

Minute extract

25/17 Libraries Strategic Review: New Service Delivery Model

The Council Cabinet considered a report which stated that the aim was to deliver on our vision for a Library Service that improves life chances by encouraging reading, informal learning and digital access in a safe and welcoming environment.

The Council's Medium Term Financial Plan (MTFP) required the Library Service to identify £648k additional savings by April 2018. In September 2015 a Libraries Strategic Review was initiated to determine the best way to maintain a modern, high quality library service whilst delivering the essential cost savings. As part of the Review the Council instructed independent consultants to carry out a major 'phase 1' consultation over 12 weeks from 30 November 2015 and 19 February 2016. Data collected during the consultation was used alongside information from a variety of other sources to conduct a needs assessment exercise. This robust process then informed the development of four options for a new service delivery model. These were detailed in a report to Council Cabinet on 3 August 2016, and Cabinet agreed that all four options should be the subject of a further – 'phase 2' – consultation.

The phase 2 public and stakeholder consultation took place between 19 September 2016 and 14 December 2016. Response to the phase 2 consultation was outstanding, with a total of 4,378 questionnaires being completed and over 1,000 individuals expressing their interest in becoming a volunteer and helping run a local library. Analysis of responses to the consultation revealed that the Council's preferred option for the future of the library service in Derby – Option B – was the only one of the four options to enjoy net support. The consultation also showed a majority in favour of transferring the city centre lending library and internet service from the Central Library to a new Riverside Library at the Council House.

Whilst there was a majority in favour of Option B, including the Riverside Library proposal, the phase 2 consultation also revealed some areas where the approach could be revised or improved. The report therefore described the development of a further service delivery model, firmly rooted in Option B but with some amendments to accommodate, where appropriate, the responses to the findings of the phase 2 consultation. The new service delivery model was referred to as Option B *Plus*.

Under Option B *Plus* the Council would continue to run five libraries as part of its statutory offer. As well as Riverside, the Local Studies and Family History Library, Alvaston and Pear Tree Libraries, which were all included in the original Option B, Mickleover Library would also be part of the statutory offer. The other ten existing libraries would be earmarked as potential Community Managed Libraries (CMLs) outside the Council's statutory offer. An annual Grant pot of £175k would be established until 31 March 2022, to be distributed between the CMLs through a mechanism to be agreed by the Strategic Director of Communities and Place, following consultation with the Cabinet Member for Leisure, Culture and Tourism.

The report recommended that Council Cabinet approve Option B *Plus* on the grounds that it improved on Option B, which was judged to be the most favourable of the four options that were consulted upon. Specifically, Option B *Plus*:

- Changes the needed assessment methodology, giving equal weight in the analysis to socio-economic deprivation, library usage and library location factors.
- Frees up funding for another Council-run library by not increasing opening hours as significantly as outlined in Option B. Opening hours under Option B *Plus* would, however, remained higher than at present.
- Adds Mickleover to the portfolio of Council-run libraries. This meant that the second busiest library in the city was retained as part of the statutory offer and that the geographical spread of Council-run libraries was improved.
- Increases shelf capacity at Alvaston, Mickleover and Pear Tree Libraries, creating space on open public access for some of the books displaced from the Central Library by the move to Riverside.
- Created a robust framework for the establishment and sustainability of CMLs.

There would be a Minimum Standard Resource that a CML would be expected to provide for the benefit of its local community in return for access to the Grant. The report goes on to describe two Enhanced Support Packages that would be available to organisations / community groups choosing to work closely with the Council. The packages would offer support with stock acquisition and management, computer systems and internet and wi-fi access. The Enhanced Support Packages would be a voluntary choice, and organisations / community groups could opt to provide the Minimum Standard Resource, and have access to the Grant to support this, without accepting them.

The annual Grant, the two Enhanced Support Packages and the additional support measures described in the report were intended to maximise the likelihood that all ten potential CMLs would be successfully established and would continue to thrive. This, in turn, would reduce the prospect of the Big Lottery seeking to recover part of the grant it awarded the Council to support the building of libraries at Allenton, Chellaston and Mackworth. Advice from the Big Lottery indicated that if a community organisation takes over the running of a library with financial and/or in-kind support from the Council “claw back” may not be sought, subject to the Lottery having agreed to the agreement that the Council would enter into with the CML.

The process for inviting suitable Expressions of Interest from organisations / community groups wishing to operate a CML would begin in late July 2017, with initial Registrations of Interest sought by 29 August 2017. The deadline for completed Applications was 23 October 2017; support would be available to groups from external organisations with relevant expertise.

A review of CML Grants and the Enhanced Support Packages was proposed between October 2020 and March 2021, with any modifications being implemented from April 2022.

The report provided further information about the proposed Riverside Library, including details of its stock-holding capacity, a draft floorplan, artist’s impressions

and new proposals to relocate, to the other Council-run lending libraries, some of the stock displaced from the Central Library. The Business Case for transferring city centre lending library and internet services from their current location at the Central Library to the Riverside Library was appended to the report.

The report described an informal expression of interest from Derby Museums Trust to take over occupancy of the Central Library building following the transfer of library services to the Council House, which was expected to take place midway through May 2018. A letter from the Trust's Executive Director, outlining some proposals, was appended to the report.

Recommendations 2.2 – 2.4 of the report, the latter in particular, were of significant importance. Council Cabinet's attention was drawn to the fact that if not resolved as recommended, the remainder of the recommendations that followed all became redundant. Should that be the case, Council Cabinet's express steer on the appropriate direction to take in relation to the Libraries Strategic Review would be necessary.

In considering the report Council Cabinet paid particular regard to the outcomes of the equality impact assessment set out at appendix 14 of the report.

The Executive Scrutiny Board made the following recommendations to Council Cabinet:

- 1) In order to be transparent and expedite early agreements it is recommended that Council Cabinet agree to commission a condition survey and costed property maintenance programme for those elements of the potential CMLs that the Council will not be responsible for. This will enable communities to understand:
 - a) what their responsibilities are;
 - b) what is outside of the scope of their responsibilities; and
 - c) the likely cost of these responsibilities over the coming years.
- 2) To recommend to Council Cabinet that a Service Level Agreement is developed between the Council and CML managers. This is with an aim to clarify and formalise the level of services that communities can expect to receive from their CML and ensure review and scrutiny mechanisms are in place to allow an appropriate level of checks and balances.
- 3) To recommend that the Cabinet Member for Leisure, Culture and Tourism:
 - a) consults with ward Councillors for the proposed CML areas on the mechanisms to be put in place to ensure the involvement of the Councillors in the proposals for setting up CMLs; and

- b) ensure that they are able to communicate with individuals and volunteers expressing an interest in being involved.

Options Considered

1. During an earlier stage of the Libraries Strategic Review four options for a new service delivery model were developed and worked up in detail. Following consideration of the response to the phase 2 consultation Options A, B, C and D had been rejected for the reasons outlined by the report.
2. Continuing to deliver the service in its current form was not an option given the scale of the budget challenge that the Council continues to face.

Decision

1. To note the final report of the phase 2 consultation, which was included at Appendix 2, the petitions outlined at paragraph 5.11 and the other notable submissions outlined at paragraph 5.12 of the report. The text of the comments and other submissions received was available for members to review.
2. To reject Options A, C and D.
3. To note that, based on results of the phase 2 consultation:
 - Option B was judged to be the option that best provided a firm foundation upon which to build a new service delivery model.
 - It was judged that Option B could be improved by responding constructively to the feedback received during the consultation. Option B *Plus* is firmly rooted in Option B, but with some amendments in response to the findings of the phase 2 consultation.
4. To reject Option B, and to approve Option B *Plus*, as the new service delivery model for Derby's libraries.
5. Subject to Cabinet's approval of the Council House Reconfiguration Project as a whole on 21 June 2017, and of Option B *Plus*, to approve the recommendations relating to Riverside Library (details of which were set out at paragraph 6.15 of the report).
6. To approve expenditure up to a value of £160k to increase the stock holding capacity at Alvaston, Mickleover and Pear Tree Libraries, as outlined at paragraph 7.9 of the report, funded through the Property Rationalisation funds, delegating authority to the Strategic Director of Communities and Place following consultation with the (Interim) Director of Finance, to add the relevant elements of the £160k to the capital programme as appropriate.
7. To approve the template wording for CML leases (details of which were set out at Appendix 9 of the report) and to delegate to the Strategic Director of Communities and Place, following consultation with the Cabinet Member for Leisure, Culture and Tourism, authority to agree the final terms of Lease,

Management and Grant Agreements for libraries identified by the report as potential CMLs.

8. To approve provision of the Minimum Standard Resource, as set out in Appendix 10 of the report, as the minimum criteria to qualify for a CML Grant.
9. To agree in principle, subject to key decisions and other constitutional considerations that may apply at the time, to consider indemnities for CMLs for specific TUPE liabilities if they arise.
10. To approve the recommendations set out in paragraph 8.14 of the report regarding the Grant to organisations / community groups taking on the running of CMLs.
11. To approve Enhanced Support Packages (1) and (2), as outlined in Appendices 12 and 13 of the report respectively, noting that although CMLs accepting Enhanced Support Packages would work closely with the Council and within many of its procedures, this was a voluntary choice, and organisations / community groups could provide the Minimum Standard Resource without accepting the Packages.
12. To approve the provision of ongoing training and guidance to CMLs, accessible on a voluntary basis, in relation to routine library operations, processes and activities by creating a permanent Community Library Development Team within the Council's structure.
13. To establish a one-off CML pump-priming fund of £90k (the purpose of which was described in paragraph 8.25 of the report) in accordance with the Council Cabinet decision of 15 February 2017, and to delegate to the Strategic Director of Communities and Place, following consultation with the Cabinet Member for Leisure, Culture and Tourism, authority to develop and implement a mechanism for allocating the pump-priming fund.
14. To note the range of support that is proposed to inform and assist groups / community organisations completing an Expression of Interest and preparing to run a CML.
15. To approve the outline process for transferring some libraries from Council control to community management, as described in paragraphs 8.34 to 8.39 of the report, and to delegate to the Strategic Director of Communities and Place, following consultation with the Cabinet Member for Leisure, Culture and Tourism, authority to refine the process and make final decisions on Expressions of Interest / Applications.
16. To commission a review, with a particular focus on levels of Grant, the Grant allocation mechanism and the Enhanced Support Packages, to take place between October 2020 and March 2021. Any changes resulting from the review would be implemented from April 2022 meaning that groups / community organisations running CMLs would receive 12 months' notice of any changes.

17. To reject the recommendations of the Executive Scrutiny Board.

Reasons

1. Option A was rejected because:
 - The consultation revealed a large body of opposition to Option A, but few substantive arguments in its favour.
 - It withdraws funding from 11 out of 15 existing statutory libraries but did not offer Grant funding to groups / community organisations that might wish to take over their running. As a result all 11 would almost inevitably close.
2. Option C was rejected because:
 - Despite high levels of support from users of some libraries, overall the consultation revealed significant net opposition to this option.
 - It withdraws funding from 5 out of 15 statutory libraries but did not offer Grant funding to groups / community organisations that might wish to take over their running. As a result all 5 would almost inevitably close.
3. Option D was rejected because:
 - Despite high levels of support from users of some libraries, overall the consultation revealed significant net opposition to this option.
 - Although it guarantees the future of more libraries than Option B by making them Council-run, the smaller Grant available under Option D increased the risk that not all potential CMLs would come into being or prove sustainable in the longer term.
4. Option B was judged to be the option that best provided a firm foundation upon which to build a new service delivery model because, as well as achieving the Library Service's Medium Term Financial Plan (MTFP) savings target:
 - In the consultation it attracted 11% more support than any other option, and was the only option to be supported by more respondents than opposed it.
 - Although it secured the future of fewer libraries than Option D by making them part of the statutory offer, the larger Grant available under Option B *Plus* would improve the sustainability of any potential CMLs in the longer term.
5. Option B *Plus* responds positively to the phase 2 consultation, and improved on Option B by:
 - Adjusting the needs assessment methodology so that, relatively speaking, more importance was attached than previously to how busy libraries were and how remote they were from other libraries, while relatively less importance was attached to the levels of deprivation / disadvantage in the communities they served.
 - Freeing up funding for another Council-run library by not increasing opening hours as significantly as outlined in Option B. Opening hours under Option B *Plus* would, however, remain higher than at present.

- Adding Mickleover to the portfolio of Council-run libraries. This meant that the second busiest library in the city was retained as part of the statutory offer and that the geographical spread of Council-run libraries was improved.
 - Increasing shelf capacity at Alvaston, Mickleover and Pear Tree Libraries, creating space on open public access for some of the books displaced from the Central Library by the move to Riverside.
 - Clarifying and/or increasing support given to CMLs. For example, under Option B *Plus*:
 - The size of the permanent Community Library Development Team was increased from 2.5 fte to 3.0 fte, while the demand on it was decreased by the reduction in the number of potential CMLs from 11 to 10.
 - The size of the Grant pot was fixed until 31 March 2022, reducing uncertainty and giving CMLs time to become established.
 - The details of two Enhanced Support Packages were confirmed. Although it would not be mandatory for CMLs to take these up, those doing so would, for a peppercorn fee, gain access to and use of the Library Management System, support with stock selection and management, and support with the provision of public internet and wi-fi.
 - A funded package of support is proposed for groups / community organisations interested in running a CML.
6. Option B and Option B *Plus* were judged to offer the highest standard of library service that was achievable while still meeting the Library Service budget savings that were required by the Council's MTFP. However Option B was recommended for rejection and Option B *Plus* for approval because the latter retained the positive aspects of the former, while improving the quality of the total offer having taken on board, so far as appropriate, the consultation findings.
7. Cabinet was recommended to approve the creation of the Riverside Library as the location for a city centre lending library and internet service on the grounds that:
- It transferred services from a venue where levels of use fell by around 50% between 2011/12 and 2016/17, a decrease that reflected in part the limitations of the Central Library building, the relatively low levels of footfall in that part of the city centre and the increased incidence of anti-social behaviour at the library.
 - It enabled the continuation of city centre lending library and internet services in an appropriate, modern and attractive environment situated in a building that had achieved the CredAbility Award for access
 - It allowed opening hours to be substantially increased while reducing operating costs, and therefore made an important contribution to the aim / intended outcome of the Libraries Strategic Review.
 - It supported the Council's aim to develop the Council House as a municipal hub for the citizens and visitors to Derby by increasing the building's total service offer.