

**Open Report on behalf of Richard Wills,  
Executive Director for Environment & Economy**

Report to:	<b>Community and Public Safety Scrutiny Committee</b>
Date:	<b>02 November 2016</b>
Subject:	<b>Update on Greenwich Leisure Limited – Library Contract</b>

**Summary:**

This report provides committee members with an update on the first six months of the Greenwich Leisure Limited Library contract which commenced on 01 April 2016.

**Actions Required:**

Members of the Community and Public Safety Scrutiny Committee are invited to consider and comment on the performance information included in the report and highlight any recommendations or further actions for consideration.

## **1. Background**

### ***Decision-making history***

- 1.1 On 22 February 2013, the full Council approved a budget that provided a sum of £4.1m for spending on frontline library services for the financial year 2013/14 and beyond. This represented a reduction of £2m on the equivalent budget for 2012/13 which had stood at £6.1m.
- 1.2 On 2 July 2013, the Executive received a report setting out the results of a Library Needs Assessment (LNA) which, building on work started in 2007 with a review and consultation on what services a library should provide, had sought to identify the appropriate shape of service required to meet the available budget.
- 1.3 On 3 December 2013 the Executive received a further Report setting out the results of the public consultation and proposed some changes mainly that the service had two elements – a statutory service provided by the Council under section 7 of the Public Libraries and Museums Act 1964 and a non-statutory service consisting of support to communities to provide library services as part of community hubs or a mobile library stop, plus

continued support for other charged for services, to prisons, schools, reading and drama groups.

- 1.4 On 3 December 2013 the Executive approved the recommendations.
- 1.5 On 31 January 2014 Judicial Review proceedings were commenced in the High Court in London. Four grounds of challenge were alleged:
  - the consultation process was flawed;
  - the Council had failed to comply with the public sector equality duty;
  - the Council had acted irrationally and unlawfully in its treatment of a whole service alternative proposal from Greenwich Leisure Limited (GLL), including having failed to treat it as an expression of interest under section 81 of the Localism Act 2011
  - the Council's proposed statutory service did not comply with the section 7 duty
- 1.6 On 17 July 2014 the Executive's decision of 3 December 2013 was quashed by the High Court on the grounds that the consultation was flawed and that the Council had failed to treat the GLL proposal appropriately as an expression of interest under section 81 of the Localism Act 2011. The challenges based on breach of the public sector equality duty and section 7 of the PLMA 1964, were rejected.
- 1.7 On 3 December 2014, the Executive Councillor for Libraries, Heritage, Culture, Registration and Coroners accepted the proposal from GLL as a valid expression of interest under section 81.
- 1.8 Having accepted the expression of interest, the Council was required to carry out a procurement exercise and in so doing had to comply with its wider procurement obligations in carrying out such an exercise and take into account its obligation to obtain best value.
- 1.9 In 2015 the procurement exercise was undertaken by Lincolnshire County Council for the delivery of Lincolnshire's library service. Following a number of dialogue meetings and the tender evaluation process, Greenwich Leisure Limited (GLL) was awarded the contract and became the successful provider.
- 1.10 The contract commenced on 01 April 2016 for an initial 5 year period.

**Background to the contract:**

GLL have been contracted to deliver the following elements:-

- **Universal Services:** including
  - (a) a website providing an online public access catalogue, e-books, e-audio, e-magazines
  - (b) telephone access to a range of library services via liaison and co-operation with the Council's Customer Service Centre
- **15 Core Libraries in the following locations:**  
Boston, Bourne, Gainsborough, Grantham, Horncastle, Lincoln, Long Sutton, Louth, Mablethorpe, Market Rasen, Skegness, Sleaford, Spalding, Stamford and Woodhall Spa

Albeit, Grantham has not yet transferred to GLL and is still operating as a LCC library. Whilst we understand that the sale of the Isaac Newton shopping centre has successfully concluded, we are yet to receive confirmation or approval of a sublease arrangement. This is not operationally critical and is out of the team's control. Solutions are being sought and are being pursued as a priority.

- **Targeted provision:**
  - (a) the provision of Home Library Services to Eligible Users
  - (b) services to people who are blind or partially sighted through Listening Lincs
  - (c) reading development activities with the aim of promoting an increase in the love of books and reading (including the Bookstart Services)
- **Support for up to 40 Community Hubs:**
  - (a) provide, maintain rotate and renew at least 4,000 books to each Community Library
  - (b) undertake stock maintenance which requires checking of stock for items to be discarded
  - (c) undertake stock cataloguing and processing
  - (d) ensure that Community Library users will be able to access the services through the Library Management System (LMS)
  - (e) ensure that Community Library users will be able to reserve, collect and return stock at other Community Libraries, the Core Libraries and Mobile Library Vehicles
  - (f) deliver a range of free training, advice and support to community organisations. This will include day to day operations, including use of the computerised Library Management System (LMS)

- **A mobile library service**
- **The delivery of other paid for services:**  
Such as reading, music and drama groups and services to schools

In order to monitor the progression of these elements, a number of Key Performance Indicators (KPI's) were devised, alongside baselines for performance and monthly targets. This was completed in conjunction with GLL as per the contractual agreement.

## **2. Performance**

It is important to note the initial focus for the contract was upon ensuring a smooth transition and continued operational delivery with minimal interruption or impact; with formal performance monitoring implemented in Q2 (July 2016 onwards). There will be no reporting on Quarter 1 of 2016/17 as agreed as part of the transition programme.

The contract commenced on 01 April 2016, with a seamless handover. Members of the public saw no difference and there were no IT or operational issues reported.

GLL have continued to have a positive start to the new contract, delivering a number of events across the sites and encouraging community use within the service. There are elements of delivery that still require some attention to ensure all targets are achieved, including work around number of visits to the sites, stock issues and the mobile service provision. Plans are in place to support this.

Beyond this, GLL have already started to make an impact across Lincolnshire with updates to the garden and Children's area in Lincoln Central, a new look at Boston and improvements to Skegness, Sleaford, Gainsborough, with a new children's library planned for Stamford.

Book stock at each of the core library sites and across the community hubs is being reviewed to ensure available stock reflects customer needs. This is proving to be a positive step and is facilitating the development of relationships between the community groups and GLL. The list of active community hubs can be found in Appendix A.

The activities that are available are also under review, with more creative sessions being planned, alongside 'jamming sessions' which is scheduled for 22 October and 26 November. Messy mornings for children, mindfulness sessions for adults and digital drops-ins are also being considered to enhance the offer. GLL are looking at other partnerships that can be developed and have held discussions with the University of Lincoln over their library catalogue, although these conversations are still in their infancy.

GLL are reviewing the current opening hours for the core sites with the intention of extending, where possible, to ensure the provision matches the demand.

For example, an additional hour at the end of the day is being proposed at Lincoln Central to enable those who work, time to enjoy the library.

Exceptions to note:

Performance is monitored on a monthly basis. Appendix B illustrates GLL have on the whole superseded the targets that have been established. This is with the exception of number of visits to the site, number of hours of internet use, website visits, stock issues and mobile library provision.

The KPI's are bespoke to the GLL contract and therefore the service is not comparing like for like from previous years. The methodology for collating performance prior to April 2016 is not the same process that GLL are undertaking. This is to increase validity of the data and to ensure robust collection methods are utilised.

**KPI 1: Number of visits to Core Libraries and mobile library services in a Contract Year**

Overall this is 2.33% down on target for the quarter, when the monthly targets are taken as an aggregate.

	Target	Actual	Difference
July	142,384	126,662	- 15,722 (- 11.0%)
August	133,466	140,900	+ 7,434 (+ 5.6%)
September	135,681	134,365	- 1,316 (- 1.0%)

July saw 15,722 fewer visits (11%) than anticipated. However this was the first month wherein performance was baselined. August saw an increase when compared to the target due to the 'Summer Reading Challenge' – the National programme of activity to encourage younger readers. September experienced a decline when compared to the target; however this was only 1% (1,316 visits).

Since the start of the contract the methodology for collating 'visits' to the library service has altered. For the purpose of the GLL contract a 'visit' is counted as a physical visit by an individual to a library premise, including the mobile service. In previous years other forms of interactions such as emails and telephone calls were included as visits.

However from April 2016 onwards physical visits only have been counted as per CIPFA (Chartered Institute of Public Finance and Accountancy) guidance. Given the alteration in the methodology it may take a few months for performance to mirror the targets.

**KPI 3: Number of hours use of access to the internet from public access computers in Core Libraries and mobile library vehicles in a Contract Year**

This is 9.31% down on target for the quarter, when the monthly targets are taken as an aggregate.

	Target	Actual	Difference
July	15,502	12,841	2,661 (-17.17%)
August	13,707	13,353	354 (-2.58%)
September	14,276	13,243	1,033 (-7.24%)

This was below target by 2,661 hours (17.17%) in July, 354 hours (2.58%) in August and 1,033 hours (7.24%) in September.

GLL are training staff to support customers with IT and have 'computer buddies' in place to encourage additional use of the public computers.

**KPI 4: Number of hours Wi-fi Use in a Contract Year**

Unfortunately, technical problems have prevented the collection of this data. Discussions are on-going to find a resolution to this.

**KPI 5: Number of visits to library website in a Contract Year**

Overall this is 0.39% down on target for the quarter, when the monthly targets are taken as an aggregate.

	Target	Actual	Difference
July	31,491	30,417	-1,074 (-3.4%)
August	32,217	32,450	+233 (+0.7%)
September	30,654	31,223	+569 (+1.9%)

A visit is defined as per the CIPFA guidance;

"A session of activity/series of one or more page impressions, served to one user to the library website (or relevant library-service-relayed directories of the authority website as defined by the authority). A unique visitor is determined by the IP address or cookie. The session is deemed to end when there is a lengthy gap of usage between successive page impressions for that user. An example of a 'lengthy gap' would be a gap of at least 30 minutes. Count one visit per visitor session".

GLL are due to publish a Facebook page and Twitter account imminently which should see an increase in promotion of the service and signposting to the website.

**KPI 6: Total number of stock issues across Core Libraries and mobile libraries and E-services**

This is 12.85% down on target for the quarter, when the monthly targets are taken as an aggregate.

	<b>Target</b>	<b>Actual</b>	<b>Difference</b>
July	150,318	130,189	-20,129 (-13.39%)
August	151,566	144,341	-7,225 (-4.77%)
September	157,449	125,777	-31,672 (-20.12%)

There were 20,129 fewer stock issues in July than baselined (13.39%), 7,225 (4.77%) in August and 31,672 (20.12%) in September.

The targets established for the number of stock issues is ambitious, the influx in visits in August does show the correlation with an improved stock issue for the same period, however the target was still not achieved.

The service is still in its infancy and work is on-going around ensuring appropriate stock levels are held at each site to ensure supply and demand is achieved.

**KPI 10: Percentage of mobile library stops scheduled in any Contract Year which are delivered**

This is 4% down on target for the quarter, when the monthly targets are taken as an aggregate.

	<b>Target</b>	<b>Actual</b>	<b>Difference</b>
July	100%	94%	-6%
August	100%	99%	-1%
September	100%	95%	-5%

GLL are currently reviewing the mobile service delivery to rectify this issue.

In conclusion, although GLL have missed a number of KPI's over the initial 3 months of monitoring, they are nowhere near triggering the step in clause.

Remedial actions have been put in place to drive performance and it is anticipated that performance will continue to improve throughout the lifetime of the contract.

### 3. Consultation

#### a) Policy Proofing Actions Required

n/a

### 4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Community Hub Development
Appendix B	GLL Performance Report

### 5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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