

RECORD OF EXECUTIVE DECISION

Tuesday, 18 August 2015

Decision No: (CAB 15/16 15193)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	Communities, Culture and Leisure
SUBJECT:	The Future of The Southampton Library Service
AUTHOR:	Tina Dyer-Slade

THE DECISION

- (i) To approve the five key areas of Future Focus of the Library Service following consideration of the consultation feedback as outlined in Appendix 3 to include:
 - Developing a lifelong love of reading
 - Getting the City confidently online
 - Helping to meet the information needs of the City
 - Delivering in partnership
 - Developing the 24/7 virtual (web based) online library
- (ii) To approve Option D for implementation as outlined in the consultation process and in this report at paragraph 36.
- (iii) To cease to provide a Council managed Library Service from Cobbett Road Library, Burgess Road Library, Millbrook Library, Thornhill Library, Weston Library and the Mobile Library by March 31st 2016 and seek to encourage community led library initiatives in these buildings.
- (iv) To delegate authority to the Director of Place to devise and implement the necessary processes and documentation required to establish, where appropriate, community led initiatives in the libraries that the City Council ceases to provide a service from, subject to meeting the assessment criteria set out in this report.
- (v) To delegate authority to the Director of Place, following consultation with the Cabinet Member for Communities, Culture and Leisure and the Head of Property, to lease Burgess Road Library, Cobbett Road Library and the new unit at Weston at less than Best Consideration (where appropriate) following the application process, referred to above, subject to meeting the required legal tests and duties.
- (vi) To approve the implementation of formal staff consultation on the changes that result from the decisions in this report and devise and implement a staffing structure accordingly.
- (vii) To delegate authority to the Director of Place, following consultation with the Cabinet Member for Communities, Culture and Leisure and the Head of Property to do anything necessary to give effect to the recommendations

contained in this report.

REASONS FOR THE DECISION

1. To progress changes to the Library Service, to develop and deliver a comprehensive and efficient service which is modern, creative, innovative, inclusive and affordable that reflects the changing needs of the Southampton community and deliver a library service appropriate to the staffing and resourcing levels available.

The justification for the option outlined in this report is that:

- Using the needs assessment priority calculations, this option includes the six libraries ranked the highest.
- These six libraries and the online web based library processed 78% of all items borrowed by regular users across the service during 2013/14.
- These six libraries had 93% of all the peoples network sessions used during 2013/14.
- This option will provide a better geographical cover across the City (compared to Options A, B or C) of City Council managed libraries with one in the City Centre, two on the west, one to the north of the City centre and two on the east.
- All six libraries are located in easily accessible locations by foot, public transport and by car.
- All libraries are either in, or close to, district centres.

DETAILS OF ANY ALTERNATIVE OPTIONS

Four options were outlined in detail in the Cabinet report considered on 18 November 2014. Three of these options (A, B and C) were considered and rejected at that time by Members. Members approved Option D as the preferred option on which to conduct the public consultation exercise. The consultation also invited views on any alternative options or expressions of interest. These are briefly considered below and in detail in Appendix 2.

Community Representations

The consultation that was carried out setting out the Council's preferred option also invited respondents to suggest alternative options for the Council to consider. A number of representations were received and these are listed in the background papers and summarised in the Opinion Research Service (ORS) report, placed in the Members' Room. Appendix 2 also provides a response to key issues raised by each representation.

The representations received as part of the consultation can be broken down into two categories;

- Representations from respondents to address the financial challenges from outside the scope of the library service.

- Representations from respondents which are directly in relation to the library service or specific libraries.

General Representations on Resourcing

A number of respondents made representations suggesting that the budget challenges should be addressed from outside the Library Service budget. Officer responses are provided in relation to all the representations made in Appendix 2. Listed below in bold are some examples of the representations made and some of the responses given.

Raise Council Tax rates

The raising of council tax rates is not an issue that the City Council can take lightly. If the Council wanted to increase Council Tax by more than 2% (15/16 limit), a referendum would be required. Council tax bills would have to be issued with a higher than 2% rate on the 1st April prior to a referendum taking place. There are costs to the Council associated with holding a referendum and it is considered doubtful that residents would vote to increase their Council tax bills. If the residents in the City rejected the proposed increase, the Council would need to issue new bills immediately, offer refunds at the end of the year or allow credits the following year, subject to a right for Council taxpayers to request a refund on demand. It is therefore not considered economically viable to pursue this suggestion in light of alternative options available and the significant number of other high priority services such as children's and adults social care that would have a call on funding derived from this route.

Ensure landlords pay appropriate taxes

This is important to the Council and it therefore takes all action to ensure that debts are properly recovered and all those that should make contributions are doing so. This option is already being pursued to the maximum permissible at law.

Mortgage the properties and sell assets

Any money obtained from potentially mortgaging civic buildings or selling assets could only be used for capital (building or investment) purposes and could not be used to help balance the Council's ongoing revenue budget which funds the Library Service.

Move to fortnightly bin collections and turn off street lights for some parts of the night

There were a wide range of representations in relation to changes that could be made to current council services. The Council is exploring all options across all the services to address its financial challenges as part of the annual budget process. Ideas such as these will contribute, where taken forward to the overall financial gap.

Plug the gap for a limited period of time until normal Council funding returns

Sadly, it is not anticipated that "plugging the gap" is an option. The council is facing significant reductions to funding over the next few years. It is not anticipated that funding will increase to 'normal' levels after this time. Instead, it is anticipated that the Council will need to operate permanently within its reduced budget. All areas of the Council will need to look at making significant reductions in order to meet this challenge.

Representations in relation to the Library Service

A number of representations were made in relation to increasing income and alternative approaches to the library services. Some examples are listed below in bold and the responses are also shown. The full list is included in the ORS report and officer responses are provided to each representation in Appendix 2.

Charging for book borrowing and use of computers

Legislation prevents the City Council charging for basic library services such as borrowing books. It would be possible to charge for the use of computers. However it is anticipated that the majority of people that are using the people's network computers are those that may not have access to IT at home. This is not recommended by Officers at this time as this service is heavily used by those applying for benefits and jobs and those least able to pay for the service, this avoids price becoming a barrier to use. The Council would be limited to cost recovery for such charges and could not use this option to cross fund whole library services.

Charging for events, talks, activities, workshops, renting out/sharing space with other organisations, charging for meeting space

Libraries do have the opportunity to charge for these type of events, and there are charges in place for use of some activities and spaces. Charging for spaces and activities will be encouraged and may extend, however it is not anticipated that this option would secure the saving required even as part of a package of options.

Cafes/vending, retail opportunities, collection point for parcels, fundraising/sponsorship, commercial advertising

The representations provide a list of potential income earning activities. Many of these ideas are in the process of being considered as part of enhancing the efficiency and effectiveness of the service and generally improving the user's experience and may be developed where there is a business case for doing so. However, it is considered that even taken as a package the representations will not alone raise sufficient income to become an alternative to Option D. The level of catering provision in libraries tends to be relatively limited, and often requires substantial investment. There is an opportunity to work towards a long term return on investment for this type of initiative, but this does not meet the more immediate needs of the Council. Shorter term provision such as vending can assist in raising small scale income, but is not an alternative to option D, but a measure that will help to meet the ongoing financial challenges (where there is a business case for doing so) and improve the customer experience.

Income from the Housing Revenue Account

The Housing Revenue Account is a ring fenced account, this means the Council has no general discretion to transfer sums into or out of it. The items that can be charged to it are prescribed by statute and mainly centre on repairs and maintenance, and the management of property. One of the main purposes for the ring-fence is to ensure that rents paid by local authority tenants accurately and realistically reflect the cost of providing the housing service, and should not be used to cover the cost of other Council services. So whilst this funding has been used for particular projects in line with the above, it would not be possible to use the funding for the core ongoing revenue cost of library services.

Reducing the number of paid staff and substituting these with volunteers but keeping a member of staff in all the existing library buildings.

The libraries staff are very much valued by those that use the service, as a result of this, proposals to supplement the service with volunteers (where this leads to a reduction in staff) have been resisted. Current agreements with the Unions relating to the role of volunteers in Council services would prevent the substitution of staff with volunteers. Therefore Officers are unable to recommend this as an alternative to Option D at this time. Volunteers are an essential part of the whole library service and provide an important role, it is also hoped to increase the number of volunteers to enhance the service further, and the council is grateful for their valued input.

Creating a health hub involving a partnership within the building with the health

sector

All public sector services are experiencing financial challenges at this time. There are forums where health and City Council staff come together and the opportunity for partnership working at the libraries particularly affected by the proposals in this report has been explored. However, the health organisations in the City are maximising the efficiency and effectiveness of their core estate and directing their funding at patient care. Opportunities for significant investment in the libraries affected by the proposals in this report are unlikely. However discussions will continue to ensure that all partnership opportunities are explored. It remains the aspiration of the City Council together with its public sector partners to explore all opportunities for combining and sharing public estate and this work is ongoing.

Creating a charitable trust such as the Suffolk Model

The Suffolk Trust which has charitable status, has 44 libraries that serves 730,000 people. The budget for the service has been around £7-8m. This is a much larger operation to Southampton with a significantly higher budget, more buildings and greater economies of scale. The main benefits in delivering through a Trust are in savings on business rates, which in Southampton, would deliver a financial benefit of approximately £50,000, should the whole service pursue this option. Substantial implementation and set up costs do not create a favourable business case. The large set up costs in the initial years means that any possible savings would not be available in the time required. It is therefore not recommended as an alternative to Option D.

Integrating the service with Hampshire/Portsmouth Library Services

Discussions have been taking place with Hampshire and Portsmouth in relation to the potential for partnership working. However these are long term options which would not achieve savings in the short term. There are significant challenges to overcome in bringing the organisations together. These discussions will continue.

Collaborating with local universities

Following communications with managers of the Universities, they do understand the financial position that the council faces. Restrictions on funding means that university funds must generally be spent on educational purposes for students. Both of the city universities have offered to encourage student volunteers in community led initiatives if these were taken forward.

Reducing the opening hours across all libraries but keep them all open

Whilst it is considered that this could achieve the saving required it is not recommended by officers given the impact that reducing opening hours would have on the busiest libraries in the City. A detailed exercise has been completed which has identified that to achieve the same saving would mean that Millbrook, Weston and Thornhill would be open only two afternoons a week, Cobbett Road one day a week, Burgess Road a day and a half a week, Lordshill and Portswood would be two days a week and Shirley, Bitterne and Central Library three to four days a week. A sixteen hour reduction per week for the larger libraries would be required. This means that for several days of the week the busiest libraries in the City would be closed.

It is the considered opinion of officers, on the basis of the information that they have available at this time, that these options are not proposed as alternatives to Option D at this time for the reasons given in Appendix 2.

OTHER RELEVANT MATTERS CONCERNING THE DECISION

Cabinet received the following recommendations from Overview and Scrutiny Committee held on 13th August, 2015 and addressed each point as follows:

i) That the Cabinet defer the 18th August decision and refer it to Full Council on 16th September.

The decision will be taken at Cabinet today, 18th August, for the following reasons.

- 1) This decision does not meet the criteria for being required to be considered by Council.
- 2) Substantial debate has already taken place through Council motions, the 14 week public consultation and Overview and Scrutiny Management Committee.
- 3) The decision has already been delayed one month from July 2015 to give the new Cabinet Member time to fully consider all the issues.

ii) That the Cabinet Member commits to not closing any of the libraries until an alternative service provider is in place.

Efforts will be focused on ensuring interest and support for community libraries is translated into action for April 2016. In order to progress this initiative in the timescales outlined in the report it is important that deadlines are met.

iii) That the Cabinet Member clarifies the Executive's position with regards to the disposal of the buildings should the libraries close.

This is set out in paragraph 88 of the report.

iv) That the Cabinet Member explores opportunities to recharge appropriate costs to the Housing Revenue Account.

The HRA may well be able to support projects that deliver benefits to Council Tenants. The HRA is not in a position to pick up the core cost of the Library service. This is covered in paragraph 16 of the report.

v) That the Cabinet Member looks again at options relating to sharing library services with other local authorities.

Work will continue to explore opportunities to work with neighbouring authorities. This is described in paragraph 20 of the report. The other authorities that we have approached are not currently in a position to share services. A shared service would not necessarily guarantee the future of the libraries. Book buying is already operating through a consortium approach.

vi) That the Cabinet Member explores opportunities to supplement library funding with funding from the Pupil Premium and Health Services.

Health agencies have been engaged through the formulation of the proposals. Whilst there is support for the service, this has not translated into offers of investment in providing the core service. This is covered in paragraph 18 of the report. Schools

already fund the Schools Library Service, officers will explore with Schools, whether there is interest to further support the wider library services. It is not anticipated that this would cover the entire core service.

vii) That the Cabinet Member updates the Committee at a future meeting with examples of best practice relating to community led libraries.

Officers will provide an update in 2016, when community and not for profit organisations have had a reasonable period of time to engage and progress through the process of developing community independent libraries and reference will be made to other examples of best practice.

In addition the Leader of the Council undertook to report valid updates on progress to Council meetings from this point forward.

Cabinet also received representations from Members of the Council, Friends of Libraries representatives, local residents and interested parties. All comments were considered and addressed before the decision was taken.

CONFLICTS OF INTEREST

None.

CONFIRMED AS A TRUE RECORD

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 18th August 2015

Decision Maker:
The Cabinet

Proper Officer:
Judy Cordell

SCRUTINY

Note: This decision will come in to force at the expiry of 5 clear days (as set out in the Constitution) from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period Wednesday 26 August 2015

Date of Call-in (*if applicable*) (*this suspends implementation*)

Friday 21 August 2015

Call-in Procedure completed (*if applicable*)

Call-in heard by (*if applicable*)

Overview and Scrutiny Management Committee – Thursday 10 September 2015

Results of Call-in

Cabinet reconsidered its decision made on 18th August 2015 taking into consideration the following recommendations made by the Overview and Scrutiny Management Committee at its meeting on 10th September, 2015.

- (i) that Cabinet commits to ensure flexibility within timescales for community led initiatives to be established within the six libraries should formal arrangements not be in place by 31 March 2016;

Some flexibility could be permitted, however the savings figure identified is based on the council ceasing to provide a service from these libraries by the 31st March 2016.

- (ii) that, to enable effective scrutiny, Cabinet clarifies the timetable and the process for the establishment of community led libraries;

The detailed timescale will be clarified once a decision has been taken. If a decision is taken on the 15th September, the timescale would be as follows:

Week beginning 21 st September 2015	Information Packs Available
7 th October	Question and Answer Session Also an opportunity to meet other organisations interested with a view to developing partnerships
19 th October	Deadline for Expressions of Interest
9 th November or earlier	Organisations advised if they are to be given the opportunity to progress to the next stage.
18 th January 2016	Deadline for Stage 2 documents to be submitted
8 th February 2016	Confirm successful organisations
19 th February 2016	Deadline for signing of lease and partnership agreement in order to begin shadow period
1 March 2016	Opportunity for community groups to shadow Library Service Staff
1 April 2016	Community Group Lease to commence

- (iii) that Cabinet identifies the financial support the Housing Revenue Account would be able to provide in relation to the Library Service;

As previously advised, the HRA cannot support the core costs of the library service. HRA funding must be used only for the benefit of its tenants.

The concept of providing support to help people get online, is something that the

HRA could support, given the importance of digital skills. This kind of activity also has the option of being supported by National Lottery funding in association with a community group. Housing officers will be pursuing this project.

- (iv) that Cabinet provide details, including outcomes, of discussions that had taken place with other local authorities regarding sharing library services;

Officers have met with officers from Hampshire County Council, Portsmouth City Council and IOW on 8 occasions to examine opportunities for joint working, share progress on Library transformation projects and establish if any opportunities existed for integration. Whilst dialogue continues, no proposals for integration have yet been made, with projects continuing in different timelines.

It should be noted that integration with other authorities cannot provide any guarantee of maintaining service levels and delivery models. Both Hampshire and IOW for example are currently engaged in Community libraries, and service rationalisation.

- (v) that, due to the change in location and increased usage since the consultation commenced, Cabinet review the position in relation to Millbrook Library;

Whilst the use has increased, this is not significant enough for the position in relation to Millbrook library to change. For the period from April to the end of July 2015 in the new location the Millbrook Library still has the lowest numbers of Issues, visitors and sessions of computer use.

- (vi) that a confidential briefing be provided to Members ahead of Full Council on the Expressions of Interest received on the Library Service.

This is being provided, subject to discussion with the Leader and the Head of Legal and Democratic Services.

Cabinet confirmed their decision taken on 18th August, 2015.