

Submission
from
The Upper Norwood Library Campaign
and
The Crystal Palace Community Association
to the
Lambeth Libraries Commission

**AN ALTERNATIVE FINANCIAL AND GOVERNANCE
MODEL FOR LAMBETH'S LIBRARY SERVICE**

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Upper Norwood Library Campaign



CPCA c/o 10 Jasper Road, Upper Norwood, London SE19 1SJ

Tel / Fax: 020 8670 4395 cpc@onetel.com www.cpc.org.uk

Member of the London Forum of Amenity & Civic Societies and the Open Spaces Society Registered Charity No. 261790

EXECUTIVE SUMMARY

History and background of the Upper Norwood Library

The independently managed Upper Norwood Joint Library (UNJL) has faithfully served the Upper Norwood cross-borough community since it opened its doors in 1900 and, from inception, the London boroughs of Lambeth and Croydon have jointly funded the Library.

Library users in Crystal Palace and Upper Norwood regard the UNJL as a vital local amenity in an area with very little in the way of public buildings. The Joint Library plays an indispensable role in Lambeth Council's fulfilment of its statutory responsibility to provide a comprehensive and efficient library service. Many residents of Gipsy Hill and Knights Hill wards, and further afield, rely heavily upon it.

The UNJL has strong links with the local community and an extensive outreach programme that encompasses local organisations, schools, youth groups and children's groups. There is also an annual programme of special events and activities that cater for all ages and interests. As well as the regular Reading Group and Creative Writing groups for adults and the 'Waggle and Hum', 'Puffin Club' and 'ABC Club' sessions for parents and children, local residents are able to take part in imaginative and informative events such as the annual 'Crystal Palace Park and Read', Frost Festival, Local History Festivals and Writers' Days. Last year, the library celebrated its 110th anniversary with two days of special events (with Victorian and Wild West-themed activities), which were attended by hundreds of people.



Mr Bonkers entertains a packed audience of young library users

In addition to lending services for adults and children, the Joint Library provides extensive local, community and council information resources, as well as access to primary source, archival and other local history materials.

The above illustrates the Library's ability to deliver vital information services while meeting educational, cultural and recreational needs. Library users would strongly oppose any reduction in these and other services.

Advantages of independence

The Upper Norwood Library is a totally self-contained, self-sufficient and stand-alone service and not part of any wider system - unique amongst public libraries in Britain today. Such a service is wholly geared to the requirements of the community it serves.

The Chief Librarian is able to plan for the specific needs of residents, giving the library a bespoke community character, rather than a one-size fits all corporate model.

Regular staff are always on hand at the one location, rather than being transferred around the borough to meet staffing requirements elsewhere. This enables them to understand the interests of their readers, enhances relationship with customers and adds to the quality of the service.

Staff enthusiasm, motivation and commitment are strengthened by the sense of belonging to something that is highly personalised and 'community-specific'.

Democratic accountability is achieved through the managing body, the Joint Committee, where efforts have been made to ensure local ward councillors are strongly in evidence. In addition, two local representatives of library users (normally from the Upper Norwood Library Campaign) have a guaranteed place on the Committee.

Costs and efficiency

Numerous commissioned reports have shown the UNJL 'independent' financial and governance model to be highly cost effective and efficient.

Recent data posted on Lambeth's website concerning the Lambeth borough library service states: "To run 9 libraries in 2010-11 cost Lambeth Council £7.3 million" (£7.09 million after deducting the £0.21 million given by Lambeth to UNJL). The average cost of each of the nine sites is therefore £788,000.

This demonstrates that UNJL with a fully inclusive total cost of £454,000, which includes Croydon's contribution and estimated 'in kind' support, and income from fines revenue etc, is significantly cheaper.

If all nine Lambeth libraries were to be modelled on the UNJL, forming a loose federation of independent libraries, each with its own small local committee and able to organise formal co-operation between individual sites where appropriate, the savings would be considerable.

If funding were modified so that each library was resourced to an average cost of £500,000, the total outlay would still only be £4.5 million - a potential saving of over £2.5 million, without detriment to the quality of service enjoyed by local residents.

The UNLC and CPCA are not alone in thinking that the UNJL model has much to offer at a time when innovative and imaginative approaches are being urged in response to Britain's current crisis in public expenditure and the resulting future provision of library services.

The South London Press, the BBC's Radio 5 Live, the Evening Standard and Tim Coates, former MD of the Waterstone's bookshop chain, have recently taken interest in the UNJL, praising its decentralised, community engaged and value-for-money management arrangements.

UNLC and CPCA ask that Lambeth consider the adoption of the UNJL model as an imaginative way forward for Lambeth's library services, believing that it would be possible to exceed the required budgetary savings, whilst implementing a more locally focussed, locally accountable and successful library service. Such an initiative would also correspond with Lambeth's new Co-operative Council service model, which is closely aligned with the ethos of the UNJL.

Joseph Figueira - Chair, Upper Norwood Library Campaign
John Payne - Chair, Crystal Palace Community Association

LIBRARY SERVICES

The Upper Norwood Joint Library is a substantial and sizeable public building, similar in size to Lambeth's larger district libraries such as West Norwood and Streatham (although unlike the UNJL, these libraries do not 'stand alone' and are centrally and corporately supported).



The Joint Library is a self-contained, self-sufficient library authority, a microcosm of a borough-wide library authority, offering the expected range and variety of library services. For the visitor, it has the feel of a large district-type Inner London library. The key and fundamental difference is that the UNJL is not part of a library system, but the whole system in its entirety. There is therefore no supplementary staffing input or overhead costs - from the wider borough library service, other borough departments and the corporate Council as a whole - that characterise conventional borough branch or district libraries.

Importantly, the total pro-rata cost of the Joint Library equates to approximately half that of the average Greater London spending on library services per resident served.

For example, if a decentralised and community specific model of library service governance and management, such as that adopted by the UNJL, were introduced to another library service, currently costing say £8 million per annum, the latter would have the opportunity to reduce its costs by around £4 million.

Service users value the availability and visibility of experienced and helpful specialist professional librarians and 'front-line' assistants, an essential component of a modern library service and even more important at a time of major socio-economic change. This is likely to generate greater public demand resulting from the negative impact of cuts and increasingly restricted access in areas such as adult, higher and further educational institutions, advice, information and guidance agencies and other Council departments. There is also the likelihood of greater demand for library services arising from detrimental social and economic change, with fewer people able to afford broadband subscriptions, ICT hardware and even books, consequent to the effects of unemployment, tax increases, inflation, pay freezes, pension reductions and a higher ratio of low paid, temporary and part-time jobs.

Trained and experienced professional and specialist staff are greatly valued and should be consistently available to provide expert assistance, advice and guidance in terms of access to printed and electronic resources and services to children, young people, adults and those seeking information or local history resources.

The Joint Library is located at the confluence of five London boroughs. This unique district generates a complex array of information requirements and demands from local residents - many of whom can be confused as to which borough they are part of and accordingly where they should go to find the information they are seeking.

With the exception of the Library, the Crystal Palace district has few other Council facilities, no dedicated adult education premises and few information, advice and guidance agencies.

Upper Norwood is a district rich in heritage. Located close to the site of Paxton's renowned Crystal Palace, the Upper Norwood Joint Library fields a constant stream of local history enquiries. These arise from both the immediate locality, neighbouring and regional authorities, as well as nationally and internationally. Consequently, it is essential that both relevant resources and experienced staff assistance are consistently available on-site. This ensures that effective access to services can be facilitated by expert staff guidance.

The Joint Library has survived two World Wars, the Great Depression of the 1930s and numerous severe recessions since it first opened to the public in 1900. It provides opportunities for life-long learning and creative browsing, an outstanding Children's Library that helps to create a love of books and reading in our youngsters, access to information and informal education, a fantastic programme of special events and activities each year and a free, inclusive and welcoming space from which the whole community benefits.



Library users demonstrate their support for the Upper Norwood Library

BENEFITS TO THE COMMUNITY

Thanks to the concept of 'shared expenses', one of the greatest bonuses to Crystal Palace residents (as well as the 'parent' boroughs, Lambeth and Croydon) is that a wide-ranging, community-specific and extensive local resource is provided for local people at only half the cost to each authority.

Governance of the service already follows Co-operative Council principles, with locally elected members and community representatives sitting on the management committee for the Joint Library Authority. This 'grass-roots' involvement creates an ongoing dialogue between the local authorities and the community which can only assist the quality and relevance of the service provided by the UNJL, whilst minimising any risk of discord or disagreement - and possible damage to the image of the Council as a result.

The self-sufficient Joint Library offers proportionately all of the facilities, range of stock, staff expertise and services that one would expect to find in a 'conventional' library authority, but to a quality, standard and level of performance that equals or betters that of other libraries. These standards are achieved in spite of a ratio of funding that is proportionately much lower than other library services. This means that the value for money offered by the Joint Library service 'model' is around 50% higher than that of the Greater London average.

Operating as a stand-alone service, all staff have daily contact with service users. This ensures an informed awareness of the needs of members of the public, which in turn directly guides service planning and provision, performance management and monitoring and ongoing modification and refinement.

Unlike other library services, whose self-generated income is appropriated by the council, UNJL's money from fines, fees, charges, sale of books, rentals etc, is re-invested in the service. This increases the motivation of Joint Library staff to innovate and strive to create higher use and take-up of their services.

There is a lack of clarity over conventional 'centralised' funding of library authorities where support services and overheads costs form a substantial proportion of the overall library budget. Accordingly, it is not clear how this money, in Lambeth's case £2.7 million from a total of £7.3 million, actually benefits the library service. There are no such 'hidden costs' at the UNJL authority.



Children (and parents) enjoying one of the many popular library events.

The repute and popularity of the services at the Joint Library and the annual programme of special events and activities that it holds has been instrumental in drawing people into the Crystal Palace area from farther afield. Traders and local businesses have acknowledged that this continues to benefit local commerce, whilst helping to raise the profile of the district as a whole. Parents and guardians who attend the 'Waggle and Hum' sessions with small children then go on to use the local shops and cafés thus benefiting the local district. Rather than attend day centres, older people create their own 'day opportunities' by regularly spending time in the library before using local shops and restaurants. Also unwaged persons are able to access newspapers and the Internet in their search for work.

Children proudly displaying their handiwork at a UNJL craft workshop



Sarah Waters signs copies of her book 'The Little Stranger' at UNJL's 'Crystal Palace Park and Read' 2009

Upper Norwood Library Campaign research has indicated that a majority of the participants using more than one library (in addition to the UNJL) expressed a preference for the Joint Library. Formal consultation exercises (including CIPFA public library user surveys) have seen the UNJL authority 'out-scoring' other local library authorities in most areas.

CHANGES TO LIBRARY COVERAGE IN THE AREA

In the wake of Central Government imposed restrictions on Local Government expenditure, our neighbouring Councils are contemplating a number of worrying changes to their library services. Cuts, closures and drastic changes in governance and management arrangements are all looking increasingly likely and Croydon, Lambeth, Bromley and Lewisham are all considering what are proving controversial and unpopular measures.



With Bromley's Anerley and Penge libraries facing closure, Lewisham offering some of their libraries to community groups to manage and two out of three Croydon libraries in the north of the borough under threat of closure, the importance of retaining the full range of library services and staff expertise and experience provided at Crystal Palace is becoming ever more important.

If local councils were to adopt the Joint Library as an model for public library provision, many of these measures, with the resulting antagonism they cause among local residents and groups, would prove unnecessary. Indeed, the spectrum of staff skills, choice of books and service quality at each Lambeth library site would increase, whilst substantial savings, in excess of the required £750,000, could be achieved.

COMPARISON WITH THE CONVENTIONAL LIBRARY AUTHORITY SERVICE MODEL

Some library commentators have recently identified library service overheads and support service costs as being problematical, in that they form a disproportionately large part of total council spending on library services. More worrying is the contentious and unwelcome possibility that cuts in government grants could lead to the 'culling' of front-line staff (librarians and library assistants) whilst overhead costs remain largely unchanged. Rather than reducing expenditure, many 'conventional' support service contracts, with their plethora of expensive and opaque overheads, turn out to be rigid, over-expensive, inflexible in their duration and difficult to alter or supervise effectively.

Spending reductions have generated another approach that purports to keep services afloat whilst saving money. The London Libraries Change Programme (LLCP) and the Future Libraries Programme (FLP) work with the 'received wisdom' that money can be saved by amalgamating library services and authorities to achieve 'economies of scale'. The UNLC, CPCA and many others harbour profound doubts about the wisdom of this approach - not least the inevitable fall in the availability of specialist/professional staff and a resulting decline in service quality, effectiveness, capacity, comprehensiveness and efficiency, while the drawbacks that arise from 'diseconomies of scale' are less often quoted (see Appendix 1).

The Upper Norwood Joint Library service model demonstrates that the real way to make savings in library service budgets and improve services at a locally orientated level, is to adopt the 'small is beautiful' approach. This would require dispensing with expensive corporate support systems and service overheads - a shift away from remote, centrally-based management and a revision of borough-wide staffing roles - and moving instead towards a fully decentralised library service network consisting of autonomous library provision.

This may not find favour at 'officer' level, however a proven idea with the potential to improve service quality, value for money and accountability to residents should not be dismissed out of hand as supposedly 'unworkable'. Encouragingly, it seems that the Council is already aware of these issues. *

** "The Commission recognises that such an assessment (of the case for community-led commissioning) could, if poorly designed, act as a way for senior managers at Lambeth Council to block the implementation of the Co-operative Council approach to designing and delivering public services, especially if these managers are risk averse. A balance must therefore be struck between the aspiration to deliver public services currently provided by the Council in a different way, and the need to show how Lambeth Council has considered (and mitigated) the potential risks of handing over ownership or the delivery of a public service to another organisation."*

("The Co-operative Council" – Sharing Power: A new settlement between citizens and the state - section 8.5/page 38)

UNJLA - A FUTURE SERVICE MODEL FOR LAMBETH LIBRARIES

Advocates for the initiatives described – such as the LLCP and the FLP – which involve the creation of bigger and bigger library systems, argue that savings can be made through economies of scale. Paradoxically, the small autonomous Upper Norwood Joint Library Authority offers a full range of library services proportionate to the area that it serves, at half the pro-rata cost of library services in London (Greater London average). In tandem with this cost-effectiveness, it offers a quality, expertise and depth of service that is highly valued by library users and local organisations alike (see Appendix 1).

Attached is a performance summary (see Appendix 2) drawn from the 2009/10 CIPFA statistics and the annual accounts for the UNJL for the same financial year. This confirms that the cost of providing a library service along decentralised and autonomous Joint Library lines is dramatically lower than that of the conventional, centrally supported library authority model.

Conventionally managed borough library services are prone to the detrimental and negative effects of diseconomies of scale (see Appendix 1). When combined with the expense and inflexibility of unwieldy service contracts and support costs, it would seem that there is a convincing case for a much wider consideration of library service autonomy. This could be combined with local community and locally elected member governance, in line with the tried and tested management arrangements for the UNJL.

If other Councils were to adopt this model, a much greater ratio of savings could be made than the £750,000 requirement for Lambeth in 2012 -2014. The savings made would be more than sufficient to allow for the improvement of library services, increased staffing, capital investment and a greater volume of new books at local level. This would in turn inspire greater community involvement, engagement and participation, enhanced staff commitment and morale, an improvement in the use of library services in the borough and quite possibly, a rise in the income generated at each individual library.

The UNLC and CPCA consider the 'independent' model to be the most cost-effective, community orientated and constructive way forward for the provision of library services in London and elsewhere. It is closely allied to the ideals and principles of Lambeth's Co-operative Council initiative. Objectives such as greater community involvement, an enhanced role for ward councillors within their communities, empowerment to innovate in service delivery, co-produced service specifications, community budgeting, reduced bureaucracy and greater transparency all strike a chord of recognition and are redolent of aspects of the Joint Library's management arrangements and operation.

It is imperative that Lambeth consider ALL cost saving options when deciding the future of its libraries. The UNLC and CPCA trust that the above suggestions are helpful to Lambeth Council in terms of solving a difficult and testing financial and future service management challenge for its library service.



APPENDIX 1

Examples of diseconomies of scale (source: www.tutor2u.net/business)

“It is recognised that the benefits of economies of scale can be negated by the attendant dangers of diseconomies of scale, where problems and the resulting costs can increase as a result of the growth in size of an organisation to unmanageable proportions.”

For example:

a) Over-extended organisations

A larger organisation is much harder to monitor and manage effectively, it is more complex and therefore co-ordination between different departments and divisions becomes more difficult. As well as making management less effective, and therefore indirectly imposing costs, the systems designed to cope with the extra complexity may also directly impose costs. People working within a larger organisation may also feel less committed to working for it.

b) Lack of motivation and inertia (unwillingness to change)

Workers can often feel more isolated and less appreciated in a larger organisation and so their loyalty, morale and motivation may diminish. It is harder for managers to stay in day-to-day contact with workers and build up a good team environment and sense of belonging. This can lead to lower employee motivation with damaging consequences for output and quality. The main result of poor employee motivation is falling productivity levels, lack of innovation, reduced effectiveness and an increase in average labour costs per unit.

c) Loss of direction and control and ‘management isolation from the consequences of their decisions’

It is harder to ensure that all workers are working for the same overall goal, as an organisation gets bigger. It is more difficult for managers to supervise their subordinates and check that everyone is working together effectively, as the spans of control have widened. A manager may be forced to delegate more tasks, which while often motivating for his subordinates, leaves the manager less in control and the organisation much less effective as a result.

d) Increased transport costs

The larger the organisation, the higher these are likely to be.

e) Lack of responsiveness

A small organisation is able to respond much more quickly to need, demand, changing circumstances, etc, than a larger and more unwieldy one that is hampered by its sheer size.

f) Problems and costs of communication

As an organisation expands, communicating between different departments and along the hierarchy becomes more difficult. This may result in workers having less clear instructions from management about what they are supposed to do and when. In addition, there may be more written forms of communication (e.g. newsletters, notice boards, e-mails) and less face-to-face meetings, which can result in a lack of coordination, less feedback and therefore less effective communication.

APPENDIX 2

COST AND PERFORMANCE COMPARISONS - THE UNJL AND LAMBETH LIBRARY SERVICE IN 2009/10

1) Average net cost per library site

Lambeth £647,664

UNJL £397,483

Note: The above is based on Lambeth's £7,335,491 net total spending minus £211,186 UNJL funds = £7,124,305 divided by 11 sites = £647,664 average cost per site.

2) Net cost per 1,000 residents served

Lambeth £25,893

UNJL £12,640

3) Staff per 1,000 residents served

Lambeth 0.41 full-time equivalent

UNJL 0.35 full time equivalent

4) Library visits per 1,000 residents served

Lambeth 4,521

UNJL 5,537

5) Issues per 1,000 residents served

Lambeth 2,847

UNJL 4,269

6) Net cost per visit

Lambeth £5.72

UNJL £2.28

7) Net cost per issue

Lambeth £9.09

UNJL £2.96