

# Individual Executive Decision Notice

<b>Report title</b>	Novation of Library Management Contract	
<b>Decision designation</b>	GREEN	
<b>Cabinet member with lead responsibility</b>	Councillor Stephen Simkins Deputy Leader: Inclusive City Economy	
<b>Wards affected</b>	(All Wards);	
<b>Accountable Director</b>	Richard Lawrence, Director of Regeneration	
<b>Originating service</b>	Libraries and Community Recreation	
<b>Accountable employee</b>	Peter Holmes	Procurement Manager
	Tel	01902 556175
	Email	peter.holmes@wolverhampton.gov.uk
<b>Report to be considered by</b>	Libraries and Community Recreation Leadership Team	21 January 2021

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## Summary

Novation of the Library Management System contract from Capita Business Services Limited to Capita ESS Limited.

## Recommendation for decision:

That the Cabinet Member for City Economy, in consultation with the Director of Regeneration.

1. Approves the novation of the contract for a Library Management System from Capita Business Services Limited, of 71 Victoria Street, Westminster London, SW1H 0XA to Capita ESS Limited, of 65 Gresham Street, London EC2V 7NQ.

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Signature  
Cllr Stephen Simkins  
Deputy Leader: Inclusive City Economy  
Date:

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Signature  
Richard Lawrence  
Director of Regeneration  
Date:

## **1.0 Background**

- 1.1 A competitive tender was concluded in October 2016 for the establishment of a regional framework for a Library Management System, which was subsequently awarded to Capita Business Services Limited for an initial term of five years with the option to extend for a maximum term of 10 years, effective 1 April 2017.
- 1.2 The Council received notification by letter on 3 August 2020, that Capita Business Services Limited would be transferring its obligations under the terms of the contract to a sister company Capita ESS Limited.
- 1.3 In order to facilitate this change, a novation of contract is required between Capita Business Services Limited, Capita ESS Limited and the Council.

## **2.0 Evaluation of alternative options**

- 2.1 The ongoing savings achieved through the use of the Library Management system, continue to contribute to the objectives of the Library Transformation programme. It was determined that acceptance of the novation would ensure continuity of service.

## **3.0 Reasons for decision**

- 3.1 The risk of rejecting a novation of contract would lead to a new procurement exercise which would impact not only on the Council but all other authorities accessing the framework agreement.

## **4.0 Financial implications**

- 4.1 Cabinet (Resources) Panel on 28 February 2017, approved the award of contract to Capita Business Services Limited for a Library Management System.
- 4.2 The total contract value is £797,000 across the four participating authorities, Wolverhampton, Dudley, Walsall and Sandwell. The Councils contract value is £172,000 over a five year period, with the cost of software to be met from the existing revenue budget set aside for Community Information.
- 4.3 The novation of contract does not affect the existing value of the contract, which will remain unchanged.

[VS/26012021/A]

## **5.0 Legal implications**

- 5.1 The existing contract makes provision for the novation of contract under Clause 21 – Subcontracting and Assignment, in accordance with Public Contract Regulations and the Councils Contract Procedure Rules.

[TS/19012021/Q]

**6.0 Equalities implications**

6.1 There are no equalities implications arising from the recommendation in this report.

**7.0 All other Implications**

7.1 There are no further implications arising from the recommendation in this report.

**8.0 Schedule of background papers**

None