Membership

Mrs. R. Camamile CC (Chairman)

Mr. M. H. Charlesworth CC	Mr. P. G. Lewis CC
Mr. S. J. Hampson CC	Ms. Betty Newton CC
Mr. D. Jennings CC	Mr. A. E. Pearson CC
Mr. J. Kaufman CC	Mr. R. Sharp CC

A G E N D A SUPPLEMENT

The following additional report and appendices have now been published, agenda item entitled 'Future Strategy for the Delivery of Library Services' of the main agenda refers.

Agenda Item 8

Leicestershire
County Council

CABINET – 19 NOVEMBER 2014

FUTURE STRATEGY FOR THE DELIVERY OF LIBRARY SERVICES

REPORT OF THE DIRECTOR OF ADULTS AND COMMUNITIES

PART A

Purpose of the Report

1. To purpose of this report is to inform the Cabinet of the findings of:

   a) The Scrutiny Review Panel which has been looking at the infrastructure support package to be offered to local communities;

   b) The analysis undertaken by Red Quadrant, an independent consultancy firm, which had been asked by the County Council to look at the rationale and criteria for selecting the 16 main libraries;

   c) The further exploration by officers of suggestions put forward during the consultation about alternative models for the delivery of library services.

2. The report also proposes a way forward and model for the delivery of community library services into the future which has regard to the Council's statutory responsibilities and its available resources.

Recommendations

3. It is recommended that:

   a) The Scrutiny Review Panel is thanked for its report;

   b) A revised infrastructure support package for local communities wishing to take over responsibility for the running of community libraries be agreed;

   c) The findings of Red Quadrant which supported the County Council's rationale for identifying the 16 fully funded County Council libraries be noted;

   d) The responses to the suggestions put forward during the consultation process be noted;

   e) A delivery model for library services which is based on the following elements be agreed:

       i) A network of 16 fully funded libraries based at the following locations:

- Ashby
- Birstall
- Blaby
- Broughton Astley
- Coalville
- Earl Shilton
- Glenfield
- Hinckley

- Loughborough
- Lutterworth
- Market Harborough
- Melton
- Oadby
- Shepshed
- Syston
- Wigston

ii)   A formal invitation to encourage the delivery of library services to the remaining areas of the county (the 36 community libraries) to be undertaken by local communities and groups with an infrastructure support package from the County Council as outlined in the report of the Scrutiny Review Panel;

iii)   During the next phase of engagement identification of eight of the 36 community libraries which would act as bases from which a Library Liaison Officer would advise and support local groups and management committees operating community libraries;

iv)   An online library service available 24 hours a day, 365 days a year to those with access to the internet;

v)   A mobile library service which will provide a regular library service to most villages without a static library.

vi)   A one-off reduction of £135,000 on spending on the bookfund in 2015/16 to compensate for the delay in achieving the required Medium Term Financial Savings (MTFS) be agreed.

f)   The Director of Adults and Communities be authorised to begin a process of engagement on the following:

i)   Further development of the proposed delivery model in each community including the identification of eight libraries to act as a base for Library Liaison Officers;

ii)   Invitations to local communities and groups to submit expressions of interest in operating the 36 community libraries with an infrastructure support package from the County Council as now outlined, and to report thereon to the Cabinet meeting in April 2015;

iii)   The future role and deployment of the mobile library service to ensure the most effective use of this resource. This should have regard to the emerging model for delivery of library services and be informed by a three month consultation.

Reasons for Recommendations

4.   The County Council has a statutory obligation to ensure the provision of a comprehensive and efficient library service. An analysis of the current library service indicates that whilst it is comprehensive there are a large number of service points, potentially leading to an inefficient use of resources. A re-provision of the service

would continue to meet the statutory obligations of the Council whilst contributing £0.8 million towards MTFS savings.

5. The proposal is for the Council to enable and facilitate the ongoing provision, wherever possible, of these services by closer partnerships with communities and other providers, whilst at the same time sustaining the countywide infrastructure to enable it to meet its statutory obligations and budget challenges.

6. A further period of engagement and the seeking of formal expressions of interest from local communities will give the County Council an opportunity to work more closely with local communities in developing sustainable community library partnerships for the future and to share good practice. A number of local communities have expressed strong interest in developing library plans and this will enable those proposals to develop further.

7. A review of the current deployment of the mobile library service would seek to ensure that access to the book lending service is efficient and supports the current and future demands in a flexible and cost effective way.

8. There will be a delay in achieving the required MTFS savings and compensatory savings need to be found. It is proposed that this is achieved by a one year reduction in the spend on the bookfund.

Timetable for Decisions (including Scrutiny)

9. The Adults and Communities Overview and Scrutiny Committee will consider the report and findings of the Scrutiny Review Panel on 17 November 2014 and its comments will be reported to the Cabinet.

Policy Framework and Previous Decisions

10. The current MTFS was approved by the County Council on 19 February 2014 and identified a reduction in funding for library services, including its supporting infrastructure, of £0.8 million. This saving consisted of a reduction in opening hours at market town and shopping centre libraries, a reduction in the bookfund and the implementation of Community Partnership Libraries.

11. On 5 March 2014, the Cabinet approved a three-month consultation on a proposed remodelling of the library service based on the following elements:

    *   16 major market town and shopping centre libraries funded by the County Council with a 20% reduction in opening hours;
    *   A support service that will enable local communities to run their local library in partnership with the County Council;
    *   An online library service available 24 hours a day, 365 days a year to those with access to the internet;
    *   A mobile library service that will provide a regular library service to most villages without a static library.

12. On 19 September 2014, the Cabinet noted the outcome of the consultation exercise on the proposals for libraries and agreed to ask a Scrutiny Review Panel to review the proposed infrastructure support package for communities. It also requested that

officers undertake further work to consider the suggestions made during the consultation, including the rationale for identifying 16 sites that would be fully funded by the County Council. The Cabinet also approved the implementation of a reduction of 20% in opening hours across 16 libraries.

13. During October 2014, the Scrutiny Review Panel reviewed the proposed infrastructure support package for communities and also received representation from community groups and interested parties on the matter. The Panel's comments and recommendations are incorporated within this report and the final report of the Panel is attached as Appendix A.

14. The proposals for community managed libraries are in line with the Community Strategy. Priority 2 of that Strategy aims to support community groups to take over relevant services, including those currently delivered by the County Council and to work alongside the authority to design and deliver services.

Resources Implications

15. Library savings of £0.8 million were approved by the County Council on 19 February 2014. This is part of the total savings reduction of £1.9 million for the Communities and Wellbeing Service to 2017.

16. Members will be aware of the worsening financial situation. The budget of the County Council will come under increasing pressure and there will be a need to review existing commitments.

17. The recommendation to implement Community Partnership Libraries on a phased approach, which recognises the limited resource available to support implementation and the need for further engagement, will mean that savings will not be met in line with the original MTFS timelines. Savings will therefore need to be re-profiled and this will be subject to a further report in January when the Cabinet will be asked to approve the draft 2015-19 budgets.

18. The Director of Corporate Resources and the County Solicitor have been consulted on the contents of this report.

Circulation under the Local Issues Alert Procedure

19. As the proposals in this report are likely to affect a number of electoral divisions, this report is being circulated to all Members of the Council via the Members' News in Brief.

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PART B

Background

Legal Requirements for a Library Service

20. National legislation regarding libraries is outlined in the 1964 Public Libraries and Museum Act. Under this Act local authorities have a statutory duty to provide a comprehensive and efficient public library service and are required to:

- Promote a comprehensive and efficient library service for all persons in the area that want to make use of it (Section 7);
- Promote the service (Section 7(2)(b));
- Lend books and other printed material free of charge for those who live, work, or study in the area (Section 8(3)(b)).

21. The Government superintends how councils undertake this role and has a duty to:

- Oversee and promote the public library service (Section 1(1));
- Take action where a local authority fails to perform its duties (Section 10).

22. The vision for the Communities and Wellbeing Service within the Adults and Communities Department is to:

"Support communities by preparing people for the future through learning and skills, connecting vulnerable people to the wider society, preserving the best of the past, and encouraging a sense of health and wellbeing among all residents. These ambitions are being delivered by changing the service-by making it more integrated, more digital and peripatetic, more enabling and more entrepreneurial and through these changes make it leaner".

23. Mr. Justice Collins, in the recent Lincolnshire Judicial Review endorsed the previous case law in relation to the statutory duty to provide a comprehensive and efficient service from the London Borough of Brent (2011) stating:

"A comprehensive service cannot mean that every resident lives close to a library. This has never been the case. Comprehensive has therefore been taken to mean delivering a service that is accessible to all residents using reasonable means, including digital technologies. An efficient service must make the best use of the assets available in order to meet its core objectives and vision, recognising the constraints on Council resources. Decisions about the service must be embedded within a clear strategic framework which draws upon evidence about needs and aspirations across the diverse communities of the Borough."

24. In May 2014, OPM (Office for Public Management) and Locality published their report to DEFRA and Arts Council England (ACE); "Rural Library Services in England: exploring recent changes and possible futures." It noted the marked increase in community involvement in the running of rural libraries with around 300 community libraries being known to exist in England at present. The vast majority of these are either community managed or community supported with access to varying degrees of continuing council support usually including advice and expertise and retaining connectivity to the library system and book stock.

25. The report also noted the use of digital technology in helping to overcome some of the challenges of physical access to library services experienced by rural dwellers, and suggested that more innovative use of mobile services in conjunction with other community venues including static libraries is an area that needs to be explored.

26. In October 2014, the Minister of State for Culture and the Digital Economy wrote to Sheffield City Council with regard to its plans for proposed library changes and asked a range of questions about its approach. The Secretary of State's present position is that Sheffield City Council's proposals would continue to offer a comprehensive and efficient library service and a local inquiry is not necessary.

Issues raised during the consultation

27. The outcome of the consultation was reported to the Cabinet on 19 September 2014 and identified that further work was required to consider the suggestions made from the consultation including a response to the challenge raised about the basis for identifying the 16 libraries to receive full council funding, and to present a model for service delivery.

28. Since the closure of the consultation, the County Council has continued to receive a number of comments from various groups within the County. The comments made reiterated some of the points already raised during the consultation and have been taken into account in the further analysis outlined below.

Response to the Challenge concerning the selection of the 16 funded libraries

29. In the proposed model the seven market town libraries and the nine shopping centre libraries (16 libraries) would remain fully funded by the County Council albeit with slightly reduced hours. These represent the most used libraries across the County Council, collectively accounting for 77-80% of library business overall.

30. During the consultation a number of challenges were made to the rationale of using the most used libraries as a method of deciding which would continue to be fully funded by the Council. Suggestions were made that the County Council funded libraries should be determined by measuring usage on a pro-rata basis, linking to the local population. In the open commentary section of the survey suggestions were put forward about considering population needs and value to the community, and to consider geographical distribution/bus routes/cost of travel.

31. To provide assurance on this point, the County Council engaged independent consultants, Red Quadrant, to consider the Council's rationale. Red Quadrant was provided with the information released during the consultation regarding the proposed model. The presentation made by Red Quadrant to officers, is attached as Appendix B; their conclusion is that "*having proposed an option based on a community development approach, and on the number of libraries that you can afford to keep within full council control, we see no strong arguments against the choices made… but there may be a rationale for considering some alternatives/variations on a theme*".

32. Members are further advised that determining 16 libraries on volume of loans is considered the most viable rationale in that analysis shows that it protects a greater proportion of active library users who make use of the book lending service, an

element of the service that is considered the most valued and important. Additional analysis is attached as Appendix C.

Response to issues raised during the Consultation

33. As well as a challenge for the rationale behind identifying the 16 libraries that would be fully funded, a number of other suggestions were received from the consultation. The key suggestions put forward and the responses thereto are set out below:

a)	The involvement of Parish Councils in sourcing the cost of paid staff through either a review of their precept or other means	The Scrutiny Review Panel has recommended that additional library support can be purchased from the County Council including details of costs and the conditions under which this can happen. This includes the possibility in essence to "buy back" the services provided by the County Council on a contracted basis. This is an area where Parish Councils may play a part. The County Council remains open to discussions around this as an option.
b)	A pro-rata cut of 15% across all sections of the service including centralised services and management	Pro-rata cuts of 15% across the whole service do not account for longer term budget pressures and do not build in any sustainability. The Council's current proposals for community libraries have built in tapered financial and business support over a number of years making it a more viable and robust option. A more detailed analysis is set out in Appendix D to this report.
c)	Increasing general efficiency	The service has been, and continues to search for efficiencies. Where suggestions are more specific they can be investigated further. An example of this is the consortium purchase of a Library Management System which over the next five years will realise savings of £184,000.
d)	The creation of library hubs in larger villages	The revised proposals put forward now go some way towards developing this suggestion. The proposal is for library liaison staff, who previously were to operate from a central point, to be located in one of eight community libraries (locations to be determined) and would be on hand to support and advise community libraries within that surrounding area.
e)	Increasing the number of volunteers and reducing the staff numbers in council funded libraries to fund staff in community libraries	The use of volunteers can help local authorities reduce running costs as well as increase community involvement; however, there are operational issues to consider with regards to volunteering. Staffing levels in larger libraries are already at a minimum; therefore it is unlikely that giving volunteers a role beyond supplementing paid staffing activities would generate any further significant savings. An analysis of this option is attached as Appendix E.

f)	Increasing the council tax rate	The County Council's MTFS is based on an assumption of a 1.5% increase in Council Tax from 2015/16. Based on previous years' government guidance any increase in Council Tax above 2% would require the Council to undertake and pay for a referendum, the cost of which could be significant. In addition, the referendum might not be successful which would then add further significant costs to the Council for re-billing.
g)	The adoption of a mutual/trust model such as an Industrial Provident Society to manage the whole service on behalf of the County Council	The implementation of an Industrial Provident Society (IPS) or other 3rd Party 'not for profit' Provider for library services will not reduce the operating costs and contribute new savings towards the current MTFS targets above the level identified in the current proposals. An analysis of this proposal is contained in Appendix F.
h)	Exploring larger partnership arrangements involving other local authorities in order to share library provision	This is outside the scope of the work for this report, but the County Council will continue to be open to initiatives. The consortium purchase of the Library Management System is an example of this approach being part of the ongoing work of the service.
i)	Involving local communities in revitalising their local library in order to create multi-functional use and co-location of libraries with other services and businesses	The County Council remains open to developing any emerging initiatives. The current proposals seek to involve local communities in redefining the local library offer in their community.
j)	Giving funding protection to libraries which are the most cost effective	Cost effectiveness is incremental by nature. The time horizon of a meaningful cost effectiveness analysis extends beyond the data that is available. Therefore any protection implemented using this measure would not be sustainable over a long period of time. A more detailed analysis of the issues is set out in Appendix G.

Scrutiny Review Panel

34. A Scrutiny Review Panel was established to review the proposed infrastructure support package for communities wishing to operate community libraries.

35. The Panel recommended that a revised infrastructure support package is made available based on the evidence received from a range of stakeholders. The detail of the revised package is contained in Appendix A.

Proposed future model for library services

36. Following the analysis of the alternative suggestions received, and further review of the original proposals, it is proposed that a future library services delivery model should be based on the elements outlined below. These take into account the principles of continuing to work incrementally with local communities to ensure that the library network is sustained, and ensuring that there is the flexibility to adapt the model to take account of any further review of savings that might be required through future MTFS decisions The model comprises:

   - 16 major market town and shopping centre libraries funded by the County Council with a 20% reduction in opening hours;
   - A support service that will enable local communities to run their local library in partnership with the County Council;
   - An online library service available 24 hours a day, 365 days a year to those with access to the internet;
   - A mobile library service that will provided a regular library service to most villages without a static library.

37. The main revision to the original proposal is a redeployment of professional community liaison staff to eight community libraries across the county and a revised infrastructure support package. This takes account of alternative suggestions arising from the consultation, the work of Red Quadrant, and the Scrutiny Review Panel. Using a range of indicators, Red Quadrant suggested a potential 12 sites for locating professional liaison staff based upon the current deployment of 36 community libraries. Due to budget considerations and the numbers of staff potentially involved it is proposed to identify up to eight sites by further partnership working with communities to establish the optimum deployment, once there is clarity about the outcomes of the expression of interest stage of implementation as well as the implementation timetable. The revised infrastructure support package suggests a tapered package over seven years rather than five, and provides more financial clarity over the support available to community groups.

Mobile library service

38. The implementation of this model requires a review of the current deployment of the mobile library service to ensure that access to the book lending service is efficient and it supports current and future demands in a flexible manner. The Cabinet is therefore asked to approve a consultation period of three months with users and other key stakeholders in order to inform the delivery of the mobile provision across the County.

Next Stages

39. In order to implement this model, the Cabinet is now asked to approve a formal engagement stage with local communities across the 36 designated sites. This will require interested local groups to express an interest in managing a local library and submit a business case based upon the approved support package outlined in Appendix A.

40. Following completion of the engagement a further report on the outcomes will be reported to the Cabinet meeting in April 2015 (as referred to in the recommendation 3 f ii).

Conclusions

41. The model proposed for the delivery of library services represents an amendment to the original proposals as outlined during the consultation period.

42. The revised model has taken account of the alternative suggestions made during the consultation and the recommendations of the Scrutiny Review Panel. The implementation of the model gives an additional period of time to engage with local communities through a formal expression of interest stage, and to ensure that the detail of the proposed location of library liaison staff in up to eight of the 36 community libraries is further shaped by this work.

43. This period of engagement will also provide time to develop work with a number of local communities who have expressed strong interest in developing library plans. This stage will enable those proposals to develop further, to illustrate the proposed model to other local communities and to develop good practice.

44. In the engagement and subsequent implementation phase, the County Council will need to continue to pay due regard to its statutory duty under the 1964 Public Libraries and Museums Act and the Public Sector Equality Duty. Information contained within the Equality and Human Rights Impact Assessments (EHRIAs) contained in the supplementary pack circulated with this report and the interactive community profiles (which can be viewed via the link in paragraph 48) will inform any future decisions about the library network going forward. The next report to the Cabinet will include further iterations of the EHRIAs which will incorporate any new issues identified during the consultation and engagement process.

Background Papers

Report to Cabinet: 19 September 2014 - Outcome of Consultation on Proposals for Changes in the Delivery of Library Services
http://politics.leics.gov.uk/Published/C00000135/M00004190/AI00038990/$13consultsonchangesdeliverylibraryservices.docA.ps.pdf

Report to Adults and Communities Overview and Scrutiny Committee: 17 September 2014 – Outcome of Consultation on Proposals for Changes in the Delivery of Library Service
http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=4190&Ver=4

Report to Adults and Communities Overview and Scrutiny Committee: 10 June 2014 – Consultation on Proposals for Changes in the Delivery of Community Library Services
http://politics.leics.gov.uk/documents/s93331/Consultation%20on%20Proposals%20for%20Changes%20in%20the%20Delivery%20of%20Community%20Library%20Services.pdf

Report to Cabinet: 5 March 2014 - Consultation on Proposals for Changes in the Delivery of Community Library Services
http://politics.leics.gov.uk/Published/C00000135/M00003988/AI00037201/$4communitylibraryservices.docA.ps.pdf

Report of the Cabinet to the meeting of the County Council on 19 February on the Medium Term Financial Strategy 2014/15 to 2017/18.
http://politics.leics.gov.uk/Published/C00000134/M00003961/AI00037151/$5aBudgetReportoftheCabinet.docx.pdf

Arts Council England: Envisioning the Library of the future
http://www.artscouncil.org.uk/google-search/?q=envisioning+libraries+of+the+future

Leicestershire Communities Strategy: October 2014
http://politics.leics.gov.uk/Published/C00000135/M00004268/AI00039244/$CommunitiesStrategyConsultationDocumentAppendixB.pdfA.ps.pdf

Relevant Impact Assessments

Equalities and Human Rights Implications

45.   An EHRIA has been developed for each of the 36 community libraries and is contained in a supplementary report pack being circulated with this report.

46.   From the EHRIA analysis a range of common factors have been identified which the County Council will need to consider in developing the establishment of any community partnerships, and most importantly any mitigating actions to be considered if no communities come forward to manage their local library. These can be summarised as:

- The distance and travel arrangements available to access services within the new model as might specifically impact on older people, people with a disability, and children;
- The impact of a revision of service on residents with a disability or who are older;
- The impact of a revision of service on children and young people.

47.   The EHRIA process is iterative in nature and an Equality and Human Rights Improvement Plan attached to each EHRIA outlines mitigating actions to be monitored as the move towards community partnerships develops.

48.   An online interactive community profile for each area has been established which outlines key features associated with each community from a number of criteria. This can be viewed through the following link:

https://public.tableausoftware.com/views/LibrariesDashboardFINAL/Page1?:embed=y&:display_count=no:showVizHome=no#

This will help to identify the impact of the delivery model on areas which have higher levels of deprivation and go on to inform any future decision making.

49.   The EHRIA process for the mobile library service will be scheduled and will inform any future decisions made about the service.

List of Appendices

Appendix A - Report of the Scrutiny Review Panel

Appendix B - Presentation from Red Quadrant

Appendix C - Rationale for the Identification of County Council Funded Libraries

Appendix D - Analysis of Pro-Rata cuts of 15%

Appendix E – Increasing Volunteers in Council Funded Libraries

Appendix F - Analysis of Mutual/3rd Party Providers

Appendix G - Increased Cost Effectiveness

Appendix H - EHRIA for each community library *(the 36 documents will be contained in a supplementary report pack which is being circulated with this report)*.

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Leicestershire
County Council

SCRUTINY REVIEW PANEL ON THE PROPOSED INFRASTRUCTURE SUPPORT PACKAGE TO COMMUNITY LIBRARIES

FINAL REPORT AND RECOMMENDATIONS OF THE PANEL

Purpose of the Report

1. To present the findings of the Scrutiny Review Panel on the Proposed Infrastructure Support Package to Community Libraries.

Background

2. The draft infrastructure support package formed part of the proposals that were included as a feature of the 3 month public and stakeholder consultation on the future of Leicestershire's Libraries. The consultation closed in July and the outcomes were reported to Cabinet at its meeting on 19 September 2014. The proposals consulted on were:

    (a) 16 major market town and shopping centre libraries funded by the County Council with a 20% reduction in opening hours;

    (b) An online library service available 24 hours a day, 365 days a year;

    (c) A mobile library service that will provide a regular library service to most villages without a static library;

    (d) The development of an infrastructure support package which would enable local communities to run their local library in partnership with the County Council.

3. In broad terms, the consultation proposed that if a local community organised itself to run the local library (presumed to be through volunteers) the County Council would offer a support package to enable this to happen.

Establishment of the Scrutiny Review Panel

4. At the Cabinet meeting held on 19 September, a Scrutiny Review Panel was asked to review the proposed support package and to submit its findings to the Adults and Communities Overview and Scrutiny Committee, scheduled for 17 November, and subject to its approval, the Cabinet at its meeting on 19 November. The scope of the Review Panel, which was very specific is set out below:-

To consider proposals for the proposed infrastructure support model to be provided by the County Council for Community Partnership Libraries and make recommendations on the type, level and duration of support therein.

5. The Scrutiny Review Panel was convened in October. The following members served on the Review:

- Mr. R. Camamile CC
- Dr. S. Hill CC
- Mr. D. Jennings CC
- Mr. J. P. O'Shea CC
- Mr. R. Sharp CC

(Mr. D. Jennings CC was appointed Chairman of the Panel)

Methodology of the Review

6. The Panel received a number of suggested amendments to the original proposals put forward by the public and stakeholders. This was as a result of a thorough consultation exercise which included detailed public and stakeholder surveys and a series of County Council-run workshops which were set up to enable groups to help shape the support package that would be made available by the Council. These are contained in **Appendix 1.**

7. These suggestions were circulated with a set of questions to stakeholders for further feedback.

8. The Panel also received oral and written representations during a day-long evidence stakeholder engagement session held on 15 October 2014. Evidence was submitted by Warwickshire County Council (who have introduced community managed libraries) Cumbria County Council and a number of local Leicestershire stakeholder groups, including parish/town councils and library/volunteer groups. Responses to the activity described in paragraphs 7-8 are collated in **Appendix 2.**

Findings of the Panel

9. As a result of the Panel's deliberations, its findings are set out below under the following headings:

   A. Suggested amendments to the Infrastructure Support Package to reflect comments from stakeholders as part of the Consultation Process

   B. Additional Information and Options to be included in the Infrastructure Support Package

   C. Outline Summary of County Council commitments as part of the Infrastructure Support Package

A. Suggested amendments to the Infrastructure Support Package, received from stakeholders as part of the Consultation Process

10. The Panel recognised that it would be unwise to provide a "one size fits all" support package, and that the County Council's support offer should where possible be tailored to each community wishing to run its library.

11. The Panel expressed its support for some of the key measures outlined in the amendments that were shaped by the consultation feedback. and these were also largely supported by those stakeholders that engaged with the Panel:

   (a) The provision of a detailed financial appraisal of each library being provided to groups wishing to run their library.

   (b) An increased level of ongoing help being made available to community groups wishing to run their library, including initial training and ongoing operational support through a dedicated County Council officer contact;

   (c) A clearly defined level of tapered financial support over 7 years, rather than 5 years for specific categories of premises and some operational expenditure including rent, rates, energy costs and telephone rentals.

B. Information and Options to be included in the Infrastructure Support Package

12. The Panel made the following recommendations in regard to the proposed support package to be made available to those running their library:

   (a) That where a Community Group or Parish Council takes on the responsibility for the delivery and management of their local library there will be an option for them to buy-back services from the County Council on a contracted basis, including professional library support. Where this is proposed the County Council will provide details of costs and the conditions under which this can happen;

   (b) The sections of the support package that deal with property leasing arrangements need strengthening and clarification. The two alternatives that were put forward were for an internal repairing lease for a term of no less than 10 years, and a full repairing lease arrangement with the County Council providing a contingency fund of £150,000 per annum were considered to be somewhat restrictive and did not recognise the age and condition of library buildings. A revised suggestion which seeks to address these concerns is proposed;

   (c) That the County Council makes a clear commitment to a peppercorn rental this be reviewed in line with the lease length (10 years) rather than after 5 years;

   (d) That a section dealing with exit clauses is made clear as part of the support package. This should detail the processes to be followed in the event that either the community organisation, or the County Council, wishes to terminate any contract between them;

   (e) That the support package contains a section that deals with developer contributions that might apply to a community, specifying how these are submitted and how any monies would be allocated.

C. Outline Summary of County Council commitments as part of the Infrastructure Support Package

13. As a result of the Panel's deliberations, it is recommended that an Infrastructure Support Package be made available to local groups, comprising the following elements. Recognising that a 'one-size fits all' is not appropriate and that in the initial stages community groups will need more intensive support the following transitional package is also recommended :

Transitional Support Package

   a) All community groups to be offered a one-one meeting with County Council officers to work though their proposals and seek clarification of the offer from the County Council and its implications. There will be a dedicated officer to provide emerging management committees with access to hands on support and advice.;

   b) Provide one-off financial transition support for each community comprising the following elements:

   - Up to £1,000 for initiation costs (eg. local consultation, volunteer recruitment, library plan preparation);

   - Up to £2,000 for set up costs (eg. establishing legal structures, and advice, promotional material);

   - Up to £5,000 for minor capital works that may be deemed essential to the delivery of the library plan (e.g. Equipment, minor refurbishments).

   c) Provide a free fast track training programme to provide emerging management committee members with basic training in areas such as business planning, governance and legal structures, fundraising, managing and recruiting volunteers, community engagement, social enterprise and training.

   d) Provide initial training sessions for local volunteers locally as part of the transition arrangements and following the acceptance of the business plan

Infrastructure Support Package

   a) The County Council, through the one-to one meeting, to negotiate with groups to determine each groups' preferred option in establishing a management group. This would include the option for such groups to "buy back" services from the County Council including library support staff;

   b) Loan library book stock to a level appropriate to the levels of service being provided;

   c) Provide the Library Management System (LMS) to enable computerised loan issues and returns, including one LMS PC within the existing library premises;

d) Provide Wi-Fi, one or more public access computers (up to the number currently provided) and provide access to the "virtual" library online resources;

e) Provide ICT infrastructure for relevant equipment;

f) Provide regular on-going refresher training on either a county wide basis or locally if appropriate. (any further training to this likely to be subject to a charge);

g) Provide on-going support to management committees with business planning, income generation etc;

h) Provide day to day operational support via e-mail and telephone for assistance with any issues arising from the use of the library management system or library processes and procedures;

i) Provide a named liaison officer for each partnership library. These officers will make regular visits to provide library professional support for training and management of volunteers, library operations and as an interface with ICT and property services;

j) Provide free use of existing fixtures and fittings such as shelving, tables chairs and counters;

k) Insure the fabric of the building in line with the tapering of funding arrangements (as appropriate depending on ownership arrangements);

l) Provide tapered financial support over 7 years for specific categories of premises and some operational expenditure including rent, rates, energy costs, and telephone rentals. This would include a 100% contribution of running costs for 2015/16 and 2016/17 and then tapered support as outlined in **Appendix 3** Rent and building insurance costs of leased buildings would be funded in full for 5 years with a review taking place in year 5;

m) Provide an opportunity to capitalise the County Council's property running costs contribution as a single payment;

n) All buildings with a life expectancy of over 25 years will be on a Full Repairing and Insuring Lease basis; all buildings with a life expectancy of under 25 years will be on a Internal Repairing and Insuring Lease basis. Where the County Council is currently a tenant, the subletting arrangements will need to take account of the terms of the County Council's lease. There will be a contingency fund available of £150,000 for non-routine repairs.

14. Subject to the approval, an information pack setting out the above commitments and support package in more detail will be made available to local community groups wishing to run their local library.

15. As part of the above measures, a partnership body would be required to:

   (a) Provide and manage all staffing resources, presumed to be volunteers to meet the minimum number of opening hours agreed;

   (b) Manage any alternative (community) use of the library;
   (c) Commission and manage any service it considers necessary for the running of the service.

   (d) Arrange insurance cover for the loaned book stock, building insurance (where appropriate) and public liability insurance;

   (e) Be responsible for any maintenance, repairs or replacement of existing fixtures and fittings.

Recommendation

16. That the findings of the Panel in regard to the proposed changes to the type, level and duration of the Infrastructure Support Package for libraries therein (as outlined in paragraphs 11 and 12 under headings **A** and **B**) and the outline summary of the Council's transitional support package and Infrastructure support offer (as outlined in paragraph 13 under heading **C**) be approved for submission to the Adults and Communities Overview and Scrutiny Committee for consideration at its meeting on 17 November 2014.

Officers to Contact:

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List of Appendices

Appendix 1 – Proposed changes to support package in light of consultation responses
Appendix 2 – Collated Feedback Responses to the Panel
Appendix 3 – Tapered Funding Support Model

Outline of the original support proposals contained in the public consultation which took place between April and July2014.

To support the provision of a partnership library service, the county council proposed that they would:
- Loan library book stock to a level appropriate to the levels of service being provided.
- Provide the Library Management System (LMS) – (for computerised loan issue and returns) including one LMS PC within the existing library premises.
- Provide Wi-Fi, one or more public access computers (up to the number currently provided) and provide access to the 'virtual' library on-line resources.
- Provide ICT infrastructure for relevant equipment.
- Provide initial and refresher training in appropriate ICT and other systems to all volunteers free of charge.
- Provide Library service support via phone, e-mail and web based resources and by periodic visits.
- Provide use of existing fixtures and fittings such as shelving, tables, chairs and counters
- Insure the fabric of the building (as appropriate depending on ownership arrangements)
- Provide a contribution towards reasonable running costs of the building, for an initial period of up to 5 years.

This was on the basis that the partnership body would:
- Provide and manage all staffing resources, presumed to be volunteers, to meet the minimum number of opening hours agreed.
- Manage any alternative (community) use of the building alongside the contracted library service provision.
- Arrange insurance cover for the loaned book stock and public liability insurance.
- Be responsible for any maintenance, repairs or replacement of existing fixtures and fittings

Furthermore, the County Council indicated that:
- A one off grant would be available to the partnership body to support any reasonable costs incurred in setting up the service.
- It would make library buildings in its ownership available for lease to partnership bodies on an internal repairing basis for a term of not less than 10 years. The lease would initially be at peppercorn rent, for an initial period of up to five years.

Feedback from the consultation with regards to the support package

Following the consultation survey, local meetings and partnership workshops, a range of comments were collected about the nature of the proposed support package.

The feedback suggests the following areas need to be addressed in order to ensure that community partnership libraries can be established in a successful and sustainable way:

A.   Transition Support To enable partnership bodies to set up the most appropriate legal structure, effectively recruit volunteers, engage the local community in considering alternative services, submit a business plan and manage the transition from a council-run library to a community-run library, the council would need to provide the management committees of emerging partnership bodies with: i.   clarity on the financial transition support available ii.   access to hands-on support and advice iii.   access to appropriate training & guidance
B.   Library Service support To enable partnership bodies and their volunteers to provide a quality service to the local community, the council would need to: i.   Provide adequate training for volunteers in basic library procedures, the use of the Library management System etc. ii.   Provide adequate hands-on support and advice from library staff iii.   Confirm its proposed offer with regards to operational support for library services, including book stock and ICT support for a minimum of 5 years
C.   Financial planning & responsibilities To enable partnership bodies to undertake robust financial planning, the council would need to: i.   provide clear details of the financial contribution to be offered towards running costs ii.   provide clarity over what will happen after the initial 5 year period and avoid a 'cliff-edge' situation in which all funding is withdrawn at once iii.   Provide clarity over the responsibility for buildings (in particular with regards to major repairs) iv.   Determine if, at some point in the future, it would charge a market rent for the library building
D.   Ongoing management support To enable partnership bodies to manage the service effectively and sustainably into the future, the council would need to ensure management committees of partnership bodies have adequate access to on-going advice and support.

Changes to the support package proposals as a result of this feedback

Appendix A summarises the proposed changes to the support package in response to the feedback received through the consultation.

We have also received feedback about specific issues and support considerations with regards to individual libraries and communities. This feedback has made it clear that we will need to tailor our support to fit local circumstances.

The support package is not intended as a 'one size fits all' package, rather it forms a baseline from which a bespoke support package can be developed in discussion with the emerging partnership body.

For example, the emerging partnership body can request that the running costs contributions be capitalised and paid as one payment. This may be preferable for the partnership body in situations where there are plans for library provision to become integrated within a new or existing community hub.

The Scrutiny Review Panel would like your feedback on the following:

1. *Have the changes to the support package helped to address your concerns?*
   a. *Which changes do you consider particularly valuable?*
   b. *Are there any aspects of the support on offer (or lack thereof) that remain of concern?*

2. *Should the Council make provision for partnership libraries to purchase additional library service support?* ***(Appendix A, issue 5)***

3. *Would the option to capitalise the running costs into a single payment be useful?* ***(Appendix A issue 7)***

4. *Which of the lease options would best enable the partnership body to plan and budget for maintenance and repairs?* ***(Appendix A, issue 9)***

5. *Under which circumstances would you consider it fair for the County Council to introduce a market rent for its library premises and/or transfer rental costs to the partnership body****? (Appendix A, issue 10)***

6. *Looking at the index of the Information Pack to be made available for each library - is there any particular information or guidance missing?* ***(Appendix B)***

7. *What key message would you like to convey to the Scrutiny Review Panel?*

Proposed changes to support package in light of consultation responses

Issue to be addressed	Proposed changes to support package
A: Transition support	
1) Provide clarity on the financial transition support available	For each community library, the community will have access to - Up to £ 1,000 for initiation costs (ie. local consultation, volunteer recruitment, business plan preparation) - Up to £2,000 for set-up costs (ie setting up legal structure, legal advice on partnership agreement and lease, promotional material, signage etc.) - Up to £5,000 for minor capital works that are essential to the delivery of the business plan (ie equipment, minor refurbishments)
2) Provide management committees with access to hands-on support and advice	Each library will have a dedicated County Council officer to advise and support them in developing a business plan and the transition process. Free hands-on support will also be available from Voluntary Action Leicestershire
3) Provide management committees with access to appropriate training & guidance	A free fast-track training programme will be available to provide management committee members with basic training in areas such as business planning, governance and legal structures, fundraising, managing and recruiting volunteers, community engagement, social enterprise and trading
B: Library Service support	
4) Provide adequate training for volunteers in basic library procedures, the use of the Library management System etc.	Initial training sessions for local volunteers will be provided locally and agreed as part of the transition arrangements following acceptance of the business plan. Regular 'refresher' training will be provided on a countywide basis or locally if appropriate. Any additional training could be arranged, but is likely to be subject to a charge.

5) Provide adequate hands-on support and advice from library staff	For day to day operational support, volunteers will have access to professional library staff via e-mail and telephone for assistance with any issues arising from the use of the library management system or library processes and procedures. We will also provide each partnership library with a named library liaison officer. Liaison officers will make regular visits to provide library professional support for training and management of volunteers, library operations and as an interface with ICT and property services. It is expected that Liaison officers will visit a library for 2 hours every fortnight. Should partnership bodies wish to, they would be able to purchase additional regular library professional support.
6) Confirm its proposed offer with regards to operational support for library services, including book stock and ICT support for a minimum of 5 years.	ICT infrastructure, book-stock and library operational support will all be available for free for an initial period of 5 years, and then subject to review.
C: Financial planning & responsibilities	
7) provide clear details of the financial contribution to be offered towards running costs	A clearly defined level of tapered financial support over 7 years for specific categories of premises and some operational expenditure including rent, rates, energy costs and telephone rentals: - 100% contribution in 2015/16 and 2016/17; - The tapering of financial support for 'business rates' assumes groups will achieve charitable status; - Facilities management financial support (Cleaning and grounds maintenance) would cease when current County Council contracts end in March 2017; - From 2022/23, all costs will be met by the group; - Rent costs of leased buildings would continue to be funded in full for 5 years. A review of rent support take place in year 5.

	There will be a possibility to capitalise the County Council's property running costs contribution as a single payment.
8) provide clarity over what will happen after the initial 5 year period and avoid a 'cliff-edge' situation in which all funding is withdrawn at once.	The offer of financial support over 7 years as outlined above provides clarity and avoids a 'cliff-edge' situation.
9) Provide clarity over the responsibility for buildings (in particular with regards to major repairs)	The original proposal was for Library buildings owned by the County Council to be made available for lease on an internal repairing basis for a term of no less than 10 years. This would mean that repairs to the structure of the building (ie Roof) would remain the County Council's responsibility, but repairs that result through use of the building are the responsibility of the partnership body. Such repair costs can nevertheless be quite considerable on occasion (ie boiler replacement) An alternative, would therefore be for the lease to be on a full repairing basis (where the partnership body is responsible for all repairs), but for the County Council to provide a contingency fund of £150,000 per annum for major premises repairs expenditure to which partnership bodies could apply for a contribution towards the costs.
10) Determine if, after the 5 year period, it would charge a market rent for the library building.	Although it is difficult to give rock solid guarantees, the Council is not currently minded to introduce a market rent at any point in the future.
D: Ongoing management support	
11) ensure management committees of partnership bodies have adequate access to on-going advice and support.	The County Council will provide a named 'relationship manager' to support management committees with business planning, income generation etc. on an ongoing basis.

Appendix B: Community Partnership Library Information Pack Index

Should the County Council decide to go ahead with community partnership libraries, the following provides an indication of the content of the Information Pack that would be made available to invite formal expressions of interest.

Part 1 - Generic

Community Partnership offer overview
Expression of Interest pro-forma
Guidance for submitting a Business Case & Business Case pro-forma
additional information explaining book stock offer
additional information explaining ICT Support offer
Example of a Community Library Partnership Agreement
Model Heads of Terms for property lease agreement
Transition Fund Guidance & Application Form
Overview of support and training available to initiate a partnership body and develop a Business Case.

Part 2 – Library Specific

Background information – including - building ownership, - active borrowers demographics, - current services offered, - current opening hours, - current activities in the library, - library performance over last 3 years covering visits, loans, pc use, numbers of new joiners
Condition Survey
2013/14 Costs and income analysis
Details of financial contributions from LCC up to March 2022

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Scrutiny Review Panel on the Provision of Infrastructure Support for Community Partnership Libraries

Feedback received

Index

From: Beryl Lishman, Countesthorpe

I am writing in my capacity of the U3A vice chairman. As an organisation we would be able to offer out help in the running of the library at Countesthorpe. We have discussed this issue at our meetings and I am in touch with the parish council with Alixe Bates. We as an organisation would form a Library Group and would be able to man the library for one session per week on a regular basis. We are very concerned that the library remains open for as many sessions as possible. Amongst our membership we have many people with what I believe have relevant experiences and expertise.

Joint Feedback from Barrow Parish Council and BUSCA (Barrow upon Soar Community Association)

1. Have the changes to the support package helped to address your concerns? *Many of them have helped*
   a. Which changes do you consider particularly valuable?

      i) *Putting monetary values into 'financial support'*
      ii) *Greater clarity about timings, in particular, taking out 'up to' 5 years and instead referring to transitional period of 5 years . Even referring to beyond this time (eg 7 years)*
      iii) *Provision of templates for agreements, proformas, exemplar agreements, models etc (see App B Part 1)*
      iv) *All of Info Pack Part B)*

   b. Are there any aspects of the support on offer (or lack thereof) that remain of concern?

      i) *No reference to provision of free emergency IT call out.*
      ii) *Our vision depends on us employing a paid manager of volunteers. Will Library Service support extend to such a paid person?*
      iii) *See ii) Could there be any transition support given to help us deal with employment issues etc ?*
      iv) *We hope our support and training will be Barrow-specific*
      v) *See C7): helpful to have promise of defined level of tapering from March 2017 to 22/23 but we will need clarity early on.*
      vi) *How long is 'on-going' support by named relationship manager for management committee? It is very likely that this would be needed for at least 5-7 years.*

2. Should the Council make provision for partnership libraries to purchase additional library service support? (Appendix A, issue 5)

   To answer this, we need clarification of 'additional (professional) library support'. (wording in Feedback 2 and Appx A 5 are different.) It might mean making it possible for a group to pay the LCC for a qualified librarian to run their library.   Assuming not, our answer is NO. There should be adequate free support for 5 years followed by tapered cost.

3. Would the option to capitalise the running costs into a single payment be useful? (Appendix A issue 7)

   NO

4. Which of the lease options would best enable the partnership body to plan and budget for maintenance and repairs? (Appendix A, issue 9)

   Internal repairing basis, subject to expert advice when lease is drawn up

5. Under which circumstances would you consider it fair for the County Council to introduce a market rent for its library premises and/or transfer rental costs to the partnership body? (Appendix A, issue 10)

   In principle, NONE unless the alternative is library closure.

6. Looking at the index of the Information Pack to be made available for each library - is there any particular information or guidance missing? (Appendix B)

   i)   ***Suggest adding list of resources to help with recruiting, managing and retaining volunteers eg VAL, relevant VCS***

   ii)   ***Suggest adding list of resources that are to do with running libraries, both professionally-run and volunteer-run.***

   iii)   ***Our model includes employing a part-time manager of volunteers. We would like to see a source of guidance on employment issues offered in the pack.***

   iv)   ***C7) Costs analysis needs to itemise all costs that will be passed to us including telephone calls, data streaming and any associated WiFi costs.***

   v)   ***Include information on DBS processes and ways of achieving it for volunteers.***

7. What key message would you like to convey to the Scrutiny Review Panel?

   i)   ***We welcome this thorough and generous piece of work delivered in a short period of time. It represents a real step forward.***

   ii)   ***However, it is really important that the LCC continues to deliver quickly enough to enable us to maintain our momentum, especially with volunteers.***

From: Kibworth Library Steering Committee

Re: KIBWORTH LIBRARY

We are writing in acknowledgement of the Consultation Document on the future of libraries in Leicestershire. Following several meetings in the village during the summer, at which members of LCC provided outline information on the future organisation of village libraries, we can confirm that a small steering group has been established to consider how a community library might operate in Kibworth. The steering group has created a brand name, "LarK", Library and Resources in Kibworth, and will conduct all future activity under this name.

We are preparing to conduct a local survey of what resources are required by the community. The result of our enquiry will dictate how the project should develop.

One point on which we would like clarification concerns the point at which existing libraries could be retained. LCC terms of reference indicate that communities that are experiencing rapid growth should be allowed to retain their library. A large development of some 650 houses is currently under construction here as well as other smaller ones.

Regarding the specific questions from the Review Panel, we can only make general comment until detailed study has been undertaken. The alterations have clarified certain aspects of the terms of transfer. Our main concern is finance. While the changes have clarified some points, others will need much further clarification in order for us (and presumably other groups) to be able to prepare a realistic business plan. That plan will both determine and be determined by the level of finance we feel we will be able to generate on a regular basis. In this respect, it is likely we would prefer to see a long term below market level rent for the building. At present, we do not know the state of Kibworth library building and will need to make a structural survey in order to appreciate the level of expense we may be required to provide.

Library stock will be a problem if LCC cease to supply an acceptable level of book replacement, including the type of book and how often exchanged. Who will decide what is stocked in each library?

We would like to have long term guarantees that LCC will support all computer services, including introduction of new software programmes and replacement of hardware to meet changing requirements.

As you may appreciate, the steering committee is at the early stage of developing a realistic proposal for the future. We appreciate LCC have recognised that the situation in every village will be unique. We look forward to receiving a report of the consultation panel's proceedings.

Yours sincerely,

Stephen Poyzer, Chairman of the steering group.

From: Steve Mitchell, Rothley

1.	Have the changes to the support package helped to address your concerns?

No. The proposals that were first outlined at the Consultation events in villages a few months ago are fundamentally the same. More detail has been added and more flexibility in funding has been woven in but there are no new options.

a.	Which changes do you consider particularly valuable?

See above

b.	Are there any aspects of the support on offer (or lack thereof) that remain of concern?

Lack of support / option for those villages who are experiencing problems in recruiting volunteers who are prepared to take on the onerous responsibility of running a community library. There are volunteers who are prepared to give up some hours in the library issuing books etc., but getting a group of volunteers with the necessary organizational / administrative / financial skills is going to effectively cause the community library movement to come to a halt, effectively bringing most village libraries to the brink of closure.

2	Should the Council make provision for partnership libraries to purchase additional library service support? (Appendix A, issue 5)

This could have been one of the central options allowing Parish Councils to but back the whole local service. See below.

3	Would the option to capitalize the running costs into a single payment be useful? (Appendix A issue 7)

No comment

4 Which of the lease options would best enable the partnership body to plan and budget for maintenance and repairs? (Appendix A, issue 9)

No comment

5	Under which circumstances would you consider it fair for the County Council to introduce a market rent for its library premises and/or transfer rental costs to the partnership body? (Appendix A, issue 10)

I cannot see any fairness in this proposal. The village libraries have been put

in a thoroughly invidious / disadvantageous already under the ONE proposal.

6   Looking at the index of the Information Pack to be made available for each library - is there any particular information or guidance missing? (Appendix B)

7   What key message would you like to convey to the Scrutiny Review Panel?

The key message I have may well be inadmissible under your very harsh comments arrangement for the Scrutiny Panel, however I do wish to register some very strong comments regarding the proposals……… or rather lack of them, as there could have been a number of alternatives that would have given the survival of village libraries a much greater chance.

BUY BACK. This would have given Parish Councils the opportunity to fund some of the existing provision augmented with voluntary help. But this was never even mentioned. Parish Councils are the only councils that are not capped and with most villages experiencing rapid housing expansion the additional revenue that this would bring in could be put to good use to fund library services to varying degrees.

ACROSS THE BOARD CUT. This would be the fairest arrangement treating all libraries across the county in exactly the same way. Saving £800,000 is the principal objective so why not share the cuts equally across all communities? In harsh economic times people will accept cuts as long as they are applied fairly. The one existing proposal automatically puts villages at a huge disadvantage in that they have to set an organisation up with all the additional administrative / financial implications. This burden does not exist in the large towns in that they already have an existing structure that their staffs are all familiar with. An across the board cut of 15- 20% would mean all communities were being treated fairly. In Rothley, for example, this would mean a possible reduction in opening hours from the current 16 hrs. p/w to say 12- 13 hours. The prospects now are that there are many volunteers who would be prepared to assist their community with day to day librarian duties under the direction of a professional but who are either not prepared but more likely not confident/ competent enough to take on the huge administrative burden that would arise under the only proposal that the County Council have come up with.

These other alternatives have been suggested by many others across the County but the committee responsible for reorganizing libraries following the £800, 000 cuts seem to be myopic in their ideas.

COUNTESTHORPE PARISH COUNCIL

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Mrs. A. BATES Clerk of the Council and Clerk of the Burial Board

Cllr D Jennings   9th October, 2014
Chair of the Scrutiny Review Panel on the Provision
of Infrastructure Support for Community Partnership Libraries

Dear Cllr Jennings

Countesthorpe Parish Council is disappointed about the short timescale of your request for comments on the proposed community partnership support package, which will be discussed at the Scrutiny Review Panel Workshop on 15th October. This timescale has not allowed time for the Parish Council working party to discuss the proposals in depth and produce a more comprehensive response. However, in response to your request for feedback the Parish Council would like to make the following comments:

1. The changes to the support package has not addressed the Council's concerns as the following key issues have not been considered within the proposals
   - There is no mention of the possibility of purchasing the building or the possibility of a long term lease. As the Parish Council's plan is to re-order the whole area of the building (village hall and library) what would happen at the end of the term of the lease, bearing in mind that potentially the Parish Council intends to make considerable improvements. The Parish Council would want continued discussions with Property Services due to the unique situation in Countesthorpe.
   - All the proposals are concerning volunteer staff, not employed staff. It would be the Parish Council's plan to employ staff
2. The Parish Council considers the provision to purchase additional services to be satisfactory
3. The option to capitalise the running costs into a single payment would need to be discussed further due to the unique situation of Countesthorpe Village Hall and library being one building
4. The lease options would need negotiation on terms agreed by both parties
5. The Parish Council thinks that market rent should not be charged, as the building would be run as a community facility

6. The Parish Council feels that the following information/advice is missing from the index supplied:
   - No advice/guidance regarding TUPE matters
   - A sensibly planned timetable to allow in depth investigation and a smooth transition
7. There are many issues in Countesthorpe that needs unique advice and negotiations and the current proposals do not adequately take this into account. The Parish Council feels that a sensibly planned timetable needs to be put in place to allow time for discussion within the Parish Council and to enable the Parish Council to consult with residents. The timetable needs to take into account time for Precept considerations.

We hope that due consideration is given to the Parish Council's concerns regarding the County Council's proposals for Community Partnership Libraries

Yours sincerely

Mrs Alixe Bates
Clerk to Countesthorpe Parish Council

Thurmaston Community Centre
Silverdale Drive
Thurmaston
Leicester

10/10/14

Please except this letter as part of evidence for the Scrutiny panel set up to examine and scrutinise Community Partnership Libraries and the level of support offered.

Thurmaston Community Centre is situated in the heart of the Dales Estate and is approx 500 yards from where the library is currently sited. We note that the loss of a library would be harmful to Thurmaston and as a responsible community trust we would be in a position to accommodate the library and computer hub along with a café and advice centre. The centre is currently being updated and extended so that it can continue to be an important meeting place for a diverse and changing community.

As the building is being extended now it would take limited funds to extend the extension to accommodate a library and this could be met through 106 section monies from several small developments within Thurmaston.

Our view is that a library housed within will add to our ambitious visions for this centre as an advice centre, a space to give small adult education classes, CV writing and interview techniques plus a small business postal drop and possible rented desk space for small and upcoming businesses. We want the centre to have a paid centre manager and that would make it easier to manage volunteers and have the necessary support and facilities for volunteers.

I hope the scrutiny panel can see that supporting this sort of enterprise would mean that a vital service would survive. The old library could be sold and any or some of the receipts could be used to ensure this project's longevity and see it evolve to adapt to current trends.

Brenda Seaton
on behalf of Tony Wilmot and the board of trustees at Thurmaston Community Centre

From: Sileby Library Steering Group

Numbers in brackets refer to issues as listed in Appendix A.

1 Yes
1a
Amounts of money are specified for the financial transition support (1)
A single point of contact has been offered for the transition process (2)
There is to be a "relationship manager" for ongoing management support (11)
There is to be a free fast-track training programme for management committees as part of transition support (3)
1b
What will the tapering be? (7)
(9) is also a concern. Please see answer to question 4, below.

2 Yes

3 The Steering Group is not clear about what the advantages or disadvantages of capitalising might be (7).

4 The Steering Group is leaning towards the original proposal as described in the first paragraph of "Proposed changes" under (9). Please see answer to question 1b, above.
How would it be decided which partnership bodies could access any of the contingency fund?
Could any of the fund, if unused, be carried forward from year to year?
Could allocations for later years be used earlier if the fund for a particular year was exhausted and there was unmet demand?

5 A market rent would not be fair.

6 Details of an exit strategy for the Partnership in the event of project failure, for example a decrease in the number of volunteers such that the project was no longer viable.
A plan for the County Council to continue to provide a library service for Sileby in the event of project failure.
Will the Pack give an indication of other costs, such as insurance? (Appendix B)

7 What is clear is what the County Council will give in terms of training and ongoing support for operating a library, and set-up costs support. However, more clarity and assurance are needed about ongoing costs, so that a realistic business case can be produced.

Julie Lovatt
Deputy Clerk, SILEBY PARISH COUNCIL

From: Stoney Stanton Library Steering Group

Response to Scrutiny Panel consultation

The Steering Group welcomes the opportunity to comment on the Scrutiny's Panel's consultation.   The Steering Group is at an early stage it it's development having met only once so far. So these comments are based on our initial thoughts and the preparatory work done by the Parish Council.

1. *Have the changes to the support package helped to address your concerns?*

The additional information is welcome but it would have been helpful to have seen a draft of the full package document.

a. Which changes do you consider particularly valuable?

The arrangements for supervision of the work of the library are helpful.

b. Are there any aspects of the support on offer (or lack thereof) that remain of concern

It appears to be the Council's position that the group should insure the book stock. This seems to us to be specialist insurance and it is not clear to us that we would be able to obtain insurance over assets which do not belong to us and which will be constantly changing as book stock is rotated. We feel that the Council should insure what are, after all, it's assets. At worst it should arrange a group policy which we could buy into and the cost of this should be made clear early in the process.

There is still insufficient detail over what costs the Council will meet and which it will not between 2016/17 and 2022/23. We feel that it should be "All non-staffing related running costs based on the current number of hours of library use" (but also see response to 3 below for an alternative approach).

IT support : it is not clear whether the IT support includes repairs and hardware and software maintenance of the IT equipment nor any hardware renewal that maybe required.

Start up costs : groups taking on a 5 year lease with repairing obligations would be well advised to have a survey done and it would be helpful if these costs could be covered as part of the start-up package.

2. *Should the Council make provision for partnership libraries to purchase additional library service support?*

Yes. It would be helpful if these costs could be made known to us at an early stage so we can assess whether purchase of further time would assist us. It is assumed that where we purchase such time it is at a straight hourly rate and that other employment costs and TUPE rights would remain with the Council. It is not clear whether this is limited to staffing or might include additional equipment.

3. *Would the option to capitalise the running costs into a single payment be useful?*

Yes, although we may not choose to take this option. This is because energy and other costs are likely to rise and the knowledge that the Council would be paying actuals provides greater peace of mind and certainly. An alternative option might be to determine what the Council currently pays as non-staffing costs and then to pay the group that sum as a grant, with a suitable inflation provision. This would enable groups to economise and to seek the best deals they could for the provision of services.

4. *Which of the lease options would best enable the partnership body to plan and budget for maintenance and repairs?*

Neither. The lease obligations and in particular liability for dilapidations remain a significant concern and some certainty is needed. We suggest that an initial 12 month licence is offered with the Council bearing all except wear and tear on the library related fittings. This allows an "easy in" and lets groups firm up their operations and assess properly the extent of repairing obligations. It could also be done more quickly. After the 12 months the expectation would be that groups would enter into a lease of 5 years minimum (this may vary from group to group). The lease would, perhaps, specify a maximum expenditure for groups beyond which the Council would cover the excess. We note that the building and it's current fixtures remain the Council's asset and so it is assumed that it would want to make sure that it's asset remained in good condition. So in principle we feel that the Council should remain responsible for all internal repairs except items in direct use (shelving, desks etc) to provide the library service.

The initial suggestion had been that the lease should be for 10 years. Given the Council has only set out it's arrangements for 5 years we feel the lease should be for a similar period unless individual groups want a longer period.

5. *Under which circumstances would you consider it fair for the County Council to introduce a market rent for its library premises and/or transfer rental costs to the partnership body?*

Only if a group had been so successful in attracting alternative commercial uses such that the main use of the building was no longer "library". It should be noted that groups are likely to be "not for profit" and so any surplus funds would be expected to be used to further library related objectives. The objective of both parties is to provide a free library service for the community and that ethos should underpin thinking throughout.

6. *Looking at the index of the Information Pack to be made available for each library - is there any particular information or guidance missing?*

No, the pack is welcome.

7. *What key message would you like to convey to the Scrutiny Review Panel?*

The Council has recognised throughout that this is not a "one size suits all" process. Groups will vary in their experience and depth and premises issues vary. What may be comfortable for one group may be repugnant to another. So we await the detailed package and the opportunity to discuss and negotiate with officers the detail. But we hope officers will be given the maximum flexibility to vary packages to suit individual needs within the context of the Council's need to make savings whilst preserving a decent community lead service.

We need to remember that the main focus of this activity (and the objective of both parties) is to continue to provide a FREE library service to the community that we both serve. Wherever possible costs to the local community should be kept to a minimum as the ones that will most benefit from the service are the most vulnerable in the community.

Stephen Purser
Acting Chair
Stoney Stanton Library Steering Group

From: Market Bosworth Parish Council

Dear Mr Jennings

Thank you for your letter of 7 October 2014 regarding the above mentioned subject. I now write on behalf of Market Bosworth Parish Council with the following observations.

Firstly, the seven days permitted to return feedback illustrates a lack of understanding of Parish Council constitutional restrictions on public affairs and allows very little time to form a response.

However, the Parish Council would like to raise the following points:

- The facts are still too vague to be able to make a judgement. For example, is access to funds to be by grant or loan? And without knowing how much it will cost to insure stock, cover public liability and meet the cost of ongoing repairs it is not possible to know if the proposed fund would be adequate.
- Although the appendix provides a useful framework for groups to further explore the option of forming a community based operation, it does not address issues where the library is not situated in a building other than a purpose built library i.e. it is not site specific enough. The panel needs to be aware that whilst the framework is comprehensive it may well not have addressed all eventualities and ongoing support to address these may incur additional costs. For example, there could be difficulties in transfer of a lease for the Market Bosworth Library which is situated in the local Secondary School Academy which itself may wish to regain teaching space. This situation is further complicated in that ownership of the actual building is allegedly unclear.
- Items on library support are still vague. For example, for how long will refresher training be provided? How long will additional training last? Will additional training be subject to a charge? Is the additional training for new volunteers after the initial training or for when problems occur? And will there actually be any savings once the costs for training, guidance and management support are met? Totalling all this up, it may well be more economical just to keep the libraries open on reduced opening hours.

Yours sincerely
Mrs C Monkman
Parish Clerk
Market Bosworth Parish Council
01455 291867

Leicestershire and Rutland Association of Local Councils

Response to Call for Evidence: Scrutiny Review Panel on the Provision of Infrastructure Support for Community Partnership Libraries

Have the changes to the support package helped to address your concerns?
a. Which changes do you consider particularly valuable?
b. Are there any aspects of the support on offer (or lack thereof) that remain of concern?

1. Yes.

   A) The offer of assistance to the management committees in Appendix A, A 1-3.
   B) Long term (beyond 5 years) support, though some support has been extended to 7 years.

Should the Council make provision for partnership libraries to purchase additional library service support? (Appendix A, issue 5)

2. Yes. The needs will vary greatly from one community to the next (i.e. in terms of existing groups, experienced volunteers, active and empowered Parish Councils, etc.), and as such it may be the case that individual communities will wish to purchase enhanced support for years 1 and 2, for example. However the basic offer should be of such a level that even communities without existing Voluntary and Community Sector (VCS) infrastructure should be able to take on the library based on that support.

Would the option to capitalise the running costs into a single payment be useful? (Appendix A issue 7)

3. LRALC does not feel that it can offer a view on this question as views and needs will differ and vary between councils due to reserves (or lack of), desire to precept appropriately, etc. However we believe the option should be available.

Which of the lease options would best enable the partnership body to plan and budget for maintenance and repairs? (Appendix A, issue 9)

4. We would advise any Parish Council considering a "full repairing" option to commission an independent full survey of the building and engage appropriate legal advice on the agreement and as such would suggest a contribution towards these costs would offset the risk of a council (or other body) not undertaking these checks effectively.

Under which circumstances would you consider it fair for the County Council to introduce a market rent for its library premises and/or transfer rental costs to the partnership body? (Appendix A, issue 10)

5. For a community facility such as a library we would not find it appropriate for market rent for premises to be charged under any circumstances. Even in the current financial climate, many principal authorities are still viewing community asset transfer as a way of supporting communities during periods of financial constraint. We would suggest that LCC could take a similar position by agreeing a set rent price for a minimum of 10 years rather than the current proposal of 7, thereby providing more long term security.

Looking at the index of the Information Pack to be made available for each library - is there any particular information or guidance missing? (Appendix B)

6. Some financial forecasts, even of a general nature (not library specific), would assist groups including PCs in understanding how costs may increase due to inflation, rising energy costs, etc. Also, we would suggest that in the generic part of the pack there are some links to sources of information and advice for bodies looking to take on a library, e.g. RCC, VAL, LRALC (for PCs), and also professional services such as solicitors (e.g. http://solicitors.lawsociety.org.uk/), surveyors, etc. Finally, for PCs looking to become involved in local provision we would suggest a summary of statutory powers open to them to use (and any limitations).

What key message would you like to convey to the Scrutiny Review Panel?

7. LRALC is generally supportive of any Parish Council that is looking to support/deliver ongoing community library provision in their areas, providing that they take appropriate legal advice, and fully consider the costs, risks, and liabilities that the PC will face as a result. Equally, we believe that library service devolution cannot be considered by communities in isolation, and we would remind the County Council of two recommendations made in LRALC's "Big Discussion" report from earlier this year, namely:

- A consistent top down approach to devolved/joint service provision with local councils in Leicestershire, including LCC prioritising specific services considered to offer the maximum potential for devolution and those identified as being favoured at the "Big Discussion" events.

- A co-ordinated and timetabled process of engagement with local councils by individual County Council service sections around devolved/joint service provision in Leicestershire.

General comments:
- As previously advised by LRALC to LCC, any requirement to achieve charitable status (Appendix A(7)) would rule out a Parish Council being able to directly take on a community library as it is not possible for such bodies to acquire such status. This would mean that a separate charitable trust, etc., would need to be the body which took on the facility.
- LRALC has not taken a position on the general issue of Community Partnership Libraries, although we are aware that some Parish Councils have taken a formal position of opposing the proposals in their entirety, and our response should be received in this context. Therefore, this response does not constitute LRALC support, or otherwise, for the proposals in their entirety.

From : Desford Parish Council

I am not sure whether these have been collated by our County Councillor on behalf of Desford, so I thought it best to submit my comments

Q1. The changes to the support package are a step in the right direction.
(b) We still have concerns over (9) the Responsibility for Buildings.
We would expect LCC to maintain the roof, windows & gutterings
We would expect to be responsible for paintwork, inside & outside, and minor repairs
We would be willing to take on the boiler if we were to have a 25 (or 99) year lease, but not if only for 10 years
What thought has been given to offering the community groups the right to buy the building?
Q2. OK with this
Q3. Don't know!
Q4. The first option if the lease were to be longer (as above)
Q6. Can't think of anything
Q7. Be flexible on what you offer groups according to their individual circumstances. Allow more time for groups to get everything in place.

Thank you

Pat Crane
Desford Parish Council

<u>Kegworth Parish Council</u>

**Feedback on the amended proposals for the support Package for
Partnership Libraries.**

*1. Have the changes to the support package helped to address your
concerns?*

a. Which changes do you consider particularly valuable?

**The changes do help to clarify the financial transition support which
would be available.**

*b. Are there any aspects of the support on offer (or lack thereof)
that remain of concern?*

**The sum of £2000 identified in 1) for legal advice on legal structure,
partnership agreement and lease and promotional material, signage etc
is unlikely to cover the costs associated with the work, and could
potentially leave partnership groups with initial costs in excess of their
ability to pay. All legal costs should be made available plus a small
allowance of say £500 for signage, promotional material etc.**

**The costs of running the Summer Reading Scheme are not identified as
potentially being incurred by the Partnership Libraries. In earlier
consultations these costs were said to be the responsibility of
Partnership Library groups managing Rural libraries, with LCC bearing
the cost of the Summer reading scheme at the Libraries they continue to
run and manage.**

**We consider this to be inequitable, and that the cost of the Summer
Reading Scheme and all promotional materials should continue to be
met by LCC into the future as part of the support package offered to
rural Libraries.**

*2. Should the Council make provision for partnership libraries to purchase
additional library service support? (**Appendix A, issue 5**)*

**It is unlikely that the additional support could be afforded by Partnership
Libraries in the initial period; LCC should anticipate that some groups
would require additional [ad –hoc] support for at least an initial 2 year
period, dependent on the make-up of the volunteer group running the
library.**

*3. Would the option to capitalise the running costs into a single payment
be useful? (**Appendix A issue 7**)*

**It would be useful to offer this as an option for each rural library
partnership group to consider.**

4. Which of the lease options would best enable the partnership body to plan and budget for maintenance and repairs? **(Appendix A, issue 9)**

The preferred option is likely to be dependent on the current condition of each library building, fittings and finishes, and could potentially be a major deterrent in establishing the Rural Library Partnership if the fabric and finishes are currently in poor condition.

We are aware of current ongoing roof leaks and external timber repairs required to the fabric of Kegworth Library; the contingency fund of £150,000 divided between 36 rural libraries [£4166 each] will not address the work currently outstanding.

We have no way of knowing if Kegworth is typical of the rural library building stock.

Our preference would have to be for LCC to maintain the external fabric of the building unless the offer is linked to a minimum basic standard for the Library building and services at handover to a Partnership Group.

*5. Under which circumstances would you consider it fair for the County Council to introduce a market rent for its library premises and/or transfer rental costs to the partnership body***? (Appendix A, issue 10)**

In no circumstances would we consider it fair for a market rent to be introduced for the library premises or for rental costs to be transferred to the Partnership body.
In taking on the running of the library service the partnership body is assisting LCC to discharge the statutory requirement to provide a library service; it is likely that bearing the market rent of premises would not allow local groups to continue in the 'Partnership'.

6. Looking at the index of the Information Pack to be made available for each library - is there any particular information or guidance missing? **(Appendix B)**

Costs of running the Summer Reading Scheme – as above.

Timeline re phasing of the transfer to 'Partnership' arrangements – initially said not all rural libraries would transfer together, the latest documentation would seem to indicate a speedy transition of all libraries, placing a huge burden on VAL and other 'support' organisations.

Any income from S106 funding – will this be forwarded to Partnership Groups?

7. What key message would you like to convey to the Scrutiny Review

This is a huge challenge for groups wishing to maintain rural library services. Flexible, fair, open and transparent transfer arrangements need to be apparent in order not to discourage groups during the process.

Kegworth Parish Council,
1 London Road,
Kegworth,
Derby,
DE74 2DE.   13th
October, 2014.

From: Jeremy Prescott, Director, RCC (Leicestershire & Rutland)

1) Provide clarity on the financial transition support available	For each community library, the community will have access to - Up to £ 1,000 for initiation costs (ie. local consultation, volunteer recruitment, business plan preparation) - Up to £2,000 for set-up costs (ie setting up legal structure, legal advice on partnership agreement and lease, promotional material, signage etc.) - Up to £5,000 for minor capital works that are essential to the delivery of the business plan (ie equipment, minor refurbishments)	This clarification of available funding is helpful and will assist other VCS organisation support the transition process The key factor will be the application process required to access the funding. Care must be taken that the costs of administrating the funding does not exceed the grants themselves. The Process to access funding should be a quick and simple tick box exercise rather than an in depth justification of funding need. Consideration should be given to allocating a set £8000 to each library project and allow local communities to decide how it is spent, rather than ring fence for initiation costs/capital cost etc.
2) Provide management committees with access to hands-on support and advice	Each library will have a dedicated County Council officer to advise and support them in developing a business plan and the transition process. Free hands-on support will also be available from Voluntary Action Leicestershire	The term dedicated suggests a single officer for each library, whose focus will be on the library only. Is this very likely or will one officer cover several ?
3) Provide management committees with access to appropriate training & guidance	A free fast-track training programme will be available to provide management committee members with basic training in areas such as business planning, governance and legal structures, fundraising, managing and recruiting volunteers, community engagement, social enterprise and trading	This clearly will be of great benefit to communities and volunteers. Would this be LCC delivered or via the VCS. What costs are estimated for this element

4) Provide adequate training for volunteers in basic library procedures, the use of the Library management System etc.	Initial training sessions for local volunteers will be provided locally and agreed as part of the transition arrangements following acceptance of the business plan. Regular 'refresher' training will be provided on a countywide basis or locally if appropriate. Any additional training could be arranged, but is likely to be subject to a charge.	The timing schedule of free training and when it is likely to be charged needs to be notified to potential providers so this can be factored into their costings

5) Provide adequate hands-on support and advice from library staff	For day to day operational support, volunteers will have access to professional library staff via e-mail and telephone for assistance with any issues arising from the use of the library management system or library processes and procedures. We will also provide each partnership library with a named library liaison officer. Liaison officers will make regular visits to provide library professional support for training and management of volunteers, library operations and as an interface with ICT and property services. It is expected that Liaison officers will visit a library for 2 hours every fortnight. Should partnership bodies wish to, they would be able to purchase additional regular library professional support.	Does this liaison stop after the suggested 5 year period or is it ongoing ? It is our view that to ensure the standards and quality of the service are maintained that there will need to be an ongoing level of support indefinitely albeit on a reduced scale
6) Confirm its proposed offer with regards to operational support for library services, including book stock and ICT support for a minimum of 5 years.	ICT infrastructure, book-stock and library operational support will all be available for free for an initial period of 5 years, and then subject to review.	5 Years would seem a reasonable time in which to ascertain if a community library is likely to be able to self sustaining.

7) provide clear details of the financial contribution to be offered towards running costs	A clearly defined level of tapered financial support over 7 years for specific categories of premises and some operational expenditure including rent, rates, energy costs and telephone rentals: - 100% contribution in 2015/16 and 2016/17; - The tapering of financial support for 'business rates' assumes groups will achieve charitable status; - Facilities management financial support (Cleaning and grounds maintenance) would cease when current County Council contracts end in March 2017; - From 2022/23, all costs will be met by the group; - Rent costs of leased buildings would continue to be funded in full for 5 years. A review of rent support take place in year 5. There will be a possibility to capitalise the County Council's property running costs contribution as a single payment.	A suitable Charitable Incorporated Organisation model should be developed to ensure all groups can achieve charitable status to attract business rates reduction. Currently this stands at only 80% mandatory for charities with 20% at the discretion of LA. Assurances should be sought from LA on provision of 100% rate relief
8) provide clarity over what will happen after the initial 5 year period and avoid a 'cliff-edge' situation in which all funding is withdrawn at once.	The offer of financial support over 7 years as outlined above provides clarity and avoids a 'cliff-edge' situation.	No comment

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9) Provide clarity over the responsibility for buildings (in particular with regards to major repairs)	The original proposal was for Library buildings owned by the County Council to be made available for lease on an internal repairing basis for a term of no less than 10 years. This would mean that repairs to the structure of the building (ie Roof) would remain the County Council's responsibility, but repairs that result through use of the building are the responsibility of the partnership body. Such repair costs can nevertheless be quite considerable on occasion (ie boiler replacement) An alternative, would therefore be for the lease to be on a full repairing basis (where the partnership body is responsible for all repairs), but for the County Council to provide a contingency fund of £150,000 per annum for major premises repairs expenditure to which partnership bodies could apply for a contribution towards the costs.	If the sinking fund option is taken up, then funding should be made available for an independent building survey and 10 costs projection to ensure £150,000 is suitable amount
10) Determine if, after the 5 year period, it would charge a market rent for the library building.	Although it is difficult to give rock solid guarantees, the Council is not currently minded to introduce a market rent at any point in the future.	This should be avoided where possible. An introduction of market rents could prove a false economy as previous investment would be lost if libraries were forced to close due to increased costs.
11) ensure management committees of partnership bodies have adequate access to on-going advice and support.	The County Council will provide a named 'relationship manager' to support management committees with business planning, income generation etc. on an ongoing basis.	This sounds fine, but people move on / leave etc. Better to have either an accountable department, or perhaps look to the VCS to have an accountable external organisation.

From : Braunstone Town Council

Braunstone Town Council wishes to make the following comments concerning the proposed support package for Community Libraries.

It is important to note that Braunstone Town Council remains of the view that the model, which was the subject of consultation earlier this year is not a strategic solution to managing a Library service both in the short and long term. Options such as a partnership or shared service with other library authorities would enable savings to be made without impacting on the front line service. The model also highlights the potential for double taxation, which Braunstone Town Council is opposed to.

While Braunstone Town Council is firmly of the view that alternative models and/or a different approach could have been by the County Council to address the funding shortfall, it is accepted that the County Council has determined that a £800,000 saving should be made from the Libraries budget. Therefore, should the County Council approve the proposed model, it is vitally important that the support package for Community Libraries is as flexible as possible to support and meet the needs of the County's diverse communities and that of the range of community partnership models, while meeting its primary objective of budget savings.

The areas affected range from large populated suburban areas, such as Braunstone Town and Burbage, through large villages and settlements such as Barwell and Thurmaston, to rural district centres such as Bottesford and Market Bosworth.

As part of the consultation, the County Council provided figures for each of the proposed Community Libraries, this set out property running costs, staff and other overheads and income. In simple terms, the County Council proposed to cover building insurance and reasonable property running costs along with infrastructure, IT and training. The County Council will have undertaken an assessment which would provide an estimate of the financial cost of such support in relation to each Library.

However, each community and the organisations within those communities will have different needs. Not everyone will need a building, for example some communities may choose to co-locate in another community building, while in others the Library already exists as part of another organisation's building. In such cases buildings insurance, management and maintenance of the building may not be required from the County Council. Others may have computers or wi-fi access or have access to alternative arrangements at a lower cost, again there would be no need for this support from the County Council. However, for some communities, access to professional library staff to ensure that the book stock and involvement of the library in the wider community is maintained will be important and equivalent funding from the County Council for provision of this service would be more value to that particular community partnership library.

In some cases the County Council will have legal and contractual obligations, such as a lease agreement, there is the potential to discuss the transfer of these or negotiation of terms in order to unlock the equivalent funding for other library services, should this be of value to a particular community partnership library.

Another community partnership library may value the professional expertise of the County Council, legal advice, financial services, professional funding and grant services.

In short, the one size fits all model is inflexible and could hinder the success of community partnership libraries. A pick and mix approach to support, where the elements of support that the County Council provide are attributed a value, enables each individual community partnership library to pick the support elements which meet their local needs and circumstances and present the best chances of success. It gives the partnership the autonomy and therefore ownership and motivation for the project to succeed in their area. Each community library would be able to pick elements up to the value equivalent to the originally proposed support package. Each individual community partnership could potentially pick a larger support package than the equivalent value and chose to pay the difference.

Equally, a pragmatic approach on the part of the County Council would be to continue to directly run a Library Service in an area where suitable partners, public sector, private sector, education establishments etc. can be found to co-locate services and save on fixed and operational costs to the mutual benefit of the partners. In reaching an agreement, consultation could take place with partners and the local community on how the service should operate, for example changed or reduced opening hours. Where such an arrangement resulted in the equivalent expenditure as highlighted above, the core objectives of service cost savings has been met by the County Council, while retaining the County run professional library service for the community and resulting in cost savings for the other partners.

Therefore, concerning the specific questions that the Scrutiny Panel have asked, Braunstone Town Council's response is as follows:

1. Have the changes to the support package helped to address your concerns?
To some extent, the support package is wider and therefore will better meet to needs of partnership groups.
a. Which changes do you consider particularly valuable?
Each Library having a Named County Council Liaison Officer who will visit to provide advice and support on a regular basis. This person will undoubtedly be to many community groups, volunteers and partner organisations welcome support, particularly in the early stages.

b. Are there any aspects of the support on offer (or lack thereof) that remain of concern?
There is no recognition of the County Council's ability to reduce the overheads of Community Partnership Libraries beyond 5-7 years through its ability to act on their behalf and providing savings overall through economies of scale, for example costs for insurance, legal, maintenance, utility services.

2. *Should the Council make provision for partnership libraries to purchase additional library service support?*

Yes and also the ability to choose additional support instead of the standard support.

3. *Would the option to capitalise the running costs into a single payment be useful?*

Yes, this should be an option.

4. *Which of the lease options would best enable the partnership body to plan and budget for maintenance and repairs?*

The partnership body should be able to determine from the lease options available at the outset.

5. *Under which circumstances would you consider it fair for the County Council to introduce a market rent for its library premises and/or transfer rental costs to the partnership body?*

It would not be appropriate to levy a market rent or transfer the rental costs to a community library. However, if the organisation has developed other lines of business, which having funded the community library, is making significant profits for the business, rather than for the community, e.g. a Café business or retail outlet, then a market rent on the floor space of those businesses activities could be considered.

6. *Looking at the index of the Information Pack to be made available for each library - is there any particular information or guidance missing?*

Should the Panel agree to a "pick and mix" support model, part 1 needs to include a definitive list of support options with the cost of each option and part 2 need to include the attributed value of support for the specific Library.

7. *What key message would you like to convey to the Scrutiny Review Panel?*

For any community organisation or partnership, particularly one formed of volunteers, it is vitally important that to be motivated and successful as a group that they feel supported by the County Council and that they are not constrained by a bureaucratic and one size fits all approach. Many community partnerships and volunteers will be presenting themselves to run their local Library rather than see it closed, they will be finding it difficult to recruit, train and retain volunteers and their view of the County Council will not necessarily be that complimentary. The County Council therefore needs to work hard to demonstrate that it is supportive, understanding and flexible to the needs of the various communities and partnerships who will be involved in making a success of their local Library service.

Braunstone Town Council welcomes the opportunity to comment on these proposals and is hopeful that the Scrutiny Panel will take a realistic and pragmatic approach to developing a support package and enabling the County Council to make savings while ensuring the continuation of services through both community partnerships and public/private partnerships.

Yours faithfully

Councillor Nick Brown
Leader of Braunstone Town Council

Anstey Library Interest Group

FAO : Scrutiny Review Panel, Community Partnership Libraries

Please find below the response by the Anstey Library Interest Group to your request for feedback on the proposed changes to the support package (your document of 7th Oct).

Our comments are numbered as per the table on page 5 of your document.

1. a.   No comment
   b.   Will 'provision of ICT infrastructure for relevant equipment' include repair and replacement of ICT equipment? Will the Library Service undertake to ensure that at the time ICT equipment is handed over to the partnership body that it is fully functional and has an appreciable expected lifetime remaining?
2.   In addition to the services offered, we feel a successful transition to a volunteer-based service would be more likely if at least one professional librarian could be provided for an introductory period of perhaps 12 – 18 months.
     Beyond this, we welcome the proposal that it should be possible to purchase additional professional library services.
3.   We do not anticipate wanting to capitalise the property running costs but at this stage, before we've had a chance to build a business case, it seem prudent to retain the option.
4.   We feel the second option is preferable but clearly depends on the take-up from other partnership bodies. Also the 'contribution towards costs' needs to be quantified, presumably as a percentage. Accordingly we suggest this proposal is developed further.
5.   Under no circumstances would we consider it fair to introduce a market rent
6. i   Insurance of the loaned book stock (as mentioned in the original proposal may not be feasible. Can the Library Service advise of anyone prepared to offer this facility?
   ii   We feel the Information Pack should include a Service Level Agreement for the provision of services by the Library Service
7. i   The existing library building in Anstey also houses Sure Start, and if the library closes Leics Council will have to make alternative provision for it; similar situations may well occur elsewhere. We would urge the panel to adopt a holistic approach when calculating cost savings to also take account of the additional expenditure arising from library closures.
   ii   Opportunities may arise for an existing, aging library to be replaced by a newer, more efficient building at a cost above the £5000 budget mentioned for minor capital works. Is there any possibility of larger capital sums being available for such developments?

Executive Committee, Anstey Library Interest Group
12 Oct 2014

From: Neil Fortey , Bottesford

Comments on Community Library consultation

13th October 2014

I am providing these comments on my own behalf, as a Bottesford resident and library user who is willing to take part in setting up a community library within a reasonable and viable model, if that proves necessary. However, I feel that the case for closing Bottesford is poor and should be re-assessed, though my following comments are based on what I see as a realistic view of what is likely to happen. Any community library solution will require establishment of a management trust in Bottesford, which will require time and support from the library service to put in place.

My first point is to agree with the sentiment expressed at the open meeting in Bottesford that the County Council should be urged to continue to support the existing library, on the grounds that it is the only library in this large part of northern Leicestershire. If it closes it will increase rural and the sense that too many libraries are being kept close to the centre of the county while peripheral areas such as the Vale of Belvoir ae regarded as unimportant. The only other accessible county public library is at Melton which is some fifteen miles away requiring an hour-long bus ride to reach it (and there is no guarantee that the bus service will be maintained in future years).

I would go further. My view is that the existing library should be made more viable than it is at present by broadening the range of services that it provides. One way forward would be if it could be developed as part of a 'community hub' with library, heritage, cultural, meeting and other services (parish office, facilities for Citizens Advice Bureau, etc.). The traditional view of public libraries run as enclosed facilities administered by a remote centralised authority is probably no longer viable, but this should be seen as an opportunity rather than a disaster.

In a community hub development it would be reasonable to ask the County Library Service to contribute some of the costs, not necessarily 100% as they do at present. This could be a long-term arrangement or could be subject to review as the financial structure of the Hub developed with time and experience.

In any new arrangement in which the community takes on the role of running the library and/or a Hub there will need to be a body established within the parish for this purpose. The location of the Hub would continue to be Bottesford Old School (unless an alternative was identified). This is the location of the present public library: is owned by the parish council and space is leased to the county library service. Therefore the PC would have to be a partner in the new body. However, it would not be advisable for the PC to make up the whole of the managing body (as a PC sub-committee) because that would limit its scope and ability to achieve charitable status. In addition, the PC is subject to periodic re-election and so its future policies and therefore its stability cannot be guaranteed. A degree of stability is necessary and this can be achieved by a managing body that works with the PC but is a separate entity, preferably a charitable trust that would enter into a service level agreement with the PC regarding issues such as rent, financial responsibilities, income and so on.

Another reason for having a separate management trust is that the County Council rightly expects there to be something of this sort (they refer to a 'partnership body' with a 'managerial team' in their recent paper) with whom they can establish a management contract for the new community library. At present there is no such 'partnership body' in Bottesford, and precious little time to set up one. I am aware that there is still in theoretical existence the 'Bottesford Institute', which was the charitable body established years ago to run the former Coffee House reading room and youth club. Apparently this is still on the Charity Commission's records, and it might be possible to revive it as a new Friends of Bottesford Old School (or some such title), but again there is little time to do this or momentum towards such a goal.

The existing public library in Bottesford is not used as much as we, or the County Library Service, would like. Is this because no-one reads books anymore? I am not convinced of this pessimistic view. The present library is allocated a poor selection of book stock, but the library also serves as a pickup point for the wider county library stock which can be accessed via their online catalogue-reservation service (which is itself accessible via the public computers in the library, though this is little help to people who are not familiar with PCs or the internet).

From these ramblings I think I can see three options:

1) Urge the county library service to maintain the library as a publically funded facility much as it is now.
2) Develop a partnership between the library service, our parish council (who own the premises) and a new management trust to develop a structure that will provide a wider range of services and fund-raising opportunities while maintaining a public library.
3) Accept that the county will cease to fund the present library and will instead provide a mobile library. This would leave the community free to develop a hub in the Old School by setting up a management trust to work in partnership with the parish council to create a multi-use community and heritage centre. Part of this could be a truly communal library with books donated by members as well as a commercial function selling books.

Option 1 should be pursued while it still possible to do so, though if it did succeed it might only keep the library limping on as a diminishing service for a few more years. Option 2 is a half-way house solution that might well become entangled in the bureaucracy of managing three major partners (library service, parish council, management trust). I think no.3 is the most interesting, because it offers a positive solution to what otherwise feels like a depressing end-game. It would also be a genuine community initiative that will draw in support from a wide range of people.

Bottesford should be prepared, if it proves unavoidable (as I suspect it will), to let the public library float free as a visiting mobile library providing a range of stock on its shelves and also, more importantly, acting as a pickup and return point for books reserved from the county stock. This would leave us free to establish a new communal centre to provide heritage, cultural and other things independently, that could be arrived at by agreement between the owners of the Old School building (the parish council) and a new management trust (that would with time achieve charitable status). The trust would consist of volunteers to establish a management committee and also draw in a wider membership from the community who would receive specific benefits in return for their membership fee.

Additional comments:-

Firstly, the parish council is already working on a bid for HLF funds to develop a community hub at the Old School that would specifically be allied to a programme of heritage activities and projects; in this the Old School itself is an essential part of the heritage that it seeks to conserve and research.

I am well aware that my ramblings have not addressed the financial cases for any of these options, which I have not felt able to think through at present. There are loads of things to consider and the whole needs careful management, and the estimates I have been shown indicate that a straightforward community library with volunteers replacing the present professional staff would require a high level of year on year fund raising just to remain financially stable. I have doubts as to the long term success of such an arrangement.

In a similar vein, I ask myself whether a volunteer staff would remain enthusiastic and professional enough in the long term. What would be in it for them? Are the existing library staff or other sites across the county offering to run the community library on an unpaid basis rather than see it close? I doubt it.

From: Susan & Mike Meech, Bottesford

Dear Scrutiny Committee

We are responding to your document dated 7 October 2014 on the provision of Infrastructure Support for Community Partnership Libraries. Our response is as interested individuals as there is no properly constituted community group in Bottesford which could consider the Community Partnership proposals.

Our overarching comment on the future of the library in Bottesford is that the costs of running a comparable library service as a community partnership would seem to be much more than a village of our size could afford. Our projections based on the 2012/13 running cost figures excluding staff and premises costs (i.e. no staff costs and rent at zero from 2015/16 and zero cleaning costs from 2017/18) allowing for inflation at 3% suggest that running a library with its current service offer would accumulate a deficit of £36k after 5 years and £71K after 10 years. Some savings might be made: rates might be reduced by securing charitable status while contributions to maintain the book stock could be reduced. However, given that Bottesford library is housed in a building leased from the Parish Council that has relatively little under-exploited space there would seem to be little scope for a community partnership to develop an income stream to meet the prospective deficit. Before we even arrive at this stage, however, it is unclear whether Bottesford Parish Council (BPC) would or could afford to forego the rental income, currently £8K per annum or if Leicestershire County Council (LCC) would fund this. If not, the accumulated deficit could more than double. As owner of the existing library building the Parish Council would seem to have an unusually key say in the prospects for any community partnership proposals.

In response to the specific questions posed in the document of 7th October:

1. Changes to the support package could not be said to have addressed our concerns. The overall cost of running the library still looks to be more than the village could afford but there are gaps in the information to say this with great certainty.

   a. We consider the clarity provided re: future funding and support/ liaison by LCC to be helpful in developing future financial forecasts but to be too generic and incomplete, particularly with respect to leasing of premises.
   b. Items which remain of particular concern are:
      i. Details of funds available to purchase expert support not being offered by LCC such as legal advice, financial advice, business mentoring etc.;
      ii. Any 'strings' attached to the financial support inc. when and on what the money should be spent, whether any loans might be available and on what terms;
      iii. A lack of information about how long current LCC contracts would need to be honoured for utility bills and cleaning and whether any community partnership would suffer from loss of economies of scale in future contracting. Also, how long any partnership would be expected to contribute to the book budget and what access to the county stock this would buy;
      iv. Any minimum levels of library service expected by LCC to qualify a proposal as a community library e.g. opening hours, materials to be available to borrowers;

    v. Support available to libraries like Bottesford, which lease premises from a parish council, with regard to renegotiation of lease;

    vi. When and for how much rate relief would a partnership be eligible if a community partnership did not decide to or could not become a registered charity; and

    vii. What assets would the community partnership have at the end of the 5/7 phase-in years?

2. It would seem sensible for LCC to make provision for library partnerships to purchase additional support but not just on library issues. The community library would need support in other professional areas as stated in bi.

3. It would be useful to see what effect capitalising running costs would have on prospective deficits.

4. The comments on lease options are incomplete. In the case of Bottesford a prospective community partnership would be leasing a building from the Parish Council that is old and where repair and maintenance costs could be very high. A community partnership might welcome the opportunity to bid for funds for maintenance projects otherwise uncertainties (e.g. boiler replacement) might make the risks just too great.

5. On the basis of the figures before us, we cannot see that a community library would be able to earn enough income to cover this cost.

6. Information pack gaps:
    a. Part 1
- Minimum LCC requirements from the library e.g. opening hours, reference collection, IT access;
- Details of what happens to the assets at the end of 5/7 years inc. furniture, books, computers, photocopier; and
- A proforma manual containing drafts of the documents required for running a community library inc. all the necessary policies & guidance documents e.g. health & safety policy, safeguarding policy, environmental policy, volunteer management policy, building maintenance schedules.

    b. Part 2
- Stats on library users inc. postcode, age;
- Library usage by age, type of material;
- Breakdown of resources used/ borrowed e.g. DVDs, large print;
- Estimate of use of e.g. reference material, local history collection;
- Use of IT equipment/ photocopier;
- Stats on use of library catalogue and on line reservation service by residents; and
- Take up of activities which take place in the library e.g. Wriggly readers, summer reading scheme.

7. Key message to scrutiny panel:
Unless we have understood the figures incorrectly it is hard to see how a new community partnership could afford to run a comparable library service to that currently offered.

From: Rothley Library Working Party

In Rothley the Working Party of Parish Councillors and members of the public has the following comments to make to the Scrutiny Panel:

1. The changes to the support package have addressed some of our concerns, but have served to highlight the complexity of the start-up process for a newly formed volunteer group.
We are still concerned about sustainability despite detail of tapering.

2. The council should make provision for the purchase of additional library support.

3. The option to capitalise running costs into a single payment may prove useful in external funding bids.

4. We cannot comment on preferred lease options as premises are yet to be determined.

5. Neither can we comment on future rental agreements for the same reason.

6. There is no obvious omission to proposed information pack at this stage.

7. Our key message to the scrutiny panel is that whilst the additional detail about financial/professional support is welcome, we would have liked to see evidence of a more flexible approach to, for example, number of opening hours and floor area requirements. So we look forward to seeing the outcomes relating to alternatives to the proposed community partnership libraries to be considered by the Adults and Communities Overview and Scrutiny Committee in November.

Cllr Olwen Jones
Rothley Library Working Party

From: Castle Donington Parish Council

I have now had chance to look at the documents and they look good in the main.

It seems quite clear as to what is being offered and the fact that there is the scope to adapt for the different libraries too.
There are a number points / questions that probably need to be addressed, but these are probably specific to Castle Donington if it is that the Parish Council takes it on.

My main issue for everyone is that I can't seem to see where the LCC is going to assist Parish Councils (or other groups) to work through the hoops of a legal entity to run the service. As you are aware, Parish Councils do not have the legal power to run libraries. Some may be able to use the Power of Competence, but even with this there are grey areas and advice will need to be sought.
I am not sure in the LRLAC if looking in to this, but couldn't see any info in the information that has been circulated.

There are mentions of minimum opening hours and offers of grants?
Who will set the hours of opening of the library as this will be individual to the locality and potential the staff /volunteers who are going to run them going forward.
With regard to the one- off grants; it is hoped these are not like the SHIRE grants, but actual one-off payments? It will be difficult enough to take over the running aspects without having to go through hoops to get the necessary money.

With regard to the legal advice for the legal entity, is this included in one of the payment amounts being offered (transition support)? Again not too clear.
It is good to see that the existing computers will be retained, but what happens to these if they fail? Who will have to replace them? Computers and IT are obviously a big thing going forward, so the level of support needs to be high and confirmed.

Advice/training will need to be front loaded as it will be a very steep learning curve for the parish council/group and volunteer / staff. Has this be accounted for in terms of capacity for training being offered.

In terms of the end of the 5 year period for funding and assistance; this really needs to be addressed at year 3 so that the correct lead in times and ability to precept/ obtain additional funding etc can be worked in to the project.

The document talks about the leasing of the library building, but what if the group does not want to lease the building and use an existing, or if it wanted to buy the library building so that it can make better use of joined up working – i.e. in terms of a One Stop Shop facility with the Police and Volunteer Bureau? Has the purchase of buildings been agreed?

The information pack looks fairly full, except for the legal advice bit as above and also information regarding staff arrangements/ TUPE etc and how if the PC/group wanted to employ people, not just volunteers, how this could be done legally and correctly without actually having to take on existing staff (just in case it doesn't want to).

Feedback on specific questions:
1) a) The fact that it set out in a more clear manner. Outlining the various processes and giving more detailed information.
    b) In points above.
2) Purchase of other books may be difficult due to the necessary legal powers required needed to provide the actually library service. Perhaps the LCC should look into the legal powers that are necessary for another body to do this.

3) Yes.
4) Both seem complicated and expensive; a lot would depend on how the process for applying for the additional funding that will be necessary to have the repairs done and possible timescale. For this reason, potentially option 1, but I think that some more work on this is needed, more in favour of the Parish Councils/ local groups who are going to run the facility going forward.
5) No particular situation as the cost would make the new service viable, particular in the short term. Potentially at the review time and if sufficient time and notice and the new process is actually working a review of the rent and other things could be potentially considered. Poverty indicators,
6) Looks good except for the comments made above.
7) The Parish Council feels very strongly that the library should be retained. They are (it is) a vital resource which is open and useable by the whole community. It feels that LCC should retain the libraries, but will work with whoever, to ensure the facility is retained in some form. The pleasure and excitement of books for all generations is paramount, particular for those that cannot travel to other libraries. This Parish has a high level of young and elderly and a deprivation indictor and level of poverty due to its locality to the in the district and county. With such a high level of elderly and poverty, there is strong need to have the high levels of IT and computers, so that not only the young people can have access for homework, but also for those seeking employment. The access of such a facility is not only for the book service, but the community spirit and access for other facilities (things such as Wiggle Worm readers); the ability for young families to have access to information and a meeting place. Castle Donington library has a unique location, being down the road from the upper school, who itself is going through change from ages 10-14 to 11-16, so there will become a greater need for access to books and eLearning. Options can be explored as how to make the facility a self-service one (to save money), but it is clear that the library (in whatever form) should be manned with real people as this is the best option and will allow the service to continue to be, and expand, in to a real hub for the community. It is hoped that any changes will allow the new facility to become a local service for local people. The Parish Council, if the LCC decides to the closures, will be looking at ways to ensure the facility is maintained for the betterment of the local community. The Parish Council is working with other partners to this aim in a bid to provide a One stop Shop for the local community. Having said all this, the preferred option is that the LCC continues to maintain the local Libraries.

I am hoping to get to the meeting on Wednesday so hopefully will catch up with.

Kind regards
Fiona

Mrs Fiona Palmer
Clerk to the Council
Castle Donington Parish Council

From: Measham Parish Council.

1. Have the changes to the support package helped to address your
concerns?
a. Which changes do you consider particularly valuable?
b Are there any aspects of the support on offer (or lack thereof)
that remain of concern?
As far as we are concerned, the set up allowances are insufficient to convert the existing library into premises which are commercially viable. From the figures that we have been given, the activities at the library will need to be expanded, with little chance from existing buildings of what was a purpose built library.

2. Should the Council make provision for partnership libraries to purchase
additional library service support? (Appendix A, issue 5)
We believe that, during the period of support, all extra support required should be provided free of charge.

3. Would the option to capitalise the running costs into a single payment
be useful? (Appendix A issue 7)
We believe that the running costs of the library should be provided in a single payment at the start of each accounting year during the period of support.

4. Which of the lease options would best enable the partnership body to
plan and budget for maintenance and repairs? (Appendix A, issue 9)
Neither option would be acceptable in its present format.

5. Under which circumstances would you consider it fair for the County
Council to introduce a market rent for its library premises and/or
transfer rental costs to the partnership body? (Appendix A, issue 10)
During the period of the 10 year initial lease, we believe that the support package should be increased, to provide the premises of Measham Library rent free.

6. Looking at the index of the Information Pack to be made available for
each library - is there any particular information or guidance missing?
The information of Costs and Income analysis should be extended from one year to either 3 or 5 years, to give a more balanced record, for Due Diligence to be effected.

7. What key message would you like to convey to the Scrutiny Review Panel
Should any of Leicestershire Libraries face closure, and attempt to find voluntary help to run a Partnership, it should be noted that the examples given of "successful partnerships" have in excess of 50 volunteers in order to be run efficiently. Should Measham Library remain under threat of closure, then it would be preferred to have support at 100% for the 5 years, rather than a reducing support for 7 years. We can see little savings to be made by closing Measham Library, other than to staffing costs.

Dawn Roach
Parish Clerk, Measham Parish Council

THURMASTON PARISH COUNCIL

Future Libraries   11th October 2014
Leicestershire County Council

Dear Sir/Madam

Re: Thurmaston Library

Thurmaston Parish Council have considered the potential changes to the support package and are of the opinion that there is insufficient support available to realistically enable Parish Council's to adopt Library facilities and provide a professional service. Additionally, there is no guarantee of continued support after the five year period.

We are opinion that the County Councils proposals re provision of volunteer help is totally unrealistic. The Parish Council appreciates & promotes the support of volunteers, however through experience we have established that there are few volunteers available with the necessary skills, and consider that it is very unlikely that the professional skills of a Librarian will be volunteered. If the Library remains open this would ensure continuation of employment for the Staff and maintain a professional provision of services.

Thurmaston Parish Council objects to the proposed closure of Thurmaston Library and the loss of this valuable service for the community of Thurmaston. While we appreciate that savings are necessary, we consider that the Library is a valuable asset to our community and provides an essential service for residents especially the elderly and young children.

Thurmaston Parish Council feel that the decision on the future of Thurmaston Library should be deferred until a decision has been made on the proposed development of 4500 houses and associated facilities and services North East of Leicester Sustainable Urban Extension.   If the application for this development is approved, the demand for Library services in the area of Thurmaston will be hugely increased.

Furthermore, Thurmaston Parish Council does not wish to take over the running of the Library and burden the community of Thurmaston by raising the Parish Precept to provide a service which should be provided by County Council

Yours faithfully

Tracey Kunne
Clerk to the Council

Future Libraries – Ratby Library Group's Position Paper

Introduction

The group assumes most, if not all residents would prefer there to be no change to library provision, with the full cost being met from their council taxes. But in these austere times, with deficits to be neutralised and debts to be cut we understand the need for cuts but many see libraries as a 'soft' target.

At the same time we hope that Leicestershire County Council has been and is doing everything possible through its procurement team to trim costs paid to its suppliers, so making cuts to services less likely.

The Ratby Library Group was established because it wants its library to continue and flourish, rather than be lost entirely and substituted by a mobile facility, visiting once weekly. The library is a place where reading, learning, culture and gathering together underpin our village life. Our parish council has failed to engage with the village, beyond asking for volunteers and events at the most recent meetings have not been encouraging. However it's not impossible that the two groups might, at some stage, come together but we haven't yet reached that position.

Membership of the Ratby Library Group

The group comprises a mix of life, management and teaching experiences –

- **Graham Stanley** - Lead & previously a procurement manager with UK and European businesses
- **Peter Hooper** - Rector, Bradgate Team & previously a managing director
- **Bryan Lewis** - Retired & previously a head teacher
- **Atul Jobanputra** – JP & currently owner of Ratby's Post Office
- **Neil & Susie Ackland** – Concerned local residents
- **Douglas Harwood** – Retired & previously a head of department teacher; currently leads Ratby's Local History Group

Timeline of information re libraries placed into the public domain

Some residents have commented upon the lack of local publicity concerning the issue of Ratby's library amenity but the following table suggests our County Councillor has done all within his power to make residents aware of the issues and the process.

Date	Comment
February 2014	County Councillor's report in 'Your Local' magazine on the libraries issue.
March 2014	Leicestershire Matters magazine, p8-p9, delivers a major article on the future of libraries as part of the County Council's reduced budget to 2018.

April 2014	County Councillor's 2nd report on the issue in 'Your Local' magazine, giving dates of local workshops.
May 2014	County Council Libraries booklet placed on the admin desk in Ratby library for anyone to take away.
May 2014	County Councillor's 3rd report in 'Your Local' magazine, also giving a link to County Hall's consultation process.
Mon 19 May 2014	Workshop at County Hall; only RLG attended for Ratby.
June 2014	County Councillor's 4th report in 'Your Local' magazine, also giving details of the date and location of Ratby's local consultation.
Mon 16 June 2014	Ratby's local consultation in the church rooms; 19 attend from a village of over 4000 inhabitants. Comments made about poor local publicity. Various sub-documents issued including numbers and FAQs.
July 2014	County Councillor's 5th report on the issue on 'Your Local' magazine.
August 2014	County Councillor's 6th report in 'Your Local' magazine, of a general nature, identifying the County Council's strategy of support for communities to manage / control their own amenities.
August 2014	Leicestershire Matters magazine, p4, briefly reviewing the results of the public consultation and outlining the continuing process.
October 2014	County Councillor's 7th report on the issue in 'Your Local' magazine, outlining the outcome of the September Cabinet meeting and the work of the Scrutiny Review Panel.

So, prior to the local consultation in Ratby, there were 6 pieces of publicity material identifying the possibility that Ratby might lose its library unless people get involved in the process. Hopefully now Ratby residents are more, if not fully aware that the danger of closure actually exists.

Ratby Library Group's starting position prior to 15th September 2014

Our budget discussions have been predicated on the following assumptions –

▪ We've used the 2013-14 numbers as our base line.
▪ We've assumed an inflation rate of 2% per annum compounded throughout.

The table below highlights the financial position i.e. deficit on operations, should nothing change and with no support.

Years 1-5	Years 1-10
-£128,998	-£271,422

The parish council could, of course close this funding gap by increasing its precept by £69 per household during the first 5 years with an additional £76 per household to cover years 6-10. But given that 75%-80% of the village, who are aged 18+ (and therefore could be council tax payers) are neither registered members nor users, they might not support their taxes being increased to pay for an amenity they don't use.

Meeting with Paul Love, County Hall, Monday 15th September 2014

A number of concerns were raised by members of the Ratby Library Group and a meeting was requested at County Hall to try to answer them. Our main concern lay with the publication of two budget documents; one for 2013-14 (actual outcome) and another for a provisional budget for 2014-15. Published at about the same time there was a 42.8% differential in the total net numbers, with some lines showing differentials as high as 125%. **See Appendix A, pages 5-6**. Paul Love indicated that there were 'issues' with the 'provisional 2014-15' numbers and we would be advised to use the actual numbers for 2013-14 as our base line.

At this meeting Paul Love also indicated that we would be wise to consider the current position of the County Council as regards transitional support –

- There would be no support for paid staff. Having paid library service assistants (LSAs) was discretionary and would be entirely within the control of the community group. (At the meeting at County Hall, 19th May staffing costs were indicated as the principle source of the £800,000 savings.)

- We would be wise to consider that non-staff support would be fixed at 100% for the first 2 years, subsequently tapering during years 3-5 after which it would be 0%.

- Paul intimated that revised County Council proposals might include a 'clean break' clause at the end of year 5, the time when County Council funding dropped to 0%; this would avoid any group being impacted by 'cliff edge' budget shortfalls.

1st Formal meeting of the Ratby Library Group, Monday 22nd September 2014

Four members of the group attended. In preparation I had prepared a provisional 5-year and 10-year budget document, which incorporated the following assumptions –

1. 2013-14 numbers as our base figure.
2. Inflation rate of 2% per annum compounded.
3. Non-staff cost support would be 100% in years 1 and 2, 75% in year 3, 50% in year 4 and 25% in year 5.

On this basis the numbers improved but the group remained faced with significant deficits in its net forecast finances -

Years 1-5	Years 1-10
-£61,996	**-£204,420**

These numbers drove our discussions during the rest of the session. We identified some cost items and revenue opportunities and agreed to meet again 29th October to see if we'd been able to close the gap between costs and revenues and what more might need to be done. Our objective, being risk averse, is to identify a balanced budget, with all the possible changes negotiated, by the time formal proposals have to be tabled.

We have invited Voluntary Action Leicester to our next meeting (29th October) to provide some insight into our direction of travel, to help put some costs to additional items as well as target us towards the source of additional grants / funds. However some fine detail could not be made available to us by the County Council e.g.

electricity and gas usage, details of LCC's public and employer's liability insurance provider.

Ratby Library Group's suggestions for the Scrutiny Panel to consider

1. **Contract / Agreement Duration**

   It has always seemed inappropriate that the County Council should expect any group to agree to a contract that wasn't an equal commitment for both sides i.e. the 5 years of support against a 10-year commitment from any partnership group. Indeed this could be interpreted as an unfair contract clause.

   That the County Council has relented, at least partially and under revised proposals has extended its period of financial support to 7 years, is encouraging. However there remains a 3-year differential between the contracting parties and this should be eliminated.

2. **Level and duration of tapering support**

   Whether at our meeting with Paul Love or in the revised latest transitional support proposal no details have been given of the total level of support as a percentage of total non-staff costs. I will demonstrate at the Evidence Meeting on 15th October that this can have a significant impact on any group's budgets and financial management going forward.

   Most new enterprises that fail do so within their first 2 years, so 2 years of 100% support is most important. However Ratby Library Group looks to the County Council to be generous in its transitional support for non-staff costs in the period beyond year 2. Again I will make suggestions to the Scrutiny Panel on the 15th October.

3. **Receiving the transitional support as a single contribution / payment**

   A key cost reduction opportunity, already identified by us is to apply for 'charitable status' and be recognised by the Charities Commission as a 'not-for-profit' organisation. This would allow us to cut the rates bill significantly and about which we've already spoken to Hinckley & Bosworth Borough Council's Business Rates section..

   We shall be investigating, with the assistance of Voluntary Action Leicester how such an up-front payment, which might impact our P&L 'profitability' and therefore our 'not-for-profit' status.

4. **Project review timetable**

   In order to be successful, especially in the earlier stages, formal reviews of operational and financial performances against business plans are essential; indeed they would be a key feature of our team's strategic management.

   Ratby Library Group appreciates that the appointment of a libraries liaison person from LCC would be a valuable resource but we believe equally important would be the holding of business performance reviews with a County council

libraries business manager. If held every 6 months for the first 2 years and then annually thereafter, but before the anniversary of the contract date, they could offer community groups experienced and ongoing advice and support (see item 5 below).

5. **Agreement termination**

Leicestershire County Council must understand that it is asking volunteers to undertake strategic and operational management of important library resources that are presently undertaken by professionals with experience of the libraries business.

Inevitably Ratby Library Group's management team will include individuals who have full time jobs already and would be undertaking library management / oversight in their spare time. Hence the project reviews and support from a libraries business manager, mentioned above.

But it makes sense to us that there should be 'clean break' opportunities at intervals during the first contractual period (say at 3, 5, 7 and 10 years) if it is determined that independent groups find their plans develop critical / terminal budget issues. Likewise if critical events arose suddenly that could not have been anticipated and that negatively impact the budgeted programme, it would make sense for County Council to agree to step in to provide grant funding cover or secure an alternate service provider. It is essential to us that as volunteers we carry no personal financial liability.

6. **Upgrades to ITC equipment and software**

We assume that the full costs of upgrades or replacements to software, hardware and configuration will be met from the County Council's ITC (or other) budget, not ours.

7. **Rent**

We understand the Council will propose a peppercorn rent, at least for the first 5 years but no indication has been suggested as its size or of that beyond. It is essential to any financial planning that the County Council establishes a first-period rent together with any expected increases beyond the peppercorn period.

8. **Fabric of the building**

The County council will be covering insurance for the fabric of the fabric of the building but we understand that the County Council 'self-insures' the first £500k of claim costs and effectively therefore would not be paying an insurance premium for Ratby Library.

If the County Council wishes the Ratby Library Group to take over the responsibility for 'repairs and maintenance' from year 3 we shall insist that the building is subjected to a thorough and robust building's fabric inspection prior to any 'taking over'. The inspector, to be identified and agreed with the Ratby Library Group shall issue a report detailing all known and all latent / perceived defects.

Prior to 'taking over' known defects will be rectified at the County Council's cost and by a subcontractor agreed with us and the County Council will make provision for the future cost of repairs, which fall under any inspection's 'latent / perceived defects' category. The workmanship of such repairs shall be inspected as necessary and the costs of inspections and works borne by the County Council.

Position Paper - Appendix A

DESCRIPTION	2013 / 14 Actuals			2014 / 2015 PROV BUDGET				?
	C & W	Central	Total	C & W	Central	Total	Total	
DIRECT EMPLOYEES								
Salary, NI & Pension	£7,354		£7,354	£10,886		£10,886	48.0%	#
Total =	**£7,354**	**£0**	**£7,354**	**£10,886**	**£0**	**£10,886**	**48.0%**	
Premises Insurance								
R(epair) & M(aintenance) of Buildings		£2,105	£2,105		£4,685	£4,685	122.6%	#
Grounds Maintenance		£799	£799		£799	£799	0.0%	
Electricity		£688	£688		£1,040	£1,040	51.2%	#
Gas		£1,145	£1,145		£1,163	£1,163	1.6%	
Rent			£0			£0		
Rates		£6,344	£6,344		£6,344	£6,344	0.0%	
Water Charges		£353	£353		£296	£296	-16.1%	
Cleaning Materials			£0			£0		
Contract Cleaning	£472	£3,194	£3,666		£2,961	£2,961	-19.2%	
Premises Insurance	£137		£137	£150		£150	9.5%	
Other Premises Expenses		£186	£186		£175	£175	-5.9%	
Total Premises =	**£609**	**£14,814**	**£15,423**	**£150**	**£17,463**	**£17,613**	**14.2%**	
SUPPLIERS & SERVICES								
Operational Equipment	£68		£68			£0	-100.0%	
Books (incl book fund Allocation)	£2,147		£2,147	£3,744		£3,744	74.4%	#
Printing	£451		£451	£600		£600	33.0%	#
Telephone	£144		£144	£306		£306	112.5%	#
Other Expenditure	£6		£6			£0	-100.0%	
Total Premises =	**£2,816**	**£0**	**£2,816**	**£4,650**	**£0**	**£4,650**	**65.1%**	
Total Direct Expenditure =	**£10,779**	**£14,814**	**£25,593**	**£15,686**	**£17,463**	**£33,149**	**29.5%**	
Share of Museums & Heritage Operating Costs				£4,443		£4,443	#DIV/0!	#
DIRECT INCOME - FEES & CHARGES								
Overdue Fees & Charges	£679		£679	£1,300		£1,300	91.5%	#

Sales of Surplus Stock	£68		£68			£0	-100.0%	
Reservations	£81		£81			£0	-100.0%	
Lettings	£0		£0	£1,500		£1,500	#DIV/0!	
Computer Charges	£8		£8			£0	-100.0%	
Retail	£102		£102			£0	-100.0%	
Other Fees & Charges / Recoverables	£231		£231	£100		£100	-56.7%	
Enterprise Income	£122		£122			£0	-100.0%	
Total Premises =	**£1,291**	**£0**	**£1,291**	**£2,900**	**£0**	**£2,900**	**124.6%**	#
Section 106 Income	£0	£0	£0	£0	£0	£0	#DIV/0!	
Other Grants & Contributions	£0	£0	£0	£0	£0	£0	#DIV/0!	
Total net Expenditure / Income =	**-£9,488**	**-£14,814**	**-£24,302**	**-£17,229**	**-£17,463**	**-£34,692**	**42.8%**	#

Position Paper Ends

From: Geoffrey Smith, Quorn

LEICESTERSHIRE COMMUNITY LIBRARIES SUPPORT PACKAGE – WORKING PAPER

PREFACE

This is a source paper for contributions to discussions of the LCC proposals. To avoid misunderstandings it should not be seen as being on behalf of the Quorn Old School Trust.

The Council has to deal with a difficult financial challenge. The County Library is a greatly appreciated statutory Council service, particularly in the Leicestershire villages. The response to the LCC Consultation and media coverage indicates the need to reconsider the proposals. Since they were prepared the report on Rural Library Services commissioned by DEFRA and the Arts Council has provided information and analysis and further information has come from decisions in other areas.

PRINCIPLES

I suggest that the revised Support Package should:

- Be 'co-produced' with Parish and Local Councils and community groups.
- Safeguard the quality and consistency of the statutory service delivered by the community libraries under the 'County Library' brand
- Ensure its sustainability in the medium and long term.
- Make effective use of paid staff in partnership with volunteers.
- Be seen to deliver an integrated service of Town and Village library services.
- Respect the social value of village libraries in contributing to social cohesion.

SUGGESTIONS

Co-production of the Support Package is 'good practice' in governance and preferable to just asking for responses to new County Council proposals. It would ensure mutual understanding of the financial and other data. It is more likely to avoid conflict and to produce a sustainable outcome. Proposals produced in partnership are a foundation for good relations in the future.

There is an increasing amount of experience from other areas of the importance of support for Community Libraries and ways in which it can be delivered while reducing the cost to the Council of providing community libraries. The Support Package is likely to be a critical factor in securing consistency of the County Library 'brand' and minimising potential reputational damage to the Council.

I suggest that the Council reviews the recent decisions of Oxfordshire, Devon and other Councils to explore the potential of developing a partnership between staff and volunteers in delivering the service. Such a partnership could be appropriate in Leicestershire; it would safeguard the quality and consistency of the service and its compliance with Council and statutory requirements including data protection. It could also ease the difficulties of recruitment, selection (e.g. Disclosure and Barring Service checks), training, management, leadership and support of volunteers. It could also be important in encouraging wider community activity using the libraries and their use by other organisations.

The use of new technology could be considered in 'Invest to save and improve' for the introduction of 'self-service' systems to make the work of volunteers less complex, and 'keycard' open access to enable community libraries to be available for longer opening hours, so meeting latent demand.

At present the town and shopping centre libraries appear to make little use of the potential of volunteers in enhancing the services provided during their reduced opening hours. Experience elsewhere indicates that recruitment and retention of volunteers is easier in towns and larger communities. Such partnerships between staff and volunteers can also assist 'work experience' for people returning to employment, community service for young people and community cohesion. They have the potential to free staff to enhance the support to community libraries and possibly reduce costs. It is not clear why this approach has not yet been developed in Leicestershire.

Carrying through a county-wide implementation of the Community Libraries proposals presents risks. I suggest that a phased implementation, say an initial six or eight villages, would allow the exploration and sharing of experience of the challenges and benefits, the requirements imposed on the communities by the legal agreements, alternative ideas for staff/volunteer partnerships, 'self-service' and other factors. This would facilitate the 'roll out' to the remaining communities of support packages tailored to their specific circumstances.

The term of the Council support for the premises costs of community libraries is shorter than is necessary for communities to develop sustainable ways of fund-raising. A tapered approach over a longer period is more likely to secure sustainable services.

My knowledge of the Heads of Terms of the proposed contracts for Community Partnership Libraries is limited (the Trustees of the Quorn Old School found some of the content of those proposed by the Council very demanding) and the Parish Councils and Groups interested in the contracts should have seen what is required and reviewed the potential obligations and performance indicators.

COMMENT

LCC Adult and Communities has an excellent record in co-production of service changes and developments. The timescale set by the Cabinet is demanding but the prize of a sustainable and mutually supported partnership would be well worth the work it requires from Members, officers and the Parish Councils and Community Groups.

Geoffrey Smith

Source notes

A   Primary

LCC Cabinet papers, consultation information, report on responses

B   Secondary

1 CPI consultancy reports and seminar reports

2 Public Libraries News updates

3 Council web sites

4 Rural Library Services in England – report and Case Studies Annex

5 LISA and literature searches

6 CAPITA Panlibus

7 Voices for the Library

8 Library Campaign

9 Kavanagh Dissertation

10 Anstice paper on Volunteer Libraries

11 Bibliotheca paper

12 Locality Community Libraries Hub and reports

13 WI volunteer Libraries report

14 Future Libraries reports and papers

15 LGA web site

16 Suffolk information

Version 6 updated 051014

Scrutiny Review Panel on the Provision of Infrastructure Support for Community Partnership Libraries

Further comments received (after deadline for responses)

Newbold Verdon Parish Council wish to make the following comments.

Having looked through the proposed changes to the support package , and have the following comments to make, mainly around financial nos.

Point A Transistion support - okay with this.

B Library support services - Any additional training could be provided , but likely to incur any extra cost . **This needs to be clarified and quantified , as I think we will be in a chargeable extras regime very quickly.**
B5 able to purchase additional regular library professional support, **again this needs to be clarified with clearly defined rates of charg**e.

C7 is the difficult one . W**ould like some idea of costs from 2017. As from 2023 all costs to be met by the group , and this is partly put on the precept will be a major problem. If councils are to capped after the general election , there will be little leeway for NVPC to provide any support.**

I do believe we need further details on all these costs to enable parish's to try and plan accordingly. I cannot remember the costs of the library when the original consultation meeting took place at the library but I think it was over £30k . We really do need more detail on these areas , and surely the County Council cannot expect any voluntary body to commit to any of this until more detail is provided.
NVPC cannot commit to this , with potential capping in the future . We do need more substance on all this , not the general comments listed in the proposed changes to the support package.

Kind regards
Rick Bell
Clerk to NVPC

ANSTEY LIBRARY

Anstey Parish Council considered the future of the Library in Anstey at its meeting in July 2014. The Council **RESOLVED** not to directly run the Library in Anstey and would look to support any community body that is interested in doing so . . .

The information that was available in July has altered and the Parish Council would like to make the following comments on the present situation with the Library in Anstey. The Parish Council would like to see the continued service of the Anstey Library in its present format and strongly oppose any considered closure.

We understand that LCC Cabinet have agreed to postpone a decision about the future of Leicestershire and community libraries to its meeting on the 19th November and that communities are making representation to you about the need for the Library in their area. Due to the timescales involved it has not been possible for APC to submit this response to you within your deadlines. As mentioned within your email dated 30 September, all stakeholders will be invited to submit written responses by 5pm on October 13th, the first opportunity that APC have to make a decision on this is today the date of their meeting.

Anstey Parish Council object to the planned closure on the following grounds and would like these comments to be considered by the Scutiny Review Panel:

- Within the Local Plan Anstey is designated as a 'Service Centre'. It is recognised as supporting not only the current population, but also the surrounding smaller villages of Newtown Linford, Thurcaston and Cropston.
- Anstey has a growing population and concerns have repeatedly been raised by the Parish Council about the service provision in the village for an increased population.
- Withdrawal of the library will compound the problems for all residents especially the vulnerable who rely on local services.
- Anstey Library is situated in Paper Mill Close next to the sheltered accommodation for the elderly, removal of the Library would leave these residents in particular feeling the loss of a local service.
- Anstey Library is the home for 'Sure Start' if the Library were to close what would become of this group?
- Activities for youngsters during school holidays are provided at the Library.
- Ulverscroft Large Print Books Ltd are located in Anstey they service the needs of the visual impaired. Anstey Library could become a centre for their specialist service.

Anstey Parish Council believes that the County Council has carried out a flawed consultation with the local community about the future library provision and that greater efforts have not been made to work together for the benefit of the people.

The Parish Council recognise the 'Friends of Anstey Library' who have been formed to investigate the future of the Anstey Library and believe that they could benefit from:

- Increased support from LCC by providing a fully qualified member of staff to oversee the running of the Library in Anstey.
- Help in organising a bank of willing volunteers.
- More information about the training that volunteers can expect to receive.
- Assistance in putting together a business plan than could help sustain the library.

Yours Truly

Liz Hawkes
Clerk to the Council

Evidence Day 15th October 2014
Composite response from the Ratby Library Group

Copies to –

Mr D Jennings CC - Chairman
Mrs R Camamile CC
Mr J P O'Shea CC
Dr S Hill CC
Mr R Sharp CC

Introduction

The group assumes most, if not all residents would prefer there to be no change to library provision, with the full cost being met from their council taxes. But we recognise the need for cuts in expenditure and welcome the community partnership approach as an alternative to having no library at all. Nonetheless we hope that Leicestershire County Council has been and is doing everything possible through its procurement team to use its huge leverage to trim costs paid to its suppliers, so making cuts to services less likely.

The Ratby Library Group was established because it wants its library to continue and flourish, rather than be lost entirely and substituted by a mobile facility, visiting once weekly. The library is a place where reading, learning, culture and gathering together underpin our village life.

Our parish council has failed to engage with the village, beyond asking for volunteers; and events at the most recent meetings have not been encouraging. However it's not impossible that the two groups might, at some stage, come together but that position has not yet been reached. The majority of material placed into the public domain has come from our county councillor.

Membership of the Ratby Library Group

The group comprises a mix of life, management and teaching experiences –

- Graham Stanley - Lead & previously a procurement manager with UK and European businesses
- Peter Hooper - Rector, Bradgate Team & previously a managing director
- Bryan Lewis - Retired & previously a head teacher
- Atul Jobanputra – JP & currently owner of Ratby's Post Office
- Neil & Susie Ackland – Concerned local residents
- Douglas Harwood – Retired & previously a head of department teacher; currently leads Ratby's Local History Group

1. Contract / Agreement Duration

   a) Any contract / agreement between the Leicestershire County Council and the partnership body must be for a duration that represents an equal commitment by both parties. An agreement where the partnership body is bound for a longer period than the partnership body would be an unfair contract.

b) The length of the initial formal contract / agreement should be no longer than the period for which Leicestershire County Council agrees to financially support the arrangement.

c) Before the end of the formal contract / agreement period the partnership body should be presented with terms of continuance from Leicestershire County Council; this would give us time to assess the likely impact of any changes and give us the right to withdraw.

2. **Level and duration of tapering support**

a) The period of financial support from Leicestershire County Council should equal the period of contract / agreement.

b) If new businesses fail they tend to fail within 2 years of their formation. The fact that Paul Love indicated - 15th September - that during years 1 and 2 the grant would be 100% is seen by us as a valuable starting position.

c) Any calculations from the Ratby Library Group use 2013-14 actual accounts - suggested by Paul Love 15th September - together with an inflation figure of 2% pa compounded.

d) The table below gross value of all costs and non-staff costs over periods of 5, 7 and 10 years -

Year	£ Total Costs	£ Total Costs Cumulative	£ Staff Costs	£ Non-Staff Costs	£ Cum Non-Staff Costs	£ Average Annual
1	£26,105		£7,501	£18,604		
2	£26,627		£7,651	£18,976		
3	£27,159		£7,804	£19,355		
4	£27,703		£7,960	£19,743		
5	£28,257	£135,851	£8,119	£20,138	£96,816	£19,363
6	£28,822		£8,282	£20,540		
7	£29,398	£194,071	£8,447	£20,951	£138,307	£19,758
8	£29,986		£8,616	£21,370		
9	£30,586		£8,789	£21,797		
10	£31,198	£285,841	£8,964	£22,234	£203,708	£20,371
	£285,841		£82,133	£203,708		

e) The table below shows the suggestions from Ratby Library Group as to how financial support from Leicestershire County Council should be structured / tapered over 3 periods.

Average Annual Value of Non-Staff Costs Over 5 Years		Average Annual Value of Non-Staff Costs Over 7 Years		Average Annual Value of Non-Staff Costs Over 10 Years	
£19,363		£19,758		£20,371	
Value of 5-Year Support Sought from Leicestershire CC		Value of 7-Year Support Sought from Leicestershire CC		Value of 10-Year Support Sought from Leicestershire CC	
	£77,452		£98,790		£122,226
Year	5-Year Option 3	Year	10-Year Option 3	Year	10-Year Option 3
1	100%	1	100%	1	100%
2	100%	2	100%	2	100%
3	80%	3	80%	3	90%
4	70%	4	70%	4	80%
5	50%	5	50%	5	70%
	400%	6	55%	6	55%
		7	45%	7	45%
			500%	8	30%
				9	20%
				10	10%
					600%

- We believe this calculation approach could be replicated across many libraries.

f) In the table below find –

- The original full cost to Leicestershire County Council
- The GBP Pounds saving our scheme delivers over each of the 3 periods of 5, 7 and 10 years
- The percentage saving that our scheme delivers to Leicestershire County Council

- Because Ratby Library Group would be picking up an increasing proportion of non-staff costs and Leicestershire County Council would also be losing staff costs the saving to Leicestershire County Council gathers pace across the sample agreement periods, just as it sought to do.

Item Description / Period	5 Years	7 Years	10 Years
Full cost without support	£135,851	£194,071	£285,841
Full non-staff cost without support	£96,816	£138,307	£203,708
Suggested % LCC support over 5, 7 & 10 years	400%	500%	600%
Suggested £ total LCC support	£77,452	£98,790	£122,226
£ saving to LCC over the period over full costs	£58,399	£95,281	£163,615
% saving to LCC over the period over full costs	43.0%	49.1%	57.2%

g) We believe the Council should focus on the total value of support, identified as a percentage of total non-staff costs. We believe these levels of financial support above make it more likely that an independently-managed Ratby library could become a longer-term viable public amenity business.

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h) We believe the Council might consider allowing partnership groups some flexibility as to how they might draw down the financial support. Appendix 2 shows a reducing percentage figure against each line year but the groups might elect to change the proportions within a range agreed with the County Council.

3. Receiving the transitional support as a single contribution / payment

a) At this stage we are not sure if or how a single transitional contribution / payment from Leicestershire County Council, with its effect on P&L accounts would impact our 'profitability' and therefore our status as a charity / not-for-profit organisation, should we seek to apply for / be granted charitable status.

b) The flexibility suggested by point 2g above could avoid significant cash outflows from County Council funds in addition to the flexibility it offers to independent groups.

4. Project review timetable

a) Ratby Library Group strongly suggest the involvement of a libraries business manager in reviewing performance progress at timely intervals e.g. 6-monthly for the first 2 years and annually thereafter. This would be additional to any management reviews we would undertake ourselves.

b) Leicestershire County Council libraries people could help partnership groups share best practice from other groups and the 16 'safe' libraries. Through such knowledge sharing, activities that are generating library attendance and revenue could also help the harmonisation of library services across the county. Otherwise each library management group is likely to be undertaking the same trials and making the same mistakes, rather than benefiting from those libraries, which have already travelled along the learning curve and deployed beneficial practices.

5. Agreement termination

Ratby Library Group is working towards a positive outcome re taking over the management of Ratby's library resource; hence the work it is undertaking around the budget. However -

a) We are mindful however that we are not experts in the business of library or public amenity management, though we have members who have carried significant management responsibility for commercial businesses.

b) We will do everything in our power to develop a budget, which, at worst, is cost neutral and if that is the case it is likely we would table a proposal to take over Ratby's library.

c) We also recognise that we are risk averse volunteers with a management team, which includes individuals who have full time jobs already and would be undertaking library management / oversight in their spare time.

On this basis we feel justified in suggesting that Leicestershire County Council acts as a financial back stop if any partnership group's operations looks like getting or gets into financial difficulties; this would allow libraries to continue whilst alternate groups come forward. Such decisions might be made at 3, 5, 7 and 10 year reviews, prior to the anniversary contract dates.

6. **Upgrades to ITC equipment and software**

   a) We stress our assumption that the full costs of any upgrades or replacements to software, hardware together with configuration and training thereof etc., determined by Leicestershire County Council's ITC people, will be met from the County Council's ITC (or other) budgets.

7. **Rent**

   a) We were advised that a peppercorn rent would be charged for the first 5 years; we have assumed a nominal £1 per annum.

   b) But no indication has been given as to the number beyond this first 5-year period, for which groups should budget. It is essential to any financial planning that the County Council gives some indication what a commercial rent might be from year 6, to allow us to make budgetary provision for it.

8. **Fabric of the building**

   We restate our view re the fabric of the building -

   a) If the County Council wishes the Ratby Library Group to take over the responsibility for 'repairs and maintenance' from year 3 we shall insist that the building is subjected to a thorough and robust building's fabric inspection prior to any 'taking over'. The inspector, to be identified and agreed with the Ratby Library Group shall issue a report detailing all known and all latent / perceived defects together with the costs of their rectification and the timescales for doing so.

   b) Prior to 'taking over' all known defects will be rectified at the County Council's cost and by a subcontractor agreed with us. The County Council will make financial provision for the future cost of repairs, which fall under any inspection's 'latent / perceived defects' category.

   c) The workmanship of such repairs shall be inspected as necessary and accepted by us before being 'taken over' with the costs of inspections borne by the County Council.

9. **Other operational support and financial issues**

   Our group remains concerned re –

   a) Levels of operational training support for LCC's book system and its cost beyond year 5 -

   We believe training for LCC's book management system should be at the cost of the County Council in perpetuity, especially when many partnership groups will be faced with using volunteer labour and the turnover of available people that is likely to ensue. Or perhaps the County Council is considering the establishment of a free-phone helpdesk and / or the training of 'super users' i.e. able to train volunteers. Some clarity is needed here as is the issue of charging for training after the first 5 years, which will need to be applied to our provisional budget so we can assess 'viability'.

   b) On-site availability of the liaison officer –

   It is believed a couple of hours on-site fortnightly may not be sufficient at least for the first year. Again the helpdesk or 'super user' training could help.

c) Financial responsibility for the provision of new book stock –

Book stock, which is likely to be decided by others, should be the financial responsibility of the County Council. We recognise however our responsibility for its insurance.

d) Existing County Council contracts affecting Ratby Library -

We are not aware of any contractual commitments, entered into by the County Council on behalf of Ratby Library. If there are such contracts we would need to assess their scope and impact on our budget. If their costs exceeded those we had decided upon, their costs would have to be negotiated down, or the addition to our costs paid to the Ratby Library Group (over and above the financial support detailed in 2e above) or the contract terminated. If terminated the County Council would have to meet any costs of termination, prior to us taking over.

Composite Presentation Paper Ends

Page 6 of 6

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TAPERED FUNDING SUPPORT MODEL

Year	2015/16 Transition Year	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Premises Repairs & Mtce *	100%	100%	100%	80%	60%	40%	20%
Grounds Mtce	100%	100%	0%	0%	0%	0%	0%
Building Cleaning	100%	100%	0%	0%	0%	0%	0%
Energy Costs (Fuel oil, electricity, Gas)	100%	100%	100%	80%	60%	40%	20%
Rent (for non LCC premises)*	100%	100%	100%	100%	100%	100%	100%
Water	100%	100%	100%	80%	60%	40%	20%
Business Rates*	100%	100%	20%	20%	20%	20%	20%
Premises Insurances	100%	100%	100%	80%	60%	40%	20%
Other premises expenditure	100%	100%	100%	80%	60%	40%	20%
Photocopier rental and click charges	100%	100%	0%	0%	0%	0%	0%
Telephone rental	100%	100%	100%	80%	60%	40%	20%

*Repairs & Maintenance will continue to be provided by LCC until 31st March 2017 following which options to buy back the service will be made available
**Support for rent costs may continue to be paid after 1st April 2022
***Assumes organisations apply for and gain charitable status enabling the reduction in rates costs

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Library Provision in Leicestershire

Feedback on consultation findings Oct 2014

Agenda

- The basis for our review
- Our view of your consultation process
- What we did
- Your proposed approach – strengths and weaknesses
- What are the alternatives?
- A recommended solution, with variations

RedQuadrant

Principles

- We are not legal experts and none of what we are presenting constitutes legal advice;

- We are offering another, external perspective on your challenges and possible solutions to them;

- We will offer some alternatives for you to consider and ways in which you might respond to the responses received;

- We have given this external perspective based on the information that was provided;

- We have not looked at detailed demographics, transport links, social deprivation indices etc;

- This is not therefore a full options appraisal

We offer ideas and challenges for your consideration

RedQuadrant

A definition of consultation

from a 2001 Court of Appeal case relating to the National Assistance Act 1948:

"..... Whether or not consultation of interested parties and the public is a legal requirement, if it is embarked upon it must be carried out properly. To be proper, consultation **must be undertaken at a time when proposals are still at a formative stage; it must include sufficient reasons for particular proposals to allow those consulted to give intelligent consideration and an intelligent response, adequate time must be given for this purpose and the product of consultation must be conscientiously taken into account when the ultimate decision is taken**"

"it has to be remembered that consultation is not litigation; the consulting authority is not required to publicise every submission it receives or (absent some statutory regulation) to disclose all its advice. Its **obligation is to let those who have a potential interest in the subject matter know in clear terms what the proposal is, exactly why it is under positive consideration, telling them enough (which may be a good deal) to enable them to make an intelligent response**. The obligation, although it might be quite onerous, goes no further than this".

RedQuadrant

Our observations

- From what we see, your consultation was thorough and well-conducted

- We believe that you fulfilled your obligation "to let those who have a potential interest in the subject matter know in clear terms what the proposal is, exactly why it is under positive consideration, telling them enough (which may be a good deal) to enable them to make an intelligent response"

- You will need to demonstrate that "the product of consultation (has been) conscientiously taken into account when the ultimate decision is made"

- It will be helpful to present your rationale for decisions made and feed back to the communities who made representations

Challenge may be inevitable; thorough work may help pre-empt and prepare

Leicestershire Libraries

RedQuadrant

The high costs of maintaining a volunteer-based library system and the short time available for planning since the end of the consultation period probably mean that there will be very little take-up

A cynic might suspect that the real intention of the county council is to save £800,000 by closing most local libraries and renting the premises, including rates, to other users

The county council ... has not presented the public with a number of different ways to achieve this saving but one plan that would involve volunteers taking over the running of 36 libraries.

RedQuadrant

What we did

- Reviewed all documents provided, including:
  - Core data
  - Library fact sheets
  - Consultation report
  - Reports from consultation events
  - Specific responses submitted
  - Outline of alternative proposals
- Looked at the strength of your rationale, in broad terms;
- Considered the validity of challenges you received;
- Considered a number of options and alternative approaches;
- Looked at your top level figures to reach some conclusions; and
- Developed some ideas for you to consider

Our recommendations are evidence based but not comprehensively so

RedQuadrant

Alternatives we considered – and didn't consider

We have considered:

- Changes to which 16 remain in-house

- Changes in opening hours for the in-house libraries (in particular to include evenings)

- Potential to change or increase the support offered to community-run libraries through a "hub and spoke" model

- An IPS model such as Suffolk's

We have not considered :

- Outsourcing the service to a commercial or other provider

- Closing some libraries in order to keep others open

- Mutualisation

- Shared services

- Co-location

Leicestershire Libraries

Headline conclusions

- Having proposed an option based on a community devolvement approach, and on the number of libraries that you could afford to keep within full council control, we see no strong arguments against the choices made;

- You will never make everyone happy; if you change these plans, you'll simply upset different people;

- BUT there may be a rationale for considering some alternatives / variations on a theme

We are in broad agreement with your planned approach

99

RedQuadrant

Your proposed approach

We agree …

- If you are adopting a community-run libraries solution, and can only afford to retain 16 libraries to be run in-house, you have chosen the right libraries

- Providing a degree of support to the community-run libraries will be essential to their chances of success

- Your early engagement with potential partners, especially the parish councils, will bear fruit

Leicestershire Libraries

RedQuadrant

Your proposed approach

You will need to consider the following arising from the consultation:

- The alternatives proposed as a result of the consultation;

- Have you chosen the right 16 libraries?

  - The community is being asked to run the libraries that are performing less well but would it be easier for them to take on some of the better-performing ones?

  - There are planned developments in some areas that may increase levels of library use significantly

- Are those living in rural areas being penalised? If a Parish Council raises its precept, is this perceived as double taxation (people paying council tax and also a parish levy to support the service locally)?

- Impact on deprived areas – they need the library most but may be less motivated to volunteer or lack capacity

- Loss of staff expertise / volunteers don't know what they're doing / can't replace professional knowledge

- Not enough time being allowed for community groups to form and plan

Leicestershire Libraries

RedQuadrant
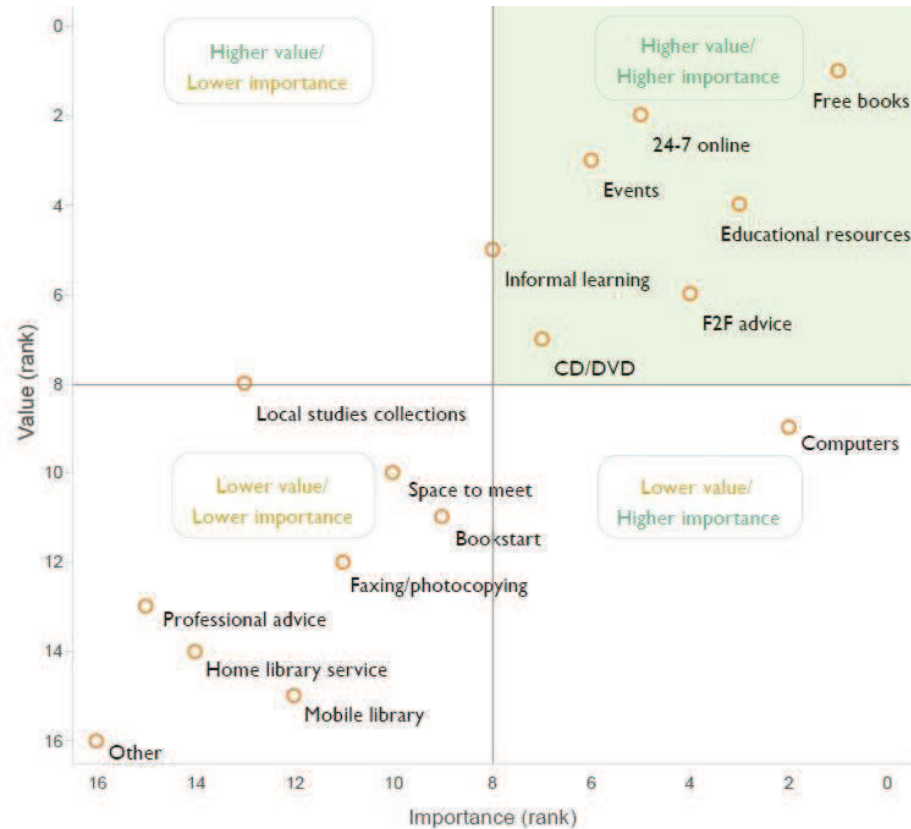
You can't keep everybody happy but you can focus on what matters most

RedQuadrant

Our recommendation, with variations

- Maintain your proposed approach but with some modifications;

- Adopt a "hub and spoke" model for your community support network;

- Community coordinators would be based in hub libraries;

- These would need to be determined but could potentially be all or some of the council-run ones, or could include some of the community-run ones;

- This could be funded by a mix of all or some of the following:

  - rethinking the nature of the proposed support service and reallocating funding / staffing;

  - reducing staff in hubs;

  - combining with other responsibilities of staff in hubs; or

  - parish council contributions

- If some libraries do close, you consider opening some or all of the major libraries on one evening a week, even if at the expense of day time hours

- Review whether an IPS would strengthen the support to community-run libraries and increase their chances of success

Leicestershire Libraries

RedQuadrant

Industrial & Provident Society (IPS)

- Suffolk's 44 libraries are contracted out to an IPS;

- The IPS is formed by community groups becoming member organisations:

- The aim is to save £2.6M per annum;

- These savings will be achieved through relief on business rates and reduced costs of support services;

- Formed in August 2012 – too earlier to judge success but no libraries have closed in the first year

> In our opinion, the IPS gives community-run libraries strategic overview, support and security of a larger organisation rather than independent organisations taking on individual libraries
>
> Suffolk is so far the only example, but other authorities, e.g. Devon, appear to be giving the model serious consideration

RedQuadrant

A hub and spoke approach

versus ...

RedQuadrant

Benefits of a hub and spoke support model

- More accessible support for communities;

- A real and a perceived active response to consultation feedback;

- Closer ties between community-run and council-run libraries;

- Potential to consider providing a higher level of support to some key community-run libraries, by basing a council member of staff there for part of the time;

- May increase the chances of [some] community-run libraries succeeding and therefore preserve a greater part of the service; and

- Will help with capacity-building within communities

RedQuadrant

Libraries to consider	Evaluation Factors to consider					
	Visits over 24,000 per annum	Efficiency Cost/visit below £1.50	Income approx. £10k per annum	Development area	Shared premises	No other library within 2 miles
Anstey			✓		✓	
Barwell	✓	✓		✓	✓	
Braunstone Town	✓	✓				
Castle Donington	✓	✓		✓		✓
Enderby	✓	✓				
Fleckney			✓		✓	✓
Groby	✓	✓				
Kegworth		✓				✓
Markfield	✓	✓				✓
Measham	✓	✓				✓
Mountsorrel	✓		✓			
Newbold Verdon	✓	✓	✓			

RedQuadrant

In summary

- Our advice is limited and based on the information that was supplied;

- However we believe that within the constraints of your budget, and given your proposal for a community libraries solution, there is evidence and data to support your decisions on which to retain in-house;

- Factors such as future developments in some areas, and the possible impact on their neighbours of some libraries closing, may however change the data;

- If financially viable, we believe there could be a number of advantages in opting for a more dispersed model of council support for the community libraries, based in part in communities; and

- You should if possible adopt a more realistic timetable for the achievement of savings, and give your communities more time to plan

RedQuadrant

Thank you for listening

Any questions?

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Public Consultation into Library Savings proposals

Rationale for the Identification of County Council Funded Libraries

1. Feedback from the public consultation challenged the rationale for selecting 16 libraries to be funded based on the fact that collectively they deliver the majority of library business through book loans. Collectively these libraries are based in Market Towns and Shopping Centres.

2. The main points of challenge were in the area of visits where a small number of individual community libraries showed greater performance than a small number of shopping centre libraries based upon the 2012/13 out-turn data.

3. Leicestershire's libraries are grouped into 3 tiers:

    Market Town Libraries: These are the largest libraries and are situated in the larger population areas. They offer the full range of library services. They are:

    Coalville, Hinckley, Loughborough, Market Harborough, Melton, Oadby, Wigston.

    Shopping Centre libraries: These are situated in smaller population areas, but still with a defined centre such as a shopping centre. They are:

    Ashby, Birstall, Blaby, Broughton Astley, Earl Shilton, Glenfield, Lutterworth, Shepshed, Syston

    Community libraries: These are mainly in rural areas and locations with smaller populations. They are:

    Anstey, Barrow upon Soar, Barwell, Bottesford, Braunstone Town, Burbage, Castle Donington, Cosby, Countesthorpe, Desford, East Goscote, Enderby, Fleckney, Glenhills, Great Glen, Groby, Hathern, Ibstock, Kegworth, Kibworth, Kirby Muxloe, Leicester Forest East, Market Bosworth, Markfield, Measham, Mountsorrel, Narborough, Newbold Verdon, Quorn, Ratby, Rothley, Sapcote, Sileby, South Wigston, Stoney Stanton, Thurmaston

4. It should be noted that the outturn data for 2012/13 was affected by a reduction in opening hours implemented in that year. This would have impacted on performance data as library users adapted to the changes in hours. In order to establish a robust and accurate comparison, 2013/14 data has been included because by this a reasonable time period to expect a stabilisation of data.

5. Table 1 contains comparison performance data and financial information for the financial years 2012/13 and 2013/14. The terms 'highest' and lowest' correspond to the highest or lowest performing library (based on ranking) within that category of library.

Type		2012/13			2013/14		
		Community Libraries	Shopping Centre	Market Town	Community Libraries	Shopping Centre	Market Town
Total Annual Visits	Lowest	4,400	44,031	153,640	3,325	36,450	97,162
	Highest	48,133	140,613	348,117	31,325	108,659	255,660
Visits per hour open	Lowest	10	25	65	5	21	55
	Highest	48	80	142	36	62	108
Total annual loans	Lowest	6,396	55,785	153,608	5,971	50,175	102,792
	Highest	37,065	114,297	276,204	35,957	97,369	245,198
Loans per hour open	Lowest	14	32	65	12	29	55
	Highest	36	65	116	37	56	99
Total active Borrowers	Lowest	216	2,367	5,931	284	2,128	5,203
	Highest	1,541	4,587	10,517	1,443	4,182	9,710
*Cost per active borrower (total net cost per library divided by number of active borrowers)	Lowest	16.81	16.34	27.87	21.90	15.87	19.07
	Highest	77.89	48.11	56.15	71.28	40.50	39.66
**Cost per hour open (Total net cost per library divided by annual opening hours)	Lowest	25.48	42.82	92.03	20.25	36.98	67.88
	Highest	66.39	98.77	171.52	49.19	73.17	114.16

*Note: 2012/13 performance data correlated with 2014/15 (budget) as presented during the consultation

**Note 2012/14 performance data correlated with 2013/14 actual financial information as presented during the consultation period.

Table 1 Performance comparison between Market Town, Shopping Centre and Community Libraries *Source: LCC management information*

6. It can be seen for some measures, that the ranges of values overlap between some of the community libraries with some of the shopping centre libraries, and between the shopping centre libraries and market town libraries in both 2012/13 and 2013/14. For example, when looking at visits per hour open and loans per hour open in both 2012/13 and 2013/14 the highest performing community library shows greater visits per hour open than the lowest performing shopping centre library. Generally these will be down to specific activity in some libraries in those years that have impacted on performance.

7. Consideration must be given to specific circumstances in some of the Market Town and Shopping Centre libraries that will have impacted on data during 2013/14. As part of the 'using buildings better' services strategy, in 2013/14, there was significant capital investment which included investment in meeting/training rooms and

associated equipment which required the closure of some Market Town and Shopping Centre libraries for significant periods of time and contributed to the reduction in visits as well as reduction in opening hours. It should also be noted that due to the temporary nature of these works/closure periods, staff costs were still borne within the service.

8. In addition to paragraph 7 above, there was also a 12 month closure of Market Harborough Library for refurbishment (as part of the District Council's plans to improve the use of its headquarters). Whilst temporary measures were put in place over the year, any reduction in service availability will have an impact on both the statistical and financial information and this should be given due consideration when comparing year on year data.

9. Despite the above factors it is clear that the majority of library business continues to be delivered via Market Town and Shopping Centre libraries when the average use is considered. This is shown in Table 2

2012/13								
Type	Average Visits		Average Loans		Average Active borrowers		Average PC usage	
Market Town	256,933	69.86%	211,741	66.86%	8,321	66.51%	29,685	76.85%
Shopping Centre	89,745	24.40%	83,121	26.25%	3,251	25.99%	7,406	19.17%
Community Libraries	21,090	5.74%	21,828	6.89%	938	7.50%	1,538	3.98%

2013/14								
Type	Average Visits		Average Loans		Average Active borrowers		Average PC usage	
Market Town	195,456	67.19%	174,268	57.75%	7,324	62.55%	27,865	76.32%
Shopping Centre	60,607	20.84%	71,014	23.53%	2,956	25.25%	7,185	19.68%
Community Libraries	15,365	5.28%	20,869	6.92%	824	7.04%	1,463	4.01%

Table 2: Average performance across Market Town, Shopping Centre and Community Libraries
Source: LCC management information

10. In order to further test the rationale the impact on active borrowers has been considered.

Active borrowers

11. Active borrowers are those residents that choose to use library services that can easily be measured. This is done from data which shows the use that residents make of their library card when they transact with the library and covers the loan of books (including e-books) and booking of PC's. This is detailed in Table 3 overleaf:

Type	2012/13 Average Active Borrowers		2013/14 Average Active borrowers	
Market Town	8,321	66.51%	7,324	62.55%
Shopping Centre	3,251	25.99%	2,956	25.25%
Community Libraries	938	7.50%	824	7.04%

Table 3: Average Active Borrowers across Market Town, Shopping Centre and Community Libraries *Source: LCC management information*

12. It is the book lending service that residents significantly value above all other services. This is evidenced in the responses to the public consultation where 98% of respondents valued this element of the service a great deal or to some extent and 95% thought that it was the most important. For this reason, it is reasonable to propose that active borrowers and the impact upon them is the most significant factor when deciding which libraries should be supported when funding is being reduced.

13. For example, Mountsorrel library is an example of a higher performing community library in terms of visits and loans per hour open. It had the highest numbers of active borrowers from the smaller community libraries in 2012/13 with 1,541 borrowers. When considering active borrowers however it reaches fewer borrowers than the shopping centre library with the lowest number of active borrowers, Broughton Astley, which had 2,367 active borrowers in 2012/13.

14. The following tables show the implications for active borrowers of the current proposals and the alternatives suggested for deciding which libraries should be fully funded based upon the implications for active users.

Table 4: Analysis of use based on 2012/13 actuals *Source: LCC management information*

Current proposals for 16 funded Libraries based upon annual usage

Library	Annual Visits	Annual Loans	Active Borrowers	Active borrowers served	
Ashby	140,613	114,297	4,525		
Birstall	54,275	78,752	2,810		
Blaby	93,757	107,458	4,587		
Broughton Astley	103,752	62,365	2,367		
Coalville	277,013	187,111	6,932		
Earl Shilton	76,901	55,785	2,436		
Glenfield	44,031	60,349	2,579		
Hinckley	298,370	276,204	10,517		
Loughborough	348,117	255,303	10,364		
Lutterworth	117,363	93,948	3,537		
Market Harborough	214,725	186,287	7,878		
Melton	253,506	153,608	5,931		
Oadby	253,157	256,684	9,767		
Shepshed	95,892	82,422	3,042		
Syston	81,125	92,716	3,372		
Wigston Magna	153,640	166,991	6,858	87,502	72.15%
Anstey	19,250	18,889	935		
Barrow upon Soar	20,750	36,224	1,426		
Barwell	30,125	26,015	1,100		
Bottesford	17,350	20,904	748		
Braunstone Town	33,077	37,065	1,525		
Burbage	16,300	17,778	896		
Castle Donington	31,530	34,946	1,195		
Cosby	12,625	13,679	795		
Countesthorpe	10,950	16,971	744		
Desford	18,250	21,916	841		
East Goscote	18,300	16,100	547		
Enderby	36,743	34,051	1,438		
Fleckney	34,075	20,483	1,076		
Glenhills	7,152	10,768	603		
Great Glen	13,375	12,020	482		
Groby	26,125	31,568	1,516		
Hathern	4,400	6,396	216		
Ibstock	14,575	17,041	497		
Kegworth	18,100	18,778	853		
Kibworth	21,150	22,217	1,054		
Kirby Muxloe	18,012	26,643	1,197		
Leicester Forest East	20,607	26,681	1,344		
Market Bosworth	15,300	27,022	1,092		
Markfield	30,949	22,346	939		
Measham	37,534	26,251	1,139		
Mountsorrel	48,133	31,132	1,541		
Narborough	13,250	16,222	699		
Newbold Verdon	35,625	25,166	1,118		
Quorn	10,700	20,437	752		
Ratby	26,757	22,021	808		
Rothley	13,775	23,780	970		
Sapcote	11,525	9,575	370		
Sileby	19,575	27,043	1,063		
South Wigston	8,975	11,177	756		
Stoney Stanton	17,025	14,661	591		
Thurmaston	27,280	21,829	915	33,781	27.85%
		Total Borrowers Served		121,283	

16 funded libraries based upon average visits per hour

Library	Visits per hour	Active Borrowers	Active borrowers served	
Loughborough	142	10,364		
Hinckley	126	10,517		
Coalville	117	6,932		
Melton	107	5,931		
Market Harborough	103	7,878		
Oadby	98	9,767		
Ashby	80	4,525		
Lutterworth	67	3,537		
Wigston Magna	65	6,858		
Broughton Astley	59	2,367		
Shepshed	55	3,042		
Blaby	54	4,587		
Mountsorrel	48	1,541		
Syston	46	3,372		
Fleckney	45	1,076		
Measham	44	1,139	83,433	68.79%
Earl Shilton	44	2,436		
Newbold Verdon	40	1,118		
Barwell	39	1,100		
Enderby	37	1,438		
Ratby	36	808		
Markfield	34	939		
Castle Donington	32	1,195		
Thurmaston	32	915		
Birstall	31	2,810		
Braunstone Town	28	1,525		
Kegworth	28	853		
Groby	26	1,516		
Stoney Stanton	26	591		
Glenfield	25	2,579		
Anstey	24	935		
Desford	24	841		
Ibstock	24	497		
Kibworth	24	1,054		
Bottesford	23	748		
Burbage	23	896		
Sileby	23	1,063		
Barrow upon Soar	21	1,426		
Great Glen	21	482		
Leicester Forest East	20	1,344		
Cosby	19	795		
East Goscote	19	547		
Narborough	19	699		
Kirby Muxloe	18	1,197		
Sapcote	18	370		
Countesthorpe	17	744		
Market Bosworth	17	1,092		
Rothley	17	970		
Quorn	15	752		
South Wigston	14	756		
Glenhills	11	603		
Hathern	10	216	37,850	31.21%
	Total Borrowers Served		121,283	

16 funded libraries based upon Average loans per hour

Library	Loans per hour	Active Borrowers	Active borrowers served	
Hinckley	116	10,517		
Loughborough	104	10,364		
Oadby	100	9,767		
Market Harborough	89	7,878		
Coalville	79	6,932		
Wigston Magna	70	6,858		
Melton	65	5,931		
Ashby	65	4,525		
Blaby	61	4,587		
Lutterworth	54	3,537		
Syston	53	3,372		
Shepshed	47	3,042		
Birstall	45	2,810		
Broughton Astley	36	2,367		
Barrow upon Soar	36	1,426		
Castle Donington	35	1,195	85,108	70.17%
Barwell	34	1,100		
Enderby	34	1,438		
Glenfield	34	2,579		
Earl Shilton	32	2,436		
Groby	32	1,516		
Sileby	32	1,063		
Mountsorrel	31	1,541		
Measham	31	1,139		
Braunstone Town	31	1,525		
Market Bosworth	30	1,092		
Rothley	30	970		
Ratby	29	808		
Kegworth	29	853		
Desford	29	841		
Quorn	29	752		
Newbold Verdon	28	1,118		
Ibstock	28	497		
Bottesford	28	748		
Fleckney	27	1,076		
Kirby Muxloe	27	1,197		
Thurmaston	26	915		
Countesthorpe	26	744		
Markfield	25	939		
Kibworth	25	1,054		
Burbage	25	896		
Leicester Forest East	25	1,344		
Anstey	24	935		
Stoney Stanton	23	591		
Narborough	23	699		
Cosby	21	795		
Great Glen	18	482		
East Goscote	17	547		
South Wigston	17	756		
Glenhills	17	603		
Sapcote	15	370		
Hathern	14	216	36,175	29.83%
	Total Borrowers Served		121,283	

Table 5: Analysis of use based upon 2013/14 actuals *Source: LCC management information*

Current proposals for 16 funded Libraries based upon annual usage					16 funded libraries based upon average visits per hour				16 funded libraries based upon Average loans per hour			
Library	Annual Visits	Annual Loans	Active Borrowers	Active borrowers served	Library	Visits per hour	Active Borrowers	Active borrowers served	Library	Loans per hour	Active Borrowers	Active borrowers served
Ashby	108,659	97,369	4,182		Hinckley	108	9,706		Hinckley	99	9,706	
Blaby	73,906	92,291	4,146		Coalville	104	6,243		Loughborough	95	9,266	
Earl Shilton	62,875	50,175	2,406		Loughborough	92	9,266		Oadby	89	9,710	
Shepshed	53,888	57,773	2,547		Market Harborough	83	5,835		Coalville	69	6,243	
Lutterworth	60,330	87,287	3,229		Oadby	80	9,710		Wigston Magna	58	5,306	
Syston	54,602	82,964	3,153		Melton	67	5,203		Ashby	56	4,182	
Broughton Astley	52,649	54,102	2,128		Ashby	62	4,182		Melton	56	5,203	
Birstall	42,104	66,924	2,556		Wigston Magna	55	5,306		Market Harborough	55	5,835	
Glenfield	36,450	50,237	2,254		Blaby	42	4,146		Blaby	53	4,146	
Hinckley	255,660	234,174	9,706		Barwell	36	917		Lutterworth	50	3,229	
Coalville	246,557	163,545	6,243		Earl Shilton	36	2,406		Syston	47	3,153	
Loughborough	237,052	245,198	9,266		Shepshed	35	2,547		Shepshed	38	2,547	
Market Harborough	168,400	111,100	5,835		Lutterworth	34	3,229		Birstall	38	2,556	
Oadby	204,865	229,060	9,710		Measham	32	1,105		Measham	37	1,105	
Melton	158,494	134,010	5,203		Enderby	31	1,189		Barrow upon Soar	36	1,247	
Wigston Magna	97,162	102,792	5,306	77,870 (72.41%)	Syston	31	3,153	74,143 (68.94%)	Castle Donington	34	1,107	74,541 (69.31%)
Anstey	16,250	18,609	865		Broughton Astley	30	2,128		Ibstock	34	476	
Barrow upon Soar	13,925	35,957	1,247		Ratby	29	730		Enderby	32	1,189	
Barwell	27,550	20,989	917		Newbold Verdon	28	913		Broughton Astley	31	2,128	
Bottesford	11,625	19,334	595		Markfield	27	911		Groby	31	1,283	
Braunstone Town	30,762	34,095	1,370		Braunstone Town	26	1,370		Sileby	31	916	
Burbage	12,625	16,976	783		Kegworth	26	683		Earl Shilton	29	2,406	
Castle Donington	24,838	34,070	1,107		Mountsorrel	26	1,443		Glenfield	29	2,254	
Cosby	9,450	13,311	572		Castle Donington	25	1,107		Market Bosworth	29	755	
Countesthorpe	9,150	17,704	689		Fleckney	24	874		Braunstone Town	28	1,370	
Desford	16,025	19,800	725		Groby	24	1,283		Mountsorrel	28	1,443	
East Goscote	4,375	13,398	467		Birstall	24	2,556		Rothley	28	872	
Enderby	31,325	32,180	1,189		Desford	21	725		Barwell	27	917	
Fleckney	18,350	20,254	874		Glenfield	21	2,254		Countesthorpe	27	689	
Glenhills	7,656	7,763	459		Anstey	20	865		Fleckney	27	874	
Great Glen	7,725	11,744	450		Burbage	18	783		Newbold Verdon	27	913	
Groby	24,275	31,247	1,283		Ibstock	18	476		Quorn	27	620	
Hathern	3,325	5,971	284		Leicester Forest East	17	1,283		Bottesford	26	595	
Ibstock	10,600	20,325	476		Bottesford	16	595		Desford	26	725	
Kegworth	16,625	16,222	683		Kirby Muxloe	16	1,218		Narborough	26	627	
Kibworth	12,800	21,184	918		Cosby	15	572		Kegworth	25	683	
Kirby Muxloe	16,489	24,201	1,218		Narborough	15	627		Leicester Forest East	25	1,283	
Leicester Forest East	17,704	26,566	1,283		Thurmaston	15	827		Thurmaston	25	827	
Market Bosworth	12,100	25,910	755		Barrow upon Soar	14	1,247		Burbage	24	783	
Markfield	23,956	20,852	911		Countesthorpe	14	689		Kibworth	24	918	
Measham	27,592	31,278	1,105		Kibworth	14	918		Kirby Muxloe	24	1,218	
Mountsorrel	26,213	28,290	1,443		South Wigston	14	613		Ratby	24	730	
Narborough	10,825	18,370	627		Market Bosworth	13	755		Anstey	23	865	
Newbold Verdon	25,425	23,924	913		Rothley	13	872		Markfield	23	911	
Quorn	6,775	19,051	620		Sileby	13	916		Stoney Stanton	21	575	
Ratby	21,700	17,991	730		Glenhills	12	459		Cosby	20	572	
Rothley	10,000	22,628	872		Great Glen	12	450		Great Glen	18	450	
Sapcote	5,425	9,533	314		Quorn	10	620		Sapcote	15	314	
Sileby	11,075	26,342	916		Stoney Stanton	10	575		South Wigston	15	613	
South Wigston	9,350	9,909	613		Sapcote	8	314		East Goscote	14	467	
Stoney Stanton	6,350	13,830	575		Hathern	7	284		Hathern	13	284	
Thurmaston	12,905	21,481	827	29,675 (27.59%)	East Goscote	5	467	33,402 (31.06%)	Glenhills	12	459	33,004 (30.69%)
		Total Borrowers Served	107,545			Total Borrowers Served	107,545			Total Borrowers Served	107,545	

15. Tables 4 and 5 demonstrate that although the configuration of 16 libraries is slightly different if visits per hour and loans per hour are used as the prime criteria, more

active borrowers are served if annual loans, i.e. access to the book lending service are used to establish the 16 highest used libraries.

Conclusion

16. In a very difficult climate the County Council seeks to protect as many service users as it can when making decisions that involve reductions in available resources. The current proposal for LCC funded libraries protects the maximum number of active users.

17. It may be suggested that if data such as visits per hour open and loans per hour open are exclusively used, then a different configuration of libraries could be constructed to determine 16 libraries to be fully funded by the county council. Consideration should be given however to the exceptional circumstances outlined in paragraphs 7 and 8 that impacted on some shopping centre and market town libraries during 2013/14.

18. When active borrowers and annual loans are considered in conjunction with average usage as detailed in paragraphs 10-13 the rationale for identifying the libraries proposed to be fully funded by the County Council remains as originally proposed.

19. This is further supported by the results from the consultation that shows that the core book lending and loan service is felt to be the most valued and important aspect of the service. Tables 4 and 5 illustrate that more active borrowers will be able to access the service through the originally proposed 16 libraries, than by different configurations based on criteria where the highest community libraries perform better than the lowest shopping centre libraries, e.g. average visits per hour and average loans per hour.

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Public Consultation into Library Savings Proposals

Analysis of Pro-Rata cuts of 15%

1. A proposal was put forward that a pro-rata cut of 15% is applied to all (library) services, therefore reducing spending on staff, central services, opening hours and management. It was suggested through the public consultation, that this would be the fairest and most equitable option as users in the major towns would suffer the same reduction in service as those in the smaller communities' throughout the County.

2. In order to analyse the validity of this suggestion, consideration was taken of the factors impacting on these elements to reach a view as to whether this represented an alternative way of meeting the savings requirement.

Direct Costs

3. Direct costs include staffing and the cost of supplies and other services.

4. Staffing and management reductions have already contributed to £300,000 of the Medium Term Financial Strategy (MTFS). A pro-rata reduction as suggested would require a further reduction in opening hours, above that which has already been proposed if all libraries are to remain open, and an additional staffing restructure.

5. The library service has already negotiated competitive rates with its various suppliers, and has driven efficiencies through consortium purchase of its key suppliers of books and the library management system. This is considered ongoing business but is unlikely to generate an additional 15% of saving.

Opening Hours Reductions

6. The proposal requires a proportion of saving to be made from the reduction in opening hours. However there are very limited savings in some costs when there is no reduction in the overall numbers of libraries being managed.

7. Some of the largest elements of running costs within libraries are fixed (for e.g. property and ICT costs). Fixed costs are defined as periodic costs that remain unchanged irrespective of output levels – therefore, overall costs of libraries would not be reduced on account of reductions in opening hours no matter how significant these were. It should also be noted that some libraries have higher fixed costs than others (due their size and building) and an arbitrary 15% cut would have a much bigger impact on that individual site. Not only would this contradict the 'fairness and equitability' of this proposal but the impact could be so severe and unsustainable, that it could potentially threaten the survival of the library.

8. Further to the above, the proposal does not indicate any changes to property and ICT costs so it is not possible to appraise any savings in detail. It is worth nothing

though that the Council would have to continue to invest in these areas, because if not, there would be higher costs in the long term.

9. It is unlikely that additional contributions could be found from infrastructure savings as a result of a reduction in opening hours unless the size of the network was to be reduced.

10. Reducing opening hours does not automatically lead to a reduction in the line/operational management in the same proportion as the proposal suggests. Whilst staff contracts (hours) might be reduced the number of staff employed may not reduce much, or at all, dependent upon decisions taken about how reductions would be implemented and any agreement with unions.

Indirect Costs

11. Indirect costs include the non-operational management and support costs that contribute to the successful delivery of the service.

12. Leicestershire Library Service's Management view is that it is it is unable to generate any further savings from the costs of managing its libraries (infrastructure costs) whilst it still has to directly provide services to its large network of libraries. Therefore no further contribution could be found from infrastructure savings unless the size of the network was to be reduced. It should also be noted that the current MTFS will require further reductions from overall Communities and wellbeing (C&W) infrastructure costs (including libraries) to meet future savings targets and this will mean a range of challenges for the library element of the service going forward.

Premises Costs

13. Premises costs include items such as repairs and maintenance of buildings, utilities, rents, and rates.

14. To achieve economies of scale and ease management of a vast asset base, many premises related contracts within the Council are managed and charged (allocated) centrally.

15. Consequently, any savings made from these areas would not be applicable against the Communities & Wellbeing Service and the £800k savings target. The most significant premises costs are those such as rates which are fixed costs and therefore would not reduce. Even where premises costs have some potential for variation these reductions, such as those for a reduction in energy costs caused by reducing opening hours, would not be significant.

Cut Back in Central Services/Management

16. As has been referenced, the largest elements of central overheads are property and ICT costs and the Council would have to continue to maintain these across the whole network at a similar level. Other centrally managed overheads cover a combination of direct support to allow the service to function and governance for the organisation. For a saving to be made on the direct support element, the proposal

must be show that it can lead to an actual cost saving. Whilst the County Council continues to support the whole library network, savings from central services will be limited.

Conclusion

17. The County Council's Cabinet (September 2014) has approved a 20% reduction in opening hours at Market Town and Shopping Centres Libraries to commence April 2015.

18. Appendix C contains details that support funding for the highest performing libraries (16 libraries).

19. The alternative proposal received suggests that the County Council should follow the lead of the private sector and central government by making redundancies and 'flattening the management structure'. As reported in the Annual Statement of Accounts, since 2011/12, the number of officers (non-school) whose employment has been terminated by Council is just over 670 across all services.

20. Libraries running costs include a large element of high fixed costs and some libraries have higher fixed costs than others. Therefore, an illogical 15% cut would have a much bigger impact on one site than another and could potentially threaten the existence of that library.

21. A 15% cut across all areas is a suggestion based solely on financial information as it does not account for any longer term budget pressures or price increases such as inflation, increases in rents, utilities etc. Based purely on percentage, this proposal may appear to make the required saving for one year, but it does not allow for any sustainability in the longer term. The Council's current proposals for Community Libraries have built in a tapered financial and business support over a number of years which takes into account the above factors, making it more a viable and robust option.

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Public Consultation into Library Savings Proposals

Increasing Volunteers in Council funded libraries

1. Feedback received during the consultation suggested increasing the numbers of volunteers and thus reducing staff numbers in the proposed network of 16 County Council funded libraries. It was felt that this would enable the retention of paid staff across the wider network of community libraries.

Volunteers in Leicestershire

2. Traditionally the use of volunteers in Leicestershire Libraries has been limited to supporting activities that either:

    a. Could not be undertaken due to a lack of staff resources; or to,
    b. Provide support to specialist areas of service, such as Local Studies.

3. The use of volunteers can help local authorities reduce running costs as well as add value by contributing to increased community involvement in the library. Leicestershire does engage volunteers in its larger libraries who add value to the work of the staff, but are not intended to replace them. Volunteers will continue to be recruited.

4. Leicestershire's proposal for local community libraries is to enable a separate management arrangement for communities to manage the network of smaller libraries through volunteers as part of a separately constituted body.

Case Study

5. To gain additional insight into how volunteers are used, Oxfordshire County Council's library services have been used as a case study where volunteers have been used to save money across the service.

6. Oxfordshire County Council have increased their use of volunteers to supplement staffing at their libraries. Reductions in staff budgets in Oxfordshire have been covered by volunteers who support paid staff during the operation of their smaller community libraries. This has enabled them to extend the opening hours beyond that possible with paid staff (meaning the library is open without there being a paid member of staff on duty). Larger libraries continue to be fully funded and the authority is not replacing staff at their major libraries with volunteers in order to provide a staffing resource to community libraries.

Factors to consider when using/increasing volunteers in LCC funded libraries

7. There are a number of issues to consider in order to consider the validity of the proposal. These are detailed below.

8. Authorities such as Oxfordshire are not redeploying staff to smaller libraries from larger ones.

9. Recognition should be made between Leicestershire's proposal of separately constituted community bodies who would manage their local library through volunteers, and that of replacing County Council funded posts in Council funded libraries in order to maintain staffing in smaller libraries.

10. Should volunteers be continually used to provide services on a regular basis, in funded libraries, LCC would, in effect, be creating a contractual relationship. Even where there is not a written job description, consistent regular working could raise potential issues relating to employment legislation.

11. There would be an increased risk of conflict with trade unions who have publicly stated their position as:

"UNISON believes that public library services should be sufficiently resourced and professionally staffed. Volunteers may have a role to play, but they should not be used as replacements for employed, paid, trained staff in the public library service….We do not believe that local authorities should use volunteers as a cost-cutting exercise or to make up for the loss of staff through cuts and redundancies. Volunteers should only be used in a limited number of circumstances to complement the work of paid staff."

12. The loss of skills in libraries where there is a higher degree of complexity of work needs to be considered. The County's larger libraries field a wider range of customer demand in relation to the different resources available. These include larger local studies collections, and a greater range of diverse activity.

13. Larger libraries in Leicestershire are already operating at minimum staffing levels to maintain public health and safety and to ensure that the basic service can be delivered. In order to realise any savings, and retain some staff at a number of smaller libraries, as is proposed, would require a greater proportion of saving from a staffing resource that is already at minimum levels.

Conclusion

14. Building a volunteer network to support the library services in the future is imperative – however the assumption that volunteers can take on the extra hours and work in LCC funded libraries given the factors above is not feasible. There could also potentially be significant 'support' inconsistencies from library to library on a daily/weekly basis, which from an operational perspective could actually lead to an increase in costs.

15. Staffing levels in larger libraries are already at the minimum required; therefore it is unlikely that giving volunteers a role beyond that of supplementing paid staffing activities would generate any significant savings that could be used to fund staffing in Community Libraries. This coupled with the potential to raise issues that relate to employment legislation make the proposal unviable.

16. The Council's current proposals for Community Libraries detail how local communities can be empowered to manage volunteers across a network of smaller libraries and sustain them through a transitional period of 7 years. The Council's current proposals for Community Libraries have built in a tapered financial and

business support which takes into account the above factors, making it more a sustainable, viable and robust option.

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Public Consultation into Library Savings Proposals

Analysis of Mutual/3rd Party Providers

1. As part of the current public consultation, proposals have been put forward for the creation of a mutual, or other suitable 3rd Party 'not for profit' provider for library services.

2. This proposal has been put forward as an alternative to the current proposals for library services which is based upon 16 County Council maintained libraries and an infrastructure support package that would support local communities to manage their local community library.

Evaluation assumptions

3. The assumptions used when evaluating this proposal include:

   a) That the proposals put forward for a Mutual/3rd Party Provider is for <u>all</u> Leicestershire's Libraries (including mobile libraries);

   b) That the mobile library service would continue based upon current levels of service.

4. The proposal only suggests the proposed legal vehicle, an Industrial Provident Society (IPS) for operating the service. It does not detail who is being proposed to take over the management of the service and how the service would be operated. Hence it is not possible to assess the potential impact upon other County Council services or the level of continued support and oversight required.

Evaluation

5. The evaluation is split into financial and non-financial:

   a) Financial - examines the contribution towards savings that implementing a Mutual/3rd Party Provider would make towards MTFS targets;

   b) Non-Financial - indicates the differences in management and provision of service that would need to be considered before making such a decision.

Financial evaluation

6. It should be noted that the creation of a trust would require specialist expertise and have one off costs to set up, however savings achieved from the implementation of a Mutual/3rd Party Provider could be by:

   a) Direct savings received from a reduction in NNDR costs;

b) In-direct savings arising from a reduction in centrally managed overheads from sourcing support costs (Payroll, HR, Invoice payments etc.) from organisations outside of the County Council;

c) Direct Savings in the management of libraries.

7. The following paragraphs explore the potential for savings to be achieved through implementing a 3rd Party 'Not for Profit' model.

Reduction of NNDR

8. The savings under this proposal are identical to what would be expected to be achieved under the community partnership library option, albeit the scope and hence the total value has been expanded to include all libraries.

9. Whilst NNDR savings reduce the direct running cost of a library, the impact upon the local funding position is less beneficial as 50% of the tax receipts are received by Leicestershire authorities. A lower proportion (9%) is received directly by the County Council. This overall position could be impacted by the reforming of a business rate pool as was present in the last financial year.

Centrally Managed Overheads

10. The largest elements of central overheads are property and ICT costs, and as the proposal does not indicate any changes in these areas it is not possible to appraise any savings. If there was underinvestment in these areas it would be a concern, as higher costs would be likely in the longer term.

11. Other centrally managed overheads cover a combination of direct support to allow the service to function and governance for the organisation.

12. For a saving to be made on the direct support element it is not sufficient for the new provider to be cheaper than the average cost per person employed by the County Council, it must lead to an actual cost saving. As the County Council is a very large organisation, benefiting from economies of scale, this limits the potential for significant savings. Indeed there is a potential for costs to increase, for example the County Council's financial strength allows it to undertake significant amounts of self -insurance and spread risk over a large estate. A mutual (or similar) is unlikely to be able to replicate this.

13. The governance aspect has the potential to introduce new costs, for the mutual and the County Council. Whilst a similar argument could be made for the community library option, the mutual proposal is wider in scope and includes much more significant undertakings. For example the building and contents of Loughborough library are valued at £5.5 million, which would need to be safeguarded.

14. For both of these categories of overhead it is already assumed that cost savings of 30% will take place. This leads to the conclusion that whilst some savings may be possible through adopting a mutual approach, they would be minimal.

Management of Libraries

15 When considering local authorities which have implemented a Mutual such as Suffolk County Council, it can be seen that the savings in Suffolk's IPS, as outlined in their Cabinet paper dated November 2011, were to come from: reductions in NNDR; a contribution from reduced central support services costs; a reduction in service management costs; and reduced funding to community libraries; with any shortfall being made up by the community contributing towards the costs of their local library. This final part, is in effect like a subscription charge to be a member of the larger library network, in exchange for which, they have a degree of control over the running of their local library.

16 In 2012/13, the CIPFA reported net costs indicate that Suffolk's funding was 15.22% higher than Leicestershire's when they decided to implement this model:

Authority	Total Libraries (including Mobiles)	Net Budget £	Average Net budget per service point
Leicestershire	60	7,909,549	131,825
Suffolk	50	7,774,765	155,495

17 Leicestershire Library Service's Management view is that it is it is unable to generate any further savings from the costs of managing its libraries (infrastructure costs) whilst it still has to directly provide services to its large network of libraries. Therefore no further contribution could be found from infrastructure savings as a result of an IPS unless the size of the network was to be reduced. In addition to this, the current MTFS requires further reductions from overall Communities and Wellbeing infrastructure costs (including libraries) to meet future savings targets. It therefore has to be assumed there was more opportunity within Suffolk's higher funding (15.22%) to consider management reductions than those available to Leicestershire.

18 Leicestershire's library partnership approach is, in some senses, similar to that operating in Suffolk's IPS, in that it requires the community to 'make' a contribution to the running costs of their local library. The suggested proposal would mean setting a defined contribution and subscription (as agreed by a Board) - but the adoption of a similar approach and/or appetite for such an approach cannot be assumed for Leicestershire. The other potential difficulty with implementing an IPS might be the size of the contribution that would be needed from communities if they had to find not only a contribution towards the local library direct costs, but also a contribution towards the wider library management overhead costs and premises costs as well.

Non-Financial evaluation of a Mutual/3rd Party Provider

19 From an operational perspective, the day to day management of services would be undertaken by an arms-length organisation, but the statutory responsibility for

services would remain with the County Council and which would need to ensure that services are maintained in line with a service level agreement.

20 Experience from other local authorities suggests that devolving delivery to Mutual/3rd party providers is being implemented to safeguard the long term viability of important authority wide services and can be in agreement with Councils' objectives, particularity in respect to:

- Transforming the relationship between citizens and services;
- Delivering social innovation in the face of cuts;
- Creating local value;
- Commissioning on the basis of community strengths and assets.

21 However there are many factors that need to be considered before such radical change is considered:

a) The process of 'spinning out' requires significant investment from the County Council and this can include financial support, officer and staff time, various types of business support as well as significant emotional investment. There is a risk of complex internal and external negotiations which could lead to long, drawn out and ultimately unsuccessful projects. As public money is essentially being used to incubate such an enterprise, it is crucial that the mutual/IPS is able to reciprocate this support and with limited information presented, this cannot be assumed nor anticipated;

b) The purpose of a mutual/not for profit provider that distinguishes it from other potential providers is the 'added social value' they create and the achievement of a wider set of outcomes. This has not been made explicit within the proposal and to that effect, does not distinguish it from our current proposals or any other proposals:

c) Experience from other councils reveals that such ventures come with a complex set of challenges and pressures over and above the need for cultural change and a strong business case. Even mutualising a small service can often encounter intractable problems and most local authorities' have had real difficulty understanding, preparing for, accurately costing and anticipating the impact of the withdrawal of a small part of large organisation;

d) Some cases for mutuals are predicated on an assumption that they will be able to generate trade/private sector income to close the funding gap created by the reduction of council budgets. Whilst this has not been made clear in this proposal, if it is assumed, with the continuing austerity and recession, this will be a challenge;

e) Mutualisation needs to be informed by a clear purpose and vision that fits with the broader objectives and aspirations of the Council. In isolation, it may not fit into the wider strategic transformation vision that the County Council currently has;

f) There are a number of issues that surround service restructuring such as: Transfer of Undertakings (Protection of Employment) regulations, TUPE, Pensions, VAT, retention of staff terms and conditions that would need to be

addressed as part of such as a proposal. Such complex issues involve time and cost and will impact potential savings further unless costs are shared;

g) The timescales associated with implementation of a third party/mutual.

Conclusion

22 Implementing an IPS or other 3rd Party 'not for profit' provider for library services will not reduce the operating costs and contribute new savings towards the current MTFS targets above the level identified in the current proposals. Due to lack of detail in the proposal it is not certain that savings identified would be secured. Therefore it is not considered a viable alternative to the existing proposal to support local communities in managing local libraries.

Background/research papers

Informed by RSA2020 Public Services enterprise solutions research paper titled "new approaches to commissioning and public service mutuals: lessons from co-operative councils" published May 2013

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Public Consultation into Library Savings Proposals

Increased Cost Effectiveness

1. As part of the consultation process, a challenge was put forward that where a library 'proved to be more cost effective per issue or loan' they should be given a degree of funding protection.

2. There are many factors to consider when judging cost effectiveness and aspects specific to the County Council have been detailed below. In addition to this, general cautions to using a measure such as cost effectiveness have also been highlighted.

Specific factors impacting the measure of cost effectiveness

3. When trying to apply proper cost effectiveness analysis, it is important to make sure that current costs can be compared on a 'level playing field'.

Premises

4. The County Council library service is delivered through several buildings and a complex asset base which inevitably leads to varying degrees and levels of costs between the different properties. Many of the current library buildings are those that were inherited when the County Council was formed in 1974 and there are also a number that have been re-provided in a new build or refurbished buildings.

5. Due to the above, some libraries will incur higher premises costs (eg where there are multiple floor and lifts), whereas some will enjoy lower premises costs (eg those that are modern with improved energy efficiency) and this in turn will have a direct correlation upon that library's running costs. In addition to this, some buildings are rented on commercial rent values and some are leased by the County Council at market rents – all of these can lead to significant variations in premises running costs.

Staffing

6. Current staff costs will vary from library to library dependant on the following:

   a. total opening hours;
   b. the 'busyness' of the library;
   c. the minimum staff numbers required to satisfy health & safety requirements;
   d. whether the building has multiple floors to manage;
   e. Services beyond the basic lending and information service;
   f. Population served;
   g. Size of the building

Other

7. Some libraries that offer other services will have higher costs. A good example is Loughborough Library which has high premises costs (due to size and construction). It also provides a large local studies collection which is very popular, but is for reference only – this means that it will generate no loans but does need staffing support. This will potentially skew any cost effectiveness calculations for this site.

8. As part of the 'using buildings better' services strategy there have been closures of some Market Town and Shopping Centre libraries for significant periods of time. Due to the temporary nature of these works/closure periods, staff costs were still borne within the service and these will also impact any measure of cost effectiveness. Appendix C contains details that support funding for the highest performing libraries (16 libraries).

Issues with using cost effectiveness as a measure

9. Cost effectiveness is incremental by nature. The time horizon of a meaningful cost effectiveness analysis extends beyond the data that is available and therefore any protection implemented on this measure would not be sustainable over a long period of time.

10. If this proposal was to be considered, to ensure fairness, it would be have be trialled with a group of libraries, with that data set used to direct further progress. However, cost effectiveness analysis is very dependent on the quality of data. Decisions on the protection of individual libraries could potentially suffer if the trial is biased or not adequately generalised. It is therefore felt that cost effectiveness is not a reliable measure to be used in making decisions about whether to protect individual libraries or not.

11. For the cost effectiveness to be meaningful it should have an 'appropriate' comparison group. Ideally this group should represent the current standard, assuming that this standard is, itself, reasonably cost effective. It would have to be decided and agreed what is an appropriate comparison group for Leicestershire.

12. Cost effectiveness does not necessarily mean an efficient or a quality service. The County Council has other historical performance indicators in place, such as CIPFA statistics/benchmarking, loans, visits and customer satisfaction, to measure such activity.

Conclusion

13. Effectiveness is quite subjective to measure and can mean different things to different people; through the consultation process the Council has sought to identify those areas of the library service that resident's value and the current proposals seek to protect these.

14. Unless the provision of the library service was identical - same buildings, with the same running costs and staffing, then it is not felt that cost effectiveness should be the most significant factor used when making decisions for which libraries should continue to be funded or protected.

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