

Report of the Director of Place to the meeting of Regeneration & Environment Overview and Scrutiny to be held on 24 July 2019

K

Subject:

LIBRARIES, MUSEUMS & GALLERIES SERVICE

Summary statement:

This report provides an update on progress made in the delivery of budget savings for 2019-20 for the libraries services since the last report to Members on 22 January 2019.

It also sets out progress made in developing options for the delivery of savings of £1.05m (Libraries) and £500k (Museums) in 2020-21.

Steve Hartley
Director of Place

Portfolio:
Sport & Culture
Cllr Sarah Ferriby

Report Contact: Jacqui Buckley/Phil
Barker
Phone: (01274) 437835
E-mail: Jacqui.buckley@bradford.gov.uk

Overview & Scrutiny Area:
Regeneration & Environment

1. SUMMARY

- 1.1 Following a meeting of the Committee held on 22 January 2019, Members raised concerns with the delay in presenting proposals for delivering budget savings for the library service in 2019-20. Concern was also raised on the extent of public consultation undertaken and recommended 2 resolutions as follows:-
 - 1) Consultation also be undertaken within the Council run libraries (to include Manningham, Bingley and other areas) to reflect the diversity of the district as part of the budget proposal consultation process. That, following this consultation, the Committee Members be advised of the information gathered by email.
 - 2) Following the above, this Committee requests that all future options for both the libraries and museums service be presented to this Committee in July 2019.
- 1.2 Resolution 1 was responded to in April 2019 with an update on extended public consultation and is attached for reference at **appendix 1**.
- 1.3 This report sets out the progress made in delivering budget savings for 2019-20 across the Library, Museums & Galleries Services and sets out the progress made in developing options for the delivery of budget savings for 2020-21 and agreed by the Executive in February 2019.
- 1.4. Arriving at a set of options for the delivery of savings for these service areas is challenging given the scale of the budget savings agreed and future cultural ambitions of the Council. There is a statutory obligation on the Council, to ensure that future decision making is robust and transparent and that future proposals are evidenced based with a focus on the needs of the Bradford communities.
- 1.5 There is currently a district wide community needs assessment underway for the Library Service and it is important that any future options are developed following the outcome of this assessment. Any options development work undertaken prior to the completion of this assessment would not be deemed to be evidenced based to the extent which is required.
- 1.6 Following the development of options, it is important to ensure that decisions are taken using the Council's existing reporting frameworks prior to any wider dissemination to members of the public and other stakeholders. Adopting this approach will mitigate the potential risks associated with a call for a Judicial Review.
- 1.7 Following approval of future options there will be a period of extensive public engagement and statutory consultation prior to formal approval of the Executive early in 2020.
- 1.8 The current and future activities proposed in this report will protect the Council in meeting its statutory responsibilities and wider reporting decision making requirements.

2. BACKGROUND

2.1 Bradford Museums and Galleries Service

2.1.1 Bradford Museums and Galleries Service is part of the wider Sport & Culture service within the Department of Place and has direct responsibility for the operational effectiveness of all Council run museums and galleries. These include:-

- Cartwright Hall Art Gallery
- Bradford Industrial Museum
- Cliffe Castle Museum
- Bolling Hall Museum and
- Two off-site storage units

2.1.2 The gross service budget for 2019-20 is £1,856,000 following the delivery of in year budget savings of £260k. The savings will be achieved through a combination of the following activities:-

- Staffing restructure with a focus on community engagement and outreach, commercialisation and rationalisation of collections.
- Revised public opening hours for Bolling Hall and Bradford Industrial Museums which are aligned to public demand and future aspirations.
- Increased income from retail and public donations

2.1.3 In February 2019, the Executive agreed a further budget saving of £500k for 2020-21, leaving a remaining gross budget of £1,356,000.

2.2 Library Services

2.2.1 The Library Service is a statutory service and provides a network of 29 Libraries across the district with 10 being run directly by the Council, 2 Hybrid libraries (combination of staff and volunteers) and 17 community or venue managed libraries.

2.2.2 There is an opportunity to introduce changes to the way in which the library services are operated, but there are a number of critical requirements which will ensure that the Council remain statutorily compliant and include:-

- 1) Identification of service need through rational and focused needs assessment
- 2) Identification of resources where this is relevant and resources are available to meet the service needs.
- 3) Identification of potential range of local changes that could meet 1 using the resources in 2.
- 4) Consultation on which changes to adopt
- 5) Transition and implementation.

2.2.3 The gross service budget for 2019-20 is £2,824,000 following delivery of in year budget savings of £950k (£420k corporate contribution for City Library rent + £530k savings). These savings will be achieved through a combination of the following activities which were reported to this Committee at its meeting on 22 January

2019:-

- Establishment of 3 Library hubs located in Shipley, Keighley and City Centre
- Central Services Restructure
- 30% reduction in material book fund
- Increased income generation

2.2.4 In February 2019, the Executive approved a further budget saving of £1.05m for 2020-21, leaving a remaining gross budget of £1.77m.

3. OTHER CONSIDERATIONS

3.1 The Library Service is a statutory duty of the Secretary of State for Culture, Media and Sport (DCMS). The Secretary of State has the power to make a remedial order against a library authority following a local inquiry. Before deciding whether to order an inquiry, the Secretary of State will carefully consider the local authorities compliance under the Public Libraries and Museums Act 1964. There will also be a requirement for on-going engagement with the DCMS.

3.2 Modern Museums and Galleries have relied heavily on external funding via Arts Council England and a National Portfolio reputation for their successful operation. To meet the aspirations for the service, there will be a requirement to fully understand the criteria for successful funding bids and improvements required to become a national portfolio organisation.

3.3 Both the DCMS and Arts Council are currently working with the service following a number of face to face meetings and in particular have offered their services in the following areas:-

- Advice on undertaking a community needs assessment and support in the development of survey questions that will ensure this is robust.
- Sharing of best practice adopted by other authorities across England and Wales.
- Named contacts to act as “critical friends” during the design of future options
- Clarification on the use of Community Managed Libraries and how they may support Council’s in the delivery of their statutory offer.

4. PROGRESS ON THE DELIVERY OF 2019-20 BUDGET SAVINGS FOR LIBRARY SERVICES.

4.1 At the Committee Meeting held on 22 January 2019, Officers presented a report setting out a number of key activities to deliver budget saving of £530k in 2019-20 and included 4 key areas.

4.1.1 Central Services Restructure

A reconfiguration and rationalisation of centralised (back office) services achieving savings of £252,850. Due to the delay in developing firm proposals, the requirement to ensure meaningful staff consultation under the Council’s workforce

change policy, and challenging staff and trade union negotiations, revised staffing structures will not be implemented until mid August 2019.

Work continues to ensure effective employee relations and the next stage of the process will include populating the new structure and managing the employee exit programme.

4.1.2 Establishment of 3 Library Hubs

The establishment of 3 library hubs in Shipley, Keighley and City Centre will realise savings of £125,360 through a 30% reduction in direct staffing. Volunteers will be engaged to undertake and support activities that do not fall within the statutory responsibilities of the service and work continues to explore potential co-location with other Council services to further drive down costs in this area. The on-going work on assessment of community needs will be used to shape the service offering at these 3 libraries over the coming months.

4.1.3 Reduction in material book funds

A reduction in the material book funds has achieved savings of £130k, through effective contract negotiation and robust management of the materials supplied to community managed and council run libraries that is more aligned to their specific community needs.

4.1.4 Increased income generation

An increased income target of £20k has been set and is supported by dedicated commercial resources in revised staffing structures. In addition, ideas for income generation have been recommended by staff and are being actively considered.

4.2 Whilst there are challenges with delivering the level of savings required through staffing reductions, the service are actively seeking potential mitigations and are reporting in accordance with the Council' governance framework.

5. PROGRESS ON THE DEVELOPMENT OF OPTIONS FOR DELIVERING 2020-21 BUDGET SAVINGS IN LIBRARIES & MUSUEMS.

5.1 Library Service

5.1.1 It is inevitable that the scale of budget reductions requires the Council to develop radical changes in the existing methods of delivering these services and options currently being considered include but are not be limited to:, library closures, alternative delivery through community groups, co-location with other services and greater levels of income generation and use of technology.

5.1.2 As set out earlier in this report, the Council must produce proposals that are evidenced based linked to community need and that demonstrate its ability to deliver a comprehensive and efficient library service. The Council will evidence this through undertaking both a review of existing library provision (including those run by community groups/organisations) and by undertaking a community needs

assessment.

- 5.1.3 In its broadest terms, a community needs assessment considers a wide range of data and information from those individuals that live and work in the district. It assesses the accessibility of libraries, the patterns of use by active users, and captures the views of users and non users and whether any future decisions on the provision of the service could have a negative impact on communities or groups. It may also identify opportunities to change the type and numbers of services provided.
- 5.1.4 A community needs assessment is currently underway across the district and will be completed by end of July 2019. Findings arising from the assessment will be used to inform future proposals and will be shared during planned engagement and consultation activities to ensure full transparency of evidence base and decision making.
- 5.1.5 An initial review on the operation of library services which are delivered via community groups and organisations highlighted that whilst these delivery models provide a strong platform for future delivery options, there are a number of improvements that could be made which would realise the following benefits:-
- Increased support from the Council to ensure future sustainability including advice on access to alternative funding arrangements.
 - A revised offer/SLA that evidences compliance with the Council's statutory responsibilities.
 - A reduction in the Council's financial contribution for community managed libraries that do not form part of the statutory offer.
- 5.1.6 A further detailed review is currently underway which will aid delivery of the associated benefits and will be completed by end of August 2019.
- 5.1.7 The above activities are considered to be critical to ensuring that the Council remains compliant with the legal advice provided and any future proposals/ideas should only be presented when this work is completed.

5.2 Museum & Galleries Service

- 5.2.1 External reports commissioned have highlighted a number of challenges that restrict the ability to radically move to become a modern museum at a local level. By far the biggest challenge is the level of proposed budget cuts at a time when the Council's cultural ambitions are stronger than ever.
- 5.2.2 Investment in the service is a vital ingredient for future success however recent funding bids have not been successful as a result of strong competition from neighbouring authorities together with an inability to meet certain criteria.
- 5.2.3 There are two ways in which the Council could choose to take on the challenge of meeting its dual aims. The first includes continuing to deliver the services in the same way by retrenching the service, closing sites, making redundancies and not changing the way in which it is governed, managed or developed. This would

achieve the required savings, however it would significantly limit the capacity of the service at a time when Bradford is looking to use culture as a tool to unlock economic growth. Alternatively the Council can accept that a radical re-think is required in terms of the services objectives, its leadership, its management, the way in which it is staffed and the way in which its collections are managed and wider audience engagement.

5.2.4 Re-designing the service with a plan for the future has a much better chance of engaging funders, drawing new audiences and partners, inspiring new capital projects and opening up the possibility of future revenue funding from Arts Council England (as a potential National Portfolio Organisation).

5.2.5 The service are currently working with external consultants and Arts Council England to develop a set of proposals that will open up the opportunities highlighted with an expected completion date of end of August 2019.

5.3 Engagement and Consultation

5.3.1 It is critical that the activities outlined are completed prior to the development of a set of proposals to use for public & employee engagement and consultation.

5.3.2 Given the potential radical ability of future proposals, and in response to the concerns previously raised by members of this Committee, the Council will be adopting a two phased approach to engagement and consultation for 2020-21 budget proposals.

5.3.2.1 Stage One Engagement is defined as approaches undertaken by the service that creates a stronger two-way relationship between the Council and communities, and is not purely about information giving where residents are informed but have no influence.

5.3.2.2 This phase will focus on engaging with members of the public, employees and wider stakeholder groups to share our thinking/ideas for how we may achieve the levels of savings across both service areas. This approach will gauge both the interest/and needs of our stakeholder groups, and also help with the assessment of the potential impact.

5.3.2.3 Engagement will commence on 1 September 2019 and will be completed by 31 September 2019. A detailed delivery plan for engagement is currently being developed and will be completed by end of July 2019. It should be noted that any planned engagement will need to be representative to the options/ideas being presented. For example there will be a limited need to engage widely across areas of the district that are not likely to be significantly impacted by future proposals.

5.3.3.1 Stage 2 Formal Consultation is defined as approaches that provide more informative information including sufficient reasons for proposals and that give a sufficient time for response.

5.3.3.2 This phase will focus on formal consultation as set out in Council policies and procedures for budget consultation processes. In line with current

Council timelines, formal consultation will commence in November 2019 and will close in January 2020.

5.3.3.3 A detailed strategy and action plan for the delivery of consultation is currently being developed and will be shaped in accordance with the final proposals for consultation.

5.3.4 Feedback from consultation will be analysed, assessed and amended where possible and within budget and reported to the Executive prior to implementation.

5.3.5 Summary & Next Steps

5.3.5.1 Given the critical milestones, the requirement to have completed a range of evidenced based activities, and to comply with Council governance processes, it is not possible nor appropriate at this stage to provide Members with detailed proposals for the delivery of budget savings in 2020-21.

5.3.5.2 The services referenced are undertaking a series of activities that will safeguard the Council in terms of its statutory responsibilities and support it to achieve its wider Council obligations.

5.3.5.3 The services will continue with delivering the programme of change, and will continue to report in accordance with the Council's monitoring and governance framework.

5.3.5.4 **Appendix 2** attached sets out a high level programme timeline for engagement and consultation activities.

6. FINANCIAL & RESOURCE APPRAISAL

6.1 The 4 year budget process is part way through with 2020-21 savings (500k Museums & Galleries) and (£1.05m Libraries) still to be delivered and completing the 4 year programme of change. Overall budget reductions for these services for the current year and next financial year represent a cut to these services in the region of 65%.

6.2 Until any new proposals are finalised and agreed via the Councils reporting framework, it is not possible nor appropriate to provide further details of the financial implications of future proposals. These will be included within the final proposal presented to Executive following the outcome of the public and staff consultation processes.

7. RISK MANAGEMENT AND GOVERNANCE

7.1 A dedicated steering group including resources from Finance, HR, and Facilities Management & Legal has been established to provide oversight to the development of future proposals, consultation and subsequent implementation activities and will

report directly to the Place Budget Delivery Board.

- 7.2 Active consultation will take place with the Department for Digital, Culture, Media and Sport (DCMS) and Arts Council England during 2019 to mitigate any risks associated with the proposals for changes in 2020-21.

8. LEGAL APPRAISAL

- 8.1 Local Authorities have a statutory requirement to provide a comprehensive and efficient service through the provision of the Public Libraries and Museums Act 1964. An assessment of the needs which the library service should meet must have been carried out. The service is currently undertaking a district wide assessment of needs which will be completed by end of July 2019 and will be used to inform changes in 2020-21.
- 8.2 The findings and recommendations arising from the library needs assessment and subsequent public consultation will be embedded within a clear strategic framework which draws upon evidence about needs and aspirations across the diverse communities of the area.

9. OTHER IMPLICATIONS

Not known at this stage until proposals are fully developed

9.1 EQUALITY & DIVERSITY

- 9.1.1 Equalities Impact Assessments will be produced in accordance with the Council budget consultation processes.

9.2 SUSTAINABILITY IMPLICATIONS

Not known at this stage.

9.3 GREENHOUSE GAS EMISSIONS IMPACTS

Not considered at this stage

9.4 COMMUNITY SAFETY IMPLICATIONS

None

9.5 HUMAN RIGHTS ACT

None

9.6 TRADE UNION

- 9.6.1 Until new proposals for the delivery of 2020-21 savings are finalised and agreed it is not possible to provide details of the employee relation implications.

9.7 WARD IMPLICATIONS

- 9.7.1 No immediate implications noted, however, given the challenges highlighted in terms of the remaining available budget following budget reduction, future proposals are likely to impact on a number of wards across the district.

9.8 IMPLICATIONS FOR CORPORATE PARENTING

None

9.9 ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT

None

10. NOT FOR PUBLICATION DOCUMENTS

None

11. RECOMMENDATIONS

That Regeneration and Environment Committee consider the updates provided and advise Officers on any future reporting requirements.

12. APPENDICES

Appendix 1 – Response to resolution 2 arising from the Overview and Scrutiny Committee meeting held on 22 January 2019.

Appendix 2 – High level timeline for future activities associated with the progression of options for the delivery of 2020-21 budget savings.

13. BACKGROUND DOCUMENTS

None