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From the Minister for the Arts

C87/851

The Rt Hon the Lord Whitelaw CH MC resident of the Council run for the Counci

E(LF) MEETING ON 26 FEBRUARY: REVIEW OF LOCAL AUTHORITY FEES AND CHARGES

I see from E(LF)(87)5 that Nicholas Ridley wants to reopen the question of wider charging powers for public libraries services (paragraph 10 of the Paper).

This issue was thoroughly discussed by the Review Group and it agreed to accept my proposals (Annex G(i) paragraphs 26-28 of the Report) to move towards charging for specialised and premium library services, while retaining the free basic library services for the general public. What is already proposed in the Report goes a considerable way towards loosening the constraints on library authorities' abilities to charge, for example for a premium loan service. Nicholas Ridley's proposals, however, go very much further. They would allow local authorities discretion to charge for basic library services. These proposals could be very damaging to us at a politically sensitive time, and would undoubtedly meet stiff resistance from the public and from the library profession.

Only small benefits are likely to arise from such a move to balance against these substantial political risks. The scale of

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income arising from charging for basic services is unlikely to make it worthwhile. There would be great pressure for exemptions for students and senior citizens (the main users of the library service) and possibly the unemployed, with all the scope for evasion that would inevitably arise. On the evidence available, it is quite likely that half the existing users of libraries would have to be exempted. It is also likely that many authorities would not take up the discretion given them to charge at all.

Any system of charging for basic services would have serious implications for the library service and its users. It would produce a conflict for library authorities between on the one hand maximising income, and on the other meeting their statutory duty to provide a "comprehensive and efficient service". For instance, library authorities which introduced charges might feel the need to contract reference services in favour of revenue-raising services such as popular pulp fiction. We would then need to recast the stated objectives of the service by fundamental amendment of the Public Libraries and Museums Act 1964, which imposes duties on me to ensure that a comprehensive national library service is maintained.

Although apparently more attractive than mandatory charges, the proposal to introduce discretionary charges is actually the least satisfactory course of all. It seems a recipe for maximum political damage in return for minimum saving in public expenditure. All the blame would fall on the Government: first, initial hostility to what would be described as a licence to destroy our comprehensive national library service, and thereafter a renewed and vigorous campaign against us every time a particular local authority proposed to implement a charging regime. I am therefore opposed to any proposals to charge for basic library services.

If my colleagues want to go further than the Review Group's proposal for charging for specialised and premium library services, I think it would be more profitable to take a wider look at library and information services and the possibility of engaging the private sector more fully in providing them. This would involve an examination of the scope for privatization, more contracting out of services by library authorities, the future of the Net Book Agreement and the future impact of rapid technological developments which are changing both the means of distributing and storing information and the economics of doing so. It would also cover the scope for concentrating public sector resources on the basic services – namely supplying books to individuals – while leaving other demands (audio and video

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cassettes, patent documents and the like) to be met entirely by the private sector. This would have to be done in full consultation with all the interested parties and it would be essential to carry the public with us. It should not, in my view, be started while a General Election is in the offing.

Copies of this letter go to the members of E(LF) and Sir Robert Armstrong.

RICHARD LUCE

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From the Private Secretary

25 February 1987

Dear Joan,

REVIEW OF LOCAL AUTHORITY FEES AND CHARGES

The Prime Minister has seen Mr. Luce's letter of 23 February to the Lord President which discussed the possibility of allowing local authorities discretion to charge for basic library services.

The Prime Minister has reacted strongly against this. She has pointed in particular to the opportunity which public libraries give to everyone for self-education.

I am copying this letter to the Private Secretaries to members of E(LF), Michael Stark (Office of the Minister for the Arts) and Trevor Woolley (Cabinet Office).

Janid

DAVID NORGROVE

Miss Joan MacNaughton, Lord President's Office

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