

Forward Plan reference number: FP/152/09/21

Report title: To procure and award contracts from the Eastern Shire Procurement Organisation Framework Agreements for Library Stock	
Report to: Councillor Louise McKinlay - Cabinet Member for Community, Equality, Partnerships and Performance	
Report author: Suzanna Shaw, Director of Customer Services	
Date: 25 October 2021	For: Decision
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County Divisions affected: All Essex	

1. Everyone's Essex

This report seeks approval to proceed with the procurement and award of up to six contracts for adult and children's book supplies, CDs and DVDs, and spoken word and large print. The contracts will be procured and awarded using the procedure set out in the Eastern Shire Procurement Organisation (ESPO) Framework Agreements and orders for stock will be placed when new stock is needed. The procurement and award of these contracts aligns with the emerging organisational plan, Everyone's Essex, as the proposals help support children and families, and promote health, wellbeing, and independence for all ages. There is no additional impact on ECC's carbon footprint as a result of these contracts as the same levels of stock will be purchased. E-books and e-audiobooks are also available to borrow from Essex Libraries under other contracts.

2. Recommendations

- 2.1 To agree to run a mini competition using the procedure set out in the ESPO Framework Agreement for the purchase of: (1) large print books and spoken word; (2) children's books; and (3) CDs and DVDs on behalf of ECC and Thurrock Borough Council. All contracts will be for two years in duration with the option to extend up to a further two years subject to satisfactory performance. The mini competition criteria used will be 70% price and 30% quality (of which 5% is social value) in accordance with the terms of the Framework Agreements.
- 2.2 To agree that the Director, Customer Service is authorised to agree the terms of and award the following contracts for ECC (subject to available budget) following completion of the mini-competition process:
 - (1) two contracts for large print books and spoken word;
 - (2) one contract for children's books; and
 - (3) one contract for CDs and DVDs.

- 2.3 To agree that the Director, Customer Service is authorised to agree the terms of and the award of a contract for adult books (subject to available budget) on behalf of ECC to Askew and Holts using the direct award process set out in the ESPO Framework Agreement. The contract will be for two years in duration with the option to extend up to a further two years subject to satisfactory performance.

3. Background and Proposal

- 3.1 ECC currently has contracts in place to purchase:

(1) book supplies, CDs and DVDs through Askew and Holts Library Services which expires on 30th November 2021;
(2) large print books with W.F. Howes Limited and Ulverscroft Large Print Books which expires on 31st October 2021; and
(3) spoken word with W.F. Howes Limited, Ulverscroft Large Print Books and Bolinda which expires on 31st October 2021.

- 3.2 ECC has an annual budget of £1.8 million for the purchase of stock. The existing contractual arrangements are about to expire and new contracts are required to ensure that new stock can be purchased. This stock is needed to ensure that there is sufficient choice and availability of books for residents. It is envisaged that the levels of stock purchased through these new contracts will be similar or the same as the levels purchased under the previous contractual arrangements.
- 3.3 Using ESPO Framework Agreements will allow ECC to reduce procurement timescales and impact on resources to ensure the Library Service has no gaps in stock provision. Initial work was carried out to consider if ECC should set up its own Framework Agreement, but this would be costly and time consuming and may not result in increased competition due to contraction in the market generally. Market research looking at the available Framework Agreements for this type of stock has indicated that the ESPO Framework Agreements are available for ECC to use and this approach will ensure that arrangements are in place quickly following expiry of the existing contracts.
- 3.4 The award of contracts for (1) large print books and spoken word; (2) children's books; and (3) CDs and DVDs will require a mini-competition process to be run following the process set out in the ESPO Framework Agreements. Evaluation criteria of 70% price and 30% on quality will be used as required by the terms of the Framework Agreements. Following the approval of these proposals, ECC will initiate the mini-competition tender process to ensure that arrangements for new stock are in place as soon as possible. It is envisaged that one contract can be awarded for children's books and one contract for CDs and DVDs and that this should give sufficient coverage and choice. For large print books and spoken word it is envisaged that ECC will need to be able to purchase stock from two different suppliers, thereby requiring two contracts, to ensure that there is sufficient choice. This will be made clear in the tender documents.

- 3.5 The fourth contract (for adult books) can be directly awarded to Askews & Holt using the direct award procedure set out in the Framework Agreement as there is only one supplier for this provision. In the current Askew and Holts' contract, ECC makes a 39% saving on the retail price of books purchased. It is considered that this same level of discount can be achieved under the proposed terms of the new contract.
- 3.6 Entering into the call-off contracts does not oblige ECC to purchase stock under these contracts. Stock will only be purchased when needed and when affordable within budget. At the time that stock is needed, the contract procedure will be followed to place an order and pay for such stock and orders will be placed in accordance with ECC's financial regulations.
- 3.7 Thurrock Borough Council (TBC) has a Service Level Agreement in place with ECC pursuant to which ECC manages the procurement process for stock supply contracts on behalf of TBC. ECC will therefore be running the mini competition referred to in paragraph 3.4 above on behalf of both ECC and TBC. TBC enter into their own contracts and retain responsibility for the payment of any items they purchase through such contracts.
- 3.8 These contracts do not relate to the purchase or supply of e-books and e-audiobooks which are dealt with in separate contractual arrangements. ECC will continue to develop its e-book offer which is managed by a separate contract outside the scope of this proposed tender process.

4. Links to our Strategic Ambitions

- 4.1 This report links to the following aims in the Essex Vision:
- Enjoy life into old age
 - Provide an equal foundation for every child
 - Strengthen communities through participation
 - Develop our County sustainably
 - Connect us to each other and the world
- 4.2 There is no increased impact on ECC's carbon footprint due to entering into these contracts as ECC will be purchasing the same amount of stock as under existing contracts. E-books and e-audiobooks are also available for residents to borrow under different contractual arrangements.
- 4.3 This report links to the following strategic priorities in the emerging Organisational Strategy 'Everyone's Essex':
- Health, wellbeing and independence for all ages
 - A good place for children and families to grow

5 Options

5.1 Option 1 - Do Nothing

Doing nothing is not an option as all contracts are due to expire and there are no more extensions provisions available in the existing contracts. New stock is needed to ensure that there is choice and availability of up to date books for residents. Stock needs to be replaced and refreshed to maintain a modern library service. This will help Essex Library Services fulfil the statutory obligation placed upon local authorities by the Public Libraries and Museums Act 1964 to provide a comprehensive and efficient library service.

5.2 Option 2 – Reprocure using the Eastern Shire Procurement Organisation (ESPO) Frameworks (Recommended Option)

The current library stock contracts end in October and November 2021 and new arrangements are required to ensure that new stock is available. Alternative procurement options are not considered viable at this time due to the contracting market and the time that would be needed to set up a new framework agreement or contract for Essex. ESPO frameworks are compliant with the relevant UK Procurement Contract Regulations 2015 and will enable Library Services to continue with current discounts where applicable.

5.3 Option 3 - Procure a new contract for ECC and Thurrock Borough Council

To procure a contract or framework agreement for Essex only would be time consuming and costly and may not attract additional competition due to lack of entrants in the market currently. There is sufficient demand on existing Frameworks Agreement that ECC can use which will ensure that replacement contractual arrangements can be put in place and stock will be available when required.

6 Issues for consideration

6.1 Financial implications

6.1.1 There is currently an annual budget of £1.8m within the Library Service for the purchase of library stock. This budget has been sufficient to cover the costs of all stock purchases in previous years with expenditure in both 2018/19 and 2019/20 of just under the £1.8m budget.

6.1.2 Spend on book supplies and other stock within this tender in 2018/19 and 2019/20 have been in the region of £1.1m, with the remaining spend on e-books and other resources. Should this level of expenditure continue the potential contract value could be £2.2m for 2 years (or £4.4m should the contract be extended for 2 further years).

- 6.1.2 Entering into the contracts does not commit the Council to any specific level of expenditure and it is not anticipated that it will result in any additional pressure on the library budgets.

6.2 Legal implications

- 6.2.1 The ESPO Framework Agreements have been competitively procured for local authorities to use.
- 6.2.2 ECC should follow the procedures set out in the Framework Agreements when using the direct award and mini-competition process and entering into the call-off contracts.

7 Equality and Diversity Considerations

- 7.2 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 7.3 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).
- 7.4 The equality impact assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

8 List of Appendices

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9 List of Background papers

None declared.

I approve the above recommendations set out above for the reasons set out in the report.	Date
Councillor Louise McKinley, Cabinet Member for Community, Equality, Partnerships and Performance	10.11.21

In consultation with:

Role	Date
Andrew Cook, Director Highways and Transportation	6.11.21
Executive Director, Corporate Services (S151 Officer) Stephanie Mitchener on behalf of Nicole Wood	29.10.21
Director, Legal and Assurance (Monitoring Officer)	25.10.21
Katie Bray on behalf of Paul Turner	