



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:

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| 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. |

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| 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 3 rd 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 provide 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 (EHRIs) 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 EHRIs 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](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](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](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>

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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