



City of Westminster

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Title:	Future delivery of the library service
Report of:	Director of Libraries & Culture
Cabinet Member Portfolio	Sport, Leisure & Community
Wards Involved:	All
Policy Context:	City For All; Medium Term Financial Planning
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1. Executive Summary

- 1.1 The report is to advise the Committee of proposed changes to the library service to deliver savings and enhance efficiency. Westminster City Council is committed to keeping all its libraries open and maintaining the current pattern of opening hours and access to services.
- 1.2 The service will continue to be delivered in-house, with a proposed reduction in staffing equivalent for Westminster to 22 full time equivalent (FTE) posts in total. This includes 15 FTE from sovereign service, where the costs are covered wholly by the borough and 7 FTE from the TriBorough shared service which is delivered in an integrated way (by sharing teams and employees in certain parts of the library service) across the three boroughs. Each borough pays a share of the costs of these teams.

2. Key Matters for the Committee's Consideration

- (i) Does the Committee have observations on any aspect of the proposals, but particularly around the future role and sustainability of library services?
- (ii) Is there anything the Committee wishes to see in terms of future service delivery that is not currently reflected?
- (iii) What does the Committee think a Westminster Libraries Commission should consider?

3. Background

- 3.1 The Council is committed to keeping its libraries open and maintaining their opening hours and services. At the same time, in common with other Council services, Libraries have challenging financial targets to meet. A saving of £750,000 in the controllable budget of £7,330,000 is required. Achieving the savings targets while also continuing to provide high quality, accessible services will require some changes to the ways in which services are delivered. Since it is likely that the Council will require further cost reductions year on year in future, the proposals have been developed with a view to longer term sustainability.
- 3.2 The major costs in the library service are staff and premises. As the Council wishes to maintain its library estate, the focus has been on reductions in employee costs. IT is another “big ticket” item for the service, since a key reason for visiting libraries is to use computers or wifi but it is also an enabler of change, and whilst there will be efficiencies, it is likely to need continued investment. By contrast, expenditure on stock (books, newspapers, digital resources etc) comprises less than 10% of the total budget.
- 3.3 Westminster is part of the TriBorough arrangements with Kensington and Chelsea and Hammersmith and Fulham councils, which have agreed to collaborate on a number of services including libraries to save money and share expertise. Frontline staff in libraries remain solely working within their own borough, but other services such as stock procurement and cataloguing, schools library services and some parts of the reference service, are shared between the three and costs split out according to an agreed formula. All three councils are looking for savings in their library budgets in 2017/18.
- 3.4 The approach being taken is to remodel Westminster’s library service with a focus on staffing efficiencies and better deployment, to ensure continued high quality services whilst reducing cost. It aligns with changes to the wider TriBorough service and part of the saving is derived from efficiencies in the TriBorough element of the service (management, administration and some frontline services).
- 3.5 Comparative cost of London borough library services

According to the Chartered Institute of Public Finance (CIPFA), Westminster is currently the highest spending library service per resident in England. The table illustrates the spend by 1000 resident population in 2014/15 (the last year for which full figures are available). Although exact amounts may have altered year to year, the relative positions will not.

	Net Expenditure (per 1000 population) excluding capital charges (£)
Inner London Boroughs (Avg)	21,701
Camden	25,542
Greenwich	11,218
Hackney	23,809
Hammersmith & Fulham	16,000
Islington	25,898
Kensington & Chelsea	33,795
Lambeth	16,013
Lewisham	19,014
Southwark	23,005
Tower Hamlets	25,898
Wandsworth	13,001
Westminster	35,781
Outer London Boroughs (Avg)	13,816
Croydon	4,215
Harrow	7,889
Havering	12,125
Richmond-upon-Thames	18,154

Source: CIPFA

It is likely that after the savings proposed are made, Westminster's spend per 1000 population will be £33,792 but since the Royal Borough of Kensington and Chelsea is also making savings in its library budget, Westminster's position as highest spending authority will be maintained. (The figures for Outer London give examples without listing all 20 councils but none exceeds Westminster's expenditure on library services.)

- 3.6 Following careful consideration of options, the three Cabinet Members in Hammersmith and Fulham, Kensington and Chelsea, and Westminster took the decision to proceed with the in-house model for service delivery to meet the target savings for next year. Procuring an external provider was considered, but after initial market testing it was decided not to proceed due to uncertainty about levels of achievable savings and maintaining quality.
- 3.7 All three councils agreed to develop a new operating model to deliver the shared elements of the service and sovereign savings. This has been subject to extensive engagement and consultation with staff, and proposals have been refined and clarified as a result. This report includes details of proposed changes which will shortly go through the appropriate Borough decision

processes, and Members' views are sought, especially on the issues referred to in section 2 above.

4. Detail of the proposed changes

4.1 Key factors shaping the proposals are:

- The public library sector is in constant change and must evolve to meet future needs with a focus on digital connectivity, knowledge and information, community activities and co-location of services
- Changes in demand for library services: customers requiring more digital and online formats and use of libraries for different purposes, whilst some traditional activities are in decline. However these changes do not happen in a coordinated way and may result in additional cost pressures (eg providing books both in print and e-book formats)
- Library services are changing and evolving in response to wider changes in society – in the way people use and access information and knowledge, the emergence of the digital economy and changes to leisure, study and communications. As a result, library services may change massively eg home access via fibre and virtual reality and new learning techniques could lead to truly disruptive changes in what residents want from services
- The need to be more efficient than ever and transform the library service to meet the councils' common ambitions for community focus, more volunteering and greater commercial income
- The vision for the service is one where people can use library services to “read – learn – connect”, providing resources, support, signposting and the opportunities for people to do things for themselves. This is supplemented by a national set of priorities for public libraries, agreed between central government and local authorities, which set out core offers (reading, learning, digital, information and health) that all public library services will provide. Proposals have been developed that are capable of delivering these.

4.2 It is proposed to make changes to the library service that will:

- Deliver the required level of savings
- Ensure continued high quality of library services, with no closures or reductions in opening hours
- Focus greater attention on volunteering and community engagement, the promotion of health and well-being, and commercial activities that generate income
- Create greater capacity for service planning and development to respond better to the changes ahead and engage more widely with partners in local community organisations, education and businesses

- Integrate the reference and lending functions in order to deliver a seamless service to customers, maximise the use of staff skills and knowledge and enhance workforce flexibility and efficiency

4.3 Details of the proposals

- (i) Service leadership: the reduction of one post at senior management level from four to three and redesigned to include new functions with a strong commercial dimension and shared leadership of the service across the three boroughs.
- (ii) TriBorough service changes: the creation of new roles to drive and support commercial utilisation of library spaces, enhanced volunteering capacity, project management (including external funding) and health and well-being as these are key objectives and priorities for the service.
- (iii) Key changes to the Westminster service: integration of the reference and lending services as a single seamless team. A flatter structure, with fewer operational management roles but clear accountability for each library site. Progression and development for staff from the opportunity to move around the service, whilst retaining specialist skill and knowledge.

4.4 A key area of change is in the roles and responsibilities of frontline staff in the service. Existing librarian and library assistant roles will be integrated to provide a seamless service to customers, through the creation of a new libraries customer service officer role. The new role blends expertise and knowledge from across the service. At present responsibilities for stock and reading promotion, organising events and activities, supporting children's use of libraries and providing answers to enquiries, are split across a number of posts. The traditional demarcation of libraries as "reference" and "lending" is changing as users increasingly want information and reading matter in a variety of formats, are borrowing fewer books but use libraries increasingly to access technology and content, and for study. Integrating staff roles reflects these changes in practice and reality whilst the service will continue to retain specialist knowledge where it is needed. Such integration is a trend that has been observed in many public library services both in the UK and abroad, and is happening both for reasons of efficiency and meeting customer need.

4.5 The reduction in sovereign staff in Westminster is 15FTE, approximately 13 percent of the overall total. The service will take the opportunity to reallocate tasks, streamline processes and deploy the workforce in a more flexible way. It is not expected there will be major changes for library users, as there will continue to be activities, stock and facilities similar to what is currently available, and no libraries will close or reduce overall opening hours. The other reductions are in management and shared services.

4.6 The proposals protect the existing Westminster provision of nine local, community libraries, one standalone children's library and the specialist

services of City of Westminster archives, Westminster music library and the collections of Westminster reference library. Westminster has a good geographical spread of libraries and coverage of its population which exceeds the general standard in England and all residents are within a mile of a Westminster library with many closer than that. Opening hours will remain the same, with a broad and accessible range that enables people from all walks of life to use our libraries, and whilst some savings may be made due to shift to digital and contract savings, the budget for new books and other items will be maintained. There will continue to be expansion of the libraries' digital and online offer, which has grown in importance significantly, providing "access 24/7 anywhere" to a range of library resources, e-books, downloads and periodicals.

- 4.7 Although some of the proposals will be challenging, with changes to staff working practices and the need to examine some policies and processes, this is in sharp contrast to what is happening in a number of other local authorities in England, where library services are under severe pressure and either transferring the operation of smaller libraries to being run entirely by volunteers (such as Lewisham) or outright closures – four out of 10 libraries were shut down by Harrow Council in 2016, and Lancashire is currently consulting residents on closing 29 of its 74 libraries, and converting others to shared use or volunteer-run services.
- 4.8 By contrast, Westminster City Council sees a secure future and a key role for its libraries, at the heart of communities and contributing to City For All priorities on their own and in conjunction with other services. Change will be necessary to secure this, and services are not exempt from the need to cut costs and generate more revenue.
- 4.9 Volunteers, whilst not replacing existing paid staff roles, already play an important part in Westminster's library service delivery. The Council was a pioneer in using volunteers in libraries and according to the Chartered Institute for Public Finance and Accountancy (CIPFA) has a relatively high level of volunteer contribution to the service compared to others. Volunteering in libraries and archives is popular and opportunities are often over-subscribed. Volunteers may contribute specialist skills such as in the archives, or support general library activities. Many volunteers do so as a way of building their job readiness or to give back to communities. Officers work closely with One Westminster to match volunteers and opportunities, and it is intended to grow this work to complement the paid service. For example, developing a befriending aspect to the home library service, which delivers books to elderly disabled residents in their homes, and expanding the provision of homework clubs for children. It is intended that the new operating model will provide greater capacity to recruit, train and support volunteers in a consistent way across the service.
- 4.10 Libraries are seeking to develop greater commercial activity to substitute for revenue funding hire charges and fines. Since it is a legal requirement to provide the core library service free at point of use, other activities have to be looked for. The Council's approach is to consider both smaller scale "quick

wins” such as coffee carts and increasing revenue from room hire in libraries but also wishes to seek larger scale commercial partnerships and to “sweat the assets” especially where costly buildings are under-utilised and provide opportunities for commercial use of space. This requires working in collaboration with the Council’s property, planning and economic development officers, but also resource within the service to focus on development of new income streams and work with commercial partners. The proposed operating model includes dedicated support for this area of work.

5. Consultation, engagement and the proposed Commission

- 5.1 Staff in the service have been consulted extensively before proposals were developed and during formal engagement. A series of workshops was held during the summer with over 100 employees from the three boroughs attending at least one of the sessions. There have been focused sessions on specific services, involving colleagues from finance, public health and children’s services alongside library staff.
- 5.2 Implementation of most of the changes is planned for January – March 2017, in readiness for the new financial year. Staff affected are being given full support and the Council’s policy remains to avoid compulsory redundancies if at all possible.
- 5.3 The Cabinet Member is considering establishing a Westminster Libraries Commission to consider and advise on the longer term future of library services and diverse community needs in a rapidly changing environment, following on from the implementation of the current proposals, looking forward perhaps 5-10 years. It is expected it would start work in early 2017, reporting back later in the year. Membership is proposed to include elected Member, community and staff representation and external expertise. The terms of reference are being developed but a proposed remit for the Commission may include:
 - Refine the vision for libraries and archives over a defined timeframe that will support key decisions
 - Consider the challenges, pressures and opportunities in the public library sector, local government, publishing and IT industries and local factors within the City of Westminster
 - Consider the interrelationship with other council and public services and partners
 - Help shape a strategy that informs future direction and development of the service relating to library buildings, digital provision and services and advise on how it can adapt and change so that it continues to be relevant, affordable and attractive
 - Support the Council’s ambition for a positive, engaged dialogue to drive change and increase confidence at a time of challenge and uncertainty

6. Health and wellbeing implications

6.1 Libraries can play an important role in supporting healthy communities by:

- Providing information about healthy living and lifestyles, and signposting people to other services for support and advice
- Helping support mental health by providing social interactions (such as reading groups) and resources (Books On Prescription) to help people understand and deal with their condition
- Hosting health activities and events – over 1000 last year in the TriBorough libraries including general well-being, smoking cessation, cancer support, diabetes information
- Promoting a culture of self-help and mutual support, and assisting people to access services

6.2 The role of libraries is recognised through public health funding which supported work in Westminster's libraries and was rolled out to the other two TriBorough services in 2012. Colleagues in public health have been consulted on developing the future model for libraries, including incorporating the principles of Making Every Contact Count in staff roles and duties.

7. Financial Implications

7.1 Savings of £750,000 in total are required from April 2017/18. The cost of the service is currently £9,574,000 of which the controllable element is £7,333,000. The target savings can only be made from the controllable budget and this amounts to 10% of the controllable budget.

7.2 Significant savings have been achieved in recent years with targets as follows, including significant savings from the TriBorough arrangement.

- 2013/14 - £260,000
- 2014/15 - £278,000
- 2015/16 - £0
- 2016/17 - £555,000, including £538,000 for digital transformation savings

8. Risks and mitigations

8.1 Risks will be confirmed and mitigated following the consultation procedure. The programme planning process includes risk management.

9. Comments of the Director of Legal Services

- 9.1 On the basis of the instructions I have received and the contents of this report, it appears that the Council has complied in a timely way with its statutory duty to inform and consult the relevant trade unions and is complying with its duty to consult with individual members of staff about the proposed redundancies and possible alternatives to it. The Council will doubtless be advised by HR of the requirement to make any contractual redundancy payments and provide the required contractual notice or pay in lieu of notice, as appropriate. Early payment unreduced pension benefits may be triggered if staff qualifying under the LGPS Regulations are made redundant. (John Clinch, Senior Employment Solicitor.)
- 9.2 Provision of public libraries remains a statutory duty of local government, under the terms of the Public Libraries Act 1964

**If you have any queries about this Report or wish to inspect any of the
Background Papers please contact Mike Clarke, x2199
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BACKGROUND PAPERS

None for the purposes of this report.