

Supplement to the agenda for

General scrutiny committee

Monday 9 April 2018

10.15 am

**The Council Chamber - The Shire Hall, St. Peter's Square,
Hereford, HR1 2HX**

Supplement 2 - Submissions	Pages
Herefordshire Museum Support Service Group	3 - 12
Joint Action For Herefordshire Libraries	13 - 16
Friends of Herefordshire Archives	17 - 18
Hereford Library User Group	19 - 24
Friends of Leintwardine Community Library	25 - 26
Friends of Master's House Ledbury	27 - 28
Ross Library Development Group	29 - 30
Unison	31 - 36

The Future of the Herefordshire Museum Service

HMSSG's Key points for HC General Scrutiny Committee 09/04/18

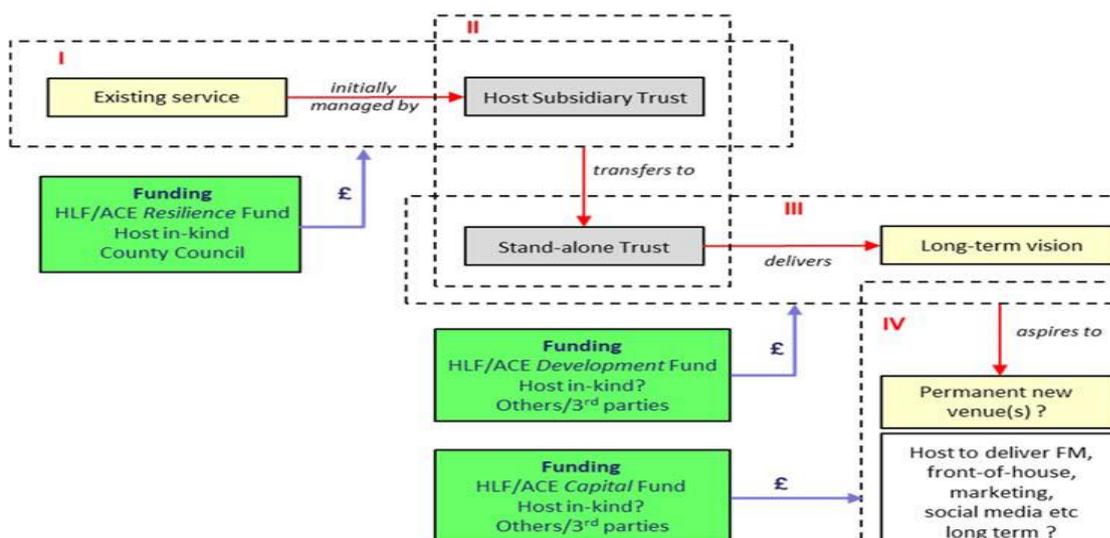
1. **HMSSG** was formed in 2015 and registered in 2017 as a Charity (CIO Association model). Our Objects are to support the maintenance and development of the entire Museum Service – Collections, Buildings, Staff's essential professional experience and skills.

2. HMSSG:

- **Recognises** the financial drivers to transfer out the Service and wants that journey to work well for all stakeholders – the people of Herefordshire now and in future, HC, visitors, and the county's cultural, heritage, educational and tourist economies
- **Underlines** the importance of a sustainable, viable future for the Service to safeguard the Collections and ensure their ongoing accessibility to Herefordshire people and others
- **Prioritises** responsible construction of a robust and appropriate governance and business model so the Museum Service can not only survive but flourish in the future.

3. **HMSSG and HC's partnership HLF-funded 'Resilient Heritage' project** engaged expert Museum Consultants Prince + Pearce to devise a resilient, sustainable future model for the Museum Service. The Report gives a detailed, staged road-map for managing withdrawal of HC funding and sets out a viable, sustainable Museum Trust business model.

Transfer Stages: Museum Service to independent, non-profit Trust (P8 of P+P Report)



Green boxes = key funding elements in the model. In the transfer from stage I (extant service) to stage II (host subsidiary trust) HC's Invest-to-Save input (for staff and other aspects) is **crucial to viability**, as discussed between Consultants and HC Directors; also it aids responsible mitigation of HC's potential legal and financial risks. HC funding input is identified as vital at this early stage, but is not part of later stages. PTO

MLA issues:

- This model is based on an expert review tailored specifically to the Museum Service. Whilst there may be synergies between some elements of MLA services, there are crucial, distinctive differences. Each Service may benefit from a similar focussed review?
- The LGA Peer Review of MLA identified this grouping as a means to save money, not as a strategy to secure the best future for each Service. A careful study of the potential wider benefits/negatives of closer working has not been undertaken.

Components and stages of the model:

- The model is holistic and coherent – parts of it cannot be successfully cherry-picked.
- The host 'subsidiary trust' stage enables timely yet careful change-management towards an eventual independent Trust. Well-designed Partnership working is a key to success.
- The Report is a goldmine of valuable expert guidance on a wide range of aspects.
- **HMSSG strongly advocates securing funding for further Museum expertise to inform and underpin the next stages for the Museum Service.**

4. Procurement and Transfer Processes

A selection of potential interested parties were invited by HC to respond to a 'Soft Market Test'. HMSSG does not view this as a reliable scoping exercise on which to base important policy decisions, but the SMT indicated support for the P+P model for the Museum Service.

HMSSG urges HC to very carefully consider crucial aspects of transfer, tender and procurement, because there is high risk that if the special nature and circumstances of the Museum Service are not clearly understood, and if specific quality issues are not addressed from the start, the model will not succeed. There are many detailed priority procurement aspects to consider. HMSSG suggests these indicative examples:

- **Avoid focus on purely financial drivers:** in this case the best partner/host is not necessarily the cheapest; the model is at risk if a cost-saving approach dominates. The priority is to **achieve a sustainable future for the Museum Service** that does justice to the Collections. (This approach will also attract more external funding support.)
- **Ensure procurement/tender/transfer processes are open and transparent**, with dialogue and shared ideas-development focussed on the best future for the Service.
- **Ensure strong commitment to quality** and to the **special local, cultural, social and economic potential** of the Museum Service: **Set out clearly and agree the quality and delivery requirements and detailed specifications**, with **penalties** for non-delivery.
- **Involve museum experts, users and professional staff in the formulation and building in of quality and good practice requirements** across the new model eg collections care, staff skill-sets, Board membership categories, development goals.

5. HMSSG sees partnership working as important to a successful outcome for the Museum Service. While appreciating this opportunity to share some issues with the Scrutiny Committee, there are many detailed further aspects to explore and to get right.



Herefordshire **Museum**
Service **Support** Group

The Future of the Herefordshire Museum Service

Key points for

⁵**Herefordshire Council's General Scrutiny Committee**

9 April 2018

**Herefordshire Museum Service Support Group
(HMSSG)**

<https://herefordshiremuseumsupport.org.uk> ¹



Registered Charity (CIO Assoc'n)

Objects: support maintenance & development of Museum Service Collections Buildings Staff

Recognises financial context/change drivers

o

Champions SUSTAINABLE & VIABLE future for MS

Advocates best future GOVERNANCE & BUSINESS model, so the MS can not only survive

But will FLOURISH in future.

HMSSG/HC partnership 2017: HLF-funded
'Resilient Heritage' Prince + *Pearce* Report Jan 2018

Road map for resilient, sustainable future **for MS.**

Partnership working is key.

Coherent – don't cherry-pick. **Expert** advice.

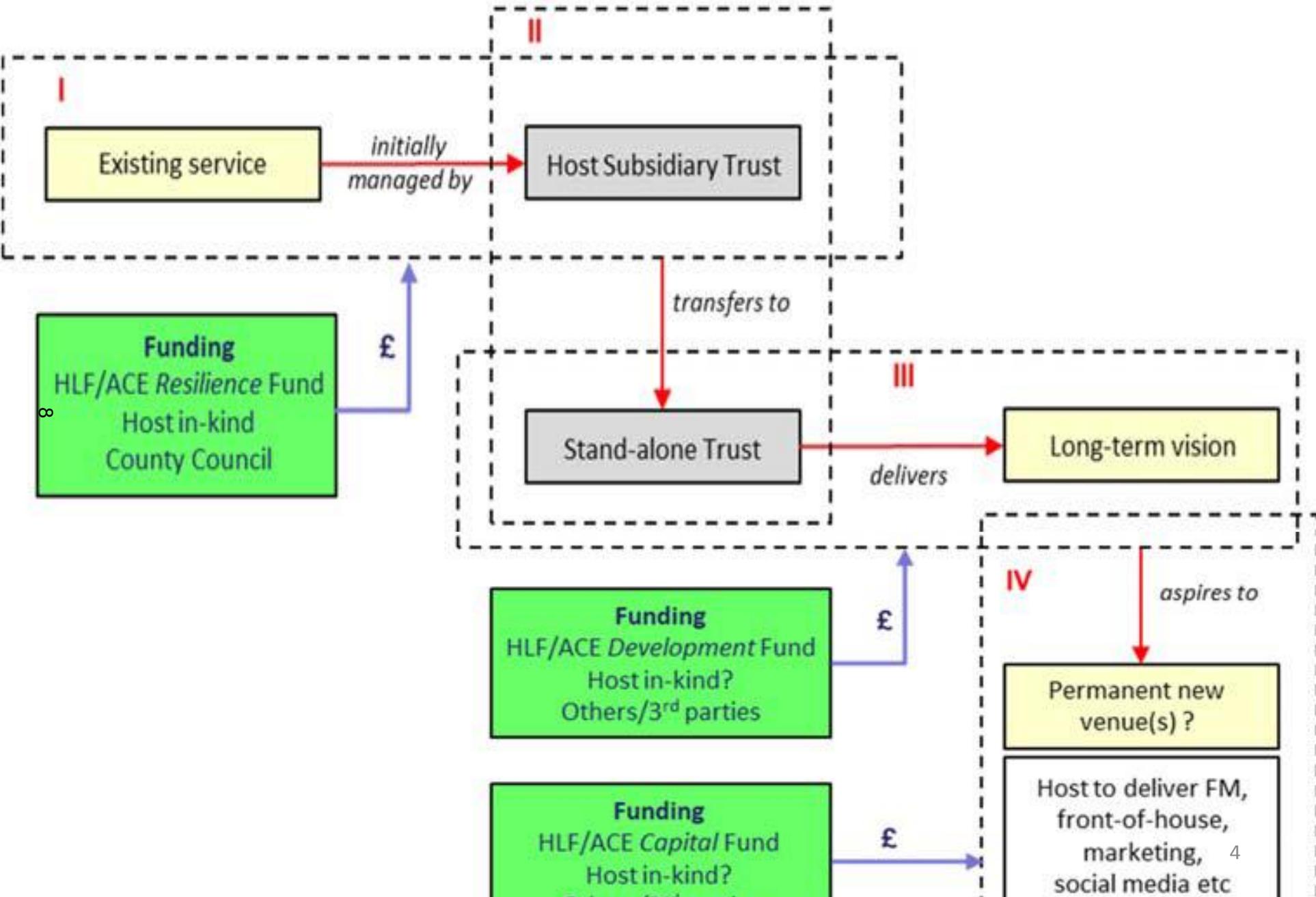
↳

Staged journey: subsidiary trust – independent trust.

Enables **structured withdrawal** of HC funding, **risk management**, and **managed transition**.

Secure further funding for **continued expert advice**.₃

The Museum Service Journey: P+P RH Report



MLA issues:

Model based on expert review of **Museum Service**

Some synergies between elements of MLA services?
But crucial, distinctive differences.

Each Service may benefit from a focussed review?

LGA Peer Review of MLA identified grouping as a means to save money, NOT as a strategy to secure the best future for each Service.

Study of potential wider benefits/negatives of closer working has not been undertaken

Some Procurement /Transfer Process Priorities

‘Soft Market Test’ – not reliable for policy decisions.
Did indicate support for the P+P model.

Avoid focus on purely financial drivers

Ensure processes are open and transparent

Insist on strong commitment to quality and special nature of Museum Service

Clarify and agree all quality and delivery specifications, with penalties for non-delivery

And finally...
continue partnership working for best outcomes

Thank You



Protecting our Heritage, Enriching our Life!

<https://herefordshiremuseumsupport.org.uk/>



Joint Action for Herefordshire Libraries

Submission to Herefordshire Council General Scrutiny Committee, 9th April 2018

Soft Market Test – Libraries, Museums and Archives: Feedback Report (pub January 2018)

1. Introduction

J AHL recognises both the need to contain costs and the efficiencies achieved by the Library Service over the last 5 years. The Service is still improving. The unique opportunities it has for economies of scale are unlikely to be available to sub contractors. This means that maintaining the service in house is always likely to be more cost effective than sub contracting to inexperienced suppliers who may be looking to make a profit. J AHL contends that keeping this service in house is both a safer and more effective way of meeting the statutory requirements of the 1964 Public Libraries Act.

As a Statutory Service, the Council would not lose its responsibilities by sub contracting. For example if there were a data breach, the Council would be responsible for the damages, which could be costly, whilst not having direct control over the system.

The Library Service is an asset to the Council and supports its four main objectives. J AHL would not support such an integral service being sub-contracted.

J AHL's detailed response to the public consultation on the report "*Soft Market Test – Museums, Libraries and Archives – Feedback Report*" is attached for reference.

2. Summary of Key Concerns

- The report contains no financial justification for sub contracting;
- There are no standards of performance indicated, and no justification to support the premise that suppliers could deliver a satisfactory service;
- The process is unclear and so far there is no Specification of Services. This increases the risk of failure;
- There has been no dialogue between the suppliers and the user groups and there is no evidence that the suppliers have any understanding of the unique nature of the individual libraries and their buildings.
- The user groups were not consulted on the scope of this exercise;
- There is no indication of cost/price/funding limits, nor is there a clear definition of the service required to meet statutory requirements. There is no indication that statutory requirements can be maintained.
- The report refers to 'zero subsidy being a challenge'. This indicates that the suppliers do not believe they can provide a cost neutral service but will need additional funding. There is no indication as to the extent, or how the Council would provide this.
- The report provides an incomplete option appraisal as it does not include retaining libraries within the council structure as an option.
- Suppliers often operate for profit. This would add an additional cost to a statutory public service. Again this supports the increased cost effectiveness of keeping this service in house.
- The three services need to be considered independently. (libraries, museums, archives)

- There is no mention of Delivered Service, Schools Service or community libraries, nor that community libraries can only function with back up from the professional librarian team.
- There is no recognition of the fact that libraries provide the only computer access for a substantial number of the population. Losing this would damage the economic well being of the community.

3. Some key points

- There has been a 40% reduction in opening hours over 10 year
- During that time staffing levels have been reduced.
- As a result the service at this time starts from a low base.
- Despite this the Library Service has remained innovative e.g. obtaining HLF money for the Master's House, project managing the Herefordshire History digitising programme, and using libraries as a venue for Children's Services and the DWP.
- The Service buys books through a consortium of West Mercia libraries gaining substantial discounts (40% +) via a library consortium. The ability to maintain the standard of book buying is key to the high value placed on the service by residents, and its overwhelming popularity.
- Other libraries around the county that have been subcontracted have had to be taken back under direct council control e.g. Croyden, Hounslow, Harrow.

4. Questions to consider in the event of exploring further the sub contract option.

- 1) Who will assess the bids? Is there sufficient expertise in the HC to do so properly?
- 2) How transparent will the process be?
- 3) What protection will there be for the employment terms of current **and future** staff?
- 4) What level of profit is HC willing to fund for the contractor?
- 5) What discussion has there been with the charity commissioners about the legality of statutory services gaining charitable status?
- 6) How will HC ensure that the services will be of a sufficiently high professional standard?
- 7) How will success or failure be measured?
- 8) If there is a successful tender, what break clauses and other safeguards will there be in the event of failure of a subcontracted service provider?
- 9) Given the cost of this process, how long does HC anticipate that it will take to recover these expenses from projected savings?

5. Background Information

The 1964 Public Libraries Act gives Councils a statutory duty to provide a comprehensive and efficient public library service. JAHl recognises that it also implies a need for the Library Service to be cost-effective, and that HC has a duty to council tax payers to ensure value for money. The Service belongs to those tax payers and they strongly support it. The Service is an integral part of the Council's four main objectives.

Currently, the service is poorly-funded. There have been big cuts, e.g. almost 40% reduction in opening hours, staff cuts, and withdrawal of all staff and at-site funding from village libraries. Despite this, the in-house team have continued to be innovative and ensure that the book stock is maintained, through buying at substantial discount.

Outsourcing the library service would be a fundamentally flawed approach. The loss of the economies of scale available to the current Service would offer poor value for money, and together with the need for a sub contractor to make a profit would lead to increased costs. In addition the concept of running a library service for profit is incompatible with a service that is free at the point of use.

The four expressions of interest offer very little in the way of relevant experience in the library sector. This, together with the recent experience of Carillion, suggests that were HC to go for sub contracting, they would not only risk incurring increased costs, but may find themselves in breach of statutory requirements. Examples of failed outsourcing arrangements now seen elsewhere in the country are cause for concern.

No public consultation was carried out about the “soft market test” exercise. Nor to date, has JAHl been given access to the full documentation relating to this. This is particularly disappointing given the excellent working relationships between the user groups and the Library Service. We believe the public should have been consulted on the basic premise of outsourcing before inviting third parties to express an interest in tendering. Without this, we have seen no evidence that the concept of outsourcing, and the process being followed, are anything other than fundamentally flawed and not in the public interest.

Public support for libraries remains strong. Whenever investment is made in them, it increases usage and the public good. Paid for by the public, libraries represent social capital that belongs to them. JAHl recognises that responsible councils have a duty to balance the books, and that expenditure on providing any service must offer value for money. Despite being poorly funded, Herefordshire’s Library Service is the most cost effective in the country.

6. Notes on the Feedback Report

As demonstrated above, the Feedback Report is vague, with inadequate and inaccurate information. JAHl believe this reveals a deeply flawed process that is not a robust enough basis in which to make decisions.

The Report’s conclusions about the capacity and experience of the four organisations expressing interest, is over-optimistic. The Report asserts that *“all four have a valid track record in running cultural and leisure services, and all [are] interested in the full range of services.”* So far as we are aware, The Courtyard has *no* relevant experience of running a library service, and Halo Leisure’s experience in libraries is limited to providing a simple front desk service to Bromyard Library. This does not provide convincing evidence of their capacity to run the service in all its complexities.

No evidence has been provided to support the premise that the four organisations understand the nature of the library service in Herefordshire. No mention is made of various key aspects of the service, for example the volunteer-led libraries, the Delivered Service, the Schools’ Service and the provision of computer access. There is no evidence of any awareness of the extent of the cuts already made to the Library Service over recent years, and no evidence of understanding the importance of having a professionally-led service.

7. Note on the Process

At a meeting of stakeholders in November 2017, HC's lead officer (Natalia Silver) stated that if councillors decide to proceed with a tendering exercise, it would be limited to those who expressed an interest in bidding. J AHL would like clarification as to whether or not that is still the case.

8. Risks

In the current economic climate there is too much evidence of the serious risks that threaten outsourced services. As mentioned above, Croydon's Library Service is a case in point. Originally outsourced to John Laing Integrated Services, JLIS were taken over by Carillion. Both companies had their roots in the building industry and had no experience of library management. Following the outsourcing, there were numerous redundancies among experienced library staff in Croydon, and a spate of complaints about the declining standards of service in the libraries. Following the collapse of Carillion, Croydon Council had to take back and restore the library service in house.

9. Conclusion

On the basis of the Feedback Report, J AHL sees no evidence to support the idea of outsourcing Herefordshire public libraries and believes this approach to be fundamentally misguided. Public services, and the disbursement of public funds, must be properly democratically accountable. The business case, based on the Feedback Report, is unconvincing.

Whilst J AHL has detailed a response to the Feedback Report, this is not in any way giving our approval of the general philosophy of outsourcing. The recent collapse of Carillion has clearly exposed the fundamental flaws in trying to run a public library service, which is free at the point of delivery, as a commercial 'for profit' entity.

We ask the General Scrutiny Committee to take into account both our serious concerns and the lack of evidence to support sub contracting in their advice to Cabinet as to the way forward. J AHL and the individual user groups remain ready and willing to work with the HC Library Service in continuing to identify both economies and innovative ways to ensure the sustainability of the Service as a key asset of HC.



FRIENDS OF HEREFORDSHIRE ARCHIVES (FHA)
Registered Charity No. 519223

FUTURE DELIVERY OF ARCHIVE SERVICES: KEY POINTS FOR CONSIDERATION BY GENERAL SCRUTINY COMMITTEE

Archive holdings have little in common with the principal functional assets of the museums and libraries services. They are in the Council's care and custody, but many are not in the Council's ownership. They differ enormously in their age, source, scope and complexity; they offer unique insights into how people lived, thought, loved and worked throughout two millennia - in this County, region, diocese, Country and far beyond; and they are highly vulnerable to mishandling and to poor storage conditions.

The legal duties statement at para 36 of the Committee's report is incorrect, incomplete and unclear. Legislation precludes any removal of Herefordshire's archives beyond the County boundary and any transfer of ownership. In any event, the safety, cohesion and accessibility of the history and cultural heritage of the County and region are far too precious to be sold off or given away to an external body.

The report to the Committee offers no alternative service delivery options nor does it address outsourcing in any coherent or comprehensive way. What evidence is there of outsourcing results at York, Nottinghamshire or Peterborough? Contract terms, service standards, financial viability, customer satisfaction?

If there has to be any outsourcing of particular HAS activities, a partnership is likely to be the most appropriate delivery model; perhaps the only realistic option. However, none of the respondents to the Council's soft market test investigation has any current or previous involvement or expertise in the delivery of archive services: unless a potential partner has expertise in archive services, we counsel caution over any promises of economies of scale, or potential benefits from closer alignment with other services, or adding value and interest for visitors to the HARC, or increasing footfall thereby.

Income generation at the HARC was slow to be adopted, has been incoherent and incomplete and thus still offers some scope for expansion beyond the short term options in para 17 of the Committee's report. We recognise that the bulk of the £250K pa savings identified for 2018/19 must fall to the Archive Service but some staff costs have already been saved. The scope for increased long-term income lies principally in charging for the supply of archive copies for personal use, including through online public access.

Lastly, the mention (para 11 of the Committee's report) of capacity for future acquisitions displays extraordinary complacency. The original designed capacity for 25-30 years is now reduced to 12-18 months: building extension time minimum 2 years?

Richard Smith

Chairman, FHA
9th April 2018

Feedback on Museum Resilient Report and Soft Market Test Conclusions

Deadline 1st March 2018, 10.30am

Email response to: csconsultation@herefordshire.gov.uk

Please find below proforma for feedback for stakeholders of the museum, libraries and archives services to comment on the soft market test results for all services.

Name of organisation:	HLUG	
Name of contact:	Les Watson	
Contact email:	les@leswatson.net	
4. Do you agree with the conclusions of the soft market test?	Yes	No
	The Hereford Library User Group agrees in general with the conclusions of the soft market test shown at the bottom of page 8 of the feedback report.	
4a. Additional comments	<p>The Hereford Library User Group's main aims are to improve the quality of services and resources provided by the library in Hereford and to facilitate the development of better library space through either refurbishment of the existing building on Broad Street or the construction of new library building elsewhere in Hereford. Investment in services, resources and staffing has reduced significantly over recent years and the feedback from the expressions of interest indicates that all of the interested parties would wish to grow, develop and improve library services and to extend access. Although the ideas contained in the responses for income generation are not new they could generate some real income, and hence investment, if implemented by experienced service providers. This would be a welcome development.</p> <p>In general we feel that the responses lack any real signs of innovative and creative thinking and we are consequently concerned that providers will focus on a transactional approach to library service provision. It is essential that if Herefordshire is to have modern integrated cultural services it will need innovative, creative</p>	

	<p>and collaborative approaches to be encouraged. Specific points that we feel need to be addressed are:</p> <ol style="list-style-type: none"> 1. We seek clarification on how collection development will be progressed when the council retains the book and other collections and archives. 2. We are concerned that the intention to achieve zero subsidy when the statutory duty to provide a comprehensive and efficient library service remains the responsibility of the council is logically unattainable. 3. We believe of the three options listed in the conclusion option 1 “A tender process, issuing a specification and the assessment of bids based on specific criteria” appears to be the best way forward in terms of likely investment. We believe that partnership responses should be encouraged that can make the best of local knowledge and the more extensive experience and expertise from elsewhere. 4. Most importantly we believe that real evidence that the chosen providers can ensure a sustainable service that will be developed into the future for the benefit of Hereford Library users is an essential criterion that must be met. This must include clear articulation of the parameters by which the providers will monitor and assess the quality of service, which can demonstrate the extent of improvements over time. The selected providers must also show they have the necessary experience and track record as to how this would be applied to develop the MLA services to achieve at least the sector space and facilities to meet modern and acceptable norms.
<p>5. Any other comments</p>	<p>Unless the Council undertook to fund MLA services adequately, which at present it does not, then attracting the right candidate to take over the services is essential. This is subject however, to a rigorous test of the ability of the chosen candidate to understand the particular needs of Hereford and Herefordshire and to have the relevant resources in order to be able to do so.</p>

Feedback on Museum Resilient Report

Deadline 1st March 2018, 10.30am

Email response to: csconsultation@herefordshire.gov.uk

Please find below proforma for feedback for stakeholders of the museum, libraries and archives services to comment on two recent reports regarding the future delivery of the museum service and the soft market test results for all services. The reports will be presented to Cabinet on the 10th May 2018.

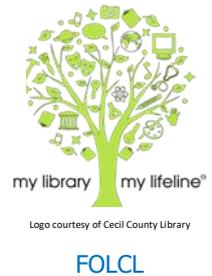
Name of organisation:	HLUG	
Name of contact:	Les Watson	
Contact email:	les@leswatson.net	
1. Do you agree with the principles for the way forward outlined in the Resilient Heritage Report?	Yes	No
		HLUG's view is that the report makes no progress on museum matters in any meaningful way. The findings of the McGowan report have simply been reinforced by this phase of consultancy. The principles for the way forward appear to be increased investment by continued grant applications, increased funding from the Council and some development of commercial income. The focus of the report appears to be mainly on the collections rather than the use of these collections to engage the public and develop a sustainable business model. No consideration appears to

		<p>have been given to the potential benefits from an integrated LMA service as recommended in the recent Local Government Association peer review. The need to attract income from trading, as already identified by the McGowan report, is given only superficial treatment.</p>
1a. Additional comments		
2. Do you agree with the preferred operating model in the Resilient Heritage Report?	Yes	No <p>The report lacks any sense of a vision for the future of the museum as part of a joint LMA service in the light of developments in this field elsewhere. As mentioned in 1 above, in our view the report fails to focus on the key opportunity of concentrating on the development of the user interface by making extensive use of the collections to provide real experiences for those visiting museum spaces. The 31 broad street/Rankin Centre proposal was important in this respect as it would have provided not only increased space but an imaginative approach to the configuration of all the LMA services in a single destination. The isolationism of the Museum and its failure to engage positively</p>

		with this project permeates the lack of vision and imagination in this report.
2a. Additional comments	Possible implications for the library service in the shared premises in 31 Broad Street have not been considered. Indeed the consultants ignored the other cultural services of the Council and any form of integration. Nor have they considered the role played by museums in the larger picture of cultural activity in the county	
3. Are you in agreement with the proposed financial model in the Resilient Heritage Report?	Yes	<p>No</p> <p>The figures supporting the viability of the museum service lack credibility:</p> <ul style="list-style-type: none"> • Although the treasury Green Book guidelines have been mentioned in the report the methodology has not been used in any meaningful way. The green book methodology requires that five cases be developed from strategic through to financial and only an outline financial case that relies primarily on grants and funds from the Council has been developed in this report. • It is difficult to see how substantial funding from the HLF could be expected given the lack of imaginative ideas – c.f., the success of the Waterworks Museum’s success in attracting funding by a whole series of innovations. • The possibility of increased and ongoing funding from the Council seems remote. Unlike the Library service there is no statutory responsibility on the council

		<p>to provide a Museum service. It seems highly unlikely that the Council will accept the need to provide additional or ongoing funding in the current climate of soft market testing and the pursuit of zero subsidy.</p> <ul style="list-style-type: none"> • The contribution of a trading arm, as proposed in previous reports has been dealt with only superficially. We believe that this could make a significant contribution to the future of LMA services. The strategy outlined in the report to 're-brand' the service and develop some income merely applies what has happened in the case of the Black and White House since the recommendations of the McGowan report to the whole service. This strategy has had only limited success. Limitations on the capacity of the service for 'commercial' activity were expressed in the McGowan report and these still apply and have not been dealt with.
3a. Additional comments	This Resilience report does not contribute to any progress being made on the 31 broad street development project.	

Friends of Leintwardine Community Library (FOLCL)



Tim Brown Esq.
Secretary to the General Scrutiny Committee
Herefordshire Council
The Shire Hall
Hereford
HR1 2HX

4th April 2018

Dear Mr Brown,

SOFT MARKET TEST – LIBRARIES

The Committee is considering the results of the ‘soft market test’ of the public library service on 9th April. This letter offers some observations for the Committee’s consideration, from the point of view of a volunteer-led village library. I do not offer any comment on the museums and archives services.

The public library service is one of the great British achievements of the post-war period, and the public regard it in the same light as the NHS – as part of what defines us as British. Parliament has entrusted stewardship of the public library service to local councils for over 50 years, and there appears to be no public or political appetite for any radical undoing of the status quo.

Furthermore, Herefordshire’s Council’s (HC) stakeholder consultation paper in 2013 acknowledged that the very idea of ‘outsourcing’ the library service was deeply flawed because *“The functions do have high expenditure with little opportunity of income which might have an influence on likely bodies interested in operating the services and have continuing need for subsidy by the local authority.”*

Stakeholders have not been consulted in this exercise, which is regrettable. Nor have they been permitted to see the submissions made by potential suppliers. From what HC’s ‘Feedback Report’ says about the four expressions of interest, it appears that they offer little in the way of relevant experience in the library sector. In particular, there seems to be no understanding of how the library service is structured, how inter-dependent all libraries are on the service as a whole, nor any inkling of what they might need to do to oversee a volunteer-led library like ours. Examples of failed outsourcing now seen elsewhere in the country are a cause of great concern, and there is no evidence to suggest that this would be an advisable course of action in Herefordshire either now, or in the foreseeable future.

Any library service is an asset to the community it serves. Nationally, there is clear evidence that libraries make a major contribution to the sort of objectives for communities and the economy that HC has set out in its corporate strategy. However, our library service has been subjected to a sustained programme of cuts over more than a decade, leading to an almost 40% reduction in opening hours and concomitant reductions in staffing. It is now already operating on minimum resources, and there seems to be no ambition in the expressions of interest to change that, or to achieve more. /cont.

Public support for libraries remains strong. Paid for by the public, libraries represent social capital that belongs to them. Whenever investment is made in them, it increases library use and the public good, as evidenced by the refurbishment of Ledbury Library. While I recognise that responsible councils have a duty to balance the books, and that expenditure on providing any service must offer value for money, I would also point out that, despite being poorly funded, Herefordshire's Library Service is one of the most cost effective in the country.

Villages are the very fabric of rural counties like Herefordshire, yet they are so often abandoned by authorities entrusted with their care. Thanks to the far-sightedness of Leintwardine Group Parish Council, who pay the at-site costs, and the many local people who give their time willingly and without charge, Leintwardine Library is a success. Not only have we managed to increase the hours we are open, but visits and book issues are both up. We are now looking at how best to harness the considerable potential offered by our library to do public good for the community. Combatting loneliness, isolation and depression among the elderly in rural areas is a major challenge. The consequences and costs for the NHS and social care are great. But evidence clearly shows that accessing libraries is highly effective in relieving depression, reducing reliance on medication and other services, and creating a sense of wellbeing and belonging. We want to explore with local NHS, social care and others in the Parish to see whether we can work more effectively together to help with these important issues. Trying to do this is challenging enough, without having to bring a third-party library provider into the discussion.

I hope you will consider these points carefully as you frame your advice to Cabinet.

Yours sincerely,

MARK FERRERO

Chairman

Friends of Leintwardine Community Library (FOLCL)

Chair of the Friends of the Master's House, Ledbury

Dear Councillors,

Having witnessed the public response to the new library provided in the Master's House Ledbury and experienced the increased usage of all the library resources which have been provided over the last three years I am surprised that the Council should even be considering sub-contracting any of the library, museum or archive services.

Where is the financial justification for sub-contracting?

What advantages can there be put forward for any sub-contractor, especially any that may have no experience in these non-profit-making statutory requirements, to take over a set of services which has been repeatedly honed by staff cuts and, in the libraries in particular, quantifiable efficiencies made by Reader Services?

Why have the Library and Customer Service users not been consulted formally over this exercise?

Are we to find the cry of 'Death by a thousand cuts', which was voiced when the Council last considered the viability of Library provision in the County's Market Towns, to have come true?

How can the Council contemplate the veracity of any sub-contractor who claims to be able to create a profit out of services which are clearly a non-profit making element of statutory provision?

Where are there examples of other counties who have successfully sub-contracted this provision?

Quoting from the Council's Priorities in their Corporate Plan:

'Enables residents to live safe, healthy and independent lives' (the Master's House provides easy access to community facilities thanks to a dedicated and principled staff both front of house and from the very efficient back up team)

'Keeps children and young people safe and gives them a great start in life' (a growing use of the library children's section, interaction with schools both at a county level and within the town, offering life-improving awareness to the full age range)

'Support the growth of our economy' (the Master's House has been a star attraction for tourists, achieving nearly 100,000 visits in each of the three years since restoration, drawing in new visitors)

'Secure better service, quality of life and value for money' (the provision offered by Hereford Council's Reader Services is one of the top providers in the country and which provides this high-quality service at the lower end of financial support)

I hope that the Scrutiny Committee will recognise the existing efficiencies and successes of the current provision and will not be recommending the idea of outsourcing these services, in particular the provision of library services .

Robert Waddington (Chair of the Friends of the Master's House, Ledbury)

Ross Library Development Group

Dear Councillors,

I am writing on behalf of Ross Library Development Group in connection with the discussion of the future delivery of museum, library and archive services at the Scrutiny Committee meeting on April 9th. We shared the in-depth discussions of the soft market testing (SMT) with Joint Action for Herefordshire Libraries (JAHL) and our committee members have all seen their final submission, submitted on February 26th. We endorse all the points made in that document and we still await detailed answers to all of our questions raised there. Hopefully you as the Scrutiny Committee will get answers where we were denied any.

In addition to the JAHL submission, we have concerns which are specific to Ross and to the HLS presence in the South of the county, where staffing and expertise is currently shared between the only two professional libraries serving the whole of the County's population south of Hereford City, Ross and Ledbury.

Ledbury and Ross are both growing communities with considerable numbers of new houses recently built and many more approved. Consequently, the team covering these libraries, and supporting Peterchurch and Colwall needs to be increased, and the current opening hours extended. Yet these issues are not even hinted at in the SMT process. Maintaining the service at present levels is totally insufficient for rapidly growing needs.

Both Ledbury and Ross Libraries are situated in iconic buildings. Ross has a wonderful new International award-winning building, just 30 years old this year, which was the first purpose-built library in the county for over 100 years. Ledbury, at the other end of the spectrum, inhabits the magnificently restored late medieval Master's House. We consider it imperative that the libraries continue to function from these premises, and we know that many people in the town and vicinity would find the possibility of Ross Library becoming part of a leisure complex in to Red Meadow car park wholly unacceptable.

As we are about to lose Customer Services to a central service in Hereford, we are confused by the implications that the libraries will have "multi skilled" staff able to offer advice. This needs considerable clarification.

On a personal note, Ross Library Development Group has made considerable financial contributions to the library over the years, including a recent donation of £1000 towards the current improvements. We have not worked and begged for contributions and campaigned for ten years in order to enrich any private organisation. We require appropriate assurances on that account.

We are also concerned that, despite many references to "partnership" there seems no recognition of the user groups like RLDG and the Friends of Ledbury Library, nor of the essential relationships with Peterchurch Hub or Colwall parish council nor yet of the presence in Ross Library of the DWP and, soon, Children's Services.

And finally, we want to underline our admiration and support for the staff, and in particular the professional library team, who have endured years of cuts in staffing and budgets, and yet continued to offer an innovative and constantly evolving service only limited by the endless cuts. We do not want to see loyal and hardworking staff pushed into unsatisfactory private sector contracts, and we require a solid guarantee of the highest level of protection to

their terms and conditions, and an unbreakable promise of decent working conditions for future staff members.

yours,

Clare Llewellyn West
Ross Library Development Group
Deangate
Gloucester Road
Ross on Wye
Herefordshire HR9 5NA
rldg@deangate.co.uk
www.rldg.org.uk

Feedback on Museum Resilient Report and Soft Market Test Conclusions

Deadline 1st March 2018, 10.30am

Email response to: csconsultation@herefordshire.gov.uk

Please find below proforma for feedback for stakeholders of the museum, libraries and archives services to comment on two recent reports regarding the future delivery of the museum service and the soft market test results for all services. The reports will be presented to Cabinet on the 10th May 2018.

Name of organisation:	UNISON	
Name of contact:	David Stevens	
Contact email:	unisonbranchsecretary@herefordshire.gov.uk	
1. Do you agree with the principles for the way forward outlined in the Resilient Heritage Report?	Yes	No X
1a. Additional comments	<p>These comments for 1, 2 and 3 relate directly to the Museum, as that was the focus of the report.</p> <p>Whilst UNISON understands the principles, and we do not dispute that there is plenty of goodwill and support for the Museum, but there is not enough evidence present to support the view that outsourcing the services into a trust will provide a long term sustainable model;</p> <p>There needs to be a detailed viability business case showing where the income to support the service will come from and that the income streams are sustainable in the long term. It must clearly show that revenue can be sustained by trading and not reliance on grants and ad hoc donations. The true costs associated with the existing service need to be provided and be transparent, including central support overhead.</p> <p>What will happen, long term, to the building assets, the collection assets or the asset that is the staff?</p> <p>Does the council have an independent asset condition survey</p>	

	<p>and records of statutory compliance and maintenance undertaken over a three -year period? Any transfer will need to address the risks to the transferee of such liabilities. Any lease will need to address any covenants and non -commercial considerations limiting uses.</p> <p>Are the collections gifted or in trust? If so, full disclosure is needed to include disposal and write off constraints.</p> <p>At this time there are also no guarantees from the Council, should any model fail - It is essential to know what the council intends to do with any betterment afforded by the transferee. Compensation? Also, if grant aided, will council underwrite award conditions?</p>	
2. Do you agree with the preferred operating model in the Resilient Heritage Report?	Yes	No X
2a. Additional comments	<p>Whilst interesting proposals have been presented, they are that – suggestions that, depending on the partner(s) who wish to be involved will massively impact on any potential. There are too many, ‘could’s’ and ‘if’s’.</p> <p>It does not appear that the current expression partners are involved in all the services? As they are not, what experience do they hold in the sector? Can they convince stakeholders of their competence and ability to manage the fixed and non-fixed asset base?</p> <p>Any robust operating model needs time to establish – and recognition that it could take longer than is proposed in the Report.</p>	
3. Are you in agreement with the proposed financial model in the Resilient Heritage Report?	Yes	No X
3a. Additional comments	<p>The trading income currently suggested is speculative and not based on tangible evidence, so far. Where do these come from? Are they realistically benchmarked for reality? Has there been any sensitivity analysis of different levels of trading? At this time you cannot guarantee that the trading income is real, and if not a trading reality at present, how will it be proved that demand and viability exists?</p> <p>Costs will increase –front end staff are needed to open buildings, and be available. These staff will benefit from the</p>	

	<p>increase of the NMW to £9/hr by 2020, and this does not appear to be accommodated for, nor subsequent on costs. What about pension liabilities. Are they in the equation as these could cripple the concern like Brightstripe.</p> <p>The Council needs to continue to provide a Budget for these services, (not a 'subsidy'), whilst actions are taken to evidence and support the commentary made in the report. Current evidence of the council providing grant support is poor. So far it is done for a year or 2 and then pulled completely. Eg HVOSS. This is not sustainable!</p> <p>If the Council truly wishes to ensure the services are viable and can work, they should be afforded time to show what realistic income generation can be made, and then these figures accommodated into the budgetary detail. Dumping them and running is not sustainable. If it is not recovering costs at present, it must be due to the inefficiency of the Council or the overall allocation of central support overhead. If not, how could a charity run it at a profit. Could the council not trial these predicted income streams for 12 months to see if they are remotely realistic?</p> <p>There is no guarantee that an external body will generate any more funding and the risk of failure will result in a reduced, possibly closed, service and whilst the reputational damage would now be placed on the new provider, as the council could dodge any blame, instead there are other concerns - the question of residual liability to Herefordshire Council of failure needs to be addressed. If it fails, what liabilities over and above of base budget will they inherit? E.g. vacant property rates and backlog maintenance/ building compliance management. What about any Lottery clawback?</p> <p>Without these considerations, long term viability of the model is flawed, and the service is at risk of being set up to fail.</p> <p>As stated in the report: 'All simple cash flow assessments, such as that set out above, are no more than approximations; best guess views of what could or might happen in the future.'</p>	
4. Do you agree with the conclusions of the soft market test?	Yes	No X
4a. Additional comments	To include all three services on the back of a single report,	

	<p>concerns UNISON greatly. The individual service elements should be disaggregated and independently considered/risk assessed. They are very different.</p> <p>There are, at this time, too many variables present in the soft market testing report to provide sound financial evidence of long term viability; e.g.</p> <p>Asset transfer of buildings, given the condition and the restrictions on use of the premises, no transferee in their right minds would consider a full repairing and insuring lease arrangement, let alone freehold transfer. A part repairing of internal fixtures and fittings excluding all mechanical and electrical services and structures is about point of no return. This will not provide savings for HC as they retain liability.</p> <p>There is no viability plan in place, or exit plan should the organisations fail, or reduce the services below statutory levels.</p>
<p>5. Any other comments</p>	<p>UNISON understands the extreme budgetary pressures placed on the Council, whilst supporting the most vulnerable in our community, however, to pursue proposals that are clearly high risk and unproven is equally negligent and could cause even greater risk to the budgets for vulnerable people if they fail.</p> <p>Having been involved in the various financial saving methods undertaken by HCC, UNISON is familiar with the efforts already made to reduce the cost of providing the services.</p> <p>However, outsourcing of our Culture is not the way forwards, as any future savings that an external organisation needs to make could only be made through current staff, and this will have a corresponding reduction in services for the rest of the residents of Herefordshire. Also, assets would then need to be managed without staff resource. Many are of national importance e.g. records and this would result in statutory regulatory bodies applying pressure, e.g. TNA. How much would this cost to the Council?</p> <p>Voluntary provision is not the panacea it is considered to be, and there is much evidence to demonstrate that. This is a massive complex undertaking and can only work with salaried professional staff resource.</p> <p>We would be interested in understanding the amount of</p>

	<p>finance that it will cost to proceed with the modelling and outsourcing of these services. Has that been factored in?</p> <p>What democratic accountability will there be? How will the gifted collections be protected?</p> <p>What guarantee is there that back office services will be delivered by Herefordshire-based staff, otherwise further revenue is redirected out of the county. How transparently will this be declared and its value transferred as a settlement to the operator?</p> <p>There is a risk that rushing forwards to outsource the services without a robust growth plan or data supporting the grand statements that have been made in the soft market testing document, compromise the long term sustainability of the services. An independent industry specialist's appraisal of both the asset transfer and service transfer ought to be sought by scrutiny to satisfy value for money and viability concerns.</p> <p>UNISON is completely opposed to outsourcing and the creation of a Trust. We want to work constructively and creatively to retain these services In House.</p> <p>Finally, UNISON would welcome engagement with the Council in seeking other methods or opportunities in making savings to enable the retention of those services In-House. In proposing this to the Council, UNISON is prepared to engage Consultants, at no cost to Herefordshire Council, to work jointly with the Council to achieve this objective.</p>
--	--

