

## **REPORT OF THE SERVICE DIRECTOR, YOUTH, FAMILIES AND CULTURE**

### **LIBRARIES, ARTS, ARCHIVES, INFORMATION AND COMMUNITY LEARNING SERVICES: NEW OPERATING MODEL – PROGRESS UPDATE**

#### **Purpose of the Report**

1. To provide an update on progress on the development of an alternative operating model for cultural, learning and library services.

#### **Information and Advice**

2. The Libraries and Archives business case, approved by Full Council at its meeting on 27 February 2014, aims to retain a sustainable network of libraries and enable the County Council to fulfil its statutory and legal duties in relation to public libraries and archives.
3. In year 3 (2016/17) of the business case it was agreed to move the Service to an arm's length operating model to generate immediate savings (£400,000 per annum) from a reduction in business rates.
4. A report outlining the full business case for the development of an arm's length operating model was presented to Culture Committee at its meeting on 3 June 2014. A further update on progress was presented to Culture Committee at its meeting on 21 October 2014.
5. An award of support from the Mutualisation Support Programme (MSP), the Cabinet Office support programme, has been made providing legal, HR, governance, financial and set up support for the new organisation.
6. Members' workshops were held in December 2014 and January 2015. The first considered the legal form and governance of the new body and the second the scope and content of the service contract and specification.
7. Culture Committee at its meeting on 13 January 2015 approved the legal form of the arm's length organisation and its overall governance structure and a further report on 9 June 2015 approved the contract award process.
8. Since June significant progress has been made, with the 1 April 2016 target for go live of the new arrangements still achievable. Significant milestones include:
  - approved registration of the new Community Benefit Society with the Financial Conduct Authority in June 2015

- confirmation an extended range of services, including Instrumental Music Teaching, Youth Arts and Music Hub
- development of a detailed specification and contract between the new body and the County Council
- complete audit of all staff details and contracts to ensure the transfer of staff is accurate and complete
- all staff face to face briefings and workshops
- regular Trade Union engagement and consultation
- development and agreement of support service agreements
- public and stakeholder engagement, including an Inspire membership drive, resulting in over 10,000 people registering to be members of the society before Christmas
- contract and service specification agreed
- staff transfer and briefing meetings scheduled for January / February 2016
- design and implementation of finance and business support functions agreed and due to go live on 1 April 2016.

### **Other Options Considered**

9. Project planning developed during 2015, with many alternative options being considered during the process.

### **Reason/s for Recommendation/s**

10. To ensure Members are fully updated on the delivery of the agreed business case.

### **Statutory and Policy Implications**

11. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

### **Implications for Service Users**

12. The development of an alternative operating model will increase customer engagement. The Council will continue to decide the delivery model, standards and overall priorities of the services through its contract with the new body. A detailed process of stakeholder,

customer and community engagement will be required in the formation of the alternative operating arrangements.

### **Financial Implications**

13. The move to an alternative form of governance through the formation of an arm's length body will enable the service to make the proposed level of savings in 2016/2017.
14. Work is underway to establish and quantify the relevant set up costs. When this work has been completed a further report will be submitted. Any costs incurred in the meantime will be met from within existing resources where possible.
15. Increased access to grant funding will be facilitated once the service is not directly delivered by the County Council.

### **RECOMMENDATION/S**

- 1) That the update on progress on the development of an alternative operating model for cultural, learning and library services be noted

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### **Constitutional Comments**

16. As this report is for noting only, no constitutional comments are required.

### **Financial Comments (SS 21/12/15)**

17. The financial implications of this report are contained within paragraphs 13 to 15 above.

### **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Libraries and Archives Business Case B13 – report to Full Council on 27 February 2014

Libraries, Arts, Archives, Information and Community Learning Services: Future operating model - report to Culture Committee on 3 June 2014

Libraries, Arts, Archives, Information and Community Learning Services: Future operating model update on progress – report to Culture Committee on 21 October 2014

Libraries, Arts, Archives, Information and Community Learning Services: Future operating model - governance – report to Culture Committee 13 January 2015

Culture, Learning and Libraries Services – entering into legal agreements – report to Culture Committee on 9 June 2015

**Electoral Division(s) and Member(s) Affected**

All.

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