

London Libraries Change Programme
Board

Transformation Programme
Feasibility Study

31 October 2008

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2 Executive Summary

Public Libraries provide a distinctly local service with a unique role in developing communities. London's library services have demonstrated much improvement in recent years and in some cases work together better than most other services. However there is still more that can be done to improve the services delivered and this programme aims to build on this existing good practice through:

- Delivering efficiency savings from the provision of the core library service
- Freeing time and resource from back office activities to invest in innovative, frontline services
- An improved understanding of how Libraries can contribute to the wider objectives of Local Authorities.

This feasibility study was funded by Capital Ambition and commissioned through the London Libraries Change Programme Board to determine the most effective way to proceed with a transformation programme to improve the quality, effectiveness and efficiency of public library service in London.

The feasibility study has shown that there are a large number of areas where London's Libraries can work together to improve efficiency and effectiveness through:

- Sharing and integrating systems and processes
- Identifying and spreading best practice
- Combining resources and skills to achieve common goals.

The benefits to Libraries and Local Authorities of vertical integration with other Council services are strongly recognised and accordingly a programme of tangible and practical steps to improve service delivery and increase collaboration has been recommended rather than pursuing radical structural changes at this time.

We have isolated five particular themes for improvement:

- **Leading** the sector both externally and internally
- Supporting the development of a strong and well utilised **workforce**
- Improving **procurement and stock management** processes
- **Modernising** service delivery through the use of new technology
- Combining skills and resources to undertake **marketing and communication**



Running through all these strands is the need for proper **governance** structures that ensure the programme is delivered effectively. All of these aspects are interlinked and improvements in all areas are necessary but it is recommended that libraries focus initially on those areas that are likely to deliver efficiencies and generate confidence in the ability of the sector to modernise before investing heavily in service development and marketing activities.

2.1 Key recommendations

2.1.1 The sector needs strong leadership

There is a perception within the sector that the role and contribution of libraries is widely misunderstood and undervalued. The Association of Chief Librarians and the Museums, Libraries and Archives Association (in London and nationally) provide leadership within the sector, but there is a clear view that this role could be strengthened and enhanced.

It is recommended that:

- a. Within the sector there is a clearly defined group with responsibility for **articulating and advocating for** the role of libraries within government, demonstrating improvements made by the sector, and promoting changes to service delivery to deliver this role
- b. As a first step, Libraries should work together to:
 - Bring together **customer information** to develop a clear understanding of different groups and their needs and preferences
 - Establish and articulate the **core offering** of libraries to its customers.

2.1.2 Clear governance structures are required to deliver the programme

A cross London programme is not able to require Authorities to participate, but will need to persuade and inspire Authorities of the need to change. Many of the recommendations outlined in this programme are not 'new' in that they address well documented issues and ideas in the sector. The challenge is how to deliver improvement in practice, which requires clear lines of leadership and responsibility for the programme.

It is recommended that the programme:

- c. Has a **single Board** with responsibility for driving and monitoring the programme
- d. Be **delivered largely by boroughs** themselves
- e. Has a Board with **wider representation** than the libraries sector such as a Chief Executive/Finance officer, Member representation and links with the wider Cultural sector

Despite saying the programme needs to be borough delivered, there will need to be central capacity and resource available to lead the programme and support Authorities. Without some resource at the centre to drive the programme internally, it will be difficult to generate momentum. We have recommended a project manager to drive the programme and establish structures and processes for change and funding for discrete pieces of work to be commissioned by the Board, either from Authorities themselves or externally.

Ownership of governance and sector leadership within the current structure and organisations within London should be clearly agreed by the Change Programme Board as a priority.

2.1.3 The programme needs to tackle workforce costs and skill development

Staff accounts for 58% of all costs within Libraries, but there does not appear to be a strong understanding of how this resource is utilised within and across Authorities. Both analysis of data and anecdotal evidence indicate that there is a significant opportunity for Authorities to

work together to identify ways of utilising staff more effectively within the service to deliver desired outputs and outcomes.

It is recommended that the programme:

- f. **Benchmarks workforce levels and productivity** across London using a range of input, output and outcome measures as a first step in driving process change to identify the drivers of variations in staffing levels and more effective working practices

2.1.4 The programme has to deliver tangible improvements to procurement and stock management

Procurement costs contribute 9% of total expenditure, but as importantly, the ordering and processing of materials takes significant amounts of staff time. The quality of the process in terms of the stock delivered is also a key driver of service quality.

It is recommended that the programme as a priority works to:

- g. Agree and adopt **initial standard servicing and classification** procedures across London
- h. Support Authorities to streamline processes to receive stock including:
 - Create processes to ensure stock is received as **shelf ready** as possible
 - Deliver a greater proportion of **supplier selection** for stock
 - Increase the use of **electronic data interchange (EDI)** for invoicing and ordering
- i. Identify costs of providing **Inter-Library-Loans** across London and make a transparent decision about the whether the value provided by the service is worth the cost. If it is to be retained, the programme must deliver improvements to the provision of the service for example those suggested in the recent 'Library Loans Online'

Where there is sufficient commitment from Authorities it is recommended that the programme:

- j. Support participating Authorities to establish a **business case for developing a shared processing service**

A number of further recommendations to improve procurement including best practice in stock management, evaluating the use of reserve stacks, procurement of online resources and IT systems, and investigate opportunities to share specialist procurement expertise are included but are not considered a priority over the above.

2.1.5 There is a role to promote the take-up of new technology

Technology is continually evolving and Authorities should work together to understand, investigate, pilot and share new technology. This report identifies some initial areas of technology where Authorities could usefully work together such as implementing Radio Frequency Identification (RFID) technology, development of Library Management Systems (LMS), roll-out of smartcards, use of Web 2.0 applications and purchase of e-books.

It is recommended that the programme:

- k. **Establish networks to identify and investigate** opportunities to collaborate and share in the purchase and implementation of new technologies

- i. As a priority, support the spread of **RFID** in libraries by sharing best practice in its adoption to ensure full benefits are being realised and to develop and build on the business case for its deployment

2.1.6 Authorities should collaborate around marketing and communication

Libraries are in competition with other providers, not necessarily as a complete organisation, but certainly in aspects of the service and as such need to raise awareness and market as to what they can offer. Users also have a choice about whether or not to utilise the service.

However, Libraries have limited resources to promote the availability of their service and to encourage reading and learning. London's libraries can usefully work together both to share scarce resources and skills but also to develop London Libraries as a recognisable and understandable brand. This stream of work is not considered an immediate source of efficiency gains but a longer term development programme to raise awareness and promote libraries.

It is recommended that the programme:

- m. Develop a **London-wide libraries brand** with potential to attract greater level of resources and attention, and also to communicate with the public as a single service offering with an online presence
- n. Develop methodologies to evaluate the **effectiveness of marketing** campaigns on key indicators such as visits and lending levels
- o. Encourage Authorities to contribute to **shared campaigns** where it will yield economies of scale
- p. Link the people within the sector with the **skills** to undertake effective and professional marketing

2.1.7 Potential benefits of the programme

For each activity the next stage of work is to establish precise costs and benefits of change. At a high level the key areas expected to have deliver financial benefits are:

- Benchmarking of workforce should be expected to identify areas for **gains of at least £1m p.a.** (1% of current workforce)¹.
- Streamlining of procurement and stock management procedures has a **potential saving for up to £1.5m² p.a.**
- Adoption of common standards: **estimated benefit of up to £900k p.a.** from reduced supplier costs, but most importantly provides a platform for future partnership working³.

These are high level estimates to indicate areas of priority rather than providing definitive answers. These all will have costs of implementation to be identified in the next phase of work but are not expected to outweigh the benefits.

¹ See Section 8, Workforce for more details.

² See Section 9, Stock procurement and management for more details.

³ Ibid.

Non-financial benefits delivered by the programme include higher utilisation from strengthened marketing and communication, improved customer service through better use of staff, and increased clarity of offering to customers.

2.1.8 Implementation

The costs and timeframes of the first phase of the programme are largely determined by the amount of internal resource and commitment that participating authorities are prepared to dedicate to the programme, however it could be expected that the recommended next phases of work could occur within one year. There is nothing in this programme that fundamentally Authorities could not deliver themselves, but it is recognised that the programme takes significant effort in addition to day to day duties and is unlikely to be feasible in addition to the 'day job' without additional resource and central encouragement.

The costs of this phase range between £80,000-280,000 depending on the scope and level of detail of each piece of work. We have also recommended a dedicated project manager for at least the first year of the programme to provide momentum. This is estimated to cost £60,000 per annum⁴. Each of these projects would be expected to recommend tangible next steps and requests for further funding should be based on an understanding of detailed costs and benefits of implementation (a business case).

The key risks to achieving the benefits are:

- Lack of buy in from participating Authorities resulting in benefits not being delivered within individual organisations
- Insufficient time and resources both centrally and locally to implement change.

These risks are best managed through clear ownership and governance of the programme at a senior level.

3 Introduction

With growing expectations from citizens, increasing demand for high profile and expensive services such as Social Care, and a smaller than previous grant settlement in CSR 2007, Local Authorities continue to face significant efficiency pressures and tough prioritisation decisions. As part of this landscape Libraries must continuously identify opportunities to deliver services to their citizens more efficiently and effectively.

Public library services in London are currently provided by 33 individual Local Authorities. The core services provided by these libraries are similar, but they differ in terms of the community they serve, the investment they receive and the way the service is delivered. Despite these differences London's libraries face many of the same challenges and already work together to deliver services and purchase materials, and it has been recognised that scope may exist to increase the levels of collaboration to deliver change.

⁴ See Appendix 2 for a detailed breakdown.

This project was therefore funded by Capital ambition and commissioned by the London Libraries Change Programme Board (LLCPB)⁵ to deliver:

“A feasibility study determining the most effective way to proceed with a transformational programme that will improve the quality, effectiveness and efficiency of public library service provision in London”

This forms one strand of the wider London Cultural Improvement Programme, funded by Capital Ambition, Cultural Agencies and other partners. The wider programme is managed by the Cultural Services Improvement Manager hosted by MLA London.

3.1 Methodology

RSe was commissioned as an independent consultancy to review the provision of library services across London and provide recommendations to the LLCPB.

The findings in this report were generated through:

- Background research into previous reports and analysis undertaken in the sector
- Interviews with key stakeholders in the sector including a selection of Heads of Culture, Chief Librarians and Members
- Interviews with two Chief Executives to discuss the wider context and role of Libraries
- Workshops to discuss the overall context for libraries and ideas for improvement
- A workshop dedicated to discussing procurement and stock management
- Analysis of CIPFA and publicly available data
- Site visits to four libraries within London to talk to delivery staff and managers
- An online survey which was responded to by 19 Authorities

As a result of this stakeholder engagement, all 33 Library Authorities have been engaged in the project.

4 Context

4.1 Role of libraries

Public libraries are a distinctly local service with a unique position in developing communities. First and foremost Libraries provide access to and promote reading. They are a critical source of information and learning whether it be print, audio, visual, or access to digital media. In recent years public libraries have seen a decline in the borrowing of books in traditional terms,⁶ contributed to by:

⁵ The London Library Change Programme Board is comprised of MLA London, ALCL, CLOA, LCE, LCIG, and Capital Ambition.

⁶ Book loans in London have fallen by 31% since 1997/98 however the decline has slowed in recent years. In 2006/07 24% of Londoners were active library borrowers

- Falling **price of books** through online stores such as Amazon and low cost bookshop deals reducing demand for loan services – particularly from an increasingly cash-rich time-poor middle class
- Changing **shopping and residential patterns** isolating some existing service locations
- Provision of **online information** and growing access to the internet in homes reducing the need for specialist information in hard copy.

Despite these pressures Libraries continue to be one of the most loved public services and are consistently rated highly by users in satisfaction surveys. However as society, technology and government policy evolve, the service and the way that libraries deliver this service must change to continue to meet the needs of their citizens and users.

Whilst reading continues to be at the forefront, it is well accepted that libraries have a wider role in lifelong learning and community development. The 2003 policy document 'Framework for the Future'⁷ highlighted the three key roles of libraries as being:

- Promoting reading, learning and information
- Offering access to digital skills and services
- Supporting measures to tackle social exclusion, build community identity and develop citizenship.

Since then a range of reports have made attempts to articulate the role of Libraries, generally demonstrating a direction of travel towards a community hub for reading and learning that contributes to wider goals. A Select Committee investigation in 2005 emphasised however, the need for libraries to continue to focus on reading and books as their core service.

In 2007 MLA released 'A blueprint for excellence' that articulated the core role of libraries as being a universal entitlement for children, young people, families and communities to:

- An accessible local library as a place of resource and expertise at the centre of community life
- A library service working in partnership to engage with communities and enable people to access resources and expertise, information and knowledge
- A global interactive information, resources and communications service 24/7 for learning knowledge and inspiration.

A review of the public library service led by the Department for Culture, Media and Sport (DCMS) has just been recently announced which aims to support the delivery of a modernised library service

Throughout the study we have seen many examples of Authorities delivering interesting and innovative services, and many people have expressed a desire for Authorities to strengthen their role in community development through activities such as outreach services, tailored programmes and community events. This programme looks to provide Authorities with the means to free up resources and staff to target it towards innovative and new programmes that meet the needs of their individual communities.

⁷ Department of Culture Media and Sport, 2003.

4.2 Current levels of service

The public library service is a statutory service, governed by the Public Libraries Act 1964. The Act requires library authorities to provide a “comprehensive and efficient library service to all those desiring to make use thereof”.

Appendix A contains comparisons of expenditure and quality of London’s public libraries using publicly available data. In particular the analysis highlights that:

- In 2006/07 London Authorities spent **£204m** on public library services⁸. This represents a 40% increase in total expenditure since 1997/98 compared to an increase in the RPI of 27.5% over the same period⁹.
- **Expenditure** on library services per 1,000 population is significantly higher in London than elsewhere in England. There are however **substantial variations** across London with a range in expenditure between £15,000 and £45,000 expenditure per annum per 1,000 population¹⁰
- There are large variations across Authorities, but in general **book loans are lower** than average in London than elsewhere in England, however **visits are roughly 20% higher**¹¹
- **Book stocks** have decreased by 21% since 1997/98 however additions to the book stock have remained relatively constant
- **Resident satisfaction** with the library service appears to be negatively correlated with expenditure, and there appears to be little correlation between expenditure and user satisfaction. There is however a strong positive correlation between expenditure and visits.

These comparisons do not tell the full story of efficiency of London public library service provision, however the level of variation between Authorities both in expenditure and performance indicates that there is potential for sharing of best practice and opportunities to drive improvement.

4.3 Existing improvement initiatives

It would be wrong to suggest or imply that Library services are not improving already. Services are continually being improved in London both within consortia and sub-regional groups, and also by individual authorities.

As a sector, the current level of cross-Authority working is higher than many other services. The London Libraries Consortium in particular represents one of the most practical examples of partnership working in London.

⁸ CIPFA statistics, 2006/07

⁹ MLA LONDON, Fact Not Fiction 2008, p.19

¹⁰ CIPFA statistics, 2006/07

¹¹ Ibid.

Outside of this Consortium partnership working is much reduced, however nearly all libraries procure as part of a group, and all are part of sub-regional groups that meet to discuss and share best practice.

Existing consortium models have generally grown organically rather than being consistently planned and evaluated and we have observed some scepticism both in terms of the benefits achieved and delivery of the partnership. Existing consortium models may therefore provide a useful blueprint for other regions but these need to be properly resourced and evaluated through a detailed feasibility study before any widespread rollout.

The London Libraries Consortium has 10 members and comprises a stock and an IT consortium. Members of the consortium have reduced hardware and software purchasing costs – but the LLC also joins up both front and back office systems in that customers can use one card, to access one catalogue and use any access points across all the Authorities.

Improvement is also being supported by the wider cultural sector. The National Culture and Sport Improvement Strategy provides a framework for ‘sector led improvement’ across the culture sector and the well-established London Cultural Improvement Group (LCIG)¹² actively promotes the role of culture within Local Government, encouraging cross-boundary service improvement. This strategy has led to the development of the London Culture and Sport Improvement Programme which uses a combination of self assessment (involving the Culture and Sport Improvement Toolkit) and Peer-supported improvement to support development in the sector.

This programme is about building on the momentum provided by this existing work, both within libraries and the wider culture sector so the sector can achieve more and faster change, in particular:

- Extending good practice in individual authorities to all in London
- Extending sharing across the region, particularly where existing collaboration is low
- Identifying opportunities to take partnership working further.

4.4 Challenges

A number of **challenges** have been raised regarding the delivery of high quality public library services across London, notably:

- A view from those within the service that some stakeholders within Authorities have a vague, and often old-fashioned perception about the role of libraries, what they can deliver and where they fit within the Local Government agenda
- Lack of support and trust from the rest of Local Government, resulting in a continued lack of investment and ad hoc budget cuts. Libraries find it difficult to evidence the value of their service making it difficult to counter this impression

¹² Officers from each of the 32 boroughs and the City of London, the regional cultural agencies (Arts Council England London, MLA London and Sport England London) Government Office for London and London Councils.

- While many areas of performance have improved and are strong, there are acknowledged weaknesses in service delivery including outdated processes, lack of investment in technology, and a mismatch of staff to skills required.

This programme aims to provide mechanisms to address these acknowledged challenges and identify potential for efficiencies in the delivery of the service.

5 Overall Programme

5.1 Programme objectives

The feasibility study has indicated that there is significant scope for Authorities to collaborate. The commonality in service provision across London creates opportunities to work together to improve the efficient delivery of the core library service, but allowing Authorities flexibility to reflect local needs.

This programme aims to position Libraries as a leading sector in Local Government that:

- Is a visible contributor to key **local and national government agendas**
- Recognises the proximity of London's libraries and their commonality in service provision by working together to **spread knowledge and skills but also to deliver services** where there is a business case to do so
- Utilises **technology** to deliver a modern and efficient service, and puts high priority on **process improvement** to deliver the benefits this investment
- Has a **strong understanding of how it uses its resources** and makes transparent decisions about where to invest in value-adding services
- Is able to demonstrate to stakeholders its **ability to drive improvement and deliver** efficiencies in order to gain confidence in the sector
- Delivers **back office savings** in order to free resources to invest in frontline service delivery.

The programme also looks to achieve a degree of standardisation across London which is key to delivering integration and resulting efficiencies. This standardisation is primarily about agreeing commonality around systems and processes, rather than delivering an identikit service to customers.

None of the issues and recommendations documented below are not restricted to London's Libraries, but are nationwide issues and could and should be addressed nationally. However, given the desire of London Authorities to present themselves as sector leaders and to move forward at pace, they are well placed to take advantage of these conclusions.

5.2 Structural change

A number of stakeholders mentioned the desire for radical changes to library provision such as a merging Library Authorities across London, and/or the removal of Libraries from Local Authority control.

London Authorities are relatively small and having 33 individual Authorities is unlikely to create the most efficient structure for delivering library services across London. The provision of library services is however a local service and many authorities are undertaking radical changes to their library provision to meet wider strategic objectives. In particular, Authorities are increasingly co-locating Library services with other Council services such as Leisure, Community Learning, Customer Service points, and other Partners and this has been a key driver for investment in new facilities in recent years. Positioning libraries within these wider agendas seem to be the most likely route for bids for investment in Libraries to be successful.

Running 33 separate Authorities across London may not therefore be the most efficient way of delivering a pure library service, but it does reflect the fact that all 33 different Authorities have different communities with different needs. The current agenda of both political parties towards community involvement and bespoke local services, we believe, makes moves to centralise libraries politically or structurally on a large scale unlikely at this point in time.

The potential review of the public library service may raise some of these issues and through the strong sector leadership proposed in this report London Libraries should be in a position to influence and participate in this debate.

This programme recommends building on existing practice through:

- A strong sense of leadership within the sector based on an understanding of customers across London to develop a more coordinated approach to service delivery
- A greater articulation of what libraries can offer and how libraries can support Authorities to achieve wider agendas
- Standardising and integrating services to generate the purchasing gains from economies of scale and creating a strong technical platform for future collaboration
- Supporting partnerships in practice; including developing a business case for a shared processing service for those Authorities that are committed to partnership working
- Reviewing the use of staff across all Boroughs which should provide greater insight into the economies or diseconomies of scale in service delivery and identify areas to share and collaborate to reduce costs

There are also a number of alternative models of provision such as regional consortia or the use of trusts and private sector partners. Libraries should work together to share knowledge about the benefits, risks and costs of different approaches to library delivery and work together where there is business case to do so.

This work therefore supports a move towards a more integrated service, but considers that trying to remove Libraries from Local Authorities would lose many of the benefits from integration with other services and would distract from the need for tangible improvements from partnership working that can be achieved within current structures.

The **London Borough of Hounslow** recently awarded a 15 year contract to a consortia led by John Laing to manage and operate its Library and Cultural Services which includes library provision, and a 15 year contract to Fusion Lifestyle to manage and operate its leisure centres and community halls. The focus of the new contract was driven by a desire to improve the performance of the service portfolio, in particular the condition of its buildings and facilities, which require significant investment.

Procurement of the contractors was undertaken via the competitive dialogue process, led by leisure consultants MAX Associates, and was underpinned by the desire to co-locate cultural services where possible to drive efficiency, improve customer experience and drive down costs.

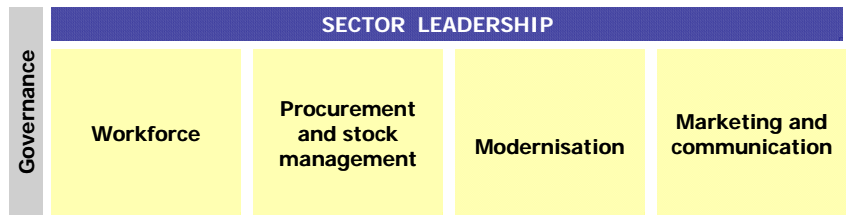
In relation to Library services, it is envisaged that the services will be delivered and governed by an independent Trust, which will monitor performance and ensure that services are meeting council objectives stated in the community plan. Specific indicators have been included in the contract around, for example, library usage, stock development and staff development.

The benefits of the contract for libraries include:

- **Promoting co-location:** Three leisure and library hubs are in the design stage of development that will significantly improve library opening hours and attract new users to both libraries and leisure services
- **Ring-fencing funds for stock:** The Council recognised the importance of book stock and a ring fenced budget has been established as part of the contractual terms
- **Investment plan:** The increased income generated through the improved leisure infrastructure will support the prudential borrowing requirements
- **Focusing on staff development:** the contract will emphasise the development of customer care skills and staff retention in libraries
- **Customer focused service delivery:** Co-location will drive service flexibility and ultimately deliver a better customer experience

5.3 Overall Programme structure

Any programme will evolve over time as issues and needs change. We have proposed five broad areas of focus to begin with. There is overlap between the streams so they cannot be addressed in complete isolation, but they reflect significant areas where improvement is required.

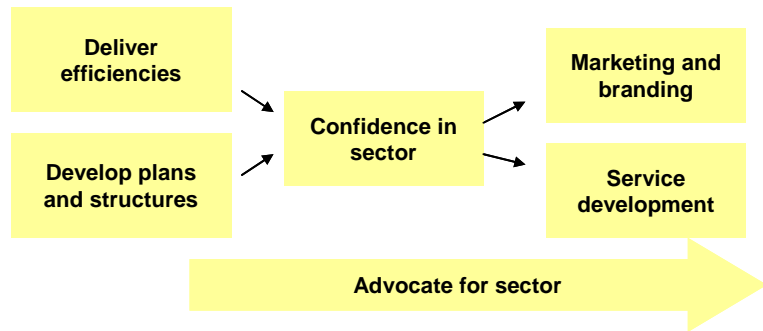


The five areas are:

- **Leading** and advocating for the sector
- Developing a skilled and efficient **workforce**
- Improving **procurement and stock management**
- **Modernising** and developing service delivery using new technology
- Combining skills and resources to undertake **marketing and communication** activities

Running through all these strands is the need for proper **governance** structures that ensure the programme is delivered effectively.

A balanced approach to addressing all of these strands is required but some should be sequenced ahead of others.



The workforce and procurement streams are critical to delivering short term efficiencies. Only after libraries can demonstrate they have achieved these tangible short term gains and have realistic plans for the medium term can they gain the confidence of those they need to (notably Chief Executives, Members and senior officers). At this point Libraries will be better placed to negotiate for time and resource to undertake more radical or value adding activities.

For each area below we have outlined the current issues, where the programme should be aiming to get to, and the next steps. A broad timetable is contained in Appendix 2 and high level project briefs for each of the recommended 'next steps' in Appendix 3.

During the course of this exercise we have uncovered many more ideas for change than those included in the detail of the report. However, one of the biggest challenges for the sector is deciding what needs to be done first and by whom. We have therefore made prioritisation decisions in drafting this report and focussed on what we consider to be the immediate priorities. The remaining ideas are contained in Appendix 4.

6 Sector Leadership

6.1 Issue

Our conversations have identified a general perception that the profile of libraries has decreased over time. Libraries have been relegated down the hierarchy of Authorities, continually face budget slicing, and key decision makers have a skewed view about what libraries actually deliver. The shift to outcome based performance management of the Local Government sector reflected in the new CAA is seen as a further risk as Libraries no longer impact highly on the overall inspection of Authorities. This experience is not unique to the libraries sector but the solution relies on the ability of services to make the case for investment and maintain its profile through a strong articulation of what the service can offer locally.

Leadership already happens at the moment through a number of sources such as the Society of Chief Librarians (both National and London chapter), MLA London, and through the Cultural Improvement Group; but it is clear that the prevailing view is that this leadership could be stepped up.

6.2 Vision for improvement

The Transformation Programme should aim to deliver a London Libraries sector that:

- Has clearly identified **leadership that advocates and promotes the sector**, identifies opportunities and links with wider Government programmes and agendas, and drives policy development on behalf of the sector
- Has a strong understanding of its **customer and citizen base, their preferences and needs** and are able to use this information to identify opportunities and influence service delivery across the region.
- Has a **clear and consistent core (or minimum) offering** across London that is well understood by citizens, Local Authorities and partners; but also allows for distinctive local decision making to supplement this core. This should build on existing work done through the Blueprint for Excellence, Love Libraries programme and the DCMS review.

The Association of Directors of Adult Social Services (ADASS), which although a national network, has very strong regional branches and may provide a potential basis for aspiration. ADASS is well known for bringing Directors together to learn from each other and to discuss policy developments, but mostly for responding quickly, authoritatively and apolitically on issues in Adult Social Care and are an acknowledged driving force of change in the sector.

6.3 Programme development

This Leadership role already exists to some extent in the sector. This programme recommends that the role be strengthened, with greater direction given and a more clearly defined leading agency.

It is recommended that this agency take responsibility for leading the sector and in particular should focus on:

- Understanding customers of the library service and their experience and preferences
- Setting the direction for the Library service, and identifying where libraries can usefully contribute to other agendas
- Articulating the core offering of Libraries and promoting this internally and externally
- Responding to consultations and policy documents
- Bidding for funding for programmes and development
- Liaising with national organisations and advocacy representatives
- Identifying opportunities within the sector for improvement and collaboration.

6.4 Next Steps

Workshops with Chief Librarians most commonly cited the need to develop a core offering for the sector as the key idea for improvement. There was a strong belief that there was inconsistency in what customers can expect from their service which creates confusion and

misconceptions with the sector. Libraries want to be able to provide a tangible statement of what customers can expect from their libraries.

We believe the vision for the role of Libraries in London has been articulated a number of times and the broad content is generally agreed (most recently in the Blueprint for Excellence), however this has not been packaged up or delivered in a way that actively targets and engages stakeholders. Once this is articulated the sector can then develop views and principles about how services should be delivered to meet this vision. For example, it is well established that libraries should provide facilities for learning, but it isn't articulated or well accepted that customers should be able to expect quiet study areas and access to the internet.

As another example, interviewees frequently cited the provision of outdated and wrongly located buildings and wanted high levels of investment in infrastructure. We do not believe the transformation programme at this stage has the resources or capability to address such high value, and deeply local issues; particularly with the move to co-locate libraries with wider government services. However, by leading the debate in the sector about what types of buildings are necessary to deliver a service, or for example by assessing the provision of library services on a London wide basis, Libraries can however strongly lobby for, and articulate the need for changes to infrastructure over time (for example, most people believe Authorities should have fewer, but better quality buildings in the right locations).

This offering both in terms of infrastructure and services should however reflect the need for individual Authorities to tailor services, so a balance is required between being as specific as possible, but retaining the necessary flexibility. Most importantly this offering should be based on an understanding of what **customers want and need** from the service, and how this differs across London. This should include an understanding of different groups of both customers and citizens i.e. including an understanding of those that are non-users and how preferences and experiences differ by segments.

A lot of information, both quantitative and qualitative, already exists within London and the Libraries sector about the needs and preferences of customers across different groups. Surveys are undertaken both by Local Authorities as part of regular best value and satisfaction surveys, by local Library service as part of the Public Library User surveys, and nationally the Taking Part surveys. Local Authorities have undertaken many consultations on service delivery, and Library management systems collate large volumes of data on usage by different customers. Individuals within the service such as Members and front line workers have a wealth of understanding about customers and their needs. This knowledge should be pulled together to build a coherent picture about Library customers and their preferences.

We recommend that the programme:

- Undertakes an initial piece of work to draw together citizen and customer insight across London to establish a knowledge base about what is known about citizens and their needs. This should identify the gaps within knowledge that need to be filled with new or additional data
- Holds an initial workshop to
 - Establish how the vision for libraries currently meets these citizen needs

- Discuss what level of detail is appropriate for a cross-London offering to be defined
- Identify what aspects of the libraries offering is common across boroughs and what varies
- Establish what aspects for the vision and offering for libraries are clearly agreed and any points of difference
- Agree any further work to define this vision including how it is to be articulated and packaged.

Working through the offering in this way enables the sector to take a significant step forward in identifying where the issues are and move the debate forward to delivery of services to meet customer needs. This is estimated to cost between £0 (if delivered within the sector) and £60,000 (which would fund either an Authority or external body to pull together and analyse the customer data and design and facilitate a workshop)¹³. If a core offering can be agreed and articulated it may be worthwhile to invest in professional marketing and packaging to promote the offering.

7 Governance

7.1 Issue

Any change programme needs to be governed in a way that ensures that momentum is maintained and that there are clear lines of accountability and responsibility for decision making.

None of the initiatives proposed in this programme are 'new' in that they address known and documented issues in the sector. The challenge has been, and will continue to be, how these are actually delivered in practice, which can only be done by the libraries sector itself.

Currently there are a large number of bodies within the London library sector, including:

- Association of London Chief Librarians (ALCL)¹⁴
- London Libraries Development Agency (LLDA)
- Museums, Libraries and Archives London (MLA London)
- Sub-regional groups and consortia (e.g., LLC, SELPIG)
- London Cultural Improvement Group (LCIG)
- Chief Leisure Officers Association (CLOA)

This is in addition to the more general improvement bodies in London such as Capital Ambition, and the national bodies such as the IDeA. Libraries also suffer the difficulty of being funded through DCLG as part of Local Government, but policy rests with DCMS. Whilst all of these organisations undoubtedly each deliver value, this multitude of bodies dilutes accountability within the sector and creates duplication and confusion.

¹³ RSe estimate.

¹⁴ ALCL/LLDA from mid November 2008 ALCL LLDA will merge to form 'London Libraries'.

Their ownership of this programme within this structure **must be clear** if it is to be maintained and implemented and should be decided as a matter of priority.

7.2 Programme development

We do not propose the development of a large scale central body dedicated to the improvement programme with large numbers of staff or funding. Instead we believe the programme must be delivered primarily by participating Authorities but with a strong drive and coordination from the centre.

This is because:

- Our discussions have revealed a large amount of **scepticism** inside and outside of the sector with central bodies, and any programme or group will need to prove it can deliver real benefits before Authorities will be prepared to fund further activities
- The sector does not have large amounts of surplus **funding** to contribute up front to the establishment of a separate organisation
- Our experience demonstrates that the best people to make things happen are those **on the ground** with the means to make change and the incentive to do so
- A programme should build on **current good practice and relationships** rather than supersede or delay changes already happening in the sector.

This report promotes the expansion of joint working and collaboration largely as an Authority delivered activity, but with central drive to identify areas for collaboration, commissioning, and the monitoring of progress and promotion of the programme. There must be **a single Board** that:

- Has ownership and responsibility for the programme
- Monitors delivery of the programme
- Bids for funding to support the programme
- Promotes the programme and inspires those that work within it
- Uses its knowledge and oversight to make links between projects, commissioning and identifying areas for further work.

The nature of a cross-borough programme means this Board is not able to require Authorities to participate. It instead needs to use its ability to persuade and inspire Authorities and staff to change. Accordingly such a Board must **involve key people with different skills and backgrounds** such as representatives from the wider cultural sector, MLA LONDON, Chief Executives/Finance directors, and Members. This is because the programme needs:

- The **strategic challenge** provided by representatives outside the direct libraries sector
- The ability to see libraries within the **wider local government agenda**
- To be able to demonstrate **leadership and vision** and communicate this to others to inspire them of the prospect of change
- **To be respected** by external and internal stakeholders in order to generate financial buy-in to projects.

We have recommended a project manager for at least the first year of the programme to generate momentum, implement the systems and processes for monitoring, and establish buy-in to the project. Some additional project administration support may also be required.

This type of structure is in line with current strategy within other improvement bodies for change to be delivered by Authorities, rather than centrally. Depending on the ambition for the programme and the time the Board is able to dedicate to the programme, the single Board may be able to commission and monitor projects across all streams. Alternatively it may set up additional committees, such as a stock group, to deliver different aspects of the programme

We believe that a programme should make every effort to be open and inclusive to all Authorities that wish to be involved, and every effort should be made to engage all Authorities in the overall programme vision and leadership. However, we strongly believe that the programme should adopt a practical perspective that it may not be possible to get all boroughs simultaneously on board for all projects, and should progress with a pragmatic attitude.

7.3 Next steps

The first step for the programme should be to identify the appropriate body or individuals to take ownership of the programme. A project manager should then be identified to support development of the Board and programme. In particular the project manager will need to:

- Develop governing documents for the Board and programme
- Create detailed work-plans
- Communicate with core stakeholders
- Pursue funding streams to support the programme

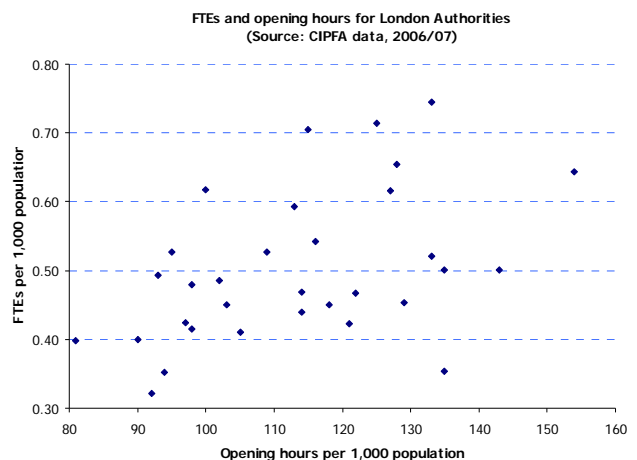
This is a high priority and needs to be in place as soon as possible to allow other streams to progress.

8 Workforce

8.1 Issue

Spending on employees is by far libraries' biggest area of cost, accounting for 58% of all expenditure in London. In 2006/07 London Authorities employ nearly 3,900 FTEs across London costing approximately £120m¹⁵. Libraries cannot address efficiency and effectiveness without understanding how the workforce is utilised.

Analysis of data also shows that the levels of staff vary substantially across Authorities, even after controlling for opening hours which is generally a key driver of staff.



¹⁵ CIPFA statistics, 2006/07

The lowest staffed Authority across London has 0.32 FTEs per 1,000 population, whereas the highest has 0.74 per 1,000 population¹⁶. In real terms, this is a variation between 63 FTEs in the lowest and 149 in the highest. This indicates opportunity to share best practice in the use of staff.

Other areas of this programme, for example procurement rationalisation and modernisation (e.g. RFID) do aim to change the balance of activities on which staff spend their time, but this is only a portion of staff activities and there is a need for a wider understanding of staff productivity and use.

Whilst the severity varies, Libraries have generally reported similar workforce issues:

- Libraries have a greater need for skills outside of their current workforce such as customer services, knowledge management advisers and community workers
- Staff continue to employ old-fashioned processes and the low pay makes it difficult to motivate change
- The average age of skilled staff is increasing creating a risk in the near future
- Difficulty recruiting and retaining quality staff compared to the pay and benefits in the private sector
- Low funding available to undertake training

These are all issues which need to be addressed by individual Authorities as they are the employing organisations but there are areas where a regional approach could support and promote change.

8.2 Vision for the future

The Transformation Programme should aim to deliver a London Libraries sector that:

- Has a **mix of staff** that better reflects the evolving requirements of libraries and the diversity of its communities at all levels, including management
- Understands how its **staff are deployed** and makes transparent decisions about where to invest in additional staff
- Is able to offer a more **attractive development** package to potential recruits including secondments and joint posts to broaden the experience of staff members, and make more efficient or targeted use of staff with particular skills
- Addresses barriers to **career progression** and recognises the importance of succession planning
- Undertakes **recruitment** in an efficient and effective way and is able to identify what the market can supply and opportunities to influence this

In particular it aims to ensure that libraries make **choices about staffing structures** that are based on an informed knowledge of what is possible elsewhere. Authorities should have a strong awareness of where it is comparatively under/over investing in certain areas of activity

¹⁶ Ibid.

and can make decisions about where to invest resource to deliver the highest value for customers.

8.3 Programme development

We have not found an existing pan-London workforce network that looks to directly address these known issues in the sector. MLA London does provide some training in specific areas and aims to help identify opportunities for skills sharing, networking and mentoring but this is targeted at specific training needs rather than the core everyday skills of library workers. CILIP also provides invaluable training, networking and development opportunities for librarians.

Changes to the workforce do however all need to be built from a **good understanding of the current levels of staff** within Authorities and how these are deployed to deliver outputs and outcomes.

The high level variation in staff identified above, as well as anecdotal evidence, indicates substantial difference in the use of staff across authorities. It is recommended the programme must carry out a **workforce benchmarking study** across a sample of Authorities¹⁷ identifying:

- Relative levels of staff across organisations and skill levels
 - Senior staff: what roles they are occupying, how are they being deployed across branches and how many tiers are there between Senior and frontline staff
 - Front line staff: what is the extent of the roles they are expected to carry out and how can they be best utilised to deliver increased opening hours
 - Back office staff: where are the largest areas of cost, what is being duplicated corporately/across boroughs and how could this be streamlined
- Productivity of staff in delivering different types of outputs and outcomes
- Comparisons to models used within the private sector

There are a range of indicators available for understanding staff utilisation as each indicator only captures a specific output or outcomes. A detailed study should examine a variety of measures of both outcome and outputs to develop a fuller picture of efficiency of workforce.

The workforce study would clearly identify areas for more detailed work to be picked up by the programme on a project basis as well as providing a repeatable process that could be followed by other Authorities.

A rough calculation based on existing staffing levels indicates that if all Authorities had staffing levels no more than the current average (i.e. reducing staffing levels in high staff Authorities to the current average) this would reduce FTEs across London by 375 staff (10% of the total staff

¹⁷ This is similar to a recent study that Capital Ambition carried out within Street Cleaning to identify variances in service provision and opportunities for improvement.

in London)¹⁸. Whilst this level of change is a clearly unrealistic expectation without a deeper understanding of what is driving variances and the impact on service levels it demonstrates that the potential benefits even if a small portion of this was achieved is not insignificant.

Based on this understanding, it is recommended that the programme should **develop a workforce strategy for London's Libraries**. This would seek to:

- Set out the skills and competencies libraries are likely to require
- Identify gaps in the provision
- Identify activities to fill these gaps

We estimate such a study should be able to identify at least 1% gains, equivalent to £1m.

The development of this strategy should be led by London Libraries but with strong input from MLA London who have a lead role in training and development, and also with CILIP who lead professional development. The types of areas libraries could look to work together and share on are outlined below.

8.3.1 Staff development

Authorities could collaborate to increase opportunities for staff development such as:

- **A shared training programme for staff at all levels within the libraries service:** There is currently some collaboration around training with the regions but this is at the margins rather than being a full shared programme. Joint commissioning of external training services could improve value from providers and more opportunity to tailor training towards library needs
- **Identifying opportunities to get better value from training:** In general training budgets are small and libraries need to be more innovative in the way they provide training internally and cross borough. Library HR representatives could work together to be more innovative in training such as:
 - Shared identification and development of on-line resources for training and induction
 - Visits to other boroughs to learn from good or simply different working practices
 - Utilising experience within the sector e.g. running internal trainings across London at a low cost (time only)
- **Shared opportunities to develop:** staff have noted difficulties in both upwards and sideways progress within the sector and using tools such as secondments to projects or to other Authorities and establishment of joint posts where small amounts of specialist time are required by a number of authorities, may alleviate this

8.3.2 Recruitment

Recruitment is largely carried out through in-house processes (which seem to be of varying quality) but we have identified that Authorities can still work together to improve the quality of recruitment. For example Authorities could combine resources and skills to:

¹⁸ High level RSe calculation based on CIPFA statistics 2006/07 on libraries staff.

- Advertise together to promote libraries as a career choice and to encourage diversity in the workforce
- Work with colleges and universities to ensure courses meet the needs of the sector
- Identify shared posts where recruitment is a particular issue
- Share innovative methods to securing high calibre staff.

8.3.3 Promoting and driving change

Many Authorities have reported instances of inefficiencies in libraries resulting from antiquated working practices. There is scope for Authorities to work together to support change management, for example through:

- Regular **benchmarking** to compare staffing and productivity levels across London's libraries to identify areas of best use of staff and comparisons with private sector models
- Time and motion studies to identify **common areas of poor process** from which the lessons could be shared more widely.
- **Setting joint expectations:** for example many Authorities struggle to open on Sundays as there isn't a built in expectation about how staff operate on a shift pattern. By working together to set expectations and challenge thinking it may make it easier for individual authorities to make changes. Secondments or visits by staff to other authorities demonstrating best or different ways of working can help persuade staff about the direction of the service.
- **Training** in change management to enable senior staff to implement changes in practice
- **Sharing of best practice:** sharing of best practice or documentation to make the HR processes more efficient and effective for example: sharing job descriptions for easy adoption and modification, or best practice use of volunteers can bring up the standard of all best practice.

8.4 Next steps

As outlined above we believe the first stage should be to carry out a **benchmarking study** across Authorities identifying reasons for variation in use of staff in delivering services. Having this understanding of staff and comparisons in delivery is essential to identifying further improvements in the service.

This is considered high priority and should be undertaken as soon as possible to inform other streams of work. Funding to support such a project, whether driven by individual Authorities or externally is estimated to cost between £20,000 and £70,000 depending on the scope and detail of the benchmarking¹⁹. This could feasibly start on a small scale to identify the scope of the gains possible before being rolled out to more Authorities.

9 Stock procurement and management

¹⁹ RSe estimate, see Appendix 3 for more details.

9.1 Issue

Stock is a highly visible area of Library activity which has attracted a lot of attention in recent efficiency studies. Spending on materials totals approximately £18m per annum in London which at 9%²⁰ is a relatively small percentage of the overall budget. This also represents a significant decline from the past. However, the actual spend on procurement and stock management is significantly higher due to the cost in personnel time and energy, accommodation costs and transport associated with procuring and managing stock.²¹ The quality of the procurement process in terms of the resulting stock is also a key driver of satisfaction with the service.

Despite significant improvements to procurement practices in recent years we conclude that libraries are still not securing the best value possible from contracts or running the process as efficiently as it should be. Some areas of London, particularly the London Libraries Consortium have reported substantial savings in this area²² and many individual Authorities have made moves to centralise and streamline the process.

However many inefficiencies in the procurement process still remain:

- Non-standard methods for servicing, cataloguing, and classification (e.g. barcodes in different places, different categorisations, non-standard issue forms) creating additional costs for suppliers and reducing opportunities for joint working
- Selection and acquisitions employ outdated processes and high levels of staff time
- Reliance on manual processes for invoicing and ordering.

9.2 Vision for improvement

The Transformation Programme would aim to deliver a London Libraries sector that:

- Operates to **standardised requirements** enabling better negotiation with suppliers and providing a platform for future sharing
- Uses **economies of scale** to negotiate effectively with suppliers where possible
- **Minimises additional processing** of books on site
- Utilises **technology** to make the process as efficient and effective
- **Selects** books in an efficient manner but retains some local diversity
- Makes **transparent decisions** about where to incur additional costs in order to provide a higher level of service
- Uses **hard information and data** about customers and utilisation to make decisions about stock management.

9.3 Programme development

²⁰ 2006/07 CIPFA data: expenditure on materials as a proportion of total expenditure

²¹ In 2006 it was estimated that expenditure on staff totalled an additional 40% to this material cost.

²² Havering for example have reduced the costs of putting a book on a shelf from £5.46 prior to LLC, to £3.35 with the first tranche of changes, and by implementing full supplier Selection, EDI Orders, Quotes, Acknowledgements, Invoice and a full payments interface to £0.62.

Although all aspects of stock management are interlinked we have separated procurement processes from management of existing stock.

Other items such as furniture and IT are usually procured through Council wide contracts. MLA has worked to promote collaboration on subscriptions and we recommend this should continue to evolve to reflect other electronic material, subscriptions to specialist IT services (e.g. selection software, ILL software) to ensure libraries are receiving the best value. In this report we have particularly focussed on stock in the first instance, which includes audio visual, DVDs and music as these all undergo their own servicing and selection the same as print.

9.3.1 Stock procurement

17 out of the 19 respondents to our online survey procure stock as part of a consortium and most authorities believe they are receiving good value from contracts. However it is recognised that there are a number of ways procurement could be improved.

It is recommended that Authorities:

- **Agree and adopt common standards** for servicing and classification. Common standards should enable a higher level of discount from suppliers and provide a platform for future partnership working. Changing standards is not however a completely straightforward process and will entail costs; but none of the barriers appear insurmountable if Authorities are sufficiently flexible.
- **Streamline the internal process for procurement through:**
 - Receiving as high a proportion of **shelf ready stock** as possible to save on servicing and repacking costs
 - Expanding **supplier selection** to reflect a high proportion of the buying stock. Although many Authorities have centralised selection to improve efficiency we found that selection was still a time consuming, and often low quality process. Supplier selection employs greater use of suppliers to select books based on a specification of local needs and is generally thought to be more efficient and effective for large portions of stock (however Authorities will usually keep some funding back for specialist or local stock). 42% of our survey respondents do not use supplier selection at all, and a further 21% use it for less than 30% of stock. 1 respondent used supplier selection for more than 90% of their stock demonstrating the potential expansion possible.
 - Employing greater use of **electronic data interaction (EDI)** to reduce the reliance on manual processes and re-keying. EDI is already well used for ordering and quotes (80% of survey respondents use the technology for this function) however only two out of nineteen respondents use it for invoicing. This has potential to greatly reduce staff requirements within acquisitions.²³
- **Understand and implement best practice in stock management.** From our interactions it is apparent that there are many ways in which stock management could

²³ A published case study for Staffordshire Libraries estimates that staff requirements in acquisitions have reduced by 50% due to EDI.

be improved through the use of data and information about utilisation and customers. The library service is a data rich environment with most LMS being able to generate extensive information about usage, stock sizes and so on - however this is not used to drive decision making. Providing and promoting best practice in stock management should enable Authorities to make better use of existing stock leading to increased readership and higher satisfaction.

- **Review the provision of Inter-Library Loans:** Inter Library Loans between libraries are an optional, and apparently expensive service. A small charge is usually made for the service but this is a token amount (usually around £1) rather than representing the full cost of the service. The quality of the service is questionable with supply times varying between 4.5 days and 39 days across London²⁴. We have heard both sides of the argument in the sector for and against ILL, which are (respectively) that loans are:
 - The unique selling point of public library services and a integral part of the service
 - A specialist service where Libraries are spending funds to cater to a minority of users rather than serving the broader community.

This decision as to the future of ILL should be made based on a transparent understanding of the costs involved (staff time to order, respond, find, collate, and distribute, transport costs, subscriptions) and the value of the service to customers (who the users of the service are, what types of stock is being requested and why). If ILL are to be retained, clear improvements should be identified for example those suggested in the recent 'Library Loans Online'.

- **Review the use of reserve stock** (items not on the shelf which are often un-catalogued). 80% of respondents to our survey Authorities have a reserve stock and at March 2007 the volume totalled nearly 1.5million items ranging from 0 – 150,000 items per Authority²⁵. This incurs costs for an Authority in terms of accommodation and in under-utilised books. Some Authorities have decided to dispose of their reserve stack already due to underutilisation.

Reserve stacks across London do currently provide a valuable source of material and before this is eroded over time Authorities should look to investigate through a London wide study:

- Utilisation of the stock: What is being used from reserve stacks and how often in both catalogued and non-catalogued stocks
- Duplication in materials across London/sub-regions
- The average costs involved in retaining stock
- The value placed on the ability to provide these requests by customers
- The options for the future of reserve stacks including sharing, greater electronic provision, improved quality or elimination.

²⁴ CIPFA Statistics, 2006/07

²⁵ Ibid.

- **Share the procurement of specialist materials:** Anecdotally, staff spent significant time finding and procuring specialist materials – often where the library staff do not have the expertise to find materials quickly and easily such as foreign languages or specialist subjects. Books are also purchased with ad hoc supplier relationships impacting on discount and servicing levels.

Existing expertise and specialist stock could be better utilised across London both by sharing expertise (e.g. knowing which Authorities have knowledge or contractual relationships with suppliers in which areas) through to sharing of actual stock. This already happens to an extent with service such as:

- Business information supplied by the City of London which provides advice to other Authorities on a largely goodwill basis (informal partnership)
- Chinese language and history books are offered by Westminster on a subscription basis where for £500 per annum Authorities receive a rotating stock of books and advice (formal partnership)²⁶
- In the past some Authorities had allocated specialist subjects e.g. German language, but this practice appears to have largely died off

A greater use of such models could be employed to help London meet the specialist needs of users in a more efficient way. This should be informed by an understanding of the customer base in different Authorities and requirements for stock.

Estimated savings

Procurement in London is £18m per annum of which approximately 50% is with major suppliers²⁷. A 10% discount for these materials due to having common standards would **save nearly £1m**²⁸. The costs of implementing this change is unclear (depends on the amount of retrospective adjustments required) but could well outweigh the efficiency savings from procurement at least in the early years. The key benefit provided from common standards is the opportunity for future collaboration that such standardisation would make feasible.

From workshops and interviews the average for bibliographic service departments appears to be around 6 FTEs (although it can be difficult to calculate due to the spread of staff), but varying substantially between 4 and 12 FTEs.

Selection costs are notoriously difficult to calculate as it is often spread widely e.g. 'a team of 12 people involved in choosing stock but it's not their full time job', or 'at least 20 people are involved across branches'²⁹. In many cases this has been centralised to achieve efficiencies but it is still difficult to assess. An Inner London Borough estimates it is 3.25FTEs in what is considered a lean service and estimates from other Boroughs have estimated costs between £25,000 and £160,000.

²⁶ Figure obtained through conversation with Westminster.

²⁷ £18m figure is from CIPFA 2006/07, and 50% estimate is from procurement workshop discussion.

²⁸ Efficiency and Stock Supply Chain Review estimated a 10% discount across all stock so this is a conservative estimate (equivalent to 5% across all stock)

²⁹ Interviews at site visits to sample of London Authorities.

It is estimated that a high proportion of Authorities (about 75%) could realise staff savings of 2 staff on average in acquisitions due to shelf ready stock and improved processes and 1 staff in selection creating an estimated savings of **approximately £1.5m** across the London Boroughs³⁰. Some of this time may not be fully cashable but could release time for other activities³¹

LibrariesWest Consortium: A shared processing model is in operation in across five authorities and has reputedly delivered financial and quality improvements to the process.

Although the cost is difficult to estimate a group of Authorities have approximated the average cost of delivering an ILL varies between £15 and £100 per item³² and there are estimated to be over 30,000 ILL received across London per annum³³. These costs are however preliminary and more work would need to be done. Based on our discussions it does not seem unreasonable to assume a **cost for ILL of £1-2m**. If ILL are to remain a part of the service, there needs to be a concentrated programme of improvement to reduce the costs of the service and increase its quality for example thorough outsourcing transportation, expansion the shared LLC model, expanding use of electronic materials where feasible, online provision and reservations, or implementing best practice processes.

9.3.2 Implementation

These changes are not easy, and will take time and dedicated effort as there are implications both for staff, finances and customers. Adopting these processes should however reduce bibliographic staff requirements substantially. There will likely still be a core of processing that will be required (e.g. for small suppliers that cannot meet servicing requirements).

Two broad options persist for moving forward:

- Working through each of the issues individually sharing lessons and best practice to make it smoother and less costly
- Committing to establishing a shared bibliographic service and having all these processes worked through on a cross-borough basis to reduce duplication of effort

Previous reports have recommended the establishment of new national or regional bodies to carry out procurement. Whilst centralised units would likely deliver benefits if implemented well previous inaction demonstrates that there isn't a unified will to move forward.

Our view is that not all boroughs are in a position yet to share services to the same extent, and more importantly not all have the will to do so. Shared services are usually underestimated in complexity and our experience of shared services has led us to firmly believe that trying to coax Authorities into sharing that are not ready to do so, or to involve too many Authorities at once is fatally difficult and expensive.

³⁰ Based on an assumption of an average staff salary of £20,000.

³¹ A published case study for Leeds County Council has estimated that it saved more than £100,000 per annum on selection and procurement costs through simplified book servicing, direct branch delivery and automating its entire supply chain. Leeds is however a much larger Council than most London Boroughs so achieving the full amount of this may not be possible.

³² Draft SELPIG report. Better Stock Better Libraries in the South East of London (2008)

³³ CIPFA statistics, 2006/07

We have therefore recommended that the programme employs a pragmatic approach by moving forward with the priority activities above which focus on supporting Authorities to improve within current structures. We have recommended however, that where there are Authorities wanting to move forward with greater **sharing the programme must openly support this**.

The programme must therefore identify whether there are Authorities that are committed to, and are ready to move forward with greater sharing and support them to develop the business case. It makes most sense for the LLC Authorities to pilot such changes as they have already undertaken much standardisation. However Authorities that can demonstrate the business case and are committed to sharing must be supported by the programme to do so.

9.4 Next steps

The recommendations below have been prioritised into those that we think definitely should occur early on within the programme, and those recommendations which should occur after these priority issues have been addressed.

It is recommended that the programme:

- a. Agrees and adopts **initial standard servicing and classification** procedures across London. This needs to be primarily driven by boroughs but support to develop the business case of up to £20,000³⁴ would provide momentum and resource to bring Authorities together
- b. Promotes and shares processes across Authorities in order to:
 - Ensure stock is received as **shelf ready** as possible direct to branches minimising servicing requirements.
 - Deliver a greater proportion of **supplier selection** for stock through sharing experiences, piloting selection with different types of stock, sharing specifications and so on
 - Promoting greater use of EDI in interactions with suppliers and internal systems.

These processes need to be changed primarily by boroughs as they all have their own ways of working and individual systems, but support to produce and share best practice of up to £20,000³⁵ tied to the delivery of outputs and outcomes would promote improvement.

- c. Identify costs of providing **Inter-Library-Loans** across London and make a transparent decision about the whether the value provided by the service is worth the cost. If it is to be retained, a programme is necessary to reduce cost and improve quality

³⁴ RSe best practice assumption.

³⁵ RSe assumption.

A study to benchmark the costs of ILL and appraise its future would need to be driven by one borough or with and external support and is estimated to cost between £20,000 and £40,000 depending on the level of detail and information available from Authorities³⁶.

If there are Authorities that have a commitment to move forward with a shared service the programme must:

- d. Support interested Authorities to establish a **business case for developing a shared processing service** encompassing:
- Book selection and contract management
 - Processing and servicing of books
 - Invoicing and receipt of books
 - Interlibrary loans service
 - Combined reserve stack

Committed Authorities would need to be involved heavily in the development of the business case but support of between £20,000 and £50,000³⁷ depending on the number of Authorities

Setting targets

The sector could demonstrate its commitment to improving these processes by agreeing and publishing common goals for the programme such as:

- London will adopt common servicing and bibliographic standards by 2010
- 75% of all stock will be procured through supplier selection by 2010
- All stock with major suppliers will be received shelf ready by 2010

Signing up to common accepted goals provides a clear indication of the scope and speed of changes expected.

required, the detail of the business case and the scope of the service would enable this to happen in practice.

Other recommendations including reviewing the reserve stack, guidelines for best practice in stock management and specialist procurement capabilities are considered to be lower priority than these and should be addressed in a later wave of activity.

10 Developing a modern library service

10.1 Issue

Technology constantly evolves and presents new opportunities for all organisations. Utilising new developments can benefit libraries through:

- **Improving the quality of service delivered to customers**, for example, the introduction of the People's Network added a new dimension to the library offering
- **Increasing the efficiency of operations in a library**, for example, the use of RFID can free up staff time taken up dealing with administrative work

³⁶ RSe assumption.

³⁷ RSe assumption.

- **Providing cost effective ways to reach a wider audience** through online marketing and service access

Libraries need to be responsive to new developments to improve their service provision and ensure their long-term survival and relevance.

The current picture in London is mixed, with some authorities pioneering new technology, whilst others simply do not have the time and resource to invest. In particular those Authorities receiving investment in libraries infrastructure (e.g. new buildings) are able to build in the cost of new technology to these proposals and move forward with modernising the service earlier.

Each library authority has individual circumstances and priorities that determine its ability to monitor and implement new developments. London authorities are separately piloting, testing and investigating new technology and there seems to be scope to work more collaboratively, especially when the ideas that are being looked at are substantially the same.

10.2 Vision for improvement

The Transformation Programme should aim to deliver a London Libraries sector that:

- Has processes in place to **identify and assess** relevant technological innovation that could improve the quality of service or increase the efficiency of operations
- Shares the experience from redesigning **processes** around the implementation of technology to generate the maximum benefits possible
- **Shares the costs** of exploring and implementing technology with other library Authorities where possible particularly where services can be provided cheaper and easier on a regional or London-wide level
- **Works together to promote the development of** new technology

For example, all Libraries employ a **Library Management System** for the basic running of their service. This is however a relatively specialist system and the range of supply in the market is limited. Libraries could work together for the development of relevant and useful systems, and to understand new potential, for example in the open source market. The LMS system also generates large amounts of information which isn't used to its full potential to understand customers and their borrowing habits – harnessing this information could help tailor services to local needs more rigorously.

Other technology that could be explored more effectively on a regional basis includes Customer Relationship Management (CRM) systems, RFID or self service technology, E-books, Smart Cards (both cross-London and cross-borough) and Web 2.0 facilities.

10.3 Programme development

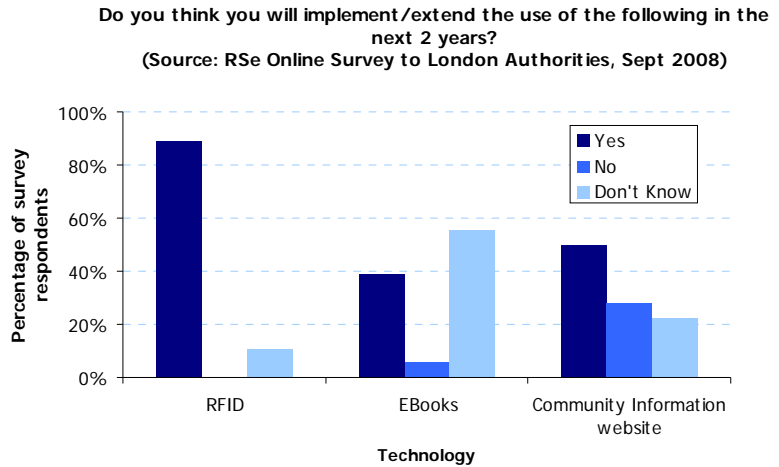
The development of a modern library service would be expected to evolve as new technology becomes available and more cost effective. The programme should establish mechanisms for Authorities to identify and work together to implement and develop new technology.

To provide examples of the types of technology a programme could investigate it we asked which technologies out of three key areas mentioned in workshops authorities think they are likely to implement or extend in the next two years (see graph).

RFID emerged as a clear area for focus in the near future, with 89% of respondents saying they would be working on it during this period (and the remainder saying they did not know).

RFID technology is a type of self-service facility that involves tagging stock with a radio-frequency ID, which can be read automatically by a self-service machine. The types of benefits it can deliver are shown in the example below. Other Authorities

have also reported substantial gains with Cornwall County Council reporting efficiency savings of £150,000 per annum.³⁸



Lewisham Libraries: Harnessing the power of RFID

A key aim of Lewisham's libraries was to increase opening hours, starting with the reopening of Downham Library, moving from 35 hours per week to at least 54. Lewisham exceeded this and achieved 80 hours per week through self-service (RFID) technology. Without RFID the increase would have required additional staffing resources (£229,000 per year). However, with RFID, they have done it with just £97,000 per year in staffing and an initial capital investment of £89,000 for the technology. 95% of issuance is now done through the self-service system.

E-books can enable access to books to people who cannot physically get to a library, reducing the need for costly transmission of physical books (ILL) and reducing the need to hold physical copies of less used books. E-books have so far only been piloted by a small number of early-adopter Authorities around the country. However, they are already widespread in academic libraries are becoming increasingly common in certain countries.

39% of London Authorities have said they would be looking at **eBooks** but 56% said they did not know. Authorities should work together to understand, pilot and purchase e-books; however this is not considered as pressing a priority as RFID.

³⁸ <http://www.publictechnology.net/modules.php?op=modload&name=News&file=article&sid=14827>

Essex County Council: promoting eBooks

Essex County Council is piloting the use of eBooks which involves downloading 'books' from the internet or a database onto a remote piece of hardware, such as a PC or an eBook reader and users reading the content from that piece of hardware. Essex is piloting two models of this service:

- **Using 'Overdrive':** customers can download books and have 21 days to read it on their machine before access expires. Essex gets about 50 to 60 new users a month and has about 2,000 users in total
- **Multi user, simultaneous access model.** This is a newer service where Essex pays a subscription fee (based on its size and number of cardholders) to a company that gives it access to 10,000 books. Users can download these books onto their device like in the previous model but view one page at a time rather than the entire document (which means they don't need to wait for large downloads)

Another key area for technology and modernisation is in the joined up access to services, both across Authorities and across service areas. Some Authorities have already developed 'smartcards' for use in Library and Leisure activities, and within the LLC joint membership is already feasible. Authorities may work together to share best practice from the use of smartcards (although this seems to be being driven by agendas outside of the library service), and the greater standardisation will provide a better platform to support cross Authority working.

Cross Authority working to support technology could involve:

- **Sharing existing knowledge:** given that some libraries are more advanced than others, there is a case for distributing knowledge more widely with authorities just starting out. For example, the London authority mentioned in the case study above learnt that the specific location of RFID points can greatly impact the take up of the service and that removing desks altogether encourages staff to focus on customer service
- **Writing an authoritative business case:** writing a business case with accurate benefits and costs, based on existing experiences would solidify the argument for the technology and make it easier to secure funding
- **Exploring procurement options:** for example the two big costs associated with implementing RFID are the cost of tags and the cost of the self-service machines. Prices are coming down over time but Authorities can look to procure together to reduce this further.

10.4 Next steps

We recommend a programme emerging from this study focusing attention on supporting libraries implement the technology successfully. This stream is not a dedicated 'must do', but rather a 'should do' as many Authorities are moving forward with this already, albeit slower than would be preferred. Providing a mechanism for **sharing the best practice** learnt from this existing work will help ensure full benefits are realised.

It is recommended that the programme:

- **Establish networks to identify and investigate** opportunities to collaborate and share in the purchase and implementation of new technologies
- As a priority technology, promote the spread of **RFID** in libraries by sharing best practice in its adoption to ensure full benefits are being realised and to develop and build on the business case for its deployment

Investing in other technology such as e-books is also recommended but due to the costs and number of Authorities implementing RFID this is considered the priority. RFID needs to be implemented primarily by boroughs but support to produce and share best practice of up to £20,000 would provide momentum and support to a borough to lead this process³⁹.

Proposals to invest in new technology from these business cases should then apply for funding on an invest-to-save basis.

11 Marketing and Communications

11.1 Issue

Libraries are in competition with other providers, not necessarily as a complete organisation, but certainly in aspects of the service. Book lending faces competition from high street and online stores, and as an information provider libraries are in competition with the internet and commercial providers (such as commercial databases and phone information lines). Activities such as pre-school reading groups face competition from all other activities that families could attend.

Unlike many other Local Government services, Libraries are a choice based service. Accordingly libraries undertake campaigns and communications with citizens and organisations to:

- Raise awareness of libraries and what they offer
- Undertake specific promotions around reading and learning.

The LLDA and MLA London already manage some communications, as do individual library services on their own. This includes both one off campaigns such as the Year of Reading, as well as ongoing production of education about libraries and their services. However the resources available to undertake such activity are extremely limited, both in terms of money and the skills available.

As with many services, however it is also very difficult for Libraries to demonstrate the impact of their marketing activities. As a sector, Libraries need to work together to understand what marketing will deliver for the service, what outcomes they are seeking and the cost and benefit of undertaking branding and marketing improvement.

11.2 Vision for improvement

³⁹ RSe assumption.

London's libraries all offer a very similar core service and there is potential to work together to share resources but also to raise the profile of the service as a whole. Developing a stronger brand for London was frequently mentioned in workshops as a key area for change. The current economic environment, combined with the growing green agenda provides opportunity for a service like libraries that provides a free, and environmentally friendly service to be strongly positioned. Libraries as a sector needs to be able to recognise these opportunities and position themselves accordingly.

A successful transformation programme would develop a sector in which:

- Citizens and businesses understand what London's Libraries offer and how to access services
- London Libraries are a recognised brand with the ability to generate greater income and attention as a whole entity
- There is an understanding of the costs and benefits of marketing activities and a growing evidence base of the impact of various types of marketing
- Marketing campaigns are undertaken on a cross London basis where there is a shared objective and cost reasons to do so and are based on an understanding of what is effective and relevant to customers.

11.3 Programme development

Developing the external brand of London libraries will not deliver efficiencies in the short term and is unlikely to deliver substantial change immediately due to the small amount of resources available. However in the long term the ability of the sector to communicate externally has potential to expand the impact of Libraries in achieving its goals and raising visitor numbers.

The Marketing and Communication stream should:

- Work to develop a **London-wide brand** which can attract greater resource and interest. Having a 'London' brand can help the sector to:
 - Attract sponsorship and media attention
 - Communicate with the public e.g. through a London Libraries entry portal website. Currently there is a London Libraries website supported in particular by the 'What's in London Libraries' programme allowing searching through catalogues – but it is underdeveloped and not promoted. Implementing plans to enhance and develop this website could create a useful entry portal to accessing services across London.
- Develop an **evidence base of the impact of campaigns** in terms of generating increased visits and borrowing levels
- Begin to contribute towards **shared campaigns**. Libraries pool resources to undertake campaigns where it's cost effective to do so. There is however current reluctance to contribute to these central projects where people do not see benefit – so this needs to progress on a project-by-project basis to develop the programme and demonstrate effectiveness

The ideas generation sessions even produced marketing ideas such as 'Read, re-use, recycle' promoting the fit of libraries with the green agenda demonstrating that shared minds can work

- Pull resources together to **share skills**: the people with the skills to undertake effective, professional marketing within the sector are relatively few and could be used more effectively.

11.4 Next steps

Developing marketing and communication as a London brand is not going to deliver efficiencies in the short term and as such is not a priority for the Transformation Programme at the expense of other priority activities around workforce and procurement. As discussed earlier, it is important for the sector to demonstrate it can achieve real efficiencies and delivery of service improvements before focussing on external communications.

The work recommended in the leadership section to gain a concrete understanding of customers and to identify a core offering to reflect this should provide a substantial base of material to inform the development of a communication strategy.

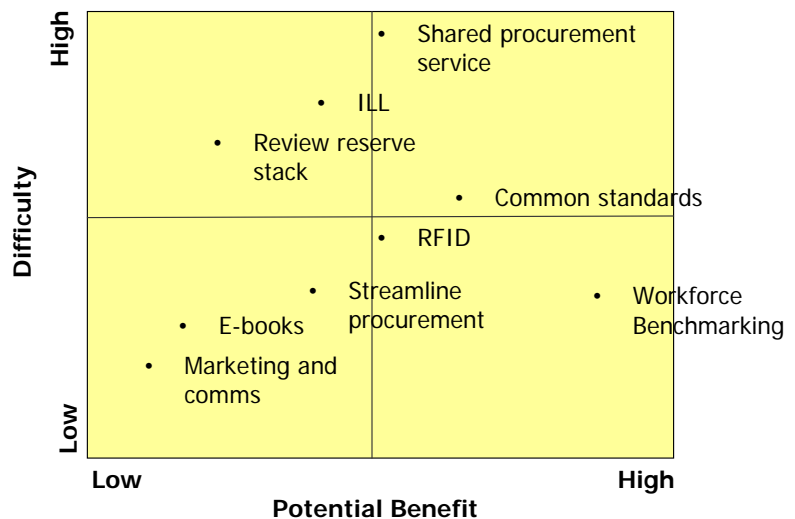
Authorities should start to make links between their marketing and communication resources and discuss how libraries could combine their skills and resources more effectively and following the work above, should build up a series of projects and activities to package and communicate this offering.

12 Summary of activities and implementation

Any programme cannot do everything at once, and this programme is specifically designed to provide practical and tangible recommendations that we think can feasibly be implemented in practice.

Within these recommendations there are aspects that we believe have more likelihood of achieve direct benefits than others.

The costs and timeframes of the first phase of the programme are largely determined by the amount of internal resource and commitment that participating authorities are prepared to dedicate to the programme. There is nothing in this programme that fundamentally Authorities could not deliver themselves, but it is recognised that the programme takes significant effort in addition to day to day duties and in practice is unlikely to be delivered in addition to the 'day job'.



In particular we recommend the first phase of the project focussing on the below pieces of work and we have indicated where we usefully think resource will be required either to support individual Authorities to lead work, or for external support (please see Appendix 2 for details):

- a. Funding to support leaders to develop a **shared understanding of customers and a core offering** of between £20,000 and £60,000
- b. **Benchmarking study for workforce:** estimated to cost between £20,000 and £70,000 depending on the scope and detail of the study
- c. **Agree and adopt common standards:** needs to be primarily driven by boroughs but support to develop the business case of up to £20,000 would provide momentum
- d. **Deliver streamlined procurement processes:** these processes need to be changed primarily by boroughs but support to produce and share best practice of up to £20,000 would provide momentum
- e. **Review use of ILL:** A study to benchmark the costs of ILL and appraise its future between £20,000 and £40,000
- f. **Develop business case for shared processing service** for committed Authorities would require support of between £20,000 and £50,000 depending on the number of authorities required, the detail of the business case and the scope of the service
- g. **Best practice implementation of technology around RFID:** these processes need to be changed primarily by boroughs but support to produce and share best practice of up to £20,000 would provide momentum

The cost of this recommended programme of work is estimated to range between £80,000-280,000 depending on the scope and detail for each piece of work and the amount taken on by Authorities themselves. Each of these projects would be expected to recommend tangible next steps and incorporate detailed costs and benefits of implementation as outlined in the next phase

We have also recommended a dedicated project manager for at least the first year of the programme to provide momentum to the project. This is estimated to cost £60,000 per annum.

Requests for further funding arising out of these pieces of work e.g. funding for the implementation of a shared service or common standards should be accompanied by a robust business case. This is difficult to do on cross-borough projects but Authorities should be able to demonstrate the costs and benefits to undertaking change (demonstrable business case) both quantitatively and qualitatively.

12.1.1 Potential benefits of the programme

Establishing the exact costs and benefits from the implementation of each stream is a key objective of each of the recommended 'must do' activities. At a high level the key areas expected to deliver efficiency gains are:

- Benchmarking of workforce should be expected to identify areas for **gains of between £1 - £11m** (1- 10% of current workforce). The costs of change will depend on the areas for further work identified in the study but are primarily likely to be time devoted to process change and reorganisation
- Adopting and implementing common standards is expected to deliver savings in procurement of up to **£1m**, however the costs of implementation may not outweigh this

benefit. The key benefit of standardisation will come from the future opportunities for collaboration that standardisation provides

- Streamlining of procurement and stock management procedures has a **potential saving for up to £1.5m**. The costs are mostly in the dedicated time to work with suppliers and staff to increase supplier selection, and implement processes for receiving stock ready for shelving.
- Reviewing the use of ILL could potentially save up to **£3m** (if withdrawn) or up to £1m if streamlined.
- Best practice implementation of **RFID**; estimates from other boroughs implementing RFID range up to £100,000 (but in a large County Council; so less is feasible within London) or 50% productivity gains. A concentrated programme of improvement could be expected to increase this, or at least ensure this is replicated within London
- Adoption of common standards: **estimated benefit of up to £1m** from reduced supplier costs, but most importantly provides a platform for future partnership working. There will be costs involved:
 - Time dedicated to agreeing standards
 - Costs for individual Authorities to train staff in new standards and retrospectively fit stock and systems

These are considered to be conservative figures, but are very high level and should be taken with caution. The proposed next stages of the programme tease out these costs benefits in more detail.

Non-financial benefits delivered by the programme include higher utilisation from strengthened marketing and communication, improved customer service through better use of staff, and increased consistency of offering to customers.

The key risks to achieving the benefits are:

- Lack of buy in from participating Authorities resulting in benefits not being delivered within individual organisations
- Insufficient time and resources both centrally and locally to implement change.

These risks are best managed through clear ownership and governance of the programme at a senior level.

12.1.2 Immediate next steps

The immediate first steps for the programme are to:

- Agree the organisation or individuals responsible for taking the programme forward with a view to formalising this role and hiring a project manager
- Agree the level of ambition for the programme and the level of resource organisations are prepared to commit
- Agree the level of time and resource individuals are able to commit on an initial and ongoing basis

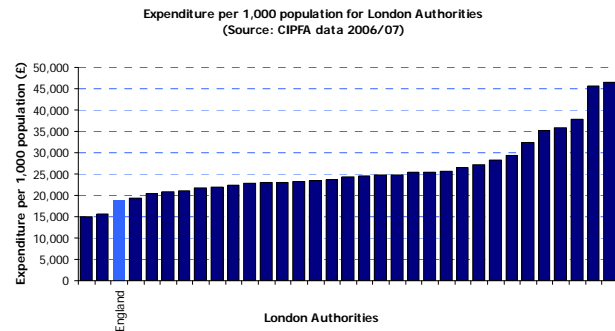
13 Appendix 1: Service Expenditure and Performance

This section contains an analysis of expenditure and quality of London’s public libraries using publicly available data to generate insights in to the value for money provided by the sector.

13.1.1 Expenditure

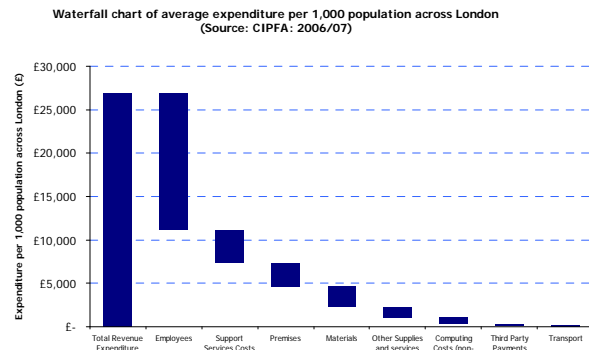
In 2006/07 London Authorities spent **£204m** on public library services⁴⁰. This represents a 40% increase in total expenditure since 1997/98 compared to an increase in the RPI of 27.5% over the same period⁴¹.

Expenditure per population is on average significantly higher in London than elsewhere in England, with the average spend per person being 64% higher in Inner London and 21% higher in Outer London than the rest of the Country. Within this average, there is substantial variation across London with a range in expenditure of between £15,000 - £45,000 per 1000 population⁴².



Within this overall expenditure:

- **Staff** is by far the biggest contributor to cost and is higher in London than the rest of England
- Total numbers of staff in London has however remained **relatively constant** since 1997/98⁴³
- **Expenditure on books over this time has decreased** in real terms by 39% since 1997/98, and the total bookstock has also reduced by 20% – although the rate of additions to the bookstock has not dropped significantly⁴⁴



13.1.2 Value for money

Like many services, it is difficult to articulate or measure the direct impact of Library services on achievement of outcomes; and as with most public services there is no simple way of measuring value for money as there isn’t a direct input/output correlation that takes into account all the

⁴⁰ CIPFA statistics, 2006/07

⁴¹ MLA LONDON, Fact Not Fiction 2008

⁴² CIPFA statistics, 2006/07. Note, we have excluded the City of London from this comparison as its figures skew the analysis. Their expenditure per 1,000 population was £1,212,731 in 2006/07.

⁴³ MLA LONDON, Fact Not Fiction 2008

⁴⁴ Ibid.

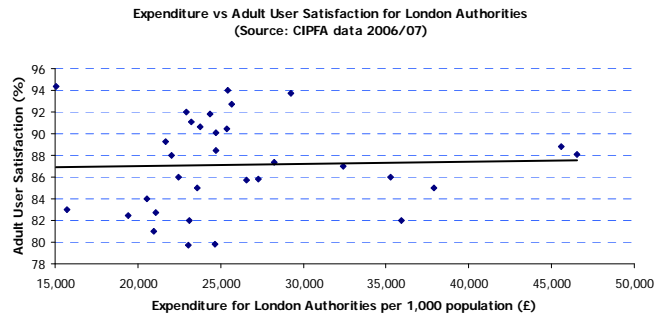
activities of a library and the quality of service provided. For this reason measuring either the efficiency or effectiveness of a library service is difficult.

The Public Library Service Standards first used in 2001 went some way to define the quality measures of a service in practice. Performance against these standards has been assessed as part of an individual Authority's achievement in Comprehensive Performance Assessment.

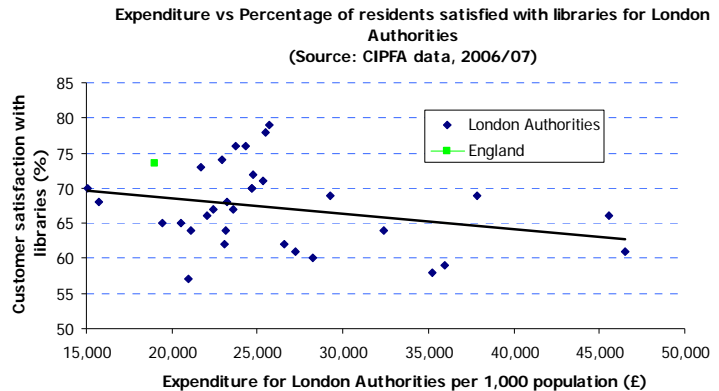
Under the new performance framework as of April 2008 these standards for service delivery are not centrally mandated. One direct indicator for library services is included in the National Indicator Set – 'NI 9 – Use of Public Library Services'. This reflects a wider shift in government policy to allow more flexibility in how Authorities deliver their services.

The benchmarks below therefore are not definitive measures of value for money but provide a useful starting discussion point for understanding variations across authorities and identifying potential areas of good practice.

Customer satisfaction is a commonly used measure of effectiveness of public service provision. In London, overall user satisfaction with Libraries as a service is very high however there is significant variation within London. Importantly, user satisfaction does not appear to be highly correlated with expenditure.



Satisfaction of all residents with library services is much lower averaging 67% compared to 74% for England. Although there is substantial variation within this, resident satisfaction appears to be negatively correlated with expenditure.



The data here therefore implies that being a high performing service from a user and citizen perspective is not simply a matter of high levels of expenditure and there may be potential for some authorities to reduce expenditure without impacting on satisfaction levels.

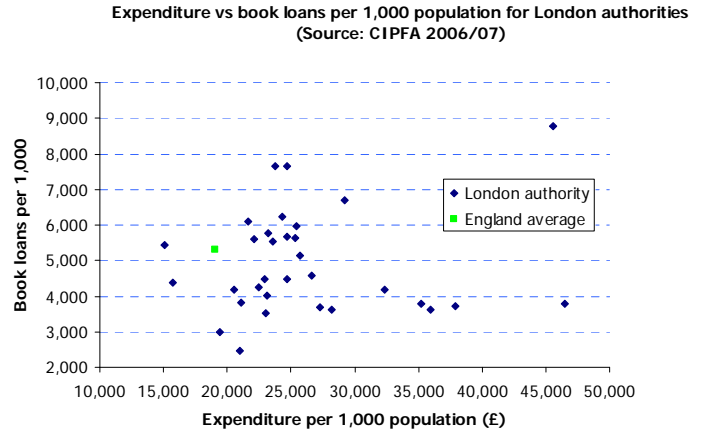
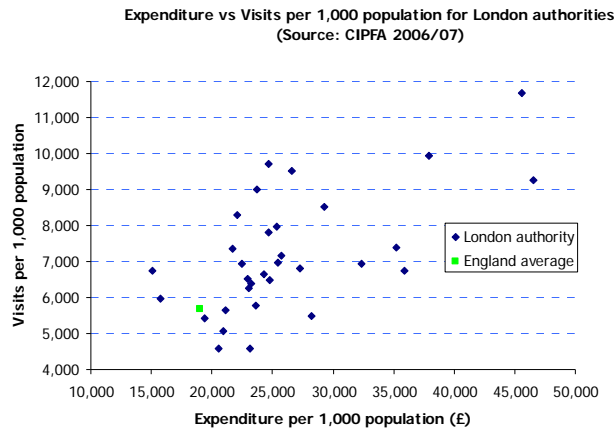
Other key measures of library service performance as measured by the Public Library Service Standards include book loans and visits.

As noted above, **book loans** in London have steadily dropped over time from 55,050,000 in 1997/98 to 37,683,000 in 2006-07 – a fall of 31%. Audio visual loans grew significantly to a high in 2002-03 but have fallen sharply since then. Book loans per capita are on average lower

in London than the rest of England, particularly in Inner London, but there is substantial variation with some Authorities having over three times more visits per population than others.

Library visits per capita, are however roughly 20% higher in London than elsewhere. Visitor levels dropped slightly in 2006-07 after reaching a high in 2005/06 after five years of steady growth and are currently 4% higher than in 1996/97.

Visits per capita appears to be highly positively correlated with expenditure, however the same does not appear to hold for book loans.



The 'Taking Part' Survey for 2006/07 which records 'Attendance to at least one library during the past 12 months' (adults) confirms that London as a whole has higher visits than other areas of the country.

14 Appendix 2: Timetable and costing

Must do' Programme	Initial Work			2008	2009
	Low	Medium	High	October - December	January - March April - June July - September October - December
Governance Establish Governance	0	0	0	[Grey bar: Oct-Dec 2008]	
Sector Leadership Establishing core offering	20,000	40,000	60,000	[Grey bar: Jan-Mar 2009]	
Workforce Benchmarking study	20,000	40,000	70,000	[Grey bar: Oct-Dec 2008]	
Procurement	Adopt standard servicing	0	10,000	20,000	[Grey bar: Oct-Dec 2008]
	Streamline procurement	0	0	20,000	[Grey bar: Jan-Mar 2009]
	Inter Library Loans	20,000	30,000	40,000	[Grey bar: Apr-Jun 2009]
	Initial scoping and business case	20,000	30,000	50,000	[Grey bar: Jul-Sep 2009]
Modernsiation RFID	0	10,000	20,000	[Grey bar: Jan-Mar 2009]	
Total	80,000	160,000	280,000		
Project Manager	0	60,000	60,000	[Grey bar: Oct-Dec 2008]	
	80,000	220,000	340,000		
Notes:	Costs all depends on what boroughs bear internally This highlights some of the key areas where additional support may be required Mix and match potential - e.g. project manager may reduce need for additional funding to support streams				

15 Appendix 3: Project summaries

15.1 Leadership

Leadership: Project 1	
Description	Agree Core Offering
Rationale	- Understanding and articulating the core vision for libraries (as well as the areas of difference) can inform other streams of work e.g. branding and establish common goals and allow for a clear conversation about taking leadership forward
Steps to implement	- Hold workshop with Authorities to agree the core offering - Identify any further work required to build on this - Establish what success would look like for a well established and understood core offering to identify key stakeholders and communications required
Expected benefits	- No direct financial benefit - Provide core proposition to inform branding work - Move conversation forward from vision to implementation
Expected costs	- Ongoing it would be expected that this is a key role within ALCL/LLDA and not a separately funded stream of the transformation programme - In the short term a small amount of funding to facilitate a workshop to establish the core offering, and potentially articulate and present this offering to kick-start the process. - Low: £20,000, Med: £40,000 (workshop plus high level customer insight), High: £60,000 (workshop plus more detailed customer insight report)
Who should be involved?	- Chief Librarians/Head of Culture
Timescales	- October – December

15.2 Governance

Governance: Project 1	
Description	Agree ownership responsibility for the Transformation Programme
Rationale	In order to ensure the programme is delivered and owned it is necessary for this to be monitored and developed
Steps to implement	- Identification of appropriate body/individuals to take this forward - Development of governing document to formalise role - Identify and lobby for sources of funding to support the programme - Institute processes for commissioning and monitoring of project - Identify need for and if required, funding for a project manager
Expected benefits	- Point of responsibility - Won't have direct financial benefit but expected to be vital to ensuring deliver of other project arms
Expected costs	- Some ongoing secretarial support may be required. - Project Manager estimated at £60,000 per year
Who should be involved?	- Agreed by the London Libraries Change Programme Board
Priority/ timescales	- High Priority - October/November

15.3 Workforce

Workforce: Project 1	
Description	Benchmarking of Staffing levels across London
Rationale	Staff are by far the largest cost to delivering a Library service and Authorities need to understand how they use their staff and how this compares to other Authorities. The variation identified indicates that there may be scope to learn from each other to use staff more effectively to deliver outputs.
Steps to implement	<ul style="list-style-type: none"> - Identify scope of study (e.g. small detailed sample v high level across all boroughs) and budget available - Determine whether resource exists internally to carry out study - Commission and monitor delivery
Expected benefits	<ul style="list-style-type: none"> - Staff costs are approximately £118m across London or about 3,900 staff. Reducing this by 10% realises potential benefits of £11m – but much further work is needed through this study to identify the feasibility and impact of these changes
Expected costs	<ul style="list-style-type: none"> - This study could be carried out by a borough depending on capacity– but is a discrete piece of work and could be easily outsourced. Depending on the scope and detail required from the study this could cost between - Low: £20,000 (a small number of authorities in some detail) - Med: £40,000 (more authorities) - High: £70,000 (more in-depth – cover all authorities)
Who should be involved?	<ul style="list-style-type: none"> - Scope, budget and method of delivery determined by Programme Board
Timescales	<ul style="list-style-type: none"> - October to March

15.4 Procurement and stock management

Procurement and stock management: Project 1	
Description	Cross London project to agree common standards and investigate the process for adoption
Rationale	Common standards are universally agreed to be desirable; however it needs dedicated time and commitment to be achieved
Steps to implement	<ul style="list-style-type: none"> - Form working group and establish programme - Initial discussion to identify areas of disagreement on standards - Interactive process to agree standards - Develop business case and implementation for adoption (identifying barriers, costs, risks against the benefits) - Monitor and support implementation - Routinely review and lobby for changes to servicing and classification procedures.
Expected benefits	<ul style="list-style-type: none"> - Platform for future partnership working - Ability to negotiate discount with major suppliers. Conservative estimate at £1m
Expected costs	<ul style="list-style-type: none"> - The standards need to be agreed by Authorities and the business case could be developed internally. However some external support may be useful to document and present the business case and implementation plan - Estimated cost: - Low end: All internal Authority work: £0

	<ul style="list-style-type: none"> - Med end: Authorities agree standard, some work to establish plan for adoption £10,000 - High: Support to mediate agreement to standards and establish plan for adoption £20,000
Who should be involved?	<ul style="list-style-type: none"> - Transformation Board agree targets and priorities - Working groups should incorporate those with good knowledge of procurement
Recommended timescales	<ul style="list-style-type: none"> - October – June

Procurement and stock management: Project 2	
Description	Investigate options for provision of ILL
Rationale	ILL are expensive and of variable quality and it is unclear whether the amount spent on the service is outweighed by the value of the service to customers
Steps to implement	<ul style="list-style-type: none"> - Identify scope of study - Agree responsibility
Expected benefits	- Estimated each borough spends at least 1FTE on average dedicated to ILL with subscriptions and transport additional.
Expected costs	<ul style="list-style-type: none"> - The study could be run by boroughs themselves, but depending on time and commitment constraints it is likely that external support/funding to a borough could provide momentum. - Depending on scope of project and input from boroughs estimated to cost £20-40,000.
Who should be involved?	<ul style="list-style-type: none"> - Transformation Board agree targets and priorities - Working groups should incorporate those with good knowledge of procurement
Recommended timescales/priority	<ul style="list-style-type: none"> - January – December

Procurement and stock management: Project 3	
Description	Concentrated programme of work to receive shelf ready stock and increase use of supplier selection
Rationale	Costs associated with procuring and servicing stock are too high
Steps to implement	<ul style="list-style-type: none"> - Agree targets for adoption - Identify and share the processes undertaken by those that receive shelf ready stock and liaise with suppliers to hasten developments - Identify barriers to implementation - Develop plans of work to hasten rollout and overcome barriers
Expected benefits	- Based on estimated realistic reduction in bibliographic and servicing staff of 3 per Authority (from current average of 7, down to 4) across 33 Authorities.
Expected costs	- Estimated support £0 - £20,000
Who should be involved?	<ul style="list-style-type: none"> - All Boroughs - Liaison with suppliers
Recommended timescales	<ul style="list-style-type: none"> - January - September

Procurement and stock management: Project 4	
Description	Support Authorities to establish a business case for developing a shared processing service
Rationale	Creating a shared service will provide impetus to Authorities to review and implement streamlined processes. Sharing the implementation and ongoing costs of processing should create efficiencies

Steps to implement	<ul style="list-style-type: none"> - Identify Authorities interested in a shared service - Establish objectives and scope for shared service - Develop initial business case
Expected benefits	<ul style="list-style-type: none"> - An initial business case is required to estimate the costs and benefits of a shared service. The cost of the business case would depend on the number of Authorities involved, the scope of services included and the level of detail. - Low: £0 (Authorities led) - Medium: £20,000 (small number of Authorities, high level) - High: £50,000 (more Authorities and/or more detail)
Expected costs	
Who should be involved?	<ul style="list-style-type: none"> - All Boroughs to indicate interest in first instance
Recommended timescales	<ul style="list-style-type: none"> - January – Sept (longer engagement period required)

15.5 Modernisation

Developing a Modern Library Service: Project 1	
Description	Supporting authorities implement and extend RFID
Rationale	RFID is being rolled out in 90% of the Authorities surveyed. Some authorities are more advanced than others and could share their knowledge to avoid unnecessary mistakes, reduce cost and promote the case for more investment
Steps to implement	<ul style="list-style-type: none"> - Identify/develop forum for interested authorities to share RFID knowledge - Meet to map where different authorities are and what they could procure together - Compare costs and benefits to develop shared business case and identify best practice in achieving benefits
Expected benefits	<ul style="list-style-type: none"> - Reduction in the duplication of effort - Savings in the procurement of technological equipment through collaborative working - Increased benefit from best practice implementation of technology - Develop relationships between key people in the sector
Expected costs	<ul style="list-style-type: none"> - The main costs would be researching and writing the business case (which may require external support); sharing best practice and investigating procurement opportunities would involve periodic meetings between representatives, so represent ongoing costs - Low end: £0 - Medium end: £10,000 (supported meetings, commission some case studies) - High end: £20,000 (outsourced business case development, process design)
Who should be involved?	<ul style="list-style-type: none"> - Authorities that are advanced with RFID, as they could benefit from savings in procurement - Authorities that are starting off with RFID, as they could learn best practice from those with more experience - Authorities that are interested in RFID but have no plans in place, as they can discover how the technology could help them
Timescale	<ul style="list-style-type: none"> - January - September

16 Appendix 4: Optional ideas for change

'Could do' activity	Workstream	Description
Joint performance targets for London's libraries	Sector leadership (core offer)	Agreeing performance targets to be met across London in the absence of PLSS
Standardising fees and charges	Sector leadership (core offer)	Harmonising different fees and charges currently in place for different libraries
Attaching specialisms to libraries	Sector leadership (core offer)	Assigning some libraries within London particular specialisms e.g. Westminster being specialist for Chinese material because it has a large Chinese population
Rolling out a single membership card	Sector leadership (core offer)	Having a single membership card for all of London's authorities or twinning library membership with the Oyster card
Single learning offer	Sector leadership (core offer)	Uniting different learning offerings into one programme for all of London. Sharing learning resources such as test centres and tutors.
Single prison library service	Sector leadership	Investigating the potential for aligning individual boroughs' offering to prisons
Online ordering and delivery of books - to home or office	Sector leadership (core offer)	Introducing and advertising a personalised service similar to 'Love Films' where material delivered to customer
Customer journey mapping exercise	Sector leadership (core offer)	Understanding the customer's experience and interaction with libraries and building services around them
Simplifying joining process	Sector leadership (core offer)	Ensuring that joining a library is easy, fast and has few barriers
Providing spaces tailored to needs of specific groups	Sector leadership (core offer)	Designing libraries with the needs of specific user groups in mind e.g. special areas for students
Running home library service across regions	Sector leadership	Co-ordinating home library services between boroughs where it makes sense to do so geographically, reducing transport costs
Outsourcing telephony contract	Sector leadership (core offer)	Joining up call handling service into one centre
Innovation fund	Sector leadership (core offer)	Having a joint pot of money to fund libraries improvement projects
Staff mentoring	Workforce	Staff from well performing boroughs can tutor staff from less well performing boroughs
Improving the effectiveness of volunteer usage	Workforce	Sharing best practice about volunteer usage across authorities
Improving staff incentives	Workforce	Making the staff compensation package

'Could do' activity	Workstream	Description
		more attractive and performance related to get the best out of employees
Improving staff induction programmes	Workforce	Making the induction programme more comprehensive to equip staff with necessary skills and to ensure that people enter in the right culture / spirit
Building refurbishment and construction	Modernisation	Revamping library buildings / constructing new ones in areas of need
Developing Web 2.0 facilities within community information websites	Modernisation	Integrating interactive Web 2.0 technology into library community information websites
Single library website for London	Modernisation	Uniting library community information websites into one
Library Information Management Systems	Modernisation	Harmonising library LMS or making their ability to talk to each other more effective
Introducing wireless internet access into libraries	Modernisation	Installing free wireless internet access in libraries
Joint review of 'People's Network'	Modernisation	Examining progress of the network, what its future should look like and how to get there