

## Commissioning and Procurement Executive Committee – 09 January 2024

<b>Subject:</b>	Procurement exercise to secure book supply contract for Nottingham City Library Service 2024-2030		
<b>Corporate Director:</b>	Colin Parr - Communities, Environment and Resident Services		
<b>Portfolio Holder:</b>	Councillor Pavlos Kotsonis - Leisure and Culture		
<b>Report author and contact details:</b>	Stephen Chartres, Performance & Improvement Manager <a href="mailto:Stephen.chartres@nottinghamcity.gov.uk">Stephen.chartres@nottinghamcity.gov.uk</a>		
<b>Other colleagues who have provided input:</b>	Maria Balchin, Senior Commercial Business Partner Anthony Heath Contracts & Commercial, Legal Services Holly Fisher, Lead Procurement Officer (Products) Laura Iremonger, Partnerships Team Leader Library Services Nigel Hawkins, Head of Culture and Library Services		
<b>Key Decision</b>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<b>Subject to call-in</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Reasons:</b> <input type="checkbox"/> Expenditure <input checked="" type="checkbox"/> Income <input type="checkbox"/> Savings of £750,000 or more taking account of the overall impact of the decision			<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Type of expenditure:</b>	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital		
<b>Total value of the decision:</b> £960,000			
<b>Wards affected:</b> All			
<b>Date of consultation with Portfolio Holder:</b> 14 December 2023			
<b>Relevant Council Plan Key Outcome:</b>			
Green, Clean and Connected Communities	<input type="checkbox"/>		
Keeping Nottingham Working	<input type="checkbox"/>		
Carbon Neutral by 2028	<input type="checkbox"/>		
Safer Nottingham	<input type="checkbox"/>		
Child-Friendly Nottingham	<input checked="" type="checkbox"/>		
Living Well in our Communities	<input type="checkbox"/>		
Keeping Nottingham Moving	<input type="checkbox"/>		
Improve the City Centre	<input checked="" type="checkbox"/>		
Better Housing	<input type="checkbox"/>		
Serving People Well	<input checked="" type="checkbox"/>		
<b>Summary of issues (including benefits to citizens/service users):</b>			
<p>This report seeks to continue our membership of the successful East Midlands and Mid Anglia (EMMA) libraries stock consortium with 8 other library authorities (Cambridgeshire, Derby City, Derbyshire, Leicester City, Leicestershire, Nottinghamshire, Peterborough, and Rutland). Working as a consortium allows member library services to combine their spending power to gain significant discounts on the majority of book stock items purchased, achieving best value for the Council and maximising library budgets.</p> <p>The proposal is for Nottinghamshire County Council to lead and manage the procurement process and provide legal advice for which each participating authority will pay agreed fees. Working in this way is beneficial, providing a saving on City Council staff resource and time.</p> <p>The proposed contract period will be for 4 years with 2 possible extension periods of 1 + 1 years commencing 1 April 2024, making a maximum contract period of 6 years. Once suppliers have been agreed and a framework agreement signed, each authority would then enter into separate order and call-off contract agreements.</p>			

## **Recommendations:**

1. To approve participation by the Council in the procurement, led by Nottinghamshire County Council, of a new consortium-based framework agreement (for 4+1+1 years) for the provision of books for loan and reference via the 15 public libraries across Nottingham and on behalf of HMP Nottingham Prison Library.
2. To delegate authority to the Head of Culture and Libraries to award and sign the contract to the successful provider following the procurement process and any associated orders for the Council for the purchase of adult and children's books, entering individual call-off contracts for the term of the contract.

## **2. Reasons for recommendations**

- 2.1 To procure the City's Library Service book supply contract, through a consortium approach, allows member library services to combine their spending power to gain significant discounts on most items purchased, achieving best value for the Council and maximising library budgets.
- 2.2 This is an established consortium, where the City Council has previously benefited from working in a combined way to maximise purchasing power with suppliers.
- 2.3 In approving the request to be a partner organisation in the creation of a supply framework, the leading organisation, in this case Nottinghamshire County Council, has an obligation to act and award in line with Public Contract Regulations, satisfying the contract procurement rules of the Council.

## **3. Background**

- 3.1 The full procurement exercise will be led by Nottinghamshire County Council, open tender via the ProContract procurement portal. Through the appointed Supplier, Nottingham City Council will be able to maximise library budgets and the range of books for library available to purchase for Library Collections and meeting the needs of Nottingham Citizens.
- 3.2 The Consortium approach is currently how the Library Services purchases its book stock. Working as a consortium provides best value, achieving discounts on book retail prices that as a lone authority would not be offered to us. Nottinghamshire County Council leading the procurement/legal process also provides internal NCC officer time/resource savings.
- 3.3 This forms part of the annual supply contract agreed at the beginning of the financial year for supply of books and e-resources for library provision as part of the East Midlands Library Book Buying consortium. An order for this work is raised on agreed amounts and then drawn down against throughout the year to ensure stocks are refreshed and new titles released secured for lending.

## **4. Other options considered in making recommendations**

- 4.1 In recommending approval to undertake a consortium led formal tender process to secure a supplier contract, the following other options have been considered and rejected:
- 4.2 **Cease having a book supply contract for the purchase of books for the Library Service.** - This would result in a detrimental impact on the Council's ability

to offer a responsive service to meet the current and potential future needs of our Citizens, risking the longer-term literacy and reading levels across our City. It potentially could also result in the City Council being in breach of its statutory duty (Libraries & Museums Act 1964) of delivering a comprehensive and efficient library service.

- 4.3 **Nottingham City Council to secure an individual book supply contact for the purchase of its book stock.** Going it alone, the City Council would lose the “Buying Power” and economies of scale that is achieved from a consortium approach. Any discounts would be lost or be minimal and the choice and range of books available may also be restricted. Overall, this would not achieve Best Value for the Council or the residents of Nottingham

## 5. Consideration of Risk

- 5.1 There are a few risks associated with following a consortium approach for the book supply contract:

a) Risk: an authority pulling out of being part of the consortium.

Mitigation: This is mitigated by good communication and agreed tender specification, followed by continued partnership working through the length of the contract. There is a collaboration agreement in place along with regular meetings with the supplier as part of the terms of the contract

b) Risk: The contracted supplier ceases to trade.

Mitigation: Full due diligence will be undertaken around the potential suppliers. All purchases are paid for on receipt of the stock only, significantly reducing the risk to the necessity of finding an alternative supplier.

c) Risk: Delay in the procurement process and awarding of contract.

Mitigation: A project team with representatives from each of the authorities has been set up to complete the process. A forward plan has been developed which highlights key dependencies and dates for completion to minimise delay in the process.

## 6. Best Value Considerations

- 6.1 Operating a consortium approach increases the buying power through an overall larger contact value, enabling significant discounts to be negotiated and greater choice explored. This achieves overall Best Value for the Council.

## 7. Finance colleague comments (including implications and value for money/VAT)

- 7.1 This decision seeks approval to participate in the procurement of book supply through a consortium approach for the Council’s Library services, over a maximum period of 6 years. The Consortium includes 8 other library authorities, with Nottinghamshire County Council as the lead authority. This approach allows the local authorities to combine their spending power with a view to securing discounts, thereby achieving best value for money than procuring individually.

7.2 The decision value for this procurement is £0.960m. The expenditure to be incurred will depend on the resources available. The Budget Strategy and Medium Terms Financial Plan (MTFP) 2024/25 to 2027/28 in Appendix 1 includes a proposal to reduce expenditure in the library service by £1.524m, subject to public consultation. The tendering documents will need to be flexible to align expenditure to service needs, affordability and changing customer behaviours when compared to current spending patterns and resources.

Maria Balchin, Senior Commercial Business Partner – 18/12/2023

## **8. Legal colleague comments**

8.1 This report seeks authority to continue the Council's membership of the East Midlands and Mid Anglia (EMMA) libraries stock consortium with 8 other library authorities (Cambridgeshire, Derby City, Derbyshire, Leicester City, Leicestershire, Nottinghamshire, Peterborough, and Rutland). The perceived benefits to the Council are set out in the report.

8.2 It is understood there is a collaboration agreement in place that governs the EMMA consortium which has not been reviewed for the purposes of these comments. It is assumed that the collaboration agreement has the option to be extended and any process to do so has been followed as set out in that agreement. It has also been confirmed by the Library Service that regular meetings take place involving consortium members in order to take decisions – this appears to be the extent of the governance arrangements around the EMMA consortium.

8.3 The report also refers to a proposal for Nottinghamshire County Council to lead and manage a process which, it appears, will create a framework arrangement under which the Council will be able to call-off contracts for the provision of books for loan and reference for 15 public libraries across Nottingham and on behalf of HMP Nottingham. In return, the Council and other bodies will pay Nottingham County Council fees set by Nottinghamshire County Council. No details of the proposed fees, or terms of the retainer, have been reviewed for the purposes of these comments but the Library Service has confirmed that consideration of meeting best value duties has been given by the Commissioning and Oversight Board and that Procurement colleagues have been involved in this process.

8.4 Of note, it is intended that no consortium member is under an obligation to place an order under the arrangements proposed by Nottinghamshire County Council – in light of possible spending cuts, it is imperative that the Council is not obligated to any or any minimum spend under the arrangements being created by Nottinghamshire County Council.

8.5 The Library Service has confirmed that the Council has an existing contract with HMP Nottingham to deliver a library service, hence reference to HMP Nottingham in the report. That contract with HMP Nottingham has not been reviewed as part of creating these comments so a check should be undertaken that the provisions of that contract align with the proposed arrangements as detailed in this report.

8.6 The report properly cites the Council potentially being in breach of its duty under s7 of the Public Libraries and Museums Act 1964 which obligates a Library Authority to provide a comprehensive and efficient library service for all persons desiring to make use thereof.

- 8.7 Finally, the report seeks authority for the Head of Culture and Libraries to award and execute a call-off contract under the proposed framework contract. The call-off contract terms will be specified in the framework arrangements being created by Nottinghamshire County Council. It is recommended, therefore, that prior to agreeing (if appropriate) the proposed framework arrangements that a review of the arrangements, including the call-off contract terms and conditions, is undertaken by Legal Services.

Anthony Heath, Contracts and Commercial - 19 December 2023

## **9. Procurement Colleague comments**

- 9.1 The request to remain part of the East Midlands and Mid Anglia (EMMA) libraries stock consortium and utilise a framework established by Nottinghamshire County Council does not pose any procurement risk to the Council.
- 9.2 Being a named authority on a framework established under the Public Contract Regulations 2015, and then making call-off or orders under the terms of this framework, complies with the procurement and contract procedure rules.

Holly Fisher, Lead Procurement Officer (Products) – 12/12/2023

## **10. Crime and Disorder Implications (If Applicable)**

- 10.1 There are no Crime and Disorder implications from procuring this book supply contract.

## **11. Social value considerations**

- 11.1 Ensuring continued supply of up-to-date books book titles will enable the Library Service to support literacy, education, career development and employment outcomes for the City. In addition, a continued comprehensive book supply will promote inclusion and cultural enjoyment for City residents.

## **12 Equality Impact Assessment (EIA)**

- 12.1 An EIA is not required at this stage to approve the procurement tender process. However, Equalities considerations will be built into tender specification and ensuring the books and reading material bought, meet diverse cultural needs of our communities and citizens.

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

- 13.1 A DPIA is not required because there are no data protection implications for in undertaking the tender process.

## **14 Carbon Impact Assessment (CIA)**

- 14.1 There are no Carbon Impact Assessment implications for undertaking the tender process.

## **15. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)**

15.1 None.

**16 Published documents referred to in this report**

16.1 None.