



## Mayor and Cabinet

### The Libraries Consortium Courier Services Framework Contract

<b>Date:</b>	9 February 2022
<b>Key decision:</b>	No
<b>Class:</b>	Part 1 (Split Part 1 and Part 2)
<b>Contract Categories:</b>	A
<b>Ward(s) affected:</b>	Borough wide
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#### 1. Outline

- 1.1. The existing Libraries Consortium Courier Service Framework agreement is due to expire on 31 March 2022.
- 1.2. Mayor and Cabinet gave permission to reprocure the new Framework agreement in June 2021.
- 1.3. The courier services enables stock to be moved within individual authorities and across The Libraries Consortium (TLC) authorities, enabling customers to easily access and request catalogued materials from across the Consortium.
- 1.4. The approval to award the new contract falls during pre-election period due to the 2022 London local elections so this report seeks permission to grant delegated authority to the relevant Executive Director to approve the contract award and call off.

#### 2. Recommendations

- 2.1. This report seeks permission to grant delegated authority to the Executive Director for Community Services to:
  - Approve the award the contract to the successful contractor for The Libraries Consortium Courier Service Framework Agreement up to a total maximum of five years, following the procurement activity.
  - Approve the call off the Framework Agreement for the Lewisham Library and Information Service for a period of two years, and subsequent contract extensions for a further three years (periods of two years or one year), up to a total maximum of five years.

### **Timeline of engagement and decision-making**

- 1 March 2017: Mayor and Cabinet approved the award of the existing Libraries Consortium Courier Service Framework Agreement which commenced on 1 April 2017 and was due to end on 31 March 2021.
- February 2021: Due to the unpredictability of COVID19 and the impact it will have on service needs for the new financial year, a 12 months extension was approved
- 9 June 2021: Mayor and Cabinet approved the procurement for Lewisham Library and Information Service the Libraries Consortium Courier Service Framework Agreement.

## **3. Summary**

- 3.1. The Libraries Consortium (TLC – formerly the London Libraries Consortium) is a group of 20 local authorities that share the Library Management System and seek to develop opportunities to realise efficiencies and effectiveness in the delivery of library services. TLC offers access to 7 million titles (e.g. books and other items) to any library cardholder of a participating authority. The number of authorities joining the consortium is likely to increase.
- 3.2. Lewisham is the lead authority that developed a Framework Agreement for the logistics and courier services required by TLC to move books and other items from libraries within a participating authority to another participating authority and within the boundaries of each participating authority. The contract comes to an end in March 2022.
- 3.3. The Framework Agreement commenced on 1 April 2017 and ended on 31 March 2021. Due to the unpredictability of COVID19 and the impact it will have on service needs for the new financial year a 12 months extension was approved in February 2021.
- 3.4. Mayor and Cabinet approved the re-procurement of the Framework Agreement on 9 June 2021.
- 3.5. From undertaking a procurement activity in September 2021, the leading bid would have resulted in a significant price increase to current budgets. Due to the proposed increased pricing, we were not able to award a contract as it did not support the Council's budget saving priorities. The new tendering activity was published on 23 December 2021 and is scheduled to close on 10 February 2022.
- 3.6. The approval to award the new contract falls during the pre-election period at a time when Mayor and Cabinet is dissolved and pending the 2022 London local elections so this report seeks permission to grant delegated authority to the relevant Executive Director to approve the contract award and call off.

## **4. Recommendations**

- 4.1. Mayor and Cabinet is recommended to grant delegated authority to the Executive Director for Community Services to:
  - Approve the award the contract to the successful contractor for The Libraries Consortium Courier Service Framework Agreement, following the procurement activity up to a total maximum of five years.
  - Approve the Call off the Framework Agreement for the Lewisham Library and Information Service for a period of two years, and subsequent contract extensions for a further three years (periods of two years or one year), up to a total maximum of five years.

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## 5. Policy Context

- 5.1. This procurement meets the following Council corporate priorities:
- **Making Lewisham greener** – Please see section 11
  - **Building an inclusive local economy** – The contractor will be required to be a Living Wage employer and contribute to the Council's Social Value Objectives.
  - **Open Lewisham** – The contractors' workforce will be more representative of our borough's diverse population at all levels.
  - Contractors will be required to comply with all equality and diversity legislation and be consistent with Lewisham's Comprehensive Equality Scheme.
- 5.2. Historically negotiated individual contracts had resulted in differences in rates being charged across TLC authorities. The Framework Agreement delivered value for money and standardisation of the pricing schedule across all TLC authorities. It also introduces a mechanism whereby prices reduce with the growing number of participating authorities.
- 5.3. This approach has the potential to become a blueprint for future TLC contracts, as it sets out clear principles that:
- Identify unit cost structure
  - Identify economies of scale mechanisms
  - Maintains flexibilities that allow the participants to further customise their services.
- 5.4. The procurement meets the Council's objectives by:
- Including the Council's [Sustainable Procurement Code of Practice](#)
  - Reducing costs, directing resources where they will deliver the maximum benefit
  - Seeking value for money in the market
  - Seeking an efficient supplier to support service delivery
- 5.5. To promote collaborative approaches to procurement with the public sector and other bodies

## 6. Background

- 6.1. The Mayoral Commission on the Future of Libraries and Adult Learning in Lewisham recommended in 2009 that Lewisham should join the London Libraries Consortium which offers access to 7 million titles (e.g. books and other items) to any library cardholders of a participating authority.
- 6.2. The Consortium shares the Library Management System (LMS) (also known as the "library catalogue", which holds borrower and books' details) and seeks to develop opportunities to realise efficiencies and effectiveness in the delivery of library services. The number of authorities joining the consortium is likely to increase.
- 6.3. The LMS has the capacity to control stock procurement, stock circulation, financial management, and library memberships across multiple local authorities concurrently, and will also facilitate single sign-on to other Council services and offer improved business analytics, enabling libraries to improve operational efficiency, to control stock

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procurement, stock circulation, financial management, and library memberships across multiple local authorities concurrently, and will also facilitate single sign-on to other Council services and offer improved business analytics, enabling libraries to improve operational efficiency.

- 6.4. The Library Consortium (TLC – formerly the London Libraries Consortium) is a group of 20 local authorities that share the Library Management System and seek to develop opportunities to realise efficiencies and effectiveness in the delivery of library services. TLC offers access to 7 million titles at the click of a button and membership cards can be used seamlessly in any of the member authorities. Books and other items can be borrowed from over 254 branch libraries and returned to any of the member libraries.
- 6.5. Lewisham Council is the lead authority that developed a Framework Agreement for the distribution and courier services required by TLC to move books and other items (library resources) from libraries within a participating authority to another participating authority and within the boundaries of each participating authority, enabling customers to easily access and request catalogued materials from across the TLC.
- 6.6. Current TLC authorities include: Barking & Dagenham, Brent, Croydon, Ealing, Enfield, Essex County Council/Thurrock, Hackney, Harrow, Havering, Hounslow, Kingston upon Thames, Lewisham, Luton County Council, Merton, Newham, Redbridge, Surrey County Council, Sutton, Tower Hamlets, and Waltham Forest.
- 6.7. Please see the Part 2 report for further background information.
- 6.8. The Framework Agreement commenced on 1 April 2017 and ended on 31 March 2021. Due to the unpredictability of COVID19 and the impact it will have on service needs for the new financial year a 12 months extension was approved in February 2021.
- 6.9. Mayor and Cabinet approved the re-procurement of the Framework Agreement on 9 June 2021. This report also gave approval for the Lewisham Library and Information Service to call off from the framework for an initial period of two years, with provision to extend the agreement for a further three years.
- 6.10. Following the moderation of submitted proposals in November 2021, only one of the three proposals was assessed as valid. The lead proposal would have resulted in a 14% increase on current budgets, which did not support the Council's budget saving priorities. Following consultation with our Legal, Procurement team, and TLC authorities, it was decided not to award the contract and to go back out to the market.
- 6.11. Tender documents have been revised taking into account lessons learnt from the previous tender activity and have gone back out to the market on 23 December 2021. The approval to award the new contract falls during pre-election period and at a time when Mayor and Cabinet is dissolved pending the elections.

### **Delegated authority**

- 6.12. This report seeks permission to grant delegate authority to the Executive Director for Community Services to:
  - Approve the award the contract to successful Contractor for The Libraries Consortium Courier Service Framework Agreement, following the procurement activity up to a total maximum of 5 years.
  - Approve the call off contract between the successful Tenderer and the Council for the period of two years and subsequent approvals to extend for a further three years (periods of two years or one year), up to a total maximum of five years.
- 6.13. Mayor and cabinet is informed that:

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- The original Framework agreement has already been extended a further one year to 31 March 2022. In order to minimise further contract extensions, it is imperative that a mechanism to swiftly award the contract is in place during pre-election period and at a time when Mayor and Cabinet is dissolved pending the elections.
- The courier services is one of the essential component required by TLC authorities to move books and other items from libraries within a participating authority to another participating authority and within the boundaries of each participating authority.
- The initial contract period is for two years. This provides sufficient time for the contractor to demonstrate their ability to deliver services and for any potential issues to be identified. It also provides the Council with opportunity to review the market for changes that may have both a positive/adverse impact on the service and budgets. The delegated authority will enable the contract extension to be activated more quickly.

## 7. Procurement

- 7.1. Lewisham Library and Information Service hold the Framework Agreement and lead on the procurement on behalf of TLC authorities.
- 7.2. Mayor and Cabinet approved the procurement for Lewisham Library and Information Service the Libraries Consortium Courier Service Framework Agreement in June 2021.
- 7.3. The procurement is “Category A” open tender and was undertaken in accordance with Lewisham Council’s Contract Procurement Rules, procurement policy and procedures, Social Value Policy, and in compliance the relevant legislation. The proposed evaluation criteria split was price (50), quality (40) and social value (10).
- 7.4. A Prior Information Notices was published in August 2021 electronically via: <https://procontract.due-north.com>. The tender documents were published in September 2021 and closed on 26 October 2021. The panel moderation took place on 15 November 2021. The panel was made up of six Officers across TLC authorities.
- 7.5. We received 19 expression of interests. Which resulted into four submissions being received. Of which, only three submissions were assessed as valid. Following moderation only one submission was assessed as valid. The other two submissions were rejected as they failed to achieve a minimum score of seven for some Social Value criteria. The lead proposal would have resulted in a 14% increase on current budgets, which did not support the Council’s budget saving priorities.
- 7.6. Significant price increases from bidders was originally identified as a potential risk. The proposed mitigations were:
  - A clear scope of works will be provided as part of the tender documents.
  - May have to review the procurement activity.
  - Adjust the level of service to align with available budgets.
- 7.7. Following consultation with our Legal, Procurement team and TLC authorities it was decided to stop the previous procurement activity. The procurement documents have been revised taking into account lessons learnt from the previous tender.
- 7.8. The new tendering activity was published on 23 December 2021 and is scheduled to close on 10 February 2022. The process is in accordance with item 7.3 above.
- 7.9. The contract management and monitoring will be undertaken by Lewisham Library and Information Services. Regular reports will be provided to TLC.

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## 8. Financial implications

8.1. Please see the Part 2 report.

## 9. Legal implications

- 9.1. Approval has been given by Mayor and Cabinet to procure this Category A works contract for Libraries Consortium Courier Services Framework Agreement on 9 June 2021. The report outlined the procurement process. The value of the Libraries Consortium Courier Service Framework Agreement means that the procurement of such should be in compliance with the Contract Procedure Rules in relation to Category A contract which take into account the Public Contracts Regulations 2015 ('the PCR'), as amended by Brexit provisions including the Public Procurement (Amendment etc.) (EU Exit) Regulations 2020 SI 2020 No.1319. The Contract Procedure Rules and the Public Contracts Regulations 2015 have been satisfied thus far and the procurement strategy going forward is compliant.
- 9.2. As a Category A contract, it would be for Mayor and Cabinet to take a decision on whether the decision to award this is to be delegated to the Executive Director for Community Services for the reasons outlined in the report.
- 9.3. The award of Framework Agreement would be a key decision and must be included in the Key Decision Plan

## 10. Equalities implications

- 10.1. Contractors will be required to comply with all equality and diversity legislation and be consistent with Lewisham's Comprehensive Equality Scheme (the Council's key equality policy document).
- 10.2. All Contractors that submitted an EOI for the previous procurement activity have been sent the link for the current tender documents.

## 11. Climate change and environmental implications

- 11.1. The Council's Climate change and environmental objectives will be incorporated into the specification, contract documentation and form part of the criteria used in the tender evaluation. Initiatives will include:-
- building on our anti-idling programmes to reduce emissions.
  - technology to calculate the most efficient routes and evaluate drivers' driving style to further reduce our carbon footprint.
  - use of vehicles powered by clean energy, zero-emission, electric vehicles.
  - energy efficient distribution centres.
  - encouraging customers to be more sustainable.
  - collaborating with the FTC2050
  - carbon off-setting

## 12. Crime and disorder implications

- 12.1. There are no implications for the Prevention of Crime and Disorder as a direct result of this report.

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### 13. Health and wellbeing implications

13.1. There are no implications for health and wellbeing as a direct result of this report.

### 14. Background papers

- 14.1. The Libraries Consortium Courier Service Framework Agreement - – Request to grant delegated authority to Executive Director for Community Services to award the contract – Part 2
- 14.2. MAYOR AND CABINET (CONTRACTS) - The Libraries Consortium Courier Service Framework Agreement permission to procure – part 1 and 2 report. – 9 June 2021
- 14.3. Executive Approval - Director for Community Services - Approval for an extension of the TLC Courier Services Framework agreement. 9 February 2021.
- 14.4. MAYOR AND CABINET (CONTRACTS) - TLC Courier Services – Contract Award – 1 March 2017.

### 15. Glossary

Term	Definition
The Libraries Consortium (TLC – formerly the London Libraries Consortium)	is a group of 20 local authorities that share the library catalogue and other services to provide quality and value to library users.

### 16. Report author and contacts

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