



## Policy and Scrutiny

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

Report to:	<b>Public Protection and Communities Scrutiny Committee</b>
Date:	<b>24 July 2018</b>
Subject:	<b>Performance of Library Services Contract - Year 2 Review</b>

**Summary:**

This report provides an update of the contract performance information to enable the Public Protection and Community Scrutiny Committee to fulfil its role in scrutinising performance of the second year of the out-sourced Library Contract to Greenwich Leisure Limited [GLL].

**Actions Required:**

Members of the Public Protection and Community Scrutiny Committee are invited to consider and comment on the performance information included in the report and to:

- 1) Endorse the ongoing development and proposed 'Year 3 Developments' highlighted in the report;
- 2) Highlight any additional priorities for consideration; and,
- 3) Support receiving annual performance updates on the Library Services Contract going forward.

### 1. Background

The decision to outsource LCCs statutory library service was taken to enable the delivery of a cost effective, high quality, library service in an ongoing environment of financial constraint.

Key aims of this outsourcing:

- Increase levels of service performance,
- Improved customer's experience
- Service transformation.

The Library Service contract with GLL commenced April 2016. GLL has now entered Year 3 of a 5 year contract with an option to extend the contract by a further 5 years taking us to 31 March 2021 or 31 March 2026 if extended.

GLL are 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

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, however solutions 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

## **2. GLL Review of Year 2**

In year two of the contract GLL has continued to make significant improvements to library services.

Eight of the eleven Key Performance Indicators were achieved with a third only narrowly missed due to unusually poor weather.

This year has seen a focus on improving back office services to ensure that library materials are purchased efficiently and are distributed quickly around the County, so that the books customers want to read are available in their local libraries. This modern approach means that new stock in core libraries is available to customers within 24hrs of delivery in the County and that 89% of reserved items were fulfilled within 30 days, if not sooner.

More effective management of the library stock has had a positive impact on performance with issue figures for core, mobile and e-services exceeding target by 11.5%, while use of the library website exceeded target by 14.2%.

Library staff ran a total of 4,933 events in core libraries during 2017/8. Customers really enjoy the events which take place in libraries, and, year on year, the number of events and activities taking place in Lincolnshire Libraries has increased by over 50%, with over 68,000 adults and children attending library events and activities in 2017/18. All core and mobile libraries participated in national reading campaigns such as BookTrust's 'Bath, Book, Bed' and Bookstart Week as well as the always popular Summer Reading Challenge. October 2017 saw the first ever National Libraries Week and alongside regular book lending and enquiry services over 80 events were held in core and mobile libraries across the county.

To further enhance customer's reading experience a range of author and writer visits and workshops were held across the county. Visiting authors included: Stephen Booth, Christina James, Sarah Ward, Richard Leatherhead, David Marks and Martin Davies. Perhaps the most high profile speaker was Lincolnshire born author and comedian Robert Webb who Lincoln Library welcomed for a question and answer session about his autobiography, 'How not to be a Boy'.

Alongside improving in-house efficiency and running popular event programmes, bids were submitted by GLL for external funding to develop the library service and £231,000 of Arts Council funding was secured. This was used to provide Library Labs with a variety of IT equipment for activities such as coding and digital photography in four Lincolnshire Libraries, as well as travelling labs which can be moved from library to library.

Library Development Officers successfully supported the volunteer run Community Hubs in Welton, North Hykeham and Burgh-le-Marsh in moving to new locations within their communities.

GLL holds a national annual awards ceremony for staff each year and in 2018 Lincolnshire Libraries were very successful with the Library Managers from Louth and Spalding winning the national Innovation Award for their Reading to Dogs scheme and the Mobiles Team won the Regional Library/Centre of the Year Award.

Development this year has been limited by the existing IT which has resulted in a decline in the use of the Peoples Network public computers and a smaller linked decline in visits to libraries. Customer feedback evidences an increasing expectation for access to high quality IT facilities in our libraries to ensure customers can fully engage in the digital world; whether it be to look for jobs online, access study resources for school or college studies, access and print personal documents such as online banking statements or simply stay in touch with friends and family abroad. GLL and LCC are committed to working together moving forwards to ensure a modern IT offer can be implemented in the near future, ensuring that customer's needs are fully met and this will form a large part of the Year 3 developments.

Links with local promotions have enabled participation in the Lincoln Knights Trail; Stamford Georgian Festival; Sleaford and Woodhall Spa Christmas Markets and the 'Sleaford Live' music festival. The District Mobile in South Holland also participated in the 'Transported' project by ArtsNK where professional performance poets were welcomed at mobile stops to lead 'pop-up' poetry sessions focusing on local folklore and songs.

Website development and better promotion of the library catalogue, e-book, e-audio, e-magazine collections and online information has seen customer engagement via social media and the virtual catalogue increase by 15% when compared to 2016/17. GLL Staff Training and Development in Year 2 has built on the compliance sessions previously delivered during Year 1. Various library specific training including Reading and Wellbeing; and Public Libraries Universal Information Offer and the Instant Library Application were delivered by the Libraries Specialist Team. Prevent and Making Every Contract Count were delivered by LCC.

### **3. Performance Review**

#### **Key Performance Indicators**

There are eleven KPIs, bespoke to the libraries contract, which were devised alongside baselines for performance and monthly targets; agreed in conjunction with GLL.

In Year 2 of the contract GLL successfully achieved or exceeded all but three of these targets, with KPI-10, the percentage of mobile library stops scheduled successfully delivered, missing by 1% due to unusually poor weather at the beginning of 2018.

The implementation of 'thermal imaging' people counters has increased the integrity of the data that GLL capture and subsequently the level of confidence in the performance reporting.

During the first three months of the contract, KPI-1 and KPI-3 were missed by a relatively small margin but GLL went on to achieve the total target for Year 1. In Year 2 the performance against these targets has consistently missed the expected level of performance.

Factors contributing to the failure to achieve KPI-1 include a reduced events programme during the summer due to timing of school holidays; adverse weather

conditions towards the end of the reporting year and an increase in the gap between customer expectation of the Public Network [PN] machines/internet access and the current ability to meet this. It should also be recognized against a national picture of declining library visits.

The pace of change in the IT requirements of our customers and the ongoing ability of the IT network within libraries to meet these needs is identified as the primary reason for GLL missing KPI-3.

Mitigation has been given to relieve GLL's abatement points and thus Service Credits that would otherwise be accrued during the decision and implementation period for any future development of libraries IT.

With regards to KPI-10 (mobile provision) the transition period in Year 1 again proved challenging but things have remained stable throughout Year 2, including a reduction in routes, though was latterly affected by the unusually bad weather in the winter.

Table 1: Year 2 contract performance 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018

<b>Key Performance Indicator (KPI)<sup>1</sup></b>	<b>Target</b>	<b>Achievement</b>
<b>KPI-1</b> Number of visits to Core Libraries and mobile Library Services in a contract year	<b>1,607,042</b>	<b>1,563,606</b>
<b>KPI-2</b> Percentage of scheduled events at Core Libraries in a Contract Year which are delivered	<b>100%</b>	<b>100%</b>
<b>KPI-3</b> Number of hours of use of access to the internet from public access computers in Core Libraries and Mobile Library vehicles in a Contract year	<b>166,058</b>	<b>145,340</b>
<b>KPI-5</b> Number of visits to the library website in a Contract Year	<b>388,761</b>	<b>444,020</b>
<b>KPI-6</b> Total number of Stock Issues across Core Libraries, Mobile Libraries and E services	<b>1,754,741</b>	<b>1,956,122</b>
<b>KPI-7</b> Percentage of books Requested delivered within 7 days	<b>65%</b>	<b>69%</b>
<b>KPI-8</b> Percentage of books Requested delivered within 15 days	<b>75%</b>	<b>83%</b>
<b>KPI-9</b> Percentage of books Requested delivered within 30 days	<b>85%</b>	<b>89%</b>

<sup>1</sup> KPI-4 - number of hours of Wi-Fi use in a contract year<sup>1</sup> is excluded from this data as this is yet to be measured.

<b>Key Performance Indicator (KPI)<sup>1</sup></b>	<b>Target</b>	<b>Achievement</b>
<b>KPI-10</b> Percentage of mobile library stops scheduled in any Contract Year which are delivered	<b>100%</b>	<b>99%</b>
<b>KPI-11</b> Aggregate number of hours of Community Use at all Core Libraries	<b>1,780.0</b>	<b>6,610.8</b>

Appendix A to this report provides the detailed Key Performance Indicator (KPI) results for Year 2 [1 April – 31 March 2018]. Green indicates that GLLs performance as measured against the KPI has either met or exceeded the TSL as set out under the Library Contract. Orange indicates that GLLs performance against the KPI has failed to meet the Target Service Level (TSL).

#### **4. Service Transformation**

##### **4.1 Innovation**

###### Mobile Service

In July 2017 the mobile service routes were revised, with the reduction resulting in minimal impact upon service users. These changes were in line with both service demand and the positive impact of the creation of hubs in the community, providing wider customer choice. Mobile Service savings were built into the contract and are being realised over the contracts lifetime. GLL continue to review service demand on an ongoing basis.

###### Exit of Lexicon House

The programme to exit Lexicon House was successfully achieved by 31 March 2018. The book stock warehousing at Lexicon has ceased and by having book stock delivered direct to libraries from source has helped streamline back office activity and save processing time. This sees new stock in core libraries, being available to customers within 24hrs of delivery in to the county.

The result of this move has enabled the Readers, Music and Drama Group provision to be more flexible and customer responsive; an increase has been seen in the number of groups being served by nearly 10% to 265, all within existing staff and stock capacity; the first significant service growth since 2011.

###### GLL 'To Be' model

At the time the contract commenced in April 2016, it was acknowledged by all parties that Libraries ICT would benefit from investment to improve computer access and Wi-Fi availability to the public whilst also aiming to achieve better value for money.

GLLs initial bid provided a comprehensive and detailed IMT replacement model. This has been reviewed by Commissioner for Libraries and Client Lead along with the then lead of IMT. A business case is now being prepared in conjunction with the Commercial Team to enable further discussion and potential agreement of a sustainable way forward. It is anticipated that this will be reviewed at the end of July.

### Move of Spalding Library to Red Lion Quarter

Preparation is now underway for GLL to move provision of the library service from its current location to more modern premises, with shared facilities within the Red Lion Quarter.

This move demonstrates an investment in the service and town by GLL and comes at no cost to the Council. The benefits will include increased footfall to this building and surrounding businesses and the intended coffee bar would encourage social interaction and cohesion. The new look and feel will appeal to a wider audience and therefore it is anticipated that the service will benefit from an increase in service users; not only from the local area, but from users of the Boston College building.

### Other Refurbishments and Improvements

Building on the improvement and refurbishment of 8 core libraries within Year 1, Year 2 has seen Skegness library benefit from a full site redecoration; Boston and Gainsborough received improvements to their library layout as well as the addition of bespoke furnishings to house equipment for the ForgingLincs project.

Improvements have also been made to the Library Management System to ensure it is accurate, informative and user friendly.

## **4.2 Savings**

Through the outsourcing of the libraries contract the council expected to achieve substantial savings against the £4.4 million per annum cost of service delivery. The overall savings projected by GLL was £2.12 million over 5 Year's delivery, reflecting a 9.62% reduction to the cost to the Council of delivering the service.

In addition to the capital savings of £1.6m at commencement of the contract and the on-going revenue savings of £57K which were realised as there was no requirement for the new build 'distribution centre' at Sleaford, revenue savings of approximately £260K continue to be realised through rate relief of 80% on buildings occupied.

GLL have been able to operate the mobile service with a reduced number of vehicles resulting in vehicle lease savings of approximately £50K p.a. Greater utilisation of mobile fleet vehicles (the use of smaller vehicles as internal courier service has removed the need for an externally procured courier service costing £160k per annum). Although not presently known, potential savings will be realised through the streamlining of services due to the recent move from Lexicon House. Savings are expected to be achieved through the reduction of reserve stock storage costs and through competitive pricing of 'shelve ready' books delivered direct to libraries.

Additional savings may also be possible if a positive business case can be made for transferring IT services to GLL.

## **5. Community Hubs**

The development of community hubs was driven by the desire to give communities more control and a bigger role in delivering services, whilst ensuring services remained affordable within the Council's reduced budget.

### **5.1 Hubs are Future Focused and Thriving**

Community Hubs need to be sustainable to ensure they will be there in years to come. Hubs have achieved this through a range of income sources/funding which they require to cover the costs of running activities, e.g. grants, donations, hiring out space, etc.

To enable a Community Hub to be effective it needs to make use of good ideas and resources within the community and be able to adapt to changing circumstances.

The following examples demonstrate a move towards future sustainability:

#### North Hykeham

North Hykeham Community Hub moved from Middle Street, a previous LCC property, to new premises at Valerian Way in North Hykeham. They re-opened in October 2017 bringing library facilities and community space into the heart of a housing development.

#### Welton

Welton Community Hub moved to new premises from their previous site at the centre of Welton and re-opened in March 2018 at Manor Park Sports Club on the edge of their village. Although smaller in size they have managed their space well and have created a lovely environment for community use. This move has given them additional parking facilities making access to the site easier and with the addition of kitchen facilities they will now be able to achieve one of their aims of being able to offer 'soup and a sandwich' lunches to alleviate social isolation for the elderly within the community.

#### Burgh le Marsh

Burgh le Marsh Community Hub moved to secure the longevity of a library service in their village and re-opened in February 2018 at a new dedicated modular library building, shared with the Council Chamber, at Tinkers Field, Burgh le Marsh.

#### Nettleham

Nettleham Community Hub is a focal point within their community and facilitates a wide range of events for all ages. External funding has been sourced for investment in enhancing and expanding their Hub which has recently incorporated a coffee shop. They are looking to turn their venture into a money-making business so that they can stay open for years to come. They have applied for a 25 year lease to be able to secure larger amounts of funding and the hub has been registered as an asset of community value.



## 5.2 Provision of Community Hubs

GLL provide ongoing professional support in the form of Library Development Officers [LDO's], including operational management of book stock, volunteer training and development, support of volunteers as well as supporting hubs to be professional and safe places for the members of the public to utilise; ensuring that the national picture in libraries performance and innovation is reflected locally.

LCC provide the provision of computers for public use, volunteer use and access to LCC IT helpdesk. For those hubs that have chosen to remain in Council-owned premises preferable rates of a peppercorn rent for the initial 4 years of their lease between the Community Hub and the Council were applied.

Financially, all Community Hubs have been supported financially with the allocation of £15K a one-off capital payment to assist with set-up/improvement works and an annual revenue payment of £5,167 whilst they remain operating as a Community Hub for a minimum of 6 hours per week for 50 weeks per year.

Overall there is a commitment to support up to 40 Community Hubs and during the period 1st April 2017 and 31st March 2018, GLL provided support to 36. Of these 36, 34 are community group run. A library provision is also provided at Belton Lane Children's Centre and all three Lincolnshire Hospitals; these are managed by the staff at each location but again supported by GLL. See Table 2 below:

Table 2: Community Hubs – for the period 01.04.17 – 31.03.18

Ref	Hub Name	Ref	Hub Name	Ref	Hub Name
1	Alford	13	Donington	25	Pinchbeck
2	Belton Lane ( <i>Children's Centre</i> )*	14	Ermine	26	Ruskington
3	Birchwood	15	Heckington	27	Saxilby
4	Boultham	16	Holbeach (Co-op)	28	Scotter
5	Bracebridge ( <i>Bridge Church</i> )	17	Hospital Hub* ( <i>Lincoln, Boston and Grantham</i> )	29	Spilsby (Co-op)
6	Bracebridge Heath	18	Ingoldmells	30	Sutton Bridge
7	Branston	19	Keelby	31	Sutton on Sea
8	Burgh le Marsh	20	Kirton	32	Swineshead
9	Caistor	21	Metheringham	33	Waddington (Co-op)
10	Cherry Willingham	22	Navenby	34	Wainfleet
11	Crowland	23	Nettleham	35	Welton
12	Deepings	24	North Hykeham	36	Wragby

*\*These 'hubs' do not receive the £5,167 annual revenue grant nor £15,000 capital grant. They are classified as a hub for the purpose of the GLL support to community hubs contractual payment clause.*

Appendix C provides a list of the 36 Community Hubs and their Community Group names.

Community Hubs are independent and so have autonomy around opening hours, activities available and other potential utilisation of the site. All income received is retained by the hub, for reinvestment into the site.

Whilst Key Performance Indicators (KPI's) are not measured for Community Hubs an annual review is conducted to examine sustainability and the positive impact a Community Hub has on their respective communities. These reviews are led by GLL Library Development Officers with attendance from the Client Lead when required. There is a standard agenda to aid discussion covering risk; concerns; service to customers and best possible use of resources/finance. This decision was made to intentionally minimise the emphasis on traditional performance management in order to best enable these hubs to achieve independence and reflect community need.

## **6. Conclusion**

Building on the successes and foundations of Year 2 a variety of focused activities are planned for Year 3 (April 2018 – March 2019) which includes:

- Undertake a review of Library Opening times to ensure the needs of local communities are met.
- Ensuring a positive legacy for the 'ForgingLincs' project
- Further service innovation, including continued exploration of IT development.
- Re-categorising library stock in line with the recently implement UK Standard Stock Categories and changing shelf layouts to ensure stock is arranged more accessibly for customers
- Implementing visual merchandising techniques that can be utilised in the library environment to attract and actively engage library users with stock and further increase issues
- Staff Training and Development – focus on the Libraries Connected (previously Society of Chief Librarians) training package 'Talking to Readers' to improve Library Staff skills and confidence when interacting with customers

## **7. Consultation**

### **a) Have Risks and Impact Analysis been carried out??**

N/A

### **b) Risks and Impact Analysis**

N/A

## 8. Appendices

These are listed below and attached at the back of the report	
Appendix A	GLL Year 2 Performance 2017/18
Appendix B	Community Group information 2017/18
Appendix C	GLL Library Services Developments and Improvements 2017/18

## 9. 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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