

Fact Check: Suffolk County Council Cabinet Paper on Bringing Libraries In-House

This is our fact-checker on the key points from Suffolk County Council's <u>cabinet paper</u> on the library service for 18 March 2025.

"6. Bringing the service in-house and providing one-off investment will realise back office savings and efficiencies which will enable the protection of frontline library staff and maintain the service in its current budget envelope."

Fact: SCC have miscalculated the potential senior management and back-office savings, and these are much lower than their estimated 33%. The lack of a detailed business case mans its not clear how costs currently covered by SL will be covered in the future and particularly whether there will be increased costs in the future

Evidence: SL's current forecast for this financial year puts the actual percentage at 21.4%.

What are the key issues to consider?

"8. Libraries Services in Suffolk were divested in 2012/13 to Suffolk Libraries IPS Ltd with the current contract extended to May 2025 due to Covid 19. The current contract was uplifted from £5.9 million in 2023 by £720k or 12% following representation from the current provider."

Fact: SL has covered inflationary costs for 10 out of the 12 years it has delivered the contract but sadly could not outrun the pace of inflation given the increases in the Minimum Wage and other costs such as utilities, rent, cleaning etc.

Evidence: This chart shows the inflation gap faced by Suffolk Libraries over 12 years:



"9. A competitive procurement process with the option for negotiation, required under the 2015 Procurement and Contract Regulations, was undertaken in 2024. This reflects the fact there is a library services market. The procurement was terminated because the sole bidder (Suffolk Libraries IPS Ltd) proposed substantial changes to its original bid, including a 30% reduction in opening hours. This constituted a material change to the contract scope, making it noncompliant with procurement regulations. Every library across the county would have been affected."

Fact: There was no real marketplace as SL were the sole bidder. Being the sole bidder also illustrates how unrealistic the funding was in relation to the contract requirements. In a Direct Award contracting situation, it is legally incorrect that SL's proposals could not be accepted as a matter of procurement law. With no competition the process became direct, objective negotiation. Finally, there were no specific opening hours mandated as part of the tender specification, and these were expressly to be set by the provider.

Evidence: The Procurement Act 2023, tender pack and specification

"10. A direct award process was then followed, in which an agreement could not be reached. Agreeing to the terms set out by the potential provider in the direct award process would have breached procurement law."

Fact: It is legally incorrect that agreeing SL's proposed terms would breach procurement law. They were a matter of open negotiation.

Evidence: The Procurement Act 2023

"11. The Council has made a commitment to maintain 45 libraries and their current opening hours and protect frontline services. As the statutory authority who is legally responsible for library service, the Council believes the only way to protect the future of library services and indeed frontline services is to bring the service in-house."

Fact: This conflicts with the response received when SL asked whether there was a minimum set of opening hours during the procurement process. Furthermore, no mention was made of the commitment to maintain the current opening hours. SCC officers were clear throughout that they expected the service to diminish in future years.

Evidence: tender clarification questions, service specification.

"12. Overheads in the current provider, which include senior management and back office function, are 33% of all staff costs (based on information provided by the provider to the Council). This is higher than expected for an organisation of this size. It is believed that efficiencies could be made within the service which would protect frontline services, secure the future of library services and reduce overheads."

Fact: SCC has misinterpreted the apportionment of staffing costs to make a case that suggests high senior management and back-office costs at 33%.

Evidence: SL's current forecast for this financial year puts the actual percentage at 21.4%.

"13. There will be an estimated upfront one-off cost to bringing the service back inhouse in year 1 of up to £1.8 million which will be funded through surplus in external revenue grant. However, the service would be within its budget envelope by year 2, whilst maintaining 45 libraries and current opening hours through efficiencies savings related to management costs and back-office functions."

Fact: £1.8 million could fund SL's inflationary costs for at least three years. As the management and back-office costs have been overstated there will not be the projected savings SCC claim. Additionally, SCC will now need to pay inflationary costs of more than £300K every year making delivery within budget envelope highly unlikely without savings elsewhere.

Evidence: The Minimum Wage will increase by 6.17% percent from April 2025 and increased NI contributions are likely to be more than £150k for over 300 frontline staff.

"14. Although the council did not originally plan to bring the service back in-house at the end of the contract, this would provide significant opportunities for greater integration of the Council support and services, relating to Children and Young People, Public Health Communities and Adult Social Care through the 45 libraries and their staff."

Fact: That would have been possible via SL too. Indeed, SL has led the way in proposing this type of integration with both the Integrated Care System and VCSFE organisations (SL already works with over 100 VCSFE partners).

Evidence: Our strategy

"17. Suffolk's 45 libraries do much more than the lending of books, materials and access to quality information. The frontline staff play a key role in promoting and supporting the health and wellbeing of service users. Bringing libraries back in-house will help support and enable the libraries and mobile vehicles to become community hubs which can support all residents to thrive and do well from the earliest stages of development through to older age."

Fact: All staff delivering in 45 libraries and 3 mobiles already act in this manner and there is already join up with the wider public health agenda.

Evidence: The work of SL across the 12 years with public health in addition to the hundreds of partnerships forged over that time. The SL website has a comprehensive list of value adding services to meet the public health agenda www.suffolklibraries.co.uk

"18. Libraries provide access to resources and support to help residents get into work as well as providing spaces and resources which local business can access, helping to strengthen the local economy."

Fact: This already happens under SL and there is a clear business offer in place, in addition to those seeking work.

Evidence: As part of SL's commitment to the national Universal Library Offers, library staff give <u>direct assistance</u> with navigating the Universal Credit portals in addition to helping steer people with job searching websites, hosting CV surgeries, providing tech support and so on. SL has a strong relationship with DWP and have undertaken many joint projects together to help people back into work. Complementing this are resources such as touch down space for workers, <u>LinkedIn Learning</u> access and supporting myriad initiatives over the years such as the government's <u>Kickstart programme</u> and the women's business start-up support package. All found on <u>SL's website</u> and various social media channels.

"19. The Council values its frontline service delivery over excessive overhead costs in any organisation. In the current provider, senior management and back office function staffing costs are 33% of total staff costs, based on information provided to the Council by the provider. This is higher than expected for an organisation of this size. Bringing the service in-house provides better value for money for Suffolk taxpayers whilst protecting frontline services."

Fact: SCC has misinterpreted the apportionment of staffing costs to make a case that suggests high senior management and back-office costs at 33%. This proposal will cost SCC considerably more, now and in the future. SL covers almost all its own back-office costs and now SCC will have to support all costs of running in-house.

Evidence: SL's current forecast for this financial year puts the actual percentage at 21.4%

What are the resource and risk implications?

"22. Transition costs have been estimated based on the Council's knowledge of the existing service and prediction of unknown costs. One-off transition costs are estimated at £1.1 million and in Year 1 £0.7 million, totalling £1.8 million. Transition costs will be funded through a surplus in external revenue grant funding."

Fact: These costs could be more given SCC's misinterpretation of staffing costs.

Evidence: SCC's own cost profiling exercise; lack of a detailed business case of any description.

"24. Initial conversations are also being held with other organisations which fund the services."

Fact: Prison libraries, Barclays, Arts Council England and innumerate other contracts are held directly with Suffolk Libraries. None of these organisations have guaranteed the relationship will continue nor contracts novated over to SCC.

Evidence: Standard contract terms and SL's conversations with funders.

26. Public Consultation is not required if exercising the option of bringing a service inhouse.

Fact: It is advisable given the public sentiment and rushed process while also acknowledging that it is a universal statutory service.

Evidence: The Institute for Local Government's guidelines on insourcing recommend understanding the needs of different service users prior to insourcing which hasn't been undertaken as part of this exercise.

What are the timescales associated with this decision?

"28. The current contract will end on 31 May 2025. The option to extend this contract is not available to the Council without significant risk of legal action."

Fact: The current contract could be extended. There are no competitors so no real risk of any legal action.

Evidence: No real market, no competition, no risk.

Alternative options

"30. Alternative options to insourcing have been considered. They included a direct award following the termination of the recent procurement process or extending the current contract. Neither option could be fulfilled because both options would have placed the Council at risk of breaching Public Contract Regulations 2015, creating significant legal and financial exposure due to the material changes being requested by Suffolk Libraries IPS Ltd that would have fundamentally changed the contract scope."

Fact: Direct Award is possible and would not breach procurement law.

Evidence: The Procurement Act 2023

"34. The size of the service and contract has changed in that time due to the Schools Library Service, which was a part of the original divestment, being discontinued following the rise of academies and non-maintained schools. The budget was reduced as a result".

Fact: The School's Library Service (SLS) was a separate trading entity and there was no budget line from SCC attached to the service at the point of divestment. An SLS has to generate its own income to pay for staff, books, resources etc. With no SLS budget from SCC to support the diminishing business model with schools, the SLS sadly had to close in

2017. The SLS was never part of the specification in the public libraries_contract. The SLS service transferred with a reserve built up through the SLS business over the years that supported the service until it became unviable. This reserve could not be used to fund public library provision.

Evidence: SL accounts can prove there was never any budget for the SLS. The original contract specification evidences SL's assertions.

"35. The Council has a good relationship with and understanding of the library services through the Head of Community Infrastructure role and full time Libraries Project Lead, based in Public Health and Communities. The staff work with the library service on a day-to-day basis. The Libraries Project Lead has an ongoing relationship with the 45 library managers and has attended all library board meetings over the last 2 years."

Fact: SL feels this has been overstated.

Evidence: SCC officers do not currently have frequent contact with library managers and their teams.

"37. In December 2022, the Council conducted an audit of Suffolk Libraries IPS Ltd's financial processes and management to validate the financial position being reported. The audit confirmed that financial controls and governance arrangements were sound, with transactions clearly traceable to a transactional level. This provided some reassurance that appropriate financial monitoring was in place. However, the audit did not differentiate between the costs of core library services and additional activities undertaken by Suffolk Libraries IPS Ltd. It also did not assess contract budget management, long term financial planning or financial risk assessments. The report recommended closer collaboration between the Council and Suffolk Libraries IPS Ltd, which has since been undertaken, and highlighted a lack of transparency over Suffolk Libraries IPS Ltd's long-term financial projections. The audit advised Suffolk Libraries IPS Ltd to improve financial reporting clarity, including specifying financial years in reports, documenting key assumptions and ensuring that financial data is presented in a way that facilitates tracking over time."

Fact: The independent report made some small recommendations to Suffolk Libraries, but the key recommendation was:

Both Suffolk Libraries and the Council need to improve their working relationship with a more collaborative arrangement with shared principles and goals and communication through the appropriate channels. The Council needs to invest sufficient resources to work with Suffolk Libraries to agree service delivery and funding arrangements for 2023-24, and this work needs to commence immediately. In addition, a longer-term plan should be put in place so that service stability and the ability to create long-term initiatives is achieved.

The audit did not differentiate between the costs of core library services and additional activities undertaken by Suffolk Libraries IPS Ltd. It is through 'additional activities' that SL has been able to subsidise part of the core library service for SCC.

SCC have claimed that the audit "highlighted a lack of transparency over Suffolk Libraries IPS Ltd.'s long-term financial projections." Any lack of clarity in long term projections will have been mostly because of a lack of certainty about ongoing funding from SCC.

Finally, there were many recommendations for SCC regarding improving their stewardship of the contract with SL in the audit. These have never been made publicly available.

Evidence: All available in the independent auditors' report (if the full report is disclosed by SCC).

"39. Beyond the library contract the Council, through Public Health and Communities and Adult Social Care, provide additional one-off fundings to Suffolk Libraries IPS Ltd through grant funding and ongoing contracts."

Fact: This is true, but SL obtains funding for projects from a vast range of partners, not just public health.

Evidence: The range of projects, programmes and services on offer can be found in libraries or online through <u>SL's website</u>.

Procurement

"40. The Council was required to undertake a procurement process under the Public Contract Regulations 2015."

Fact: The early market engagement showed there was no market for this, and a direct conversation could have been undertaken with the incumbent to avoid a costly exercise. When it became clear there was no marketplace a Direct Award conversation with SL could have started.

Evidence: The Procurement Act 2023

"42. The market engagement event identified a small market of interested bidders reinforcing the need to proceed with a public procurement. At tender submission stage a single bid was received. The Council terminated the procurement process after the Suffolk Libraries IPS Ltd proposed significant changes to its original bid."

Fact: Suffolk Libraries did not change its original bid; the process and paperwork did not require nor provide opportunity to explore or propose the changes required to sustain the library service on the funding available in any detail. SL did highlight proposed changes to the service in its tender response in many places including a GANTT chart of change.

Evidence: The lack of other bidders is evidence that the contract specification and financial package proposed by SCC was unsustainable; tender submission documents from SL to SCC

"43. Following the termination of the procurement, the procurement regulations allowed for the direct award of a short-term contract. A direct award process was initiated with the Suffolk Libraries IPS Ltd; however, an agreement could not be reached due to Suffolk Libraries IPS Ltd's contractual demands, which exceeded the legal scope for a direct award. As a result, the Council was unable to lawfully proceed with a direct award, as the conditions required for compliance under procurement law were not met."

Fact: It is open for SCC (acting reasonably) not to accept SL's terms. It is incorrect to say doing so is outside the permitted legal scope.

Evidence: The Procurement Act 2023

- "44. Due to an inability to agree a direct award, the council is proposing to bring the library services back into the Council when the contract comes to an end on the 31 May 2025. The rationale for this decision includes:
- a) This is the most viable option to secure the library services given the current time frames and lack of feasible options outlined above."

Fact: The most viable option is to release funding to SL and sign a new contract with them given the timeframe.

Evidence: 2.5 months to bring a large service back in house will be extremely challenging and will over the next 2-3 years cost significant additional taxpayer money.

"c) Insourcing would protect opening hours and existing library locations by providing savings through reduced senior management and back-office function costs, which are currently 33% of the staffing costs. This percentage of staff costs is high for an organisation of this size. This is unacceptable to the Council. Being able to protect frontline services, such as library services, is important to the Council."

Fact: SCC has misinterpreted the apportionment of staffing costs to make a case that suggests high senior management and back-office costs at 33%. This proposal will cost SCC considerably more, now and in the future. SL covers almost all its own back-office costs and now SCC will have to support all costs of running in-house.

Evidence: SL's current forecast for this financial year puts the actual percentage at 21.4%.

"d) The staff and volunteers are vital assets in delivering and supporting library services. Both are assets that the Council wants to protect given their unique roles within library services."

Fact: The phrase 'the staff' suggest everyone currently employed by SL. This is not the case as SCC have already outlined that there will be redundancies.

Evidence: Point 45 in this document.

"e) Insourcing library services into the Council and into the Public Health and Communities Directorate will enable greater alignment to the Council and its partners services which will benefit local communities. There would be a continuing focus on Health and Wellbeing. Insourcing would enable the Council to better understand the service whilst ensuring its financial forecasting, sustainability and its core service is secured."

Fact: SL's breadth of services already supports the public health agendas and there is close join-up occurring. There is no reason for SCC to not understand the service as SL provides a lot of information quarterly, annually and in an ad-hoc fashion.

Evidence: Annual and quarterly reports to SCC public health team plus diversity of services found in libraries which are highlighted on <u>SL's website</u>.

"f) The Council has a legal duty under the Public Libraries and Museums Act 1964 to provide a comprehensive and efficient library service. Following the termination of the procurement process, failing to insource the service would have left the Council without a provider, thereby breaching this statutory obligation. Insourcing ensures the Council remains legally compliant while securing service continuity."

Fact: SCC has stated that there could be a drop in service continuity for communities which would put them in breach of the 1964 Act and at risk of a judicial review.

Evidence: Concerns of continuity are outlined within this paper.

Transition costs

"45. The one-off costs for bringing the libraries service back in-house is currently estimated at £1.1 million and covers a mix of both revenue and capital expenditure. This includes any costs associated with management restructuring and any potential associated redundancy costs, investing in IT infrastructure and programme management of the transition. It is important to note that the current estimate of £1.1 million is only an estimate as there are various factors that can impact the actual cost, such as, for example, the profile of the staffing structure, where redundancy costs may vary, or the age or condition of the existing IT infrastructure where necessity of its replacement could determine the final cost."

Fact: SCC has stated publicly that the cost of bringing the service back in-house would cost the taxpayer £1.8m. The £1.8m quoted relates to some of the one-off costs of the act of

transition and does not include the higher ongoing (and further increasing) frontline running costs including Minimum Wage and NI increases, utilities etc.

Evidence: Numerous media quotes directly from SCC politicians and officers and a fuller explanation included in this paper.

Year 1 running costs

"46. Remaining with the current provider would have similar costs but with no assurance of control over decision-making, or that further funding would not be requested."

Fact: SCC will need to find additional funding just as SL would to sustain rising costs.

Evidence: Annual Minimum Wage rises, increasing NI thresholds, removal of gas/electricity price caps etc.

"47. The annual revenue running cost (excluding any one-off costs) of the library service as an in-house provision, for the first year, is estimated at £7.6m."

Fact: SCC repeatedly said there was no more money on the table to meet increased costs. To present a budget vastly more than the budget offered in the procurement exercise is contradictory.

Evidence: Original procurement documents on Suffolk Sourcing and tender snapshot <u>here</u>.

"48. Notably, this estimate includes the cost of libraries staff transferring into the Local Government Pension Scheme (LGPS) (£0.3m) and the cost of National Non-Domestic Rates (£0.5 million), both of which will apply to the Council in an in-house provision. These are costs that the current provider does not incur. However, these costs will be mitigated by reducing management staff costs and cost reductions on corporate overhead/back-office functions, which will be aligned to existing Council infrastructure and therefore synergies will be achieved."

Fact: The library contract sum does not pay for core management and most back office costs in SL and so no saving will be made to mitigate these costs. In fact, the proposal to bring management across for 6 months with protected salaries and increased pensions will cost SCC even more money.

Evidence: SL accounts and TUPE data.

"49. From year 2, the annual revenue running cost is estimated at £6.9m. It is anticipated that further synergies will be achieved from property costs such as Facilities Management and the wider benefits that the Council's economies of scale can provide on efficiencies, for example, leveraging the Council's buying power to reduce costs further. The total current annual budget envelope allocated to Libraries is £6.9m and therefore from year 2, it is anticipated the cost of the service to the Council will be within budget."

Fact: The public should understand what this increased buying power would be with SCC outlining exactly how the savings will be found? SL is already part of a national consortium for buying its stock and resources so no additional buying power will be found for that. Other large contracts such as cleaning and couriers are with Vertas, and these costs have been benchmarked against other providers. SL's IT service also benefits from its charitable status and so can leverage cheaper subscriptions.

Evidence: SL being part of the <u>CBC book consortium</u> and its contracts with Vertas are in the annual accounts.

"50. The estimated one-off costs (£1.1 million) and the estimated cost of the inhouse provision in year 1 which exceeds the annual budget envelope (£0.7 million) total £1.8 million. This is considered as a conservative estimate and could be lower once actual costs are incurred as there are variable elements that are currently unknown. This cost will be funded by the Public Health and Communities Directorate through surplus external revenue grant."

Fact: SCC do not fully understand the true costs of bringing the service back in house, and 'conservative estimate' means the costs could be much higher due to the stated unknowns.

Evidence: As stated above in point 50.

Risks and mitigations

"51. It is recognised that insourcing services is an ambitious ask within a 3-month timeframe. This risk will be mitigated through a detailed and sequenced transition plan and with minimal changes to the Suffolk Libraries IPS Ltd's management team for the first 6 months to maintain continuity and with a programme management team to support the transition (this has been costed in the above estimates)."

Fact: Success in such a short timeframe is predicated on the management team staying in place, which is not guaranteed, and its likely most key personnel will seek alternative employment. SCC would lose an enormous amount of sector knowledge and experience. If any key management team members are transferred, it will be difficult for them to seamlessly transition across to working for SCC, as there is a deep and broad sense of injustice amongst staff about the way that SCC have portrayed Suffolk Libraries, particularly senior management, since announcing their plans to take the service back in house.

Evidence: Self-evident.

Evidence

"52. A programme structure has been stood up involving corporate services (IT, HR, Legal, property and Coms), PH&C and further programme capacity is being sourced which is covered off by one off funding."

Fact: A lack of in-house expertise would put this at risk and endanger service continuity and this will be an ill-thought out and rushed exercise. Again, if one-off funding can be found for this exercise, why could it not have been given to SL to maintain opening hours?

Evidence: Point 29 suggests that SCC are still developing this plan, and they only have 2.5 months to complete the transfer.

"53. Known costs for bringing the service in-house relate to redundancies that may be incurred, IT upgrades to align current library service IT equipment and connections with the Council policy and standards, and programme management."

Fact: This statement suggests there is limited understanding of the actual one-off costs related to the decision.

Evidence: The lack of a detailed business case with transparent financial projections.

"54. Unknown costs are common when insourcing services and because not all information is available to the Council at this current time. Therefore, best informed estimates and assumptions are being made, using multiple sources of information (from the procurement, accounts etc) with a contingency consideration. Greater detail will be gained through the exit process."

Fact: This statement suggests there is limited understanding of the actual one-off costs related to the decision. There also seems to be little understanding of future annualised costs like NI and salary increases.

Evidence: The lack of a detailed business case with transparent financial projections.

"55. Some immediate actions will be required for 1 June 2025 to ensure service continuity - these will include building licence agreements for seven libraries, the website domain name to be transferred and the transfer of staff from Suffolk Libraries IPS Ltd to the Council."

Fact: The website is a public facing service element and is therefore 'frontline' and so a plan for website content is needed from SCC as the public heavily rely on this.

Evidence: Suffolk Libraries' Intellectual Property rights.

Regulatory and legal

"58. Public Consultation is not required if exercising the option of bringing a service inhouse."

Fact: the Change.org petition and the range of supportive media coverage shows there is a call for closer scrutiny including a public consultation.

Evidence: The <u>Institute for Government</u> strongly recommends public consultation when insourcing a service such as this.

External funding

"61. Outline work has been undertaken to understand the projects which are externally funded and whether contracts can novate. This will help to reduce any perceived loss of service by the public through clear communication and early conversations with DCMS."

Fact: No contracts are guaranteed to novate. Therefore, there is a risk that some won't, and communities may miss out on important activities.

Evidence: SL contract terms with partners.

Communication and engagement

"65. Libraries are well loved and rightly so; they are in the heart of our communities. Bringing a well-loved service in-house will run reputation risks for the Council. These can be minimised through a clear communication plan and an understanding of the risks and opportunities insourcing library service can have."

Fact: A clear plan is yet to be produced, and no community engagement or consultation has taken place to keep the public informed and understand their concerns. SCC have deemed public consultation unnecessary as part of this process.

Evidence: Point 26 of this document.

"66. The communication and the engagement approach would focus on staff, service users, volunteers and friends' groups. Leadership in PH&C and the cabinet member will prioritise meetings with and visits to each of the 45 libraries and friend's groups across Suffolk during the transition and go live period."

Fact: With 45 staff teams, 45 friends' groups, a mobile libraries team, a cohort of relief staff, 1,250 volunteers, well over 100 local partners plus all the interested community members it will be extremely challenging for SCC to undertake the level of engagement and communication it is suggesting here in such a short timeframe.

Evidence: Self-evident.

Opportunities

"69. These include, but are not limited to, a deeper understanding of library services' financial running costs and future budget forecasting, which will help provide a stronger foundation for their long-term future."

Fact: SCC appear to have limited understanding of the running costs of a library service and the potential of an exponentially increasing cost base due to wage and NI rises. SL has been transparent over the running costs.

Evidence: SL's accounts and all quarterly reports to SCC.

"70. The Council will look to develop further the income generation work that Suffolk Libraries IPS Ltd started. This could include widening commercial activities where space and local needs allow, such as investigating the creation of local banking hubs, post offices services, package collection and returns facilities."

Fact: SL has invested in partnerships over the years to provide many of these listed and hosts banks and runs a post office in addition to many, many other services. There are many more opportunities for commercial activity and income generation work open to an independent charity compared to a local authority. This is one of the main reasons the service was divested in 2012.

Evidence: Many of these are listed on SL's website.

"71. A greater understanding of the library service and its assets will help to secure colocation opportunities and align the Council and partners services with library services, better supporting rural communities. This join-up could be particularly powerful for health and social care partners. Areas that might be considered include opticians and hearing drop-in, mobile dental and Feel Good Suffolk services."

Fact: SL has been independently working with other health services and partners over the years to secure more join up and closer working but has done this with minimal support from the SCC public health team.

Evidence: Our strategy

"72. The Council will investigate the opportunities to increase the sustainability of libraries and the commercial opportunities that could bring. This investigation will examine the opportunities at every library site to consider ideas such as solar panel adaptation, heat pump adaptation, and battery storage options. The council will also investigate the opportunities around commercial charging points for EV vehicles and selling any excess energy generated back into the national grid through an intermediary. Whilst not every consideration would be feasible at every library (due to space and location constraints), a

detailed examination of the sustainability for each library will be undertaken to ensure the council is maximising opportunities in this vital area."

Fact: SL is asking why this has not been investigated previously. With SL's innovative track record, it would have been receptive to these ideas and has asked different SCC departments over the years to consider solar panels and other energy generating measures.

Evidence: SL's track record for innovation as proved by its existing partnerships

"73. The Council could also expand the information and guidance available to the public within libraries to help them make more sustainable decisions. This could include advice on home insulation, sustainable travel options, recycling, and composting. We aim to ensure that libraries contribute directly to the council's overall ambition for net zero and help communities across Suffolk do the same."

Fact: SL already hosts an enormous range of <u>information and guidance</u> from a many partners both on the website and through print media in libraries. The charity's NPO status with Arts Council England has already kickstarted many programmes of environmental sustainability including public guidance and learning opportunities. If there is further opportunity in this area, SCC could have discussed this with SL previously?

Evidence: SL's website, information in libraries, Arts Council England reporting

74. Integrating libraries within Public Health and Communities (PH&C)

"a) There are significant opportunities from bringing the library service back into the Council and specifically Public Health and Communities. Public Health and Communities mission is to 'Work in partnership to build the foundations for Healthy People, Healthy Places and Healthy Futures, and safer, stronger, more resilient communities in Suffolk'. Insourcing Suffolk's libraries would help to strengthen the delivery of this mission by creating closer working between the library service and the 130 staff employed by PH&C who are all passionate about the health and wellbeing of Suffolk's residents and supporting their diverse communities."

Fact: SL already delivers to the agendas and missions of Public Health and Communities.

Evidence: The range of services and programmes it offers communities which can be viewed via <u>SL's website</u>.

"b) The Director of Public Health and Communities is well positioned to continue to champion the role of libraries as a member of the Council's Corporate Leadership Team, Health and Wellbeing Board, NHS Integrated care partnership and other health and care partnerships."

Fact: SL leadership already undertake this, and officers sit on a range of boards and groups. The CEO has already forged positive and ensuring relationships with the NHS in a range of ways.

Evidence: The boards and bodies where SL is represented; partnerships with different health bodies.

- "c) There are clear opportunities for efficiencies and alignment between the work of PH&C and the libraries with PH&C leading on various topics and programmes (see below) including
 - 1. Creative health
 - 2. Mental Health and suicide prevention
 - 3. Physical health
 - 4. Works and health
 - 5. Children and young people
 - 6. Financial wellbeing/poverty."

Fact: SL already has a vast and impactful offer that covers off all the above, including roles to support this funded externally. SL has generated millions of pounds worth of project funding across 12 years while aligning with the different SCC teams to ensure the work has been impactful.

Evidence: The range of programmes on offer e.g. Menopause & Me, Move It, HAF, work with MAPS and so on.

"d) The leads for each of the above areas would work with the service to maximise programmes and create opportunities for health and wellbeing. They would be supported by our insightful and experienced library staff who could help to tailor the offer to each local community."

Fact: SL is already doing great work across all these areas and its officers have well established relationships with different SCC leads and, in many cases, have a seat on programme boards.

Evidence: The range of services that have grown across almost 13 years. SL has a commissioned mental health and wellbeing service, it has a creative health producer, and it has an externally funded children's team who provide impactful programmes. It also provides physical health activity and frontline teams provide support for financial wellbeing with help from a range of partnerships such as CAB, MAPS and so on.

75. Libraries as a community asset.

"The 45 libraries, mobile vehicles and their staff are key and unique assets in the heart of Suffolk's communities. The Council wants to strengthen core library service whilst building

upon the strength of libraries as public service access points. The Council will initially look specifically at the following areas:

a) Further, alignment of Family Hub Activities into library settings."

Fact: SL has a well-established partnership with Family Hubs which includes use of space. The ambitions of libraries and Family Hubs are already well aligned.

Evidence: Established partnership and join up of service such as use of space and baby weighing.

"b) Increasing the information, advice, and guidance available for people looking for Adult Social Care support and helping them stay independent and in their own homes for longer."

Fact: SL has an array of IAG available to customers in libraries and on <u>its website</u>, which is easily built upon. Library staff cannot currently give advice to people, particularly on matters of health importance, only signpost, so this is a misleading assertion.

Fact: <u>SL's website</u> and in-library offer.

"c) Quick and easy support in reporting community concerns such as potholes, overgrown verges, or blocked drains. To achieve this, a digital contact centre help point in libraries may be installed, alongside additional support for library staff."

Fact: This could have been offered before. SL has well established relationships with the District Councils with service points in libraries, so it has been well placed to help with this agenda.

Evidence: District Council service points in libraries.

"d) Boosting access to centrally digitally stored archives across Suffolk through digital archive search and viewing points in every library."

Fact: This could have been discussed with SL before. Senior officers at SL raised the potential of this during the closure of the Bury and Lowestoft Archives but it was never taken up by SCC.

Evidence: Joined up events with The Hold e.g. the upcoming book festival. SL has developed this relationship with Suffolk Archives over the years. Joined up access and service provision between SL and Suffolk Archives – such as shared licences and access to genealogical resources such as Ancestry and Find My Past.

"e) Bringing libraries back to the Council can also strengthen the Council's ability to engage with residents and understand community needs through front-line staff, who understand that not every community is the same and has different strengths and challenges."

Fact: Library staff under SL already understand communities well. The SL model allows for local decision making and devolved empowerment. This could be lost under SCC. In addition, SL has a customer experience framework which draws together all the ways it engages with communities and what the impacts are.

Evidence: Councils tend to have a more bureaucratic approach to decision making. The freedom to undertake innovative community engagement may be reduced.

"f) Where practical, libraries would also provide a place where public sector staff can work from and therefore better connect with local communities, whilst library staff teams can learn and work alongside one another."

Fact: A range of partners already drop down in public library spaces to work. Alongside this, there is extremely limited office space available for any SCC employee to work from.

Evidence: The building footprint.

76. Volunteering

"a) The library service provision currently has 1250 volunteers who regularly support initiatives that enhance the library offer and who help others to utilise the service. In addition, they advocate and fundraise for the service. The Council wants to put on record our thanks and admiration for them and the work they do. Volunteers are a tremendous asset to delivering wider benefits but also supporting community links and cohesion. Volunteering also delivers important health and wellbeing benefits for the individual who volunteers, ensuring a circle of good outcomes. The Council recognises this asset and is excited to champion the volunteering aspect of the service by working with existing volunteers."

Fact: Some volunteers have indicated that they will not continue to volunteer for SCC. With the service reliant on a 1,250 strong volunteer force, any significant reduction in volunteer numbers would have a detrimental impact on the library service.

Evidence: Direct feedback from SL volunteers. Evidence of the <u>impact of volunteering</u> is available from Social Value UK.

77. Friends' groups

"a) The Council recognises the importance of groups of community members who want to support library services by raising money locally and bringing their broader skills to contribute to the service. Over the years, these groups have provided much to the library service as a whole, and we wish to put on record our thanks for their unwavering support. PH&C intends to work closely with those who make up the various Friends of Library Groups to see how we can help them continue to expand on the work they have already achieved. We want to explore ways they can be better supported in their role, especially

things the Council can do to help them. We also want to include their thoughts and ideas on the broader library service beyond their local library."

Fact: Some friends' group volunteers have already said that they will not continue if the library service is taken back in house, as they do not wish their fundraising efforts to directly support SCC. There is also a deep feeling of anger and frustration amongst friends' groups at the manner in which SCC have approached this situation, directing criticism which they perceive as unfair and unjustified, at the organisation of which they are a member.

Evidence: Direct conversations with and feedback from friend's groups; recent street protests

78. Future Developments

"a. The Council will preserve and build on the status of libraries in Suffolk. It will seek local and national opportunities to secure greater funding for libraries. PH&C will use the Council's external funding team, which specialises in this area, alongside the dedicated libraries team in PH&C, which will support existing grant and funding applications."

Fact: SL already has a stellar track record for bidding for contracts and has in-house funding specialists with years of experience on the senior team.

Evidence: SL was in the first tranche of library services to secure NPO status, and it secures wellbeing funding with national bodies, children and young people's grants and so on.

"b. It will also ensure the Council gets Community Infrastructure Levy (CIL)/s106 funds from developers specifically for supporting library provision."

Fact: This already happens

Evidence: Ongoing developer funded capital works in libraries.

"c. It will examine ways to boost the sustainability of the library estate, using the existing environmental expertise and extensive knowledge of officers and property teams within the Council."

Q: SCC could have been doing this as they own the estate, as it is their asset.

"d. It will focus on enhancing libraries and developing them into public and community service centres. It will look to use libraries to reinforce public service provision across the county, working with other public sector partners like health and social care to build on the strong foundation of the core library service with a range of public services to support communities further."

Fact: Libraries already are public and community service centres.

Evidence: SL's vast range of services and partnerships.

Confidential information behind our concerns about Suffolk Libraries

"79. The Council has serious concerns about the financial sustainability and strategic direction of Suffolk Libraries IPS, which has directly led to the proposal to bring the service back in house. Much of the evidence on which the Council has based its position is commercially sensitive, by virtue of it being provided to the Council by Suffolk Libraries during the procurement and direct award processes. The information includes:

- financial details relating to Suffolk Libraries' last contract review
- the financial details included within its bid for the new contract, including headline Transfer of Undertakings (Protection of Employment) (TUPE) financial information
- a letter received by the Council about Suffolk Libraries financial position
- information provided by Suffolk Libraries regarding its proposed changes to libraries opening hours."

Fact: Of course, SL's ongoing financial sustainability is reliant on stable and sufficient funding from SCC to cover the cost of service and contract delivery. This is the first time SCC has said they have concerns over SL's strategic direction considering they are privy to all strategy documents, quarterly and annual reports and other updates to commissioners. If SCC were unhappy with the strategic direction, why did they give SL a provisional direct award of the contract in September 2024? The future pathway was clearly outlined in the tender response.

Evidence: Reports and strategies which are available on <u>SL's website</u>; SL's tender response documentation.

"80. The Council wishes to publish this information, so that residents can see for themselves what has led to the proposal to in house. Indeed, the Council has been challenged to be transparent. The Council has therefore written to Suffolk Libraries requesting its express permission to publish this information, however at the point of this Cabinet report being published, no agreement has been forthcoming."

Fact: This permission has been granted.

"81. If Suffolk Libraries agrees to our requests to publish the relevant information, an appendix to this report will be provided to councillors and published on our website prior to the meeting. If Suffolk Libraries does not agree, the information will be provided to councillors as a confidential part two paper. It is the Council's clear preference for full transparency."

Fact: SCC did not give SL enough time to respond to request prior to this paper being published. SL is very happy to show communities its finances and other relevant information as it has always been transparent.

Evidence: This permission has been granted.

Suffolk Libraries brings in significant extra funding, provides a huge range of services, costs less and avoids a huge £1.8M transition cost as this table shows.

25/26	Suffolk Libraries	SCC
Income	England, room hire, etc.	Current funding plus income generated from renting out rooms etc. Dependent on resources allocated for running this and future business development.
Library Service Costs	 Including: Increases to staff costs due to Minimum Wage and NI increase in 2025. Reduction in some central costs as planned 	#£260K (pension increases) #£540K Extra property rate costs -£560K Assumed max reduction in central support costs (the quality of the library offer will dramatically degrade without the level of management and admin support)
		-£44k volunteer support (will impact the service over time)

Deficit	£0.6M	£1.19M
Services	 Basic library service Arts programme Exercise classes Health and wellbeing activities Author programme Prison libraries 	Other service will be dependent on getting outside funding and retaining significant numbers of volunteers.
Future Opportunities	 Increased income from new prison libraries already agreed. Increased income and work with the NHS. Initial social prescribing hub trial funded. Income from getting investors/customers for Discover More 	Opportunities for extra funding dependent on business development
Transition	50	£1.8M cost in the first year
Costs		Rebranding of buildings, paperwork
		Create website
		TUPE staff, induction, redundancies, orientation and training
Alternative	If the £1.8M is spent with SL it would provide 5% uplift to cover the Minimum Wage and NI annually for 4 years. This would enable SL to continue to provide the current excellent service and retain opening hours/staffing.	