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2020
Public Services Hub
at the RSA

Libraries in transition: are there creative alternatives?

Social Enterprise London and
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Libraries in transition: are there creative alternatives?

"...I know that across the country there are literally thousands of front line employees who can see how things can be done better but at the moment, with the existing constraints, they just can't get it done. Now this is going to change."

Rt. Hon Francis Maude, MP, August 2010ⁱ

"Leave the libraries alone. You don't know the value of what you're looking after. It is too precious to destroy."

Phillip Pullman, author, January 2011ⁱⁱ

Context

There is a need to reduce spending that places Britain's public services under more pressure than at any time in the last thirty years. In identifying savings, councils across the country are scrutinising the services they provide and often coming up with similar answers. As a result, certain services have become national tension points, used by the media as a barometer to compare the approach to budget reduction taken across local authorities. Arguably no service area has generated more tension or been used as a higher profile indicator of a council's approach to cutting spending than libraries.

This paper, developed by the 2020 Public Services Hub at the RSA and Social Enterprise London, is aimed at local government decision makers. It proposes an innovative, cost-effective approach to the creation of new structures to sustain and nourish Britain's libraries. This combines 2020's focus on how social value can best be delivered through improving the quality of the relationship between services and citizens with SEL's expertise and commercial experience in helping to establish and support social enterprises.

Strong, sustainable libraries are vital to rebuilding confidence, supporting cohesion and contributing to economic and social prosperity in Britain's communities. Yet in order to make this a reality, we must get beyond cuts versus the status quo and identify a creative new alternative. This paper outlines such an approach.

Exploring the alternatives

Evidence emerging from communities across the UK suggests that social enterprise delivery models present viable, cost effective options for the future of library services. They offer a solution to what is often characterised in public debate as two options: a traditional council-run facility or nothing at all. The argument supporting these options is broadly founded on the following principles:

- a library is an inherently non-commercial service that cannot generate sufficient revenue to sustain itself without core funding
- a library is a core and discrete council service, and should be delivered through the public sector
- if a council can or will no longer maintain the running of a library (for whatever reason) then there is little viable option other than for the library to close.

A social enterprise approach challenges this thinking, giving communities the power to develop sustainable library services, creating a new kind of community resource that can help rebuild confidence, encourage social cohesion and contribute to local growth and wellbeing. Too often in the past libraries have been perceived as being *in* communities but not *of* communities. For neighbourhood libraries to survive they must become much more central to the lives and needs of local people.

Creating new libraries

Social enterprises are businesses. However instead of making money for private shareholders they make profits in order to address social or environmental need. Because they exist for public benefit, social enterprises are often well placed to deliver public services, using the market to generate powerful social and environmental outcomes. Their successful development relies on the alchemy of passion, the existence of a market for the services they provide, the capacity to use their assets to innovate in order to achieve more and a recognition across the communities they serve that they are needed. The evidence provided by the debate over proposed closures across the UK demonstrates that libraries are ideal services for the development of social enterprise and we support moves by local authorities to explore how to make it happen.

Visionary individuals and a collective desire to effect real social or environmental change all play a part in driving social enterprise. At a time when public services are under pressure to reform, taking the opportunity to develop a new organisation that embodies these attributes can deliver extraordinary results.

Emerging evidence from organisations across the UK demonstrates that empowering community groups and staff to adopt a social enterprise approach to library services enables the creation of libraries that are not only lenders of books, but income-generating organisations, bases for training and skills development, hubs for community activity and gateways into public services. All of these things are what the government wants to see as part of its plans for a Big Society. To make this happen we must get creative and begin to re-imagine library services for the 21st century.

So what would a social enterprise library look like? One of the great strengths of social enterprise is that it is flexible, meaning that there are models to suit any form of desired

social impact. There are social enterprise-run libraries in the UK that operate as:

- companies limited by guarantee
- Industrial and Provident Societies
- Community Interest Companies, limited either by guarantee or by shares
- a more traditional trust model.

The various models for social enterprise-run libraries create alternative governance structures, liabilities and opportunities for investment, but all use the market in order to deliver the deepest possible social value for the communities they serve. (*For more information on social enterprise business models visit www.sel.org.uk.*)

Below are three case studies of libraries that have become social enterprises and reaped the rewards.

Wigan Leisure & Culture Trust

Wigan Leisure & Culture Trust (WLCT) was formed in 2003 as a charitable trust and social enterprise working on behalf of Wigan Council. It is sustained by a combination of external funding and income generation, including an annual grant from Wigan Council. The organisation operates a trading arm for services that are deemed not to be charitable, including the catering services at Haigh Hall, running leisure venues and providing grounds maintenance. The success of WLCT enabled it to recently win a contract to run Selby Leisure Services in North Yorkshire, running two leisure centres and Selby Park.

Under a social enterprise model, WLCT has been able to innovate in the delivery of library services, establish home library services and talking book services, run lifelong learning courses and partner with national learning programmes including LearnDirect.

However the organisation is not immune to the financial pressures affecting all libraries, and is currently consulting on a significant budget reduction, but as a social enterprise it has the structure and power to diversify and generate revenue from other sources.

More info: www.wlct.org



Prudhoe Library

Run by Prudhoe Community Trust, the library in Prudhoe is run as a social enterprise. It is currently undergoing a complete rebuild following a partnership between Northumberland County Council and a grant of £1.8 million from the Communitybuilders Fund. Generating revenue through venue hire, the library will be a shared community space. Prudhoe is a growing town and the partners recognise the increasing needs of community so the aim is to meet these by bringing a wide range of organisations together under one roof. This Civic and Community building will:

- strengthen the library service
- improve facilities in the centre of the town
- improve access to services
- increase partnership working

This will result in housing together Prudhoe's library services, Northumberland County Council's information services, Prudhoe Town Council, Prudhoe Community Partnership and Volunteer Centre Prudhoe.

By uniting services into one building, Prudhoe Community Trust is able to create service delivery efficiencies, form partnerships between providers and make full use of the building as a community asset.

More info: www.prudhoe.org

Chestnut Centre

Kirklees Library and Information Service works in partnership with Fresh Horizons, a social enterprise based in Deighton, Huddersfield, to provide library and information services in the Chestnut Centre.

The Centre opened in May 2005 featuring a nursery, community café, meeting space, IT suite, Kirklees Neighbourhood Housing (KNH), the police, six business units, employment support and family support workers.

A library and information centre was a natural extension to the Chestnut Centre's existing role, offering a library service, free internet access, free access to all council services, council payments and enquiries, help with completing council forms and a reporting facility for council services such as potholes and street lights.

The centre is run by Fresh Horizons, a social enterprise in which the staff are drawn from the local area and supported to develop, thereby improving their employability and supporting them to obtain other jobs. They also provide work experience for many local unemployed young people on a voluntary basis, again improving their employment skills and supporting them to find work.

More info: www.freshhorizons.org.uk

Giving community and staff groups the opportunity to run library services can create outstanding positive social and environmental impact, as well as achieving cost efficiencies in areas including the following.

Collaborative efficiencies

Library buildings are often public spaces at the heart of communities: on high streets, near schools, shops and work places, near train stations, places of worship, leisure and health centres. Could partnerships with neighbouring services generate income from the building, share costs and reduce overheads? Collaboration is one potential means to make library services more financially sustainable, as recent evidence from Northumberland - where fire stations have begun hosting Sure Start centres -

suggests.ⁱⁱⁱ

Jobs and training

Effective library services can give people the information and confidence to enter or re-enter training and employment. Public provision of jobs brokerage and training services are as likely to fall victim to cuts as other services. Could library buildings offer an opportunity to provide these services at lower cost and in collaboration with other services? One example here is Prudhoe Library, a social enterprise that has been developed into a community space and hub for training and council services.

Education services – homework clubs

We know that library buildings can offer a secure learning environment for young people

What does the public think?

A recent report by the Museums, Libraries and Archives (MLA) Council interviewed over 1,000 people to find out what the public want from libraries. They found that:

- the public value and trust the ‘public library’ brand, but awareness of what libraries have to offer is low, and there is a real need to motivate communities to use them
- the public associate libraries primarily with books and reading, with book stock and customer service the most important elements of their library experience
- different users want different things from their libraries, but they are valued as public spaces and can act as ‘social levellers’ and gateways to networks for the socially excluded.

Their findings demonstrate the challenge and the opportunities for libraries. They must remain a valuable and multi-dimensional public space, yet also maintain their core, traditional services. They must act as hubs for diverse communities, yet also develop ways to mobilise these populations to make better use of their services. And in the context of cuts and consolidation, they must maintain their good relationships with existing users while also re-evaluating the basis upon which they are run.

All this must take place in a context where the social value of libraries is both contested and in flux. MLA Chair Sir Andrew Motion has argued that ‘public libraries really do hold a special place in the nation’s hearts. Even people who rarely use libraries themselves see them as essential for others and for society as a whole’.¹ Nevertheless, less and less adults are using them. A recent *Times* article noted that ‘more than 60 per cent of adults don’t use libraries even once a year and overall usage has dropped by a third since 2005’.¹ Yet for children, libraries remain a vital educational resource - the Department for Culture, Media and Sport reported in 2010 that 77.9% of children aged between five and ten visited a library during the previous year.¹

and adults. But how often are links made with local schools, colleges and universities? Partnerships of this nature could be more financially sustainable and could include homework and after-school clubs, evening classes and book and electronic resource-sharing initiatives. A good example is provided by Wigan Leisure & Culture Trust, which has created new ways of working including home library and talking book services, running lifelong learning courses and partnering with national learning programmes including LearnDirect.

Health and well-being

A library service that provides the opportunity for members of the community to learn, train and relax in a warm and safe environment offers significant health and wellbeing benefits. A social enterprise model can enable direct partnerships to be formed with local health and social care service providers, making better use of the building, sharing resources and exposing citizens to socially valuable networks. A recent MLA report suggested that, although libraries offer a 'range and wide diversity of health and wellbeing activity', they currently find their potential strengths in this area difficult to articulate to health partners or the public.^{iv}

Commercial collaboration and multiple services

The central, prominent locations of many libraries create the potential for hosting customer services and tourism services, as well as operating as hubs for arts and cultural events including exhibitions, concerts, readings, comedy and recitals. Could libraries explore the potential for collaboration with local bookshops, private-sector organisations and individuals in the creative sector? Newcastle's new central City Library could point the way here, with 24-hour services, a popular café, exhibition space and meeting facilities.

Integrated public service delivery hubs

Could libraries be at the centre of integrated

approaches to public service delivery? One way of achieving cost efficiencies and improving delivery is to create single community or social enterprise organisations to deliver (library and other) services across more than one local authority area or service 'silo'. Huddersfield's Chestnut Centre - illustrates the potential here. It offers a library service, free internet access, free access to all council services, payments and enquiries, help with completing council forms and a reporting facility for council services such as potholes and street lights.

Online and remote services

We know that library users value choice of books and stock. Yet when budgets are cut, how can this be maintained? Online e-reading services and *Lovefilm*-type lending could provide part of the answer. In Lewisham, Bromley and Bexley, for example, readers can access e-books remotely via their library websites.^v The British Library is developing remote access and new reading and educational resource applications for smartphones. And websites such as Read It Swap It are offering collaborative book exchange services for members.

Create financial efficiencies

The social enterprise model allows staff and communities to take a proactive response to cuts, maintaining employment and removing often expensive layers of bureaucracy.

Furthermore, by innovating in the design of the service to, for example, create jobs and volunteering opportunities for unemployed local people, wider efficiencies are created through the numbers of people no longer claiming benefits. By creating commercial partnerships with the private and wider civil society sector, using the building for the delivery of other services and reducing costs through reviewing supply chains and stock control can all reduce cost. Social enterprise does not provide a magic solution in the need to reduce spending, but it does provide an



outstanding platform to create financial efficiency.

Social enterprises are structured to deliver outstanding returns in all these key areas, so in an era of reduced public spending, they are well placed to succeed.

Looking ahead

Implementing the type of ideas discussed above - in whatever the local circumstances – is about creating an outstanding new generation of libraries that sit at the heart of communities, rebuilding confidence, promoting cohesion and contributing to economic and social prosperity. There is a clear need to distribute information about the possibilities inherent in establishing social enterprise libraries to staff and community groups across the country as a matter of urgency.

Supporting communities and staff to innovate in the design of library services through the creation of social enterprise delivery models creates the opportunity for a new generation of income-generating, community-regenerating libraries. It's radical and exciting, let's make it happen.

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ⁱ www.cabinetoffice.gov.uk/news/francis-maude-launches-pathfinder-mutuals

ⁱⁱ falseeconomy.org.uk/blog/save-oxfordshire-libraries-speech-philip-pullman

ⁱⁱⁱ www.guardian.co.uk/public-leaders-network/2011/feb/24/collaboration-sees-sure-start-groups-run-from-fire-stations-in-north-east?CMP=twtd

^{iv} Hicks, D. *et al* (2010) *Public library activity in the areas of health and well-being* MLA, READ and LISU online at research.mla.gov.uk/evidence/download-publication.php?id=1490

^v *MLA (2010) 'What do the public want from libraries? A practitioner guide'*