

Decision maker:	Assistant Director Communities
Decision date:	Monday, 4 September 2017
Title of report:	Library service review of charges
Report by:	Senior librarian

Classification

Open

Decision type

Non-key

Wards affected

Countywide(All Wards);

Purpose and Summary

To approve proposed changes to charges for services offered by the library service.

A full review of library charges is required to ensure charges are appropriate and easy for customers to understand; that they cover costs and generate additional income where possible; and that they encourage library use, not discourage it.

The proposed changes are in response to a cabinet report of 13 October 2016 in which a staffing and efficiency target of £80k was set for the financial year 2017/18 which includes charging. The proposed increases will contribute towards the savings target for the service. They are designed to balance the need to recover costs, against the possibility of discouraging and inhibiting use by some members of the public. They are further designed to encourage library use by key groups, particularly children and young people; and optimise charges to enable easier use of the self-service library kiosks.

It is proposed that the changes in charges are introduced during national libraries week along with a week long amnesty on overdue books. An amnesty provides opportunity for promotion along with recalling books people have not returned.

Recommendation(s)

That:

- a) the proposed list of charges (at appendix 1) for services offered by the library service be approved and implemented from 9th October 2017;
- b) an amnesty on overdue charges across Herefordshire Libraries runs during National Libraries Week (week of 9th October 2017);
- c) charges be reviewed annually and where appropriate increased in line with inflation with delegated authority to the Library Services Manager.

Alternative options

1. Current charges to be maintained. This would potentially be well received by some users, particularly adults, but would continue to discourage usage by children and young people. Maintaining current charges would mean that cost savings for the service would become increasingly difficult to achieve.

Key considerations

2. Library service charges have not been fully reviewed for four years; overdue fines were last increased in 2008. In some cases the charges no longer represent a realistic contribution towards cost recovery e.g. colour photocopying; in others, costs have actually decreased and the current charges present a barrier to library usage. This is particularly true amongst children, young people and vulnerable adults. Reviewing and rebalancing the charges offers an opportunity to encourage library use by these key groups. The current adult fine of 17p is awkward: experience from other library charges shows that customers are more likely to pay charges promptly and use the self-service kiosks if charges are comprised of a few standard coins.
3. The non-charging for children's books will demonstrate the council's commitment to young people's education attainment and wider well being.
4. The current replacement charges for lost books and media items are unnecessarily complicated. They don't reflect the true cost of replacement, or include depreciation for library use. As such they are seen as unfair and actually discourage customers from reporting and paying for losses.
5. The charges include overdue and hire charges, photocopying and printing, replacement charges. The proposals are based on a comparative study of charges made by neighbouring library services and like services in the county e.g. Archive Service. The recommended changes to charges are aligned to the councils agreed charging principles.

Community impact

6. Community impact will be minimised: the charge for adult fines will increase, but this will be mitigated by an increase in the number of times items may be renewed, which will also encourage customers to borrow more.
7. The optimising of the adult fine to 20p will encourage customers to use the library self-service kiosks and facilitate easier payment of charges owed. Staff will be freed up to

help more vulnerable customers.

8. The proposed removal of overdue fines for children and young people will bring Herefordshire libraries in line with neighbouring authorities; it will encourage reading and library use, and support local schools striving to improve literacy standards across the county.

Equality duty

9. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
10. The Equality Act 2010 established a positive obligation on local authorities to promote equality and to reduce discrimination in relation to any of the nine 'protected characteristics' (age; disability; gender reassignment; pregnancy and maternity; marriage and civil partnership; race; religion or belief; sex; and sexual orientation). In particular, the council must have 'due regard' to the public sector equality duty when taking any decisions on service changes.
 11. The core statutory service provided by the library service will continue to be free to all users and concessionary membership is available for key groups, therefore the proposed changes will not adversely affect its commitment to meeting the requirements of the Equality Act 2010. Of specific benefit would be the positive impact on children with the withdrawal of fines for late returns.

Resource implications

12. The proposed changes will contribute to meeting the saving / income target of £80k for 2017/18 set by cabinet in October 2016. It is expected that the increase in charges will create in the region of a net increase in the region of £5-7k.
13. The amnesty planned for October 2017 will mean the write-off historic debt on the books returned. Based on a maximum fine on adult books currently £7.65 and on children's £2.25 the financial impact is unlikely to be huge. The main impact of the amnesty will be to encourage people re-joining and using the library and result in some books being returned rather than buy new ones. Also most historic fines will be theoretical income the council would be unlikely to see.
14. The recommendation is to move to no fines for children age 5 -17 from week beginning 9th October onwards (under-5s are already free). Children's fine income is about £2,000 a year, which will be offset against increased adult fine and printing charges.

Legal implications

15. Local authorities have a statutory duty under the 1964 Public Libraries & Museums Act to provide “a comprehensive and efficient library service” to local people. This duty includes the provision of free library membership and the free loan of library books. However, public libraries are permitted to recover costs for other services and goods.
16. The Council has the power to charge for discretionary services (i.e. services it is permitted but not obliged to provide). This power is given under section 93 of the Local Government Act 2003.
17. Under section 93(3) the Council does not have the power to charge beyond recovery of the Council’s costs in providing the service. In other words, there cannot be any profit component in the charges.
18. It appears from this report that the charges are calculated on a cost-recovery basis only. The Council must be vigilant over time to ensure this remains the case. For example, if the Council’s costs reduce, the charges must also reduce.
19. If in future the Council wishes to charge in a way to make profits, it would need to do so under the ‘trading’ powers in section 95 of the Local Government Act 2003. The Council would need to establish a company to carry out such trading activity, and would need to prepare a business case. Legal Services have advised relevant officers of this option. The Council does not wish to make a profit at this stage, but may wish to review the matter over time.
20. The Council’s imposition of these charges does not breach the Local Government (Records) Act 1962. Section 1(1) clearly anticipates the possibility of charging the public for access or use of records under the Council’s control.

Risk management

21. The council may suffer reputational damage as a result of the proposed increase to charges but this is unlikely to be significant, as the key service provision – free access to Herefordshire public libraries, free library membership, and free loan of books – will continue. The proposed increases in charges will be modest and are mitigated by a reduction in other areas. Moreover, the adult fine charge has not increased since 2008.
22. The increased overdue fine may discourage some customers from using the library, but this will be mitigated by an increase in the number of renewals permitted.
23. The removal of overdue fines for children and teenagers will reduce income from children’s charges, but the amount this currently contributes to library income is small and will be offset and exceeded by the increase in adult fines and other charges. There are a significant number of children and young people who do not join or return to the library because they are afraid of incurring fines.
24. If the proposal is declined, the ability of the library service to work towards financial savings will be compromised.

Consultees

25. The Joint Action for Herefordshire Libraries (JAHL).

Appendices

26. Appendix 1 - List of proposed charges for goods and services attached.

Background papers

27. None identified