. Therefore we did not consider any options.

7. Summary

- 7.1. The library service undertook a "mini competition" process using the Eastern Shires Purchasing Organisation framework agreement for library stock supply (ESPO contract reference 376/F/10). The framework agreement has been advertised and established in full compliance with public procurement (including EU) legislation. The agreement is in place until 31.3.13 (with the option to extend for a further year). The three contracts are for a period of three years, with the option to extend annually for a further two years.
- 7.2. Tenders were invited for the supply of Books for Adults, DVDs and Books for Children. Invitations to tender were sent to all suppliers on the framework listed as able to supply the relevant stock categories. Two tenders were received for Books for Adults, three for Books for Children and three for DVDs.
- 7.3. The tenders were evaluated against the following framework criteria:
 - a) Prices and costs
 - b) Performance and operational requirements (including speed of supply)
 - c) Range and appropriateness of stock offered
 - d) Suitability, functionality and ease of stock selection methodologies

7.4. The recommended providers will enable the library service to:

- build on its existing streamlined processes for stock management, with its emphasis on the provision of shelf-ready stock and the use of RFID/self service technology.
- access a range of stock selection methodologies, utilising both staff and supplier expertise to provide a range of stock relevant to local communities.
- deliver improved value for money in its stock purchasing.

7.5 Performance of the contracts will be monitored by the service initially monthly and then every three months once the contracts are established.

7.6. The supply of library stock is essential to the delivery of an effective public library service and the proposed contracts offer improved value for money; meet the service's operational requirements and provide an accessible range of stock to meet customer needs.

8. Chief Financial Officer Comments

The cost of this contract can be contained within existing libraries service budgets. Although budgets have not been agreed for future years at this point, the contract does not specify a minimum spend level and so does not commit the Council to spend beyond allocate budgets in later years

9. Head of Legal Services Comments

9.1. The Council has power to enter into a supply contract for the provision of library stock under section 1 of the Local Government (Contracts) Act 1997 on the basis that the supplies are properly required for the discharge of the Council's duties.

9.2. The total value of each of the three contracts over their lifetime is above the threshold requiring the application of the Public Contracts Regulations 2006. (the threshold for supplies being £156,442.00 at the time of drafting)

9.3 The Eastern Shires Purchasing Organisation framework agreement for library stock supply was tendered in Europe in compliance with European procurement legislation i.e. the Public Contracts Regulations 2006 . ("The Regulations")

9.4 In accordance with the Regulations, the Director of Place & Sustainability has confirmed that they have conducted a mini-competition between all economic operators capable of performing the contract.

9.5. The contract is a Key Decision and the Director has confirmed it has been included in the Forward Plan.

9.6. The Director now wishes to award contracts to the three contractors named in Part B of the Report.

9.7. Because of the value of each of the three contracts, the award must be approved by the Cabinet Procurement Committee in accordance with Contract Standing Order 11.03

9.8. See further comments of the Head of Legal Services in the exempt part of the Report.

10. Head of Procurement Comments –[Required for Procurement Committee]

This tendering process has been carried out in accordance with the Procurement Code of Practise

Contract monitoring arrangements have been put in place to ensure that the contract operates compliantly and to minimise any risk of poor performance.

Although the recommendation is not to award the contract to the lowest price bidders the discounts offered within the new contracts are greater than the current arrangements and demonstrate a saving for the Council

11. Equalities & Community Cohesion Comments

An equalities impact assessment was carried out in advance of the “mini competition” process.

12. Consultation

Consultation has taken place with end users and the Corporate Procurement Unit.

13. Service Financial Comments

- 13.1. The proposed contracts cover the principal areas of stock supply for the public library service and the Schools Library Service (SLS).
- 13.2. The proposed contracts represent improved value for money, which will help mitigate the impact on the service of savings already taken from this area.
- 13.3. The proposed contracts will be for a period of three years, with the option to extend for one year.
- 13.4. The use of the contracts will be funded by the libraries’ stockfund budget.
- 13.5. The proposed start date for the contracts will be August 2011.
- 13.6. The contracts do not commit the Council to a minimum level of spend.
- 13.7. Performance of the contracts will be regularly monitored.

14. Use of appendices /Tables and photographs

Appendix A - Part B: Exempt Information

15. Local Government (Access to Information) Act 1985

This report contains exempt and non-exempt information. Exempt information is contained in Appendix A and is not for publication. The exempt information is under the following category (identified in the amended schedule 12A of the Local Government Act 1972):

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

