CABINET  
21 July 2015

| Title: Disposal of Surplus Library Book Stock |
| Report of the Leader of the Council |

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<th>Open Report</th>
<th>For Decision</th>
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<td>Wards Affected: All</td>
<td>Key Decision: No</td>
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| Accountable Divisional Director: Paul Hogan, Divisional Director Culture and Sport |
| Accountable Director: Anne Bristow, Corporate Director Adult and Community Services |

Summary:
The Council’s Constitution requires that for any obsolete stock or assets that are proposed for disposal and that have a residual value of more than £5,000, a report shall be submitted to the Cabinet stating the reason for disposal and the recommended method of disposal.

The library service has undertaken a book stock review, which identified a number of antique books on various subjects that were purchased for reference use when the library services for Barking and Dagenham were established in the 1920’s and at various times in subsequent years.

All of these antique books that relate to the local area or Essex or other subjects included in the Borough’s museum collection policy have been transferred to the local studies and archive centre at the Valence House Museum. These books will be protected for future generations and will be on public display or available on request for reference purposes.

This leaves a number of books that are of potentially high value but have no relevance to the Borough and are not being used by library members.

This report sets out proposals for the disposal of these books.

Recommendation(s)
The Cabinet is recommended to:

(i) Agree the disposal of surplus book stock held by the Council’s library service in accordance with the proposals set out under Options 1 and 2 in the report; and

(ii) Authorise the Corporate Director of Adult and Community Services, in consultation with the Chief Finance Officer, to finalise the disposal arrangements.
The proposal is intended to assist the Council in being ‘a well run organisation’ by making better use of its resources and assets.

1. Introduction and Background

1.1 A number of antique books on various subjects were purchased for reference use when the library services for Barking and Dagenham were established in the 1920’s.

1.2 Over time these books have become less and less relevant for library users and are now no longer on display but still available if there is a request for them. In reality this means that in recent years the collection has been gathering dust in the library store.

1.3 A review of the library book stock was undertaken to help inform a decision about its future. As part of the review officers from Heritage Services viewed the antique book stock and subsequently arranged for a number of volumes to be transferred to the collection in the Archives & Local Studies Centre. This included all of the books that have a connection to the local area or Essex or was relevant in relation to the Council’s museum collection policy.

1.4 The review raised concerns that the storage conditions for the remaining book stock do not provide a suitable controlled environment to ensure that the books are preserved in good condition. There is a risk that the books will deteriorate so that their value is reduced and that they would become too fragile to be used for reference purposes, if there were to be any demand for them.

2. Proposal and issues

2.1 The library service now has a number of potentially valuable items which are no longer in use and have little relevance for the local population.

2.2 In consultation with the procurement team, library staff researched the potential methods of disposal with both internal and external experts to identify viable options.

2.3 From the research undertaken, which included advice received from an auction house, a book dealer and other local authority library services, four options have been identified:

- Sale of the stock by book dealer(s)
- Sale of the stock by auction
- Sale of the stock by the Council
- Retain the stock

3. Options Appraisal

3.1 The advantages and disadvantages of the various options that have been identified are set out below.
Option 1  Sale by book dealer(s) – recommended in part

3.2 The advantages of this option are that the dealer(s) will have a detailed knowledge of the market as well as individual collectors who would have an interest in the collection. They will provide a guaranteed price for individual items or titles by subject.

3.3 By using a trade association, such as the Antiquarian Booksellers Association (ABA), and the recommendation of various dealers, optimum prices for a range of titles may be achieved. Also there would be no transportation costs incurred by the Council as the dealer(s) would collect the items.

3.4 The disadvantages of this option are that the dealer would offer trade price to the Council for titles or parts of the collection. This may or may not be higher than what would be achieved at auction. The sale realisation price would potentially be higher if it were feasible for the Council to manage all aspects of the sale.

3.5 To implement this option the library service would need to liaise with a number of different book dealers as they specialise and trade in books in particular subject areas. Also the library service would need to retain and maintain storage until all the items are sold to different dealers.

Option 2  Sale by auction – recommended in part

3.6 This option may achieve the best market price for individual items as the selling process will be transparent and open. Also the auction house will have a detailed knowledge of the market and will be able to attract interested buyers.

3.7 The auction house option would be flexible as they could sell identified stock as either individual items or small subject lots. They would also provide sale services such as catalogue listing, photographs, marketing and insurance.

3.8 Further advantages of this option would be that: the Council could set a reserve price below which items would not be sold; the auction house would collect and store items; and this option would take up very little library staff time.

3.9 The principal disadvantages of this option are that the auction house would charge a commission fee on the items sold (c16%) and parts of the collection sold as bulk lots would be unlikely to attract high bids as there would be no guarantee to buyers of the condition of all of the items included for sale.

3.10 It may also be the case that not all of the items for sale will be sold at the auction and so will be returned to the Council.

Option 3  Direct sale by the Council – not recommended

3.11 The key advantage of this option would be that the Council would control all aspects of the disposal, including the sale price, and 100% of the proceeds would be retained by the Council. However, there is a lack of staff expertise and capacity available to manage what would undoubtedly be a complex and time consuming process. Also there is no existing IT infrastructure in place to support on line sales of the book stock.
3.12 And of course the library service would have to continue to store the books during the disposal process.

**Option 4  Do nothing – not recommended**

3.13 The advantage of this option would be that the Council would retain a potentially valuable asset. However, the book stock is not required by either the library or heritage service and there are limited storage facilities, which could be put to better use.

3.14 Most importantly the existing storage facilities are unable to guarantee the correct environmental conditions to store or display this material to ensure that it is preserved. There is a real risk that the book stock will deteriorate further and lose its value.

**Recommended option**

3.15 It is proposed that the sale of items using both dealers (Option 1) and an auction house (option 2) is the preferred option. This approach has been used successfully by other authorities, including the London Boroughs of Croydon and Enfield.

3.16 Advice has also been received from the Council’s procurement team and as a result it is intended that at least three auction houses and book dealers will be invited to provide an up to date estimate of the current potential value. Once this information is received it will be possible to make an informed decision about which books will be sold by private dealer and which by auction.

3.17 It will only be possible to evaluate the true value of the antique book stock that is proposed for disposal by testing the market; however, a crude estimate of value would be in the region of £25,000 - £30,000.

4. **Consultation**

4.1 Advice has been sought from other London councils and the Council’s procurement and heritage services to help shape the proposals set out in this report.

5. **Financial Implications**

   Implications completed by: Carl Tomlinson, Finance Group Manager

5.1 The report recommends the sale of items using both dealers (option 1) and an auction house (option 2). The expected receipt is in the region of £25,000 to £30,000. The cost of sale will be deducted from the eventual receipt. Proceeds from the sale will be used as an in-year contribution to managing existing revenue budget pressures within the library service.
6. Legal Implications

Implications completed by: Erol Islek, Property Solicitor

6.1 The report is seeking approval for the disposal of surplus books held by the Council’s library service in accordance with the proposals set out in this report and agree that the income from the sale be retained for re-investment in the library service.

6.2 Section 1 of the Localism Act 2011 provides local authorities with a general power of competence.

6.3 Section 1 of the above Act states that a local authority has power to do anything that individuals may do. Therefore the local authority has general power to dispose of the surplus books in accordance with the Council’s constitution. The proposal is that the surplus books are sold using both dealers (Option 1) and an auction house (Option 2). It is also noted that this approach has been used successfully by other authorities.

6.4 The Council may proceed to dispose of the surplus books via Options 1 and 2.

7. Other Implications

7.1 Risk Management - It may be the case that the sale of the book stock could cause reputational damage because it might be perceived that the Council is ‘selling off its family silver’.

To mitigate this risk the proposed disposal arrangements have followed the Council’s heritage acquisition and disposal policy, which has been formally accredited under the national museum accreditation scheme. As a result any parts of the collection that have a relevance to the Borough, Essex or the wider museum acquisitions’ policy have been relocated to the local studies and archive centre at Valence House Museum.

Background Papers Used in the Preparation of the Report: None

List of appendices: None