

Leicester
City Council

**WARDS AFFECTED
ALL WARDS (CORPORATE ISSUE)**

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Cabinet

4 August 2003

Joint Arrangement for Library Services for Education

Report of the Corporate Director of Education and Lifelong Learning

1. Purpose of the Report

- 1.1 This report presents options for Members to consider regarding the future of the Joint Arrangement with Leicestershire County Council Library Services for Education. The Cabinet is asked to decide which option provides the best way forward for city schools to best support their efforts to raise standards.

2. Summary

- 2.1 Library Services for Education is a schools library service provided and managed as a business unit within the County Council. Schools buy into the service using their delegated budgets. Under the Joint Arrangement a subsidy is paid from the City Council to Library Services for Education.
- 2.2 In 2001 a Best Value Review of the Joint Arrangement was carried out. The focus of the review was the direct subsidy paid from the City to the County. The main concern of the Best Value Review was the low take up by City primary schools and that the existing Joint Arrangement did not support the majority of City schools.
- 2.3 Following the Best Value Review, a Cabinet decision was made on 14th January 2002 to end the Joint Arrangement for Library Services for Education with the County Council. It was agreed that the proposed savings should be redirected to support the extension of Out of Schools Learning in libraries.
- 2.4 The required notice was given to end the Joint Arrangement. In October 2002 the County Council informed the City Council that they could not take the financial risk of trading with City schools without the

security of the Joint Arrangement subsidy. An agreement was reached between the City and the County that the agreement would be extended to September 2003 to enable a strategy to meet the changed circumstances to be put into place.

2.5 Following feedback from City schools in the Spring Term 2003 there was a clear indication of the high level of concern about the decision to end the Joint Arrangement. As a result of this response officers were asked to prepare options for consideration by the former Cabinet and subsequently the new Cabinet. The Leader of the Council and the Cabinet Link member for Education and Lifelong Learning asked officers to enter into discussions with the County Council on the reinstatement of an agreement.

2.6 The following options are therefore now available for Cabinet to consider, the implications of these options are set out in the supporting information:

OPTION 1: Support the Cabinet decision made in January 2002, following the Best Value Review, to end the Joint Arrangement.

OPTION 2: To renegotiate a new agreement with the County which would guarantee financing of a sum up to the cost of the current Joint Arrangement subsidy for up to 2-3 years to enable the County Council to make a transition towards a self funding service.

OPTION 3: To reinstate a Joint Arrangement with the same financial agreement from September 2003 to August 2007 with the City and the County working in partnership to address the performance management issues arising out of the Best Value Review.

2.7 The joint agreement is due to expire on August 31st 2003 members may wish to ensure a contract is finalized with Leicestershire County Council to maintain continuity of service to schools. Members may then wish to consider using the urgency procedure under Cabinet Procedure Rule 12d and resolve that no call-in of this decision be allowed. If so, the following resolution should be added:

“That no call-in may be made in respect of this decision in view of the urgent need to finalise the contract to maintain continuity of service to schools.”

2.8 At a meeting of the Education and Lifelong Learning Scrutiny Committee on June 24 2003 the Committee resolved that Cabinet be requested to consider:

(i) The provision of funding to cover the shortfall in Library Service budgets to meet the costs of Best Value savings made in 2002 and inflation on the costs of Joint Arrangement charges in 2002/3 and 2003/4.

- (ii) The provision of additional funding to meet the cost of out of school learning following the end of New Opportunities Funding of £34,000 in July 2003.

3. Recommendation

Cabinet is recommended to:

- (i) Consider the views of the Education and Lifelong Learning Scrutiny Committee as set out above.
- (ii) Consider the options and their financial implications and decide on the best way forward.

4. Headline Financial and Legal Implications

Financial implications

- 4.1. There is currently provision of £67,000 in the 2003/04 budget. The continuation of the LSE Joint Arrangement will require funding of £77,387. The shortfall of £10,387 will need to be found from within the existing library budget in 2003/04 and to be subject to a growth proposal with compensatory savings for funding in future years.
- 4.2. If the proposal is agreed the budget provision of £67,000 will no longer be available, as agreed by the Cabinet on 14 January 2002 to support the Out of School Learning Programme. Funding would have been available to support the New Opportunities Funded Programme which runs out in July 2003. this amounted to £34,000 in a full year. Additional funding of £20,000 will need to be met from within the Library budget in 2003/04. A growth bid of £34,000 will be submitted for 2004/05 with compensatory savings.
- 4.3. It had also been planned to use the remaining saving of £33,000 from terminating the Joint Arrangement to fund a city-wide extension of the programme to enable the City to meet the Government aim of providing access to Out of School Learning for all City children where they live. A growth bid of £33,000 will be submitted for 2004/05 with compensatory savings. (David Wilkin – Head of Education Finance)

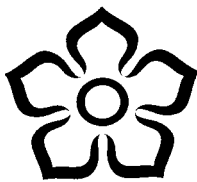
Legal implications

- 4.4. The legal issues arising from this report are dealt with in the main body of the report and the Supporting Information (Guy Goodman, Assistant Head of Legal Services - ext 7054).

Report Author/Officer to contact:

Patricia Flynn

Head of Libraries and Information Services. Tel: 0116 2527348



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Joint Arrangement for Library Services for Education

Report of the Corporate Director of Education and Lifelong Learning

SUPPORTING INFORMATION

1. Background to the Existing Joint Arrangement due to end on 31st August 2003

- 1.1.1 Library Services for Education is a schools library service provided and managed as a business unit within the County Council. The service exists to provide books advice and in service training to schools on the organisation, development and use of library resources in schools libraries. Schools buy into the service using their delegated budgets. The City Council does not provide such a service and since 1997 a Joint Arrangement has been in place between the County and the City to provide the service to schools in the City. Under the Joint Arrangement a subsidy is paid from the City Council to Library Services for Education, in addition to the payments made directly for services by individual schools, with their delegated budgets. In 2001/2 the subsidy was £72,647. This payment increases annually by the rate of inflation and in 2003/4 has risen to £77,387
- 1.1.2 In 2001 a Best Value of the Joint Arrangement was carried out. The focus of the review was the direct subsidy paid from the City to the County. A Best Value Review of the whole service was inappropriate because Library Services for Education is a County Council Service.
- 1.1.3 Following the Best Value Review, a Cabinet decision was made on 14th January 2002, to end the Joint Arrangement for Library Services for Education with the County Council. Cabinet approval was given for the following redirection of the budget as at 2001/02
- £5,000 contribution to corporate Best Value savings requirement
 - £67,000 to fund Out of Schools Learning in all City libraries
- 1.1.4 Out of Schools Learning is one of Central Government's priorities for Public Library Services. New Opportunities Funding has provided study support after school in 10 City libraries for 3 years and will end in July 2003. The redirected budget of £67,000 would be provided for high quality study support to City children from their local community library wherever they live. In 2002/3 12,000 children attended 8,000 sessions.

- 1.1.5 The main concern of the Best Value Review was the low take up by City primary schools. Although almost all secondary schools were subscribers to Library Services to Education, only 34% of the primary schools subscribed to the book loan services. Under the Joint Arrangement the City subsidy was paid to contribute to premises and books. Therefore a majority of primary schools were receiving no benefit from the Joint Arrangement subsidy and consequently subscribing schools were benefiting in an inequitable way from the additional money.
- 1.1.6 At the time of the Best Value Review it was clearly understood by the Best Value Director, and the review team that Library Services for Education would still trade with City schools. It was known that in 1999 the City's Education Department had withdrawn from a Joint Arrangement with LSE, and that Rutland had similarly ended their Joint Arrangement with the County. In both cases schools had continued to have access to Library Services for Education. County representatives on the review team did suggest that an increase in charges could result from the end of the subsidy and in 2002/3 schools were alerted by LSE to a potential increase of 10%.
- 1.1.7 The required one year's notice was given in April 2002 to end the Joint Arrangement. In October 2002 the County Council informed the City Council that it could not take the financial risk of trading with City schools without the security of the Joint Arrangement subsidy. The decision to end the Joint Arrangement remained in place but an agreement was reached between the City and the County in December 2002 that the agreement would be extended from April to September 2003 to enable an exit strategy to meet the changed circumstances to be put into place.

1.2 The Response of City Schools to the Proposal to end the Joint Agreement

- 1.2.1 Following feedback from City schools in the Spring Term 2003 there was a clear indication of the high level of concern about the decision to end the Joint Arrangement and the subsequent County Council decision not to trade without the arrangement being in place. As a result of this response, officers were asked to prepare options for consideration by the former Cabinet and the new Cabinet. The Leader of the Council and the Cabinet Link member for Education and Lifelong Learning asked officers to enter into discussions with the County Council on the reinstatement of an agreement which would enable City schools to continue to buy into Library Services for Education with their delegated budgets.

1.3 Potential 'Heads of Terms' for continuation of a Joint Agreement

- 1.3.1 Following officer discussions an agreement in principle was reached between the Corporate Director of Education and Lifelong Learning and the County Council Director of Community Services to the following potential 'Heads of Terms', subject to Cabinet approval:
- withdrawal of the termination notice
 - continuation of legal agreement to 31st March 2007.

- details of the service to be mutually agreed by the end of July 2003 but would not involve the County Council in any additional resource implications.

The proposal also covers the following agreed conditions:

- the overall cost of the Joint Arrangement of £77,387 in 2003/4 would be increased in subsequent years in line with the rate of inflation.
- the performance management arrangements would include the need for regular monitoring and evaluation of service take up by City schools to targets agreed by the partners.
- there would be at least quarterly meetings between LSE and representative from the City's Education and Lifelong Learning Department and schools to review performance and advise on strategic development of the Joint Arrangement.

1.4 Options for consideration by Cabinet

OPTION 1

Support the Cabinet decision made in January 2002, following the Best Value Review, to end the Joint Arrangement, make Best Value savings and redirect the remaining budget into Out of School Learning in Libraries.

Implications:

- (i) City schools will not be able to use Library Services for Education.
- (ii) The strong reaction of City schools which has taken place since February 2003 is likely to continue.
- (iii) Out of Schools Learning in Libraries would be delivered with the redirected resources through all City Community Libraries to achieve Government goals of providing children to access such services wherever they live.

OPTION 2

To renegotiate a new agreement with the County which would guarantee financing of a sum up to the cost of the current Joint Arrangement subsidy for up to 2-3 years to enable the County Council to make a transition towards a self funding service.

Implications:

- (i) The County Council has already said that it will not take the risk of trading with City schools without the Joint Arrangement subsidy and therefore it is unlikely to enter into any negotiations.
- (ii) City schools may not be able to use Library Services for Education from September 2003.

OPTION 3

To reinstate a Joint Arrangement as outlined in the potential 'Heads of Terms' from September 2003 to August 2007 with the City and the County working in partnership to address the performance management issues arising out of the Best Value Review.

Implications:

- (i) City Schools will be able to use Library Services for Education from September 2003.
- (ii) A partnership approach will seek to increase use of the service by City primary schools.
- (iii) The funding will not be available to redirect into Out of School Learning in Libraries.
- (iv) Additional funding will be required to sustain and extend the Out of School Learning and the shortfall between the budget available for the joint agreement and that required by the County Council.

1.5 Issues for Cabinet to consider in relation to the options available to them

1.5.1 We have now had a strong statement of demand by City schools for the continuation of the Joint Arrangement.

1.5.2 At the time of the Best Value Review in 2001 the review team was not made aware that the County Council would not provide services to City schools without the Joint Arrangement. This would have had an impact on the review process, the way in which schools were consulted and potentially the final recommendation. The information was not available until October 2002.

1.5.3 The potential heads of terms provide the framework for addressing key issues of concern which were raised in the Best Value Review, particularly the low number of primary schools subscribing to the service and the lack of equity in the use of the subsidy to benefit all City schools. The revised detail of an agreement with the County Council would therefore enable the issues raised by the Best Value Review to be addressed in the following ways to support raising standards in the City:

- (i) The terms will require the LSE to work with the City to increase take up of the LSE by primary schools. This will provide for more rigorous performance management and monitoring and evaluation of take up of the service by City schools against agreed targets.
- (ii) Specific action will be identified within the revised EDP to achieve improved performance of the Joint Arrangement for LSE. Education and Lifelong Learning Officers from Libraries and SED will enable and support the evaluation of the Joint Arrangement in the strategic context of raising standards
- (iii) Schools, LSE and the City Council will work together on a marketing strategy to raise awareness of the service and increase its uptake by

primary schools. Increasing uptake will give better value for money and reduce inequity.

- 1.5.4 The current joint agreement is due to expire on August 31st 2003. If service continuity is to be maintained arising from a Cabinet decision to reinstate the joint arrangement then a new agreement will need to be finalised in August. This would allow schools to use the service from the start of the new term. Members may wish to ensure a contract is finalized with Leicestershire County Council to maintain continuity of service to schools. Members may then wish to consider using the urgency procedure under Cabinet Procedure Rule 12d and resolve that no call-in of this decision be allowed. If so, the following resolution should be added:

“That no call-in may be made in respect of this decision in view of the urgent need to finalise the contract to maintain continuity of service to schools.”

1.6 Out of School Learning in public libraries

- 1.6.1 Government strategy for public libraries has identified Out of School Learning as a priority and aims for all children and young people to have access to such services from their community library.
- 1.6.2 New Opportunities Funding of £34,000 p.a. has provided high quality Out of School Learning in 10 City libraries for three years and ends in July 2003. In addition, there is support at a lower level provided by homework help assistants in a further 6 libraries which is mainstream funded and will continue.
- 1.6.3 This programme of study and homework support has been extremely successful, providing 1,440 sessions attended by 12,027 children in 2002/3, almost double the children attending in 2001/2 with only a 25% increase in the number of sessions. Details are shown in Tables A and B.
- 1.6.4 The redirected budget from LSE would have enabled provision to continue in the 10 libraries following the end of the external funding and also extended a higher level of study support to all other libraries in the City. Without the redirected budget from Library Services for Education, the current level of support will not be available from September 2003, following the end of the New Opportunities Funding in July 2003.
- 1.6.5 This will have a significant impact on local children who have been attending library sessions. In the short term, to meet the level of need in those libraries with particularly high numbers of children attending sessions, the Library Service is proposing to redirect budget of £10,000 to continue provision at St. Barnabas, Belgrave and Beaumont Leys from September 2003 to July 2004. Planned development of ICT, to provide for special needs, will be deferred to fund this. For proposed provision, from September 2003, see tables ‘C’ and ‘D’
- 1.6.6 To replace the provision in ten libraries shown in Table A requires funding of £34,000. A further £33,000 would be required to extend study support to all libraries in the City. This will be considered as part of the Department’s wider exit strategy for New Opportunities Funded study support and as part of the budget process for 2004/2005.

OUT OF SCHOOLS LEARNING IN LEICESTER PUBLIC LIBRARIES

STUDY HOMEWORK SUPPORT PROVISION TO JULY 2003

A. New Opportunities Fund: study support workers 2002/3

Library	Total number of sessions 2002/3	Total number attending 2002/3
Beaumont Leys	139	846
Belgrave	191	4,360
Evington	50	211
Fosse	72	531
Highfields	108	797
Knighton	70	360
New Parks	67	701
Rushey Mead	60	600
St. Barnabas	118	1,062
Westcotes	122	497

B. Mainstream library fund: homework help assistants 2002/3

Library	Total number of sessions 2002/3	Total number attending 2002/3
Aylestone	73	90
Braunstone Ave.	133	796
Humberstone	59	166
Netherhall	79	129
St. Matthews	59	353
Southfields	37	514

PROPOSED PROVISION FROM LIBRARIES MAINSTREAM BUDGET SEPTEMBER 2003 – JULY 2004

C. Study support workers

Library	Target number of sessions 2003/4	Target number attending 2003/4
Beaumont Leys	190	1,520
Belgrave	190	3,500
St. Barnabas	152	1,216

D. Homework help assistants

These will continue as for Table B above.

Attached at Appendix A is the Cabinet Report 14th January 2002, on Best Value Review of Libraries and Information Services

2. Financial Implications

2.1 These are set out in paragraph 4.1 of the Report and summarised in the table below.

Overview

	LSE Shortfall £	NOF Termination £	NOF Extension £	Total £
2003/04 Savings from within the Library budget (one-off)	10,387	20,000	-	30,387
2004/05 Growth bid (2003/04 prices)	10,387	34,000	33,000	77,387

3. Legal Implications

3.1 These are set out in paragraph 4.2 of the Report.

4. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References within this report
Raising Standards	Yes	2.5
Equal Opportunities	Yes	1.3, 1.5
Policy	Yes	Cabinet report
Sustainable and Environmental	No	
Crime and Disorder	no	
Human Rights Act	no	
Elderly/People on Low Income	no	

5. Background Papers – Local Government Act 1972

Final Best Value Report
of Library Services for Education

Cabinet, January 2002

6. Consultation

Education and Lifelong Learning Finance
Leicestershire County Council
Legal Services

7. **Report Author**
Patricia Flynn
Head of Libraries & Information Services
Tel: 0116 252 7348