



## **Libraries Connected: Commercial principles**

**February 2019**

### **Purpose**

This document outlines the principles that Libraries Connected will use to guide its decision making in developing commercial partnerships and securing specific commercial opportunities.

The principles will ensure that the commercial activities of Libraries Connected are good for the organisation, good for libraries and – most importantly - good for users. The principles will ensure that our commercial strategy is informed by a range of concerns – including ethical and professional principles, and not driven purely by financial considerations. This will ensure that we develop a commercial strategy that is sustainable over the long term.

### **Context**

Libraries have strong ambitions to deliver high quality and innovative services to meet the changing needs of their users. At a time of financial constraint in public sector funding, this means that libraries need to develop a more resilient and diverse funding base – including through income generation.

Furthermore, the ongoing implementation of the Government Digital Strategy means that an increasing range of government services and processes are being moved online, underpinned by an 'assisted digital' strategy to support equality of access.

Libraries are recognised by government and an increasing number of commercial suppliers as being unique in providing a network of local and accessible venues, with staff trained to support online access. This means libraries are uniquely placed to help deliver access to government digital services as part of their traditional core offer of supporting equitable access to information, including as a gateway to local and central government services.

If libraries do not get involved in delivering of these services, there is a risk that other providers will. This could drive libraries to the margins and also provide an inferior service to users compared with a service provided through libraries.

Using a clear set of commercial principles means we can align potentially conflicting objectives of access to government digital services, income generation and the core role of modern libraries. Ultimately, this will provide an improved offer to the public and help position libraries as essential to government.



## Principles

### 1. Strategic foundations

Any commercial partnership or project must comply with the ethical principles of the library sector; and meet the primary objectives of Libraries Connected on behalf of the sector.

Ultimately, this means delivering an improved service to the public around our traditional role of providing equitable access to information.

#### 1.1 Ethical principles

All partnerships and projects should allow that participating libraries and library staff can comply with CILIP's ethical framework.

In this context, CILIP's ethical framework should be seen as an enabler as much as a constraint – as it embodies the need to provide equitable access to information and the best service possible within available resources.

#### 1.2 Strategic objectives of Libraries Connected

The vision of Libraries Connected is an inclusive, modern, sustainable and high-quality public library service at the heart of every community in the UK. We believe modern public libraries should be the cornerstone of the community and should deliver a diverse spectrum of local needs around information, learning, literacy, employment and digital skills, health, culture and leisure.

As a sector support membership organisation, our mission is to work in the sector, for the sector to:

- **Represent** the public library sector nationally, regionally and locally and to communicate the value of libraries to decision makers and to a limited extent to the general public
- **Connect** partners to local libraries, by brokering national partnerships with a wide range of partners around the delivery of services and for the attraction of funds, by working together and making optimal use of resources
- **Improve** the provision of local library services by developing and disseminating standards of best practice, provide training and development for library staff and facilitating a network of library leaders across the UK
- **Drive** innovation and new thinking around the important role of libraries in a modern society.



## **2. Resourcing and sustainability**

We need to develop a coherent and sustainable commercial strategy where we can grow opportunities to the benefit of libraries and their users. All potential commercial partnerships and projects must have a positive impact on the resources of Libraries Connected and participating libraries.

### **2.1 Impact analysis**

The impact on Libraries Connected and participating libraries must be carefully assessed, to inform project planning of any resources needed to deliver the project. This may include the need for additional staff and equipment or focusing on reassigning existing staff and resources. In the latter case, the impact of reassigning resources must be assessed, in case these need backfilling.

### **2.2 Cashflow**

Libraries Connected is a small charity with a tight cash flow, and many libraries are in a similar position. Wherever possible, we will ensure commercial agreements cover set-up costs and project management costs in line with our cash flow; and include appropriate charges to cover overheads.

### **2.3 Overheads and other costs**

Project assessment and planning must take full account of overhead costs and other charges including tax and VAT, where relevant.

### **2.4 Sustainability**

Our intention is to develop a sustainable commercial strategy. All potential partnerships and projects must be given full consideration on sustainability and development, including whether they may lead to further opportunities or whether they could close down some avenues.

## **3. Contractual issues and legal compliance**

As a charity and recipient of public funding, we must have processes that are accountable and auditable, as well as providing best value for money.

### **3.1 Charity trading regulations**

All projects must comply with charity and tax regulations on primary purpose and non-primary purpose trading. In most cases, we will seek opportunities that will fulfil our objectives as a charity (i.e. will qualify as primary purpose trading).

### **3.2 Auditing and transparency**

Programme management and financial systems will be fully auditable to provide



transparency to our members and funders (while being aware of commercial confidentiality).

### **3.3 Governance**

Key decisions on whether to secure a commercial partnership or project will be taken to the Board of Advisory Committee for approval, with appropriate reporting to these bodies throughout the project.

### **3.4 Legal compliance**

All projects will be compliant with relevant legal frameworks, including information regulations such as GDPR and FOI.

### **3.5 Contracting**

Where necessary specialist legal advice will be sought to ensure that contractual terms with any partners or clients are fair and protect the interests of Libraries Connected and any participating libraries.

## **4. Stakeholder management and reputation**

As a membership body representing the library sector, we need to develop a strong reputation and positive external profile. All partnerships and projects must help develop our profile and that of libraries.

### **4.1 Consultation**

Where relevant, we will consult with members, library services and other library bodies before securing specific partnerships and contracts.

### **4.2 Communications**

Clear communications and stakeholder plans will be developed at the outset of each project, in partnership with our project partners, commissioning clients and all participating libraries. This will ensure streamlined, coherent and coordinated communications throughout each project.

Furthermore, the communications planning will ensure that the impact of libraries' work is fully reflected in project communications, including communications by our project partners back to central government.

### **4.3 Reputational risk management**

Careful consideration will be given to reputational risks before securing any partnerships or projects. This will include analysis of potential partners' track records, and the political impacts (locally and nationally) of projects.



#### 4.4 National and regional impacts

Due consideration will be given to the impacts of projects in different regions of England, and in Wales, Scotland and Northern Ireland. This will include identifying the need to work with relevant sector partners in Scotland, Wales and Northern Ireland and ensure they are involved from the outset.