


**Item No. 11.1.3**  
**Halifax Regional Council**  
**March 26, 2013**

**TO:** Mayor Savage and Members of Halifax Regional Council

Original signed by 

**SUBMITTED BY:** \_\_\_\_\_

Richard Butts, Chief Administrative Officer

Original Signed

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Judith Hare, CEO, Halifax Public Libraries

**DATE:** January 24, 2013

**SUBJECT:** **Sole Source Purchase for Evidence Based Stock Management System**

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**ORIGIN**

Halifax Public Libraries approved 2012/2013 Operating Budget

**LEGISLATIVE AUTHORITY**

Under the HRM Charter, Section 79 Halifax Regional Council may expend money for municipal purposes. Administrative Order #35, the Procurement Policy, requires Council to approve the award of contracts for sole sources exceeding \$50,000 or \$500,000 for tenders and RFPs.

**RECOMMENDATION**

It is recommended that Halifax Regional Council, in accordance with the Sole Source provisions of Administrative Order 35, Section 8(11) (A) (b) attached, award the Sole Source Purchase of collectionHQ hosted software solution, to Bridgeall Public Library Ltd, in the amount of \$85,670.94 (net HST included) with funding from B012 6399, as outlined in the Budget Implications section of this report.

## **BACKGROUND**

The Library uses several methods to guide allocation of the library materials budget to branches, the number of copies to purchase and when to assess items for potential discard. Reports of circulation data are run and manually compiled in order to obtain a snapshot in time of use compared to collection size (turnover). This is a time consuming process and needs to be done on a branch by branch basis for comparison purposes. The Library does not have the time to run these reports and analyse them regularly, so allocations are based on a combination of annual statistics and professional opinion. This does not provide flexibility in order to respond to trends.

The Library also produces a purchase alert report to compare holds (customer requests) for a title with the number of purchased copies which indicates how many additional copies should be purchased to match our desired ratio. Ideally, the Library would prefer to have better information to guide us in the correct number to purchase from the outset.

Finally, the Library runs discard reports that allow staff to set up parameters based on overall and most recent use of materials. These reports can be run on a branch basis, but they are difficult to use and are not interactive, so the functionality is limited.

## **DISCUSSION**

CollectionHQ is a proprietary web-based, externally hosted collection management tool owned by Bridgeall Libraries in the United Kingdom. Using Evidence Based Stock Management methodology, the unique solution is expected to enhance the decision making for the libraries' purchasing, retention and refreshment of the collection. Tools include trend analysis of authors, titles and subjects by individual branch location and the analysis of public demand of titles by branch and internal location. Staff are also able to assign HRM-specific parameters around age and condition to guide weeding of the collection. Most importantly staff will have the ability to monitor Halifax Public Libraries floating collection to identify where specific materials will obtain the highest circulation and help address imbalances within in the collection and between branches. The solution is fully compatible with Halifax Public Libraries integrated library system (SirsiDynix).

CollectionHQ has been marketed in the United Kingdom for several years under the name SmartSM and expanded their market to North America in 2010. Approximately 50% of libraries in the UK use the solution. Major library systems in North America who are using Collection HQ include: Toronto Public Libraries, Queens Library, Calgary Public Libraries, Vancouver Public Library, New York Public Library, Winnipeg Public Library, Barrie Public Library and many others.

A case study supplied by the vendor for Fort Vancouver Regional Library District in Fort Vancouver Washington, who have a similar floating collection, the same integrated library

system (SirsiDynix) and comparable population is attached as Appendix B to this recommendation.

We expect to realize savings in two ways:

- The type and scope of useful information garnered from collectionHQ is currently unavailable to the Library. Halifax Public Libraries staff may run reports occasionally (as time allows) which provide some relevant information but these reports are time consuming to produce and do not even approach the comprehensive nature of those we will achieve with this service. This will save on high level staff time as any reports which are currently generated utilizing our Integrated Library System (ILS) are produced by librarians or managers. Collection may be utilized by various levels of staff to produce branch-specific or library-wide reports in minutes.
- The second type of savings will be realized through evidence-based decision-making regarding the Library's collection. The Library will be able to establish parameters for purchase, reallocation or weeding of items based on specific requirements set by Library staff. As an added bonus, Library staff will be able to compare Halifax to subsets of the other 7,460 collectionHQ subscribers worldwide. The Library may, as an example, determine what is circulating well in libraries of comparable size in Canada or North American or both. It is anticipated that access to this information will inform and improve our decision making process and allow us to respond more accurately to customer demand.

Other libraries who are utilizing collectionHQ report a very quick return on investment on this relatively inexpensive investment. Financial savings are achieved through time saving and performance improvement.

## **FINANCIAL IMPLICATIONS**

This recommendation is for the payment of a three (3) year subscription to collectionHQ.

Based on the quoted 3 year subscription cost of \$79,650.00 (\$26,550 annually) and a one-time implementation and training cost of \$2,500.00 (expensed in 2012-13 fiscal year) plus net HST of \$3,520.65 for a total of \$85,670.94, funding is available from Operating Account B012 6399.

Funds will be expensed as follows:

2012/13 - \$2,607.15  
2013/14 - \$27,687.93  
2014/15 - \$27,687.93  
2015/16 - \$27,687.93

The budget availability has been confirmed by Financial Services.

The vendor has confirmed a discounted price of \$2,500 from the \$10,000 set-up fee should Halifax Public Libraries proceed.

### **ENVIRONMENTAL IMPLICATIONS**

There are no known Environmental Implications

### **ALTERNATIVES**

Council could choose not to approve this award. This is not recommended as the solution is expected to provide long-term savings and is not available from another source.

### **ATTACHMENTS**

Attachment A - Sole Source Purchases, Administrative Order 35, Section 8 (11) (A).  
Attachment B - Case Study, Fort Vancouver Regional Library District

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A copy of this report and information on its status can be obtained by contacting the Procurement Office at 490-4170, or Fax 490-6425.

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**Administrative Order 35**  
**Procurement Policy Section 8 (11) (A)**  
**Sole Source/Single Source Purchases**

(11) **Alternative Procurement Practices** may be used as follows:

A. Sole Source/Single Source Purchases. These occur:

- (a) To ensure compatibility with existing products, to recognize exclusive rights, such as exclusive licences, copyright and patent rights, or to maintain specialized products that must be maintained by the manufacturer or its representative.
- (b) Where there is an absence of competition for technical reasons and the goods or services can be supplied only by a particular supplier and no alternative or substitute exists.
- (c) For the procurement of goods or services the supply of which is controlled by a supplier that is a statutory monopoly.
- (d) For the purchase of goods on a commodity market.
- (e) For work to be performed on or about a leased building or portions thereof that may be performed only by the lessor.
- (f) For work to be performed on property by a contractor according to provisions of a warranty or guarantee held in respect of the property or the original work.
- (g) For the procurement of a prototype of a first good or service to be developed in the course of and for a particular contract for research, experiment, study or original development, but not for any subsequent purchases.
- (h) For the purchase of goods under exceptionally advantageous circumstances such as bankruptcy or receivership
- (i) For the procurement of original works of art.
- (j) For the procurement of goods intended for resale to the public.
- (k) For the procurement from a public body or a not-for-profit corporation.
- (l) For the procurement of goods or services for the purpose of evaluating or piloting new or innovative technology with demonstrated environmental, economic or social benefits when compared to conventional technology, but not for any subsequent purchases.

# COLLECTIONHQ HELPS FORT VANCOUVER REGIONAL LIBRARY DISTRICT TO MANAGE BUDGET BETTER

Based in Vancouver, WA, Fort Vancouver Regional Library District is a 12 branch library system serving a population of 447,885. With a breadth of knowledge about consumer demand, staff at the library required the evidence to back up collection management decisions and the ability to spread processes more evenly across the branches.



## THE CHALLENGE

Prior to the implementation of collectionHQ, Fort Vancouver Regional Library District was faced with three major challenges: the purchase and replacement of items without sound evidence, the time taken to produce reports from their ILS and the loss of collection control at each branch following the transition of their collection to floating.

Meg Zaleski, Collection Management Coordinator at the library, revealed that before taking on collectionHQ many of her decisions on buying replacement copies, weeding and transferring were based on her "gut instinct" having worked as a librarian for over 30 years. Although Zaleski's experience as a librarian rendered her intuition of what items were popular rather credible, she explained that as time progresses and the less time she spends working with the public, "the less accurate your gut instinct becomes as new authors show up. So I was taking a shot in the dark."

In addition to using her own knowledge of popular items within the collection which she had developed over the years, Zaleski was able to identify what books may need replaced using "Director's Station" from their ILS vendor, SirsiDynix. However Zaleski goes on to describe this form of reporting as "labor intensive" because "I had to write the report which was unique each time I was doing it. Once I had gathered that data it had to be split out branch by branch and then e-mailed out to the individual branches. This process took up hours of time."

This lack of power for each branch was also felt following the transition of the collection towards floating. Zaleski describes "We had started floating prior to collectionHQ and one concern was that (the branches) felt they lost control of their collection as it was system wide and not branch specific."

Zaleski was first introduced to collectionHQ by her supervisor who, after attending a seminar hosted by Bridgeall Libraries Limited at an ALA Midwinter Conference, had arranged a conference call presentation including Zaleski and the Collection Development Manager. Following this call, Zaleski explains that all three were "sold on the idea". She describes that the possibility to have access to evidence based on what people are checking out at different locations and to give some of the capability to monitor and control the collection back to the branches, helped make their decision to adopt collectionHQ in February 2011.

## THE OUTCOME

**FINANCIAL SAVINGS** | Since going live with collectionHQ in April 2011, the team at Fort Vancouver Regional Library District has been able to make more informed purchasing decisions than before by drawing attention to the most popular items which they should be focusing their budget on.

Two genres highlighted over and over by collectionHQ, Zaleski explains, were Cookery and Mystery. "Now the selector for cook books has been allotted more money so that she can purchase 25 more cook books per month above and beyond what we normally buy." collectionHQ not only provides suggestions of where that

## KEY BENEFITS

The adoption of collectionHQ at has helped Fort Vancouver Regional Library District to:

- Make informed purchasing decisions based on what items are popular across the library.
- Implement a regular schedule of weeding thanks to easy to use and detailed reports.
- Streamline processes and free up staff time for other tasks.
- Uncover items they were not aware were so popular with patrons.
- Significantly reduce the proportion of dead stock across the system.



collectionHQ

data. insight. solutions.

money should be spent but also allows the staff to “track that money and figure out what books are popular elsewhere which we should purchase to augment our collection.”

collectionHQ has also helped to provide the proof required for implementing decisions on cutting down on certain items within the library’s non-fiction collection. Zaleski describes that this has been the case for reference books as well as the 400s. While the library was focused on buying set amounts of items for learning a variety of languages including books, audio books and DVDs, collectionHQ revealed that in fact the top circulating genres within this collection were English Language, English Grammar and Sign Language. This revelation did not come as a surprise to Zaleski who explained that the library covers a range of cultures within its communities wishing to learn or improve their English as well as serving a major school for the deaf. Prior to collectionHQ she did not have the evidence that those other languages were not circulating well so could not justify cutting the amount spent on them. collectionHQ provided this justification that she needed and now these less circulating books have been shifted to a database where money can be saved through eliminating the need to replace them. Zaleski explains that “collectionHQ played a part in that decision as we would not have had the bravery to step away from the physical products and go to a database had we not the evidence of what hadn’t been utilized that much in our collection.”

**TIME SAVINGS** | Besides helping Fort Vancouver Regional Library District avoid making wasteful purchases, collectionHQ has also streamlined many of the once laborious tasks.

In terms of reporting, Zaleski was able to save a lot of time from creating unique reports in SirsiDynix and distributing to each individual branch through collectionHQ’s readily available, user-friendly reporting tools which can be exported to Excel in seconds. It is these features of collectionHQ reports which have allowed this task to be handed over to each individual branch which not only gives Zaleski more time for other duties but boosts the morale of the branches who are now responsible for monitoring their own collections.

This autonomy amongst the branches is enhanced by the level of detail in collectionHQ’s reports which allow each to renew and replace according to what is popular at their location. Prior to taking on collectionHQ each branch followed a set of guidelines as to what items they should buy. However Zaleski explains that what was popular in larger communities was not always the same for smaller communities, so in hindsight “to give shelf space to those (items) in a cramped space was not the best choice.” Now with collectionHQ branches can be more selective about what they shelf in terms of what is popular in their community. For example with dead stock Zaleski describes, “instead of looking at this once a year, (the branches) can look at whatever area in their collection they are struggling with each month and move it.”

Overall, staff across the library are delighted with collectionHQ as Zaleski shares feedback from one member on how the software has freed her up for other tasks: “I used to spend 3 to 5 hours a week going out before opening and working through each collection but since using collectionHQ I now use the computer to make my selection on what to bring in, hand the dead list over to someone to pull out, then have a quick scan as to whether need anything from that. Then I go onto something else.”

**PERFORMANCE IMPROVEMENTS** | Fort Vancouver Regional Library District is convinced that collectionHQ was the right choice especially when they have the performance reports to back this up. Two key areas which collectionHQ has helped to make great developments in are weeding of dead stock and circulation.

With regards dead stock, the library system has reduced their average dead items from over 21% to under 10% since implementing collectionHQ. In addition, the software has helped to expose certain popular authors which the library should buy more of. “Once we got collectionHQ I realized there were some authors I had heard of but hadn’t realized they had risen to such a level of popularity that I really had to focus a lot more on them than I did in the past,” Zaleski said.

More effective weeding of dead stock and a better knowledge of popular authors is greatly complementing the high standards at the library’s new buildings, helping to make those top selling books more visible on the shelves. Zaleski comments “In a time of increased circulation, mostly in part due to new buildings, CollectionHQ is helping us manage our inventory.”

Performance improvements like these aided by collectionHQ has not only improved processes for staff but the ability to better meet patron demand has resulted in greater customer satisfaction as Zaleski describes “Patrons are very, very happy.” She concludes “I see nothing but good things coming!”



saveTIME



saveMONEY



improve  
PERFORMANCE

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COLLECTION PERFORMANCE IMPROVEMENT

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