

REPORT TO: POLICY & RESOURCES COMMITTEE ON 2 MARCH 2010

SUBJECT: CAPITAL FUNDING: INTRODUCTION OF SELF SERVICE AT PRINCIPAL LIBRARIES

BY: DIRECTOR OF EDUCATIONAL SERVICES

1. REASON FOR REPORT

- 1.1 Committee is invited to approve a capital investment of £21,847 for the purchase of self service equipment at principal libraries to ensure future significant savings.
- 1.2 This report is submitted to Committee in terms of Section A(7) of the Council's Administrative Scheme relating to the Capital Plan.

2. RECOMMENDATION

- 2.1 **That Committee approves capital expenditure of £21,847 for the purchase of self service machines at principal libraries, thereby leading to estimated savings of £125,153 over a five year period as itemised in Appendix 1 to this report.**

3. BACKGROUND

- 3.1 At the meeting of the Moray Council held on 11 February members approved the Budget for 2010-2011 within which was a proposal to make annual revenue savings of £31,000 through the introduction of self service machines at Buckie, Elgin, Forres and Keith Libraries at a cost of approximately £22,000.
- 3.2 The benefits and business case for self service are set out in **Appendix 1** of this report. In summary staff savings can be made, while still releasing essential time to support library users and deliver council and service priorities. Agreed opening times can be maintained with reduced staffing levels at no detriment to the customer.
- 3.3 The cost of installing self service is detailed in Appendix 1 and amounts to £21,847. Annual recurring costs are £1,600 which are already contained in the libraries budget.
- 3.4 The cost of installing and running these systems for the initial five year period amounts to £29,847 and gives a net saving of £125,153. In years 6-10 the net saving over the 5 year period is £116,153.
- 3.5 Significant recurring savings through the sensible application of self service can thus be achieved for an initial capital investment of £21,847 with the outcomes supporting key council priorities. This is an appropriate "spend to save" initiative.

4. **SUMMARY OF IMPLICATIONS**

(a) Single Outcome Agreement/Service Improvement Plan

The introduction of self service and achieving of significant savings at no detriment to service quality supports Local Priority 10, National Outcome 15 and further supports the Designing Better Services agenda.

(b) Policy and Legal

Section 163(2) of the Local Government (Scotland) Act 1973 places a duty on local authorities to make adequate provision of libraries in their area. The use of self service is becoming increasingly prevalent in libraries across Scotland.

(c) Resources (Financial, Risks, Staffing and Property)

i. Financial

The financial implications of self service are set out in the report and in Appendix 1.

The capital costs of £21,847 require to be met from the capital plan.

ii. Risks

Should the council not implement this capital investment the revenue savings identified and agreed in the 2010-2011 budget would not be realised.

iii. Staffing

There would be a reduction in staffing levels, as agreed in the 2010-2011 budget, the costs amounting to £31,000. This is the equivalent of approximately 59 hours per week.

iv. Property

None

(d) Consultations

The Chief Financial Officer has been consulted and agrees with the recommendations within the report.

The Educational Services Senior Management Team has been consulted.

5. **CONCLUSION**

- 5.1 That Committee agrees to capital expenditure of £21,847 for the purchase of self service machines at principal libraries, thereby leading to estimated savings of £125,153 over a five year period.

Author of Report: Alistair Campbell, Libraries and Museums Manager

Background Papers: Budget Papers 2010-2011

Ref: DMD/JR/Reports/Policy & Resources Committee/2 March 2010/Capital Funding: Introduction of Self Service at Principal Libraries