

## ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	<b>Meeting:</b>	<b>Cabinet Member for Culture and Tourism</b>
2.	<b>Date:</b>	<b>18<sup>th</sup> February, 2014</b>
3.	<b>Title:</b>	<b>Renewal of Library Management System Contract</b>
4.	<b>Directorate:</b>	<b>Environment &amp; Development Services</b>

### 5. Summary

The purpose of this report is to seek Member approval for exemption from Standing Orders. This is to renew the support and maintenance contract for the Library Management System with the existing supplier, Capita, which expires on 31<sup>st</sup> March 2014.

### 6. Recommendations

It is recommended that:

- **The contract for support and maintenance of the Capita Library Management system be extended for a 3 year period**
- **Cabinet Member gives approval to enable an exemption from standing order 48.2 (requirement to invite between three and six tenders from external contractors for contracts valued between £50,000 and £500,000)**

## **7. Proposals and Details**

### **7.1 Background**

The Capita Library Management System was implemented in 2007 after a full procurement process. This included the purchase of a five year support contract, which expired in March 2013. The Service was permitted to extend the support contract for a further year, covering the 2013-2014 financial year.

The Library and Information Service is very happy with the performance of the Capita system and the support service which is provided by the supplier.

RMBC's Procurement team has identified that Capita is the only supplier who is capable of providing support and maintenance of the Library Management System. Other Library Management Systems are available in the market place, but RMBC has no desire to switch products at this time. The service feels that tendering for a new Library Management System would offer no additional benefits to customers or realise efficiencies.

### **7.2 Capita Support Contract**

The proposal is to enter into a three year annual support and maintenance contract with Capita at a cost of £41,402 per annum with no annual increase and 10% saving on all purchases. This agreement would run from 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2017.

All upgrades to the Library Management System are included in the support contract offered by Capita. This is beneficial to the Council and differs to other suppliers who are currently in the Library Management System market place.

In addition, Capita provides its customers with a roadmap which provides clear guidance on future planned developments. As a substantial proportion of these developments are based on customer suggestions, the library management product continues to evolve and adapt to both Council and customer requirements.

The support contract meets the needs of the Library and Information Service.

### **7.3 Library Management System integration**

The existing Capita Library Management System is integrated to several other systems in use within the Library and Information Service on a daily basis, including:

- An automated telephone system which allows 24/7 real time renewals and sends out text messages for overdue books and reservations. This has allowed the service to reduce the number of letters posted out to customers;
- The PC booking system (netloan) which is in use at all libraries;
- Self service units which are installed at 6 libraries across the Borough;
- RFID (Radio Frequency Identification) system which has been recently implemented at the Library @ Riverside;
- At stock management level, the system is linked to Electronic Data Interchange (EDI) between the authority and suppliers. Capita are leading on this development

in the market place and no other Library Management System provider offers the same level of acquisitions management.

Capita have indicated that they would be able to integrate their system with the Council's recently implemented citizen account service, Gandlake, providing customers with a single sign-in point for the Council's online services.

If the Library and Information Service was required to complete a procurement exercise for a new system, additional resources would be required to ensure that subsequent system integrations were fully tested and effective.

## **8. Finance**

The Council currently pays £41,902 for annual support and maintenance.

A 3-year annual support and maintenance contract would cost £41,402 per annum, with 10% of any future product purchases.

Additional costs for partner services are for Netloan PC Management system (currently £4,903.20 per annum) and QAS Postcode Finder software (currently £4,220.00 per annum).

All costs can be covered by current Customer and Cultural Services budgets. Provision is built into the future budgets to cover these costs.

Based on recent negotiations with Capita, RMBC Procurement has advised that it would be financially beneficial to renew for a 3 year period rather than opt for a yearly renewal. The benefits of this would be no annual price rise for the duration of the contract and 10% of any additional products purchased.

## **9. Risks and Uncertainties**

The contract is required to ensure continued use and support of the product. Market research has shown that the level of support and maintenance required could not be provided by another contractor

A full procurement for a new LMS will need to be undertaken if the support contract is not renewed. This will have a significant impact on the service, including cost implications for which there is no budget provision. There would also be impacts on systems' infrastructure, staff time, training and helping customers access a new system.

## **10. Policy and Performance Agenda Implications**

The provision of an appropriate Library Management System enables libraries to contribute to the delivery of corporate priorities and the Library Strategy and Customer Access Strategy.

Capita place priority on developing web applications which will help with the Council's own focus on Channel Shift.

## **11. Background Papers and Consultation**

Consultation has taken place with colleagues in Legal, Finance and Procurement Services and all have confirmed agreement with the proposals.

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