

LIBRARY SERVICE TRANSFORMATION – INCOME GENERATION

To: **Highways and Community Infrastructure Committee**

Meeting Date: **1 September 2015**

From: **Executive Director, Economy Transport and Environment**

Electoral division(s): **All, in particular Market ward, Cambridge**

Forward Plan ref: **N/a** *Key decision:* **No**

Purpose: **To agree terms of reference and next steps for establishing a Member Reference Group to advise on Income Generation as part of the Library Service Transformation Programme.**

Recommendation: **The Committee is recommended to:**

- a) Agree the draft terms of reference**
- b) Nominate representatives for the Member Reference Group**
- c) Comment on how they wish to be kept updated and involved**

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1. BACKGROUND

- 1.1 The resolution of the Highways and Community Infrastructure Committee on 26 June 2015 was ‘that the decision [to create a Central Library Enterprise Centre with Regus Kora] be rescinded, and to request the Executive Director (ETE) identify alternative options for increasing income at Cambridge Central Library and across the library service as a whole, by working with library staff, library users and an elected Member group to explore all options, which may include developing a cultural and education hub for Cambridge Central Library and the County.’
- 1.2 ‘Commercialisation and Income Generation’ is one of the strands of work being developed as part of the Library Service Transformation Programme, in line with the Strategy approved by Committee in January 2015, with a view to increasing income into the service. Clearly the more income that can be generated the less the Service will need to be cut back to meet the challenging target of £1.835M savings over 3 years.
- 1.3 There are targets in the Council’s current Business Plan for income generation into the Library Service of £240k over the next 3 years as follows:

Budget line	2015/16	2016/17	2017/17	Total
B/R.7.112 Create enterprise centres in Libraries - Surplus to Repayment of Financing Costs	£80k	£25k	£100k	£205k
B/R.7.119 Increase Library charges to cover costs	£35k			£35k
Total	£115k	£25k	£100k	£240k

This new income will be over and above the £562k currently generated by the service from fees and charges (more than 40% increase) and is a very challenging target.

- 1.4 Now that CLEC in partnership with Kora is not going ahead, full consideration needs to be given to other options for generating significant income, both at Central Library and across the Service as a whole. In line with the resolution at H&CI Committee in June, this needs to involve library staff, library users and an elected Member working group.

2. UPDATE ON STAKEHOLDER INVOLVEMENT

- 2.1 **Library Staff:** a positive meeting with Central Library staff took place in July, to explore staff ideas and suggestions for other options to generate income at Central Library. A discussion forum on the Library staff Bulletin Board has been set up for all staff and volunteers to share their ideas. In addition the

long-established twice-yearly Staff Forum meeting (involving representatives from all parts of the Service) will continue to consider ideas from across the Service, which are invited at any time. An action plan from a previous officer Income Generation Working Group is still being followed, and this group could be re-activated if required to support the member group. A Library Service representative is also participating in the ETE Commercialisation project group, which is developing proposals to feed into the commercialisation theme of the new council-wide operating model.

- 2.2 **Library Users:** an initial meeting between community and Council representatives has taken place to discuss the formation of a Friends Group for Central Library, and a public meeting to launch the establishment of the Group will be held in early October. In the meantime a public meeting will be arranged to invite all ideas about income generating options for the service. This process is being led by local library users and staff in conjunction with local Members.
- 2.3 **Members:** Attached to this report at **Appendix 1** are draft Terms of Reference for forming a Member Reference Group to guide the work on Income Generation. The group may choose to consider evidence and input from other members.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

Library services are used extensively by people to access computers for job searches and to send job applications, as well as to increase their skills and employability. The more income that can be generated to support library services, the more these vital services can be retained.

3.2 Helping people live healthy and independent lives

Library services support people to live healthy and independent lives by providing free access to information, assistance and reading (including specific health and wellbeing resources) as well as a wide range of events and activities to inspire and help people live fulfilled and independent lives. The more income that can be generated to support library services, the more these important services can be retained.

3.3 Supporting and protecting vulnerable people

Library services are well used by children, older people and people with disabilities, and they reach out to harder-to-reach individuals and communities including housebound people and those in isolated rural communities. They are particularly important for those without the means to access information, reading material and online services in other ways. The more income that can be generated to support library services, the more these services can be retained.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

The report above sets out details of significant implications in paragraphs 1.2 and 1.3

4.2 Statutory, Risk and Legal Implications

If income targets cannot be met, this will result in even further reductions in services. There is a risk that cuts of this scale could result in challenge to the Council in terms of its statutory obligation to provide a 'comprehensive and efficient' service.

4.3 Equality and Diversity Implications

No significant implications have been identified by officers.

4.4 Engagement and Consultation Implications

The report above sets out details of implications in section 2.

4.5 Localism and Local Member Involvement

The report above sets out details of implications in section 2.

4.6 Public Health Implications

No significant implications have been identified by officers.

Source Documents	Location
<i>Cambridge Library Enterprise Centre – Review and Decision</i> Report and Minutes of meeting of Highways and Community Infrastructure Committee, 26 June 2015.	http://www2.cambridgeshire.gov.uk/CommitteeMinutes/Committees/AgendaItem.aspx?agendaItemID=11703

***Service Transformation: Income work stream
Member Reference Group***

Draft Terms of Reference

1. Purpose

The purpose of this group is to consider income generation for the library service in support of the Highways and Community Infrastructure Committee fulfilling its responsibilities in determining the transformation of the service and implementing financial savings to meet business plan savings..

2. Aims and Objectives

The aim of the working group is to review, develop and consider ideas and options for income generation for the Library Service, and to make recommendations to the Highways and Community Infrastructure Committee on commercial aspects of the service.

The objectives of the group are to:

- Identify options for raising additional income
- Challenge assumptions and current practice as necessary
- Ensure that options put forward are robust and have a clear business case
- Ensure that appropriate stakeholder consultation is carried out including with library users and staff
- Report to the Highways and Community Infrastructure Committee clear and viable proposals for income generation in the library service

3. Accountability

The group is accountable to the Highways and Community Infrastructure Committee, which is responsible for decisions relating to Community and Cultural Services, including libraries.

4. Membership

The group will comprise Members nominated by the Committee as it sees fit.

5. Meetings

The group will meet monthly or as otherwise required. The administrative arrangements for the meetings will be undertaken by officers from Community and Cultural Services. It is anticipated that this will be a 'task and finish' group that will make its recommendations to the Committee within 6 months, in order to allow for proposals to be implemented in line with current business planning timescales for the Library Service Transformation (i.e. draft plan finalised by January 2016). Officers from the service will provide professional support to the working group.