



AGENDA ITEM: 5

AD HOC SCRUTINY PANEL

9 DECEMBER 2008

LIBRARY SERVICE REVIEW

**HEAD OF SERVICE or CMT MEMBER: TIM WHITE, DIRECTOR OF
REGENERATION**

PURPOSE OF THE REPORT

1. Comparisons with other library services and measurement against the government's libraries value for money standards both indicate that Middlesbrough's library service is very expensive. It has therefore been identified as an appropriate subject for an efficiency review. The Council's auditors are also showing an interest in value for money issues within the service. This report presents information about the public library service currently delivered in Middlesbrough to enable the Scrutiny Panel to consider value for money issues and advise the Executive of its views on how best to achieve efficiency savings.

INTRODUCTION

2. Government standards for value for money in the library service are measured by cost per visit. To get into the upper quartile, the library service needs to have a cost per visit of £2.53 or less. The threshold for climbing out of the bottom quartile is £3.46. The unit cost per visit for Middlesbrough's library service is £4.26, way below even the bottom quartile threshold, and getting on for double the value for money threshold to which all councils should aspire. It is one of the most expensive library services in the country.
3. Comparable costs for neighbouring authorities are:
 - Redcar and Cleveland £2.74
 - Stockton £3.05
 - Hartlepool £3.23

BACKGROUND

4. The Library Service is provided through the Central Library, twelve branch libraries, one village centre and a mobile library. It provides a range of services in support of council objectives supporting literacy, and life skills as well as a social space for local communities. A mobile and housebound service provides for those unable to reach a static library, and in so doing contributes to the LAA target supporting independent living. The mobile also visits the outlying districts of Middlesbrough such as Stainton and Nunthorpe. There are two plans at the back of the report, which show the location of each library in its ward context, and the degree of overlap of provision (1 mile radius plot). Appendix 1 gives a summary of costs, usage and performance broken down by branch.

Current situation

5. People can access a branch or mobile library somewhere across the town for up to 63 hours per week, of these 23 hours are outside normal office hours. The Public Library Service Standard (PLSS) target for aggregated opening hours per 1,000 population is 128 hours, the current aggregated total in Middlesbrough is 159 hours. In addition many services are accessible 24/7 via the web site.
6. All residents are within 2 miles of a static public library, with 98% within one mile. The PLSS national target for proportion of households living within a specified distance of a static branch is 88%. The reality is that Middlesbrough has above average provision of static service points. However, this is not reflected by the use made of the service as discussed in paragraphs 12 – 16.
7. The service is delivered through 62.4 FTE staff, currently 91 individuals, at 13 libraries and one village centre. Nine branches operate with a maximum of two staff on duty, three with a maximum of three on duty. Central Library and support services account for the remaining staff. Staffing levels are allocated on the basis of need in terms of use and health and safety. A casual pool, equivalent to 2 FTE, is required to ensure that libraries remain open during holiday periods and to cover for sickness.
8. The service also operates a mobile library; delivering services to sheltered accommodation, care homes, and some outlying estates with a high elderly population. A housebound service operates a delivery service to those unable to physically access a static library. Both these services contribute to the new National Indicator NI142 - the number of vulnerable people who are supported to maintain independent living.
9. In addition to frontline staff, a team of 12 librarians operate across the service, based at the branch libraries. Their role is to increase use of libraries through promoting books, reading and learning, encouraging use and so supporting the objectives of improving literacy and other skills for life (including IT and information skills). Primarily, these staff manage and promote the events and activities that lead to increased visitor numbers and so increased use of the service. Their role also includes operational management of the branch libraries.

10. As is expected of a 21st Century library service, many services are now accessible 24/7 via the web site, such as renewals, reservations, subscription databases etc. Over recent years, the service has taken advantage of national procurement exercises to invest in e-databases, such as Britannica and other major reference works. Providing these facilities on line has meant that all libraries across the town can access these resources, previously restricted to those able to visit the Central Library. Equally a selected number are available remotely to library members, whether at home, office or school. Others, such as Ancestry.com are only available via the library network, encouraging new users into libraries. This represents a major shift in service accessibility.

11. The age profile of users is set out in the table below.

Age group	Total
0-5	1983
6-10	2635
11-20	3174
21-30	3074
31-40	2699
41-50	2482
51-60	2099
61-70	2009
71+	2424

Performance

12. The following paragraphs discuss the current situation in terms of performance in relation to National Indicators (NI), CPA assessment and the Public Library Service Standards (PLSS). Appendix 1 shows some performance information by branch.

13. With regard to measuring performance for the Library Service the new NIs introduced in 2008 include only one measure that directly affects libraries, NI9 – use of public libraries. This will be measured through one question in a national active user survey, which as yet has not been confirmed; indications are that the question will ask an individual if they have used a library in the last 12 months. Middlesbrough is not reporting on this measure in the LAA 2008-2011, but it will be monitored locally.

14. Up to 2007-08 the Library Service has been measured through PLSS, which informed BVPI 220, measuring outputs such as visits, opening hours, access, and satisfaction. The CPA self-assessment framework includes the PLSS, a value for money indicator, and measures related to provision of stock. In 2007-08 the service performed well against the PLSS, achieving 8 out of 10 standards, but less well against CPA overall. The following table highlights the key indicators in terms of efficiency in relation to this report. (Note a “visit” is counted when someone enters a library building and it registers on the electronic people counter installed at all libraries).

PLSS/CPA	Description	National target	Middlesbrough result 07-08
PLSS1	Proportion of households living within a specified distance of a static library (1 mile)	88%	98.5%
PLSS2	Aggregated scheduled opening hours per 1,000 population for all libraries	128	159
PLSS6	Number of library visits per 1,000 population	6300	4714
C4	Active borrowers as a % of population	Lower 20.4% / Upper 27.3%	19.5%
C13	Cost per visit	Lower £3.46 / Upper £2.53	£4.26

15. The 2008/9 Library Service budget can be broken down broadly into three areas:

	£000	Percentage
• Staffing	1,654	72.6%
• Purchase fund	419	18.4%
• Other operational costs	4	9%
• Total expenditure	2,277	100%
• Income	(103)	4.5%

16. "Other operational costs" includes such essentials as telephones/network costs, stationery, marketing etc. These budgets are extremely tight, with the result that there is minimal flexibility for finding efficiency savings in this area of the service's budget. The partnership contract means that the majority of the building costs are no longer within the service budget and therefore not available as potential savings. Similarly, there are limited opportunities to increase income without restricting the service to those who can afford it. This means that savings have to be found almost entirely from either the staffing or purchase fund budgets. The potential and the impact of finding these savings are outlined in the following paragraphs.

17. The purchase fund currently stands at £419,000. The breakdown for the purchase fund is as follows:-

- Adult fiction - £75k
- Adult non-fiction - £50k
- Large print - £27k
- Spoken word - £20k
- Children - £60k
- Ethnic material - £15k

- CDs – 7k
- DVDs – 20k
- Games media - £7k (Playstation and Xbox games)
- Electronic resources - £20k
- Reference - £40k
- Newspapers - £7.5k
- Other - £70k – (binding, reader development promotions, subscriptions, Inter library loans etc)

18. The average price of a book is :-
- Adult hardback fiction - £16.41 gross (before discount)
 - Paperback fiction - £7.51 gross (before discount)
 - Non-fiction price is very varied due to binding, size and content
 - Children's books prices are also very varied.
19. The CD market is definitely dropping off and the service is not buying as many CDs. However, the whole media market does constitute a good proportion of libraries' income - £19k last year plus £1,300 in media fines. The issues in 07-08 for all media were 52,977, which was 8% of the annual issues. If the Council does not provide this service, libraries would have to make the income and issues up from elsewhere and it is very difficult to see how this could be achieved.

Resources

20. As mentioned in paragraph 16 above, in order for the Library Service to find savings there would have to be a decrease in expenditure on either or both the staffing and purchase fund budgets. There is little flexibility in the operational budget with current contracted commitments and the demonstrated need for promotional activity to increase use; a decrease in either would have an impact on the performance of the service.
21. Over the past six years there has been a large-scale investment of over £2m from the capital programme, in both the fabric of the buildings and the bookstock, following a Best Value Review. This has resulted in a much improved look to the front-end of the service.
22. The last two years have also seen additional one-off funding to enable an improved programme of events to be offered. In 2006/07 £10,000 was allocated from the Regeneration Initiatives Fund, and in 2007/08, £20,000 was allocated from the performance reward funding. This resulted in a 7.9% increase in active members (27,016 members) and an increase of 3.2% in issue figures against the national trend of decline (645,449 issues), but not an increase in visits.
23. A direct link between additional events and an increase in visitor numbers is difficult to quantify. However, it is clear that using funding to provide a wider range of outreach activities and events has had an impact. If it is possible to build this funding into the base budget then this programme of events could be maintained, hopefully leading to a further increase in library use.

Impact

- 24.** As previously stated the service is delivered through the Central Library, twelve branch libraries, and one village centre, with the mobile and housebound service providing for those unable to reach a static library. 98.5% of residents are within one mile of a static library. The PLSS standard for an urban authority is 88% within one mile, or 100% within two. The plan attached shows the location of libraries and the one-mile zone for each, demonstrating extensive duplication in coverage across the town.
- 25.** A mapping exercise has been conducted vis-à-vis library membership. This shows that most members are registered at their local library, with the few exceptions being Central, Acklam and Berwick Hills. However this does not show the number of members who use more than one library. Anecdotal evidence suggests that for most libraries whilst adult users may use more than one library, those under 16 years tend to use only their local library.
- 26.** It should also be noted that other agencies and council departments use many of the town's libraries. SureStart and Neighbourhood Management are two examples of Council services and Job Clubs, Business Link, CAB and Credit Union are examples of use by other agencies. Many Councillors also hold ward surgeries in libraries. Other community use comes from organisations such as local history groups.