

Committees: Culture Heritage and Libraries – for decision Community and Children’s Service Committee - for information Digital Sub – for information	Dates: 22 September 2021 24 September 2021 5 November 2021
Subject: Library Management System Unique Project Identifier: <i>PV ID confirmed post CPB via PMO.</i>	Gateway 2: Project Proposal Regular
Report of: Director of Community & Children's Services Report Author: Sarah Greenwood	For Decision
<h1>PUBLIC</h1>	

Explanatory Note for Members: The Corporate Projects Board discussed this report on 1 September and agreed that the project may or may not require capital funding dependent upon the outcome of the procurement process. The Board agreed that the project should proceed under delegation until such a time that it was determined whether the project would reach the thresholds of the gateway process. Proceeding under delegation means that all usual Gateway reports are submitted to the Director who may then choose to share the reports with Committee for information.

Recommendations

1. Next steps and requested decisions	<p>Project Description: IT system designed to manage the records of the Barbican and Community libraries including stock details, availability, fines, payments and membership details.</p> <p>Next Gateway: Gateway 3/4 - Options Appraisal (Regular)</p> <p>Next Steps: Development of Requirements Document/specification and soft market testing, with development of procurement options using existing local risk funding resources.</p> <p>Funding Source: potential capital funding from central City Fund reserves (dependent upon procurement process) and revenue funding from Department of Community and Children’s Services local risk budget. A bid for allocation of potential capital funding of £20k will be made through the next capital bids round.</p>
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	<p>Existing local risk funding will be used to progress the project to the next Gateway.</p> <p>Requested Decisions:</p> <ol style="list-style-type: none"> 1. Note the total estimated cost of the project of up to £325,000 (including one off capital of £50k (of which £30k will be met through local risk) and ongoing revenue of £275k pa) 2. Approval for a staff cost budget of £1,500 to proceed to the next Gateway to be funded from within existing local risk resources. 												
<p>2. Resource requirements to reach next Gateway</p>	<table border="1" data-bbox="528 656 1390 1160"> <thead> <tr> <th data-bbox="528 656 762 801">Item</th> <th data-bbox="762 656 1007 801">Reason</th> <th data-bbox="1007 656 1198 801">Funds/ Source of Funding</th> <th data-bbox="1198 656 1390 801">Cost (£)</th> </tr> </thead> <tbody> <tr> <td data-bbox="528 801 762 1093">Staff costs</td> <td data-bbox="762 801 1007 1093">Development of required specification, Market engagement and options appraisal</td> <td data-bbox="1007 801 1198 1093">Existing Local risk funding</td> <td data-bbox="1198 801 1390 1093">£1,500</td> </tr> <tr> <td data-bbox="528 1093 762 1160">Total</td> <td data-bbox="762 1093 1007 1160"></td> <td data-bbox="1007 1093 1198 1160"></td> <td data-bbox="1198 1093 1390 1160"></td> </tr> </tbody> </table> <p>Costed Risk Provision requested for this Gateway: None (as detailed in the Risk Register – Appendix 2)</p>	Item	Reason	Funds/ Source of Funding	Cost (£)	Staff costs	Development of required specification, Market engagement and options appraisal	Existing Local risk funding	£1,500	Total			
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<p>3. Governance arrangements</p>	<ol style="list-style-type: none"> 1. Culture Heritage and Libraries Committee is responsible for oversight of library services within the City. 2. The project board consists of Carol Boswarthack, the Head of Barbican and Community Libraries (the Senior Responsible Officer), Jonathan Gibbs, the Operations and IT Librarian and with additional representation from IT, Comptroller and City Solicitor and City Procurement. The project will be managed by the Commissioning Manager Sarah Greenwood. 3. The Digital Services Sub (Finance) committee will also receive Gateway reports for information and the City Procurement IT Category Board will sign off the Options report prior to Gateway 5 												

Project Summary

<p>4. Context</p>	<ol style="list-style-type: none"> 1. The City of London Corporation (CoLC) has a statutory duty to provide a “comprehensive and efficient” public library
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	<p>service including the free loan of books to those who live, work or study within the area. The legislation governing the City's library provision is The Public Libraries and Museums Act 1964 (amended by the Local Government Act 1972) .</p> <p>2. Barbican and Community Libraries use a library management system to manage its library activities including a library catalogue, stock availability, overdue items, fines and payments and membership details. The library management system is the backbone of the library service and enables service users to have joined up services. The system integrates with the e-books contract, the public network and the self-service kiosks. The catalogue function is also used by Guildhall Library and London Metropolitan Archives and it also provides a gateway to online resources for users of the Small Business Research and Enterprise Centre.</p> <p>3. The seven year contract for the current solution (provided by Sirsi Dynix) ends in July 2022 and cannot be extended. A compliant procurement exercise must now be completed for an IT solution post July 2022.</p>
<p>5. Brief description of project</p>	<p>1. The project is the commissioning and procurement of a new contract to provide an IT system designed to manage the records and functions of the Barbican and Community Libraries Service including library catalogue, stock availability, fines and payments and membership details. The Library Management System will integrate with the e-books contract, the public network and the self-service kiosks.</p> <p>2. The project is also inclusive of scoping requirements, developing and designing an appropriate specification and mobilisation and migration of data (if required) to the new system.</p>
<p>6. Consequences if project not approved</p>	<p>All public library authorities use an automated Library Management System as this is the most efficient way of running a modern public library service. Without a library management system, the CoLC would be unable to deliver its statutory functions. To meet basic requirements of maintaining a catalogue the CoLC would need to develop another database solution and employ additional staff to manage it. All the automated functions including stock management, loans, overdue notices, reservations and fine and payments would also require alternative solutions.</p>
<p>7. SMART project objectives</p>	<p>1. The system enables the CoLC to deliver its library services.</p> <p>2. The system has proven capability and capacity to manage the current (and future potential) requirements of library users including flexibility to respond to changing Government, Covid and technological requirements</p>

	<p>3. The system enables a safe and professional experience for library staff and users with co-ordination of all records in relation to stock</p> <p>4. The solution can be configured to meet local and national reporting requirements and City data intelligence</p> <p>5. The system supports flexible working on a variety of devices</p>
8. Key benefits	<p>1. The system meets agreed modern library requirements and identified good practice</p> <p>2. Safe and professional experience for service users and staff with co-ordination of all records in relation to stock</p>
1. Project category	5. Other priority developments
2. Project priority	A. Essential
3. Notable exclusions	N/A

Options Appraisal

4. Overview of options	<p>1. Sharing a system with one or more other local authorities (e.g. the London Libraries Consortium)</p> <p>2. Open tender (including through a framework)</p> <p>3. Direct award through a framework</p> <p>4. Not utilise a software solution - whilst this remains an option, it would not meet any of the regulatory requirements and therefore has essentially been discounted as a credible option</p> <p>All options will be considered during the City's procurement process and development of the options appraisal form PT3</p>
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Project Planning

5. Delivery period and key dates	<p>Overall project: A timeframe of 10 months to allow for commissioning and procurement activity, and potential migration of data to a new system should the current supplier not be successful in the tender process.</p> <p>Key dates:</p> <p>Capital Bid Round submission for capital funding: Summer 2021</p> <p>Gateway 3/4: November 2021</p> <p>Invitation to tender: December 2021</p> <p>Selection of contractor: March 2022</p> <p>Data Migration: March 2022 – July 2022 (period may not be required if existing supplier is winning bidder)</p> <p>New system go live : July 2022</p>
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	<p>Gateway 6: October 2022</p> <p>Other works dates to coordinate: Potential other IT system changes (to be confirmed with IT colleagues).</p>
6. Risk implications	<p>Overall project risk: Medium</p> <p>Key risks include</p> <p>Contractual: the City's contract is too small and there are no bids for the contract</p> <p>Technological: the system is not sufficiently flexible to meet future statutory or City of London requirements, the system is not mobilised adequately in time for the contract to be required</p> <p>Financial: insufficient capital funding to enable the contract to proceed (capital funding is only required if the current provider is not the provider of the new contract).</p> <p>Further information is available within the Risk Register (Appendix 2)</p>
7. Stakeholders and consultees	<ol style="list-style-type: none"> 1. Barbican and Community Libraries staff working within DCCS 2. Library users 3. Third party providers including eBooks and Public Network providers 4. IT - Business Partner and Infrastructure Architect (engaged via IT PMO) 5. City Procurement – Procurement Operations Manager and IT Category Board 6. Comptroller and City Solicitor (via City Procurement) 7. Chamberlains

Resource Implications

8. Total estimated cost	<p>Likely cost range (excluding risk):</p> <p>Lower range estimate: £0 one-off/capital + £25k of annual revenue costs of the current system but no capital/data migration costs if current provider is the successful bidder.</p> <p>Upper Range estimate: £50k one-off/capital (consisting of a capital bid of £20k and £30k met through local risk) and ongoing revenue of £55k pa which would be contained within existing local risk resources. Estimated upper range costs are based on the framework estimated contract costs and assume migration to a new system is required. Should the current provider be the winning bidder for the tender, no one-off/capital costs would be incurred and no capital funding would be required. To this end, a speculative capital bid will be made in 2021 (as part of the 2022/23 annual capital bid round) for potential one-off/capital funding of £20k, the need for which is</p>
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	<p>entirely dependent upon the outcome of the procurement process.</p> <p>As a system is undoubtedly required, work completed at this stage is not abortive and funded entirely through existing local risk budgets.</p> <table border="1" data-bbox="528 371 1386 775"> <tr> <td></td> <td></td> </tr> <tr> <td><i>One-Off/Capital Costs:</i></td> <td>£50,000</td> </tr> <tr> <td><i>System Capital costs (initial training, data migration)</i></td> <td>£20,000</td> </tr> <tr> <td><i>Internal Project Management and migration etc</i></td> <td>£30,000</td> </tr> <tr> <td><i>Revenue Costs:</i></td> <td>£275,000</td> </tr> <tr> <td><i>System revenue costs (5 years)</i></td> <td>£275,000</td> </tr> <tr> <td><i>Total (5 year whole life cost)</i></td> <td>£325,000</td> </tr> </table>				<i>One-Off/Capital Costs:</i>	£50,000	<i>System Capital costs (initial training, data migration)</i>	£20,000	<i>Internal Project Management and migration etc</i>	£30,000	<i>Revenue Costs:</i>	£275,000	<i>System revenue costs (5 years)</i>	£275,000	<i>Total (5 year whole life cost)</i>	£325,000		
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<p>9. Funding strategy</p>	<p>Choose 1: Partial funding confirmed</p>	<p>Choose 1: Internal - Funded wholly by City's own resource</p> <table border="1" data-bbox="528 936 1369 1518"> <thead> <tr> <th>Funds/Sources of Funding</th> <th>Cost (£)</th> </tr> </thead> <tbody> <tr> <td>Central funding (if required) from City Fund Reserves to be requested via the 2022/23 annual capital bid process</td> <td>£20,000</td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td>Staff costs from existing local risk resources</td> <td>£30,000</td> </tr> <tr> <td>Total One-off/Capital</td> <td>£50,000</td> </tr> <tr> <td>Local risk revenue funding (ongoing revenue costs)</td> <td>£275,000</td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td>Total (5 year whole life) cost</td> <td>£325,000</td> </tr> </tbody> </table> <p>Should the existing system service provider be the preferred supplier, there would be no one-off/capital costs. However, if the procurement process identifies an alternative provider then central funding from City Fund reserves would be required for the cost of transitioning to a new system. Therefore, a capital bid will be submitted as part of the 2022/23 annual capital bid process to cover this eventuality, which would materialise in 2022.</p> <p>The pre-gateway 5 costs will all be met from within existing local risk resources</p>	Funds/Sources of Funding	Cost (£)	Central funding (if required) from City Fund Reserves to be requested via the 2022/23 annual capital bid process	£20,000			Staff costs from existing local risk resources	£30,000	Total One-off/Capital	£50,000	Local risk revenue funding (ongoing revenue costs)	£275,000			Total (5 year whole life) cost	£325,000
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<p>10. Investment appraisal</p>	<p>An options appraisal will be considered by City Procurement in line with the City Procurement Code. In order to ensure value</p>																	

	for money the steering group will consider a longer contract period.
11. Procurement strategy/route to market	The project is included within the City Procurement's sourcing plan for 2021/22 and a PT 2 (procurement request form) has been submitted. Potential routes to market include the use of a call off framework, open tender or a joint procurement within another Local Authority and more details will be included at Gateway 3/4.
12. Legal implications	<p>A Data Protection Impact Assessment and Data Processing Agreements will be completed as part of the procurement process to ensure the solution is compliant with GDPR</p> <p>The specification will include the relevant statutory requirements for social work practice, data submissions to Government bodies and data security.</p> <p>The Comptroller and City Solicitor will be included within the steering group to draw up legally compliant terms and conditions and the procurement process will be led by City Procurement to be compliant with all Public Contracting Regulations as outlined in the City's Procurement Code</p>
13. Corporate property implications	None
14. Traffic implications	None
15. Sustainability and energy implications	None
16. IS implications	<p>The specification for the service will include all IS requirements including hosting and security. An Opportunity Outline form for the IS Project Management Office has been completed and submitted to identify IS resources for the procurement.</p> <p>An IS representative is on the Project Board and has supported the development of the Gateway documents.</p>
17. Equality Impact Assessment	An equality impact assessment will be undertaken
18. Data Protection Impact Assessment	The risk to personal data is high and a data protection impact assessment will be undertaken

Appendices

Appendix 1	Project Briefing
Appendix 2	Risk Register

Contact

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