STAFF REPORT

TO:	**Mayor and Councillors**
FROM:	**Libraries Manager**
DATE:	**25 March 2011**
SUBJECT:	**Renewal of Agreement with Aotearoa People's Network Kaharoa –RCN11-04-03**

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1.   PURPOSE

1.1   The purpose of this report is to provide Council with information on the partnership with Aotearoa People's Network Kaharoa and to request a decision regarding renewal of the partnership agreement.

2.   BACKGROUND

2.1   In 2005 the New Zealand Government launched the Digital Strategy which focuses on enhancing the economic and cultural wellbeing of New Zealand through strengthening digital connectivity, capability, confidence and content. One of the key projects noted in that strategy was the development of a People's Network for New Zealand providing free internet access via public libraries.

2.2   Aotearoa People's Network Kaharoa (APNK) was established in 2007 as a partnership between public libraries and the National Library. The goal of the APNK is: "To provide free access to computers, training and broadband internet access in public libraries". APNK is now available through over 130 public libraries and 3 marae throughout New Zealand.

2.3   In February 2008 Tasman District Libraries applied to join APNK. The application was part of a regional application in conjunction with Nelson Public Library and Marlborough District Libraries. At the end of October 2008 19 APNK computers were installed across the four Tasman District Libraries. APNK provided 16 computers free of charge and TDC purchased three additional computers. APNK pays for the networking costs for all of these computers. The service is managed by APNK staff based in Christchurch. In June 2010 an additional seven computers were purchased for the renovated Richmond Library. These additional computers are used to provide a range of software and internet capability in the Library's Imaginarium and Learning Pod.

2.4   Funding of APNK

APNK was initially funded by the Community Partnership of the New Zealand Government's Digital Strategy by way of a digital fund grant in recognition of APNK's aims and their importance nationally. To date the funding for the service has been provided through the National Library.

2.5 APNK funds the networking costs for the libraries' computers and Wifi connection. TDC currently pays an annual $300 Wifi support fee per library and makes a contribution to the network costs for the additional computers purchased in 2010. To the end of June 2011 TDC will have received an estimated $230,000 of value from APNK and will have spent approximately $26,000 on additional computers, networking charges and support fees.

2.6 From July 2011 participating Councils will be required to share in the costs of running the network through the payment of a subsidised subscription. We have been informed that the maximum subscription cost for Tasman District Council is $13,271 per year. This is still a heavily subsidised service. The annual subscription will cover the hardware, software and networking (broadband) costs; replacement of the computers installed as part of the original agreement, on a four yearly cycle; productivity software – upgraded and updated on a regular basis; Wifi capabilities and support and training as needed.

2.7 Additional costs for TDC will be annual network costs for the seven additional computers purchased by TDC in 2010 (currently $2700 per year) and replacement costs for those seven computers, on a four yearly cycle (currently $2500 per PC which includes ongoing maintenance and support costs). Total costs to continue with APNK would therefore be approximately $81,400 over the next four years.

3. DISCUSSION/COMMENT

3.1 Benefits of the APNK Partnership
Local communities have benefited in a number of ways from the APNK service. Internet access provides a means for people to retain social connections with family and friends. We regularly help people to access the material available on e-government sites such as Inland Revenue, Immigration and Legislation New Zealand. People complete job applications and education enrolments online and print out their bills, bank statements and payslips.

3.2 The aftermath of the Christchurch earthquake has shown the value to the wider community of free and easily accessible internet access. Each of the libraries experienced an increase in the number of people wanting to access email or social networking pages as a means of communicating with those affected by the earthquake. With phone services affected the internet was often the only means of communication for these people. In addition we observed a significant number of people needing internet access for business/work purposes in order to continue working while away from Christchurch.

3.3 In addition to providing access to the internet, the APNK computers provide an array of software which can be used for word processing, photo viewing/editing. People have used these facilities to create CVs, job applications, posters and other promotional material for themselves or their community group.

3.4   The extra APNK computers purchased for the Richmond Library following the library renovation have allowed us to extend the services we offer in our new facilities. The APNK computers located in our learning suite are used by library staff for public training courses. The computers in the new research room are used for research and study purposes and the APNK computer in the Imaginarium provides software to support the creation of content.

3.5   APNK has also provided Tasman District Libraries with the software, equipment and server space to enable us to build a local Kete (a repository for digitised stories and photos). Library staff have been using these facilities to digitise and store the photos and documents contained in the Waimea South History Collection. Community groups will soon be able to add their own items to our Kete. Items stored in the Kete then become available for viewing by the wider community.

3.6   In 2010 an APNK impact evaluation was carried out for the National Library. The evaluation found that the local communities surveyed had benefited in a number of ways from the services provided by APNK. Among the benefits identified by users of APNK were the following:

- Enhancing family and social connections. 72% of respondents used APNK to communicate online within New Zealand and 62% overseas

- Improving education and employment opportunities. 30% of those surveyed said they used APNK to complete assignments or other training related work - 44% said they had searched for or applied for jobs - 31% said they had used the facilities to complete or update their CV.

- Improving opportunities for economic and financial activity. 41% of respondents had conducted online banking and 29% had conducted other business online.

- Enhancing computer skills. 47% of those surveyed said they felt their level of computing skills had improved as a result of using the APNK service at the library. It was also evident that many older respondents were first drawn to the library's computers because of the need to undertake an activity (for example wanting to search for jobs, research their genealogy or participate on Trade Me).

- Improving equity of access in the digital world - this is one of the key goals of the APNK programme. 42% of respondents do not have any other forms of internet access available. 68% agreed they are now able to access information they were not able to access before.

3.7   **Issues and concerns**
APNK has been a significant success in drawing more people into our libraries, managing the increased demand for services has been challenging, in particular managing space constraints and managing customer behaviour.

3.8 All library branches have experienced space management issues. In Motueka and Takaka this is especially noticeable during the peak tourist months. In Motueka the estimated number of Wifi users per day during June to October is 20 per day. The estimated average number of users during January to March is 70 per day.

3.9 Each of the libraries has received complaints from library users that those using the APNK service are taking up too much space and forcing other library users out. This has been a particular issue in Motueka where the library already fails to meet the recommended standards for floor space for the population served.

3.10 Library staff are active in managing APNK use:
- Booking systems are in place to manage use of the computers
- Time limits are enforced
- Reduced time limits are put in place during periods of higher demand, for example during school holidays
- Motueka and Takaka have set aside specific areas for in-library use of Wifi devices with limits on the number of users who can be accommodated.
- Motueka and Takaka impose time limits on in-library use of Wifi devices

3.11 Since the recent Richmond Library renovation resulted in an increase in floor space overcrowding issues are no longer prevalent there. The renovation resulted in more space both for those using computers (either APNK computers or their own wireless devices) as well as for those using the library for other purposes.

3.12 Some local residents feel disadvantaged as they perceive that the majority of APNK users are tourists and that this is affecting their ability to use library services. Library staff are aware that many APNK users are tourists; equally there are many local users of the service. In order to ensure that local users can take advantage of the APNK service each of the library branches allows local users to pre-book internet computers.

3.13 The perception is that all Wifi users are tourists, certainly the Motueka and Takaka libraries in particular do experience a significant increase in the use of Wifi during the main tourist months but we are aware that the Wifi service is also used by local people; in rural areas they are often people who do not have broadband access at home; in Richmond we observe that local business people and students are amongst those using APNK Wifi access. A survey by staff in the Motueka Library showed that in November 2010 25% of Wifi users were local residents.

3.14 As noted previously, library staff have systems for managing in-house Wifi use. Wifi can also be accessed outside of the library buildings and this has led to people sitting outside the library to use the service. Any use outside of the library buildings does limit overcrowding within the libraries but use outside of the library buildings cannot be managed or limited by library staff. The APNK Wifi service is available only during library opening hours.

3.15 Since APNK was installed in Tasman District Libraries internet café owners in Motueka have expressed concern that the free internet access is competing with their business and impacting on their profitability Throughout New Zealand the trend is that increasing numbers of cafes, accommodation providers and other businesses are providing free Wifi internet access and competing with pay internet services. In some towns across New Zealand sponsorship by local business groups has made free Wifi available in the main commercial areas.

3.16 There have been comments from local residents, councillors and internet café owners that free use of APNK should be restricted to those with a library card. However it is a condition of the APNK partnership agreement that participating libraries must allow all visitors to their libraries use of the APNK computers and Wifi service free of charge. Libraries may take necessary steps to manage the demand but may not restrict access according to whether or not users are library members. This stipulation was made clear in the original partnership agreement signed in September 2008 and recent correspondence with APNK has confirmed that this remains their position.

3.17 In order to impose charges on non library members or restrict use to library members only TDC would have to take over the provision of the libraries' internet service. The cost for a TDC internet service similar to APNK is estimated at $308,000 over the next four years. This includes the initial setup costs, equipment and software, broadband fees and staff support costs. Access could be restricted to library card holders only. However in order to manage any access restrictions, extra software is likely to be required, this is estimated to cost up to $16,000 over a four year period. Therefore total costs would be in the range $308,000 to $324,000 over the next four years.

4. **OPTIONS**

4.1 **Option 1**
Council agrees to renew the APNK agreement.

Evaluation:
- The financial cost would be approximately $81,400 over the next four years.
- Access would continue to be free to all using the library.
- No charges could be imposed for use of the service.
- Residents across Tasman District have already received considerable benefit from the APNK partnership.
- APNK staff have developed a high level of expertise and provide an excellent level of support and service.
- APNK is focussed on developing and improving the network bringing further benefits to those using the service.

4.2 **Option 2**
Council does not renew the APNK agreement and provides internet access to library users through a TDC network.

Evaluation:

- The estimated financial cost would be approximately $308,000 to $324,000 over the next four years.
- Access could be restricted to library card holders only.
- Non-library card holders could be charged for the service – it is unlikely that sufficient revenue would be generated to offset the additional cost of this option.
- A booking management system would be required which would require additional staff resources to be diverted from other library work to manage this.
- The existing computers would be retained by TDC but all would need to be replaced within the three year period.
- There would be an impact on TDC Information Services staffing resources and consequently a potential drop in service levels and helpdesk support.

5. RECOMMENDATION

5.1 THAT the Tasman District Council approves the renewal of the partnership agreement with Aotearoa People's Network Kaharoa on a subscription basis from July 2011.

G Coote
Libraries Manager