

Brighton & Hove City Council

SFCR Committee

Agenda Item [Insert]

Subject: Libraries Fees and Charges 2024-25

Date of meeting: Thursday 25 January 2024

Report of: Rachel Sharpe

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Wards affected: All

For general release

1. Purpose of the report and policy context

- 1.1 The purpose of this report is to request the recommendation is approved, to delay increases in fees and charges for the Library Service to the second half of the financial year 2024-25.
- 1.2 As part of the budget setting process, Executive Directors are required to agree changes to fees and charges through relevant Policy Committee Meetings. The normal route for Libraries Fees and Charges would be via Equalities, Community Safety and Human Rights Committee. However, there is no committee meeting planned within the relevant timeframes. Therefore, the report is presented to SFCR Committee in view of the budget implications.

2. Recommendations

- 2.1 That Committee agrees to the Library Service not raising fees and charges in April 2024.
- 2.2 That Committee notes that additional income is forecast for 2024-25 from the Booklover retail offer at Jubilee Library, which would achieve the 3.5% increase in income expected without raising fees and charges for customer use of core library offers.

3. Context and background information

- 3.1 Most Library Service fees and charges are small amounts, covering fines for late returns, use of public printers etc. Previously, each year a selection of the charges were inflated to meet the corporate inflation target as a minimum, whilst others have been held. These increases have been based on comparisons with authorities who are in our comparator group and members of the SELMS consortium (South East Library Management System): East Sussex, West Sussex, Portsmouth, Southampton, Bournemouth, Southend and Medway.
- 3.2 Across the country, library income from fees and charges is decreasing, with growing recognition these are potentially detrimental to statutory service use and could have equalities impacts on our most vulnerable customers during the cost-of-living crisis. Many library services have removed overdue fines and not reinstated reservation charges post-pandemic.
- 3.3 In April 2023 a range of fees and charges were increased by 10% or more, some up to 44%. The average increase across all fees and charges (including those which didn't increase) was 6% (double the 3% corporate inflation rate). The expected increase in income from these rises has not been realised in 2023-24 due to decrease in demand and are now showing as a revenue budget pressure for the service. The only areas with an increase in income is room rental, which has shown some improvement due to the popularity of the Business and Intellectual Property Centre rooms, and the Booklover retail space at Jubilee Library.
- 3.4 A 3.5% increase in fees and charges has been set for BHCC services. This would equate to approximately £10,000 increase in income expectation for the Library Service for 2024-25. It is proposed the Library Service does not increase fees and charges in April 2024-25. The increase in expected income of the corporate inflation figure of 3.5% will be absorbed within the Libraries Revenue budget.
- 3.5 There will be a full refurbishment of the Jubilee Library conference rooms in 2024-25 and an associated review of pricing and promotion of the spaces to commercial clients. The Library Service has also applied for a substantial grant to repurpose some library areas as co-working spaces, with potential for income generation in 2025-26. Some of these changes are expected to impact income in 2024-25, dates to be confirmed.
- 3.6 With the changes listed above, it is forecast the Library Service will comfortably achieve the additional £10k needed to match the 3.5% inflationary increase, without needing to raise fees and charges for customers in April 2024.

4. Analysis and consideration of alternative options

- 4.1 Increasing all fees and charges across the Library Service would be unlikely to achieve the desired increase in income, as many previously popular charged services are already waning in popularity and an increase in charges would exacerbate this trend. For example, DVD, audiobook and CD loan charges have previously provided income for libraries; these are no longer in demand and an increase in charges would further impact demand.
- 4.2 BHCC Libraries charge for public PC use beyond the first free hour. Increasing charges or decreasing the free use time allocation could potentially have a detrimental effect on digitally excluded residents.

5. Community engagement and consultation

- 5.1 As part of the budget setting process the Executive Director for HNC has agreed these proposals. Councillors have been consulted through updates at the Equalities, Community Safety and Human Rights Committee briefing meetings.
- 5.2 The committee chair has been briefed on the contents of this report.
- 5.3 No community engagement has been conducted. Verbal feedback from customers of the service regarding the cost of living impact, the difficulty in paying fines and fees and more regular requests for payment plans and exemptions have been reported by Library Officers and Managers considered these verbal reports in preparation of these proposals.

6. Conclusion

- 6.1 The committee is requested to approve the recommendation that Libraries fees and charges are held at current levels for 2024-25 on the understanding that the corporate income increase of 3.5% will be met through increased use of meeting rooms and income from the retail offer.

7. Financial implications

- 7.1 As part of the budget setting process, Executive Directors are required to agree changes to fees and charges through relevant Committee Meetings. The management of fees and charges is fundamental both to the financial performance of the City Council and the achievement of the Council's corporate priorities. The council's Corporate Fees & Charges Policy requires that all fees and charges are reviewed at least annually and should normally be increased in line with the cost of providing the service to maintain income

in proportion to the net cost of service. The Corporate Fees & Charges Policy also stipulates that increases above or below an agreed 'corporate rate of inflation' should be approved by committee. However, it should be noted that the corporate rate of inflation (3.5% for 2024/25) is not a default rate of increase and is a financial planning assumption only, set early in the financial year, and should not therefore determine actual increases which should normally reflect current and projected inflationary cost pressures to ensure that income is maintained in proportion to expenditure.

- 7.2 The 2024/25 budget for Libraries Services assumes a 3.5% increase in income. As mentioned in the body of the report, an increase to the libraries fees and charges is unlikely to yield the desired 3.5% increase in income, as higher prices may reduce income even further as demand for these services is decreasing. Therefore the report recommends no increases to these fees at this time. However, the report outlines that the library service is planning to recover this income position through more room hire income and increased shop sales during 2024/25. There are also plans to refurbish the Jubilee Library during 2024/25 which is likely to yield more income as the year progresses although this is difficult to quantify at this time. Therefore, the 3.5% increase in the income target for the libraries can be met in this way and there will then be a full review of fees and charges later in the financial year.

Name of finance officer consulted: Monica Brooks Date consulted (12/01/2024)

8. Legal implications

- 8.1 The council needs to establish for each of the charges imposed both the power to levy charges of that type, and, where applicable, the power to set the charge at a particular level. In some cases the amount of the charges is set by Government. In other cases where a figure is not prescribed, for example the general power to charge for discretionary services under the Local Government Act 2003, the amount that can be charged is restricted to cost recovery. In some prescribed cases, legislation enables the Council to set charges at a commercial rate. In all cases the council must act reasonably and ensure that any statutory formalities which govern the particular charge are complied with.

Lawyer consulted: Elizabeth Culbert Date 190124

Name of lawyer consulted:

Date consulted (dd/mm/yy):

9. Equalities implications

- 9.1 Officers have considered, in consultation with council's equalities team, the equality implications of the proposal. As the recommendation is to delay the increase of fees and charges to library service users there are no equality implications arising from this report. However, it is noted that an EIA will need to be undertaken when the decision is taken to instigate a fee increase.

10. Sustainability implications

- 10.1 The [Brighton & Hove Sustainability Implications checklist for report writers](#) has been completed and there are no impacts on sustainability relating to this proposal.

