

Library Service update and Proposed Strategy

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Cabinet Member: Cllr David Hall

Division and Local Member: All

1. Summary

1.1. This report is submitted to update the Scrutiny Committee on:

1. The progress and performance of the Library Service since the last report to Scrutiny Committee.
2. A proposed strategic direction of travel for the Library Service for the next three years.

In addition, Scrutiny Committee will receive a verbal update on the community engagement exercise recently commenced by the Library Service.

1.2. The way people use libraries is changing, and Somerset's Library Service is undergoing a journey of change and modernisation. Over the last few years, the service has re-focused service delivery to meet a new, wider range of objectives, supporting the Council's priority outcomes:

- Children and Young People are supported through early years reading activities, skills development (Code Clubs, technology activities, volunteering opportunities) and study space with free Wifi.
- We provide books on prescription and other health and wellbeing information resources, a wide range of health and wellbeing activities, and combat social isolation by bringing people together.
- Through business events, access to digital making equipment and our specialist business resources collections, we support businesses to develop and thrive.

In parallel, the Library Service has delivered over £1m of savings during this period.

The service is currently performing well and has delivered a number of successful, innovative projects and initiatives which have gained national recognition. The Library Service is guided by its vision statement:

Somerset Libraries are a dynamic, evolving and integral part of the community that open up a world of opportunities for reading, understanding and discovery.

1.3. In order to continue to support the County Council's wider priorities, and put the Library Service on a sustainable financial footing, a long term strategy is required. This report sets out the recommended strategy for continuing to modernise and develop the service, delivering a wider set of outcomes to support the wider council, within a financial envelope which is likely to become more challenging over the period considered.

- 1.4.** The report also considers whether an alternative, externalised delivery model should be pursued at this point. Other Library Services (including 'Libraries Unlimited' in Devon) have moved out of local authority control, and the Library Service commissioning team has considered whether this approach would be right for Somerset at this time. At the Scrutiny meeting of December 2015 Committee Members asked officers to investigate the merits of the utilisation of Alternative Delivery Models (ADMs) for the Somerset Library Service, giving specific regard to the situation in Devon.

2. Issues for Consideration / Recommendations

- 2.1.** Members are asked to consider and comment on the recent performance and progress of the Library Service, as summarised in section 3 below.

- 2.2.** Members are also asked to consider and comment on two key strategic proposals, which will be decided through a Key Decision by the Cabinet Member for Resources and Economic Development, having considered the comments of Scrutiny Committee:

- To consider the conclusions of the pre-options appraisal work detailed in section 4 below, with supporting analysis included as Appendices 1a and 1b (commercially confidential), and the recommendation to retain an in-house service delivery model for the 3 year period considered in this report. The costs, potential benefits and dis-benefits of alternative delivery models have been analysed by the Library Service commissioning team, with assistance from an external consultant funded by the Department for Digital, Culture, Media and Sport.
- To consider the strategy for re-designing the service set out in section 5 below, in order to continue to modernise and develop the service whilst putting it on a sustainable financial footing, in line with the County Council's forecast level of overall resources over the medium term. The service re-design strategy will enable the Library Service to continue to support wider council priorities, guided by a proposed outcomes framework set out in Appendix 2.

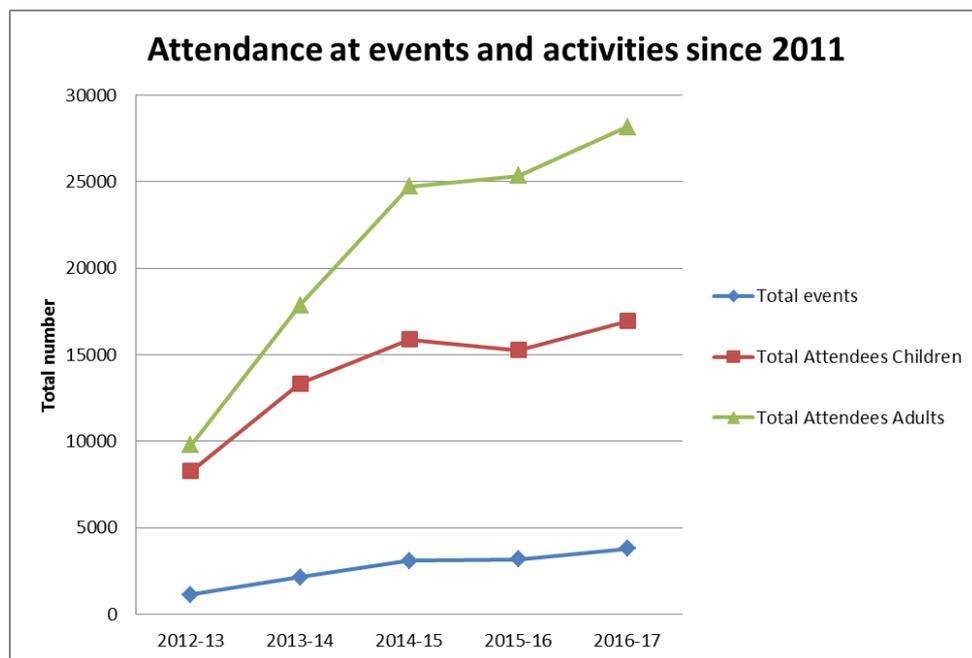
- 2.3.** In the course of scrutinising these strategic proposals, members must give due regard to the potential impacts of the proposed re-design programme, with particular reference to equalities. Impacts identifiable at this initial, high-level stage have been considered in an initial Equalities Impact Assessment (EIA), attached as Appendix 3 to this report; this initial EIA will be reviewed and updated as the programme progresses.

3. Background: performance and progress to date

- 3.1.** Since 2011 the Library Service has delivered a series of key milestones on its modernisation journey: the development of an outcomes framework and a vision to guide service development, the introduction of free wi-fi and a new online portal and app, the development of a community library at Porlock and

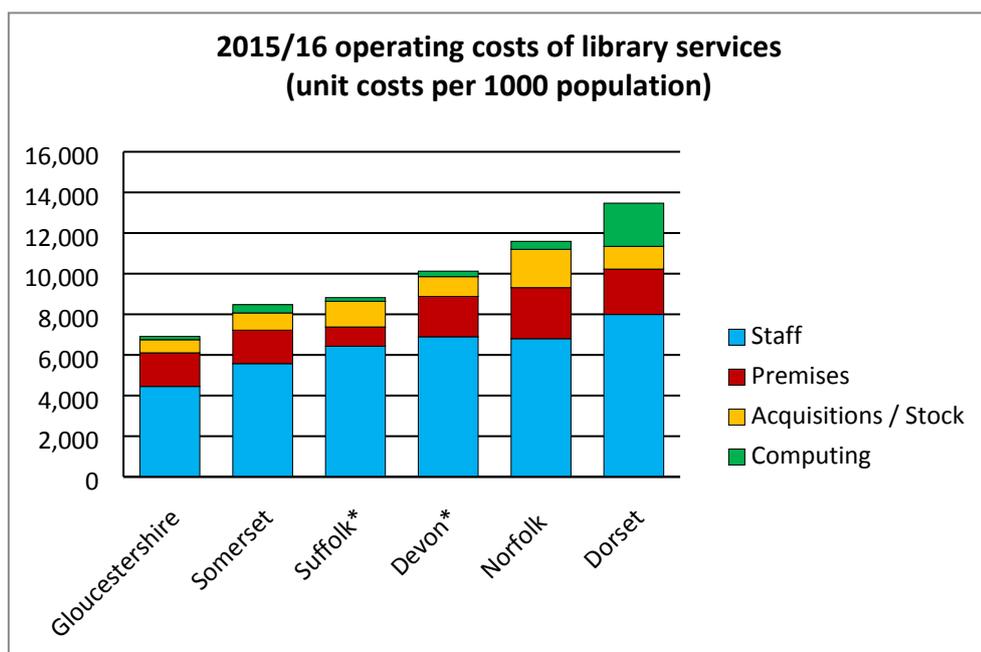
the re-orientation of service delivery beyond traditional lending services through a thriving and dynamic portfolio of activities. Figure 1 below illustrates the growth in activities and events across the Somerset Library network – a key feature of our modernisation journey to date. In parallel, over £1m of savings (over 20% of the service budget) through a range of measures, including delivering efficiencies through a revised management structure, expansion of the Libraries West consortium and procurement of a new libraries ICT system and the restructure of the delivery and logistics back-office function. As well as these efficiency measures, changes have been made to opening hours and the mobile library network.

Fig. 1: Participation in Somerset Libraries events and activities



The latest available cost benchmarking data shows that the Library Service is delivering good value for money compared to similar authorities (see fig. 2 overleaf).

Fig. 2: Unit cost benchmarking (nearest neighbour peer group)



**Suffolk and Devon County Councils have externalised their library services.*

3.2. Nationally, Somerset is a leading authority in the implementation of the modernising vision for Public Library Services that has been developed by the sector under the auspices of the national Libraries Taskforce. Recent key achievements include:

- The launch of the Glass Box at Taunton Library and associated outreach activities across Somerset. The Glass Box supports digital and economic development activities through an innovative programme of business events and digital making activities, as well as a collection of technology resources that can be used to support individual entrepreneurs, businesses and technology enthusiasts. The Glass Box was nominated in the 'digital innovator' category at the 2017 Taunton Deane business awards, and has been cited as an example of best practice by the Libraries Taskforce. We were one of two Library Services invited to speak at the 'Innovation Zone' at this year's LGA conference.
- The development of specialist collections and wellbeing zones, in conjunction with Public Health, to support health and wellbeing. We maintain collections to help people and their carers cope with mental health problems, autism, dementia and a wide range of other conditions. Many customers refer to the accredited Somerset Library 'books on prescription' service to help them to manage particular conditions. Somerset's autism collection was cited as an example of best practice by the Libraries Taskforce.
- Somerset Library Service supports a range of government departments and local council services by enabling digital access to essential services for customers who cannot easily access digital services from their home. The delivery of the Glastonbury Library Hub, through the council's Customer Access and Shared Assets programme, was a key

milestone in the further development of this customer access role – libraries staff provide a signposting and meet and greet function for five other services delivered at the hub. Other recent developments include a meet and greet / booking service for registration customers, and the provision of drop-in advice for adult social care customers at Taunton library.

- We have a growing online presence – in addition to the new Libraries West portal and app to deliver transactional services online, the service has developed an online events calendar, and we have an active social media presence across Facebook, Twitter and Instagram.

3.3. The Library Service is embedded within a network of community groups, volunteers and partner organisations:

- Our 18 library friends groups take an active role in supporting and developing many of our libraries – they make a rich contribution to developing and providing our range of activities, as well as raising money and providing donations ‘in kind’ to improve library facilities.
- We could not carry out key activities – particularly the annual Summer Reading Challenge for primary school children and the Home Library Service for housebound customers – without significant support from our volunteer network. Over 18,000 volunteer hours were used by the service in 2016/17.
- We have regular meetings with the umbrella Friends of Somerset Libraries group who have acted as a valuable ‘critical friend’ through the many changes we have made to the service in recent years.
- A huge range of partners deliver services in partnership with Somerset Library Service – from music lessons for disadvantaged young people to digital marketing advice for businesses; blue chip organisations like the NHS and Google through to local community groups and individuals organising events and activities.

3.4. Performance of the service is currently measured against the outcomes framework agreed in December 2015. Results for 2016/17 are set out below (green shading indicates that a target was achieved or exceeded, amber shading indicates that a target was narrowly missed. No targets were significantly missed).

1. More people enjoy a vibrant and dynamic reading experience	
Total number of children attending reading activities	13,960
Total number of adults attending reading activities	14,971
Number of items borrowed	2,184,250
2. More people are enabled and inspired to make the most of the digital world	
Take up of People's Network sessions	33%
Number of UK Online learners	539
Number of digital event attendees	1408
Number of Wi-Fi sessions	87,806
3. Library Services strengthen and enable communities	
Number of volunteer hours	18,851
Number of active friends groups	18
Number of library visits	1,801,769
4. People, in particular the most vulnerable, are enabled to make informed choices for their health and wellbeing	
Number of attendees at Health activities in libraries	1,243
Number of attendees at Wellbeing activities in libraries	9,859
Number of Books on Prescription issues	7980
Number of Home Library Service customers	532
5. Libraries contribute to economic growth	
Participation in Glass Box activities	91 events, 449 adults, 430 children
Number of searches on online business resources	1442
Number of business providers or businesses using the Glass Box or libraries to deliver services	12
Number of Glass Box visits	15,411

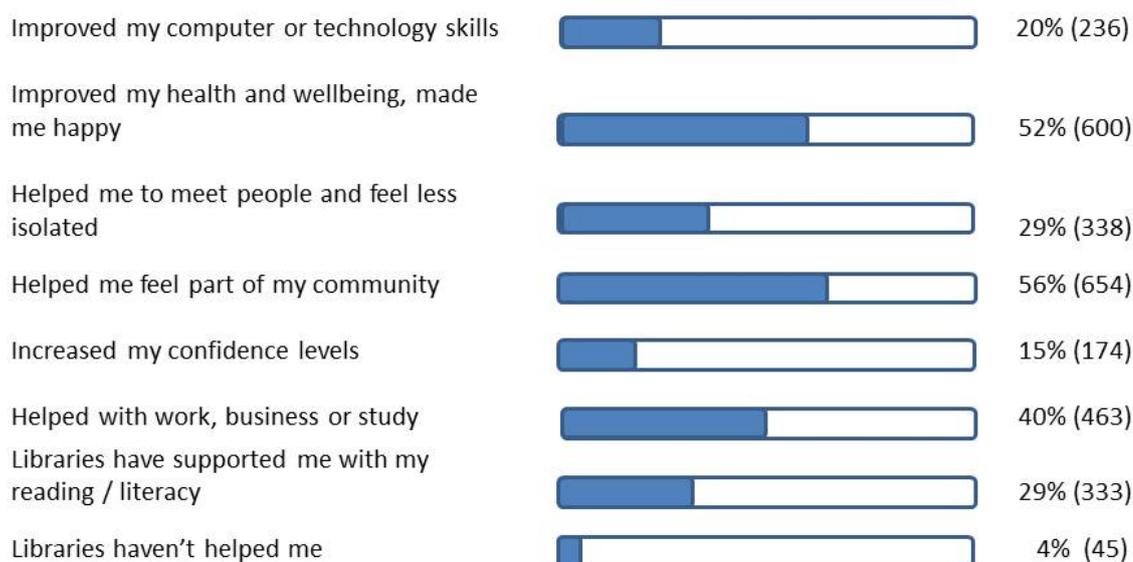
**Data only available for part year*

- 3.5.** A customer satisfaction survey was undertaken in June / July 2017, with over 1200 responses received. Results indicate that customers value the service and are overwhelmingly positive about their experience:
- 99% of respondents rated the quality of staff support as Very Helpful or Helpful (87% Very Helpful).
 - 98% of respondents said the library was Important or Very Important to them and their family (81% Very Important).
 - 90% of respondents rated the service overall as 'Excellent' or 'Very Good' (51% 'Excellent'). 9% of the remaining participants rated the service as 'Good'; only 1% of respondents rated the service as 'Poor'.

The responses to the question 'How have library services helped you?' illustrate how Somerset's Library Service has a positive impact across the range of outcomes, and how customers value this broad range of services:

How have libraries helped you?

(please tick all that apply)



The main themes emerging from the question 'how might libraries be improved?' were improving the range and selection of book stock, improving technology, and increasing opening hours. However, 112 respondents (the second largest theme) answered this question positively, e.g. by saying that they were satisfied with the service as it was, or complimenting the way the service was run at present.

3.6. Overall the development of the service in recent years has been a very positive story – in 2017, the service is far more efficient than it was five years ago and our reputation as a forward-thinking, dynamic service has grown both nationally and locally. However, as the service approaches its centenary year, there are some pressing issues which need to be addressed if we are to sustain the improvement and modernisation journey:

- The physical network of library service delivery points has not been reviewed for many years (at least 40); it is therefore not well-aligned to current need and demand for the service and delivers poor value for money in some areas. Some of our smaller libraries are much loved but are not well-used.
- The asset base of the service is in need of investment in some areas. The condition of many of our technology assets and furniture is constraining our ability to deliver across the outcomes framework, and some library buildings are in a poor condition.
- The libraries workforce is very capable and highly valued, and many staff within the service consistently deliver well above and beyond expectations. However, reductions to staffing budgets and successive expenditure freezes have reduced resilience and morale within the frontline workforce. Staff are frequently overstretched and a gap is starting to emerge between the capacity and structure of the libraries

workforce and the resources required to deliver the wider range of services and community engagement we aspire to.

4. Potential delivery models for the Library Service

- 4.1.** During the Scrutiny meeting of December 2015 Committee Members asked officers to investigate the merits of utilising alternative delivery models for the Somerset Library Service, giving specific regard to the situation in Devon where the County Council has externalised their service in the form of a Public Sector Mutual ('Libraries Unlimited'). The subsequent Cabinet decision in December 2015 set out the direction of travel for the Library Service. The investigation of alternative delivery models formed part of the Cabinet report and is one of the ECI commissioning team's stated Commissioning Intentions for 2016/17 – 2019/20. Furthermore, the Department for Digital, Culture, Media & Sport (DDCMS) is currently actively promoting the use of alternative delivery models for local authorities' Library Services.
- 4.2.** To date, only four Local Authorities have externalised their services to an alternative delivery model, all within the last six years. Evidence is limited as to the overall success of these changes to library service delivery models due to the infancy of the entities. A pre-options appraisal has been undertaken by SCC commissioners, with the support of DDCMS-funded consultants, to decide whether it was worthwhile undertaking a full options appraisal into alternative delivery models for the Library Service, or whether the risks currently outweigh the potential benefits. This appraisal is set out in Appendices 1a and 1b to this report (Appendix 1b contains commercially confidential information).
- 4.3.** Although there are a number of potential benefits of alternative delivery models, Appendix 1 concludes by stating that there are considerable doubts over the viability, feasibility and desirability of the externalising the Library Service to an alternative delivery model at this point. It recommends that that no further consideration is given to the development of a 'whole service' outsourcing or externalisation option until 2020/21. The main reasons for this recommendation are as follows:
- There is insufficient evidence currently available to show that externalising is the right thing to do in Somerset. In particular, there is no evidence to suggest that externalised library services are any more able to secure new income streams or deliver savings than internal library services, beyond a marginal potential reduction in business rates. Unlike other, previously externalised SCC services, the Library Service is likely to be dependent on council tax backed funding for many years to come. We need to put the service on a sustainable footing before externalisation can be considered as a realistic option.
 - The Library Service is highly integrated with a wide range of SCC departments and external partners, and this is an area of rapid, ongoing development. The growth in joint work between the Library Service and other SCC services is likely to be more productive and un-constrained whilst the service remains in-house.
 - Substantial one-off resources will be needed to fund specialist legal and

project support, and to address pension deficit and backlog maintenance issues. These costs materially impact on the business case for externalisation.

- 4.4.** This is not to say that externalisation or a shared service option with another Library Service is not the right solution for Somerset's Library Service in the longer term. The Cabinet Member for Resources and Economic Development will consider the pre-options appraisal in a decision scheduled for later in October. If the Cabinet Member supports the recommendations set out here, service commissioners will review the case for externalisation in 2020, by which time there is likely to be more evidence on the track record and potential benefits of alternative delivery models. In the meantime, if any specific shared service opportunities arise for the Library Service these will be considered on their own merits.

5. Library Service outcomes framework and 3 year strategy

- 5.1.** In line with the national development of Public Library Services in recent years, the purpose of Somerset's Library Service has broadened. The County Council has a statutory duty to deliver a Public Library Service. Since 2015 we have used an agreed outcomes framework to provide a more detailed set of objectives, built around the statutory purpose in order to guide service delivery. Any consideration of the strategic development of the Library Service starts with a consideration of the outcomes framework.

We propose to retain the outcomes framework agreed in December 2015, slightly amended, with the addition of a further outcome specifically supporting Children and Young People aligned with Somerset's Children and Young People's Plan. The proposed outcomes framework is set out in full in Appendix 2. In summary:

- Outcomes 1 and 2 (reading and digital literacy) are commissioned by the Community Infrastructure commissioning team and are focused on delivering the modern expectations of a 'comprehensive and efficient' Library Service, as well as recognising the lead role the Library Service plays in digital inclusion, supporting the Council's digital strategy.
 - Outcome 3 (supporting communities) plays a core role in the Council's ambition to develop stronger, more resilient communities and to deliver services through different 'hub' models, as well as recognising the key role that libraries play in combating social isolation and bringing people together within localities or through communities of interest.
 - Outcomes 4 (health & wellbeing), 5 (economic development) and 6 (new - supporting children & families) support wider council objectives and are aligned to key commissioning intentions and service plans in Adults, Public Health, Economic Development and Children's Services. They draw on a number of the core Public Library 'offers' developed nationally.
- 5.2.** This is an ambitious approach given the operational challenges set out in paragraph 3.6 of this report, and the financial challenges to come. However,

we believe that to deliver value commensurate with significant ongoing revenue expenditure funding, and to remain relevant as we approach the centenary year of the service, Somerset Libraries should remain a dynamic service directly supporting wider County Council and partner objectives. Scrutiny Committee are invited to consider and comment on the proposed outcomes framework: are these the right things to be asking our Library Service to achieve over the next few years?

- 5.3.** The Government has significantly reduced the levels of funding for Local Authorities and the Council faces on-going challenges in developing a balanced budget for its Medium Term Financial Plan (MTFP). To ensure the Council has a sustainable future, all services (including the Library Service) need to consider efficiency and cost reduction options.
- 5.4.** Working with the finance service, officers have developed an estimated budget profile for the Library Service over the next three years, set out here as a forecast reduction in the net budget available to the service:

	2017/18 (£'000)	2018/19 (£'000)	2019/20 (£'000)	2020/21 (£'000)
<i>Estimated service budget for the year:</i>	3,890	3,690	3,560	3,570

After accounting for the absorption of inflation (likely to be unfunded in the 2018/19 budget, in line with corporate financial planning assumptions) the service is likely to have to deliver a real terms cost reduction of around £500,000 over the next three years. This cumulative level of reduction, whilst challenging, is at a lower level per annum than the service has delivered in recent years.

- 5.5.** The estimated budget reduction set out above is only an estimate at this stage. No decisions have been made on budget reductions; indeed, final decisions will only be taken after specific proposals have been developed and consulted on, and impacts have been assessed and considered. The budget reduction has been modelled as a first step in determining what sort of Library Service the County Council can afford; taking this into account will inform the development of a strategy, the evaluation of impact, and the development of proposals to meet assessed need whilst reducing cost. In due course, this iterative process will enable decision-makers to weigh up these various factors in order to form a judgment on the allocation of diminished resources.
- 5.6.** The level of financial challenge envisaged is significant. However, the likely budget available to the service at the end of the financial planning horizon will be sufficient to fund an ambitious level of service delivery. The service is therefore proposing to retain its existing vision statement:

Somerset Libraries are a dynamic, evolving and integral part of the community that open up a world of opportunities for reading, understanding and discovery.

5.7. In order to continue to deliver a thriving Library Service and a broad range of outcomes within a reducing affordability envelope, a long term, strategic approach to service re-design is required. We are proposing to maintain the current, modernising direction of travel. We will also aim to address the most critical investment needs whilst re-designing aspects of the service to make it more sustainable, putting Somerset Libraries on a more secure financial footing in the longer term. The proposed approach is summarised below:

1. **We propose to continue to offer and develop a broad spectrum of services focused on delivering a range of outcomes.** This is necessary to maximise the support the Library Service provides to a wide range of service users, including vulnerable people and certain groups with protected characteristics. To achieve this we will build on the existing delivery of economic development, health and wellbeing, reading and digital inclusion outcomes, as well as exploring new opportunities to support wider health outcomes. We will engage with the Sustainability and Transformation Programme team, and extend and develop our current offer to Children and Young People. This work will be resourced through the existing libraries development team and frontline workforce (working closely with partners, volunteers and communities), utilising external funding where appropriate and available.
2. **We propose to review and re-design the libraries network, seeking community solutions where possible to sustain library provision and maximise value for money and service effectiveness across the network.** This is necessary to improve value for money in some of our less well-used libraries, and to ensure the service is sustainable within a diminishing resource envelope. To achieve this we will work with stakeholders to develop the criteria we will use to analyse need, access and demand in each area. We will also consult with communities and stakeholder groups to re-determine the statutory 'comprehensive and efficient' library network and the funding provided beyond that network. We will work with other council programmes and communities to improve the utilisation of library buildings, co-locating and integrating with other services wherever possible and appropriate to share premises and staff costs. Where funding might be withdrawn or reduced to individual libraries, we will work with community groups to consider transferring assets to community management where appetite exists. In parallel, we will develop outreach service delivery models to improve the delivery of outcomes in areas where we are not addressing need through the current network – moving beyond the traditional focus on library buildings towards a more holistic and innovative model of library service delivery. This objective will be developed and informed by an extensive process of engaging with stakeholder groups and consulting with the public and communities. We will also assess and evaluate the impact of potential changes on staff and service users, including those with characteristics that are protected under the Equality Act.

3. **We propose to review the roles of our frontline library workforce, including reviewing the use of volunteers, which may lead to a workforce re-structure.** This is necessary to enable the service to reach its potential, to address current service resilience issues, and to recognise that the role of our frontline workforce is changing. Volunteers already play a significant role in our service delivery. Making better use of volunteers will ensure that the Library Service has a more vibrant and sustainable future – for example, by working with volunteers and communities, we aim to reverse the decline in library opening hours. Across the service, any use of volunteer resource will be supported by skilled staff who will focus on higher level tasks such as the co-ordination of volunteers, developing links with partners and the delivery of activity programmes – both within libraries and through outreach services. Most of our libraries are likely to retain a predominantly paid workforce, with volunteers providing ‘added value’ activities as they do now and enabling our paid workforce to make the most of their skills, delivering more to our customers. Again, we will assess and evaluate the impact of potential changes on staff and service users, including those with protected characteristics. We will work closely with our staff and unions in developing this objective, with full consultation at appropriate stages.

4. **Invest in and develop technology infrastructure in libraries.** This is necessary because some of our technology is reaching the end of its normal life. Improved technology will also improve the productivity of our workforce. Good quality digital access and self-serve RFID technologies are fundamental to our current operations, and are also core to our continuing role in delivering digital inclusion outcomes. We will also pilot technology solutions that could extend opening hours, and enable greater community use of library buildings. This objective represents a significant investment in the Library Service, much of which is funded through current capital investment budgets – where funding has not currently been allocated, we will develop business cases and bids for further investment. Where changes are made to existing technologies used in service delivery, we will consider the implications for service users and staff, including those with protected characteristics.

5.8. The proposed strategy set out above has been developed in the context of likely budget reductions, having due regard (in accordance with the County Council’s Public Sector Equality Duty) to any potential impact on staff, current users and potential users of the service. An initial, high level Equalities Impact Assessment (EIA) is attached as Appendix 3 to this report; at this early stage, impacts set out within this assessment are based on a general consideration of changes to a library service. This is to make sure we understand what the impact of changes could be; the EIA appended to this report will be re-assessed and reviewed as the strategy develops and more specific proposals are considered.

- 5.9.** In considering and commenting on the proposed strategy, Scrutiny Committee is also asked to consider and comment on the potential impacts of this strategy on groups with protected characteristics, as set out in high-level terms in Appendix 3. The views of Committee will be presented to the Cabinet Member for Resources and Economic Development, who will be asked to take a Key Decision on the strategy later in October.
- 5.10.** If the Cabinet Member endorses the strategy set out above, the project will be taken forward as follows:
- Informal engagement with staff and stakeholders will continue through October and into November 2017.
 - Feedback will inform the development of a comprehensive needs assessment, as well as the further development of the Equalities Impact Assessment attached to this report. Staff and stakeholder views will also shape proposals for workforce re-design and potential volunteer roles.
 - The needs assessment and EIA will be used to develop specific proposals for each of our current libraries, as well as a proposed overarching plan for the delivery of Library Services in Somerset (which will include outreach services). In parallel, we will also develop detailed proposals for the restructure of the frontline workforce and potential volunteer roles. We envisage that these proposals will be finalised during November or December 2017.
 - We will consult thoroughly (with staff, customers, Somerset residents and stakeholder and community groups) on all of these proposals. Results of the consultation will be analysed, and proposals will be reviewed in the light of this analysis and changed where appropriate. The consultation results will also be used to further refine and develop our needs assessment and EIA.

Scrutiny Committee will receive a further update and opportunity to comment on specific proposals after the consultation phase, prior to a final decision (likely to be in February or March 2018).

6. Background papers

6.1. The following background papers are attached to this report:

1. Appendix 1a – Appraisal of alternative delivery model options
2. Appendix 1b – Appraisal of alternative delivery model options (commercially confidential)
3. Appendix 2 – Proposed outcomes framework
4. Appendix 3 – Equalities Impact Assessment

6.2. Further background papers are available on the Somerset County Council website:

1. Reports to Scrutiny Committee (1st December 2015) and Cabinet (9th December 2015) on the future of hubs and libraries.
 2. Report to Scrutiny Committee on the future of hubs and libraries, 19th April 2016.
 3. Report to Cabinet (6th February 2017) and County Council (15th February 2017) on the Medium Term Financial Plan 2017-2020.
 4. Report to Cabinet on the Development of the 2018 – 2021 Medium Term Financial Plan, 10th July 2017.
- 6.3.** The December 2016 report “Libraries Deliver: Ambition for Public Libraries in England 2016 to 2021” by the national Libraries Taskforce (appointed by the Department for Digital, Culture, Media and Sport to develop and progress Public Library Services in England) gives a good overview of the current national policy context for Public Library Services. It can be found at:
<https://www.gov.uk/government/publications/libraries-deliver-ambition-for-public-libraries-in-england-2016-to-2021>

Note: For sight of individual background papers please contact the report author

APPENDIX 1a: ALTERNATIVE DELIVERY MODELS

Introduction

This Appendix sets out the background to 'Alternative Delivery Models' for Public Library services and presents recommendations on whether further consideration should be given to developing an alternative, whole-service delivery model for the Library Service in Somerset at this point. Alternative Delivery Models can take a number of forms including Local Authority Trading Companies (LATCos), Public Service Mutuels, Charities or Trusts, outsourced service delivery and Joint Ventures. Here, by 'Alternative Delivery Model', we mean externalisation of the whole service to a charity, mutual or trust model – externalisation through traditional outsourcing or a joint venture is not considered.

The analysis examines the potential benefits, dis-benefits, costs and viability of externalising library service delivery and considers whether an alternative model could be right for Somerset. The appraisal draws on extensive research carried out by the Community Infrastructure commissioning team on current examples of externalised library services, as well as knowledge and experience from previous Somerset County Council externalisation programmes and high-level cost modelling on pensions and property liabilities. The commissioning team have been assisted by an external consultant with previous experience of externalising Devon's Library Service (this support was externally funded by the Department for Digital, Culture, Media and Sport).

The Appendix forms two parts – part a, and part b containing commercially sensitive information.

Background and context

The Department for Digital, Culture, Media and Sport (DDCMS) is currently actively promoting the use of Alternative Delivery Models for local authorities' library services. To date, only four Local Authorities have externalised their Library Service to a social enterprise model, although there are further examples of authorities that have contracted out their Library Service to an outsourcing provider. Evidence is limited as to the overall success of these four examples due to their relative infancy.

DDCMS, in conjunction with the Cabinet Office, consider that Alternative Delivery Models can achieve financial savings, reinvigorate library services and effectively target resources to meet need and achieve better outcomes. There is also a view that externalising Library Services can provide a greater potential for income generation and greater flexibility in decision making and processes; improving agility and better positioning library services to react to changing needs.

This Appendix considers whether externalising the Library Service is likely to be the best option to:

- Enable changes required to ensure the service continues to thrive within a reducing resource envelope;
- Most effectively meet the current and future needs of the local population;

- Meet the challenge of the expectations and changing perceptions of the purpose of the service and what it delivers.

Potential Benefits of Alternative Delivery Models

Potential Financial Benefits:

- One benefit that is often cited for externalising public services is their increased ability to access external funding. There is some anecdotal evidence that externalised library services have had more success in securing grants. However, this cannot be substantiated and the review team has not identified any specific external funding stream that is only available to non-Local Authority library services. In any event, external grant-funded sources of income should not necessarily be seen as additional funds to supplement core, local authority funding; such grants are generally for a specific funded activity, and income is likely to be offset by additional cost.
- Local authorities are liable for business rates, which are a significant cost for the Library Service. Other organisational models (for example, charities) receive significant rebates on business rate liability, and this is a potential financial benefit of Alternative Delivery Models.
- Finally, there is a view that Alternative Delivery Models can offer better value for money than in-house local authority models. The only like-for-like unit cost comparison with an externalised Library Service that we have available compares Somerset County Council's in-house Library Service unit cost data with that for Suffolk County Council's externalised service (using the latest available CIPFA benchmarking data). Suffolk's costs are significantly higher per 1000 population than Somerset's; though this is a very narrow evidence base from which to draw any firm conclusions. Suffolk's premises costs are, however, significantly lower than Somerset's – which could be due to differences in business rate liability as noted above.

The transfer of financial risk or liabilities to a potential new entity could be considered to be a financial benefit; however (as noted below) it is more likely that such liabilities would fall to Somerset County Council to fund one way or another.

Other Potential Benefits:

- Flexibility of decision making, policy and process was identified as a potential benefit at a workshop held with the DDCMS-funded consultant. Externalised services are often smaller than the ceding public body, and most forms of alternative delivery model are not subject to the same rules and duties as a large County Council. This can promote less bureaucratic and more entrepreneurial, flexible ways of working; which could be a real advantage for Somerset County Council's Library Service in seeking to pursue its vision and objectives.

- Clarity of focus and purpose was also identified as a potential benefit at the workshop session. Local authorities have many different objectives, which often compete for scarce resources. All of the examples of externalised Library Services considered in this report have a narrower focus – two exclusively focus on Public Library Services. A single focus can improve the efficiency and effectiveness of organisations, as less time is spent reconciling and prioritising multiple objectives. However, the potential benefit has a converse dis-benefit for a Local Authority in that it may be less able to deliver its wider objectives through an arm’s length body that has more specific aims.
- There is some anecdotal evidence that staff can be more motivated working in a smaller, more focussed and more flexible organisation. However, this potential benefit should be considered alongside the potential anxieties that any outsourcing or externalisation exercise could create for the Library Service workforce.

Potential Dis-benefits of Alternative Delivery Models: the case for retaining an in-house model at the present time

Likely one-off costs:

- If Somerset’s Library Service externalised to a stand-alone alternative delivery model, then the new entity would almost certainly have to have a positive or, at least, a neutral balance sheet, on the date of transfer (this is a requirement, for example, of Charity Commission and Companies Act rules). If the Library Service were to externalise through a merger or outsource to an existing entity (for example, Libraries Unlimited), then that existing entity would take steps to ensure that the transfer did not have a material negative impact on its balance sheet. Because of this, ‘ceding’ parent companies are often asked to ensure that any long-term liabilities are fully funded at the point of transfer – or at least, ensure that these are offset by transferring asset values.
- Pension liabilities are a common obstacle to outsourcing or externalising local authority services. Under TUPE regulations, transferring employees’ pension rights would transfer with them to a new entity or provider. The process of transferring inherited pension assets and liabilities is likely to lead to the ‘crystallisation’ of an attributable element of Somerset County Council’s pension deficit. The funding of this attributable deficit usually forms a key negotiating point in any business transfer discussion. At the time of writing, the pension deficit attributable to the Library Service workforce stands at £1.35m – a significant liability for any entity. Some or all of this deficit would most likely have to be funded by the County Council in the course of an externalisation exercise – likely to be unaffordable.
- A similar situation exists with the property-related liabilities that could transfer to a new entity. The Somerset Library Service property estate is significant and some of our library buildings require a degree of repair and maintenance expenditure over the next few years. Again, the funding of these potential costs would be a key negotiating point in any business transfer, and the

County Council would likely have to fund at least some of the cost of bringing buildings up to a reasonable condition. Across the whole estate this could amount to as much as £1.4m.

- Any business transfer exercise – whether to a new or existing entity – represents a complex and significant project. In addition to the ‘hidden’ cost of staff time, the County Council would also have to fund specialist external costs (for example, legal fees). In previous externalisation exercises, these costs have been significant. Resourcing previous externalisation exercises has been a significant challenge – not just for the services involved, but for the County Council’s specialist back-office services. The considerable organisation effort – and associated cost – involved should not be underestimated.

Other potential Dis-benefits:

- As set out in the covering report and in Appendix 2, Somerset’s Library Service is commissioned to deliver a broad range of outcomes supporting wider corporate objectives. The service has complex and inter-dependent relationships with a number of other County Council services as well as external partners, and this is an area of rapid, ongoing development. The growth in joint work between the Library Service and other SCC services is likely to be more productive and un-constrained whilst the service remains in-house - jointly commissioning a complex range of activity, and managing multiple interfaces, is likely to be more difficult through a contractual relationship where cost and resourcing impacts need to be managed more formally. Externalising the service may also impact on the strong internal networks that exist between the library development team and a wide range of commissioning departments, which could put current innovative and collaborative joint working at risk.
- The Library Service has played an integral part in the formation and delivery of the One Public Estate and predecessor programmes, which are working to rationalise property costs and maximise outcomes by co-locating complementary services and information into ‘hub’ sites. There is still a great deal of potential to be realised through the continuation of this work – both through the continuation of co-locating other services within libraries, and the development of Library Service outreach models utilising non-library buildings. The retention of the service in-house would maintain a level of corporate control over the Library Service, providing the flexibility required to continue this work most effectively.
- More generally, any contract with an externalised body would be governed through a contract, and no matter how streamlined and efficient the contract variation process, it is very unlikely to present the flexibility that comes with an in-house service.

Viability and evidence of success

For all their encouragement to Library Authorities to consider Alternative Delivery Models, the Department for Digital, Culture, Media and Sport (DDCMS) acknowledge that there is limited evidence of longer-term success or otherwise of externalised Library Services. The DDCMS had promised to publish 'longitudinal studies' in April 2017 of the already externalised services to provide evidence and advice on the best structures, but to date these have not emerged. The commissioning team's research indicates that some of the recently externalised Library Services seem to be facing significant challenges. Further examination of some of the issues faced by these organisations can be found in confidential Appendix 1b, which contains potentially commercially sensitive information.

A lack of continued track record in delivering efficiencies and service improvements makes it difficult to assess the efficacy of the alternative library service delivery models currently being utilised and material questions remain over their durability. As such, it could be a risk to see these alternatives as a preferred way forward for the Somerset service at this point in time.

Other Considerations

- *Management skills*: the current libraries management team have many skills, but do not have a strong commercial outlook. This is not necessarily an impediment to externalisation through a merger or outsourcing to an existing alternative entity, but it would be a significant risk to the viability of any 'stand-alone' externalised model.
- *Reliance on County Council funding*: unlike other, previously externalised SCC services, the Library Service is likely to be dependent on council tax-backed funding for many years to come.
- *Sustainability*: given the probable lack of any significant alternative income streams and the estimated affordability envelope for library services over the medium term, externalising the Library Service at this point is likely to leave it very vulnerable to likely reductions in funding. We need to put the service on a sustainable footing first.
- *Desirability*: many successful externalisations are driven by a strong political or service management vision; our research consistently identified a strong consensus across stakeholder groups in favour of alternative delivery models as a critical success factor. In discussions with staff, the libraries management team, cabinet and key external stakeholder groups, there is no evidence of a strong desire to externalise at this point.

Conclusion

- There is insufficient evidence currently available to show that externalising is the right thing to do in Somerset. In particular, there is no evidence to

suggest that externalised library services are any more able to secure new income streams or deliver savings than internal library services, beyond a marginal potential reduction in business rates. Unlike other, previously externalised SCC services, the Library Service is likely to be dependent on council tax backed funding for many years to come. We need to put the service on a sustainable footing before externalisation can be considered as a realistic option.

- The Library Service is highly integrated with a wide range of SCC departments and external partners, and this is an area of rapid, ongoing development. The growth in joint work between the Library Service and other SCC services is likely to be more productive and un-constrained whilst the service remains in-house.
- Substantial one-off resources will be needed to fund specialist legal and project support, and to address pension deficit and backlog maintenance issues. These costs materially impact on the business case for externalisation.

Recommendation

It is recommended that no further consideration is given to pursuing an alternative delivery model for Somerset's Library Service until 2020, when the position should be reviewed again. However, any opportunity for joint working that arises in that period should be considered on its own merits.

APPENDIX 2: PROPOSED OUTCOMES FRAMEWORK

Outcome 1: More people enjoy a vibrant and dynamic reading experience

What this will result in:

- More people – of all ages and from all backgrounds – will enjoy reading more on their own, through groups and social activities.
- People will be inspired by what we offer and how we offer it and engage with them.
- It will support improved literacy amongst the young and contribute to efforts to improve Somerset's educational outcomes.
- Vibrant libraries will be a key part of Somerset's cultural offer.

Why does this matter?

- Reading is pleasurable and enhances people's life chances.
- Enjoying reading improves literacy and through that, educational outcomes.
- It will improve people's health and wellbeing: for example reading can help improve mental health and delay the onset of dementia.
- Reading-related activities can bring people together from across generations and diverse sections of the community and combat social isolation, particularly amongst the elderly.
- Our statutory duty is to provide a comprehensive and efficient Library Service for all persons that want to make use of it, to promote the service, and to lend books and other printed material free of charge for those that who live, work or study in Somerset.

Outcome 2: More people are enabled and inspired to make the most of the digital world

What this will result in:

- Libraries will work in partnership with others to support digital inclusion through addressing access, skills, motivation and trust.

- Libraries will lead by example through the digital services it offers its customers and the skills of our staff in helping people access digital information.
- Libraries will enable people to effectively benefit from digital information and services (both governmental and non-governmental).
- Libraries inspire people to make the most of the digital age, meet the rising expectations of a new generation, and open people's eyes to what is possible.

Why does this matter?

- We need to evolve what we do and how we do it to respond to the needs and demands of digital natives.
- It will benefit individuals and the public sector if we can raise the pace at which the number of people digitally included increases.
- We are uniquely placed to support people to become digitally included and to benefit from everything the digital world enables: this role for libraries is increasingly an expectation of a comprehensive service.
- Being digitally included can help people live independently in their own home for longer.
- Digital transactions and signposting to digital information is often more cost effective to provide: libraries have a crucial role in enabling savings across the public sector.
- Inspiring people by the possibilities the digital world updates the traditional role of public libraries and will raise aspirations.

Outcome 3: Library services strengthen and enable communities

What this will result in:

- Libraries making a meaningful contribution to the creation of thriving and resilient communities.
- Communities feeling that they have a real role in supporting and shaping how the Library Service works with them.
- Library services proportional to need and targeted to the areas, groups and individuals that need them most.
- Libraries being seen (within SCC and by our partners) as key places through which to connect with local communities.
- Communities will feel ownership of their library and feel that it enables them to make things happen within their community.
- Library services support communities of interest as well as local communities in towns and villages.

Why does this matter?

- The nature of what a library is, what it does, and how people interact with it is changing – but what is special about libraries isn't.
- People value their local library highly and see it as a key part of a thriving and resilient community.
- By working with local communities and partners we can make libraries more sustainable, and improve value for money.
- Many people identify more with their community of interest than their local community.
- Where and how we deliver Library Services will change over time, potentially including the development of community run or community supported Library Services.

Outcome 4: People, in particular the most vulnerable, are enabled to make informed choices for their health and wellbeing

What this will result in:

- People's health and wellbeing is advanced through what the Library Service offers and through what we enable through the partnerships (with associated funding) we develop.
- Libraries enable people to make informed choices to help themselves improve their health and wellbeing, but which provide particular support for those most in need (including the socially isolated and vulnerable).
- Libraries will be seen, by both customers and potential partners, as one of the key places to access trusted/assured information and government services through the way it works in partnership and as part of the Council's integrated information offer.
- Libraries will be increasingly commissioned to deliver targeted interventions to support prevention and health and wellbeing.

Why does this matter?

- Libraries are trusted, safe and creative spaces which are free to enter and open to all, providing crucial non-clinical infrastructure in the heart of many communities – for information, digital access, promotion, signposting, referrals and activities.
- By building strong strategic partnerships libraries can make a key contribution to improving health and wellbeing.
- There is an increasing demand for quality mental and physical health information.
- Libraries can make a key contribution to the preventative aspects of adult social care and health.

- Libraries have a statutory duty to provide information as may be required by persons using it.

Outcome 5: Libraries contribute to economic growth

What this will result in:

- Libraries will have a key part to play creating a more dynamic and growth focussed business population and through that encourage innovation, help raise the level of successful business start-ups and help existing businesses survive and grow.
- Libraries will provide access to business information and facilities as part of the Council's integrated approach to supporting growth.
- Libraries, working in partnership, will help people develop skills and access the labour market.
- Our Library Service will be part of an attractive inward investment offer through the way it enriches Somerset's cultural offer.

Why does this matter?

- Libraries have a key part to play in the Council's priority around economic growth through the facilities they offer within communities, the resources they provide, and the expertise of their staff in signposting people to assured information.
- Libraries provide safe and trusted space and facilities which, through working in partnership, can help people into employment.
- A strong cultural offer is a vital component of a prosperous economy – including through the indirect way in which this supports inward investment.
- Being in employment is a crucial element of people's health and well-being and supports social mobility.

Outcome 6 (new): Libraries support Children and Young People to be safe, healthy & happy; and inspire them to develop skills and be ambitious for their future.

What this will result in:

- The Library Service will promote innovation and creativity in the development of a rich offering of resources and activities for children and young people, in a safe and universal environment. Libraries will develop skills and enhance ambition in young people empowering them to be active voices in their communities.
- Children and young people will be active participants in the ongoing development of the Library Service.

- As a universal service library staff and volunteers will be trained to recognise where a child or family are starting to struggle and may have additional needs; to 'think family' and to listen to what families want.
- Libraries support children and families to develop the skills and provide them with the tools they need to manage their own health and wellbeing. They also provide a wide range of health promoting information and activity.
- Libraries provide a safe environment where children and families can form supportive communities of interest without barriers, regardless of their social and personal backgrounds, special educational needs or disabilities.
- Libraries will work in partnership with health professionals, schools, charities and other council services to support families' needs, sharing information and providing creative solutions to help children and young people to fulfil their aspirations.

Why does this matter?

- Public sector agencies can no longer afford to support the number of people in the way they once did, so a joined-up approach to building resilience in individuals, families and communities is required for those that need it the most. By aligning our Libraries and Early Help services, we will be able to make scarce resources go further to support families.
- Community resources, including libraries, help to promote health and wellbeing in local communities. National public health campaigns and other resources can be used to promote community solutions and improve outcomes for children and families in Somerset.
- We want children and young people in Somerset to enjoy good emotional wellbeing and mental health. This will reduce the need for access to more specialist services. Mental health is everyone's business.
- Somerset has a strategic vision of Achieving Excellence for All to drive aspiration and ambition for all children and young people, equipped well for achievement in life.
- Every young person will benefit from a broad range of pathways to further learning and employment, for their own achievement and for the success of the Somerset economy.

APPENDIX 3: Library Service Re-Design Project – Initial Equalities Impact Assessment

Equality Impact Assessment Form and Action Table				
<p><i>"I shall try to explain what "due regard" means and how the courts interpret it. The courts have made it clear that having due regard is more than having a cursory glance at a document before arriving at a preconceived conclusion. Due regard requires public authorities, in formulating a policy, to give equality considerations the weight which is proportionate in the circumstances, given the potential impact of the policy on equality. It is not a question of box-ticking; it requires the equality impact to be considered rigorously and with an open mind."</i></p> <p>Baroness Thornton, March 2010</p>				
What are you completing the Impact Assessment on (which policy, service, MTFP reference, cluster etc)?		Library Service Re-design Project		
Version	1	Date	14/09/2017	
Section 1 – Description of what is being impact assessed				
<p>The way people use libraries is changing, and Somerset's Library Service is undergoing a journey of change and modernisation. Over the last few years, the service has delivered over £1m of savings; in parallel re-focusing service delivery to meet a new, wider range of objectives, supporting the Council's priority outcomes:</p> <ul style="list-style-type: none"> • Children and Young People are supported through early years reading activities, skills development (Code Clubs, technology activities, volunteering opportunities) and study space with free Wifi. • We provide books on prescription and other health and wellbeing information resources, a wide range of health and wellbeing activities, and combat social isolation by bringing people together. • Through business events, access to digital making equipment and our specialist business resources collections, we support businesses to develop and thrive. <p>The service is performing well and has delivered a number of successful, innovative projects and initiatives which have gained national recognition. The Library Service is guided by its vision statement:</p> <p><i>Somerset Libraries are a dynamic, evolving and integral part of the community that open up a world of opportunities for reading, understanding and discovery.</i></p> <p>Working with the finance service, officers have developed an estimated budget profile for the Library Service over the next three years, set out here as a forecast reduction in the net budget likely to be available:</p>				
	2017/18 (£'000)	2018/19 (£'000)	2019/20 (£'000)	2020/21 (£'000)
<i>Estimated service budget for the year:</i>	3,890	3,690	3,560	3,570

In order to continue to support the County Council's wider priorities, and put the Library Service on a sustainable financial footing over the life of the current medium term financial planning cycle, a long term strategy is required. The proposed strategy to achieve the objectives and vision of the Library Service, within the likely reduction in available funding, is as follows:

- 1. To continue to offer and develop a range of services focused on delivering a range of outcomes.** To achieve this we will build on the existing delivery of economic development, health and wellbeing, reading and digital inclusion outcomes, as well as exploring new opportunities to support wider health outcomes through engagement with the Sustainability and Transformation Programme team, and extending our offer to Children and Young People.
- 2. To review and re-design the libraries network, seeking community solutions to sustain smaller libraries and maximise value for money and service effectiveness across the network.** To achieve this we will work with stakeholders to agree the criteria we will use to analyse need and demand. We will also consult with communities and stakeholder groups to re-determine the statutory 'comprehensive and efficient' library network and the funding provided beyond that network. We will work with other council programmes and communities to improve the utilisation of library buildings, co-locating and integrating with other services wherever possible and appropriate to share premises and staff costs. Where funding may be withdrawn or reduced to individual libraries, we will work with community groups to consider transferring assets to community management where appetite exists. In parallel, we will develop outreach service delivery models to improve the delivery of outcomes in areas where we are not addressing need through the current network – moving beyond the traditional focus on library buildings towards a more holistic and innovative model of Library Service delivery.
- 3. To implement a workforce development plan and associated re-structure of the frontline workforce, including greater utilisation of volunteers.** Across the funded network, the use of volunteer resource will be supplemented by skilled staff who will focus on supervisory and co-ordination tasks, and the delivery of activity programmes – both within libraries and through outreach services. Our larger / busier libraries are likely to retain a predominantly paid workforce, with volunteers providing 'added value' activities as they do now.
- 4. Invest in and develop technology infrastructure in libraries.** This objective represents a significant investment in the Library Service, much of which is funded through current capital investment budgets. We will also pilot technology solutions that could extend opening hours, and enable greater community use of library buildings.

This assessment considers the potential impacts of the likely reduction in funding, and the proposed service re-design strategy at this time. The Equalities Impact Assessment will need to evolve as the strategy develops and as more detail is known about the likely impacts.

Somerset's libraries service is predominantly delivered through 34 static libraries, a mobile service, and the Home Library Service. The service is a universal one, however certain activities are targeted towards specific groups - for example, people with long term health issues, children and young people, people being cared for in their own

homes.

The library network is dispersed geographically around Somerset with libraries in all large towns, together with many in market towns and in several smaller settlements.

The Council has a statutory duty to provide a '*comprehensive and efficient library service for all persons desiring to make use thereof*' under the 1964 Public Libraries & Museums Act.

Section 2A – People or communities that could be affected

People use the Library Service for many things. Whilst the majority of service users are library members, and use their membership cards to access lending and People's Network services, there are other groups of users who come to our libraries to browse newspapers, attend an event or activity, use the Wifi service, or many other things.

In 2016/17 there were:

- 74,486 active borrowers;
- 1.8 million visits across all libraries;
- 2,057,837 items issued;
- 139,922 hours of People's Network usage;
- 87,806 log-ons onto library Wifi networks.

When registering for a library card, library members are asked to complete some personal details. The questions are not compulsory, and some customers decline to answer certain questions. However, we are able to get a reasonable sense of the types of people or communities who could be affected by the changes described in section 1 by analysing responses to these questions. In the following tables, 'Active Library Members' means a library service user who has carried out a transaction with their library card over the previous 12 months, and who answered the relevant question when they joined the library. Where comparable (or nearly comparable), the proportion of Active Library Members belonging to a certain group has been compared to the proportion of the Somerset population belonging to that group, in order to get a sense of which groups are more likely to be library users. Somerset population figures are taken from the 2011 census.

Table 1: % of active library members and Somerset population in certain age ranges:

Age range	% Active library members	Age range	% of Somerset population as a whole
0-4	6.8%	0-4	5.4%
5-11	12.9%	5-9	5.2%
12-17	4.8%	10-15	7.2%
18-64	52.2%	16-64	61.1%
65+	23.3%	65+	21.1%

Table 1 indicates that children and older people may be more likely to be affected by changes to Library Services, because these groups are more likely to use libraries than other groups. The total number of active library members broken down in the table above is 156,289.

Table 2: % of active library members and Somerset population by gender:

Sex	% Active library members	% of Somerset population as a whole
Female	61.67%	51.20%
Male	38.13%	48.80%
Prefer not to say	0.19%	-

Table 2 indicates that females may be more likely to be affected by changes to Library Services, because a higher proportion of library users are female. The total number of active library members broken down in the table above is 156,564.

Table 3: % of active library members and Somerset population by ethnicity:

Ethnicity	% Active library members who registered ethnicity	% of Somerset population as a whole
Black & Minority ethnic groups	3.48%	2.02%
White British	91.34%	94.64%
White Irish, Gypsy or Irish Traveller, Any other White	5.18%	3.34%

Table 3 indicates that Black & Minority ethnic groups, and non-British white groups, may be more likely to be affected by changes to Library Services than White British people, because these groups are more likely to use libraries than White British people. The total number of active library members broken down in the table above is 113,957. The ethnicity of a further 40,814 active library members is unknown because these members have either declined to answer the question or have not registered their ethnicity.

Table 4: % of active library members registering a disability (of active library users who answered this question), and 2011 census responses on disability / long term health problems:

Disability status	% Active library members
Disabled	5%
Non-disabled	95%

Disability / long term health problem status (2011 census response)	% of Somerset population as a whole
Long term health problem or disabled	19%*
No long term health problem or disability identified	81%

* People whose day-to-day activities are limited because of a long-term health problem or disability.

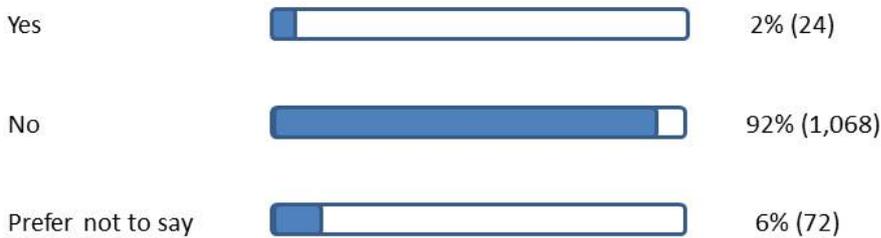
The total number of active library members broken down in the table above is 117,904. A further 17,401 active library members declined to answer this question, and we have no comparable records for the remaining group of around 20,000 active library members.

To support the development of the strategy set out in section 1 above, we have carried out a significant exercise mapping (anonymously) the home addresses of our active library members. The results of this exercise give an indication of the number of active library users living in more rural parts of Somerset. We have been unable to summarise this data here as it is mapped across over 1800 statistical output areas across Somerset; work to develop this dataset continues at the time of writing and will be used to form an understanding of the rural / urban balance of our customer base. In the meantime, further details of the mapping data are available on request from the author.

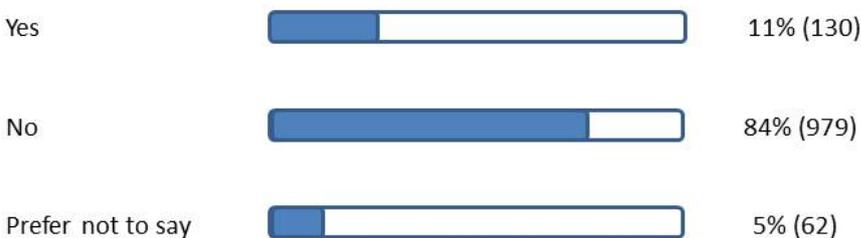
We do not collate any data on the income levels for library customers, however our judgement is that those with low incomes are more likely to use the Library Service. We know from the day-to-day experiences of our frontline staff that many homeless people use Somerset libraries; people on low incomes are also more likely to utilise free-at-the-point-of-use borrowing or internet access facilities as an alternative to more expensive purchasing of reading material or computers / internet access at home. Increasingly under the new Universal Credit benefit procedures, people on income-related benefits are using the library to apply for jobs and engage in learning.

Because of the nature of our universal, free at the point of use service, we have very little data on service users who are not library members. The service carried out a customer survey, open to all library users and non-library users, in June / July 2017. Over 1200 people responded to the survey, and a summary of responses to questions on certain protected characteristics is shown below:

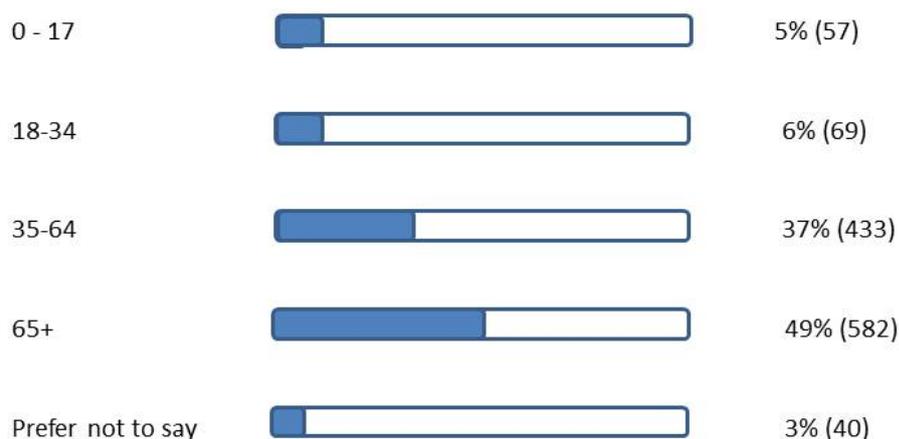
Do you consider yourself to be from a minority background?



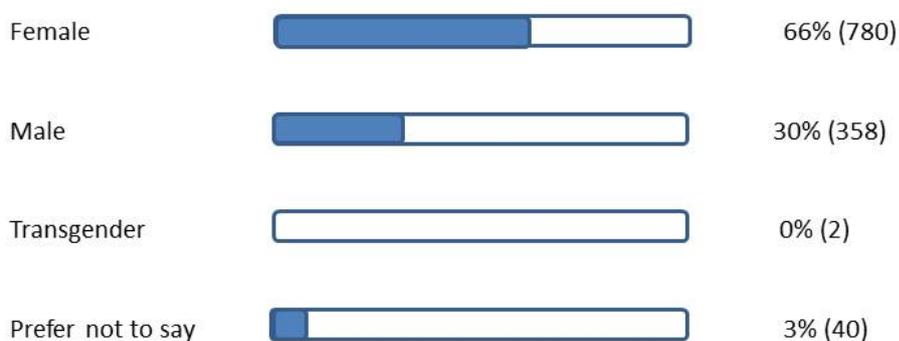
Do you consider yourself to have a disability?



What is your age?



What is your gender?



As with the data on active library users, responses to the recent customer satisfaction exercise would indicate that groups with certain protected characteristics (women and older people) are more likely to be affected by changes to Library Services. This data would also seem to suggest that a relatively higher proportion of Library Service users are disabled people, although this could be due to the higher rate of responses amongst elderly people.

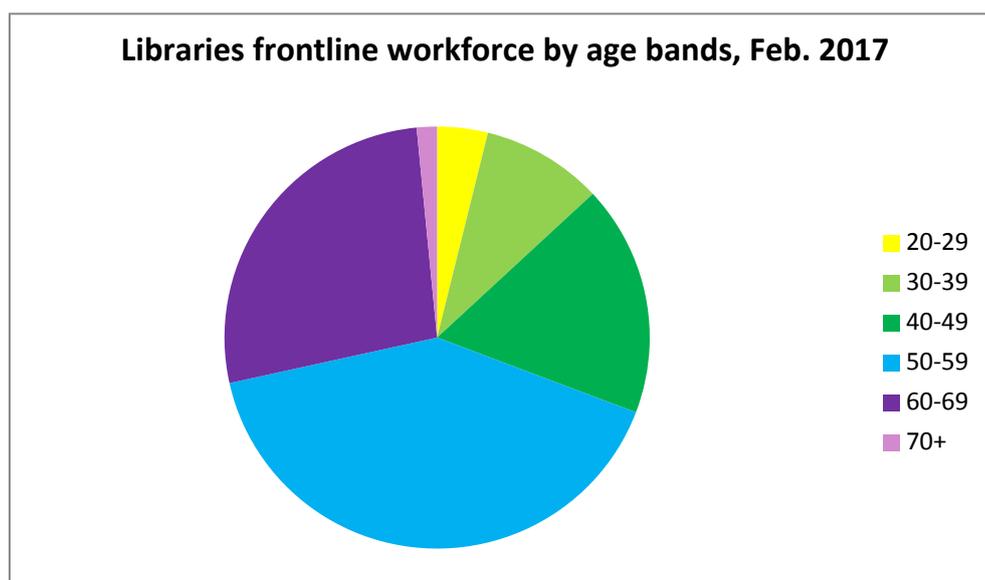
A very wide range of community groups use library premises for their activities, and many of these groups share protected characteristics. The Library Service also runs a further wide range of activities and events across the network. Some of these activities - such as the University of the 3rd Age, 'Knit and Natter' and 'Feel better with a book' groups tend to be utilised by older people; other activities (such as homework clubs, code clubs, lego clubs) tend to be focussed on children. Other activities and services are used by other groups sharing protected characteristics – for example, baby rhyme time sessions are very frequently used by people on maternity leave; the 'conversation café' service which brings together English and non-English speakers to develop language skills is heavily used by ethnic minority groups; some of our specialist health collections are used by people with long term physical or mental health conditions. 539 customers are supported to use Library Services from their own homes/residential homes through the Home Library Service; the majority of this group are elderly and all have some sort of mobility restriction or long-term health condition.

Section 2B – People who are **delivering** the policy or service

The service is provided by in-house staff in a range of management, back-office and frontline (library & information assistant) roles. The service also draws upon hundreds of volunteers directly recruited to work within individual libraries and also through the Royal Voluntary Service (RVS) outreach service to housebound customers. The group of staff most likely to be impacted by the strategy proposed in section 1 above are the frontline workforce.

As at February 2017, the various proportions of our frontline workforce (Library and Information Assistants & Supervisors – a group of around 130 people) sharing certain relevant protected characteristics were as follows:

- 91% are female; 9% are Male.
- 88% describe themselves as belonging to the 'white british' ethnic group; 2% belonging to the 'white: any other white background' ethnic group; with the remainder (10%) preferring not to respond to this question.
- 89% said that they did not have a disability, with the remaining 11% not responding to this question.
- 69% are aged over 50. The pie chart below shows the age distribution of the frontline workforce:



Furthermore, Library and Information Assistants are paid at one of the Council's lowest pay scale bands and often work part time. We do not hold any information about total household income for our workforce, but it is likely that many frontline staff have lower than average levels of income.

This analysis of staff delivering the service indicates that women, older working age people and those on lower incomes may be more likely to be affected by changes to Library Services, because the vast majority of our frontline workforce are likely to have one or more of these protected characteristics.

Section 3 – Evidence and data used for the assessment (Attach documents where appropriate)

At this early stage we have focused on gathering the evidence and data set out in section 2 above; this gives an indication of who is using libraries, and what proportions of our

workforce share relevant protected characteristics. Going forward, we will be developing the evidence base to support the development of the high level strategy proposed at this stage, and to inform specific proposals and decisions. Four main areas of evidence and data will form the focus of this work:

1. Evidence from engagement and consultation exercises.

An engagement exercise with local communities, library friends groups and library staff will commence very shortly. Later on in the project we will be carrying out a full consultation exercise involving communities, library users, staff and a range of other stakeholder groups. Information gathered from these exercises will be used to inform further iterations of the assessment, as well as the development of proposals and mitigating measures.

2. Further analysis of equalities data & evidence from staff engagement and consultation.

The data set out in section 2 above can be further analysed to indicate the proportion of groups sharing protected characteristics who have registered / used particular libraries, which we hope will give a more 'granular' level of evidence on the various characteristics of the Library Service customer base. We expect to use this information, together with more subjective information on the protected characteristics of customers of various libraries gathered through engagement and consultation exercises with our staff, to inform further iterations of this assessment.

3. Needs assessment

The review and re-design of the Library Service network will be informed by a comprehensive needs assessment exercise, which will analyse the level of need for Library Services in different areas of Somerset. This exercise will provide an evidence base for assessing the impact of proposals on certain protected characteristics: census and other data will be used to analyse the population of library catchment areas. The methodology and data to be used is still being developed at the time of writing, but it is likely that we will draw upon the following datasets (amongst others less relevant to the consideration of protected characteristics):

- Elderly population
- Population of children
- Health deprivation
- Income deprivation, employment rate

Whilst rurality may not be considered as a factor within the needs assessment, we are likely to be able to map 'access to services' deprivation (a measure of rurality) at catchment and sub-catchment level, and this may also be used (in addition to the datasets listed above) within further iterations of this impact assessment.

Assessing the level of these needs in particular library catchments is likely to give us more information about the likely impact of changes on people within certain age groups, those with a long term health condition, people with lower household incomes, and those who live in rural areas.

4. Analysis of ease of access to alternative locations.

As with the needs assessment data referred to in (3) above, the review and re-design of the library network will also be informed by an analysis of access levels to alternative libraries. Access will be considered by reviewing driving time, public transport access, and (if possible) other proxy factors such as car ownership levels in certain catchment areas. The data collated and analysed as part of this exercise will also be used to inform an assessment of the impact of proposed changes on certain groups sharing protected characteristics – for example, elderly and disabled groups who are less likely to have access to a car, and those living in rural areas.

Section 4 – Conclusions drawn about the equalities impact (positive or negative) of the proposed change or new service/policy:

The results of this initial assessment indicate a wide range of potential impacts across protected characteristics that could result from the Library Service Re-design Project. At this stage, with only high level strategic objectives (as well as an estimated budget reduction) identified, and no specific proposals developed, it is difficult to evaluate equalities impacts with any degree of detail. In light of this, we have given an initial consideration of those protected characteristics that could be affected by a change in the delivery of the Library Service. At the moment this is a broad consideration that will be used to inform the direction of the project, the questions we ask as part of the consultation and the specific tasks that are taken forward. As the project progresses these will change and become more specific to the proposals that are being identified.

A number of specific potential impacts are set out in the action plan table below. This section provides a high level summary of the potential equalities impact of the project.

There is good evidence that people with the protected characteristics of Age (younger children and elderly people), Gender (females) and Race (Black and Ethnic Minority Groups, non-British White groups) are more likely to use Library Services, and some evidence that people with the protected characteristics of Pregnancy / Maternity and Low Income are also more likely to use Library Services. This in itself means that these groups are likely to be more affected by any change to Library Services. Impacts of the strategy proposed at this stage are likely to be positive and negative for these groups:

- Potential positive impacts include improved technology through investment in new hardware and software; improved library opening hours through a greater use of volunteers and through communities supporting libraries; a wider range of services provided as a result of restructuring the workforce; a greater use of volunteers, releasing capacity for frontline library staff to be more effective.
- The likely reduction in funding to Library Services may potentially have some negative impacts. Whilst hopefully making Library Services more sustainable, a greater reliance on volunteers or community support could diminish the quality of some aspects of the Library Service in some areas. We hope that communities will come forward to support libraries in all areas but we have to be realistic about the prospect that Somerset County Council could be operating fewer library buildings in the future. The project will work to mitigate these impacts as far as possible.

Libraries in smaller, more rural communities tend to be less well-used than others, and many have lower levels of certain categories of need. People with the protected characteristic of rurality are potentially more likely to be impacted by the review and re-design of the libraries network, although this should be balanced by the potential positive impact of improved opening hours and a more vibrant and sustainable future for some of

our more rural libraries, where local community support enables this.

In the event that the council operates fewer library buildings as a result of implementing this strategy, some people may need to travel further to access Library Services. This can have a disproportionate impact on elderly people, disabled people, and people with the protected characteristic of maternity. These groups are less likely to drive, and may find it more difficult to access alternative Library Services.

For some people with protected characteristics (some people with disabilities, some elderly people, some transgender people, some people from minority ethnic groups, some bisexual or homosexual people), changes to much-valued services can create a heightened state of anxiety that directly relates to a protected characteristic. Changes in the location of services, technology platforms, staff, or the introduction of new volunteer roles or community-supported libraries, could all impact on these groups.

Finally, the majority of staff who are likely to be affected by the changes are likely to be female, or over 50, or have lower than average incomes (or they may have a combination of these protected characteristics). Again, impacts of the strategy proposed at this stage are likely to be positive and negative for these groups:

- Potential positive impacts include lower levels of work-related stress as improved capacity could be delivered by an increase in the use of volunteers and / or by support from community groups. New job roles are likely to be more enriching, and could be better paid.
- Potential negative impacts include anxiety and stress related to potential workforce changes. Some affected staff could lose their jobs if the county council ends up running fewer library buildings.

If you have identified any negative impacts you will need to consider how these can be mitigated to either reduce or remove them. In the table below let us know what mitigation you will take. (Please add rows where needed)

Identified issue drawn from your conclusions	Actions needed – can you mitigate the impacts? If you can how will you mitigate the impacts?	Who is responsible for the actions? When will the action be completed?	How will it be monitored? What is the expected outcome from the action?
<p>Age</p> <p>Although people of all age groups use libraries, a higher proportion of library service users are older people or younger children than is the case for the proportion of these groups in the population as a whole. This being the case, any change which led to a reduction of local library services or service levels could indirectly discriminate against the elderly and younger children. A significantly higher proportion of frontline library staff are over 50, and there is a similar risk of indirect discrimination against staff with this protected characteristic.</p> <p>Other, more specific potential issues include:</p> <ul style="list-style-type: none"> • Changes to the physical library network and/or to how and where services are delivered may make it more difficult for elderly people to access services, as they are more likely to rely on public transport, and less able to walk longer distances. • Changes to technology used in library service delivery may create a level of anxiety, or be perceived as a reduction in service, by elderly people, some of whom may be less comfortable using technology. • Any reduction in staff could affect those aged over 50 more as this group may find it more difficult to find alternative employment. 	<p>Ensure that the needs of older adults and children are analysed and used to inform specific proposals for consultation, and that consultation effectively engages with these groups.</p> <p>Ensure that the assessment of access to alternative libraries takes account of public transport.</p> <p>Assess the impact of new technologies before deployment.</p> <p>Support staff at risk through re-deployment opportunities and access to support services.</p>	<p>Library Service Re-design Project Board</p>	<p>Recommendations have clear reference to assessed need and show how impacts to those likely to be most affected are mitigated. Any changes to service provision meet the assessed needs of the elderly and of children.</p> <p>Any changes to service provision maintain reasonable access to library services for a reasonable majority of the population, considering the needs of those who are unable to drive. Staff are supported as far as possible through</p>

<p>One potential positive impact on this protected characteristic is that by improving the capacity of the workforce to provide a better range of services, increasing opening hours through the use of volunteers or technology, and the improving the performance and reliability of technology, we may be able to develop a more attractive offer for the 'young adults' demographic, who are currently under-represented within the population of library users.</p>			<p>workforce changes.</p>
<p>Disability</p>			
<p>Re-designing the Library Service, including potential changes to where services are provided, could have a negative impact upon people with physical or learning disabilities in the following ways:</p> <ul style="list-style-type: none"> • physical ability to access services on offer, either due to the location/building itself or an increased need to travel; • the ability to understand communications on how services have changed, potentially leading to a situation where they aren't accessed by those who could benefit. A lack of ability to ensure understanding and adaptation to the new service being provided could cause anxiety and have other mental health and wellbeing impacts; • changes or reductions to the services could mean people who experience sensory loss have less access or provision of a range of non-print formats e.g. braille books, spoken word material, online and other resources (although at this stage we do not anticipate any significant changes to the type and range of borrowing material available, changes to service delivery points could impact on people with sensory loss in certain specific locations). People who experience sensory loss may find it more difficult to access alternative web-based / digital delivery of Library Services. 	<p>Ensure that the needs of disabled people are understood and used to inform specific proposals, by ensuring that consultation effectively engages with this group. Ensure that the assessment of access to alternative libraries takes account of public transport and disabled access to buildings. Ensure that the re-designed service is effectively promoted to people with disabilities.</p>	<p>Library Service Re-design Project Board</p>	<p>Any changes to service provision maintain reasonable access to library services for a reasonable majority of the population, considering the needs of those who are unable to drive or who have difficulty walking.</p> <p>Library Services are delivered in locations which are fully accessible to disabled people. The specific needs of people with sensory loss are effectively met.</p>

Gender Reassignment			
For persons with this protected characteristic, any significant change to the location or staffing of a library may cause heightened anxiety, because societal responses to gender reassignment may increase nervousness of change.	Ensure that proposed changes are communicated effectively in advance.	Library Service Re-design Project Board	
Marriage and Civil Partnership			
No impacts identified at this stage.			
Pregnancy and Maternity			
<p>A large number of parents with very young children use library services targeted at babies. This being the case, any change which led to a reduction or diminution of local library services could indirectly discriminate against people with this protected characteristic.</p> <p>Changes to the physical network and/or to how and where services are delivered may mean parents with young families could find it more difficult to travel to alternative library services, perhaps because they do not have access to a second car, or because household income is lower.</p> <p>Staff who are on maternity leave during any restructuring exercise may feel more vulnerable because they are away from the office; they may not become involved in any staff consultation exercise and may feel less well supported.</p> <p>More positively, additional capacity provided by a potential increase in the use of volunteers could enable the Library Service to improve the range of services offered to parents of young children.</p>	<p>Ensure that the assessment of access to alternative libraries takes account of public transport.</p> <p>Ensure that the re-designed service is effectively promoted to people with very young children.</p> <p>Ensure that staff who are on maternity leave are effectively communicated with and supported throughout any workforce changes, including engaging these staff in any consultation exercises.</p>	Library Service Re-design Project Board	<p>Any changes to service provision maintain reasonable access to library services for a reasonable majority of the population, considering the needs of those who may find it more difficult to travel.</p> <p>Staff who are on maternity leave are effectively supported and engaged in any workforce changes.</p>

Race (including ethnicity or national origin, colour, nationality and Gypsies and Travellers)			
<p>Those whose first language is not English may be disadvantaged by difficulties in understanding changes proposed, difficulties in engaging in a consultation exercise and making their views heard, or difficulties in understanding any new technologies deployed.</p> <p>At this stage we do not anticipate any significant changes to the type and range of borrowing material available, including materials in foreign languages. However, this will be kept under review.</p> <p>Where communities with this protected characteristic are congregated in specific library catchments, they could be disproportionately affected (and suffer indirect discrimination) if changes are made to service provision within that catchment.</p> <p>More positively, increased capacity as a result of changes to the workforce structure and a potential increase in the use of volunteers could enable the service to develop its targeted offer to groups with this protected characteristic, for example by expanding the successful 'conversation café' for those whose first language is not English.</p>	<p>Ensure that consultation effectively engages with people whose first language is not English group.</p> <p>Assess the impact of specific proposals by evaluating whether communities with this protected characteristic are concentrated within certain library catchment areas.</p>	<p>Library Service Re-design Project Board</p>	<p>As far as possible, the Library Service continues to effectively serve Black and Ethnic Minority groups; the proportion BME library customers is not significantly impacted by changes.</p>
Religion and Belief			
<p>At this stage we do not anticipate any significant changes to the type and range of borrowing material available, including materials relating to religion or belief; however this will be kept under review.</p> <p>Where communities with this protected characteristic are congregated in specific library catchments, they could be disproportionately affected (and suffer indirect discrimination) if changes are made to service provision within that catchment.</p>	<p>Assess the impact of specific proposals by evaluating whether communities with this protected characteristic are concentrated within certain library</p>	<p>Library Service Re-design Project Board</p>	

	catchment areas.		
Sex			
<p>A higher proportion of Library Service users are women. This being the case, any change which led to a reduction or diminution of local library services could indirectly discriminate against the elderly and younger children. A significantly higher proportion of frontline library staff are women, and there is a similar risk of indirect discrimination against staff with this protected characteristic.</p> <p>Other than this general concern we do not envisage any specific impacts arising from the strategy.</p>		Library Service Re-design Project Board	
Sexual Orientation			
<p>For persons with this protected characteristic, any significant change to the location or staffing of a library may cause heightened anxiety, because societal responses to gender reassignment may increase nervousness of change.</p>	<p>Ensure that proposed changes are communicated effectively in advance.</p>	Library Service Re-design Project Board	
Other (including caring responsibilities, rurality, low income, Military Status etc)			
<p>Rurality – Libraries in smaller, more rural communities tend to be less well-used than others, and many have lower levels of certain categories of need. People with the protected characteristic of rurality are potentially more likely to be impacted by the review and re-design of the libraries network, although this should be balanced by the potential positive impact of improved opening hours and a more vibrant and sustainable future for some of our more rural libraries, where local community support enables this.</p>	<p>Ensure that the needs of those living in rural areas are analysed and used to inform specific proposals for consultation.</p> <p>Ensure that the assessment of access to alternative libraries and outreach services takes account of travel time from more rural</p>	Library Service Re-design Project Board	<p>Any changes to service provision maintain reasonable access to library services for a reasonable majority of the population, considering the needs of those who live in rural areas.</p>

	communities as well as public transport.		
<p>Low Income – There is some evidence that people with lower incomes are more likely to use the Library Service; and further evidence that people on low incomes may be more reliant on library services (for example, to access the digital world without having to fund internet access or purchase expensive computer equipment). People in receipt of universal credit are increasingly using libraries to meet the requirements of this new benefit.</p> <p>Those on lower incomes are less likely to have access to a car, or more likely to only have one car in a family. They may, therefore, be more reliant on public transport and less able to travel to access alternative library services if changes are made in their local area.</p> <p>Frontline Library staff are on lower pay scales and, whilst this does not necessarily correlate to low levels of total household income, they may feel more vulnerable to the effects of a workforce re-design process, with heightened sense of anxiety.</p> <p>More positively, increased capacity as a result of changes to the workforce structure and a potential increase in the use of volunteers could enable the service to develop its targeted offer to unemployed people or people on low incomes, for example through improved micro-business start-up support and information.</p>	<p>Ensure that the needs of people on lower incomes are understood and used to inform specific proposals, both through robust needs analysis and through effectively consultation.</p> <p>Ensure that the assessment of access to alternative libraries takes account of public transport</p>	Strategic Manager	<p>As far as possible, the library service continues to effectively serve the needs of people with low incomes.</p> <p>All staff affected by potential restructuring arrangements are effectively supported and engaged.</p>

Section 6 - How will the assessment, consultation and outcomes be published and communicated? E.g. reflected in final strategy, published. What steps are in place to review the Impact Assessment

The Equalities Impact Assessments will be published as and when they are produced to support successive scrutiny and decision reports; each will contribute towards a suite of Assessments that will provide a consistent thread from start to finish and which will demonstrate how due regard to the Council's equality duty has been made through the process.

Completed by:	Barry James / Oliver Woodhams
Date	07/09/17
Signed off by:	Oliver Woodhams
Date	21/09/17
Compliance sign off Date	21/09/17
To be reviewed by: (officer name)	Library Service Redesign Project Board
Review date:	Regular review at project board meetings