

**CABINET – 19 APRIL 2016****FUTURE STRATEGY FOR THE DELIVERY OF LIBRARY SERVICES****REPORT OF THE DIRECTOR OF ADULTS AND COMMUNITIES****PART A****Purpose of the Report**

- 1 The purpose of this report is to advise the Cabinet of further engagement activity held in three communities (Braunstone Town, Mountsorrel and Narborough) regarding proposals made by local groups to manage their local library, further to the report considered by the Cabinet on 1 March 2016. The report also informs the Cabinet of progress made in relation to Kirby Muxloe library.

Recommendations

- 2 It is recommended that:
 - a) The comments of the Adults and Communities Overview and Scrutiny Committee be noted;
 - b) The proposal from Fabula Social Enterprise in relation to Braunstone Town library be accepted and arrangements be made to progress to formal agreements to enable the group to manage the library;
 - c) Discussions continue with the County Council's landlord with regard to the new Mountsorrel library and, following consultation with the Cabinet Lead Member, the Director of Adults and Communities in consultation with the County Solicitor be authorised to determine the most sustainable occupancy agreement for the new library and, accordingly, to make the necessary arrangements to either surrender or sublet the lease, subject to the agreement of the Director of Corporate Resources;
 - d) The Director of Corporate Resources, in consultation with the County Solicitor, be authorised to agree the terms of the surrender or sublet of the lease referred to in c) above;
 - e) The submission of an outline business plan proposed by the Narborough community group be noted and arrangements be made to progress to formal agreements to enable it to manage the library;
 - f) A progress report in respect of Kirby Muxloe library be submitted to the Cabinet in September 2016, following the completion of the consultation with the Kirby Muxloe community.

Reasons for Recommendations

- 3 The Council has a statutory obligation to ensure provision of a comprehensive and efficient library service. It has sought to enable and facilitate the ongoing provision, wherever possible, of library services by closer working with communities and other providers, whilst at the same time sustaining the countywide infrastructure to enable it to meet both its statutory obligations and budget challenges.
- 4 In November 2014, the Cabinet agreed, inter alia, a delivery model for its library services and a support package for community libraries.
- 5 The plan submitted by Fabula presents the most cost effective way forward and, subject to a minor adjustment, is compliant with the County Council's published support package. Acceptance of the plan will enable the public library service in Braunstone Town to continue with the provision of a more targeted service to those most in need of support.
- 6 In respect of Mountsorrel library the proposals put forward by the landlord in respect of the occupancy agreement represent a potential way forward but require further discussion before a final decision can be made.
- 7 The outline business plan submitted by the Narborough community group meets the criteria set out by the County Council to enable it to access the support package.
- 8 Legal issues surrounding the library leases (for the building and car park) at Kirby Muxloe have not been resolved and following consultation between the Director of the Adults and Communities and the County Solicitor a three-month consultation exercise on alternative library provision commenced on 21 March 2016.

Timetable for Decisions (including Scrutiny)

- 9 The Adults and Communities Overview and Scrutiny Committee received a progress report on the 5 April 2016 and its comments will be reported to the Cabinet.
- 10 Recommendations regarding Kirby Muxloe library will be submitted to the Cabinet in September.

Policy Framework and Previous Decisions

- 11 In September 2014, following consultation, the Cabinet approved a remodelling of the library service based on the following elements:
 - 16 major market town and shopping centre libraries funded by the Council with a 20% reduction in opening hours;
 - A support service enabling local communities to run their local library;
 - An online library service available 24 hours a day, 365 days a year to those with access to the internet;
 - A mobile library service providing a regular library service to most villages without a static library.
- 12 In November 2014, the Cabinet agreed the infrastructure support package to be offered to local communities wishing to operate community managed libraries and on

16 March 2015 authorised the Director of Adults and Communities to assess the outline business plans put forward by community groups that had registered an interest in running their community library, and the County Solicitor to prepare the necessary legal agreements where communities were deemed to have in place a satisfactory outline business plan which was compliant with the Council's requirements.

- 13 The Cabinet also agreed that a further round of engagement with community groups would take place where either no Register of Interest (ROI) was received by the deadline date of 16 January 2015, or where the ROI had been subsequently withdrawn, or where the initial ROI submitted required further work to be compliant with the Council's requirements.
- 14 In May 2015, the Cabinet noted the assessments of 27 submissions of outline business plans and authorised the Director of the Adults and Communities, following consultation with the County Solicitor, to enter into agreements for 19 community managed libraries to be run by community groups/organisations, subject to appropriate legal agreements in relation to lease and grant funding being in place.
- 15 In June 2015, the Cabinet noted that a further five outline business plans met the Council's conditions and were capable of being progressed through formal agreements to enable those communities to manage their library. It also agreed further engagement work and a second and final period to invite ROIs and outline business plans for those communities where either no ROI had been received, or an ROI had been received and subsequently withdrawn, and also for Mountsorrel and Braunstone Town, as the outline business plans submitted by those communities were not considered acceptable.
- 16 The Cabinet also requested officers to develop proposals for alternative library service provision should no viable ROI or outline business case be submitted.
- 17 In October 2015, the Cabinet approved a three-month consultation exercise with regard to those libraries where a viable business plan had not been put forward.
- 18 On 1 March 2016, the Cabinet noted the outcome of the consultation, approved the closure of Barwell library and its replacement with a mobile service, and deferred decisions on Braunstone Town and Mountsorrel libraries to allow revised and new outline business plans to be assessed, and for further discussions to take place with the landlord of Mountsorrel library. The Cabinet also agreed a deadline of 31 March 2016 for the submission of an outline business plan from the local community group in Narborough, and authorised the Director of Adults and Communities, in consultation with the County Solicitor, to determine the form of consultation to be taken in Kirby Muxloe following legal advice.

Resources Implications

- 19 Since April 2014, the Communities and Wellbeing Service (part of the Adults and Communities Department) has implemented changes to deliver £1.0 million of savings from a mixture of efficiencies and service reductions.
- 20 Members will be aware of the worsening financial situation which is reflected in the 2016/17 Medium Term Financial Strategy approved by the County Council on 17

February 2016. A further £1.9m will need to be made by the Communities and Wellbeing Service by 2018/19.

- 21 The annual savings from the community libraries programme remain in line with the initial estimates. For the 31 libraries that are well positioned to become community managed, annual savings are expected to be £0.4m from staff savings and £0.3m from running costs, (net of income) following the end of the seven-year tapering period when the groups assume full responsibility for the costs in question. This will also help to enable further savings from the departmental infrastructure that supports all libraries.
- 22 The County Council has set aside £0.4m to support community groups in the initial set up stage. These implementation costs will be met from earmarked transformation funds, as will redundancy and pension costs relating to the staff changes.
- 23 The Director of Corporate Resources and the County Solicitor have been consulted on the content of this report.

Circulation under the Local Issues Alert Procedure

Mrs J. Fox CC, Mr. P. C. Osborne CC, Mr. T. Richardson CC, Mr. R. Blunt CC

Officers to Contact

Jon Wilson, Director of Adults and Communities
Adults and Communities Department
Tel: 0116 305 7454
Email: jon.wilson@leics.gov.uk

Nigel Thomas, Head of Service, Communities and Wellbeing
Adults and Communities Department
Tel: 0116 305 7379
Email: nigel.thomas@leics.gov.uk

PART B

Background

- 24 The previous decisions recently made by the Cabinet with regard to the Council's policy on the delivery of library services are detailed in paragraphs 11 to 18 above.
- 25 Since that time the Council has engaged with supporting 36 communities to undertake the management of their local library with a tapered support package over seven years. So far 16 libraries have transferred to community management.
- 26 In October 2015, the Cabinet approved a three-month consultation exercise with regard to those libraries where a viable business plan had not been put forward. The aim of the consultation was to explore alternative library service provision based on the mobile library service for book lending, online library services, and Council-funded libraries for all other services.
- 27 At that time the communities affected were Braunstone Town, Mountsorrel, and Narborough. Barwell was added following the community group's decision to withdraw its outline business plan and subsequently a decision to close the library and replace it with a mobile library service was taken by the Cabinet on 1 March 2016.
- 28 During the consultation period an alternative proposal to manage Braunstone Town library was submitted by a social enterprise group (Fabula), and discussions about the future of Mountsorrel library continued with the landlord and the Mountsorrel War Memorial Trust (MWMT). A local group in Narborough emerged who indicated their intention to submit an outline business plan. This was reported to the Cabinet on 1 March 2016.
- 29 The report to the Cabinet on 1 March also advised that Kirby Muxloe Parish Council, which had originally submitted an outline business plan to manage the library, had reluctantly decided to withdraw its plan. This was because the Parish Council elections in May 2015 did not give it sufficient elected members to be able to award itself the general power of competence required to undertake its original plans, and despite repeated attempts to recruit by the Parish Council, there was a lack of interest in volunteering.
- 30 The Cabinet noted that a number of issues also remained to be resolved regarding the leases for Kirby Muxloe library and agreed that the Director of Adults and Communities in consultation with the County Solicitor should decide whether further consultation should take place, following receipt of legal advice.
- 31 The remainder of this report considers progress made and recommendations for each of the libraries.

Proposed Way Forward

- 32 In making appropriate recommendations to the Cabinet about the way forward officers have considered:
- If any viable plans in line with its offer were received following the ROI process and associated consultation on alternative provision;

- If any alternative plans were received following the ROI process and associated consultation on alternative provision;
- If there are satisfactory reasons why the body putting forward the alternative proposal is not able to deliver their proposals on the basis of the Council's support package;
- Where the Council is not able to offer its support package to the body putting forward the alternative proposals, if it is feasible to make the adjustments required that would enable it to do so;
- What the impact of the alternative proposals would be on revenue savings for the Council.

Braunstone Town

- 33 Braunstone Town library is built on land owned by Braunstone Town Council (BTC) for which the County Council has a lease for 99 years from 30 July 2007. There is no lease break clause provision, but the lease does allow for other alternative local authority uses in the event the library closes, subject to the agreement of the BTC. There is an obligation on the County Council to pay the building running costs as defined within the ground lease.
- 34 In response to the County Council's call for ROI to deliver a community managed library service with a funding package from the Council, BTC had submitted two options to deliver the library service during previous consultation periods. These were:
- For the County Council to join BTC and Blaby District Council in forming a service hub that would offer a range of council services, including the library, from its current location.
 - For BTC to manage the library service through its service shop staff.
- 35 The Cabinet will recall that the outline business plans from BTC were not compliant with the funding package proposed by the County Council as they assumed continued County Council funding to cover the building running costs for a period in excess of its offer.
- 36 During the consultation period on alternative service provision, BTC confirmed that the proposals still stood.
- 37 An alternative outline business plan to manage the library has been submitted by a staff-based Social Enterprise group, Fabula, and has been assessed for compliance with the County Council offer. Fabula proposed to focus attention on supporting vulnerable children, particularly those in care, and to continue to provide revised adult lending services from the library site which, although it reduces some of the adult lending provision, still supports services and activity for older customers, the second highest protected user group to children at the library. This bid required a variation to the Council's support package whereby the funding period will end one year later. This is because Fabula's proposals assumed the funding package to begin on take up of the grant in 2016.
- 38 In making an appropriate recommendation, officers have considered a range of factors that are outlined in paragraph 32 of this report. They have considered whether it is feasible to make any adjustments to enable the Council to offer its

support package, the impact of proposals on revenue savings for the Council and the impact on service provision.

- 39 An assessment of the three alternative options presented has been undertaken and is attached as Appendix A. This shows that the Fabula option most closely fits the support package offered by the County Council, and achieves the required savings within one year of the original target. As such it has the least impact on the revenue savings for the Council.
- 40 It is considered that the Fabula proposal can deliver the continuation of the library in Braunstone Town for the following reasons:
- It is the most cost effective option and whilst the outline business plan requires an adjustment to the period of funding required, it is within the budget allocated and therefore is the closest fit to the funding package as proposed by the County Council;
 - The library would continue to operate from its current site;
 - It focuses on services to young people – the largest protected borrower group of the library, which was an area of strong concern arising from previous consultations;
 - Although it proposes some reduction of the adult lending stock it would continue to offer an adult lending stock service and support for adult groups, such as the regular coffee morning which attracts a number of older library users.
- 41 Fabula have been in contact with BTC about their proposals, and although BTC's preference would be its own proposals, officers understand that it is satisfied that the Fabula proposal would enable the library to be sustained in its current site. Fabula have also held a meeting with the Save Our Library Action Group (SOLAG) about their proposals. SOLAG have expressed concerns about the plans because of the focus placed on supporting vulnerable children and a reduction of service to adults. These concerns have been considered by the officer panel assessing Fabula's outline business plan. SOLAG's concerns are expressed in a letter, attached as Appendix B.
- 42 Officers are aware of further meetings planned between Fabula and BTC in order to explore further enabling BTC service shop employees to provide basic library duties and to discuss further options around the adult book stock provision. The outcome of these meetings will be reported to the Cabinet by means of a supplementary report, if necessary, should they have an impact on the progression on the recommended course of action. This would include any further assessment of the impact of the proposals with regard to the Council's Public Sector Equality Duty (PSED).
- 43 Officers will continue to liaise with Fabula, BTC and SOLAG to ensure that as far as is reasonable any concerns are addressed in ensuring that the library is sustained in its present site. Subject to any further developments it is therefore recommended that the Fabula proposal is accepted.

Mountsorrel

- 44 The MWMT had previously submitted an outline business plan to run the library, which was not compliant as it assumed continued County Council funding to cover the building running costs.

- 45 Mountsorrel library is in a building leased from a local resident (the landlord) and the County Council has a lease for 120 years from 22 December 2008. There is a lease break clause provision after 25 years have expired, in 2033, but the lease is restrictive with regard to alternative uses and any change is subject to the agreement of the landlord. There is an obligation on the County Council to pay the building running costs as defined within the lease.
- 46 Following further discussions with the landlord, it has been proposed by the landlord that the County Council considers surrendering its lease. A revised Mountsorrel Library Partnership, comprised of the MWMT, Mountsorrel Parish Council, Mountsorrel Educational Fund and Mountsorrel United Charities, would provide and manage the library service from the building.
- 47 It is recommended that discussions continue with the landlord to agree the most sustainable occupancy agreement for the new Mountsorrel Library Partnership to undertake the future management of the library. This may require the Council to either surrender its lease to the landlord or grant a sublease to the Mountsorrel Library Partnership (subject to the consent of the landlord) in order to facilitate this. The costs involved in the surrender of a lease would reflect the County Council's contractual obligations, such as repairs, rates, and utilities up to 2033. A sublet of the lease would involve continued payments by the County Council for this period and an obligation to maintain and repair the property. Either arrangement would be subject to the agreement of the Director of Corporate Resources as it is intended that it would be met from earmarked transformation funds. It is proposed that, following these discussions, the Director of Adults and Communities be authorised, in consultation with the County Solicitor, to agree the best way forward.

Narborough

- 48 The local community group at Narborough met the deadline of 31 March 2016 for submission of an outline business plan to manage the library. This represents a positive development which is testament to the hard work of the local community.
- 49 This plan has been assessed by officers and it meets the criteria in order for it to progress to transfer to community management.

Kirby Muxloe

- 50 Following legal advice, and consultation with the Director of the Adults and Communities and the County Solicitor, a three-month consultation period began on 21 March 2016. The consultation seeks local views on the provision of alternative library provision through a mobile library service, and invites a second and final period of ROI from local groups to submit an outline business plan to manage the library. Interested parties have until 22 May 2016 to submit an ROI. Subsequent outline business plans must be received by 29 July 2016.
- 51 The consultation will comprise:
- A bespoke consultation document that outlines the background and proposals for the specific library available online and in hard copy;
 - A survey questionnaire available online and as hard copy;
 - An information event at Kirby Muxloe aimed at informing residents about the ROI proposals and the consultation;

- An information display at the library.

52 It is proposed to submit a further report to the Cabinet recommending a way forward for Kirby Muxloe library in September.

Conclusion

53 There is a great degree of confidence that sustainable solutions will be put in place to enable the libraries at Braunstone Town, Mountsorrel and Narborough to continue at their current sites. A further report on Kirby Muxloe library will inform its future direction.

Background Papers

Report of the Cabinet to the County Council meeting, 19 February 2014 - Medium Term Financial Strategy 2014/15 to 2017/18

<http://ow.ly/JmQUZ>

Report to the Cabinet, 5 March 2014 - Consultation on Proposals for Changes in the Delivery of Community Library Services

<http://ow.ly/JmQOC>

Report to the Cabinet, 19 September 2014 - Outcome of Consultation on Proposals for Changes in the Delivery of Library Services

<http://ow.ly/JmQGv>

Reports to the Cabinet - Future Strategy for the Delivery of Library Services

19 November 2014 – <http://ow.ly/JmQwT>

16 March 2015 – <http://ow.ly/Ynxiu>

11 May 2015 – <http://ow.ly/Ynxx5>

16 June 2015 – <http://ow.ly/Ynxrw>

7 October 2015 – <http://ow.ly/YnxuM>

Appendices

- Appendix A – Braunstone Town – Assessment of Alternative Options
- Appendix B – Letter from SOLAG to Cabinet Lead Member for Heritage, Leisure and Arts

Relevant Impact Assessments

Equality and Human Rights Implications

54 An Equality and Human Rights Impact Assessment (EHRIA) for each of the 36 community libraries was appended to the Cabinet report dated 19 November 2014 and can be accessed via the following link - <http://ow.ly/105GkG>

55 The EHRIA process is iterative in nature and Equality and Human Rights Improvement Plans, attached to the EHRIA, outlines mitigating actions to be monitored should there have been any decision to close libraries in these areas.

56 An online interactive community profile for the libraries has been established which outlines key features associated with the community from a number of criteria. This can be viewed through the following link: <http://ow.ly/JmQgE>

- 57 It should be noted that although the majority of the information contained in the profiling work is not required in order to address the Council's PSED, it is regarded as good practice and a means of supporting informed decision making.
- 58 The alternative option presented by Fabula for Braunstone Town library focuses on a key protected group, young people and although reduces the adult lending provision, supports activity and lending for older people. It does this through providing appropriate book stock and the maintenance of activities such as the coffee money at the library and intends to promote a range of intergenerational work between young and old. It will also support local studies material and activity at the library. Access to IT will continue to be provided at the library. Both children and older people represent the two largest protected user groups at Braunstone Town.
- 59 Any further reports to the Cabinet will include appropriate assessments with regard to the PSED.
- 60 Further work on Kirby Muxloe library will be undertaken in time for the September Cabinet meeting should a decision need to be made to close the library and provide mitigating actions and alternative service provision in the area.