

For: (x) <table border="1"> <tr> <td>Executive</td> <td>X</td> </tr> <tr> <td>CLMT</td> <td><input type="checkbox"/></td> </tr> </table> Meeting Date: 3 rd December 2012 Report of: Head of Community Living Report author: Michael McMahon	Executive	X	CLMT	<input type="checkbox"/>	Agenda Item Number: 15
Executive	X				
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Subject: Review of services delivered by Luton Cultural Services Trust (For Executive Only) Lead Executive Member(s): Cllr Ashraf Wards Affected: All	Consultations: Councillors X Scrutiny <input type="checkbox"/> Stakeholders <input type="checkbox"/> Others <input type="checkbox"/>	(x) X <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
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Recommendations 1. That Executive approves the commencement of public, stakeholder and staff consultation on the options for delivery of the library service contained in this report. <i>(Please note that this is a request to consult only, not a request to implement any changes).</i> 2. That the Executive request officers report back in May 2013 with the outcome of the libraries consultation. 3. That the Executive notes and endorses the direction of travel proposed in relation to proposed revisions to the museum and arts services, and instruct officers to report back to a future meeting(s) of the Executive on the details of the changes being proposed.
Background 4. In total Luton Cultural Services Trust (LCST) currently receives £5.3m to provide a range of library and cultural services from London Luton Airport Ltd (LLAL). 5. The most significant individual LCST service cost is the provision of the library service. The current library service cost £2.8m per annum to run, which represents over half of the amount that LCST receive via gift aid from LLAL. The library service has a statutory status, whereby the Council have to provide a 'comprehensive and efficient' library service under the Public Libraries Act. The legislation is not prescriptive about the scale or nature of the service required to meet this statutory requirement, although the Minister responsible for libraries has made it clear what he expects an Authority to do in preparation for any major changes or reductions. 6. In addition LCST also provides a museums service for £1.05m and an arts service for £0.95m. The balance of the costs of the service are in respect of overhead. 7. As part of the Budget Prioritisation exercise Councillors have expressed their willingness to consider alternatives to the existing levels of the library service, which continues to meet the statutory requirements and also to consider a reduced arts and cultural offer provided by LCST which achieves a reduced direct cost to the Council.
The current position Libraries 8. The current library service consists of the Central Library, three strategic libraries, which are Leagrave, Marsh Farm and Wigmore, and four community libraries (two of these within

community centres at Bury Park and Lewsey), Stopsley and Sundon Park, the mobile library service and the home library service. The service welcomes just under a 1m visitors a year, is used by 49% of the population in Luton and has 40,000 active borrowers/users of IT.

9. Library service current definitions:

The Central Library provides a full range of lending and information services with a wide range of stock up to and including undergraduate level. It is open 59.5 hours a week and provides an in depth information service, both paper and electronic, significant study space and houses 66 public PCs. It provides a full range of activities and events.

A strategic library is a full-time library with a wide range of services and stock up to and including NVQ/A-level or equivalent standard. It has small collections of large print and audio books, CDs and DVDs, language courses and a range of newspapers and magazines.

It has a minimum of 10 public PCs, study space, Health Information Points and a dedicated children's library. Activities include homework clubs, class visits, regular baby rhyme times and children's activities, with a Children's Librarian based in each one.

A community library is a part-time library, with a small range of services and stock up to and including GCSE or equivalent standard aimed at meeting the recreational needs of the community. It is a first stop resource for basic enquiries and school project work. It has small collections of large print and audio books, taster collections of CDs and DVDs and a small range of newspapers and magazines. It has a minimum of four PCs and limited study space. Activities include homework clubs, baby rhyme time, children's activities and class visits.

The mobile library visits 15 sites in Luton filling in the gaps between static library provision.

The Home Library Service offers a service to around 350-400 customers a year who are unable to visit a library because they are disabled or frail.

Museums

10. Luton Culture welcomes around 290,000 visitors per annum to Stockwood Discovery Centre and Wardown Park Museum. The museums service also currently comprises a schools service (around 15,000 children per annum visit in organised school groups), an outreach programme exploring the collections and Luton's identity with a broad range of groups and a vibrant exhibitions and events programme. It has been a lead partner on a range of national and international partnership initiatives and programmes such as the Cultural Olympiad and the BBC and British Museums, History of the World in 100 objects.

Arts

11. LCST offers a varied programme of performance and music through the Hat Factory and Library Theatre and achieves attendances totalling around 65,000 per annum. It also leads arts development and engagement work within the community and its events team delivers major events on behalf of LBC including Carnival event production, Fireworks, St George's Day and Lighting Up Luton as well as assisting community led festivals such as St Patrick's Day, Luton Mela and the Lewsey Festival amongst others.

Goals and Objectives

12. Through a co-production approach with LCST, the Council has developed revisions to the library and cultural offer which achieves a £1.8m budget reduction of the total cost of the service by 2015/16. This will mean that, from 2015-16

- The Council grant to LCST supports key core services and their direct overheads only
- Other important work will be run on a break even budget model
- All commercial work (or work that potentially could have commercial benefit by 2015-16) is totally separated from the Trust budget and developed by the Trading Company with 100% of any profits fed back into the charity to support its work further. This mainly includes the cafes, retail ad venues hire functions.

Libraries

13. In relation to the library service, for the Council to consult on options for the provision of a library service that continues to meet both the spirit and the letter of the 1964 Public Libraries Act to provide a comprehensive and efficient service across the Town but with a reduced level of funding.
14. To report back to Executive in May on the outcome of this consultation.

Museums

15. In respect of the museum service for LCST to develop options whereby Stockwood Discovery Centre and the Wardown Park Museum continue to open but at a reduced cost, by developing its secondary spend model including donations, the café and charged-for temporary exhibitions and events. Specifically in relation to Wardown Park Museum the aim is to operate at a self sustaining budget level from 2015-16.

Arts

16. By 2015-16, LCST would operate a significantly reduced arts programme with no LBC-subsidised activity. It would provide core arts development and engagement support and artistic work as well as enabling the LCST to compete to bring in significant external funding to the Town for potential arts projects Both the Hat Factory and the Library Theatre will operate on a break even budget by 2015-16 with a mixed programme of some cultural activity, commercial hires and with the development of the creative industries hub at the Hat Factory which currently comprises 14 creative businesses, social enterprises and charities.

Proposal (for consultation)

Libraries

17. To consult on a series of service delivery options including a redefinition of the different levels of library service as described in 9 above, involving a combination of possible closures, reduced hours of opening and relocation to new venues.
18. The revised community library is as per 9 above but within the revised library offer, transforms the way community libraries will be run, with the library open whenever the community centre is open, serviced by a joint reception desk at off-peak times when the library assistant is not there, but includes self service whenever the community centre is open. This will require a capital contribution to generate a joint desk.
19. There is a potential to include new library information points within community centres in areas with a reduced provision where people could order books, pick them up and drop them off. It would comprise a PC, where a customer can search and order from the entire library catalogue, and be overseen by the community centre staff.
20. There are 2 proposed options regarding the level of library service that are affordable and

considered to meet the statutory minimum requirement to provide a 'comprehensive and efficient service'.

Option 1

The proposed service would consist of the following

Central Library

1 Strategic Library

Home Library Service

4 Community Libraries

Option 2

The proposed service would consist of the following

Central Library – with a closure of 1 day a week

1 Strategic Library – with a additional closure of 1 day a week

Home Library Service

Mobile Library Service

3 - 4 Community Libraries

21. Both options could also include library information points should the Council wish to do so at an additional annual running cost of £4k each plus some initial capital investment.

Museums and Arts

22. As officers and LCST develop more detail proposals for revisions to these services, specific consultation plans will be developed and reported.

Key Risks

Libraries

23. Unless the consultation is transparent, comprehensive and inclusive, the process could be open to legal challenge, which could either de-rail and / or delay any subsequent plans that emerge, to change the existing level of provision. This would also delay the planned savings by LCST. There is a clear plan in place for consultation and it is attached to this report.
24. There will be a negative public reaction to any service reduction plans through the consultation. However, the emphasis of this review is about re-provision of service which will provide some mitigation for this.
25. There is evidence that a reduced library service does have a negative impact on educational attainment, and it particularly adversely affects children, the elderly and the disadvantaged. Data supplied to a recent Parliamentary enquiry on libraries showed that 44% of children stopped using the library service when their local library closed. There is the potential to use the mobile library in areas where the library provision has been removed so that children still have access to a library service and the Home Library Service will remain for the elderly and vulnerable. Many of the on-line resources that are currently available will remain for people who have access to the internet and with the potential for library information points at some community centres this will increase access to areas that currently do not have a local library provision.
26. The library service is the single biggest operational element of services offered by LCST, if any proposals ultimately developed resulted in significant service reductions, there could be risks to the operational viability of the Trust to continue to function. This will be reviewed quarterly as per the current strategic partnership arrangement.

Museums and Arts

27. Achieving a self sustaining budget over the next three years for Wardown Park Museum, the Hat Factory and the Library Theatre poses some risk for the Trust that would put in jeopardy their (and therefore Luton's) access to external funding from partners such as the Heritage Lottery Fund and Arts Council England.

LCST

28. There will be a real impact on community life caused by such a significant reduction to the cultural offer. Clearly this will be picked up in the EIA.
29. To achieve the scale of budget reduction aimed for LCST will need to restructure its whole organisation and any redundancy / pension costs will be the responsibility of LBC as per its Funding and Management Agreement with the Trust.
30. Achieving the reductions outlines in this report will require the Council to consider granting LCST some freedoms to raise additional income. Any proposals around increased freedoms will be subject to further reports.

Capital cost

31. A small capital investment may be required to enable revenue savings in some of the libraries options. These will be worked up carefully and at a minimum level as the consultation progresses.

Consultations

32. In relation to the Library Service, a detailed consultation plan has been developed to engage with stakeholders and the public. This consultation exercise will be led by the Council.
33. Under the provisions of the Localism Act 2011, voluntary, local community groups and organisations and / or members of local authority staff can put forward an expression of interest to run local services. In the event of such an expression being made, the Council will need to consider any proposal under the terms of the legislation.
34. Trustees of LCST have already been made aware of the proposal to consult on an informal basis and are clearly key stakeholders in the consultation process and the development of any revisions to the existing service.
35. Staff of LCST have already been made aware of the proposal to consult on an informal basis and would be included in the stakeholder consultation. If following consultation a decision is made to make any closures or reductions in library services, library staff would be subject to a further period of formal consultation.

Appendices attached:

1. Draft IIA
2. Draft Consultation Plan

Background Papers:

None

IMPLICATIONS

For Executive reports

For CLMT Reports

- grey boxes must be completed
- all statements must be cleared by an appropriate officer

Clearance is not required

		Clearance – agreed by:
Legal	The report identifies the Council's duty to provide a library service (whether or not involving LCST), and the need for adequate consultation. When any final decision is made members need to be aware that legal challenges, some successful, have been made to proposals to reduce library services by other authorities.	John Secker, Legal Services 16 th November 2012
Finance	The budget savings potential has been evaluated in the report, reflecting current operating costs	Ceri Davies Interim Finance Manager, Housing & Community Living 19 November 2012
Integrated Impact Assessment (IIA) – Key Points		
Equalities/ Cohesion/Inclusion (Social Justice)	A full integrated impact assessment will be conducted once the consultation process has ended, however a draft has been completed and is appended to this report.	Agreed Sandra Legate Equality and Diversity Policy Manager 16 th November 2012
Environment	There are no material environmental implications.	Agreed by Strategy & Sustainability Manager on the 16/11/2012.
Health	There are no health impacts in terms of disease/illness or unintended consequences to health care services	Agreed Chimeme Egburah Advanced Health Improvement Specialist 15 th November 2012
Community Safety		
Staffing	Clearly the level of funding reduction is likely to mean reduced staffing levels across the Trust and may mean further redundancies at LCST. These would be subject to staff consultation and managed through the Trust's Organisational Change Policy and within the agreements that were made with the Council as part of the TUPE transfer. As part of the agreement, LBC is responsible for the cost of redundancy payments and pension actuarial strain costs.	Nonie Benson HR Advisor 15.11.12
Other		

FOR EXECUTIVE ONLY - Options:

1) Not to proceed with the consultation.

2) To proceed with the consultation subject to certain qualifications or conditions.

Do we need to add options here to agree (or not) the general direction of travel and savings level as outlined in the paper?

