

To Mr. Mike Hill, Cabinet Member for Community Services
By: Amanda Honey, Managing Director, Communities
Subject: Libraries & Archives ICT Systems renewal
Classification: Unrestricted
File Ref: 10/01542

Summary: This paper seeks agreement to proposals for the introduction of customer self-issue for the Library Service.

Background:

1. Following the successful rollout of the new Spydus Library Management System in 2009, we now wish to further exploit the opportunities this system offers to deliver improved services and efficiencies, through the introduction of Radio Frequency Identification (RFID) technology. This system uses “tags” fixed to all library items which can be read remotely using a variety of readers. The technology enables a number of developments, for example: very easy to use self issue and return systems; and much improved systems for stock auditing. In addition to improved services for the customer, rollout would enable us to deliver significant savings through reduction in customer service staff numbers.
2. This is very established technology, having been successfully rolled out in many library authorities. Research evidence suggests that if implemented well and supported by highly trained staff, self-service using RFID technology can account for more than 80% of library issues.
3. This proposal is for introduction of RFID tagging for all stock, and rollout of self-service to over 30 of our busiest libraries. We also intend to explore the opportunities to use self-service to extend opening hours where we share premises with partners. In such circumstances partners may be willing to oversee library use outside the hours we are currently able to staff.
4. We have undertaken a comprehensive cost-benefit analysis and are confident that rollout to busy service points will deliver significant savings. Once this initial phase of rollout is complete we will review the options for wider rollout.
5. While implementation will include a significant reduction in the number of customer service staff, we are optimistic that the majority of these posts can be released through natural wastage and voluntary redundancies. It is however possible that a small number of compulsory redundancies will be necessary.
6. We would retain sufficient staff: to support the 20% of users who find it difficult to use the self-service system; to answer enquiries and deliver information services; to maintain library stocks; and to support events and activities in the libraries like toddler storytime and the summer reading challenge.

Policy Context

7. This proposal would deliver significant savings in line with the requirements of the **Medium Term Plan**. It is in line with the **Libraries & Archives Strategy** and our **IT Strategy**. Implementation will support our current and future participation in **Gateway** and similar projects. **The 2010/11 Library and Archive Service Annual Operating Plan** includes the target “Equip Kent’s Libraries and Archives Service for the future: develop innovative IT solutions for L&A services with ISG and other partners (e.g. Radio Frequency Identification - RFID)”.

Process

8. We propose to procure the hardware and software through the ESPO (Eastern Shires Procurement Organisation) tender. This organisation has produced a tender document for the procurement of RFID self-service systems for library authorities which complies with all legal requirements. Eight suppliers meet their tender requirements and of these, Intellident, has achieved the highest scores in technical requirements and value for money. We therefore propose to contract Intellident to supply our system. Corporate Procurement colleagues are satisfied that this process and outcome satisfy all KCC’s legal requirements and delivers best value.

Benefits

9. Budget savings
 - Using the ESPO procurement process will save both time and money otherwise absorbed in the procurement process. We have estimated that the staff time to write both a specification and contract, within Libraries & Archives, ISG and Legal Services would equate to a cost in excess of £100,000. There is no fee to procure through ESPO as KCC is already a member of this consortium.
 - Rolling out self-issue to our busiest service points will allow us to reduce our customer service teams by approximately 80 full time equivalent posts. Once implementation is complete this will deliver a net annual revenue saving of approximately £1 million.
10. Benefits in kind
 - Customers would benefit from reduced queue times in our busier libraries and will be able to use the self-service kiosk to pay fines and charges.
 - Customers would also be able to book our public access computers through the kiosk, without having to ask staff to do this for them.
 - Every individual kiosk or terminal could be personalised to reflect the community it serves, for example by offering the option to read instructions and help messages in a range of languages appropriate for the local community.
 - By using hand-held scanners staff would be able to find mis-shelved stock more quickly and undertake regular stock checks.
 - RFID self-issue makes it easier to integrate our front of house services with partners. It also opens up the possibilities of future enhancements, for example

using a Smartphone and GPS systems to locate a specific item on the library shelves.

Resource Implications

11. Rollout of the self-service system would begin in April 2011, and continue till March 2012. Reductions in posts would be phased across this rollout.
12. Following an analysis of full lifecycle costs and other benefits we propose to lease all necessary equipment.
13. If this proposal is agreed, we will deliver a net annual revenue saving of £0.5m in 2012/13 and a further £0.5m in 2013/14.

Consultation/Customer Impact

14. We propose to initiate a formal staff review process in line with KCC and union agreed practice, formally consulting with staff and their union representatives about the proposed staff reductions and the methods to be used to identify those who would leave as a result. This formal consultation is scheduled to start in December 2010 and last for 3 months.
15. In anticipation of this proposal, we have been holding vacancies and only making temporary appointments to these teams for some months so we have already identified 40 posts that can be removed through natural wastage. We are very optimistic that the remaining posts can be removed through further natural wastage and voluntary redundancies, although there still remains the small possibility that compulsory redundancies will be necessary. If this were to become necessary staff involved would receive a wide range of support in seeking redeployment within KCC, or in securing employment elsewhere.
16. A Customer Impact Assessment for the project has been carried out. There should be no impact on customer access to our services, in fact this system may make services more rapidly accessible to some customers.
17. Staff and customers will also be invited to attend awareness raising sessions in libraries when the hardware will be demonstrated prior to installation.

Recommendation

18. The Cabinet Member for Community Services is asked to delegate authority to the Managing Director for Communities to:
 - Rollout RFID tagging of stock and introduction of self service in the busiest libraries.
 - Use the ESPO (Eastern Shires Procurement Organisation) Framework in order to procure the hardware and software required.
 - Reduce numbers of existing customer service staff by compulsory redundancies if not achieved by voluntary redundancy or natural wastage.

Background Documents:

Libraries and Archives Annual Operating Plan 2010-11

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September 2010
Background Documents: None