

## Corporate and Communities Overview and Scrutiny Panel

### Wednesday, 7 November 2018, County Hall Worcester - 10.00 am

	<b>Minutes</b>
<b>Present:</b>	Mr C B Taylor (Chairman), Mr R J Morris, Mrs M A Rayner (Vice Chairman), Mr A Stafford, Mr R P Tomlinson and Mr R M Udall
<b>Also attended:</b>	Mrs L C Hodgson, Cabinet Member with responsibility for Communities  Carol Brown (Service Improvement Manager - Libraries), Hannah Needham (Assistant Director for Families, Communities and Partnerships), Steph Simcox (Head of Strategic Infrastructure Finance and Financial Recovery), Andrew Spice (Director of Commercial & Commissioning), Samantha Morris (Scrutiny Co- ordinator) and Alison Spall (Overview and Scrutiny)
<b>Available Papers</b>	The members had before them:  A. The Agenda papers (previously circulated); B. Presentation handouts for Libraries Re-Modelling Budget Scrutiny: Reviewing the 2018/19 Budget Position for Corporate and Communities (circulated at the Meeting).  (Copies of documents A and B will be attached to the signed Minutes).
<b>233 Apologies and Welcome</b>	Apologies were received from Mr A D Kent, Mr J A D O'Donnell and Prof J W Raine.  Additionally, apologies were received from Ms K J May, Cabinet Member with Responsibility for Transformation and Commissioning.
<b>234 Declarations of Interest and of any Party Whip</b>	None.
<b>235 Public Participation</b>	None.

**236      Libraries Re-  
Modelling**

The Panel received a presentation from the Assistant Director of Families, Communities and Partnerships which set out the next phase in the Council's Libraries Transformation Programme. She explained that since 2011/12 over £3.7m of efficiency savings had been achieved through a range of approaches including co-location and re-modelling of mobile library. Building on this progress, further substantial change was required to meet the new £1m savings target identified in the 2017/18 Medium Term Financial Plan (MTFP), £200,000 of which was on target to be met for this financial year.

Building on the previous transformation work, the Cabinet at its meeting on 18 October 2018 agreed to add an additional theme to the Strategy for library change set by Cabinet in 2011, which was to encourage individuals and communities to do more to promote greater self-reliance.

The Panel was informed of the detailed Needs Assessment which had taken place based on 4 key characteristics, namely deprivation, service isolation, exclusive use of home library site and library activity levels. Each library had then been given a ranking with an aggregate score which placed them in order of level of need. The ranking had then been used to identify an initial transformation option for each library for the Consultation exercise. It was highlighted that the Needs Assessment had also taken into account the demographic groups using each library, the need for value for money and the feedback received from over 2,000 residents via the customer survey which took place over the summer.

As a result of the Needs Assessment and the resultant recommendations for library transformation, the Cabinet had received 6 transformation options to shape library transformation going forward, including two new options: Open Libraries and Community Managed Libraries.

Having visited other local authorities to explore how Open Library systems operated, the Service Improvement Manager - Libraries explained what an Open Library system would involve and how it might work in practice. She advised that the option for Worcestershire would involve the system operating for parts of the day, rather than whole days and that this would allow libraries to be accessible for longer periods with reduced staffing costs. The system would build on the current self-service approach in libraries and would require users to be separately registered and supplied with access cards for their use.

In terms of Community Managed Libraries, the Assistant Director explained that local communities already played an important role in libraries, there was over 400 volunteers currently working in libraries across the County. She highlighted that Welland and Martley were run as library links and were currently hosted in village halls and fully run by volunteers on a day to day basis. There was also community supported libraries at Broadway, Hagley, Upton, Pershore and Catshill and the plan was to build on the community supported libraries scheme, but going forward on the basis of services being provided entirely by volunteers.

The Assistant Director led the meeting through the various 6 different options set out in the Consultation and the reasoning for where each library was placed. She stressed that at this stage there were no proposals to close libraries. If this was a suggested route further through the process, then additional consultation would be required.

The Cabinet Member for Communities (CMR) advised that consideration would be given to all options and ideas, for example further work was being carried out to explore space sharing with the Department of Work and Pensions (DWP) and other agencies. The Panel also noted that there would be no significant changes to the mobile library function at this stage.

The Panel was informed that the Consultation exercise had commenced on the 29 October and would run until the 2 February 2019. It was expected to be mainly an online exercise, although paper copies were also available in libraries and other key customer locations. The Consultation set out the Council's 'preferred options' for each library location and an explanation for each recommendation.

Following the presentation, the following main points were made:

- In response to a question about whether residents use of libraries in neighbouring local authorities was taken into account in isolated areas near the County borders. The Assistant Director advised that whilst being aware of this usage, it couldn't be taken into account because those libraries were not under Worcestershire County Council control. She stressed, however, that there was regular liaison with neighbouring authorities on this.

- A Member suggested that it was important to speak to District Council's and partners as part of the Consultation process. The Assistant Director confirmed that information had been shared with District Council's and conversations were happening at an officer and member level.
- Although Open Libraries was an option worth considering, it was suggested that it was important to explore other options first.
- The issue of public safety in the Open Library system was raised. The Service Improvement Manager - Libraries advised that this had not proved to be a problem in currently operated schemes. Members were assured that safeguarding was a key priority and that technology would be introduced, such as CCTV, to enhance security. It was also highlighted that the Open Libraries would only be accessible to customers who had registered for the Scheme and received appropriate instruction and training. It was likely that this Service would appeal to a subset of users and the full range of services wouldn't be offered.
- A concern was expressed about Option 4 which was to 'Introduce New Community Run Libraries'; this Option was reliant on an increase in the use of volunteers. Although, Members recognised that there would be a number of training and support factors that would need to be taken into account, it was suggested that this wouldn't replace trained, experienced librarians who were equipped to handle the needs of vulnerable customers, which might prove a challenge for volunteers. There was also the issue of potential abuse from customers.
- The possibility of sharing the library space with a commercial operator such as a coffee shop or Post Office was put forward. The Assistant Director confirmed that any suggestions for potential partners could be considered.
- Concern was expressed that the Hive was rated as the library with the least Value for Money (VFM) and Members queried whether commercialism could help in this situation. The Assistant Director explained that there was a Private Finance Initiative (PFI) on the Hive, but

work to ensure that the partnership with the University was more cost effective, for instance by allowing more chargeable activities to take place in the building was being carried out.

- The changing nature of libraries was discussed and how the Library Service was adapting to the new ways of usage. It was noted that the facilities shared with DWP in Malvern, Kidderminster and Redditch were good examples of this and DWP customers would often use the facilities being offered by the library, which was therefore an added benefit.
- A Member questioned whether commissioning the Service with the mutual sector had been considered as an option. The Assistant Director advised that this had previously been looked at, but had not been seen as a viable option and the size of the Budget made it more difficult to manage. If however, it was agreed that it should be proposed option, it could be looked at.
- Where an Open Library arrangement was suggested for a library based in a school, the Panel was assured that discussions would take place with the school to ensure appropriate safeguarding arrangements were in place.
- A question was asked about the balance between the money needed to be spent on technology to enable Open Libraries to be set up, against the additional hours that would be able to be covered by Open Libraries, to ensure cost-effectiveness. The Panel was informed that modelling costs of technology would need to be carried out, to ensure that VFM was achievable. The Service Improvement Manager – Libraries confirmed that the costs of implementing Open Libraries would be between £23k – £41k depending on the library. The Panel would be supplied with more details to clarify this point.
- The recent customer survey had shown an under-representation of certain target groups in terms of library usage. It was acknowledged that more work was required on social inclusion.
- A Member asked why the public had not been given reassurance that the larger libraries would not be closing. The Panel was assured that there

were no plans to change the current library provision at the Hive, Redditch, Kidderminster, Malvern or Evesham libraries and the two community run libraries at Welland and Martley, as had been outlined in Option 1 of the Consultation paper.

- A question was asked about the savings achievable if a library closed. The Assistant Director explained that this would be dependent on the size of the library, but for a medium sized library, it would be in the region of £100k.
- Panel Members asked how they assist with the Consultation process. The CMR welcomed the support of the Panel and encouraged attendance at Member Briefings across the County. The Assistant Director advised that she would appreciate the Panel's scrutiny and support in terms of how solutions might be implemented and views on the risks and problems that might be encountered.
- A Member suggested that Unison should be invited to speak to the Panel to represent the views of employees and to explore the mutual process. The Assistant Director advised that there would be a formal consultation process with staff in due course.

It was agreed that the Panel would receive an update on library re-modelling at its meeting in March, prior to the issue being considered by Cabinet in May.

## **237      School Library Service**

Following concerns expressed by some Members, it was agreed at the Overview and Scrutiny Performance Board (OSPB) on 25 October 2018, that the Panel would invite the Assistant Director of Families, Communities and Partnerships to its meeting to discuss and clarify the detail of the Officer Executive Decision relating to the School Library Service (SLS).

The Assistant Director explained that an Officer Executive decision had been taken on 4 October 2018 to discontinue the SLS. The Panel were referred to the three Member Briefings included in the Agenda which provided details of the history of the service and the process leading up to this decision being made. The SLS had always been a traded service and because of the lack of usage, it was currently being run at a deficit. Previously, 216 schools had bought the service but only

22 schools were now buying it.

The Panel was informed of the many initiatives that had been tried to stimulate business, including raising the profile of the service and attempting to move into new markets. All schools had been written to several times, including encouraging further use of the service and formally consulting them on the future of the service. All this had had very little impact on demand.

The Assistant Director explained that the formal process of de-commissioning the Service had been paused, to allow for the Panel meeting and the consideration of the Notice of Motion to Council the following day to be dealt with.

Discussion points:

- Schools' lack of interest in the service was mainly due to the significant financial pressures they were facing and as a consequence some schools had sought to provide their own libraries or on a shared basis. Many schools also made effective use of digital technology. The Assistant Director confirmed that discussions had taken place with other local authorities and Babcock to gauge whether there was any interest in providing the service to the remaining schools.
- 5 members of staff would be affected by the change to the Service.
- Some schools had indicated that they would be interested in buying the book stock of the SLS.
- A Member highlighted that in some local authority areas, the SLS was able to be provided on a profitable basis. The Assistant Director acknowledged that there were lessons to be learnt from this in terms of looking at opportunities for a commercial approach for service delivery.
- A Member asked why the decision on the SLS had not been included in the Libraries Re-modelling Consultation process. The Assistant Director explained to the Panel that as the SLS was not a statutory service, the Officer Executive Decision making process had been followed, all options had been explored and as the service was losing money, it was important to avoid delays in making the decision.

- The total cost of the SLS budget was £182,000, which included five members of staff. The service had been losing money and despite best efforts the level of demand had not been able to be increased.

It was agreed that:

- The Assistant Director would supply details to the Panel of which schools were affected by the decision to cease the service.
- As income generation was being considered by the Panel at the next meeting in January, the SLS would be discussed further in terms of a possible future income generation opportunity.

**238      Budget Scrutiny:  
Reviewing the  
2018/19 Budget  
Position for  
Corporate and  
Communities**

As Part of the Council's development of the 2019/20 budget, the Panel was asked to review the current 2018/19 Budget position at this meeting, prior to consideration of the 2019/20 draft budget at its meeting in January.

Commercial and Change Directorate

The Director of Commercial and Commissioning led the meeting through a presentation which set out the financial update on Period 6 (September 2018) for areas relevant to this Panel and highlighted that:

- There was currently a predicted overspend of £350k in Property Services relating to Place Partnership Limited (PPL), although the Panel were reassured that the situation was improving.
- Although there was £150k of non-achievement of transformation savings in Property Services which related to capitalisation and property costs, the Director advised that capacity had been added to the Team and it was anticipated that the gap would be narrowed this year.
- The ICT Budget for this year had a forecast overspend of £250k due to delayed insourcing of the DxC contract. The Director explained the staffing situation and how some staff had been transferred under TUPE arrangements and new staff had been recruited. Insourcing the Service had gone well and significant savings will be achieved. Work was now progressing to reach the original savings target for 2019/20.

### Discussion Points

- In response to the question about why there had been a £350k overspend on the PPL contract, the Director explained that since March there had been a focus on re-invigorating the contract and providing more challenge to PPL, which was now showing signs of improvement. Additionally, it was noted that some partners had withdrawn from the PPL partnership.
- The Director also confirmed that there was now more investment in the contract management of PPL to ensure spend was being managed effectively and that there was better value.
- It was questioned why the projected saving on the 2017/18 IT Budget had not been achieved. Although, a specific answer would be provided, the Panel was reassured that with the insourcing of IT Services, savings would be achieved.
- The Head of Strategic Infrastructure Finance and Financial Recovery clarified that the HR Budget consisted mostly staffing costs, with some other costs, such as learning and development, training and general office expenditure and the £175k saving related to holding non-essential posts vacant.
- Members were informed that Managers were being asked to look at every budget heading, justify the expenditure and to ensure savings were made at every opportunity. Money continued to be well managed in the borrowing and lending markets, which meant that less savings were required elsewhere.
- The Panel was informed that the Fire Insurance Earmarked Reserve had been reduced by £0.5m to £1m, which was seen to be prudent measure.
- There was a projected saving of £300k from the Self-sufficient Council – Optimising Income Generation, which would be achieved through traded services to other organisations and fees and charges, along with forecast additional £575k income through Council Tax and Business Rates.

### Communities – Discussion Points

The Head of Strategic Infrastructure Finance and Financial Recovery confirmed that the current position in respect of the Communities Budget Monitoring information provided was mostly forecast to outturn at budget at this stage of the financial year, although some savings relating to 2019/20 had already been partly delivered in advance, such as those for the Library Service.

The meeting ended at 12.35 pm

Chairman .....