

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 16th November 2015

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PORTFOLIO: Community and Leisure – Councillor Carter

PART I **KEY DECISION**

LIBRARIES CONTRACT REVIEW

1 Purpose of Report

- 1.1 The report briefly outlines the rationale for both extending the current operational responsibility and in the longer term the advantages of bringing back the library services to be managed by Slough Borough Council.

2 Recommendation(s)/Proposed Action

The Cabinet is requested to resolve:

- (a) That the library service be transferred back in house from 1st July 2016.
- (b) That the existing contract with Library Services (Slough) Ltd, a commercial arm of Essex County Council be extended by six months from its current end date (31st December 2015) to 30th June 2016.

3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan

3a. Slough Joint Wellbeing Strategy Priorities

Slough libraries play an important role in the delivery of the five priorities identified within the Slough Joint Wellbeing strategy.

In particular library services actively support improved wellbeing through the 'Reading Well Books on Prescription' scheme which offers high quality self-help books, eBooks and audio CDs. They are available to borrow from libraries. The self-help books, recommended by health professionals, help with a range of commonly experienced mental health issues, such as depression, anxiety and stress. They have an annual health fair to promote health and related services and provide space for services including smoking cessation, debt management and citizens' advice. They offer books to be delivered to those unable to visit the library either through friends and family or through volunteers. There is an extensive stock of health and medical

books and a range of activities is provided to support wellbeing including reading groups.

Libraries are seen as safe places at the heart of the community where individuals and communities can meet to socialise, to study, to do homework, listen to stories, read and discuss books, attend events and activities and access key services and books and information. This positive interaction across communities actively supports social cohesion.

The regeneration of Britwell included the opening of the Britwell Centre, a neighbourhood hub, which incorporates a library and brings together a number of community facing services. In regenerating Chalvey community centre a satellite library was an important aspect of the design, and through a successful lottery bid Cippenham library has been extended and refurbished offering a range of services. Satellite libraries at Colnbrook and Wexham were incorporated within the redevelopment of Children Centre provision. Langley library was built as part of a new housing development. The Curve is a key element of the Council's work to regenerate the 'Heart of Slough'.

Library Services support residents in improving their skills through providing a range of books and other resources including material for background reading to support formal learning. The service also offers free online courses to help improve your English, your grammar, learn a new language and much more. Libraries provide job clubs and free Internet access to help residents get back to work.

3b **Five Year Plan Outcomes**

The centre of Slough will be vibrant, providing business, living, and cultural opportunities –

The Curve, due to open in the spring of 2016, will replace Slough library. The Curve with its range of services, including Exhibition, multipurpose space, learning spaces and library presents an opportunity to develop a cultural offer in the town centre. To bring the library service back in-house at the same time the Curve opens would prove difficult and may impact on staff morale at an important time for the council.

The Council's income and the value of its assets will be maximised –

Bringing the library service in-house will achieve savings for the council in 2016/17 and 2017/18.

4 **Other Implications**

a. Financial

The current arrangement with Library Services (Slough) Ltd has already secured on going revenue savings for the period 2011/12 to 2015/16 to the value of £214,134

The council will also achieve further annual ongoing revenue savings of £191,000, including the current management fee, through bringing the service in house from 1st July 2016; this is reflected in Five Year Plan under the "None" Review.

There will also be opportunities for further savings to be achieved through service redesign and better service integration, once the service is brought back in-house.

b. Risk Management

Risk	Mitigating action	Opportunities
Legal – the current legal contract will expire on 31 December 2015. The provisions in the contract only provide for further extensions of periods of one year at a time whereas the Council intends to bring back the service “in house” by 1 June 2016.	Legal advice and support to manage the contract exit provisions to ensure a smooth transfer	
Property – the freehold title of the libraries remained with the Council’s ownership but were to be leased to the service provider.	Legal advice and support to ensure all property rights are terminated I.	There is potential to make better use of the council’s physical assets
Human Rights	None	
Health and Safety	None	
Employment and Pensions Issues - Staff will be TUPE’D to SBC as part of the process Lack of consultation with staff who are to be TUPED	A project plan will be developed and agreed by both the Council and Essex County Council to ensure timely transfer of staff and Pension arrangements. An officer transition group has been formed which will closely monitor the project plan. Essex County Council will be responsible for ensuring there is a full consultation process with all staff who will be TUPE’D over.	Slough officers will support Essex in ensuring staff are fully informed of the TUPE arrangements and ensure the staff understand the implications of the transfer.
Equalities Issues	None	
Community Support	None	
Communications. Staff not kept fully informed of the transition programme.	Essex County council will ensure that staff are regularly communicated with regarding the transition process.	
Community Safety	None	
Financial There are a number of areas	AVARTO (payroll) and SBC’s finance services will	Potential for further savings following transfer

including transferring payroll, and in year proportioning of budgets that will require additional support	be involved at an early stage to ensure that provision is made to transfer payment of salaries.	and greater integration of services. This is reflected in the Five Year Plan under the "None" Review.
Timetable for delivery. There is a critical time line to be followed to ensure that TUPE arrangements are adhered to.	Planned timetable to be agreed with Essex to ensure timely transfer of staff.	
Project Capacity. To ensure that there is adequate support from finance, legal, HR and within the service to manage and implement the transition.	A S.B.C. project group will seek representatives from each support service to manage the transition process and will seek external support when needed. A transition group has been formed, a transition plan written which will be closely monitored by the group.	
Other		

c. Human Rights Act and Other Legal Implications

There are no Human rights implications in regard to this report.

The contract with Essex County Council expires on 31 December 2015. The contract provides for the co-operation of the service provider to ensure a smooth transfer of responsibility back to the Council. The operation of these provisions was designed to ensure a safe and smooth transfer of the services on expiry of the Contract.

d. Equalities Impact Assessment

The way the services are delivered to the public will not change and as such the transfer back of the services to the Council will not require an EIA. Should the Council review the way it delivers those services at any time in the future, and need for an EIA will change.

e Workforce

Although there are no workforce implications in relation to the proposed six month contract extension, there are significant implications relating to bringing the service back in house.

Staff are currently engaged in delivering the Library Service to the Slough Community will be deemed to be in scope of transferring once the process of bringing back the service starts. Essex will need to comply with the TUPE regulations and supply Slough with information to enable the Council to undertake due diligence work to identify any measures that may exist for the staff that are coming over to the Council.

The project plan will address all the legal requirements surrounding this process. This will enable all the due diligence of information to be available to allow for the timely supply of, and the setting up briefing sessions with staff.

f Property

All libraries' premises related costs are now part of the corporate landlord initiative, maintained through corporate facilities. There will be greater potential to explore greater integration of services and use of assets once the service is managed directly by the council.

5 Supporting Information

- 5.1 In 2009 a strategic review of the library service was undertaken and it was agreed to test the potential to enter into a strategic partnership with another provider to deliver Slough's library service.
- 5.2. Following this review it was agreed in 2010 to proceed with a formal procurement of a strategic partner for the library service. The Council then agreed to enter into a contract to Essex County Council to deliver the council's library service from 1st January 2011 for a period of 5 years until 31st December 2015.
- 5.3. In anticipation of the expiry of the contract, the Council has considered a number of options relating to the future delivery models of the library service which have been considered with the current contractor.
- 5.4. The review found four options and they have all been considered:

a. Retender the contract

The retendering of the contract was rejected; the market for outsourcing library services is currently not conducive with local authorities exploring greater emphasis in combining a wide range of services within a trust model. Essex confirmed that they do not see a growing market to provide library services under contract and it was not certain, or likely that they would tender for a future contract.

b. Extend year on year until 2018

The extension to 2018 was acceptable to Essex and they confirmed that they would be able to make additional efficiencies, but there would be a need to review the PI's and that they would still expect to make some profit from the contract. From the council's perspective this option this would limit the ability to further integrate services within a broader climate of service redesign.

c. Extend 1 – 2 year

Essex would not be interested in extending the contract for a further one to two years as it would not be a viable and would create financial uncertainty.

d. Bring the service in-house

This was the preferred and recommended option, providing the greatest flexibility at a time when the council is considering new models of working and enabling the council

to have control of outcomes, delivery and resources. This option also allows the council to consider different models of delivery and also enables the council to make some immediate savings.

5.5. In addition to considering the most appropriate model of delivery, the timing of any transfer was also viewed as a significant consideration. The availability of the Curve coincides with the expiry of the current arrangements. It was therefore felt essential to the efficiency of any change process, that the Council addressed both the expiry of the contract as well as the availability to the new Curve building. All the parties therefore agreed that a six month extension to the existing libraries contact would enable an effective an efficient transfer for the service.

5.6. It is therefore recommended that

- (a) The contract be extended 6 months from its end (31st December 2015) to 30th June 2016.
- (b) The library service is transferred in house from 1st July 2016 to achieve full year revenue savings of £191,000 and enable better service integration and re-design and potential further efficiencies.

6 **Comments of Other Committees**

6.1 None

7 **Conclusion**

7.1 This report outlines the preferred model to deliver future library services from 1st July 2016. The bringing of the library service in-house will give the council greater flexibility to reconfigure services to support the delivery of the priorities within five year plan. The timing of the transfer allows library services within the Curve to be established and give sufficient time for staff consultation prior to the transfer.

8 **Background Papers**

1. Cabinet report "Strategic Review of Slough's Public Library Service – 22nd September 2009.
2. Cabinet report "Libraries Strategic Partner" – 8th February 2010.
3. Procurement board "Libraries Contract Review" - 26th November 2014.