

Report sponsor: Deputy Chief Executive
Report author: Head of Community Safety and
Integration

Community Managed Libraries

Purpose

- 1.1 Library services should co-design and co-create their services with the active support, engagement, and participation of their communities so services are accessible and available to all who need them in the context of available resources. This is even more important given the 'impacts' across society of the Covid19 pandemic and the growing importance of local opportunities to connect with others and for access to advice and support services.

In 2016, in response to austerity there was a corporate decision to reduce the available budget for statutory library provision. As such the Council carried out a comprehensive review of its library service, which involved conducting a strategic needs assessment. One of the main outcomes of the review to be able to provide a comprehensive and efficient library service in Derby was for the Council to operate 5 statutory libraries. This enabled the Council to then invite its local stakeholder community to submit expressions of interest (E.O.I) to operate one or more of the remaining 10 libraries as community managed libraries (CML's). Direct Help & Advice (DHA) submitted an E.O.I for all 10 libraries and were successful in entering into a 4-year arrangement with the Council. This arrangement was extended by a further year to the end of 2022/23 in response to the impacts of the pandemic.

- 1.2 As part of the E.O.I proposal, DHA opted into a Council grant facility which required a management agreement to be put in place. It also opted to operate out of the 10 existing library buildings, which resulted in leases for each facility being put in place between both organisations. The Council has annual revenue budgets of £120k to provide a grant and £55k for library books (spent by the Council on behalf of DHA.) There is also approximately £90k remaining in a reserve fund.

DHA are required to submit an annual grant application and in 2021/22, from the amount requested, it was clear that the funding required was more than the available budgets for the remainder of the agreement. There has been engagement between both organisations to try to find a way forward where DHA's grant application could be refined to fit within the available budget. However, DHA has recently confirmed to the Council that it is unable to continue to operate CML's within the existing budget threshold.

- 1.3 As part of the engagement process undertaken to date, DHA conducted a review of its CML operations between November 2021 and February 2022. The outcome of which was that to satisfactorily address the key issues, it was agreed that a more thorough review of all available options should be led by Community Action Derby (CAD) over a 6-month timescale and that options be brought back for consideration.
- 1.4 The review will explore the potential opportunities and options for the ongoing sustainable provision of community libraries within localities. The review will focus on the city in terms of post-pandemic recovery and in the context of service redesign to a more locally accountable shared approach to support community resilience and shift towards building community capacity in community spaces.

Recommendations

- 2.1 To approve further funding for DHA at the current level of £26,196 per month for the period from 31 August 2022 to 30 November 2022.
- 2.2 To accept notice from DHA to withdraw from the service, ceding its CML operations back to the Council with effect from 30 November 2022 and use the period 1 September 2022 to 30 November 2022 to manage the transfer of services back to the Council by 30 November 2022.
- 2.3 To recognise and support the importance of the assets within the context of locality working and agree to aim to keep the 10 assets open and accessible to the community throughout this transition.
- 2.4 To note that a further report is to be brought to Cabinet providing an outcome and appraisal of the CAD review of community library provision. The report will aim to provide recommendations for future delivery options and/or use of the 10 assets including setting out next steps, a financial plan and risk register.
- 2.5 Notwithstanding the outcome of the decision or the additional review, it is recommended that Council seeks to maintain and support a positive strategic partnership with DHA and endeavour to support their continued work within Derby City where possible.

Reasons

- 3.1 Public libraries play an essential role in their communities as 'community spaces' offering a range of different services and access to advice and connecting local people with other important activities. The proposed extension with DHA allows for the commissioned review by CAD to produce recommendations for the future of the community library provision. Working with DHA, a valued partner, the community and other key partners, the review will look to understand where we are now and will enable longer-term decisions to be made whilst gaining further understanding of the opportunities and risks that exist.
- 3.2 The proposed extension also provides a timeframe for the transition of the CML provision to be considered comprehensively. Fundamentally providing the best opportunity to reduce impacting on the ongoing delivery of service provision and use of the community assets.
- 3.3 The ability to forecast costs is significantly eased by agreeing to extend the arrangement with DHA. The review will explore the options for ongoing sustainable provision of community libraries within localities and explore the potential opportunities to establish a recommendation for a costed plan.
- 3.4 The CAD review will focus on the city in terms of post-pandemic recovery and in the context of service redesign to a more locally accountable shared approach to support community resilience and shift towards building community capacity in community spaces. This enables the Council to work with its communities and partners to help best meet the needs and priorities as effectively as possible by working collaboratively.

Supporting information

- 4.1 Libraries provide valuable services to the community by fostering education, promoting culture, providing scope for healthy recreation and gateways to knowledge, disseminating information to all sections of society through various materials.

Every library authority in England is required to provide a comprehensive and efficient library service primarily comprising of a book lending service available to meet the needs of adults and children within its area (section 7, Public Libraries and Museums Act 1964). The public library service is not a national service but a local service. What a comprehensive and efficient service means will therefore be led by local intelligence and so will differ between councils.

- 4.2 Councils must take their available resources into account when deciding how to deliver their public library service. Councils, therefore, have the freedom to design their library service, based on their analysis and assessment of local needs. There are no prescribed national standards.
- 4.3 The premise behind the E.O.I process in 2016 was to generate sufficient community interest that would see community groups and third sector organisations, alone or collaboratively coming together with sustainable designs for service delivery for each of the 10 libraries that fell outside the Council's statutory offer. The expectation was that beyond the transition phase during which there would be ongoing reliance on the Council, the community groups and organisations would be best placed to leverage local and third sector grant and volunteer support that would result in decreasing year-on-year reliance on the Council.
- 4.4 The Covid19 Pandemic has had a significant impact on the intended operating model employed by DHA with repeated closures during the various 'national lockdowns' reducing confidence and momentum, a lack of available volunteers overall and the diversion of external grant funding opportunities to support the immediate community response.
- 4.5 As a result of this situation, in mid-November 2021 DHA gave notice of its intention to close the 10 CMLs by the end of November 2021. In a bid to avoid an immediate closure and the resulting community impact, a counterproposal was put to DHA inviting a review of their operations by the end of February 2022, with the Council undertaking to pay a fixed sum of approximately £26,000 per month until the conclusion of the review. The objectives of the review were agreed upon with DHA, with every expectation that they would present a way forward beyond the funding impasse and would result in its 2021/22 grant application able to be approved.
- 4.6 Unfortunately, the review outcome did not satisfactorily address its agreed objectives. With immediate closure of the 10 CML's once again a possibility and with the awareness that such an outcome would be unacceptable within the communities, the existing arrangement was extended for three months until the end of May 2022.
- 4.7 In the interim, the Council has engaged CAD to undertake a 'city partnership' focused review working with communities, stakeholders, and partners at a locality level to promote the development of good value community-owned assets, where individuals have access to a range of services, including books.

Public/stakeholder engagement

- 5.1 The City Partnership Community Recovery Board has agreed that community spaces from which to offer a range of services and advice are an essential part of the city's response from the pandemic. Key partners across the statutory sector have thus expressed an interest in being involved with the review of the community library provision. Engagement with DHA and CAD has taken place.

Other options

- 6.1 Temporary closure post 31 August 2022 while governance proposals and measures are put in place to validate identified next steps.

So far as decisions on temporary closure are concerned, it is not recommended. A closure in any form would work against the City's focus in terms of post-pandemic recovery. Reopening the assets once in a position to do so, would also be a greater challenge.

- 6.2 Immediate permanent closure post 31 August 2022.

The existing corporate mandate for CMLs is that the Council grant funds, leases buildings to and, on account of both, has a management agreement in place that justifies the basis on which a grant is currently made available to DHA. With DHA's position demonstrating that they cannot operate within the grant envelope, their grant application is unsustainable. DHA's position is therefore that without a grant, they cannot operate and so will need to close the libraries.

So far as decisions on permanent closure are concerned, it is not recommended. As with a temporary closure, permanent closure in any form would work against the City's focus in terms of post-pandemic recovery and would exacerbate the temporary closure concerns.

6.3 Agree to a 3-year plan with DHA for the CML provision.

For the last 12 months, funding for the CML's has been on a short-term basis whilst the Council has been working with DA to refine their grant application to fit within the available financial envelope. DHA is clear that this process has required significant time from DHA's management team and is impacting the development and delivery of its core charity services.

The original Council expectation of DHA as a third sector organisation was that it would be able to unlock external funding and work with the library assets to earn income, thereby gradually reducing the need for Council funding. However, especially during a pandemic, DHA remains largely dependent on a DCC grant. To agree to a 3-year plan, the Council would require confidence that DHA's original aspirations could be achieved.

Financial and value for money issues

- 7.1 The cost of funding DHA to 30 November 2022 will total £209,568 for the financial year 2022/23. Whilst this can be managed within the current CML revenue budget, it will almost entirely exhaust the revenue funding allocated for this financial year. Any proposals for the service or use of the assets from December onwards will require additional revenue funding. This will be fully assessed during the review period and will be contained within the future cabinet report.

Legal implications

- 8.1 While the sudden imminence of closure beyond the end of November 2021 and again in February 2022 justified the strategic steps agreed and put in place by officers at the time with DHA, the options formally presented to the Council by DHA in its letter of 16 May 2022 now necessitate a cabinet mandate to approve the next steps that should be taken.

Climate implications

- 9.1 None arising from this report.

Other significant implications

- 10.1 None arising from this report.

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal	Olu Idowu – Head of Legal Services	29 June 2022
Finance	Amanda Fletcher – Head of Finance	04 July 2022
Service Director(s)	Claire Davenport – Director of Leisure, Culture & Tourism	23 June 2022
Report sponsor	Rachel North – Deputy Chief Executive	24 June 2022
Other(s)		

Background papers:

List of appendices: