

Mayor and Councillors
COUNCIL

4 SEPTEMBER 2014

Meeting Status: **Public**

Purpose of Report: For Decision

REVIEW OF NON-RATEPAYER MEMBERSHIP FEE FOR KĀPITI COAST DISTRICT LIBRARIES

PURPOSE OF REPORT

- 1 This report seeks the Council's approval to change the non-ratepayers membership fee for library services which was set in the Annual Plan for 2014/15.

SIGNIFICANCE OF DECISION

- 2 This report does not trigger the Council's Significance Policy.

BACKGROUND

- 3 Library services on the Kāpiti Coast are 95% public funded by Kāpiti Coast District Council rates and 5% privately funded by library fees and charges. The non-ratepayers membership fee for Kāpiti Coast District Libraries was introduced in 2014/15. The intention is to enable non-ratepayers to use the services and contribute to the cost at a level which is similar to the contribution Kāpiti Coast residents make each year. (Net cost as at 30 June 2014 has \$2.4 million spread across approximately 20,000 households).
- 4 The membership fee of \$120 is consistent with other SMART Libraries in Porirua, Masterton and Hutt City, and Wellington City Library (\$100) and Palmerston North City Library (\$120).
- 5 When people join Kāpiti Coast District Libraries they are issued with a SMART library card. This entitles them to free reservations and free use of over 500,000 library items in Lower Hutt, Masterton, Porirua, and WelTec and Whitireia Polytechnics.
- 6 Feedback from the community also brought to light a reciprocal arrangement with Horowhenua Libraries that had been in place for 25 years. This allowed free access to all library services at Kāpiti Coast District Libraries for Horowhenua residents.
- 7 After community concerns regarding the non-ratepayer membership fee, implementation was put on hold until a review of the decision could be undertaken.

CONSIDERATIONS

Issues

- 8 People were concerned that a \$120 charge per annum, per household, would disadvantage people that lived close to Kāpiti, but do not pay rates to the Kāpiti Coast District Council.
- 9 Feedback from the community also brought to light a reciprocal arrangement with Horowhenua Libraries that had been in place for 25 years. This allowed free access to all library services at Kāpiti Coast District Libraries for Horowhenua residents. This was not an issue previous to the change in membership policy, as library services were free for everyone.
- 10 Staff cannot find any written documentation of this reciprocal arrangement and no staff at Kāpiti were aware of its existence. This arrangement has never been authorised by the Council.
- 11 Horowhenua Trust Libraries cannot provide any data on the number of Kāpiti residents currently using this reciprocal arrangement.
- 12 The table below shows the current number of non-ratepayer members with Kāpiti Library cards.

| | | |
|---|----|----|
| Horowhenua residents: | | |
| Levin | 57 | |
| Manakau, Ohau, Waikawa Beach | 23 | |
| Total | | 80 |
| Wellington residents | | 26 |
| People with residential addresses outside the Horowhenua and Wellington areas | | 24 |

- 13 Some of the library customers (above) who have residential addresses outside the Kāpiti Coast, may pay rates to the Council through other property ownership based on the Kāpiti Coast.
- 14 The following table is an estimation of the potential revenue from non-ratepayers per annum if the new membership fee is implemented.

| | | |
|--|----|----------|
| Horowhenua residents | 80 | \$9,600 |
| Wellington residents | 26 | \$3,120 |
| People with residential addresses outside of Horowhenua and Wellington areas | 24 | \$2,880 |
| Total income received if all current customers with non-ratepayer addresses joined for 12 months | | \$15,600 |

- 15 The following table summarises non-ratepayer membership policies in place from Palmerston North to Wellington.

| | |
|-----------------------------------|--|
| Palmerston North City Libraries | Non-Ratepayers: \$60 for six months or \$120 per annum or \$2 fee per item borrowed. |
| Horowhenua Library | Non-Ratepayers: \$20 per annum. |
| Porirua Libraries (SMART Library) | Non-Ratepayers: \$120 per annum which can be paid in instalments, or \$2 fee per item borrowed. |
| Masterton Library (SMART Library) | Non-Ratepayers: \$120 per annum, which can be paid in \$20 instalments every two months. |
| Upper Hutt City Libraries | No membership fee. |
| Hutt Libraries (SMART Library) | Non-Ratepayers: \$120 per annum or \$2 fee per item borrowed. |
| Wellington City Libraries | Anyone living, working or being educated (up to the age of 18 years) in Wellington is able to join Wellington Libraries at no charge. Anyone who does not meet these criteria can either join as a subscription member (\$100 per annum) or pay a \$2 fee per item issued. |

Options.

Option One:

- 16 Revise the membership policy, whereby anyone living, working, owning property or being educated on the Kāpiti Coast is able to join Kāpiti Libraries at no charge. Anyone who does not meet these criteria can either join as a subscription member (\$60 for six months or \$120 per annum per household), or pay \$2 per item issued.

Advantages:

- This option enables people who do not borrow many items, with a cost effective alternative to paying the full membership fee.
- Provides revenue based on a fee that reflects the average cost per household of library services on the Kāpiti Coast.
- This would be consistent with other SMART library policies and practices.

Disadvantages:

- Customers who do not meet the criteria for this option would pay a membership fee or per item charge.

Option Two:

This is the preferred option

- 17 Revise the membership policy, whereby anyone living, working, owning property or being educated on the Kāpiti Coast is able to join Kāpiti Libraries at no charge. Horowhenua residents would be entitled to free access to Kāpiti Coast District Libraries on proof of address. Anyone who does not meet these criteria can either join as a subscription member (\$60 for six months or \$120 per annum per household), or pay \$2 per item issued.

Advantages:

- Provides people living at the northern end of our district with free library services. (Note: this is an advantage to the user, not to the Council).
- Provides revenue based on a fee that reflects the average cost per household of library services on the Kāpiti Coast.

Disadvantages:

- None identified.

Option Three:

18 Provide free membership to Kāpiti Coast District Libraries for everyone. Membership would be only for access to the Kāpiti Coast collection, not to the SMART Collection, if borrowers do not meet free membership criteria.

Advantages:

- Provides free membership to Kāpiti Coast District Libraries for everyone, regardless of where they live.
- Would address membership concerns from people living north of Ōtaki.

Disadvantages:

- This option differs with other SMART library membership policies. In other SMART Libraries, if a member of the public does not pay rates, live, work or is educated in a SMART city/district, they pay a membership fee to use library services and resources.
- This option excludes the use of other SMART library resources for people who do not meet free membership criteria.

Financial Considerations

19 The recommended option (Option two) is expected to have limited impact due to the small number of people likely to have paid the membership fee of \$120 per annum.

Legal Considerations

20 If the recommended action is approved, investigation will need to be undertaken of what it means to not introduce a fee set by the Annual Plan process.

Delegation

21 The Council has the authority to make this decision.

Consultation

22 No formal consultation has been conducted, however feedback was received from the community via social media. Concerns were also raised on behalf of the community by the Ōtaki Community Board.

Policy Implications

23 If the current fee is removed, the Membership Policy for Kāpiti Coast District Libraries will be changed.

Tāngata Whenua Considerations

24 There are no issues for consideration relating to iwi or Treaty of Waitangi issues.

Publicity Considerations

25 A media release will be prepared after the meeting.

RECOMMENDATION

26 That the Council amends the Kāpiti Coast District Libraries Membership Policy to provide free membership to anyone living, working, owning property or being educated on the Kāpiti Coast as defined in option two of this report CS-14-1289.

Report prepared by:

Approved for submission by:

Leeann Morgan

Tamsin Evans

District Libraries and Arts Manager

Group Manager: Community Services

Approved for submission by:

Sharon Foss

Acting Group Manager Regulatory Services