

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Executive Member for Culture and Recreation
<b>Date:</b>	8 July 2011
<b>Title:</b>	Proposed Changes to Library Charges
<b>Reference:</b>	2794
<b>Report From:</b>	Director of Culture, Communities and Business Services

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#### 1. Executive Summary

- 1.1 This report outlines a number of options to increase income in the light of the budgetary challenges the County Council and the Library and Information Service are facing, but also at a time when the Service wants to retain and increase use of libraries. It therefore seeks approval for a variation in some fees currently charged and these are set out in Appendix 1.

#### 2. Contextual information

- 2.1 On 15 January 2010 the Executive Member for Culture and Recreation received a report on changes to some library charges which were implemented in September 2010. Now that these changes have been implemented, it is necessary to further review all of the Service's charges to ensure they are set at an appropriate level commensurate with the service supplied. As before, the dual aim is to slow the decline of income as far as possible, whilst also aiming to ensure that the number of books which are not returned is as low as possible.

#### 3. Existing Income Streams

##### 3.1 Overdue Charges

- 3.1.1 The second largest source of income to the Library and Information Service is fines on overdue items. (The largest source of income is the lending of CDs and DVDs). The Service is providing an increasing number of opportunities to enable customers to avoid overdue charges including: drop boxes outside libraries where customers can drop off their books after opening hours, longer opening hours, ringing Hantsdirect to renew books

by telephone, on-line renewals, and e-mail notifications alerting customers two days before their book is due to go overdue. Nationally there is a significant variation in the level of fines. Since the charge to adults in Hampshire at 15p per item per day is towards the upper end of the spectrum already, it is not recommended to make any change here at present.

- 3.1.2 A particular group that needs to be re-considered is that of children and young people up to the age of 17. Children's fines were discontinued in 2005 as part of a wider departmental initiative aimed at removing perceived barriers to using the department's services. Acknowledging that charging fines to children could be a potentially emotive topic, it was decided, following the January 2010 report, to consult the Culture, Communities and Rural Affairs Select Committee in the first instance about re-introducing fines on Children's overdue books. This was subsequently done as part of a Library Strategy presentation on 8 July 2010 and no objections in principle were raised about re-instating fines on children's overdue books.
- 3.1.3 It is now recommended that overdue charges are re-introduced at a concessionary rate for young people aged 6 - 17. The main purpose of this is to encourage customers to return children's books on time, thus increasing the availability of the books to other customers. At the moment, there is no incentive for this to be done if no overdue charges are made. When last surveyed in 2010 there were 33,513 children's items on loan to 16,693 borrowers that were long overdue. In comparison, there were 19,524 long overdue items on loan to 18,134 adult borrowers.
- 3.1.4 The Library and Information Service needs to be both proper custodians of what it has bought and to make the stock as widely available as possible. It is therefore suggested that a children's rate of 5p per book per day is introduced to a maximum of 40p per book. This level of charge should be an encouragement to return books without being a disincentive to using the service. It is also proposed to exclude any overdue charge to children up to the age of 5 and to any children in care. The Service will also bring the overdue charges for adults borrowing children's books into line with these changes.
- 3.1.5 A trawl of some other Library Authorities shows a wide variation on this issue. Some do not charge, whilst others charge between 2p – 10p a day – see Appendix 2.
- 3.1.6 There may still be some families where ability to pay might be an issue but it should be remembered that fines only have to be paid if a book is not returned by the due date. The loan period of 4 weeks is longer than many authorities (most lend for three weeks only). The Service has recently started to send out e-mail alerts 2 days before a book is due to be returned, giving people an opportunity to avoid fines. Next year the aim is also to send out text messages/voice mail to landlines warning people that their books are about to become overdue and fines will be incurred.

3.1.7 It is estimated that £20,000 will be generated a year by re-instating fines on children's overdue books; this compares to around £300,000 raised each year from fines on overdue books borrowed by adults. But the main benefit will be that more books will be returned and can therefore be re-issued.

### 3.2 Mobile Libraries

3.2.1 Currently no fines are charged to customers using the Mobile Library Service. The new Mobile Library Service starts on 4 July and it makes sense to introduce fines, at 15p (adult) and 5p per overdue item. Customers will only be charged once per overdue item, owing to technical reasons as to how the library management system can operate in vehicles where online coverage across Hampshire is not 100%. This will not be a significant income generator but will encourage the timely return of books and enshrine the principle that overdue charges should apply to customers at all our service points.

### 3.3 Requests and Reservation Charges

3.3.1 The reservation fee at 50p for any loan item in Hampshire stock represents good value and has been at this level for many years now. Rather than increase charges here, it is recommended that the Service stops posting notices to customers to tell them that their reservation item has arrived once the technology has been developed to inform customers via SMS (text) or an automatic message on their land line. This could potentially save £20,000. It is likely that this will be possible to implement in the first half of 2012

3.3.2 At present children's reservations are free. It is recommended that a small charge of 10p is introduced to offset some of the costs involved in providing the service.

3.3.3 At present reservation in Large Print format is free for everyone. It is recommended that a standard 50p reservation charge is introduced, with the proviso that those with visual impairments would be eligible for Print Disabled membership which allows reservations free of charge.

### 3.4 Inter Library Loans

3.4.1 Inter Library Loans were increased in 2010 by £1 to £2.50 to cover a higher part of the cost to the service of obtaining items from other authorities and the British Library. These charges only partially cover the charges made by inter lending institutions e.g. it costs £10.80 for a book from the British Library plus transport costs. Since the charge here has recently been increased, it is too soon to raise it again. However, it is recommended that a renewal charge is introduced for those customers who wish to keep their books longer (i.e. £2:50 per standard loan, £3:50 for

an urgent loan and £10 for an international loan) since Inter Lending institutions do charge the Service for being late in returning items.

3.5 Reading Group Sets reservations

3.5.1 A £1 reservation charge for reading group sets was introduced in 2010. There are over 1000 reading group sets which are booked up to a year in advance so coordinating the booking/reservations/chasing return of sets and ensuring prompt delivery to the next group is a staff intensive process. It is now proposed to amend this service so that an annual fee is charged along the same lines as the annual Film Membership. Membership would allow up to 12 sets to be reserved in a year and might also include discounts to author events held in library branches. It is proposed to introduce an annual £15 charge for this reservation service.

3.6 Annual Film Membership

3.6.1 This has proved very popular since it was introduced in 2010. It is proposed to increase the annual charge from £40 to £45.

3.7 Language Packs and Audio Books

3.7.1 Currently, Language Packs are hired for 60p per loan and it is now proposed to increase this to £1. It is also proposed that free audio book loans and language pack loans for over 60s be withdrawn and concessions limited to those with Print Disabled membership (i.e. still free).

3.8 Music Sets Hire

3.8.1 In 2010, charges for loaning a set of 40 scores was raised to £15 bearing in mind the excellence and good value of the service provided to local choirs and other music groups. It is now proposed to mirror the structure of charges made by other authorities; for example the regional centre of excellence at the Surrey Performing Arts Library. It is proposed to introduce:

- An annual membership charge of £10. This would be in addition to the charge per set.
- A similar service to national practice by booking scores in batches of 20, rather than 40 - charging £7.50 for each set of 20 rather than £15 for 40.
- Appropriate replacement charges for lost items from orchestral and choral sets to encourage their return.

3.9 Art/Craft etc sales

3.9.1 Commission has always been charged on items sold from library hosted displays and exhibitions. It is proposed to confirm that 25% commission be charged for all items that are sold from library premises.

#### **4 New Income Streams**

##### **4.1 Annual Music Membership**

4.1.1 In order to encourage continued borrowing of music CDs in the light of almost universal online access and downloading of music and current decreased use of stock, it is now proposed to set up annual Music Membership at £15 a year.

##### **4.2 Deposit Collections and Group Membership**

4.2.1 Increasingly there are demands being made upon the Library and Information Service to provide deposit collections of current (or in some cases withdrawn stock) to a range of organisations or local bodies from schools to retirement homes. The Service's main aim however is to support and to encourage visits to existing library branches and for groups to use them to choose books and other materials from, coordinating their collection and return. Accordingly a Group Membership category has been set up to facilitate bulk loans of adult material free of charge. Where groups require deposit collections to be chosen, delivered and exchanged by library staff on a periodic basis, charges should be made to cover the staff time and delivery costs involved. Therefore it is proposed that delivery of quarterly deposit collections of adult material comprising books, audio books and Large Print be charged at £200 per year.

#### **5. Financial/ Legal Implications**

5.1 The current budget provision for the Library and Information Service is:

Budget: £18,011,000

Income: £1,272,000

Reservations income: £57,400

Fines and Fees income: £286,800

5.2 It is estimated that these changes will generate an increase of £30,000 in income, as well as returning more stock to the libraries to be re-issued.

5.3 The County Council has the ability make such charges as it thinks fit in its reasonable discretion for the services listed in this report pursuant to the Library Charges (England and Wales) Regulations 1991.

#### **6. Timescale for introduction of charges.**

6.1 It is proposed that all the changes to the charges will be introduced on and after 19 September 2011 as appropriate. Changes to overdue charges will only be applied to items borrowed from 19 September and no overdue charges will be imposed on children's and mobile library items borrowed before but returned after 19 September. The longer loan periods that apply

to music sets and reading group sets and the notification lead in time required mean that changes to these groups will come into effect in January 2012.

## **7. Recommendations**

7.1 That the Executive Member for Culture and Recreation endorses the proposals to increase/introduce the following charges in the Library and Information Service:

- Re-introduction of children's overdue charges at 5p per day to a maximum of 40p per item
- introduction of overdue charges on mobile libraries on the basis of a single overdue charge of 15p adult, 5p children
- cease posting out notification that a customer's reserved book has arrived once the technology has been developed to alert customers via SMS (text) messages or an automatic message to their land line
- introduction of a charge for children's reservation at a concessionary level
- introduction of renewal charges for inter library loans
- introduction of normal reservation charge for Large Print books with the proviso that no charge will be made to customers with visual impairments
- introduction of annual Reading Group Reservation Membership at £15 per year
- introduction of annual music CD membership at £15 per year
- increase of the annual Film Membership charge to £45
- increase of language pack charges to £1 per loan
- the concession of free audio books and language packs to be targeted at the print disabled
- introduction of an annual Music Sets membership at £10 per year and changes to charges per set borrowed
- confirmation of 25% commission charged for art/craft etc sales on library premises
- introduction of an annual Deposit Collection charge at £200 where library staff select, deliver and exchange collections

**CORPORATE OR LEGAL INFORMATION:**

**Links to the Corporate Strategy**

<b>Hampshire safer and more secure for all:</b>	no
Corporate Business plan link number (if appropriate):	
<b>Maximising well-being:</b>	yes
Corporate Business plan link number (if appropriate):	
<b>Enhancing our quality of place:</b>	yes
Corporate Business plan link number (if appropriate):	

**Other Significant Links**

<b>Links to previous Member decisions:</b>		
<u>Title</u> Exec Member for Culture and Recreation Proposed Changes to Library Charges	<u>Reference</u> 1193	<u>Date</u> 14 January 2010
<u>Title</u>		<u>Date</u>

**Section 100 D – Local Government Act 1972 – background documents**

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

## **IMPACT ASSESSMENTS:**

### **1. Equalities Impact Assessment:**

An Equalities Impact Assessment has been undertaken and mitigating steps have been put in place, see Appendix 3 for the summary.

With one exception all the proposed changes to the charges for using the library services are already in place: the proposals are for adjusting these charges to reflect changes in use. The exception is the proposed introduction of a charge for the late return of children's books which will be a new charge and it is likely that this group: children and young people and parents of young children may be affected. However, fines are an avoidable charge and a number of early warnings have been introduced to assist this group is avoiding the fines.

### **1 Impact on Crime and Disorder:**

1.1 N/A

### **2 Climate Change:**

How does what is being proposed impact on our carbon footprint / energy consumption?

How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

<b>Proposed change/new charge</b>		<b>Current Charge</b>		<b>Date to be introduced.</b>
Re-introduction of children's overdue charges at 5p per day to a maximum of 40p per item		Currently no charge		From September 2011
Introduction of overdue charges on mobile libraries on the basis of a single overdue charge of 15p adult, 5p children		Currently no charge		From September 2011
Cease posting out notification that a customer's reserved book has arrived once the technology has been developed to alert customers via SMS (text) messages or an automatic message to their land line		Reservation charges will remain at current levels.		When SMS (including landline voice messaging) is available
Introduction of a charge for children's reservation at 10p		Currently no charge		From September 2011
introduction of renewal charges for inter library loans from £2.50		Currently no charge		From September 2011
Introduction of normal reservation charge for Large Print books at 60p		Currently no charge		From September 2011
Introduction of annual Reading Group Reservation Membership at £15 per year		Currently £1 per set for an unlimited number of sets per year		From September 2011
Introduction of annual music CD membership at £15 per year		This is a new offer as CD membership is not currently available		From September 2011
Increase of the annual Film Membership charge to £45		Currently £40		From September 2011
Increase of language pack charges to £1 per loan		Currently 60p		From September 2011
Introduction of an annual Music Sets membership at £10 per year and changes to charges per set borrowed: £7 for 20 copies		Membership is a new charge: changes to hire charge currently £15 for 40 copies		From September 2011
Confirmation of 25% commission charged for art/craft etc sales on library premises		No change		From September 2011
Introduction of an annual Deposit Collection charge at £200 where library staff select, deliver and exchange collections		New offer		From September 2011

**Appendix 2**

**Library Authority Charges on children's overdue books**

<b>Library authority</b>	<b>per item per day</b>	<b>per item per week</b>	<b>other info</b>
Buckinghamshire	5p a day		
Reading	7p a day		
Milton Keynes	10p a day		
Worcestershire	6p a day		
Croydon	5p a day		
Hertfordshire		30p a week	
Bournemouth			48p per overdue notice letter
Surrey	3p a day		also £1 admin charge
Wiltshire	3p a day		max £1 per item
Kent	2p a day		
Swindon	7p a day		max £1 per item
Windsor	5p a day		max £8.50 per item
Slough	2p a day		max 96p per item
Bracknell	10p a day over 12		max £3.60 per item
Bracknell	free under 12		
Wokingham	5p a day		
Essex	no charge		
Southampton	no charge		
Portsmouth	no charge		
East Sussex	no charge		
I.O.W	no charge		
Poole	no charge		
Lancashire	no charge		
West Berkshire	no charge		

**Appendix 3**

**Mitigating actions to redress the impact of the changes (from the EIA)**

Impact identified	Action	Responsibility	Timescale	Expected Outcomes	Review date
<p><u>Age/Families with children over 5</u> Incurring fines a disincentive of use the library</p>	<p>The reintroduction of fines on children's stock is an avoidable charge. There are a number of options to renew items and early notification has been introduced to alert people to return dates 2 days in advance. Later in 2011 text messages to mobile phones and voicemail to land lines will be also be available.</p>	<p>Library Management Team</p>	<p>Staff to raise customer awareness of options to avoid fines from date of approval with the date for other types of reminder TBC</p>	<p>Customers avoid fines and stock is returned on time making it available for selection by others</p>	<p>March 2012 (9 months from implementation)</p>
<p><u>Low or no income</u> Incurring fines a disincentive to use the library</p>	<p>The reintroduction of fines on children's stock is an avoidable charge. There are a number of options to renew items and early notification has been introduced to alert people to return dates 2 days in</p>	<p>Library Management Team</p>	<p>Staff to raise customer awareness of options to avoid fines from date of approval with the date for other types of reminder TBC</p>	<p>Customers avoid fines and stock is returned on time making it available for selection by others</p>	<p>March 2012 (9 months from implementation)</p>

	advance. Later in 2011 text messages to mobile phones and voicemail to land lines will be also be available.				
<u>Rural isolation</u> Incurring fines is a disincentive to use the mobile library	From July 2011, the revised mobile service will retain a spare vehicle with a relief driver to provide cover in emergency situations whereby there will be no disruption to service, a possibility that led to the past decision not to charge fines for late returns.	Library Management Team	Introduction of fines coincides with the revised service schedules from July 2011. Staff to raise customer awareness of options to avoid fines from date of approval	Customers avoid fines and stock is returned on time creating more choice for the customers of mobile libraries where the capacity of the vehicle is clearly limited.	March 2012 (9 months from implementation)