

Agenda Item No. 8(l)

DERBYSHIRE COUNTY COUNCIL

CABINET

31 January 2017

Report of the Strategic Director - Economy, Transport and Communities

**INTRODUCTION OF RADIO FREQUENCY IDENTIFICATION INTO
DERBYSHIRE LIBRARIES (HEALTH AND COMMUNITIES)**

- (1) **Purpose of Report** To seek Cabinet approval for the introduction of Radio Frequency Identification (RFID) into Derbyshire libraries and for the costs of introducing RFID to be met from the Change Management Reserve.
- (2) **Information and Analysis** Self-service issue and return kiosks are installed in 26 Derbyshire libraries and, since 2008, they have helped the service achieve a significant saving in staffing costs, by a reduction in posts, which have all been achieved through normal staff turnover. The current Derbyshire implementation of self-service is a barcode only solution, which was the appropriate choice in 2008. The majority of local authorities with self-service now use a more efficient RFID based solution.

RFID is the wireless use of electromagnetic fields to automatically identify and track tags attached to objects. The tags contain electronically stored information. RFID offers a much faster approach to handling books and other materials as multiple items can be dealt with together; there is no need to laboriously scan individual items. RFID frees up staff time and, in other authorities, it has been used to help libraries reduce staffed hours. RFID is well established in public libraries worldwide and is a logical and cost effective option for the library service at a time of increasing budget reductions.

In summary, RFID has allowed other library services to:

1. Improve the self-service offer for library customers e.g. quicker and easier to use.
2. Improve the management of library resources e.g. management of bookstock.
3. Enable the achievement of revenue savings through a reduction in posts.

4. Create the potential for additional savings in the future through the development of new approaches to service delivery.

To achieve similar benefits and to improve the service offer for library customers, it is proposed to implement RFID in Derbyshire Libraries. There are three key elements for the successful introduction of RFID:

1. The library service has approximately 1 million items of stock and each one would need to be tagged. Tags currently cost 11p each, although the price trend is downwards. One million tags at 11p each would cost £110,000. Purchase of the tags would be subject to the normal tendering process.
2. The existing self-service machines will need to be upgraded to accept items with RFID tags. The estimated cost is £50,000.
3. Attaching tags to the existing 1 million individual items of stock has to be done manually. Library staff have consulted with other library authorities that have implemented RFID and a detailed implementation plan has been devised. This has given a realistic timescale of approximately one year to tag a million items of stock with an estimated staff cost of up to £100,000. It is anticipated that some of these staffing costs can be contained within the existing library service budget, although currently it is not possible to quantify exactly what proportion of these costs can be covered in this way.

Alongside the implementation of RFID, all new acquisitions will be tagged when purchased and this will incur an annual charge of £10,000 (to be met from the library service revenue budget).

Following the introduction of RFID, the library service will make savings through the deletion of posts, achieved through natural turn over, with the potential for additional savings to be identified once the implementation of RFID is completed.

(3) Financial Considerations The maximum one-off cost for the introduction of RFID into Derbyshire libraries is £260,000 and it is proposed that this is funded from the Change Management Reserve. It is requested that Cabinet agrees to the full amount of funding being made available to cover all the costs associated with the introduction of RFID and any unused funding will be returned to the Change Management Reserve.

Revenue costs for the support and maintenance of self-service equipment are in line with the existing payments for these services and can be met from the library service revenue budget.

(4) **Human Resources Considerations** The work associated with this project will be undertaken by existing library staff. Staffing reductions will be achieved through natural wastage.

(5) **Social Value Considerations** The introduction of RFID into Derbyshire Libraries will ensure that the library services continues to be able to supply relevant and appropriate resources suitable for local communities despite the reduction that has taken place in the financial resources available to fund the service. This will contribute to the libraries role as local, community hubs for digital inclusion, lifelong learning, literacy and reading support for children and adults.

Investment in RFID could also help to support and enable access to other services. Retention of library buildings with significantly reduced operating costs will offer the County Council and partners well located and accessible public venues in the heart of communities at a time when the overall property estate is being reduced.

In preparing this report the relevance of the following factors have been considered: legal, prevention of crime and disorder, equality and diversity, 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 RECOMMENDATIONS** That Cabinet approves:

9.1 The introduction of Radio Frequency Identification (RFID) into Derbyshire Libraries

9.2 The costs of introducing RFID to be met from £260,000 in the Change Management Reserve.

Mike Ashworth
Strategic Director - Economy, Transport and Communities