

Evidence paper – Libraries and Leisure Services

Introduction

1. This Committee inquiry into library and leisure services is welcome as both libraries and leisure services are key, in different ways, to the health and well-being of our nation. However, it comes at a time of significant challenges for public services relating to a general squeeze on public spending following more than a decade of austerity, increased energy costs, and against a backdrop of a slow recovery from the impact of the Covid pandemic.
2. We recognise the critical role local government plays in delivering public services and the shared ambition we have for local government to be empowered to maximise the impact it has in the lives of citizens.
3. In recognition of this, the Welsh Government has increased core revenue funding and non-domestic rates to Local Authorities in 2023-24 to £5.5bn from £5.1bn in 2022-23 to spend on delivering key services. This equates to an increase of 7.9% or £403 million on a like-for-like basis compared to the current year. We recognise that given the ongoing levels of inflation this will still leave authorities facing difficult choices but it is nevertheless a significant increase building on a significant increase the previous year . No Authority receives less than an 6.5% increase.
4. The un-hypothecated capital funding provided to Local Authorities may also be used to support sports and social facilities by Local Authorities in this way if Authorities consider it is appropriate to do so. Funding is also provided through the Local Authority buildings capital grant introduced from 2023-2024 which may also benefit sports or cultural buildings within the Local Authority estate.

Library services

5. Libraries contribute to a variety of national and local government priorities including health and well-being, digital inclusion and education and learning. For example. the 'Living Well' initiative highlights the support that libraries can provide to support health and well-being. Recent campaigns have focussed on ageing well, support for parents, and promoting libraries as a place 'to connect'. The Reading Well scheme supports individuals to understand and manage their health and wellbeing using helpful reading. There are currently four reading schemes for dementia, mental health, for children and teens. The recommended books are available from all library services.
6. Libraries also provide free access to IT equipment and help for those who need assistance in using technology. Some libraries offer loans of iPads for users to use at home. We are also seeing the development of 'Makerspaces' in libraries which provide access to, for example, recording and editing equipment, 3-D printers, and craft equipment. They are intended to support the development of STEM skills and creativity.
7. Local libraries are also offering warm and welcoming spaces to support people through the current cost of living crisis. There is an emphasis on ensuring that everyone feels welcome to visit their local library. Many libraries are also offering hot drinks and snacks, activities and advice anyone in need.

8. Local authorities have a responsibility under the 1964 Public Libraries and Museums Act to provide a 'comprehensive and efficient' library service. Welsh Ministers have a responsibility to 'superintend' library service provision. This includes the statutory power to intervene and call a local inquiry when a library authority fails (or is suspected of failing) to provide the required service.
9. The provision of library services is monitored through the Welsh Public Library Standards (WPLS). The sixth Framework of standards expired in 2020 and it had been intended to extend the Framework for a further year (2020/21) to allow for a review and the development of a new framework. However, this work was disrupted by the pandemic.
10. More focussed data gathering exercises based on a reduced Framework 6 were undertaken in 2020/21 and 2021/22, which captured the work which libraries did to support communities during the pandemic. For 2022/23, libraries will return to reporting against the sixth framework. A revised Framework based on the 6th Framework will be in place for 2023/24 while a thorough going review of the WPLS is undertaken to inform the development of a seventh framework which is likely have a greater emphasis on demonstrating the impact of libraries.
11. Currently, eighteen local authorities provide public library services directly while four authorities deliver through a trust arrangement. Aneurin Leisure Trust (Blaenau Gwent), Well-Being@Merthyr (Merthyr Tydfil), and Aura Leisure and Libraries (Flintshire) deliver both leisure and library services and there are examples of joint working across the services. For example, Deeside Library in Flintshire is in the leisure centre, while Aneurin Leisure provides 'Sports Libraries' which offer a range of sporting equipment for loan from the library service. Awen Cultural Trust (Bridgend) is responsible for cultural services including libraries, but also supports two community libraries staffed and managed by Halo Trust which manages leisure services.
12. The provision of a library service is a statutory requirement. If a Trust were unable to continue with the provision of a service, an alternative arrangement would need to be put in place by the local authority. Any new arrangement would continue to be measured against the Welsh Public Library Standards to ensure the level of service provided met the needs of the local community and fulfilled the statutory requirements of the 1964 Public Libraries and Museums Act.
13. There is a trend for local authorities to deliver library services via community hubs. For example, most community hubs in Cardiff include a library along with housing and benefits advice, money advice, advice on job seeking, learning opportunities and a community space. Evidence indicates that this has increased the use of services, reduced costs and contributes to the resilience of services.
14. Other developments have seen the co-location of libraries services with other cultural services to encourage use and sustainability. For example, Conwy

Cultural Hub is the joint facility for a library, archive service and museum. Y Gaer in Brecon is both a library, museum and gallery, and The Riverside in Haverfordwest houses a library, art gallery and information centre. Each of these projects has benefitted from funding via the Welsh Government's Capital Transformation Fund.

15. The move towards a hub model and the co-location of cultural services in the examples cited above has increased the sustainability of individual libraries and may have prevented the closure of services in some instances. Local authorities can apply to the Welsh Government's Transformation Fund for museums, archives and libraries to support the refurbishment of local libraries, or to facilitate a move to a hub model.
16. There are also a growing number of community libraries in Wales where the community has taken responsibility for a local library. Some are delivered in partnership with the local authority, while others are entirely independent. They depend heavily on the commitment of volunteers. They provide valuable community spaces in addition to a library service. The Welsh Government supported community libraries through the Cultural Recovery Fund, and more recently provided support to meet increasing utility and other running costs.
17. Library service use has not yet recovered fully from the impact of the pandemic. The number of physical visits and loans of books and other resources have yet to return to pre-pandemic levels. The pace of recovery is uneven and the reasons for the pattern of use across Wales are hard to determine.
18. However, the pandemic saw a huge rise in the number of users accessing e-resources and it is anticipated that the demand for digital content (e-books, e-magazines, newspapers, and other on-line reference sources) will continue to rise. The Welsh Government provides support for the acquisition of content for the National Digital Library Service (NDLS) but, local authorities also need to provide funding for resources, and to develop and maintain the infrastructure which underpins the digital service alongside the traditional physical sites and resources. In a difficult financial climate this is challenging.
19. There is a strong commitment to collaborative working across Welsh libraries. 20 services currently share a library management system which has delivered efficiency savings and promoted joint working. There are plans in place to re-procure a new library management system (which may include all 22 authorities) in the coming year. This is an excellent example of services working together to deliver savings, and to share knowledge and experience.

Leisure services

20. Our leisure services – leisure centres, swimming pools and areas of outdoor recreation – are vital to the health and wellbeing of our nation and are often the heartbeat of our communities.

21. However, recent surveys have reported the leisure industry is facing significant challenges relating to energy costs and cost of living increases, against a backdrop of slow recovery from the impacts of the pandemic. Less disposable income means people are also having to tighten belts and spend less on leisure activities. Increased living costs are also impacting on the recruitment and retention of staff and volunteers, as people struggle to afford travel costs and child-care, or opt for better paid work. In some instances, the combined result of these challenges is reduced programmes of activity across Wales. Significant increases in supply chain costs, particularly in relation to materials and labour, are also impacting on capital projects and maintenance work.
22. In October 2022, the Local Government Association in England reported energy costs for public leisure services had increased from around 10-15% of turnover in 2019, to 25-30% of turnover in 2023-24. Inevitably, parallels can be drawn in Wales. Two Leisure Trusts, who operate services on behalf of Local Authorities in Wales have reported increases in energy costs of up to £1m per Local Authority contract they deliver.
23. The leisure sector faces significant challenges in meeting the escalating revenue costs of energy, chemicals and utilities, alongside the negative impact on revenue streams due to cost-of-living increases. However, most of the swimming pool infrastructure is ageing, having been built in the 1970s and 1980s, and they generate even higher running costs and are increasingly more difficult to sustain.
24. There is concern within the sport and leisure sector that these challenges, set against a challenging funding environment for Local Government, may result in a reduction or rationalisation of services over the coming years. For instance, the Welsh Sports Association reported operators of swimming pools were reducing water temperatures to save money. Swim Wales estimate a possible reduction of 150,000 active adults and children across Wales over next 18 months due to the current financial challenges pool operators are facing. My officials will continue to monitor the situation with local authority partners and stakeholders, such as Swim Wales and WSA, as it evolves.
25. Under the Local Government Act, leisure services are not protected as a statutory service in the same way as library services. There are also a variety of arrangements for the provision of leisure services in Local Authority areas across Wales: eight Local Authorities deliver in house; two deliver through a Local Authority owned trading company; ten use the Charitable Trust Model; one uses a private provider; the final one is in the process of bringing these services back in house.
26. There are also several facilities that had been operated by Local Authorities that have been turned over to single site operators, largely since 2010. These individual sites in the majority are not contracted by the Local Authority to deliver a service and have often taken on a Community Asset transfer of a capital asset. Examples include Llandysul, Harlech and Wrexham Plas Madoc. It is generally felt that these are the most at risk venues as they are not protected by contracts and do not have a financial backstop in the shape of Local Authority backing or the ability to “return the keys” to the Local Authority.

27. Community Leisure Wales data suggests leisure operators have already made investments in energy efficient systems where they can. However, nearly two thirds of the leisure estate is ageing and past its replacement date and with the current financial pressures, leisure trusts are unable to invest further in decarbonisation and facility refurbishment.
28. While local authority leisure centres and swimming pools face ongoing revenue challenges, the lack of capital investment is a more pressing issue, particularly in the context of the Welsh Government's commitment to achieving a zero-carbon economy and a green transformation to address the climate and nature emergency.
29. Local Authorities and other public sector organisations can access technical and financial support from the Welsh Government's Energy Service, to improve the energy efficiency of their swimming pools and leisure centres (including those managed by leisure trusts), helping to reduce carbon emissions. The financial support comprises of zero interest loans from the Wales Funding Programme. The zero interest loans are available for improvements as part of large retrofit programmes of work, or smaller energy efficiency projects. These include measures to reduce heating costs by making buildings more heat efficient, LED lighting upgrades, and renewable projects such as installing rooftop solar panels.
30. The Welsh Government, and other organisations in the leisure sector called on the UK Government for leisure centres and pools to be include in the higher energy relief scheme. In March there was an UK Government announcement of a specific support package of £63m for leisure centres and swimming pools and the Welsh Government is currently considering the potential use of the c£3.5m consequential funding that will be received recognising the significant funding already provided to Local Authorities and wider funding available to the sector. It must also be noted that it is an important principle of devolution that consequential funding is not ringfenced for similar purposes in devolved governments. Welsh Ministers are continuing to assess and consider where the greatest impact will be when making funding decisions in line with Welsh circumstances and priorities in the context of the range of identified pressures, including active discussions on pay and mitigating the cost-of-living crisis that we continue to face.
31. The Welsh Government continues to provide funding, through Sport Wales, for local authorities to offer free swimming to children and young people aged 16 and under and 60+. The scheme provides a free splash session every weekend in every pool and two additional sessions in the summer holidays. The funding for the Free-Swimming Initiative in 2023-24 is £1.5m.
32. Local authorities provide targeted support to encourage young people and 60+ from areas of deprivation to participate in the Free-Swimming scheme - to have fun, learn a life skill and to enjoy the physical and mental wellbeing benefits of an active lifestyle.

33. Throughout 2022-23 there have been a variety of offers to make swimming fun and engaging to a broader audience, including the upskilling of staff and making small changes to pool areas. Some predominantly rural Local Authorities have attempted to tackle rural deprivation, seeking to understand the barriers to swim participation and working with customers to overcome these. Other Local authorities have partnered with food banks, housing associations and social services to develop voucher schemes and deliver targeted swimming sessions, and lessons for those who live in areas of deprivation.
34. The Armed Forces Free Swimming Scheme (AFFS) was launched in February 2016, offering free swimming to both veterans and serving members of the Armed Forces. The AFFS represents the continued commitment to provide the Armed Forces community with access to services which meet their specific needs and recognise the service they have given to their country. The scheme was introduced as an extension of the Package of Support for the Armed Forces and Veterans and complements other practical measures local authorities have in place to support the Armed Forces community. We will continue the Armed Forces Free Swimming over the next three Financial Years (2022-25) with an annual revenue budget of £45,000.
35. The Welsh Government has also committed £16m in capital funding over the next two years to Sport Wales to develop facilities across Wales, which includes helping upgrade sport facilities with energy saving measures. Though, through working with partners across the sector, local authorities and education we are ensuring we maximise the investment into sports and leisure facilities.
36. Leisure services and participation in physical activity plays a fundamental role in supporting the health and wellbeing of Wales and thus indirectly supporting the economy by reducing healthcare costs due to a healthier population and reducing crime. The importance of leisure centres and pools in this regard in communities is significant and improving access to and participation in sport and physical activity is a key priority for this Government.

Conclusion

37. Local government plays a critical role in delivering public services – such as libraries and leisure services - to communities throughout Wales and are key to the health and well-being of our citizens. The challenges we face now, and have faced for several years, through a real term decreasing financial settlement from the UK Government means we have to work together even closer in delivering our shared ambitions.