| Report No.
DRR14/090 | **London Borough of Bromley** |
| | **PART 1 - PUBLIC** |

Decision Maker:	**Renewal & Recreation Portfolio Holder**
	For Pre Decision Scrutiny by the Renewal and Recreation Policy Development and Scrutiny Committee
Date:	**18th November 2014**
Decision Type:	Non-Urgent Executive Non-Key
Title:	**LIBRARY SERVICE STRATEGY**
Contact Officer:	Colin Brand, Assistant Director, Environment & Community Services Tel: 020 8313 4107 E-mail: colin.brand@bromley.gov.uk
Chief Officer:	Nigel Davies, Director of Environment & Community Services
Ward:	All Wards

---

1.   Reason for report

1.1   Bromley Libraries currently operates a network of 14 static libraries following on from the recent library review which has resulted in the closure of the Mobile Library and the merger of Penge and Anerley Libraries. In an entirely new concept, Library facilities will still be available at the Anerley site in the form of a Smart Locker and IT facilities to meet the needs of the Community, this offer will be managed by the Crystal Palace Community Partnership. The Library review also reduced Bromley Libraries opening hours from 605 per week to 527.5. The implementation of these measures was necessary due to the recommendations from the budget setting process for 2014/15 which included a reduction of the Library service budget by £300k in order to make necessary savings.

1.2   Due to continuing financial constraints that the council faces, consideration now needs to be given to the most cost effective and efficient way of managing the boroughs library service going forward

1.3   As with all library authorities, the borough's library service is formed up of a network comprising individual libraries and as such, changes should be considered in terms of a strategic perspective and not in isolation, library by library. This report sets out the strategy for taking the Library Service forward post the completion of the baseline opening hours work stream.

1.4   The report sets out the detail behind this strategy which is underpinned by the development of community managed libraries, and the exposure of the core library offer to the market for market testing.

_____

2.   RECOMMENDATION(S)

2.1   That the Renewal & Recreation Policy, Development and Scrutiny Committee note the content of this report and provide comments to the Renewal & Recreation Portfolio Holder.

2.2   That the Portfolio Holder for Renewal and Recreation agrees the strategic approach as set out in this report, namely:

- **The development of community managed libraries as set out in paragraph 3.19**
- **Market testing the core library offer**

and approves that officers seek to formally consult with library users and staff on the proposals, and that the outcome of this consultation is reported back to a future meeting of this Committee in early 2015.

<u>Corporate Policy</u>

1. Policy Status: New policy.

2. BBB Priority: Vibrant Thriving Town Centres.

<u>Financial</u>

1. Cost of proposal: Estimated cost £35k one-off costs and potential annual savings of £250k

2. Ongoing costs: Recurring cost. Potential annual savings of £250k from establishment of 6 community libraries

3. Budget head/performance centre: Library Service

4. Total current budget for this head: £4.6m and £64k

5. Source of funding: Existing revenue budget 2014/15 and Commissioning Fund

---

<u>Staff</u>

1. Number of staff (current and additional): 111ftes

2. If from existing staff resources, number of staff hours:

<u>Legal</u>

1. Legal Requirement: <please select>

2. Call-in: <please select>

<u>Customer Impact</u>

1. Estimated number of users/beneficiaries (current and projected): 2,000,000 library visits per annum.


<u>Ward Councillor Views</u>

1. Have Ward Councillors been asked for comments? <please select>

2. Summary of Ward Councillors comments:

3. COMMENTARY

3.1   Since the adoption of the last Library Strategy in 2007, there has been significant and profound changes in the delivery of the borough's library service. In particular, investment has been made in three new libraries, Biggin Hill, Orpington and latterly, the new Penge Library. This investment has seen significant growth in the use of the modernized library buildings which has been maintained. Following the initial introduction of RFID into libraries, this self-service technology will now be rolled out to all of the 14 libraries by the end of the calendar year.

3.2   One of the first shared services was developed in conjunction with the London Borough of Bexley which manages the back office functions of both boroughs library services. The savings accrued from reducing staff and resources whilst providing a more efficient and streamlined service. This arrangement is now in the third year of operation.

3.3   The Shared Back Office function has also seen the introduction of a new Library Management System which has enabled local residents to access the book stock of 17 London Library authorities through the online catalogue. More recently, opening hours have been amended to reflect more accurately patterns of use giving rise to savings of £300k per annum.

3.4   A fully automated library book offer is to be installed at Anerley Town Hall, supported by a number of People's Network terminals facilitating access to the boroughs library service and book catalogue via a remote site.

3.5   The net controllable budget of the Library service has reduced over the corresponding period by approximately £1m per annum.

3.6   Bromley Libraries are currently tiered to reflect the potential catchment areas and range of services provided as follows:

- **Central, Beckenham and Orpington Libraries**
  Bromley Central Library has the largest stock to choose from. Orpington and Beckenham Library have slightly smaller but still comprehensive collections.

- **Neighbourhood Libraries**
  Biggin Hill, Chislehurst, Petts Wood, Penge. West Wickham are neighbourhood Libraries with medium-sized collections and circulating stock to support customer choice.

- **Community Libraries**
  Burnt Ash, Hayes Mottingham, Shortlands, Southborough and St Paul's Cray are Community Libraries whose stock is aimed at two particular target groups: the active elderly and children. Penge was formerly part of the Community Libraries tier, however due to enhanced stock and facilities since moving to a new library building, it is no longer included in this tier.

3.7   Whilst the trend nationally is for decreasing visits to Libraries, broadly speaking library visits in Bromley have remained relatively static. Issues however have though continued to drop by approximately 800,000 per annum over the last ten years. Table 1 illustrates both patterns of visits and book issues over the last ten years.

TABLE 1

Comparison of Library Issues and Visits 2004-2014
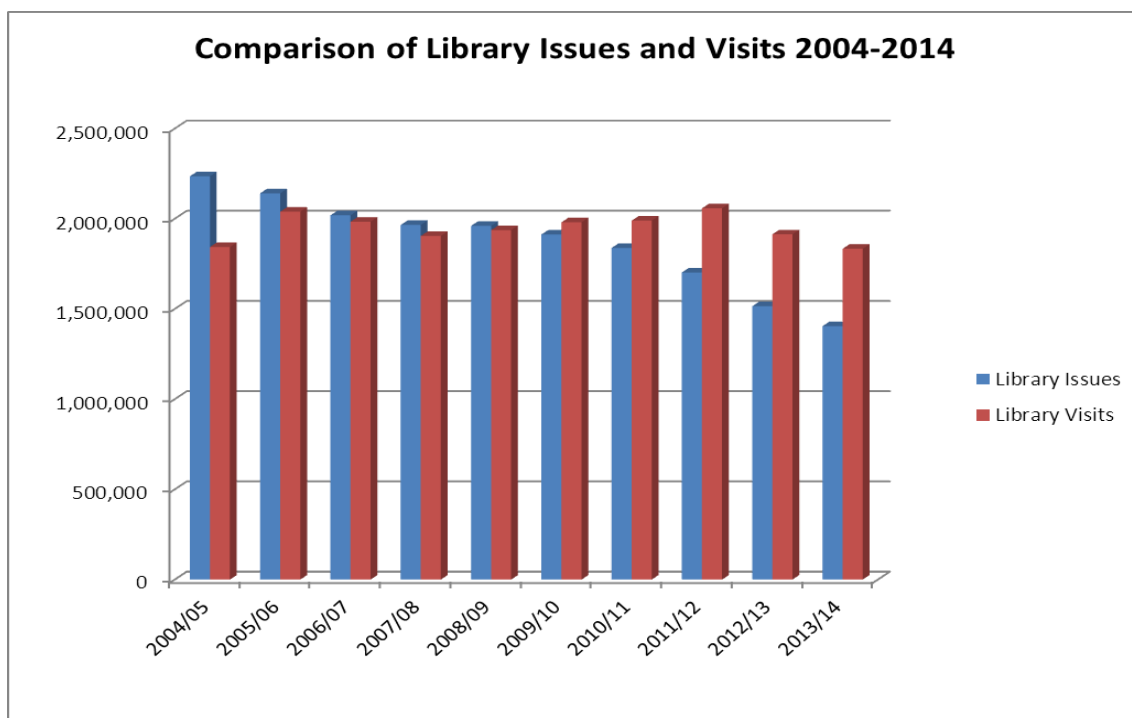
Year	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	*2012/13*	*2013/14*
Library Issues	2,235,301	2,140,949	2,018,887	1,965,548	1,960,679	1,912,499	1,838,183	1,702,366	*1,514,950*	*1,404,601*
Library Visits	1,843,260	2,038,985	1,983,650	1,904,435	1,936,739	1,980,206	1,989,800	2,057,961	*1,913,463*	*1,833,514*

3.8   Table 2 below, illustrates the decline over the last ten years of active borrowers, which is reflected in the overall reduction in library issues. What these tables highlight though, is that a significant proportion of people are utilising libraries for purposes other than borrowing books. Libraries within Bromley continue to remain popular with local residents, with the CIPFA PLUS survey indicating satisfaction ratings above 90 percent for the majority of Libraries in the borough.

TABLE 2

Graph to illustrate Bromley Libraries active borowers 2008-2014
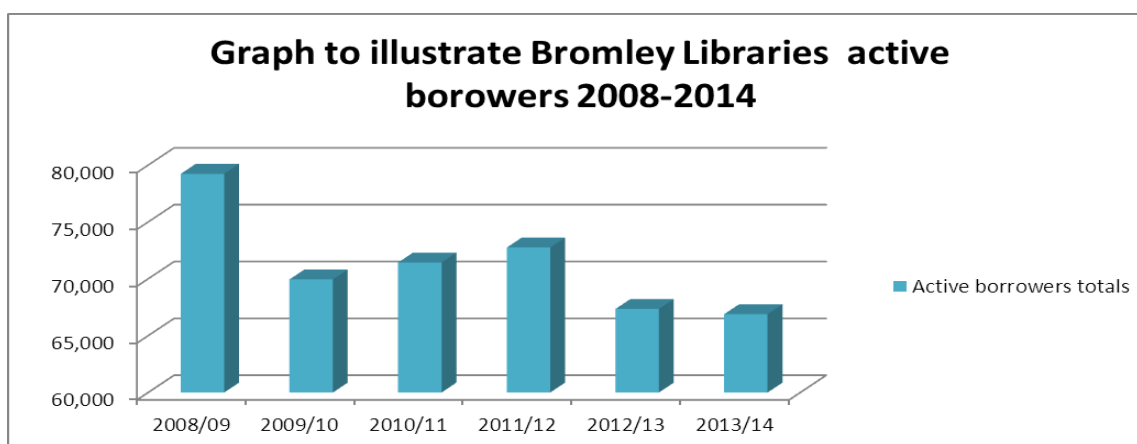
3.9   In order to begin to consider the future direction of travel for the borough's library service, a member Working Group was established, comprising Cllr. Morgan, Portfolio Holder, Cllr. Payne, PDS Chairman and Cllr. Michael. The Group met at the end of September to consider the terms of reference for the Working Group. It was felt that significant emphasis should be

given to the Council's financial position and the budget pressures that it faces over the next five years; having previously acknowledged in past reports that despite the statutory nature of the library service, it is not immune from budget pressures. It was also acknowledged that where investment had been made in the Library Service, that tangible benefits were seen in terms of take up and use and that this should be reflected in the terms of reference. The Following wording was agreed:

> *To develop a Library Strategy that takes into account the continuing financial pressures and challenges that the London Borough of Bromley faces over the next five years and also the changes in usage pattern and demand evidenced over the last ten years.*
>
> *The new strategy will seek to provide sufficient flexibility to enable consideration of future service and cost efficiencies that may be achieved through alternative management approaches including the development of 'community' managed libraries and management externalisation through market testing.*
>
> *The developing library strategy will also seek to build upon good practice already established within the borough and will seek to identify ways in which the current provision can be enhanced through modernisation and refurbishment.*

3.10   The updated strategic approach centres around three distinct work streams which seek to preserve core services to local residents whilst simultaneously also reducing operating costs. In addition to this, all strategic work streams are compliant with the stated ambition of the authority to move towards a Commissioning authority. In order to further the strategic direction set out in the terms of reference above, it is proposed, subject to the outcome of consultation and member approval in March 2015 to:

1)   Seek to develop Community Management options at the six Community Libraries, Burnt Ash, Hayes, Mottingham, Shortlands, Southborough and St Paul's Cray

2)   Seek to take the core library offer to the market to seek an external provider to provide the direct management of the service, including ultimately the management of any community library arrangements that may have been developed.   Subject to further needs assessment and consultation it is believed that Bromley's statutory duty to provide a comprehensive and efficient library service can be delivered from the following eight libraries: Central, Orpington, Chislehurst, Beckenham, Biggin Hill, Penge, Petts Wood and West Wickham.   Map 1 below shows distribution of community and core offer libraries.

3)   Look to explore opportunities to renovate and improve the authorities library asset stock. The physical condition of many of the authorities libraries suggests that over the medium term, the costs of maintaining them is likely to be high. In light of the positive response by library users and the broader community to the three refurbished libraries, Biggin Hill, Orpington and Penge, opportunities should be sought to either relocate or refurbish existing provision and upgrade the IT infrastructure.

3.11   By way of an example, the new Penge Library has welcomed a record number of new members and visitors since its public opening in August. Visitor numbers have increased by 32% in September and we have had a 233% increase in new members enrolling (50% more than the combined total of Anerley and Penge). The number of items issued has gone up by 141% (17% more than the combined total of Anerley and Penge).

Undoubtedly, its new location in the heart of the town centre has increased its accessibility for all members of the community. 69% of items were booked out using the new self-service facility and the expectation is for this to continue to increase.

Map 1
This highlights the distribution of potential Community Managed Libraries and the Council's potential core library offer.

3.12   Map 2 below shows how the proposed core offer will provide for access to a library service for the majority of the borough's populations within a 1.5 mile radius of each library. 80 percent of the borough's population will be served by a library under this proposal. All of these libraries are served by regular bus routes, in some cases more than one bus route is linked to each library. More detail on this is found in appendix 1 The notable gaps in potential library cover occur around Mottingham, St. Pauls Cray and Bromley Common. This position can be improved by taking into account community led libraries which can be developed in such a way as to contribute to the Council's duty to provide a comprehensive and efficient library service. By taking into account potential community libraries at Mottingham, St. Pauls Cray and Southborough, it is possible to improve the library network cover to 95 percent of the boroughs population.

3.13   Given that there have been significant legal challenges on local authorities who have sought to either reduce or change the management arrangements of their library stock, it is proposed that Counsel's Opinion is sought on the proposals as set out in this report. It is anticipated that this opinion will cost in the region of £5k. Given that, following extensive consultation earlier this year on library opening hours and the successful introduction of the revised hours, it is not proposed to amend these further as part of this strategic approach.

Map 2
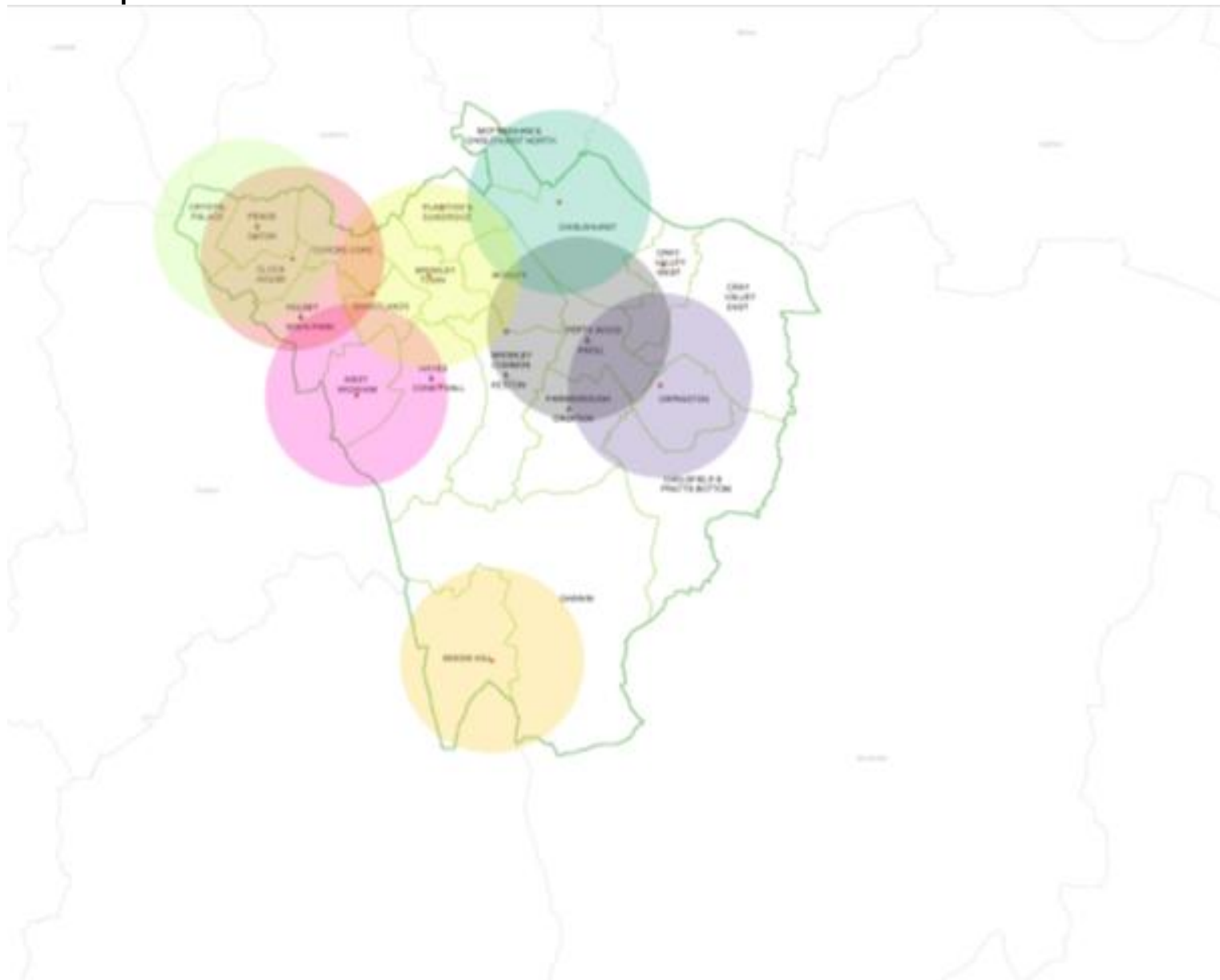
Community Management of Public Libraries

3.14   In recent years following significant cutbacks in public spending, a growing number of local authorities in England have sought to outsource the delivery of some branch libraries to groups within their communities. An Arts Council study published in December 2013 found that the number of community managed libraries either already operating or in the planning stage was over 425, approximately 12% of all public libraries in England and this number is increasing.   More than one in three public library authorities have as least one community managed library operating in their areas covering every region of England.   In 2012, public consultation centred around Bromley's library service indicated that 62% of those surveyed were in favour of volunteers being used to help qualified library staff, as being a way of improving library services.

3.15   Community management can imply a wide range of approaches, the term is broadly accepted to include individual volunteers, community and voluntary sector organisations and local social enterprises. These Community Managed Libraries are delivered mainly by volunteers though in some cases working alongside or supported by paid staff, depending on the model used. There are a number of different approaches and models ranging from asset owning to

commissioned community libraries. Some remain part of the Council's statutory provision whilst others do not. The libraries that are becoming community supported or managed tend to be the smaller libraries such as those in Bromley's community Libraries tier. Appendix 1 sets out the various approaches to community management that a local authority can adopt

3.16   Public libraries operate within the overall accountability framework of the Public Libraries and Museums Act 1964, being formally superintended by the Secretary of State for Culture, Media and Sport, but in terms of delivery, library services are fundamentally local services. There is no national standards framework that must be applied, giving local authorities a lot of freedom to design their services to meet local needs and aspirations with their available resources.

3.17   In the last few years, in the main, since 2010 there has been a rapidly growing trend to involve communities in library service delivery in more significant ways. This involvement has focused not only on the service management but in many cases on ownership and management of the buildings.

3.18   Two neighbouring boroughs, Bexley and Lewisham, have introduced community-run libraries. Bexley have now successfully introduced two community-run libraries with plans in train to deliver a further four, leaving the authority with a strategic core offer of six libraries from which to deliver its 'comprehensive and efficient library service'. Likewise, Lewisham has successfully developed five community libraries, with a residual core offer of seven libraries managed and controlled by the local authority.

3.19   The purpose of this report is to give full and careful consideration to the concept of community management and the other options available as a way forward in order to preserve the future of the tier of community libraries in Bromley.

3.20   With reference to Appendix 1 and the options contained within it, based on the experience of other local authorities, Option 2a 'Community Managed' is seen as the preferred option on which to build the community managed option within Bromley. The benefits of this approach are that the authority can enter into full repairing leases with an appropriate community organisation, with the responsibility for running the library resting with that organisation. The authority can provide a level of centrally based support (see below) and the Community Library would remain on the local authority library management system, thus contributing to the authorities broader library offer. This is an important point, as it ensures that the authority continues to fulfil its statutory duty to provide a comprehensive and efficient library service. This approach has worked well in a number of local authorities, and whilst at the outset, the opening hours and core offers can be specified, most community run libraries of this type have gone on to exceed the original specification.

3.21   The approach highlighted in Option 2a allows for the Community Libraries to still receive support from the Shared Service team in specialist areas such as IT, Information Services, Children & Families, and Stock and Reader Development. Additional support and training will initially be required by the organisations managing the Community Libraries. This will be beneficial as it will enable the Service to monitor the contract in order to retain standards and establish continuity until the services are fully established and operating successfully. To ensure an easy transition it is recommended that a Community Management Operations Support Team is set up. This will consist of a Community Library Co-ordinator and a Community Library Supervisor, at a cost of £70k per annum. The role of this team will be

- To act as the first point of contact for the Community Managed Libraries

- To liaise with the Shared Library Service Managers and teams on behalf of and regarding the interests of the Community Managed Libraries

- To act as first point of contact for LLC queries in order to maintain and meet standards

- Contract Monitoring - To ensure that Community Managed Libraries are meeting the terms and conditions of their contract by monitoring key areas e.g. opening hours, quality and range of activities etc.

- To flag up problems and Issues to the commissioning team

- To act as liaison regarding Issue and Visitor statistics ensuring these are collected accurately for inclusion in annual CIPFA statistics

- To provide initial Customer Care training and support for volunteers

- To provide training and support for volunteers in a wide range of stock related functions ranging from shelving and tidying to stock selection

- To provide training and support to volunteers in the delivery of reader development activities e.g. Reading groups, school visits, summer reading challenge.

3.22 An indicative timetable for the development of Community Libraries is set out below. Although in principle, the procurement of a community run library is very similar to the standard authorities procurement process, acknowledgment has to be given to the fact that those responding to the process may not have the initial experience to fully engage with the process. As such sufficient time has been built into the programme to allow for this and for officers to work with interested groups to enable the best development of their ideas. Depending on the outcome of the proposed consultation and ultimately the community management model adopted, it may be necessary to provide full condition surveys on those library buildings that the authority would be looking to transfer. In addition, condition surveys may be required on those library assets that the authority looks to include within any market testing exercise, although ultimately this will depend on the type of procurement exercise undertaken.

COMMUNITY MANAGEMENT PROCESS TIMETABLE	INDICATIVE KEY DATES
Agree documentation for Procurement Process – EOI stage	February 2015
Process publicity announced via advert and press release	March 2015
Closing date for EOIs	April 2015
Preparation of further detailed information for next stage of process	May 2015
Evaluation and scoring of EOIs	May 2015
Despatch of phase 2 documents for business planning	June 2015
Initial meeting with groups	June-September 2015
Follow up meetings with groups	June-September 2015
Deadline for receipt of business plans etc	October 2015
Evaluation and scoring of business plans	November 2015

Interviews	November 2015
Interview scores and business plan scores finalised and normalised	December 2015
Groups notified of outcome of process	January 2016
Public announcement of outcome of selection process	January 2016
Negotiations on detail of lease and SLA – Property and Legal	February 2016
Lease and SLA finalised by Legal	February/March 2016
Formal signing and appointment	March 2016
Go live	April 2016

Service User Consultation

3.23 It is expected that the implementation of a project to seek Community Partners to manage some community libraries will benefit both the service and the public as it would enable all libraries in the borough to remain open despite financial constraints with some even potentially extending Library opening hours. As community managed Libraries are tailored to local needs, they are able to offer an extended range of activities tailored to their local communities with the resources provided by their extensive network of volunteers.

3.24 The Local Authority has a statutory duty as set out under the Public Libraries and museums Act 1964 whereby it must provide a "comprehensive and efficient" Library Service. As previously advised to members of the Council, the Courts have been clear that this is a judgement for the Council to make in the first instance as:

● The Council has intimate knowledge of local conditions and needs and has direct democratic accountability to the local population.

● The Council must be able to demonstrate that it is not acting in a careless or unreasonable way.

● The Council is not making decisions that may be outside the proper bounds of the Councils discretion, such as capricious decision to stop serving a particularly vulnerable group in the local Bromley community.

● The Council has explained , analysed and properly justified its proposals.

● That the proposals are not likely to lead to a breach of national library policies.

3.25 Any changes to the boroughs library service must ensure compliance with the statutory duty of the Public Libraries & Museums Act.

3.26 Given the significant nature of the proposals set out in this report, there is an expectation that the authority will consult with service users on these proposals. There is a broad obligation on the Council to ensure that those being consulted are provided with sufficient information and that the consultation is undertaken with sufficient time given to it, and that the responses gained from the consultation are genuinely considered by the Council. Failure to adequately and reasonably consult may result in a successful challenge by way of Judicial Review. A

successful challenge could result in the Council being required to re-commence the consultation process. Lincolnshire County Council were recently subjected to a successful challenge on their proposals to reduce the number of libraries that they operate, resulting in the Council having to start the work again leading to significant delay and cost. Draper –v- Lincolnshire County Council [2014].

3.27   In light of the above, it is proposed, subject to Members agreeing the strategic approach set out in this report, to consult with existing library users and library staff to seek their views and comments on the strategic proposals, namely to:

● Create community managed libraries.

● The scale of community management in Bromley, i.e. should community management extend beyond the proposed existing six Community Libraries.

● The type of community management structure as highlighted in Appendix 1.

● The option to close a library if no Community Management arrangement can be identified.

● The proposal to outsource the future management of the authorities core library offer.

● Options to improve and enhance a core library offer

3.28   The outcome of this consultation along with all comments received will be reported back to a future meeting of this committee in March 2015. Options to undertake the consultation electronically are currently being considered. Previous library consultation has been undertaken in a traditional format and has heavily relied on a pre-determined sample size at individual libraries with exit questionnaires being completed by an independent organisation. Given that a significant proportion of library users have acknowledged that they have access to a computer at home (75 % - 2014 survey) it is felt that an electronic consultative process would be more suited in this instance. The presence of the survey can be promoted in each of the borough's 14 libraries. Such an approach, whilst potentially opening up the survey to a wider audience would also be more cost effective, with a provisional cost estimate of £30k.

Community Consultation (EIA)

3.29   To ensure that the Council is meeting the points raised above, the Council believes that an Equality Impact Assessment (EIA) needs to be completed and additionally consideration should be given as the whether or not a Needs Assessment should also be undertaken.

3.30   The purpose of conducting an EIA is to obtain a profile of how an area of Council activity affects diverse sections of the community, and to identify any adverse impact that is unjustifiable. This is particularly important when considering to move to a community management option. Where such instances may occur the purpose of the EIA is to take remedial action in the form of an Action Plan.

3.31   An EIA examines the following groups with 'protected characteristics': Age; Disability; Gender; Marriage and Civil partnership; Pregnancy and maternity; Race; Religion and belief; Transgender or Transsexual

3.32   The EIA should determine if:

● The service is accessible for all groups

- There will be a negative impact on one or more the equality groups, or if they are equality neutral

- Could the service change affect one or more of the group in a different way to another group?

- Establish whether different equality groups have different needs

- Establish whether the function contributes to or hinders equality of opportunity.

4.   LIBRARY SERVICE COMMISSIONING

4.1   The Library outsourcing model is a developing approach with a number of key providers in the market place. In general the approach can be broken down into three categories:

1)   Private Sector Organisations
Carillion (formerly John Laings) are now the largest provider of library services in the country, managing library services on behalf of four authorities: Hounslow, Ealing, Croydon and Harrow.

2)   Trusts
Greenwich Leisure Limited has been seeking to expand its remit away from pure leisure services and now has contracts to run library services on behalf of two local London authorities, Greenwich and Wandsworth.

In addition to this, Suffolk County Council in August 2012 outsourced its Library services to an Industrial and Provident Society, Suffolk Libraries IPS Ltd.

3)   Strategic Partnership
Following a strategic review of its library services, Slough Borough Council, following a competitive process entered into a strategic partnership with Essex County Council to deliver Slough Borough's Council library services.

4.2   That, subject to the outcome of consultation, the borough's core library offer is subject to a full market testing exercise. Given that the existing Shared Service arrangement with the London Borough of Bexley terminates in December 2016, it is anticipated that if this option were to be pursued, that the necessary procurement work would be undertaken to allow for a start date of the 1st January 2017. The full scope of this work can only be developed following the outcome of the community library work stream. There is however scope to undertake much of the procurement process in tandem with that of the community library work. It is anticipated that the work that has been recently undertaken to realign opening hours with patterns of use will form the baseline for any future specification and that there will be no further change to this position in advance of any market exercise. There is the potential for joint procurement opportunities to be explored, this will be covered in the further report back to Members early in 2015.

5   POLICY IMPLICATIONS

5.1   This proposed library strategy is entirely consistent with the Councils objectives around Vibrant and Thriving Town Centres and well as being in line with the Councils broader financial strategy and its stated ambition to becoming a commissioning authority.

6. FINANCIAL IMPLICATIONS

6.1   The net controllable cost of the library service is £4.638m.

6.2   The estimated costs of £35k for the procurement of Counsel advice and undertaking a full consultation exercise, will be met from the Commissioning Fund budget, which has an unallocated budget of £64k.

6.3   Should the 6 community libraries be established, based on Option A within Appendix 1, and after allowing for the cost of the support team (£70k), annual savings of approximately £250k could be achieved.

6.4   Any potential redundancy costs will be met from the central contingency provision for redundancy/early retirement costs arising from budget savings.

6.5   It should be noted that condition surveys may need to be undertaken at an estimated cost of £30k, however if this work is required, the details and funding will be included in the future report to Members in early 2015.

7. LEGAL IMPLICATIONS

7.1   There were a number of pieces of legislation that affected the authority's decision making on the delivery of a library service, in particular:

7.2   The Public Libraries and Museums Act 1964 requires the authority to provide a "comprehensive and efficient" public library service. The terms "comprehensive and efficient" are not defined within the Act; however the Act requires local authorities to provide, free of charge, access for people who live, work or study in their area to borrow or refer to books and other material in line with their needs and requirements.

7.3   The Equality Act 2010 further places a duty on a public body to carry out Equality Impact Assessments as soon as a new policy, function or service is considered.

7.4   The Local Government and Public Involvement in Health Act 2007 and the new Statutory Guidance for the Duty to Involve places authorities under a duty to consider the possibilities for provision of information to, consultation with and involvement of representatives or local persons across all authority areas.

7.5   Subject to members agreeing the strategic approach set out in this report, it is proposed to seek Counsels opinion on the strategy to confirm that the approach does not create a situation whereby the Council could be challenged in the future over its duty to provide a Comprehensive and efficient library service.

8. PERSONNEL IMPLICATIONS

8.1   The proposals set out in the report to agree the strategic approach to develop community managed libraries and market test the core library service has implications for staff.   Staff and their representatives have been advised of the contents of this report, along with the recommendations contained therein and any comments received to date will be communicated to Members at the meeting.

8.2   If Members agree to the recommendation to seek to establish Community Managed Libraries and to market test the remaining library offer staff and their representatives will be engaged and consulted as early as practicable and throughout the process of consultation with all the relevant stakeholders. Any staffing implications arising from the recommendations will need to be carefully planned for and managed in accordance with Council policies and procedures and with due regard for the existing framework of employment law.

Non-Applicable Sections:	None
Background Documents: (Access via Contact Officer)	Renewal and Recreation Libraries Survey Outcome of Consultation – 10th July 2012. London Borough of Bromley CIPFA Comparative Profile Public Libraries. Bromley Library Service Proposal for Reorganisation - 1st April 2014 DRR14/024 Bromley Library Service – Outcome of Consultation 23rd June 2014 DRR14/054