**Sheffield City Council**

# Report to Policy Committee

**Author of Report:**  (*Lynne Richardson, Libraries Strategy & Development Manager*)

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| **Report of:** | *Executive Director, Operations* |
| **Report to:** | *Strategy & Resources Committee* |
| **Date of Decision:** | *5th July 2022* |
| **Subject:** | *Continued Support for Volunteer Run Libraries 2022 - 2023* |

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|---|---|---|---|---|
| Has an Equality Impact Assessment (EIA) been undertaken? | Yes | X | No | |
| If YES, what EIA reference number has it been given?   1178 | | | | |

| | | | | |
|---|---|---|---|---|
| Has appropriate consultation taken place? | Yes | X | No | |
| Has a Climate Impact Assessment (CIA) been undertaken? | Yes | | No | X |

| | | | | |
|---|---|---|---|---|
| Does the report contain confidential or exempt information? | Yes | | No | X |

If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-

*"The (**report/appendix**) is not for publication because it contains exempt information under Paragraph (**insert relevant paragraph number**) of Schedule 12A of the Local Government Act 1972 (as amended)."*

**Purpose of Report:**

The purpose of this report is to recommend the continuation of the grant and support package for Associate Libraries for the year April 2022 to March 2023, and continued support for Co-delivered libraries.  This is an interim measure pending a strategic review of library services.

This grant was originally going through the interim decision making process in October/November 2021.  However, it was withdrawn at that time so it could be considered alongside a strategic review of library services.  In March 2022 it was clear the strategic review of library services would not happen in the timescale required to ensure the volunteer run libraries continued to be solvent.  Therefore, the decision making process was re-started and now subject to the new committee decision making process.

The funding for this grant and support package being £209k was contained in the Council's March 2022 Budget report.  However, an urgent decision is now needed

to enable the grants to be issued.

**Recommendations:**

It is recommended that the Strategy and Resources Policy Committee:

a) Notes that the funding for the proposed grant payments in this report were included in the Council's budget report in March 2022.

b) Approves the establishment of a fund and the distribution of such funds to continue support for Associate libraries until 31st March 2023 and assist their viability and stability by providing a support package up to the value of £209k as set out in this report.

c) Approves the continued support for Associate and Co-delivered libraries by LAIS and other Council services is continued until 31 March 2023, as set out in this report.

**Background Papers:**
*(Insert details of any background papers used in the compilation of the report.)*

**Appendix 1**
**Appendix 2**

| | Lead Officer to complete:- | |
|---|---|---|
| 1 | I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required. | Finance: **James Lyon** <br> Assistant Finance manager \| Finance Business Partner - PLACE |
| | | Legal: *Richard Marik* |
| | | Equalities & Consultation Louise Nunn, Equality and Inclusion Officer, PLACE |
| | | Climate: Jessica Rick |
| | *Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.* | |
| 2 | **SLB member who approved submission:** | *Ajman Ali* |
| 3 | **Committee Chair consulted:** | *Cllr Terry Fox* |
| 4 | I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1. | |

| Lead Officer Name:<br>*Nick Partridge* | Job Title:<br>*Head of Library, Archive & Information Service* |
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| **Date:** *22nd June 2022* | |
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## 1. Proposal

### Introduction

1.1 The proposal in this report is to continue the £209k package of support for the eleven Associate libraries over the next year to enable them to plan their recovery and re-establish their sustainability.

1.2 In February 2014 Cabinet approved a proposal for the future of Sheffield's Library services. This led to the creation of 11 Council run Hub libraries, and along with the Home library service and Central library this constitutes the Council's Statutory duty to provide a comprehensive and efficient library service (Library and Museums Act 1964).

1.3 The Council wished to keep as many libraries open as possible beyond the core service, and with support from the communities of Sheffield, five Co-delivered libraries and eleven Associate libraries have been established, and are run by volunteers.

### Key Challenges

1.4 The grant funding and support package from the Council since 2014 has meant that no volunteer run libraries have closed. However, it has always been the intention for them to develop their financial sustainability to invest in the building and the community. Since 2014 good progress has been made with the introduction of new and innovative ways to fundraise. However, the Covid-19 pandemic over the past 18 months has neutralised this progress, together with the increasing cost of utilities (which could increase up to 80 percent), this leaves the volunteer run libraries again vulnerable to closure.

1.5 There are challenges facing the Co-delivery model, as some of the groups running these libraries may prefer to lease the building rather than a tenancy at will, increasing running costs of the buildings which is funded directly by SCC, and the effectiveness of the Memorandum of Understanding is very limited. Therefore, work will be undertaken during the next year to examine this model further and make recommendations in 2023.

1.6 This report therefore seeks the approval for the following:

**Resources & Support funded by the £209k fund**

1.7    It is recommended the funding is sourced from Council revenue funds and will cover the following support and associated resources:

<u>A Grant pot of funding:</u>

1.8    Allocated from Council funds, £135,700 where the grant is not competitive and will be allocated for 2022 to 2023 financial year under the existing arrangements from 2021 to 2022.

<u>Provision of new books:</u>

1.9    The eleven Associate libraries will receive approximately £1000 per library, per year for new books stock (Total = £11,000).

<u>Remaining on the Library Management System:</u>

1.10    This will cover the additional operational costs, to the Library, Archives & Information service, of the Associate libraries remaining on the Library Management System. As a support package this would cost £62,300 and would include:

- A Volunteer Officer who supports the development and sustainability of the volunteer run libraries through advice, guidance, and hands on support in relation to governance, policy development, training, information governance and library standards.

- I.T. upgrades and associated software charges.

- Staff support to administer the purchase and processing of new books for Associate libraries and enable donated books to go onto the Library Management System where requested.

- Van deliveries for reserved books and other materials.

- Training commissioned internally and externally for all volunteer run libraries on data protection and other compliance training, management of voluntary organisations and good governance.

- Materials for participation in city wide initiatives

1.11    The Council intends to enter into funding agreements and a Memorandum of Understanding which will govern the payment of the grant and set out its conditions.

1.12    **Support for Associate & Co-delivered Libraries from within existing resources**

It is recommended that support for Associate and Co-delivered libraries by LAIS and other SCC services is continued through the financial year 2022/2023.  This is in addition to the support and resources described above and is necessary to ensure compliance, co-ordination and compatibility.

1.13    Running costs and resources for Co-delivered Libraries

As per the description of the co-delivery model in the cabinet report "The Future of Sheffield's Library Services" 2014, The Five Co-delivered libraries will continue to benefit from all the services and resources of a SCC run hub library, but without the staffing.

1.14    Website

The library service will continue to include information on the volunteer run libraries on the Council webpages including social media such as the Library Service Blog, Facebook and Twitter, with links to the Volunteer libraries in Sheffield webpage and other appropriate webpage links.

1.15    Training

Volunteers will continue to be offered training on the Library Management System from LAIS and SCC.  Training sessions and standards will include data protection and safeguarding processes.  Hub libraries may be offered as a free venue for volunteer library groups engaging in training organised by the Library service.

1.16    I.C.T. assistance

LAIS staff will support the volunteer libraries with technical queries relating to the operation of the Library Management System and The Peoples Network. Where appropriate volunteers will be able to contact the BCIS helpdesk directly to resolve IT issues.

1.17    Compliance

SCC, LAIS and other relevant departments will work with and support the volunteer run libraries to enable them to comply with their legal obligations.


1.18    Benefits of the option include:

- A period of continued stability as the region moves out of the Covid-19 pandemic.
- Enables capacity to be rebuilt, following the significant impact of Covid-19 on library operations.
- Maintain delivery standards across the Volunteer libraries.
- Improved community cohesion due to stable service provision and volunteering opportunities.
- Volunteering opportunities will support community mental health and

wellbeing, which has been exasperated by the pandemic.

- Improved community empowerment through participation and strong community links of the volunteer libraries.
- Continue to develop the independence and sustainability of the volunteer run libraries .

1.19    Risks of the option include:

- Due to changes in volunteering levels, income generation opportunities and external funding, some volunteer libraries may still struggle to continue operation.
- Cost pressures are increasing, particularly utilities which could increase up to 80 percent, the grant was originally set at 2013/2014 level running costs and has since been reduced by 30 percent, therefore the grant level may not be sufficient.
- If there is a budget reduction in future years for the Libraries and Archives Service, it may not be affordable for the service to continue to pay for all of the Co-delivered libraries from its core budget.

## 2. HOW DOES THIS DECISION CONTRIBUTE?

## Communities and Neighbourhoods

2.1

A library often serves as the cultural core of a community providing a wide range of activities, events and information. Volunteer run libraries are particularly adept at providing for community needs, able to respond quickly to new developments and changing requirements. Community run libraries also provide a feeling of ownership to a community, involving them in what it delivers, and the benefits of the resource are recycled back into the community.

2.2

Community libraries whether Council or volunteer run, provide a pleasant and safe place in the community which anyone can access, and membership is not required. In recognition of this, all volunteer libraries (as well as SCC libraries) in Sheffield are part of Sheffield Safer Places and provide

- Police surgeries
- Access to council services via the Peoples Network computers.


2.3    ## Education, Health and Care

Libraries provide centres of learning for all people and volunteer libraries have the additional benefit of a wide range of volunteer positions available. It has been shown that volunteering is of significant benefit to people's health and wellbeing.

- Volunteering has a positive effect on a range of health factors including cardiovascular disease, hypertension, mental well-being, self-rated health and life satisfaction.
- An association has been documented between volunteering and a reduction in mortality[i], reduced pain, and muscular strength.
- A survey by the British Household Panel Survey found higher well-being in those who volunteer 'frequently' compared with those who have never volunteered. They also found 'potentially beneficial connections between volunteering and mental well-being during the middle stages of the life course, while these same benefits were not seen in young adults.

2.4

All volunteer libraries provide educational activities for a wide range of age groups, it has been shown that early engagement with reading can significantly improve young people's educational outcomes. Each library contributes to this by hosting regular activities for families with young children and babies, this helps to improve their engagement with reading, but also increases opportunities for engagement with other services including:

- Dental health
- Road/fire safety
- Family learning

2.5

Libraries also provide a safe environment for carers, that are both free and increasingly accessible. They are a place where carers can get information and

2.6    signposting to support services and also to meet people.

Volunteering can significantly improve a person's employment prospects. Volunteers gain valuable experience in a vibrant and varied customer service environment where they can learn new skills both on the job and by training courses provided.

### Climate change, Economy and Development

2.7

Libraries are a source of information and learning in the community where tools of research and space to research and learn can be freely accessed. They provide books as a non-disposable resource to learn about climate change and can act as community rally points in emergencies as seen during the covid 19 pandemic where libraries acted as vital distribution points for food parcels.

### Our Council

2.8

Volunteer libraries sit at the heart of our communities, working closely with Sheffield Library Service empowers them to communicate with the council and how local services are delivered.

2.9

With local people operating their library they are empowered to make decisions that benefit their neighbourhood leading to better engagement and vibrancy within their local area.

2.10

Please see Appendix 1 for a breakdown of how libraries work towards the Sheffield One Year Plan.

## 3. HAS THERE BEEN ANY CONSULTATION?

3.1 Consultation has taken place with the Volunteer run libraries about their sustainability and support needs in 2016 and 2019 and 2021.

**Consultation Overview 2021**

3.2 In 2021 the volunteer run libraries were sent a survey to complete by the Library, Archives and Information Service and this focused on 3 key areas:

- The fundraising activity they have done
- The key challenges for the volunteer run libraries
- The support that they need

3.3 Each set of questions was designed to identify the level and type of support needed to ensure the volunteer run libraries are viable and sustainable and that we understood the impact of the Covid 19 Pandemic. The full results can be found in Appendix 2 'Review of the support needs of Volunteer Run Libraries and survey results, 2021'.

3.4 In general the results of the survey show that the model of operation and the

level and type of support provided to Associate and Co-delivered libraries continues to work effectively.

3.5     Fundraising activity throughout most of 2020 and 2021 was extremely limited, and has had a major impact on reserves, library development and investment. As many library volunteers are of retirement age and clinically vulnerable, the Pandemic has meant the loss of lots of volunteers.  Where volunteers have been retained, they now require significant re-training.

3.6     The grant value was based on the running costs of the volunteer run libraries in 2013/2014 before the handover, and the grant level was reduced by twenty percent over 3 years between 2018 and 2020.  With increasing fuel and running costs, the level of the grant may not be sufficient to cover the running costs for 2022/2023 and would need to be supplemented by reserves or by additional fundraising.  However, it was always anticipated the volunteer run libraries would be required to do additional fundraising to improve their sustainability and develop their service offer.   Consultation indicates that a further ten percent reduction before the libraries have had sufficient time to recover from the Pandemic, could result in a number of library closures.



Income Generated 2019/2020 and 2020/21
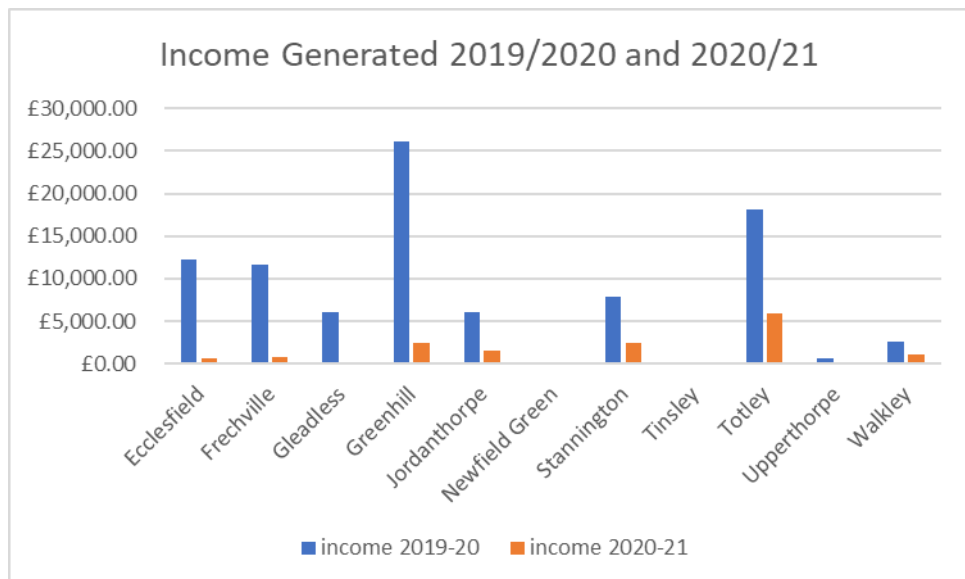
3.7     The above graph demonstrates the significant impact of the Covid-19 Pandemic on income generation (excluding SCC grant).  Until post Pandemic levels of activity are restored, most of the Associate Libraries are entirely dependent on the grant from Sheffield City Council.

**4.      RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

4.1     Equality of Opportunity Implications

4.1.1   As a Public Authority we need to take into account the requirements of the

Public Sector Equality Duty contained in Section 149 of the Equality Act 2010.

4.1.2 An Equality Impact Assessment has measured the impact of the proposal on the protected characteristics within the Equality Act, and where possible mitigations will be put in place.

4.1.3 The proposal will help to keep all libraries in Sheffield open and maintain a range of services and support for the citizens of Sheffield, including people with protected characteristics. Therefore, the proposal maintains an overall positive impact, and there would be an overall negative impact if the proposal was rejected.

4.2 Financial and Commercial Implications

4.2.1 The Council continues to face significant financial challenges and must make difficult decisions about services that the people of Sheffield care deeply about.

4.2.2 A decade of cuts has resulted in the Government measure of the Council's spending showing Sheffield has had a £211m (29%) real terms reduction in its core spending power (i.e., the amount it can spend) since 2010, representing a fall of £828 per dwelling.

4.2.3 Core spend power calculations include income generated from Council Tax and therefore masks the true scale of Central Government funding cuts. For Sheffield this equates to approximately a 50% cut in real terms since 2010 and has deepened the Council's reliance on local taxation.

4.2.4 The Council requires £52.7m of savings schemes to be delivered in 2022/2023 to balance its budget and deliver services.

4.2.5 Funds will be identified from Council funds to cover a support package to the value of £209k for the financial year 2022/2023.

4.2.6 The library service has supported Associate and Co-delivered libraries within its existing budget and resources as far as this has been possible. The support proposed by the Library, Archives and Information service with existing resources is outlined in section 4.2, There are four financial risks for the Library, Archives & Information Service associated with this support.

(1) If there is a budget reduction for the Library, Archives and Information Service between 1st April 2022 and 31st March 2023, it may not be possible to deliver all the support described in section 4.2 for Associate and Co-delivered Libraries. It may be possible to continue support, principally relating to the delivery of the Library Management computer System at a fee to the Associate libraries.

(2) The grant for the Associate libraries was based on the out turn expenditure for 2013/14 (the last financial year that they were under the control of the Library, Archives and Information service). If each of the 5 Co-delivered libraries decides to become an Associate library, the grant pot would need to increase by £96,500 per annum if the allocation is

made on the same basis (made up of £58,400 current LAIS budget for all 5 Co-delivered libraries, plus the budget for cleaning in the region of £38,000, which is now sat with Transport and Facilities Management service). Although it is anticipated that some of the Co-delivered libraries will seek Associate library status, it is unlikely this will be requested by all 5.

(3) If SCC Library staff who support the Associate and Co-delivered libraries leave the service, it may take time for the service to adjust and upskill new or different staff. This means the Associate and Co-delivered libraries (as well as the library service) could experience several months with limited support.

(4) If there is a funding cut to the Library, Archives & Information Service, the continued funding of Co-delivered libraries could be at risk. Although Co-delivered libraries may become Associate libraries, it may not be possible to transfer the budget for Co-delivered libraries into the Associate grant pot.

4.3    Legal Implications

The Council has a general statutory duty to provide a comprehensive and efficient library service to its constituents under s7 Public Libraries and Museums Act 1964. This duty includes the requirement to:

- Keep adequate stocks of books, records, films etc for borrowing or referencing purposes; and
- Encourage both adults and children to make full use of the library service.

The distribution of the fund is permitted under s9 PLMA 1964, which allows the Council to make contributions towards the expenses of any other person providing library facilities for members of the public.

There are no subsidy control implications arising from this proposal.

4.4    Climate Implications

This decision to continue the funding for volunteer libraries will mean that all the climate impacts of running these services, both positive and negative, will continue. In order to not delay the approval of the funding, it is proposed that a full Climate Impact Assessment is conducted as part of the forthcoming strategic review of the service, and will consider the following:

- The continued use of the buildings as a community asset, review of condition and potential for retrofit and improvement of building performance;
- The impact of service location on transport emissions, including

consideration of demand reduction, decarbonisation and active travel;

- The potential for volunteer libraries to benefit from the forthcoming Local Renewable Energy on Community and Council Buildings programme, as well as the importance of improving the energy efficiency of activities which use energy;
- How libraries could contribute to the development of the green economy, including supporting green jobs and skills;
- What role libraries could play in influencing the conversation on climate change action, working with stakeholders to increase positive climate action in the city;
- Whether or not opportunities exist to improve the sustainable consumption of resources, to ensure libraries are minimising resource use and production of waste;
- Identifying any contributions libraries can make towards increasing biodiversity, carbon storage capacity and flood management through sustainable use of land;
- The contribution libraries can make to a just and fair transition to a low carbon world, recognising that we do not all contribute equally to climate change and we will not all be impacted equally by its effects.

## 5.   ALTERNATIVE OPTIONS CONSIDERED

### Option 2

5.1     This option provides no funding for the Associate libraries and removes all support packages beyond which can be provided at no cost to Sheffield Library Service or the Council.

Strength of this option

- This option would save £209k

Weaknesses of this options

- Consultation with the volunteer run libraries shows a slip in their financial sustainability due to the Pandemic, and therefore reliance on fundraising and reserves is unlikely.
- A high probability that a number of libraries would close immediately
- A high probability of further closures in the subsequent months after library reserves are depleted, unless they find an alternative source of funds.
- Having a grant from the Council provides Trustees and volunteers with a sense of stability and confidence of Council support. Without the grant, the volunteer run libraries may lose volunteers and struggle to recruit.
- As this option would result in some library closures, this would have a
- negative impact on the health, wellbeing and prosperity of the communities where libraries would close.

### Option 3

5.2 In this option the Associate libraries would still receive a grant but the support package would be reduced or cut altogether. This means they would not have access to any SCC library book stock and resources, the Library Management System/I.T, and the Peoples' Network (computer access) or any SCC staff support.

Strengths of this options

- This option would save the Council £62k
- The financial sustainability of the volunteer libraries would be maintained

Weaknesses of this option

- The quality of the service would reduce as they would not have access to the city wide book stock and resources, and would need to buy significant amounts of new books to retain a viable library service.
- Without guidance and support from SCC staff, the quality of the library offer is likely to reduce – ie reduced access to training, governance support, ensuring compliance with data protection, equalities/

**Option 4**

5.3 This option would be to continue with the grant and the support package, but with a ten percent reduction on the grant.

Strengths of this option

- This option would save the Council £13,570

Weaknesses of this option

- A ten percent reduction in grant, plus the weak financial position of the libraries due to the Pandemic, plus rising energy costs, could mean some libraries can no longer cover their basic running costs.

**6. REASONS FOR RECOMMENDATIONS**

- The current arrangements for Associate and Co-delivered libraries expired on 31st March 2022.

- Continued support will increase the likelihood of all the volunteer run libraries remaining open and vibrant for the year 2022-2023,

- The Libraries, Archives and Information service is undertaking a Full Service Review, and any implications of this review for Associate and Co-delivered libraries will be the subject of future reports and recommendations.

- Continued support for Associate libraries will give added confidence to trustees and volunteers, at a point they are taking on board lease responsibilities.

- By supporting the volunteer run libraries to remain on the Library Management System, all SCC library members can access any library in Sheffield using a single, city-wide library card.

- Continued support will provide a period of financial stability and growth that will attract more volunteers and trustees, and give them additional time to build capacity and develop external funding opportunities.

- The proposal will ensure the standards and controls relating to the operation of the Council's Library Management System by volunteer libraries are maintained.