Proposed Libraries Fine Free Policy implementation

Purpose of Report

The purpose of this report is to seek Council approval to implement a fine free policy for [NAME OF LIBRARY/LIBRARIES] to remove financial barriers for the community to better access the libraries and their resources.

Recommendations

1. THAT Council Receive the report
2. THAT Council approves implementation of a fine free
3. policy for all late returned library items including books, DVDs, magazines, and other lending items, effective from [DATE].

Background – [ADJUST FOR YOUR SITUATION]

Overdue fines are charges incurred for the late return of any borrowed adult library item and triggered on the return of the item. For customers that have overdue items, a series of regular notices are sent out weekly to remind them that items they have out on loan have become overdue and that they need to be returned to the library. Once the item(s) become four weeks overdue a billing notice is issued advising the customer that if the item(s) are not returned or paid for within 14 days of this billing notice, the debt will be referred to the Council’s Finance Department’s debt recovery process.

This proposal is for the removal of fine charges only. Lost or damaged items will continue to be charged for and all efforts will continue to be made to recover either the item or its replacement cost.

Both internationally and nationally it has been recognised that “fining” as an incentive to return items on time is more of a deterrent to using the library than an effective tool to manage overdue items.[[1]](#footnote-1) Library fines in New Zealand have recently been a topic in the media with both Selwyn District Council and Masterton District Council removing fines.

In 2019 the American Library Association passed a resolution encouraging public libraries to actively move towards eliminating fines saying that they are a form of social inequity.

Based on studies undertaken in both the US and the UK, these fines are preventing customers from using libraries. Studies undertaken in the UK have seen increases of 6.5% in new members, 4% increase in items issued and 3% increase in visitor numbers since fine free policies have been enacted. [[2]](#footnote-2)

In a recent New Zealand study “Libraries in times of economic downturn” by Lara J Sanderson barrier-free access to Libraries and their resources is identified as a key factor for community wellbeing and that libraries play a positive role in community recovery.

Detractors of going fine free worry that removing fines provided no deterrent to stop customers from keeping their issued items. However, studies in the US have shown that, with good circulation management procedures in place, in the long term there is no significant difference in the number of items not returned. In fact, one Library in the San Francisco area saw an improvement of 5% in the overall number of books returned.[[3]](#footnote-3)

[OPTIONAL}

In [DATE], [NAME OF LIBRARY] Libraries removed fines on children’s items resulting in an 8% increase in usage in the following year. Our experience also demonstrated that, although overall the borrowed items took longer to be returned, there was no significant difference in the non-return of items from prior to [DATE] when fines were charged.

Promoting a more positive welcoming environment and encouraging wider use of our libraries supporting the improvement of literacy levels in [DISTRICT/COMMUNITY] are key outcomes for [NAME OF LIBRARY/LIBRARIES]. To achieve this, the fine free policy as proposed would be implemented along with tightened follow up procedures for the effective management of the circulation of library stock to minimise the risk of non-return of items by customers.

Discussion

Current State

Active membership of [NAME OF LIBRARY/LIBRARIES is XXXX (these being members who have used their cards within the last two years) which is XX% of our current population. Although this figure is comparable to other similar-sized libraries within New Zealand, it still shows that a large percentage of our population does not make use of the significant investment that [NAME OF LIBRARY] Council makes in the provision of Library services.

[OPTIONAL]

Although, as mentioned above, fines on children’s items were removed in [DATE] for [NAME OF LIBRARY/LIBRARIES], if a child or young person has an adult item issued on their membership card, this does incur fines, thus putting a barrier in place for a young person wanting an adult nonfiction title to support their learning.

Many parents also prefer to use one adult family membership card to borrow items so that they can more easily manage a family’s library usage. The main factor for them doing so is to limit the risk of incurring fines across several members of one household. This practice, however, does not allow a child to independently borrow items and learn how to manage their own borrowing and distorts the usage figures between adult and child memberships.

Current Overdue Notice and Billing Process [Adjust for your situation]

The overdue fee for all items, except for children’s and teen’s collections, is [AMOUNT]cents per day per item. Overdue fines are triggered on the return of these items, as opposed to the charge of the lost book which is incurred on the non-return of items after a period of XX days from the due date. During this X week period, the customer has received four reminders, as well as a phone call advising that items are overdue and need to be returned to the libraries.

Currently, at the billing stage, an administration fee of $XX per adult item and $X per children’s item is applied to the account, in addition to the replacement cost of the item. This administration fee is waived if the books are then subsequently returned, however, the overdue fines, which at four weeks overdue from the due date have accrued to $XX per item, will still be charged.

Once an item has been billed for four weeks overdue, it becomes a lost item debt which, after seven days from the billing notice (five weeks after the due date), with no response, is then referred to the Council’s Finance Department’s debt recovery process, including the referral to a debt collection agency if necessary.

Overdue Fines Collection Process

Once an overdue item has been returned the Library Management System calculates the overdue fee that is applied for adult items. If these fines are not paid on the return of items, notices are generated and sent out once the overdue fine amount reaches $XX for an individual patron. As soon as these fines reach $XX the patron’s card is blocked until the amount owing is either paid off or reduced to below the $XX thresh-hold.

Individual overdue fines rarely exceed the $XX thresh-hold to be referred to the Council’s debt recovery process. These overdue fines are not included in the Council record for Library debt but held on the Library Management System. It is only this debt held on the library system that, under this proposal, will be removed. Any unpaid debt for lost items that have been referred to Council will continue to be actively pursued.

Financial Impact of Fines

[OPTIONAL}

Currently [NAME OF LIBRARY/LIBRARIES] has a total of XXXX members who have not used the library for the past xx years, of which XXXX are children. Of these numbers, there are XXXX adult members who have fines averaging $XX and XXXX child members with an average of $XX of fines owing on their accounts.

On average XX% of the total fines charged each year are not paid. The total amount of overdue fines as of 1 July 20xx stood at $XXXXX, of which $XXXX was older than 2 years. From 1 July to 30 October 20xx the expected income from overdue fines is $XXXX.

Overdue fines of less than $XX are removed from the system after a period of seven years has lapsed as these are unlikely to be recovered. For the last three years, the average amount of overdue fines accrued has been $XXXXX per year, of which an average of $XXXXX each year has been recovered.

Implementation

In 20xx, the [LIBRARY/LIBRARIES] reviewed their overdue fines with a follow-up process to implement a tighter timeframe between notices to reduce the level of lost books. This has proved to be very successful with a reduced number of patrons being referred to the debt recovery process.

What has been found, however, is that there is a resistance to the payment of the administration fees when a customer needs to pay for lost items. Many see these charges as draconian and unfair creating a negative customer experience for these patrons who often then do not return to use the library. If the recommendations within this report are approved these administration fees would be removed along with overdue fines.

The current process to manage overdue items would continue to be followed, but with a shorter timeframe and no overdue fines as summarised below:

* At X days prior to the due date a pre-due alert notice is issued offering the option to renew items if a longer borrowing time is required.
* At X days after the due date the first overdue notice, with a renewal option, is generated.
* At X days after the due date a second notice with a renewal option, is generated.
* At XX days after the due date a third notice, with no renewal option, is generated containing a warning that if not returned within X days the item(s) will be billed for the full replacement cost of each item. At this point, the patron is blocked from any further borrowing until all overdue items are returned.
* After this notice, and before the next XX-day billing notice, patrons with non-returned items to the value of $XX or moreare phoned to remind them that they have items still issued out to them that are overdue and need to be returned to the library to avoid the customer being charged for them.
* If the items are not returned within X days of the Billing notice a phone call will be made providing the customer with a final opportunity to return the items before they are referred to the Council’s Finance Department’s debt recovery process.
* At XX days after the due date with no response, the full amount of the account for the outstanding item(s) will be referred to the Council’s Finance Department’s debt recovery process.
* If the items are all returned in good condition at any stage prior to referral to debt recovery, all charges will be removed and the patron will be allowed to borrow items again.

If this proposal is approved the [NAME OF LIBRARY/LIBRARIES] will implement a “Welcome Back” campaign which will include reaching out to non-active patrons to encourage them to reactivate their membership.

This campaign will involve a well-promoted amnesty period to reach out to all patrons with outstanding items, encouraging them to return these long overdue items to the library to have all fees and charges waived. This will provide an opportunity for the Council to alleviate some stress and financial burden for [DISTRICT/COMMUNITY] citizens leading up to the Christmas period.

This campaign will also provide the opportunity to educate customers on managing their library accounts to avoid accruing any unnecessary debt burden by returning or renewing their borrowed items. The effective management of overdue items will result in improved access to library resources for all customers.

Consultation and Engagement

Although no formal consultation has been undertaken, the libraries receive on average 10 to 15 enquiries per week regarding library fines. These enquiries are made up of disputes over the amounts owing, requesting time to pay them off or asking for clarification about the fining process.

Anecdotally we also hear statements along the lines of “I won’t let my children use the library, including the library bus because we will get billed for fines” or “I am put off from using the library as I don’t want to be fined for returning my books late”

Financial Considerations

This proposal will result in the removal of $XXXXX of outstanding overdue fines from the [NAME OF LIBRARY]’s Library Management system.

Conclusion

In this post lockdown period and with Covid-19 still a threat to all New Zealanders, we need to ensure our libraries are barrier-free and easy to access for all [NAME OF LIBRARY] residents.

As evidenced by the international studies referred to in this paper, as well as our own experience [with the increase in children’s usage after the removal of Children’s fines], the removal of library overdue fines along with all outstanding overdue fees is expected to realise an overall increase in library membership and usage. It will also assist in creating a more positive and welcoming environment, removing the barriers and negative connotations that a fines system generates.

If approved it is proposed that the policy will be implemented from Monday 16 November 2020 after a media release during the week beginning 9 November

[name]

**Library Manager**

**This document was shared by Upper Hutt Libraries. Author: Marion Read.**

1. 2019 sees rapid increase in libraries dropping fines. Katherine Cowdrey, The Bookseller, January 13 2020 [↑](#footnote-ref-1)
2. We wanted our patrons back – Public Libraries scrap fines. Emma Bowman, NPR News, November 30 2019 [↑](#footnote-ref-2)
3. Why Libraries are eliminating late fees for overdue books. Linda Poon, Citylab Daily Newsletter, 3 October 2019 [↑](#footnote-ref-3)