

Museums, Libraries and Archives Peer Challenge **Herefordshire Council**

15 – 16 May 2017

Feedback Report

1. Executive Summary

Herefordshire Council is leading public sector reform across the county. The future direction is set out in “One Herefordshire – One Region”; a document that sets out the council’s future direction. This informs the approach taken in reshaping its Museum, Libraries and Archive (MLA) services to become community led, with appropriate support from the council. Previously this approach has resulted in significant service and financial improvement, as demonstrated by the HALO Leisure Trust (ex in – house leisure service) and Courtyard Centre. Both of these are now self - financing, which has been achieved by gradual revenue budget reduction, capital loans and a mature partner relationship between the different organisations.

The council continues to directly run three related services: museums, libraries and archives in-house. The council has made, and continues to make significant revenue budget reductions across all three services. Savings have been achieved through service redesign and staff restructure, income generation, capital investment for service efficiencies, community groups managing smaller facilities within libraries and sharing of premises. At the same time the council has continued to seek external funding and to use its own capital to renew/refurbish premises (£500,000 for refurbishment of Hereford Library, £7.9 million for the Herefordshire Archive and Record Centre (HARC) and £80,000 refurbishment of Old House in Hereford).

The council has been diligent in ensuring that all significant service changes have been considered and endorsed through its Cabinet. In March 2016 the Cabinet agreed a first phase transformation plan for Museum and Archives with a saving of £222,000 with an investment from the council of £80,000 for the Black and White House to create a chargeable product. In October 2016 the Cabinet agreed a further budget savings requirement for libraries and customer services of £510,000 while still retaining all of the existing libraries and satisfying its statutory requirement. In order to ensure the sustainability of the service the Cabinet, at the same meeting, approved a one – off investment of £133,000 to fund service remodelling from the council’s capital programme. Key elements of the service will be delivered in innovative ways (flexible shared use of spaces, use of technology, and network of wellbeing outlets).

The second phase of savings for Museums and Archives are due to be considered by Cabinet in October 2017 – with a focus on archives. It is the view of the peer team that a number of activities will need to be worked through before savings are achieved - these include:

- a review of the structure and management of community services in June/July 2017
- consideration and investment into income generating ideas supported by a more commercial approach
- arrangements for soft market testing for MLA
- consolidation of current service plans and alignment with the corporate strategy and economic masterplan for Herefordshire
- continued dialogue with staff and user/friend groups to ensure continuity of service offer
- consolidation of the “community led approach”.

The council has limited capacity to undertake this work.

The peer team consider that the savings targets are challenging and that it will be difficult to achieve the half million target without a rethink of the approach or a change of direction in the current community led strategy. It should be remembered that the attainment of zero subsidy for the HALO Trust and Courtyard has taken a considerable time to achieve. The council has supported HALO through considerable capital investment to help it develop income generating activities. The MLA services do not generate large sustainable income streams and have historically relied on subsidy and grants. However the peer team think the packaging of the three services for a feasibility study with a commercial view into a new service delivery model is likely to produce a more viable outcome than a single attempt to “spin-out” individual service elements.

The council is aware of a number of opportunities for MLA in Herefordshire. In particular the bid for City of Culture 2021 and the proposed Herefordshire University, with 5000 students, will create a different usage and footfall of MLA services. Where possible any future service delivery model should be future proofed to ensure that new users’ needs can be met and that inward funding opportunities are identified for the benefit of all.

In our discussions were privileged to meet highly professional staff and dedicated supportive users and friends. They understand the council’s future direction and the corporate requirement to make budget savings. Going forward they would like continued involvement, in an appropriate way, with future proposals to change/enhance the service. From the user group, there seems some uncertainty about the council’s leadership role with regards cultural services in general and these services specifically at a member level. The opportunity exists to develop a plan for MLA services that affirms the council’s future direction, and spells out the respective roles of all stakeholders. This affords the opportunity to set out the context for future MLA service delivery. The reshaping of the services to deliver on the broader priorities of the council will better demonstrate the interdependencies across the MLA and with other council plans. “One Herefordshire - One Region” sets out the role of Herefordshire Council in leading public sector reform. It is evident that the MLA can contribute to the achievement of certain of the council key objectives, including:

- leading with health
- working with DWP and providing universal credit and welfare services
- providing collocated spaces for joint work with police, FRS and other related services
- providing for opportunities for skills acquisition and education, linked to HC support for the development of NMiTE
- re-balancing services from council to community
- rationalising of the estate and of assets, bringing teams together and looking at different service delivery options.

2. Key recommendations

There are a range of suggestions and observations within the main section four of the report, that will inform some 'quick wins' and practical actions many of which learn from ideas and examples of practice from other organisations. The following are the peer team's key recommendations to the council:

- 1. The council should affirm its position in respect of MLA services (e.g. library strategy) and communicate its plans.** Though the direction for the services are outlined in the Cabinet reports there seems to be a disparity of views about the current MLA services. Once the MLA strategies are reviewed and associated delivery plans developed, in line with corporate objectives, it would be useful to share these with stakeholders, user and friends groups. This affords the opportunity to clarify the links across individual MLA service elements, and to describe their contribution to the council's corporate and economic masterplans.
- 2. The council should support the cultural strategy once it is developed.** A Herefordshire cultural strategy is being developed at the instigation of the Herefordshire cultural partnership, which represents the key organisations involved in the delivery of cultural services and activities. This is in support of the bid for Hereford to become the City of Culture 2021. The council has allocated a contribution of £22.5k towards the cost of making a stage two bid, as part of a wider fundraising initiative and subject to the stage 1 bid being shortlisted. Further, the council has agreed, in principle, to act as guarantor for the bid subject to a satisfactory business case being developed. The council intends to provide further advice and support from within existing resources as an enabler to deliver the project. It will be important for the council to publicly support the new cultural strategy, to demonstrate its backing of the City of Culture bid, and outline intent on the delivery of museums, libraries and archives as a statutory obligation and duty.
- 3. Continue to engage with staff to understand services better and to collaborate on future service delivery models.** The council has a good track record of involving staff in reshaping services and service redesign. Staff in scope for the service redesign are sent proposals for the change in service with an invitation to make comment and contribute feedback. That feedback influences the final design of service. We recommend that this good practice continues as the council develops service specifications to be used for soft market testing and a feasibility study of alternative delivery options for MLA services.
- 4. Recognise the opportunities and act on them – New Model in Technology and Engineering University, City of Culture 2021 bid.** The council is involved, as a partner, in exciting new developments. Potentially these will have an effect on MLA services, introducing new users, providing future funding opportunities and placing as yet unquantified demands on the service. The council is well aware of these opportunities and has officer representation at senior level within the council, in order to influence and shape discussions. The council may wish to consider an operational group to look at the contribution that MLA services could make to these and other opportunities to enhance the cultural offer for Herefordshire residents and visitors. The council may wish to consider the appointment of a MLA/Culture councillor champion to represent the council as it develops its bid for City of Culture alongside the senior

officer representation.

5. **Consider the value and benefits of the service, not just the cost (in the context of conflicting demands).** The peer team understands the reason for the council to reduce the subsidy to MLA services. A number of stakeholders told us that it would be useful to see the services valued in other ways apart from cost. MLA makes a contribution to a range of key objectives of the council and these should be clearly identified in order for informed decisions to be made on the future of these services. It is positive to see that the council has continued to invest capital to maintain and enhance the fabric of its assets, support new models of delivery and support external cultural providers such as HALO. The council should remain mindful of its statutory duty to provide a library service, and its obligation for the museum and archives collections.
6. **Learn from the previous positive experience of “spinning – out” and consider the feasibility of a trust model for the MLA.** The council has a good story to tell about its experience of services that have “spun - out”. In particular the HALO Trust has worked well with the council, since its inception in 2002. The Trust continues to operate a number of leisure facilities in Herefordshire at zero subsidy to the council. The Trust is keen, willing and capable to help the council review the future service delivery model for its MLA services. Feasibility work should be undertaken to assess the viability of a suitable new service delivery model for MLA services supported through a soft market testing procedure. A number of councils have gone down this route and would provide useful information to Herefordshire about the best way to approach the task (See Annex A).
7. **Review savings targets with an eye to realistic expectations of income and buy-in commercial expertise.** The council has achieved considerable savings through service redesign and transformation. The process used has involved the consideration of staff’s views. Their contribution has been invaluable in helping to maintain the core service activities, whilst both enhancing aspects and ensuring the continuity of service offer to the public. Despite this work there remains a further significant savings target to be met over the next two financial years (shortfall period 2017 – 2020 is £528,000). The peer team believe that for the current savings target to be achieved, it will require transformational change rather than incremental adjustment. If the council is to avoid closure or large scale cessation of service, it may wish to review the scale of MLA savings in the corporate context. It is recognised that an element of commercial business acumen and some start up revenue/capital will be required to optimise income generating ideas and to drive out further service efficiencies. This approach could be further enhanced through continued active participation of the council’s communication team.
8. **Consider realignment of MLA in a single unified service, with the objective of ensuring increased resilience.** The peer team are aware of the reasons for the configuration of the constituent elements of the MLA service. It may be time for the elements of the service to be combined into a single unified service unit under the one management structure. The services fit well together and reflect the government department structure. Staff can learn from each other in managing change. A new structure could provide a saving on management rather than frontline services whilst providing enhanced career opportunity for retained staff and potentially galvanise volunteer (friends/users) support. The combination of services may be more attractive

to external organisations to manage and will lend itself to trust development or other external service delivery options. The imminent review of community services affords the opportunity to consider this MLA service realignment.

9. **Remember to communicate and celebrate your achievements.** The council has a lot to be proud of; it continues to provide valuable MLA services in very challenging financial circumstances, with no closures and considerable enhancement of services. It has managed change well, and found alternative solutions to difficult problems. It is time to communicate this good news, for reasons of promotion and as a message to the outside world that Herefordshire is a place that looks after its cultural/heritage fabric and services, is a place to make an investment and is a suitable recipient of the city of culture award. In the last few years the council has made available additional resource in its communication team to support libraries and museums with their transformation. A number of commentators feel that the MLA would benefit from an improved marketing focus as this would help enhance links across the three services and provide a focus for joint programming and publicity.

3. Summary of the Peer Challenge approach

The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected your requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and agreed with you. The peers who delivered the peer challenge at Herefordshire Council were:

- Councillor Nick Worth, Deputy Leader South Holland District Council and Portfolio holder (museums, archives and libraries) Lincolnshire County Council
- Val Birchall, Assistant Director (Culture and Visitor Economy) Birmingham City Council
- Mark Harrison, Peer Review Manager, LGA Associate.

Scope and focus

The council asked the peer team to consider the following six areas:

1. Consider the effectiveness of the current plans relating to libraries and museums in terms of meeting the council's corporate objectives, saving targets and community need.
2. Assess and recommend future opportunities for the archive service.
3. Compare and benchmark services performance, cost and delivery with other local authorities.
4. Review the services with reference to becoming "spin-out" functions / community led considering the council obligations for collections, making reference to approaches taken in other areas.

5. Review services, specifically Archives, in terms of income generation or further budget savings.
6. Assess links to community proposals.

The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement focussed and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the council and the challenges it is facing. The team then spent two days onsite at Herefordshire Council, during which they:

- Spoke with more than 45 people including a range of council staff together with councillors and external partners and stakeholders.
- Gathered information and views from more than 17 meetings, visits to key sites in the area and additional research and reading.
- Collectively spent more than 45 hours to determine their findings – the equivalent of one person spending more than one week in Herefordshire.

This report provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit on 15 – 16 May 2017. In presenting feedback to you, they have done so as fellow local government officers and members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things you are already addressing and progressing.

4. Feedback

4.1 Consider the effectiveness of the current plans relating to libraries and museums in terms of meeting the council's corporate objectives, saving targets and community need

It is clear that the MLA services contribute to the achievement of Herefordshire Council (HC) corporate objectives. This was demonstrated when the peer team talked with individuals and focus groups. The peer team reviewed the HC corporate and delivery plans. These make little mention of MLA. It is clearly understood that MLA is not the highest priority for the council considering demands for resources to safeguard the most vulnerable in the community with targeted services. However the council has decided to continue to support MLA and therefore it would be useful to be clearer about the impact of these services and their contribution to the achievement of the overall objectives of the council. Anecdotally we were told of a range of MLA work that contributes to services for older people, children and economic development.

MLA service plans are being reviewed. The library service plan/strategy is in development. Following a wide ranging public consultation with library users and non-users in 2016 with 2,254 respondees the HC Cabinet has agreed objectives for libraries, these are:

- to provide and enable a free core library service across Herefordshire, supporting social interaction and reduce isolation
- for centres to provide shared spaces as part of the community life of an area, fostering local regeneration and local identity
- to promote reading for all ages and access to books in supporting learning and discovery
- to work with the community to provide the level of library and customer service they want through support of community run libraries, local contributions and volunteering.

Possible renewed service priorities, which better demonstrate the link through to corporate plans, are under consideration:

- reconfigure libraries to including wellbeing and community spaces
- greater links with public health to promote wellbeing opportunities
- promote sites for courses and classes
- create stronger links with services for children
- promote the schools library service
- establish digital hubs
- raise awareness of the delivered service
- create homework spaces
- welcome community lead schemes.

The peer team was pleased to learn that library staff are fully involved in the development of the new library plan. It also undertook similar work in reviewing museums with staff involved in branding, investment in income generating services, and reshaping the learning offer. It is intended to undertake similar planning work with archives services.

The library plans reflect the needs of residents as expressed in the recent survey (Library User Consultation 2016). The plan will consider the deliverability of the following requirements, within the constraints of a reduced budget.

- keep libraries open
- make more of a community hub
- offer more service in one place
- provide more classes / information
- exhibitions and events
- more computers
- events for children.

In April 2017, the museum service started to implement a redesign programme. This change programme, aims to:

- develop the Old House as a ticket (paid for) facility
- develop a learning offer based on full cost recovery
- recruit volunteers
- look at the potential to merchandise, to generate income
- reduce staffing and to reassign remaining staff.

The peer team consider that the current savings targets for 2017 - 2020 require further consideration. Proposals for increased income are in progress but will remain a challenge, nor do they cover the funding gap. Although we understand the rigour of the drive to achieve zero subsidy for MLA services, we do not think this is achievable within the current Medium Term Financial Strategy (MTFS). The savings targets require a continued transformational approach rather than any “salami slicing” seen in some other local authorities and services. We understand that HC Cabinet expects a report in October 2017, setting out how the savings target will be achieved though this may need to be delayed until other investigatory work (see Executive Summary para 4) takes place in the autumn 2017.

The council has good data on users, and undertakes consultation to inform its decision making. The constituent elements of the individual MLA service have active user/friends groups. As plans for different service delivery options develop it will be useful to engage with these groups as an integral part of the support for different ways of delivering future MLA service options.

4.2 Assess and recommend future opportunities for the archive (HARC) service

Herefordshire Archive and Records Centre (HARC) brings the county's archive, [archaeology unit](#), the [historic environment record](#), and the [biological records](#) centre together in one building, allowing people access to all these records in one place. More recently it has become a land and property search hub linking planning searches and land charges.

The award winning building is energy efficient, with reduced running costs because of the leading edge 'passivhaus design'. It now provides Herefordshire's archives with the

environmental and access standards as required by The National Archives for accreditation.

The archive service staff are aware of a number of opportunities for further development of the service. An application will be made to the Archive Service Accreditation, which is the UK standard for archive services. Standards schemes and frameworks help archives to manage and improve their efficiency and effectiveness through external validation, and by identifying good practice.

See [archive accreditation](#).

There are links across MLA that could be enhanced via adopting a marketing plan and consideration to cross programming activities, similar to the links established as part of project commissioning regarding participation and learning. There is an absence of branding at HARC which is currently being addressed. The adoption of a MLA/Herefordshire Council corporate brand would seem an effective solution.

Other ideas generated by staff for appraisal and project implementation are set out at Annex A.

4.3 Compare and benchmark services performance, cost and delivery with other local authorities

Prior to our on - site visit we saw limited data by which we could make meaningful comparison with other local authorities. However during our time in Hereford we were shown sufficient data to understand that MLA does look to continuously improve its performance. This is through a combination of annual returns (CIPFA), maintaining accreditation (Museums), benchmarking formally and informally across family groups and the identification of good practice.

Herefordshire has eleven libraries (mix of directly operated and community led), which is average for the size of population. CIPFA returns are completed for libraries and archives. In the most recent CIPFA Libraries overview report (2016) Herefordshire libraries come out as average cost and median performance - however, these figures were distorted by Hereford Library being closed temporarily (the largest use library in the county) with the 2015 result offering a more reliable comparison which states on active borrowing "Herefordshire is in the top quartile suggesting that the library service engages well with the population when compared to the other authorities".

The CIPFA report suggests that it would be useful to look at lower cost libraries, with more active borrowers. The peer team recommend a conversation with:

- Cheshire West and Chester (review of plans to align with council corporate strategy, and high active borrowers, low revenue expenditure)
- Bath and North East Somerset (relocation of central library, high active borrowers, colocation of public services)
- York (spinning-out, high active borrowing)
- Wiltshire (high levels of engagement).

HARC is operating in relatively new premises and both year on year and comparable authority information is limited and often provided within a different profile of delivery. This makes meaningful comparisons across archive services difficult to identify. Early

indications show 12 per cent increased usage of the new facility, for the period Aug 2015 – March 2016.

The service is intending to achieve accreditation. This standard sets out the requirements services must achieve to meet Archive Service Accreditation and the outcomes which can be expected. Locally the service, benchmarks with comparator authorities, recently looking at:

- potential income generation, both potential yields and sources
- how buildings/sites are programmed to maximise usage
- how services can become more commercial.

Recent discussions have taken place with Shropshire Archives, Gloucestershire Archives and South West Heritage Trust. These discussions have helped inform the generation of ideas among HARC staff. These were discussed further at the focus group during the peer challenge (See Annex A). However the cost of the service remains above that of comparator authorities (with a savings requirement of £465,000 to reach the median – current agreed plans allows for a £66,000 reduction in revenue budget based on savings and income targets. The Cabinet has asked that this area requires further investigation and anticipates a report that addresses the issue in October 2017, though this may need to be delayed to allow for further work to take place as outlined in this report.

Cheshire West and Chester (the median comparator authority) have recently reviewed their archive service and are developing a significant commercial focus. A conversation with them is recommended.

The museum service has been redesigned to deliver the:

- development of the Black and White House (formerly the Old House) as a ticket facility
- learning offer based on full cost recovery
- volunteer recruitment
- merchandise development to improve income generation
- staff reduction and reassignment.

This redesign was implemented in April 2017 and is expected to achieve a £156,000 revenue saving over 2017/8 and 2018/19. The Museum Service Support Group appear to be taking a proactive and positive approach to the sustainability of the service. The museum will need to decide if it is going to reapply for the Arts Council run Museum Accreditation scheme. Renewed accreditation would help the museum service assess current performance, as well as supporting planning and developing the future service.

The council has a transparent performance, risk and opportunity management framework, with oversight provided through the management team and Cabinet. The MLA services do not feature in the key priorities for the council. However it is acknowledged that the MLA services contribute to the achievement of the council's key corporate objectives.

Locally, within the three services data is collected, and the motivation of users and their

views about the services are known and acted upon. There appears to be less data about non-users and their potential to take up use of MLA services. The services also benchmark with near neighbour groups and use this to identify and learn from good practice in other local authorities.

Historically, despite reduced levels of expenditure, the council should take pride from the fact that there have been no closures, continuing capital investment in the asset base and a determination to try new models of service delivery. The council has demonstrated perseverance in supporting new delivery models until they become resilient enough to self-sustain. We saw much evidence of this including the colocation of Bromyard Library service in a leisure centre (part of the roll out of the community library programme) and the continuing support the council provides to HALO Leisure Trust established in April 2002.

HALO is a registered charity and social enterprise running 20 sport, leisure and library centres throughout Herefordshire, Bridgend County Borough, Shropshire and Swindon, on behalf of the local authorities. See [HALO](#).

4.4 Review the services with reference to becoming “spin-out” functions / community led, considering the council obligations for collections, making reference to approaches taken in other areas

MLA is well placed to learn from the experience of other organisations that it has supported to become independent from the council. In particular HALO has a demonstrable track record in successfully delivering an ex council leisure service in Herefordshire. The peer team met with the CEO of HALO Trust and is supportive of the council’s endeavour to determine a different future service delivery model. We note that HALO has extended its operation to three other counties and also operate libraries. HALO shares its expertise with developing operators such as the Point4 at The Royal National College for the Blind in Hereford and The Severn Centre in Highley, Shropshire. It appears that HALO may be interested in talking to the council about helping manage the MLA, subject to procurement regulations, and a transparent market testing exercise. The council intends to soft market test these areas in autumn 2017.

The council is fortunate in having a positive relationship with other existing partners. The peer team met with the CE of Courtyard, and stakeholders representing:

- 32 Broad Street Development Group
- Herefordshire Library Users Group (HLUG)
- Joint Action for Herefordshire Libraries (JAHL)
- Friends of the Herefordshire Archives

We noted that these groups are being encouraged by the council and have received financial support for some of their projects / plans from the council. The representatives of these groups gave cogent presentations to the peer team about their assessment of current issues and provided a commentary on potential development proposals. It will be important to keep these groups on board as the future of MLA is reviewed.

The peer team fully understand the council’s objective of continuing to provide MLA with zero subsidy. However there is a limited opportunity to cover the core costs of these

services by a third party. The income generation potential of these services is also limited. Therefore, these ambitions need to be realistic as building a commercial model will take time and effort to achieve. We note that HALO is providing a service to Herefordshire residents at zero subsidy, but only after more than 10 years trading and substantial investment by the council. The council allocated £9 million of prudential borrowing, to upgrade the income generators for HALO, such as gyms. The council worked with HALO over a development period of three years to help the trust become self-financing. A similar development period for MLA would ensure that the services continue to become more efficient, modernise and remain sustainable yet relevant for residents.

The council is well aware of its statutory obligations, under the 1964 Public Library and Museums Act delivering a service that is accessible to all residents using reasonable means, including digital technologies. An efficient service must make the best use of the assets available in order to meet its core objectives and vision, recognising the constraints on council resources. Decisions about the service must be embedded within a clear strategic framework which draws upon evidence about needs and aspirations of a library strategy.

The Local Government (Records) Act 1962 (LGRA 1962) confers limited discretionary powers for local authorities to provide certain archive services. Section 1(1) of this Act says that 'a local authority may do all such things as appear to it necessary or expedient for enabling adequate use to be made of records under its control'.

The [Local Government Act 1972](#) (s.224) requires local authorities to 'make proper arrangements with respect to any documents that belong to or are in the custody of the council of any of their officers'. In 1999 the Department for the Environment, Transport and the Regions (now the Department for Communities and Local Government) issued guidance on the interpretation of the term 'proper arrangements'.

Museums are not a statutory service, although the council fully understands its role as a custodian of objects that have been given/loaned to the service.

Currently the MLA services are managed in different parts of the council, partly through pragmatism and partly design. The archives having moved from the museum service in 2016 to align with information governance linked with document management. We understand that a restructure of community services is imminent (June/July 2017), and as such we suggest that it may be timely to consider placing the three services into a single unified community service with a single manager. This may provide a number of possible benefits, including:

- the potential to learn about the consequences of change across the MLA services, with the libraries being most advanced in terms of managing within a new structure
- a more resilient staff grouping, with the potential for staff to move around the three services (lack of career progression for MLA staff was mentioned in a number of our discussions)
- better proposition for market testing a new service delivery model
- the potential to have a single community services strategy and business/delivery plan that better demonstrates the services contribution to the achievement of the council's corporate plan

- a more coherent offer that could be promoted/marketed internally and externally
- potential management savings rather than front line services
- a way of galvanising user/friends support and reducing the perceived volunteer fatigue.

The council has an internal resource for advice on funding which has supported the services in the past. There is also funding/expertise available from national bodies to assist the council in determining the best future service delivery model for MLA. See <https://knowhownonprofit.org/tools-resources>. We recommend rigorous testing of the business case before deciding on the preferred model for the MLA outside the council.

In terms of looking at models of resilience, the following may be helpful:

<http://www.nationalarchives.gov.uk/documents/archives/in-a-spin.pdf>
<https://www.gov.uk/government/case-studies/library-and-archive-services-explore>
<https://www.gov.uk/government/publications/libraries-alternative-delivery-models-toolkit>
<https://www.hlf.org.uk/looking-funding/our-grant-programmes/resilient-heritage>

Generally the Libraries Taskforce provides a resource when examining opportunities for exploring alternative service delivery models and income generation opportunities.

<https://www.gov.uk/government/publications/libraries-deliver-ambition-for-public-libraries-in-england-2016-to-2021>

4.5 Review services, specifically Archives, in terms of income generation or further budget savings

During the peer team visit we facilitated a session which sought ideas from staff. Many ideas were generated (see Annex A). Future opportunities were identified and need to be assessed for their viability. The Hereford NMITE (New Model in Technology & Engineering) University should be seeing the first 300 (of 5000) students on its Hereford city centre campus by September 2017. The archive will provide a range of material to support students.

Some work has been done in the area of digitisation, For example, Herefordshire History is a digitisation project run by Herefordshire Libraries that brings together material from libraries, archive and museum collections. This exhibition will showcase a selection of the images and materials available online that illustrates the history of Herefordshire people.

The archive has the potential to become a conservation centre of excellence, with a regional or national profile.

Staff have been effective in generating ideas and “quick wins” are implemented through service manager agreement. For more substantial proposals they can be progressed via a business case for invest to save funding. However, there does seem to be limited capacity and crucially a lack of commercial expertise to assess the viability of these ideas. To progress them and to maximise the potential income generation and user benefits that may accrue, it is recommended that the council considers buying in some commercial expertise.

It would be useful to identify some initial investment to fund new initiatives on an Invest to save model basis.

The peer team considers the current scale of savings to be ambitious, with a shortfall of £278,000 (in Museums and Archives) still to be identified in order to achieve the target set out in the council's MTFS. To date Museums have made the greater level of savings and appear to have little remaining subsidy. Therefore the future focus should be on archives, with phase 2 savings as yet to be identified (hence the focus on archives for this peer review). Staff therefore should remain encouraged to close the revenue gap and seek further ways to ensure that the MLA operates as efficiently as possible.

4.6 Assess links to community proposals

Whilst the council continues to run libraries, museums and archives, it sees its role as an enabler, and where necessary it will act as a guarantor for bids subject to a satisfactory business case being developed. An example of this is the £22,500 contribution towards the cost of making a stage two bid in support of Herefordshire's bid to become City of Culture in 2021. In support of this bid a Herefordshire cultural strategy is being developed, under the auspice of the Herefordshire Cultural Partnership (HCP). The council is a partner in the HCP and we suggest that it should support the cultural strategy to provide gravitas to the document.

Similarly the council is supporting community proposals to develop Hereford Library, and Hereford Museum and Art Gallery. The council in February 2016 resolved to establish a Library and Museum Support Fund. This budget, £60,000 is for "one – off funding of community groups and schemes to support feasibility studies to facilitate the delivery of self-financing delivery models for museum and heritage services, and different options for funding library services to include fund raising, joint funding by partners and income generation". Many of the support groups have accessed the fund to progress their plans.

The peer team met with representatives from a number of user groups. They appear to be strongly committed to maintaining and developing the MLA in partnership with the council. The user groups raised issues that are worthy of consideration by the council, as follows:

- The groups have expectations which could be managed through dialogue and communication about what is going on with MLA services as outlined in the Cabinet reports and other emerging opportunities.
- The groups appreciate the financial support given by the council, and fully understand the financial constraints that local government is facing.
- Groups expressed concern about the capacity they have to continue development work on projects and mentioned volunteer fatigue.
- There was discussion about the clarity of roles, what council responsibilities are and what can the user groups do to best effect to support service, rather than the risk of the council supporting the support groups.

- User groups asked for more effective communications with the council and felt that relations between the council, staff and stakeholders could improve.

Overall these groups are committed to working with the council to secure the best sustainable future for museums, libraries and archives. This obviously needs to be balanced with the points above recognising the council has limited capacity / resource at different levels. For the groups to enjoy greater engagement, there needs to be a common understanding that the nature of local government has changed over the years, transforming how it operates with less government grant and increasing demand for safeguarding services.

5. Next steps

Immediate next steps

We appreciate the senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward.

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Helen Murray, Principal Adviser is the main contact between your authority and the Local Government Association (LGA). Her contact details are: **Helen Murray** Tel: **07884 312235**. Email: **helen.murray@local.gov.uk**.

In the meantime we are keen to continue the relationship we have formed with the Council throughout the peer challenge. We will endeavour to provide signposting to examples of practice and further information and guidance about the issues we have raised in this report to help inform ongoing consideration.

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Annex A

1. Income generation/partnership ideas

Archives (generated at staff focus group 15 May 2017)

- Become a cultural venue (especially for Flicks in the Sticks mobile rural cinema provision, or small scale/chamber music concerts in the Atrium), also conferencing
- Hire out the spaces for events (but acknowledging the need for staffing to support this)
- Put out donation boxes and/or internet fundraising for donations
- Pop-up shops – paying to be located at the Archive centre for a short stay, especially if linked to events which will generate footfall
- Become a Centre of Excellence for Conservation and charge for consultancy
- Sponsored naming of the building
- Family history and home history support – on a charged basis
- Potential for digital archiving to open up partnership opportunities with those requiring retention of digital records, especially “born digital” records
- The University will be focussed on engineering – the archives have lots of material particularly relating to civic engineering (roads, railways, bridges) and could be a resource or a partner in a Foundation course
- Working with near neighbours in the Enterprise zone – mutual support and promotion
- Individual and corporate sponsorship, including potentially an “adopt an item” scheme
- Digitisation partnership with Ancestry.co.uk and FindMyPast, for popular records – pay per view and royalties
- Continue and develop externally funded outreach programme
- Set up online (e.g. Ebay) account for selling duplicate items
- Digitise “name rich” sources
- Recharge for storing records before the retention period
- Charge for storage of collections on loan
- Charge for the car park
- Improve merchandising around popular items – could also be sold in other HCC sites
- Charge foreign visitors a surcharge for using the archives (tourist tax)
- Invest in marketing so that we can develop a proper strategy for promoting the service, including the opportunities offered by the Learning Room
- Some records are of more academic interest and could set up partnerships with HE (not necessarily just local university) where these are of interest to researchers – there would need to be a public benefit, such as through public events presented by academics
- Charge for enhanced services?

Libraries (generated at staff focus group 15 May 2017)

- Improve Digital Access to services - remove barriers to collections (MLA) Herefordshire History website
- Branding across MLA and promote more

- Develop the library at Broad St & access to Museums and Archives
- Ensure the University has a presence at Broad St library - study space & access to digital library
- Use libraries as access points to the resources at HARC & MRLC
- Use the network of public libraries as access points to access council resources digitally, including access to museums and archives resources
- Hereford Room at Broad St. - Arts Council bid for £150k refurb plus conservation of original features, to provide both physical and digital gateway to the history of Herefordshire.

Museums ((generated at staff focus group 15 May 2017)

- Review exhibition space requirement
- Need to support emerging cultural strategy
- Commission feasibility into self sufficiency
- Assess impact of tourism
- Continue to invest in culture for the benefit of the county
- Preserve the physical memory of the county
- Think strategically, as a regional player
- Appreciate and understand our custodian role.

2. Additional sources of information for “spin – out”, income generation and commercial approach.

<https://www.local.gov.uk/library-case-studies-different-delivery-models>

As part of the LGA/Arts Council England cultural improvement programme libraries work strand, the LGA with financial support from Arts Council England have developed a small number of case studies showcasing different service delivery models and approaches taken as libraries reposition as part of a place's wider cultural offer.

Executive Summary

Key Themes

Case Studies

- [Internal Commissioning – Kent County Council](#)
- [Transformation of neighbourhood services – Leicester City Council](#)
- [Asset review of buildings – Middlesbrough Council](#)
- [New tiered model for library provision – Staffordshire County Council](#)
- [Repositioning libraries as first point of contact for council transactions – London Borough of Waltham Forest](#)

A toolkit has been produced by Royal Opera House Bridge, Artsworld and Kent County Council (KCC) for the UK cultural sector as providers, and the people who might commission them. It includes practical advice and learning from people and organisations in Kent who piloted commissioning for wellbeing in 2014, see:

<http://artscommissioningtoolkit.com/>

The Arts Council and NCVO have been running a cultural commissioning programme in recent years, with a number of partner programmes – including Kent – to demonstrate how arts and culture commissioning can deliver a wide range of outcomes in line with local priorities, see:

<https://www.ncvo.org.uk/practical-support/information/public-services/cultural-commissioning-programme>

In particular, the council should check its strategic approach against Libraries Deliver: Ambition for Public Libraries in England 2016-2021 to identify further opportunities to innovate and deliver sustainable services.

<https://www.gov.uk/government/publications/libraries-deliver-ambition-for-public-libraries-in-england-2016-to-2021>

The approach taken by Southwark Council in developing and reviewing its Cultural Strategy 2013 – 2018 is considered an exemplar, see:

<http://www.2.southwark.gov.uk/culturestrategy>]

Waltham Forest have taken a slightly different approach and published an arts strategy which includes both heritage and library references and creates a strong narrative of place through culture, see:

<https://www.walthamforest.gov.uk/sites/default/files/Arts%20for%20All%20-%20Great%20Arts%20and%20Culture%20in%20Waltham%20Forest.pdf>

You may also want to look at Cornwall Council's Culture White Paper approach, which is particularly strong in linking culture to wider economic and health outcomes, see:

https://www.cornwall.gov.uk/media/20869269/white-paper-for-culture-2016_web_aug2016.pdf

The National **Archives** have produced this guidance to support **archives** in making decisions about generating **income** from commercial activity.

www.nationalarchives.gov.uk/documents/archives/Income_Generation_Guide_February

http://www.nationalarchives.gov.uk/documents/archives/Income_Generation_Guide_February_2016.pdf