

Meeting:	General overview and scrutiny committee
Meeting date:	27 September 2016
Title of report:	Customer services and libraries
Report by:	Assistant director communities

Classification

Open

Key decision

This is not an executive decision.

Wards affected

Countywide

Purpose

To seek the committee's views on the model for future operation of customer services and libraries across the county considering the budget pressures of the local authority.

Recommendation

THAT: **the committee consider the options of the report and make recommendations as to how impacts on the community may be mitigated.**

Alternative options

- 1 An alternative to the recommendation is that general overview and scrutiny committee delay commenting on the customer services and libraries report until after consideration by Cabinet as part of the call-in process.

Reasons for recommendations

- 2 The reason for the recommendation is for general overview and scrutiny committee to contribute to the delivery model for customer services and libraries in light of the opportunity to meet changing trends to accessing and using council services and meet the budget saving as outlined in the Medium Term Financial Strategy.

Key considerations

The Library Service

- 3 Despite the central library being closed there were over 500,845 visits to the libraries in the county in 2015-16. In Herefordshire over 23% of local residents are active library members (having had a library transaction within the last two years). In 2015 over 18% of people in the county had at least one item on loan.
- 4 The Schools Library Service provides books and project material to over 50 primary schools that purchase the service. The Delivered Library Service is also a targeted service that supplies books and talking books to people who are housebound and unable to access a library. The service delivers to around 160 individuals and 30 residential homes and is often described as a lifeline for people who are at risk of feeling isolated and lonely.
- 5 The County Library Service manages all the systems and stock services to support the frontline libraries. The service also operates the Reading Group scheme for nearly 70 groups, library services for children and young people, local studies, digitisation projects, bibliotherapy, work with special groups, refurbishment projects, funding bids, community outreach and partnerships schemes, reader development campaigns, support and training for community libraries, and work with library Friends groups. The service also supports the rural book scheme based in community facilities such as community shops and parish halls.

Customer Services

- 6 Customer services provides the corporate phone contact and face to face contact in Hereford and the market towns. The tables below summarise the level of contact for 2015/6. In addition to the figures below there is an additional 10,261 emails the service deals with.
- 7 Phone contact is predominantly received at Hereford customer service centre. Though switchboard and INFO calls are high volume, they are also quick response. Council Tax is both high volume and lengthy queries, with peak times (March / April) when the bills are sent to every premise in the county and in June when reminders are distributed. The contact centres work best through good interaction between services and compatible technologies – e.g. waste and planning queries. Average waiting time for the calls to be answered varies between services and months, but generally no more than 3 minutes.

Face to Face / payment transactions (Hereford)	
Council Tax	4,247
Council Tax Support	1,759
Business Rates	176
Housing Benefits	9,496
Planning	4,079
Reception	13,017
Homepoint	4,791
Housing Solutions	2,492
Total Face to Face	40,057
Payments	22,842

Phone transactions (Hereford)	
Care Act	30
Council Tax	41,454
ECA (exceptional circumstances award)	890
FIS (family information service)	254
INFO	19,518
Planning	8,026
Switchboard	58,987
Waste Bulky	2,829
Waste General	10,610
Market town calls	59
	142,657

- 8 For face-to-face, reception services are high volume but with low transaction which directs people to web use, services or quick resolution (e.g. issuing a form). Council tax is high volume throughout the year, though most support is often for Housing Benefit queries.
- 9 For the market towns customer service the volume of queries is significantly less, with high volume of payments, general queries and benefit advice / support.

Customer Service Centres	Face to Face enquiries	Payments	Benefits and council tax queries %
Leominster	6,764	4,721	39
Ross-on-Wye	5,529	2,378	39
Ledbury	2,422	2,683	20
Kington	478	1,823	15
Bromyard	1,588	1,609	15
totals	16,781	13,214	

Hereford Library

- 10 Hereford Library is currently closed due to finding asbestos in the building when planning improvement works took place to accommodate WISH (Wellbeing Information and Signposting for Herefordshire). To compensate, additional hours have been allocated to Belmont library and a temporary library provided at Hereford Town Hall. Cabinet in May 2016 agreed to invest in reoccupying the Library at Broad Street with Hereford Library Users Group working on a long term development plan for the site.
- 11 Hereford Library is the key centre for reference material, and will in usual circumstances see the highest use, reflective of the higher population in Hereford and that people will come to the library from different parts of the county as part of a wider visit to the city. There are 5.95 FTE Library Assistants and one FTE supervisor who provide the staffing for both Hereford and Belmont. Hereford will have two self-

service kiosks when reopened.

Opening hours	Visitors 2012/3	Visitors 2014/5	Visitors 2015/6	Loans 2015/6	PC hours per year	Visits per hour**	Operating cost £	Cost per head £
37	227,240	184,434	96,692	101,493	7,824	50	237,725	1.29*

*based on usual year of 2014/15; **based on average opening for the year for all sites.

Belmont Library

- 12 The library at Belmont is based at the community centre owned and operated by the South Wye Community Association, on the southern edge of Hereford City in the Belmont Rural ward. It serves a catchment from the immediate area, as well as people from Hereford City and those coming into Hereford from the Abergavenny Road. The local authority pays a rent to occupy the space and sustaining the service has been supported by grants from Hereford City Council and Belmont Rural Parish Council. The association is keen to provide a range of other services to people using the site. Staffing is provided by the local authority overseen by the supervisor in Hereford. Due to the current closure of Hereford Library, Belmont is offering increased opening hours of 38 per week. The usual number of hours would be 22.5. Belmont has one self-service kiosk that accounts for approximately 20% of stock issues.

Opening hours	Visitors 2012/3	Visitors 2014/5	Visitors 2015/6	Loans 2015/6	PC hours per year	Visits per hour	Operating cost	Cost per head £
38	50,916	22,527	34,697	45,877	1,031	22	29,259	0.84*

*based on usual year of 2014/15

Market Town Centres

- 13 All of the market town sites are a combined library and customer service centre. The staff are trained in Making Every Contact Count (MECC) and will deal with a range of queries and referrals. Since 2013 the staffing at the centres has reduced and there has been a corresponding reduction in opening hours combined with people being able to access services on-line. WISH have a “pop-up” service and healthy lifestyles will use the centres as key community facilities, considered “safe” and neutral venues.
- 14 There are 10 FTE staff covering Ross and Leominster, 3.5 FTEs in Ledbury, and 1 FTE for Bromyard. There are 2 supervisors – one for the north (Leominster and Bromyard) and one for the south (Ledbury, Ross and supporting the community library in Colwall). There is one self-service kiosk in each of the market town sites.

Ross Library and Customer Service Centre

- 15 A combined customer service and library function at one site along with Job Centre+ that pays a contribution in rent.

Opening hours	Library 2012/3	Visits 2014/5	Visits 2015/6	Loans 2015/6	Visits per hour	PC hrs per year	Customer services face to face	Cost per year £	Cost per head £
35.5	115,219	116,789	103,683	97,997	56	6,991	5,529	185,748	1.79

Leominster Library and Customer Service Centre

16 A combined customer service and library function at one site.

Opening hours	Library 2012/3	Visits 2014/5	Visits 2015/6	Loans 2015/6	Visits per hour	PC hrs per year	Customer services face to face	Cost per year £	Cost per head £
35.5	105,283	109,082	102,211	109,912	55	8,424	6,764	219,737	2.15

Ledbury Library and Customer Service Centre

17 A combined customer service and library function at one site, along with a range of other local authority and community functions. The library was relocated with customer services in 2015 as a major refurbishment and investment in the Masters House. The visitor numbers (which is counted for the library area) has increased considerably since the new building was opened which has won a number of awards with Herefordshire Council as the client (including RIBA best building for the West Midlands). The number of loans has increased but not as significantly as visitors (loans for 2014/5 - 50,200). The staff in Ledbury provide the "front of house" duties for the building with the integrated site designed to create efficiencies reflected in the low cost per head.

Opening hours	Library 2012/3	Visits 2014/5	Visits 2015/6	Loans 2015/6	Visits per hour	PC hrs per year	Customer Services face to face	Cost per year £	Cost per head £
32.5	72,583	48,308	110,450	57,545	65	3,126	2,683	58,120	0.53

Bromyard Centre

18 The library and customer service centre is in a shared facility with Halo who provide a range of leisure activities. The library relocated within the site earlier in the year and this has supported a reduction in facility charges. The number of visitors reflects the proportion of users of the site to the library service.

19 A reduction in use over the last year.

Opening hours	Library 2012/3	Visits 2014/5	Visits 2015/6	Loans 2015/6	Visits per hour	PC hrs per year	Customer services face to face	Cost per year £	Cost per head £
24	50,916	18,669	12,448	17,560	9	1,459	1,588	46,854	3.76

Kington Centre

20 In March 2014 Cabinet agreed to the pilot of a Well-Being Centre at the Kington Centre, which has been operational since May 2015, and has funding via Public Health until March 2017. Funding is not available beyond that date.

21 PC use is high in comparison to other centres for its size, though visitor numbers have decreased despite introduction of the well-being centre.

Opening hours	Library 2012/3	Visits 2014/5	Visits 2015/6	Loans 2015/6	Visits per hour	PC hrs per year	Customer services face to face	Cost per year £	Cost per head £
18	36,227	22,085	20,769	17,037	22	3,302	478	18,569	0.89
With Public Health funding								118,569	5.71

Community Libraries

- 22 A network of community libraries operate across the county. They are all financed and operated differently by the community, with the county library service providing support, advice and training for volunteers; financially supporting the public access PCs; manage the book stock; and run campaigns at the sites such as the summer reading challenge. In Colwall the parish council raised the precept for the cost of a paid member of staff from customer services to cover some of the opening hours working in conjunction with volunteers.

Library	Hours open per week	Visits per year	Loans per year	Items reserved per year	No. of public computers	Computer sessions per year	Computer hours per year
Colwall	15.5	11,138	13,241	1,482	5	1,324	1,194
Leintwardine	9.5	2,769	5,183	563	1	77	49
Weobley	6	2,491	4,454	482	3	152	355
Peterchurch	10	1,890	3,108	429	0	n/a	n/a

Options for Customer Services and Libraries

- 23 The Medium Financial Plan has a target budget saving of £760k from a budget of £1.8m. There are four options for meeting the savings plan:

- Savings programme
- Centralised model
- Retained libraries and central service
- Enhanced service

Savings Programme (option 1)

- 24 This option is based on instigating a savings programme though retaining the current pattern of library and customer services in the different sites and related functions including support for community libraries, schools library service and delivered library service.

	Savings programme
Op1.a	Community libraries at Belmont and Bromyard – for the library to be retained at Belmont to become a community library with the local authority continue to cover staffing, support with book stock, core staffing, training of volunteers, public access PCs and wifi – savings made on facility costs. In Bromyard for the library to be run in partnership with Halo, with a SLA to oversee staffing of the library with customer services retained on an appointment basis – savings made on reduced staff costs and facilities.
Op1.b	Renegotiation of the Book Fund – the book fund supports the quality of stock available impacting on use. £30k has been re-negotiated as a reduction for the same stock level through a regional consortium.
Op1.c	Changes to Delivered Library Services / Schools Library Services – this will look at reorganising via staffing and charger care homes for visits.
Op1.d	Savings from county library function – a range of reductions including staffing levels on non-replacement of vacant posts and reorganising the delivery model.

Op1.e	Council Tax – transfer of service for the back office to take responsibility for their calls, creating flexibility within the team to support peak demand shared across the benefit service.
Op1.f	Reduction in staff at Franklin House – equivalent for 2 FTEs to compensate for intended increased use of the internet to access customer services.
Op1.g	Kington Library – provide reinvestment to sustain the library service. The space available for hire to any of the established well being groups / services that wish to continue. Customer Services retained on an appointment basis.
Op1.h	Charging, income and withdrawals - to increase a range of charging across the service, withdrawal of newspapers, and periodicals.
Op1.i	Relocation of Hereford Customer Services – savings to the service for the relocation to Blueschool House.

Centralised Service (option 2)

- 25 This option is based on the proposition outlined in the budget consultation of 2015, with all customer service and library functions operational from Hereford. The phone line would also remain, though most contact would be provided via the web. Organisations would be able operate the libraries as community facilities covering costs with some support from the county library service.

Savings programme	
Op2.a	Libraries in Ross, Leominster, Kington, Ledbury, Belmont, Bromyard available to become community libraries with all customer service withdrawn from these centres. For those that do become community libraries central support could be provided regarding book stock and PC access. Saving on staff and facilities.
Op2.b	Withdrawal of Delivered Library Services for staffing and revenue costs.
Op2.c	Reduction of central support – elements retained to support community libraries and schools library service based on staff savings, book stock and revenue costs.
Op2.d	Retain staffing level of Hereford Customer Services to deal with increase in calls, but transfer responsibility for Council Tax calls to the back office.

Retained libraries and central service (option 3)

- 26 This option would be to retain the library functions in market towns and Hereford and support for community libraries. Customer services remodel to be based on face to face contact in Hereford, phone and web. The customer service queries are generally based on housing benefits advice and payments – payments to be supported by a paypoint scheme and improved digital offer. Introduction of “Better off Model” as an on-line tool for benefits and employment, and welfare and financial assessment team provide support for vulnerable and elderly clients needing help.

Saving programme	
Op3.a	Libraries in Ross, Leominster, Ledbury maintained with the withdrawal of customer services element creating a staff saving.
Op3.b	Items listed above in option 1.

Enhanced Service (option 4)

- 27 This option considers different services that could be delivered from customer service centres and libraries. This is happening more at national level within the remaining library infrastructure, and is not an uncommon feature within Herefordshire with the

combined library and customer function, existing co-location with Halo, staff already trained in Making Every Contact Count (MECC), and WISH / healthy lifestyles providing services from libraries. This could be based on the early help concept to reduce the need for people to access high cost intervention services.

28 Libraries in Ross, Leominster, Ledbury and Kington reflective on demographic need include a “well being / early help” element, and customer services by appointment. Staff retrained to give advice and support in the following areas:

- Childcare and free places
- Debt advice and areas of support for finance
- Signposts to community well-being schemes
- Use of the venue for well-being, events and courses and classes
- Quick health checks, including blood pressure, weight and heart checks
- IT training and advocacy, and web navigation
- Volunteering opportunities

Saving programme	
Op4.a	A combination of retraining staff to cover well being / advice based on reinvestment in the service with reduced employee costs due to appointment only for customer services.
Op4.a	Items listed above in option 1.

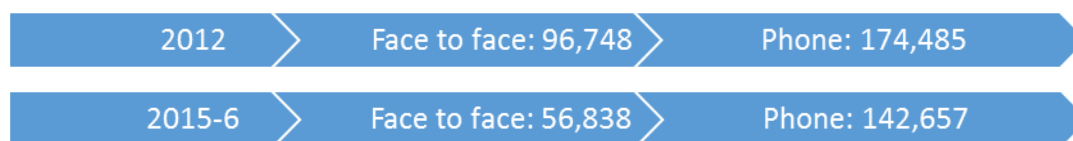
Community impact

29 Customer services and libraries in the market towns is supported by one front-line team, whilst in Hereford there is separate customer service centre and library reflecting the volumes and nature of enquiries. The service also operates the corporate contact centre and the venues will host a number of other services and community initiatives.

30 The services have seen considerable change in the last three years responding to customer trends, the increased use of digital access, and cost savings. Service remodelling has reduced the requirement for customers to contact the council in the first place and instigated self-serve. Service changes have included:

- Automated calls to manage queries, relevant services taking responsibility for their telephone contact, duty officer within planning service to support queries that cannot be addressed via first contact, Environmental Health taking responsibility for their calls
- Increased opportunity for on-line payments and services
- Self-serve library kiosk at Hereford Library and each market town site
- Introduction of appointments for specific customer service queries
- Introduction non-cash payments for the majority of transactions
- Job Centre+ at Ross Library
- Transfer of Leintwardine, Colwall and Weobley as community libraries
- Reduced opening hours at each of the centres
- 50% reduction in staffing
- Opening of combined community and service centre at Masters House in Ledbury
- Free wifi use at centres
- Kington Centre as a pilot of health and well being hub.

- 31 The illustration below shows the reduction of customer service face to face and phone service as part of the programme to management demand and reduce the requirement for people to contact the council.



Equality duty

- 32 The equality duty is in section 149 of the Equality Act 2010. It ensures that public bodies consider the needs of all individuals in shaping policy, in delivering services, and in relation to employees. The duty requires that when exercising public functions, public service providers must have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and any other conduct prohibited by the Act
 - Advance equality of opportunity between people who share a protected characteristic and people who do not share it
 - Foster good relations between people who share a protected characteristic and people who do not share it.
- 33 The duty relates to different groups who share any of the “protected characteristics” of age, sex, pregnancy and maternity, disability, race, marriage and civil partnership, religion or belief, sexual orientation. A needs and impact assessment is one tool that may assist decision makers to comply with the public sector equality duty.
- 34 The biggest impact on people on any customer service and library change will be on people with a combination of characteristics, specifically linked to low income, aspects of age, rural isolation and aspects of disability.

Financial implications

- 35 The savings target as outlined in the Medium Term Financial Strategy (MTFS) is £760k for customer service and libraries spread equally over 2017/8 and 2018/9. The options create the following savings, with some of the options falling short of this target and will consequently fall on other services:
- Option 1: £370k
 - Option 2: £770k
 - Option 3: £510k
 - Option 4: £420k

Legal implications

- 36 Under the 1964 Public Libraries and Museums Act (PLMA 1964), local authorities in England have a statutory duty to provide a comprehensive and efficient library service “for all persons desiring to make use thereof”.
- 37 When fulfilling its duty under section 7, a local authority must have regard to the desirability:
- Of securing that facilities are available for the borrowing of or reference to books and other printed matter, pictures, films and other materials

- That these facilities are sufficient in number, range and quality to meet the general and special requirements of adults and children
 - Of encouraging children and adults to make full use of the library service.
- 38 The Secretary of State has the power to make a remedial order against a library authority following a local inquiry. In determining whether to order an inquiry, the Secretary of State gives consideration to a number of factors, including:
- Whether there is any serious doubt or uncertainty as to whether the local authority is (or may cease to be) complying with its legal obligation to provide a comprehensive and efficient library service
 - Whether the local authority appears to be acting in a careless or unreasonable way
 - Whether the decision is or may be outside the proper bounds of the local authority's discretion, such as a capricious decision to stop serving a particularly vulnerable group in the local community
 - Whether the local authority appears to have failed to consult affected individuals or to carry out significant research into the effects of its proposals
 - Whether the local authority has failed to explain, analyse or properly justify its proposals
 - Whether the local proposals are likely to lead to a breach of national library policy
 - The advantages of local decision making by expert and democratically accountable local representatives
 - Whether there is any further good reason why a local inquiry should be ordered.
- 39 These factors are set out in decision letters in relation to complaints made to the Secretary of State that a local library authority is failing to carry out its statutory duties. The power to order a local inquiry has been utilised on only one occasion since 1964, with a public inquiry in Wirral in 2009.
- 40 In October 2014, the Secretary of State, following receipt of a complaint in regards to Sheffield Library Service, issued a 'minded to' letter, and in March 2015 issued a final decision letter. Quoted in that correspondence was a response relating to the case of *Bailey v London Borough of Brent* [2011] EWHC 2572 (Admin) "A comprehensive service cannot mean that every resident lives close to a library. This has never been the case. Comprehensive has therefore been taken to mean 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 across the diverse communities of the borough".

Risk management

- 41 Risks will vary depending on the option agreed, though in general terms key risks are concerned with:
- 42 The impact of withdrawal customer services and libraries from the market towns will have a high impact on people who need support.
- 43 Impact on other services where support may be needed to customers and users of the services.

- 44 Reducing the opportunity to make payments leads to a greater level of debt and reduced income from the authority.
- 45 Not reaching the budget savings of the MTFS
- 46 Judicial review based on the authority not meeting the requirements under the 1964 Public Libraries and Museums Act (PLMA 1964).

Consultees

- 47 The consultation on Herefordshire Council's priorities and budget for 2016-2020 took place between July and October 2015 and was completed by 1,979 people. 52% of respondees indicated that their lowest preference for savings was the reduction of customer services and libraries. The second lowest preference, at 21%, was the withdrawal of public transport subsidy and increase the cost for discretionary educational travel. The budget consultation for 2017-2020 will conclude in October 2016.
- 48 The Library and Customer Services Research Consultation took place between 27 June and 5 August 2016. In total there was 2,254 responses comprising of users and non-users, sharing views through on-line and paper surveys, facilitated response and focus group. The final report is published on the council website. Over 2,000 comments are being analysed about how any changes may affect individual respondents and those with particular (protected) characteristics.

Appendices

Presentation slides for general overview and scrutiny committee – 27 September 2016

Background papers

- None identified.