

DERBYSHIRE COUNTY COUNCIL

MEETING OF THE CABINET MEMBER - HEALTH AND COMMUNITIES

25 April 2017

Report of the Strategic Director - Economy, Transport and Communities

**USE OF EASTERN SHIRES PURCHASING ORGANISATION
FRAMEWORK TO PROCURE RADIO FREQUENCY IDENTIFICATION
TAGS AND READERS FOR DERBYSHIRE LIBRARY SERVICE**

(1) **Purpose of Report** To seek the Cabinet Member's approval to use the Eastern Shires Purchasing Organisation (ESPO) Framework Number 350 to procure Radio Frequency Identification (RFID) tags and readers for Derbyshire libraries.

(2) **Information and Analysis** On 31 January 2017, Cabinet approved the introduction of RFID into Derbyshire libraries. The procurement is to be a one-off purchase of RFID tags and tagging devices for the purpose of tagging existing library stock. Future requirements to tag library stock will be managed as part of the usual external provisioning of that stock or to a lesser extent by Council officers as part of the routine stock acquisition process.

To establish a compliant procurement process, officers considered various procurement options and concluded that the most appropriate route to market was to use an external ESPO Framework Number 350. This Framework is compliant with EU procurement regulations and is open to all local authorities.

The merits of using the ESPO framework are that:

- suppliers have been vetted to ensure they are of an appropriate standard to meet customer needs; and
- the framework terms and conditions are pre-agreed, which avoids lengthy negotiation.

The proposal to use the ESPO Framework is supported by a separate Business Case, including options appraisal, which has been approved by the Director of Finance.

Call-off will be under Lot 1 of the Framework via a mini competition, based on the tender submissions of the suppliers of the solution. Lot 1 comprises of Library RFID equipment and materials, installation, maintenance, staff training and associated services.

(3) **Financial Considerations** The costs of RFID tags for approximately 1 million items of stock are estimated to be £110,000 and the upgrade of existing self-service machines and associated equipment to be £50,000. Use of the ESPO Framework, to avoid lengthy negotiation, will facilitate the procurement process to allow implementation and consequent savings as early as possible.

(4) **Legal Considerations** Protocol 2 of the Council's Financial Regulations for use of a non-Derbyshire County Council Framework requires the submission of a business case (file held within the Economy, Transport and Communities Department) to the Director of Finance for approval and further competition where appropriate. The call-off requirements under the Framework will be by way of further competition. The Director of Legal Services will advise in relation to the terms and conditions for use of the Framework including call-off requirements. A further report will need to be submitted for the award of contracts under the Framework.

(5) **Social Value Considerations** The introduction of RFID into Derbyshire libraries will ensure that the library service continues to be able to supply relevant and appropriate resources for local communities, contributing to libraries roles as community hubs. Investment in RFID could also help to support and enable access to other services through retention of library buildings, as well located and accessible public venues in the heart of communities. Use of the ESPO Framework to avoid lengthy negotiation will facilitate the procurement process to allow implementation and make these social value benefits available as early as possible.

In preparing this report the relevance of the following factors has been considered: prevention of crime and disorder, equality and diversity, human resources, environmental, health, property and transport considerations.

(6) **Key Decision** No.

(7) **Call-In** Is it required that call-in be waived in respect of the decisions proposed in the report? No.

(8) **Background Papers** Held on file within the Economy, Transport and Communities Department. Officer contact details – Don Gibbs, extension 36572.

(9) **OFFICER'S RECOMMENDATION** That the Cabinet Member approves the use of the Eastern Shires Purchasing Organisation Framework Number 350 for the procurement of Radio Frequency Identification tags and readers for Derbyshire libraries.

Mike Ashworth
Strategic Director – Economy, Transport and Communities