

Report to: Cabinet

Date of Meeting: 15 December 2015

By: Director of Communities, Economy and Transport

Title: Libraries' Transformation Programme

Purpose: Present the proposal for the implementation of the Libraries' Transformation Programme and a public consultation on proposed changes to library opening hours to take effect in 2016/17

RECOMMENDATIONS: Cabinet is recommended to:

- (1) approve the proposed Libraries' Transformation Programme, including:**
 - (a) an internal review of the Library and Information Service**
 - (b) the development of the Libraries' Strategic Commissioning Strategy; and**
 - (2) agree to the public consultation in 2015/16 on the proposed changes to opening hours**
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1 Background Information

1.1 The Library and Information Service (LIS) is responsible for 24 libraries plus the mobile library, the library at Lewes prison, an online e-library service, the Schools Library and Museums Service (SLAMS), a volunteer-run home library service and the online database - East Sussex Community Information Service (www.ESCIS.org.uk). The libraries offer a range of services including borrowing services, computer and wifi access, and a variety of advice and training opportunities. Please see Appendix 1 for the location of the libraries in East Sussex.

1.2 Customer demand for library services in East Sussex is changing. Over the past five years there has been an 87% rise in use of the e-library and a 568% increase in the download of e-books, compared to an 11% decrease in physical visits and a 20% reduction in stock issues. These figures reflect a national trend towards increased use of digital services. Despite these changes, there were still 1.98 million visits to East Sussex libraries in 2014/15, and the LIS currently has 211,000 members. The LIS has an extensive network of free computers and internet access (The People's Network). The People's Network is available in every library and last year there were over 320,000 individual sessions. Computer Buddy volunteers support library customers to access and use the internet and other computer functions, both on a pre-booked and drop-in basis.

2 Financial Analysis

2.1 The 2015/16 net revenue budget for the LIS is £6m (including depreciation of £567k), consisting of £3.63m of staffing costs (150 full time equivalents - FTEs) and £2.37m of non-staffing costs.

2.2 The gross revenue budget is £6.92m and includes forecast annual revenue income of £920k. This includes direct income for traded services of £474k (SLAMS, LearnDirect and HMP Lewes), income generated through fees and charges of £323k, and £123k generated through grants contributions, rents/lettings and sales.

2.3 In response to recommendations from a service review in 2012 and ongoing budgetary pressures, a series of restructures and changes to service delivery between 2013/14 and 2015/16 achieved savings of £680k, 10% of the net budget for 2011/12.

2.4 The savings proposals agreed for consultation by Cabinet as part of the RPPR planning for 2016/17 onwards include, through the implementation of the Libraries' Transformation Programme, further savings of £2m during the next Medium Term Financial Plan (MTFP) period (2016/17 – 2018/19). This includes £1.25m through an internal review of the existing service and £750k following the implementation of the Libraries' Strategic Commissioning Strategy. The purpose of the report to Cabinet will be to seek

agreement to go out to consultation in January, and to approve the proposed Libraries' Transformation Programme.

3 Supporting Information

3.1 The Strategic Commissioning Strategy (the Strategy) will consider all aspects of the service the LIS currently provides and the outcome of this Strategy will determine the future nature and configuration of the library service in East Sussex. The development of the draft Strategy will be guided by priority outcomes that will be agreed early in the commissioning process. The needs assessment that will be carried out to inform the draft Strategy will enable the County Council to understand the contribution that the LIS can make to achieving the Council's priority outcomes. In addition it will enable the development of a strategy which will outline what is required in future and how this can be delivered. By focussing on outcomes, not the existing service, it will enable us to make the best possible use of resources, and develop a modern and sustainable library service.

3.2 It is proposed that a Scrutiny Review Board is established in Spring 2016 to provide advice and critical challenge throughout the development of the Strategy and ensure proposals reflect the needs of the community.

3.3 Many other local authorities have undertaken a strategic review of their library services. However an assessment of these has found that some did not undertake a sufficiently detailed needs assessment or Equality Impact Assessment (EqIA). In some cases, this has resulted in judicial review. For example, the changes proposed by Somerset and Gloucestershire in 2011 and Surrey in 2012 were ruled as unlawful due to failure either to undertake meaningful public consultation or thorough EqIA, prior to proposing significant change. It is essential that the County Council gets the commissioning process right, ensures there is a detailed needs assessment, robust evidence base for its decision making and that there is full consultation on any proposals, including equality impacts. In addition, as part of the internal review of the the LIS, over the next 9 months we will be introducing significant changes to how the service is structured and operates.

3.4 There is a growing trend in the number of authorities that have adopted different service delivery models, in order to sustain the service and significantly reduce cost. These include community management or staff-owned entities with charitable status. Examples of these models include Buckinghamshire (community management) and Suffolk and York (industrial and provident societies). Several authorities are in the process of transferring to similar alternative models, tailored to local needs. In order to secure the best outcomes the County Council needs to have an open-mind about how services are delivered. The development of the Strategy will provide the opportunity to explore alternative operating models that may be viable future options for the delivery of the strategic priorities for libraries in East Sussex.

3.5 In nearly all cases, authorities have undertaken an extensive review of service delivery, opening hours and staffing structure to ensure that the current service is as lean and efficient as possible, before evaluating and consulting on future delivery models and it is proposed that we adopt the same approach.

3.6 A number of options have been considered and assessed regarding the timescale required to develop a robust Strategy and it is proposed to collect some initial evidence about needs and potential outcomes in January 2016 and use that as the basis for engagement and research with Scrutiny and partners. The timetable will allow the new Council to have the basis to make decisions about proposals for consultation in summer 2017. Subject to the results of the public consultation, and Cabinet approval of the amended Strategy, any resulting changes would be implemented during 2018/19.

3.7 Recognising the financial pressures that the County Council will be under during the two year period of development of the Strategy, and drawing on the experience of other authorities, it is proposed that an internal review of staffing, service delivery and opening hours is undertaken, in parallel to the development of the Strategy. This internal review can be undertaken without compromising the Strategy and achieve significant savings early in the next MTFP period (£425K in 16/17, £700K in 17/18) and £125K in 18/19).

3.8 The Transformation Programme consists of an internal review and the development and implementation of the Strategy. The internal review includes a reduction in front line and back office staff

(£500k) and a reduction to the stock fund (£250k). It also includes a proposed reduction to opening hours across all libraries in 16/17, which would achieve savings of £500k in 2017/18. Appendix 2 provides further information on the elements of the internal review, and the proposed changes to opening hours are discussed in more detail below. In addition, it is estimated that a further £750k could be achieved during 2018/19 from the implementation of the Strategic Commissioning Strategy. However, this depends on the outcome of the Strategy, needs assessment and detailed analysis of all available options.

Proposed changes to library opening hours

3.9 A detailed analysis of current library usage in East Sussex shows that our libraries are not well used at all times of the day. We are proposing to reduce the overall amount of time that all of our library buildings are open to the public. The opening hours proposals focus on reducing library opening hours at quieter times, whilst ensuring that people have access to services across the county when they are most used. It is proposed that libraries would only be open between the hours of 10.00am and 5.00pm, except for those libraries that are currently open later than 5.30pm, which would retain one late night opening until 6.00pm on a Thursday evening.

3.10 Overall the proposal would result in an average reduction to opening hours of around 25% across East Sussex and would save us around £500,000 per year. Whilst the focus of the proposal is to save money by reducing library opening hours at times when libraries are least well used, we cannot make all the savings we need to make by only reducing opening hours before 10:00am and after 5.00pm. By making some further changes to opening hours, it would be possible to retain a comprehensive service across the county. All libraries would continue to be open during the day at varying times throughout the week. Authorities that had broadly similar opening hours to East Sussex libraries have reduced opening hours by approximately 10-25% in recent years in response to usage patterns and as part of wider cost savings activities. For example, Devon County Council reduced its opening hours by 17% and Cornwall by 24%. Appendix 3 provides the current and proposed library opening times for East Sussex.

3.11 Under section 7 of the Public Libraries and Museums Act 1964 it is: 'the duty of every library authority to provide a comprehensive and efficient library service for all persons desiring to make use thereof'. In terms of the proposed changes to library opening hours, this duty cannot be fulfilled unless a reasonable assessment of needs has been undertaken which enables the Council to form a view as to whether the library service will be 'comprehensive' and 'efficient' if the proposed changes are implemented. A draft impact assessment has been undertaken which considers carefully whether the opening hours proposals would enable the Council to continue to provide a comprehensive and efficient service and the draft assessment concludes that it would. The rationale for the proposals and the draft impact assessment, which includes a summary of the findings of a draft EqlA is included as Appendix 4. Following any consultation on the proposal to reduce library opening hours and the completion of a final EqlA, a final impact assessment will be produced in order to inform Members prior to the making of any final decision.

3.12 On average, over 85% of visits to libraries, use of library computers and wifi, loans, and renewals and returns of items take place between 10.00am – 5.00pm Monday to Saturday. Most library users are retired, unemployed or work part time, and 94% of customers do not use the library every day. We anticipate that most library users are therefore likely to have the flexibility to visit libraries on varying days and at different times throughout the week, as services at all libraries would continue to be accessible at other times of the week. The draft assessment concludes that the needs of the public that are met by using the library would still be fulfilled if we implemented the proposals and reduced opening hours by 25% on average. It is also important to recognise that libraries are a service that extends far beyond the library buildings themselves. The e-library is available 24 hours a day.

3.13 Following a consultation on the proposed changes to opening hours and in making any decision in terms of any final proposal, Members will be required to have 'due regard' to the duties set out in Section 149 of the Equality Act 2010 ('the PSED'). The EqlA is carried out to identify any adverse impacts that may arise as a result of the proposals for those with protected characteristics and any final proposal will take into account the findings about impact identified through the consultation, the impact assessment and the EqlA process. It is anticipated that the consultation will help address existing gaps in knowledge in the EqlA process, and the results will be used to inform a detailed assessment of potential mitigations that can be undertaken to minimise any negative impacts.

3.14 It is recommended that a public consultation on proposals for changes to opening hours be undertaken from January to April 2016, following which, the Rationale and Impact Assessment and EqIA would be finalised and updated proposals presented to Cabinet in the summer of 2016. During the consultation period, we would engage with all relevant stakeholders; including District and Borough Councils, partner organisations and volunteers, to ensure they are given the opportunity to comment on the draft proposals. If approved, the reduction in opening hours would take effect in September 2016.

One Council approach

3.15 The Transformation Programme will consider how we can modernise and adapt our library services to meet current and future customer needs (irrespective of whether services are provided in-house, or externally) and to ensure they are focussed on outcomes for the whole population. To achieve this, a One Council approach to project governance and delivery has been adopted. A formal project board and project team has been established, with members from all Council departments, to oversee the overall direction and management of the project.

4 Conclusion and Reason for Recommendation

4.1 This report presents the proposal for the implementation of the Libraries' Transformation Programme that could achieve £2m savings and create a leaner, more efficient service to meet current and future needs. Through the implementation of an internal review of staffing, proposed reduction in opening hours and stock fund, £1.25m of savings could be delivered by the end of 2018/19. Cabinet is therefore recommended to approve the proposed Libraries' Transformation Programme, including an internal review of the service and the development and implementation of the Libraries' Strategic Commissioning Strategy.

4.2 The implementation of the Strategic Commissioning Strategy itself will optimise how the LIS is delivered, responding to current and future need, to achieve the best possible service within available resources. The outcome of the Strategy is dependent on the findings of the needs assessment. However, it is estimated that it could achieve further savings of £750k during 2018/19. The timing of when these savings are realised will depend on the future shape of the Library and Information Service and its service delivery model.

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LOCAL MEMBERS

All

BACKGROUND DOCUMENTS

None