



Report of: Head of Collections and Programmes

Report to: Chief Officer Culture & Sport, City Development

Date: 2 June 2020

Subject: Approval to waive Contract Procedure Rules (CPRs) 9.1 and 9.2 and award a new contract to Gallery Systems Inc. for the provision of TMS Collections, a Museums and Galleries Collection Management System.

Are specific electoral wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Has consultation been carried out?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Will the decision be open for call-in?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? Appendix 1 under Access to Information Rule 10.4 (3)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Summary

1. Main issues

- The Council's Museums and Galleries service currently uses a Collections Management System called "The Museum System" (TMS) to manage its museums and arts collections.
- TMS plays a critical role in helping the Council's Museums and Galleries service manage its collections, which in total comprises approx. 1.3 million objects. The use of TMS also enables the service to meet and comply with the National Accreditation Standard for Museums.
- The version of TMS currently in use is an on-premise solution (i.e. hosted on Councils ICT infrastructure). It is not possible to upgrade TMS and remain hosted on-premise without compromising Public Services Network (PSN) compliance.
- To remain compliant, the Council's Museums and Galleries service wishes to award a contract for the provision of "TMS Collections", a cloud-hosted Collections Management System.

2. Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

Awarding a new contract for a cloud-hosted Collections Management System will support and contribute to the delivery of the following Council policies and priorities:

- Culture – Growing the cultural and creative sector
- Spending Money Wisely

3. Resource Implications

There are no resource implications associated with the award of a contract for TMS Collections. This is purely a move from the use of an on-premise application to a fully compliant and secure cloud-hosted application. It will, however, provide benefits to the Council's Museums & Galleries service through efficiency savings in the following ways:

- More effective and efficient processes for users within the Council's Museums and Galleries service, which in turn will provide a better service to the public.
- Use of a cloud-hosted solution which is more reliable and sustainable, and removing the need for internal support to apply security updates and system fixes.

Recommendations

- a) The Chief Officer Culture & Sport, City Development is recommended to approve a waiver of CPR's 9.1 and 9.2 and award new contract to Gallery Systems Inc. for the provision of TMS Collections, a cloud-hosted Museums and Galleries Collection Management System, for the period 9th June 2020 to 8th June 2023, with options to extend for 4 further periods of 12 months.
- b) The costs are:
One-off cost - £2,550.00
Annual cost - £24,090.00
- c) The total cost of the contract is £168,630.00 if all options to extend are taken up.
- d) The decision to award a new contract to Gallery Systems Inc. for the provision of TMS Collections, a cloud-hosted Museums and Galleries Collection Management System, is being taken on the grounds that this represents best use of Council funds and resources at this point in time.

1. Purpose of this report

- 1.1 The purpose of this report is to set out the reasons for seeking a waiver of CPR's 9.1 and 9.2 and recommending the approval to award a contract to Gallery Systems Inc. for the provision of TMS Collections, a cloud-hosted Museums and Galleries Collection Management System for the period 9th June 2020 to 8th June 2023 with options to extend for 4 further periods of 12 months.

2. Background information

- 2.1 For technical reasons, it is not possible to upgrade the current on-premise version of TMS and become GDPR and PSN compliant.
- 2.2 The on-premise version of TMS is currently managed and supported by the Council's Museums and Galleries staff, which has both resource and cost implications.
- 2.3 The Council's Museums and Galleries service currently has access to funding from Arts Council England. Receipt of this funding is contingent upon the Council giving a commitment to display some of its collections on-line. The upgrade will help to deliver collections on-line by improving the accuracy and detail of a greater number of records.

3. Main issues

- 3.1 To support the recommendation to award a contract to Gallery Systems Inc., the Council's Museums and Galleries service has carried out extensive market research into the other available Collection Management Systems.
- 3.2 There is a Collection Management Standard within the UK – "Spectrum", which is managed by the Collections Trust. Leeds Museums and Galleries currently operates at Spectrum Level 4 standard.
- 3.3 The Collections Trust have advised that there are 22 Museums and Galleries Collection Management Systems currently on the market.
- 3.4 Out of the 22 Collection Management Systems available (including TMS Collections), 18 were discounted as not being able to provide a suitable system that meets the standard at which the Council's Museums and Galleries service currently operates.
- 3.5 For the remaining 3 Collection Management Systems available, the acquisition and on-going license costs are either comparable or exceed those quoted by Gallery Systems Inc.
- 3.6 The full results of the Museums and Galleries service market research are attached to this Report – see Confidential Appendix 1.

4. Consequences if the proposed action is not approved

- 4.1 If a contract is not awarded to Gallery Systems Inc. for the provision of TMS Collections, a cloud-hosted Museums and Galleries Collection Management System would mean that the Council's Museums and Galleries service will be required to continue to use a system that will become PSN non-compliant. Failure

to procure a suitable and compliant system would also have a reputational impact for the Council with Arts Council England, putting the current National Portfolio Organisation funding agreement at risk.

- 4.2 There would be a need to carry out a full procurement exercise which would take up considerable Council time and resources to implement a new solution, and this is not a practical or feasible option at this point in time.

5. Advertising

- 5.1 This requirement has not been advertised. The Council's Museums and Galleries service has carried out extensive market research into the other Collection Management Systems which concluded that the majority of alternative systems available either cannot meet the Council's requirements or offer any significant benefits or savings which would justify carrying out a full procurement at this point in time. It is therefore not practical to advertise this as a tender opportunity.

During the initial term of the contract, the Council will carry out a full review of its Museums & Galleries service requirements, with a view to conducting a full procurement exercise for a replacement system, by which time it is anticipated that the market will have developed such that any alternative Collection Management Systems will be able to meet the Council's requirements.

6. Corporate considerations

6.1 Consultation and engagement

- 6.1.1 Key stakeholders from the Council's Museums & Galleries service and the Council's Digital and Information Service (DIS) have been consulted and support the decision to award a new contract to Gallery Systems Inc. to procure the TMS Collections cloud-hosted Museums and Galleries Collection Management System.

6.2 Equality and diversity / cohesion and integration

- 6.2.1 There are no issues relating to Equality and Diversity/Cohesion and Integration relating to the award of the proposed contract.

6.3 Council policies and the Best Council Plan

- 6.3.1 The award of this contract will support and contribute to the delivery of the following Council policies and priorities:
- Culture – Growing the cultural and creative sector – The updated processes of the current version of TMS will allow for improvements in the quality of data held for the collections and as a result the offer that draws visitors into sites.
 - Spending Money Wisely – The new system will contribute to more efficient working practices across the service by allowing for bulk uploads rather than painstaking amendments to individual curator approved records.

Climate Emergency

This report relates to the procurement of a software solution, its impact on climate change initiatives is mainly through the support it gives to those services using it.

6.4 Resources, procurement and value for money

- 6.4.1 There are no resource implications associated with the award of a contract for TMS Collections. This is purely a move from the use of an on-premise application to a fully compliant and secure cloud-hosted application.
- 6.4.2 To carry out a full procurement exercise would not represent best use of Council resources or funds. To award a contract to an alternative supplier and implement a new system would be lengthy process, requiring significant Council resource. Any cost benefits achieved through the procurement of a new system would be outweighed by the resource costs required to implement the new system.
- 6.4.3 The award of a contract to Gallery Systems Inc. for the provision of TMS Collections, a cloud-hosted Museums and Galleries Collection Management System is the most cost effective and practical option, and represents best use of Council funds and resources.

6.5 Legal implications, access to information, and call-in

- 6.5.1 The award of a contract to Gallery Systems Inc. for the provision of TMS Collections, a cloud-hosted Museums and Galleries Collection Management System, at this value is a Significant Operational Decision and is not subject to call in. The information contained in the Appendix relates to the financial or business affairs of a particular person, and of the Council. It is therefore considered that this element of the report should be treated as exempt under rule 10.4.(3) of the Access to Information Procedure Rules.
- 6.5.2 The value of the direct award detailed within this report is below the threshold for the application of the Public Contracts Regulations 2015 for the procurement of public services contracts and therefore it is not subject to the full EU procurement rules. However, the Council's Contracts Procedure Rules 9.1 and 9.2 require competition for procurements valued over £100K and the invitation of at least four written tenders. A waiver of these Contracts Procedure Rules is required to award a contract direct to Gallery Systems Inc. Awarding a contract direct to Gallery Systems Inc. without competition could leave the Council open to a potential claim from other providers, to whom this contract could be of interest, that it has not been wholly transparent. In terms of transparency it should be noted that Council's Contracts Procedure Rules suggests that contracts of this value should be subject to a degree of advertising. It is up to the Council to decide what degree of advertising is appropriate. In particular, consideration should be given to the subject-matter of the contract, its estimated value, the specifics of the sector concerned (size and structure of the market, commercial practices etc.) and the geographical location of the place of performance. The Chief Officer Culture & Sport, City Development has considered this and, due to the nature and scope of the services being delivered, is of the view that this would not be of interest to contractors in other EU member states. In awarding the contract to Gallery Systems Inc. without competition, there is a potential risk of challenge from other providers who have not been given the chance to tender for this opportunity, although this risk is considered low due the technical reasons set out in this report.
- 6.5.3 Whilst there is no legal obstacle preventing the waiver of Contract Procedure Rules 9.1 & 9.2, the above comments should be noted by the Chief Officer Culture & Sport, City Development and in making the final decision should be satisfied that doing so represents best value for the Council.

6.6 Risk management

- 6.6.1 The proposed award of a contract to Gallery Systems Inc., enabling the Council's Museums and Galleries service to use TMS Collections carries minimal risk as it is only a move from using an on-premise solution to a cloud-hosted solution.
- 6.6.2 Any operational risks which are highlighted throughout the term of the contract will be managed and mitigated through regular account management/supplier review meetings.

7. Conclusions

- 7.1 The award of a contract to Gallery Systems Inc. for the provision of TMS Collections, a cloud-hosted Museums and Galleries Collection Management System is the most cost effective and practical decision to make, and represents best use of Council funds and resources.

8. Recommendations

- a) The Chief Officer Culture & Sport, City Development is recommended to approve a waiver of CPR's 9.1 and 9.2 and award new contract to Gallery Systems Inc. for the provision of TMS Collections, a cloud-hosted Museums and Galleries Collection Management System, for the period 9th June 2020 to 8th June 2023, with options to extend for 4 further periods of 12 months.
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- d) The decision to award a new contract to Gallery Systems Inc. for the provision of TMS Collections, a cloud-hosted Museums and Galleries Collection Management System, is being taken on the grounds that this represents best use of Council funds and resources at this point in time.

9. Background documents¹

- 9.1 None.

10. Appendices

- 10.1 Confidential Appendix 1 comprising the following documents:
 - a) TMS and eMuseum on premise – David Langridge - April 2019
 - b) LMG CMS Options – David Howe – December 2019
 - c) Comparison of CMS – January 2020

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

