Report To:	**STRATEGIC PLANNING AND CAPITAL MONITORING PANEL**
Date:	30 November 2015
Executive Member/Reporting Officer:	Cllr Lynn Travis - Executive Member, Neighbourhoods and Health
	Emma Varnam – Head of Stronger Communities
Subject:	**LIBRARIES FOR THE 21ST CENTURY**
Report Summary	This report sets out the current position of the library service following the last review in 2012 and outlines the steps, indicative costs and timescales for taking the service to the next stage of a modern, progressive library service that meets the needs of customers but is affordable for the Council to sustain.
	4 distinct phases of activity are required to achieve the overall vision. These are
	• Development of the initial programme and business case.
	• Implement a new Library Management System including self-issue and Radio Frequency Identification (RFID) technology.
	• Implement technology to allow unstaffed opening hours and thereby reduce staffing costs whilst still allowing access to the service for customers.
	• Recruit volunteers to support the service in specific areas.
Recommendations:	To consider and approve the Libraries future vision detailed in the report and support capital investment to enable technology to be put in place to achieve the ambition of a progressive, modern library service whilst achieving revenue budget reductions.
	To approve the virement of £60,000 to fund the replacement of the Library Management System from the Digital Tameside budget currently within the capital programme and to approve the additional sum of £17,415 to finance the total cost of the system (£77,415).
	The total cost of the technological improvements for the wider Library Investment Project is £496,200. Approval is requested to utilise £180,000 from the existing Libraries budget within the Capital Programme. An additional capital allocation for the remaining £316,200 is also requested.
Links to Community Strategy:	Tameside Library Service delivers a wide range of functions that contribute to the aims of the community strategy. In particular the service promotes lifelong learning, mental wellbeing, employment and digital skills whilst supporting communities.
Policy Implications:	If the recommendations of this report are accepted and implemented this will form the basis of a new library service

delivery model for Tameside

Financial Implication: **(Authorised by the Section 151 Officer)**	The cost of the preferred Library Management System is £77,415. £60,000 has been allocated from the existing Digital Tameside budget within the Capital Programme towards this cost. An additional capital funding allocation of £17,415 is required to finance the total cost. The new system will result in annual revenue savings of £23,624 in comparison to the current system (it should be noted this sum excludes the annual repayment costs associated with the level of borrowing required for the investment) and will therefore payback the original investment within four years **(Appendix 1).** Wider Investment of £496,200 in a range of vital technological improvements is required to deliver a modern, progressive library service. Provision of £180,000 is currently available within the Capital Programme that was approved as part of the implementation of the revised Library offer in 2012. A further capital allocation of £316,200 is required to finance the remaining balance. The investment of £496,200 will result in recurrent annual revenue savings of £185,000 due to reduced staffing expenditure (it should be noted this sum excludes the annual repayment costs associated with the level of borrowing required for the investment). The investment will deliver payback over a four year period **(Appendix 2).**
Legal Implications: **(Authorised by the Borough Solicitor)**	Any change in the current offer to the public would require a consultation exercise. This report is recommending a reconfiguration of the service which does not appear to affect the same, but will involve educating the service users in new methods of delivery. This will be key to success going forward, so they understand how to access the service to their best advantage.
Risk Management:	If 8 static libraries are to be retained and investment is not made in technology to allow unstaffed opening hours, making large savings on revenue budget will not be possible.
Access to Information:	The background papers relating to his report can be inspected by contacting Mandy Kinder, Head of Customer Care and Advocacy by: ☎ phone: 0161 342 2061 ✉ e-mail: mandy.kinder@tameside.gov.uk

1.   INTRODUCTION

1.1   On 24 September 2012 following an extensive public consultation exercise Executive Cabinet agreed a new offer for Tameside's Library Service. The new offer included the relocation of Mossley Library into George Lawton Hall, the closure of 5 libraries, and reduction of opening hours at the remaining 8 libraries. The new offer was fully implemented and delivered full year revenue savings of circa £1 million.

1.2   The challenge now is to continue to deliver services which meet the changing expectations of our residents, within a financially sustainable framework which achieve savings of approximately £150,000 per year (It should be noted that the service has also delivered recurrent savings of £80,000 in 2015/2016). The service needs to refocus and review the core offer to local communities; better exploit technology to make the service more effective and efficient whilst ensuring delivery of local and national priorities in a progressive way.

1.3   This report presents an option for the achievement of budget savings, whilst continuing to maintain, and potentially increase access to provision.

2.   BACKGROUND

2.1   The service review of 2012 defined the current library service provision in Tameside. The service is delivered through:

- A network of 8 libraries located across the borough,
- 2 vans delivering the Home Library Service to individuals, who cannot visit a library due to long term health conditions,
- An unstaffed library access point at Ryecroft Hall,
- 3 library access points in Post Offices comprising of popular fiction books,
- Health Information Centre based at Tameside General Hospital,
- In total there are full time equivalent staff of 45.2 (59 officers)

2.2   As part of Tameside MBC policy to reduce the number of council owned buildings, most libraries are now co-located in larger buildings with other services, or a move is planned. These moves have retained opening hours, but reduced floor space. Stalybridge and Dukinfield libraries remain in their original buildings, and at present there are no plans to relocate them. Ashton also remains in its original building but there are plans to relocate to the new service centre upon completion of that building.

2.3   Cabinet Members have expressed their commitment to retaining a library in every District Assembly area, specifically to retain 8 static libraries. In order to deliver an affordable and sustainable service, considerable capital investment in new technology is required to enable savings to be made primarily through a reduction in the workforce.

3.   VISION FOR THE FUTURE OF TAMESIDE LIBRARIES

3.1   The 2012 New Library Offer provided a framework outlining the core service and broadly the principles of this remain relevant. However the Council are now at a point where how services are delivered and how customers interact with the services must be addressed.

3.2   Fundamental to this is the need to invest in digital technology to replace existing outdated systems and introduce new solutions. This will enable the financial challenges to be met as well as address the changing expectations of users. The vision is a library service transformed by technology and new working practices.

3.3 Self-service should be promoted as the channel of choice both within libraries and digitally. Through the use of self-service the majority of library transactions, such as issue and return of material and self-booking of public access PCs will be undertaken independently by customers. Staffed hours in libraries will reduce, and the number of direct staff interactions will be reduced as customers self-serve for the majority of straightforward tasks. This supports and contributes to the Digital by Design project.

3.4 The aim is to increase access to the library service by extending the opening hours at some libraries through the provision of unstaffed library hours. Digital access will also be improved, allowing customers to engage with the service from any mobile device. Customers will be encouraged to become confident, independent users, with targeted support to those who most need it.

3.5 Libraries play a valuable role in delivering Tameside's key priorities – health and wellbeing, digital capacity, employment and business support along with information, reading and learning. The vision will include floor walking, during staffed hours, to help customers with more complex needs e.g. digital assistance and enquiries, and to encourage customers to become independent users.

3.6 Provision of increased volunteering opportunities in libraries to assist staff to deliver services, activities and support customers is part of the future vision.

4.   DIGITAL DEVELOPMENTS

4.1 To move forward with this progressive vision a fundamental requirement is to have the right building blocks in place to support new ways of working and exploit digital service delivery.

Renewal of the Library Management System (LMS)
4.2 Essential to the running of a modern library service is an up to date automated Library Management System. The current system, Vubis, has been in use for some years. The system providers (Infor) have informed us that no further updates will be provided, and so it is becoming increasingly outdated and hard to maintain. In addition the server on which Vubis is installed is coming to the end of its life.

4.3 Renewal of the LMS in the near future is very important. This project will future-proof the ability to continue the core library function, and will be a keystone on which to build other service developments, including remote access, and greater customer engagement.

4.4 By choosing the right product it can be ensured that customers get the service they expect, providing a good level of interaction and self-service, whilst delivering financial efficiencies. A new system will allow improvement to delivery of services to users via an attractive public platform, with increased emphasis on interactions in a social, on-demand and personalized context. This will allow engagement with users in new ways, and provide remote access not just for the LMS but potentially for all library services, fully functional on a range of devices, including mobile devices via an app. A good stock collection management package will provide key performance data to help make best use of stock, thus maximizing budgets.

4.5 Further customer benefits may be derived from joining the AGMA Libraries LMS consortium, which is working towards the goal of all GM Libraries using the same system, allowing some level of interoperability across boundaries, and achieving efficiencies through consortium purchase. Currently 7 of the 10 AGMA authorities are in this consortium.

Implement self-service for library transactions
4.6 Self-service through Radio Frequency Identification (RFID) technology will be an integral part of the enhanced library offer, allowing customers to issue and return stock, manage their library accounts and make library payments independently.

4.7 This technology will bring further benefits such as reducing queues at busiest periods, it can issue multiple items simultaneously thus offering a much speedier customer interaction, can be used for stock management purposes helping to target resources more efficiently, and can also be used as a security system for stock.

4.8 Investment in this technology will be essential to make savings through the introduction of unstaffed library hours at several libraries. In addition, investment will help future-proof the digital offer as RFID technology is being continually developed to offer new benefits and applications.

Self-booking of public PCs
4.9 The current management system requires staff to manage all transactions and is very labour intensive. In addition there are recurring technical problems which cause significant inconvenience and disruption in service for customers. Investment in an upgrade would release staff time, and also provide a much better service. It is also a requirement to allow public use of computers during unstaffed library hours. Customers would be able to self-book onto to PCs either in person or via the internet.

Unstaffed library hours
4.10 Technology will play a fundamental part in enabling the maintenance and even extension of opening hours, whilst achieving considerable savings from staffing costs. Investment in a technical system will allow use of libraries by customers when no staff are present, and is pivotal in plans to achieve savings whilst retaining all 8 libraries across the Borough.

4.11 Currently in operation in many libraries around the world, and increasingly in this country, such systems use technology to control building access, lighting, security, connectivity to the intruder alarm, public access PCs, self-issue kiosks, and CCTV. Customers who wish to use the library independently will be able to visit during advertised unstaffed hours by using their library card and a pin number to gain access. A core of staffed hours will be retained at each library.

4.12 An example of how unstaffed hours could be utilised is contained in the table below.

Droylsden Library

Day	Current Opening Hours		Proposed Overall Opening Times		Proposed Staffed Times	
	Open	Closed	Open	Closed	Open	Closed
Monday	9am	8pm	9am	8pm	1pm	7pm
Tuesday	CLOSED		9am	8pm	NONE	
Wednesday	CLOSED		9am	8pm	NONE	
Thursday	9am	8pm	9am	8pm	10am	2pm
Friday	9am	5pm	9am	8pm	1pm	5pm
Saturday	10am	3pm	10am	3pm	10am	1pm
	Overall opening hours	35 hours per week	Overall opening hours	60 hours per week	Overall staffed hours	17 hours per week

If this option was implemented it would allow for a reduction of 18 hours per week in staffed times and therefore achieve savings whilst increasing overall availability of the facility by 25 hours per week from the current opening times.

RFID Stock security system
4.13 Theft of library materials is a constant problem for libraries. Currently only 2 of our libraries have security systems installed, which work on electro-magnetic tags placed into books. These are old, becoming unreliable, and relatively expensive to maintain. As systems at other libraries have stopped working the decision has been made not to replace them with similar

set ups as the technology is outdated, not providing any data about what has activated an alarm, and prone to false alarms.

4.14   However we are aware considerable amounts of stock go missing due to theft. A recent audit of a section of popular stock at Hyde Library showed that approximately 12% of stock was missing, presumed stolen. Whilst not all areas of stock will suffer similar rates of loss, this is cause for concern.

4.15   Installations of RFID security gates would help deter the theft of books and other materials, protecting thousands of pounds worth of assets. RFID systems not only act as a visible deterrent but also provide state- of- the-art anti-theft capabilities. They provide instant alert information, and data relating to alarm trigger incidents which identify what unissued library item has been taken through the barriers at what time. They are triggered automatically by the self- issue RFID tags inserted in stock.

5.   LIBRARY VOLUNTEERS NETWORK

5.1   The benefits of volunteering are well documented and include offering people the opportunity to give something back to the community or develop skills for their CV to achieve paid employment. For the Council the benefits include showing our commitment to volunteers and ensuring the experience is positive and meets the requirements of the volunteer. Additionally having assistance from people with other skills and ideas can enhance the service to customers.

5.2   A range of volunteer opportunities will be developed to assist and support paid library staff to deliver services and activities.

6.   FINANCIAL IMPLICATIONS

6.1   **Appendix 1** sets out the cost and return on investment of 2 options to replace the Library Management System.

6.2   7 out of 10 Greater Manchester Authorities have implemented the same LMS which will bring interoperability across boundaries and efficiencies. The implementation costs for this system are higher than that of the new product from the current LMS supplier by £14,919. Also, whilst the annual maintenance costs are lower than the current LMS, the GM consortium product annual maintenance costs are slightly higher than the current supplier's new product by £4,296.

6.3   However, being part of the GM Consortium on a single LMS will bring customer benefits in terms of a single library catalogue and in the future a more integrated library service with the possibility of a joint stock purchasing approach which could reduce staffing and spend in specific areas of stock. Additionally consideration needs to be given to the full tender exercise that would be required if any other system were to be procured. Also the fact that Tameside would then be out of step with our GM counterparts at a time when Authorities are working closer to align services to achieve efficiencies. There is a benefit to the system provider to have a consortium purchaser and it is felt this will bring benefits in terms of system change requests and competitive price at the end of the initial contract period.

6.4   It is proposed that Tameside join the GM Consortium framework and implement the system which will allow future benefits.

6.5   The indicative implementation costs of the GM consortium system (Civica Spydus) are £77,415. Funding of £60,000 has been identified in the Digital Tameside programme as a

contribution to the new system. A further Corporate allocation of £17,415 is required within the Capital Programme to bridge the funding gap.

6.6   Appendix 2 sets out the £496,200 cost of the implementation of the technology to allow unstaffed opening hours and a subsequent reduction in staffing costs. A sum of £180,000 remains in the 2015/16 capital programme which was allocated for the implementation of the 2012 new library offer and approval is sought to use this funding towards this much larger library investment project. A further Corporate allocation of £316,200 is required from the Capital Programme in order to bridge the funding gap.

6.7   If the proposal to take the vision forward is agreed and staffing levels are reduced accordingly a budget reduction would be achieved assuming staff either leave the authority, reduce their hours, or are deployed into other service areas. The estimated full year saving on staffing is £185,000 after full implementation of all the technology and a short cross over time where staff will be required to show customers how to use the self-issue technology.

6.8   Indicative costs have been prepared for the various aspects of the technology required to achieve the library vision and reduce the revenue expenditure. These full indicative costs are detailed in **Appendix 1** and **Appendix 2**; however, a summary is detailed below:

Summary of capital implementation costs

Capital Expenditure		Estimated Annual Staff Savings	Estimated payback period
GM consortium LMS	£ 77,415		
Suite of technology to allow new vision	£496,200		
TOTAL	**£573,615**		
Remaining capital funding from 2012	(£180,000)		
Contribution from Digital Tameside	(£ 60,000)		
ADDITIONAL CAPITAL FUNDING REQUIRED	**£333,615**	£185,000	Commences in year 4

7   TIMESCALES

7.1   This is a large scale project with 4 elements to bring to fruition along with a full staff review. There will be the requirement to undertake public consultation along with a full tender exercise to procure the required technology and building works to allow unstaffed hours. Indications are that implementation of the LMS alone will take a minimum of 4 months from the time the supplier receives the data from the current LMS. It is therefore envisaged that a realistic timescale will be in the region of 18 months from start to completion.

8.   RECOMMENDATIONS

As detailed on the front of this report.

Indicative costs of replacing library Management System

Current System	Annual maintenance costs-system plus Annual ancillary costs:	Year 1 Gross running costs	Year 2 Gross running costs	Year 3 Gross running costs	Year 4 Gross running costs	Total costs for 4 years
Vubis	£44,705	**£44,705**	£44,705	£44,705	£44,705	£178,820

System replacement costs and savings- indicative costs

System	Implementation cost-system	Year 1 maintenance and ancillary costs (system maintenance + BDS minus EDI desktop costs)	Total Year 1 cost	Year 2 maintenance and ancillary costs	Year 3 maintenance and ancillary costs	Year 4 maintenance costs and ancillary costs	Total costs for 4 years including implementation and annual maintenance	Return on Investment Payback Period
Civica Spydus (GM consortium system). *	£77,415	£21,081	**£98,496**	£21,081	£21,081	£21,081	£161,739	Year 4
Annual Cash flow Impact (net of existing system cost)			**£53,791**	**-£23,624**	**-£23,624**	**-£23,624**		
Cumulative Cash flow impact			**£53,791**	**£30,167**	**£6,543**	**-£17,081**		
V-Smart (next generation of current system)** Implementation costs includes setup and licences for RFID and PC Booking links + estimate of server licence cost	£62,496	£16,785	**£79,281**	£16,785	£16,785	£16,785	£129,636	Year 3
Annual Cash flow Impact			**£34,576**	**-£27,920**	**-£27,920**	**-£27,920**		
Cumulative Cash flow impact			**£34,576**	**£6,656**	**-£21,264**	**-£49,184**		

*   Would require a waiver of standing orders to join the framework agreement that is in place which covers GM Authorities

**Full tender process required to adhere to procurement standing orders which would add considerable one off costs to this option

APPENDIX 2

Invest to save library projects- capital and revenue estimate of costs

System	Implementation costs-estimate	Year 1 maintenance costs-estimate	Total Year 1 cost / staff savings - estimate	Year 2 maintenance costs / staff savings - estimate	Year 3 maintenance costs / staff savings - estimate	Year 4 maintenance costs / staff savings - estimate	Total estimates for 4 years implementation and maintenance costs and staff savings	Return on Investment Payback Period
RFID self-issue	£152,515	£12,615	£165,130	£12,615	£12,615	£12,615	£202,975	
Unstaffed Library hours system at 6 libraries: Den, Dro, Duk Hat, Hyde, Mos	£192,000	£10,000	£202,000	£10,000	£10,000	£10,000	£232,000	
PC booking self-service system integrated with self-service kiosks	£35,975	£8,272	£44,247	£8,272	£8,272	£8,272	£69,063	
RFID stock security system at 5 libraries	£24,000	£1,620	£25,620	£1,620	£1,620	£1,620	£30,480	
Additional maintenance of new IT systems	£0	£10,000	£10,000	£10,000	£10,000	£10,000	£40,000	
Project Manager - Fixed Term Contract for 18 months	£53,080		£53,080				£53,080	
Provisional sum for building enabling costs	£15,000		£15,000				£15,000	
Contingency of 5%	£23,630		£23,630				£23,630	
Totals	**£496,200**	**£42,507**	**£538,707**	**£42,507**	**£42,507**	**£42,507**	**£666,228**	**Year 4**
Saving in Revenue from staffing reductions			-£185,000	-£185,000	-£185,000	-£185,000	-£740,000	
Annual Cash flow Impact			**£353,707**	**-£142,493**	**-£142,493**	**-£142,493**		
Cumulative Cash flow impact			**£353,707**	**£211,214**	**£68,721**	**-£73,772**		