

Annual Budget 2009 – 2010

Introduction

The 2009 / 2010 Budget aims to:

- Achieve the outcomes that have been identified in the Strategic Plan and Frameworks
- Improve the financial sustainability of the Library Service

The Library Service is mindful of the cost pressures on member councils and is continually reassessing processes to ensure that value is being achieved, in particular for procurement of library materials, equipment and services.

Library services continue to be one of the most popular and valued of all council services and over half the residents of Banyule, Nillumbik and Whittlesea use them regularly. The Library Service maintains a well deserved reputation for innovation and is one of the leading public library services in Australia.

Strategic Library Plan

The Library Plan 08 – 12 is the result of a planning session with the Board and senior staff held in September 07. It builds on a number of initiatives that have been introduced over the past 4 years. These include:

- Strategic frameworks in major service delivery areas
- Shelf ready library materials using supplier aided selection
- RFID and self service checkout at all branches
- Robust, redundant, affordable network

The library's vision is *creating informed, inclusive, connected communities*.

The six outcome areas for the new Strategic Plan are:

- Libraries building community capacity
- Libraries as community hubs
- Libraries online
- Skilled and confident library staff
- Seamless integrated technology
- Sustainable and responsible finance and governance

General budget highlights

The overall increase to member councils for 09/10 is 4.9% made up of a 5.5% increase in the operational budget and a 2.9% increase in the capital budget. This is less than the predicted amount in the Strategic Resource Plan 08/12.

Annual Plan and Key Projects

The major initiatives to be undertaken in 09/10 are:

1. To create a position of Youth Services Co ordinator in the Outreach team. There have been significant pilot programs undertaken in services to young people, in particular the Finding My Place project, which has been extremely successful and has had a real impact on young people's lives. This additional resource is needed in order for this to be broadened to other schools as well as providing other programs for teenagers in the region to engage them in using the library, learning and reading.
2. To redesign the library's website; this is now very dated and attracting adverse remarks from users.
3. To improve IT infrastructure to ensure that it meets the requirements for Disaster Recovery, including 2 virtualised servers at Watsonia and upgrading the UPSs (Uninterrupted Power Supply) at branches to provide greater stability and ensure continuity of service should there be a power outage.
4. To continue with additional funding for the library collection to bring it to a 6 year depreciation rate by 2012/2013.

New initiatives are identified and highlighted from the Strategic Frameworks that have been adopted by the Board. The \$s are indicative costs and are either included in the operational budget, from grant funding, or are Local Priorities projects.

1. Libraries building community capacity

	\$000	Comments
Youth Services Coordinator**	60	New position to implement strategies from the Young People's Strategic Framework
Finding my place	3	Expansion of program for at risk students in conjunction with 6 local secondary schools – grant funding
Bedside reads	2	New monthly reading program at all branches to encourage the love of reading
Library collection	36	Additional funding for collection to bring expenditure to a 6 year depreciation rate (year 2 of this initiative)

2. Libraries as community hubs

	\$000	<i>Comments</i>
Cultural Diversity Week	3	Programs and activities – grant funding
Youth week	5	Get Loud program – grant funding

3. Libraries Online

	\$000	<i>Comments</i>
Website redevelopment *	50	Redesign of library website – last done 2002

4. Skilled and confident library staff

	\$000	<i>Comments</i>
Staff exchange program	6	Proposed exchange to Columbus Public Library, Ohio

5. Seamless integrated technology

	\$000	<i>Comments</i>
Disaster recovery measures*		
2 virtualised servers Watsonia	10	Additional servers will ensure continuation of internet & LMS access in case Library Headquarters is rendered inoperable
Upgrade of UPSs in branches	10	UPSs allow for proper shutdown of systems in case of power failure

6. Sustainable and responsible finance and governance

	\$000	<i>Comments</i>
Upgrade of Greentree financial software to incorporate HR functionality*	20	This will provide staff with on line access to their records, allow online leave applications and will be fully integrated with Greentree and provide better management reporting

*Local priorities grant

**New recurrent funding initiative – additional ongoing position

Revenue

1 Member Councils

The contribution from each member council has been determined by the cost apportionment formula as determined in the Regional Agreement. Usage patterns are for the period July 08 – March 09 per the Agreement.

\$000's	2008/2009	2009/2010	Increase %
Banyule	3,536	3,604	1.9
Nillumbik	1,722	1,900	9.3
Whittlesea	3,025	3,183	5.2
Total	8,283	8,687	4.9

2 State Government

4.5% increase assumed, this figure will not be definitely known until the State Budget is released. The figures are based on the projected population growth for 09/10.

\$000's	2008/2009	2009/2010	Increase %
Banyule	613	651	6.2
Nillumbik	331	337	1.8
Whittlesea	692	721	4.2
Total	1,636	1,709	4.5

3 Grant funding

\$000's	2008/2009	2009/2010	Increase %
Local priorities & sundry grants	92	96	4.5

4 Direct income

Interest will remain the same as rates decrease but the asset replacement fund grows. Sale of training services in Web 2.0 is expected to continue. Increased income from meeting rooms is included in miscellaneous income.

\$000's	2008/09	2008/2009 Actual (projected)	2009/10	Increase (Decrease) %
Interest	115	110	115	0
Fees and Charges	335	300	305	(8.9)
Murrindindi computer use	53	53	55	3.7
Fundraising	40	40	42	5
Photocopying	80	60	80	0
Sale of training services	45	55	80	77
Misc including meeting rooms	57	67	80	40
Total	725	685	757	4.4

Expenditure

The operating budget has been based on the following assumptions:

- CPI figure of 3.5% is used, which is in line with the ABS statistics (4% for the Dec 08 quarter) as well as a number of other economic forecasters.
- Staff salaries increase for the Enterprise Agreement with actual increases for workcover and superannuation items and additional position for Youth Services Co ordinator.

\$000s	08/09 Budget	08/09 Actual (projected)	09/10 Budget	Comments
Business and finance				
Administration	461	453	464	.65%
Branch utilities	505	520	546	Lalor meeting room costs now included 8%
Building rental	107	107	110	CPI increase 2.8%
Photocopy costs	80	60	80	Expenditure matches income
Transport	122	103	108	- .8%
Staff salaries and on costs	6,057	6,078	6,474	Includes EBA increase, new position in Outreach 6.9%
Customer and community				
Branch furniture and fittings*	101	92	95	See list below for details -6%
Courier	78	70	73	CPI increase
Outreach	125	125	104	Some items moved to Admin Budget (16.8%)
Collections – processing	570	570	598	CPI increase Plus additional \$6,000
RFID costs				4.9%
People and learning	107	107	110	2.8%
Online delivery	458	478	495	8%
Total	8,771	8,763	9,257	5.5%

***Branch priorities for 08/09 – furniture and fittings**

Branch	Items	\$ 000s
Ivanhoe	New chairs (5) and desk for pc area Cabling photocopier Cover external chute Children's concept	13,000
Rosanna	Couch for children's area Display cabinet Power points for laptops Study tables and chairs (6) Trolleys (4)	13,000
Watsonia	Stools (6) for pcs Seating in teenage area Shelving for teenage area Trolleys (4) Wii & screen Secure storage Banner, lectern, microphone	15,000
Diamond Valley	Trolleys (4) Children's concept Chairs reading area and magazine area Banner, lectern, microphone	11,500
Eltham	Trolleys (4)	5,000
Mill Park	4 children's pcs Wii X 2 plus screens Desk modification for video games Trolleys (4)	10,000
Lalor	Study tables and chairs, teenage area Wall mounted pamphlet holders Furniture trolley Banner, lectern, microphone	15,000
Thomastown	Chairs (6) for teenage area Seating for library reading area Bay end display Children's concept	12,000

*** All branch budgets have a set allowance for asset replacement of \$3,000 per branch in addition to project specific items for minor equipment and furniture.**

Capital budget

The Capital Budget includes the collection budget for new library materials, replacement asset funds for the mobile libraries, computer equipment, Library Management System (software) and loan and lease repayments for IT and RFID equipment.

Collections

The collection budget has been increased by \$90,000, which includes an additional \$36,000 over CPI to bring collection expenditure to a 6 year depreciation schedule by 2012/13.

Replacement asset funds

Provision of \$60,000 has been made for replacement of the mobile libraries, \$50,000 for computer equipment, \$30,000 for Library Management Software and \$10,000 for other minor equipment.

\$000s	08/09 Budget	08/09 Actual (projected)	09/10 Budget	Comments
Collection	1,345	1,345	1,435	Increased by CPI and an additional \$36,000 to bring collection expenditure to a 6 year depreciation rate. 6.7%
Local Priorities & other grants	92	92	96	4.5%
Asset replacement fund				
Vehicles	60	60	60	Based on projected replacement timeline for vehicles
Computer equipment	50	50	50	
Library Management System software	30	30	30	Based on 10 year life
Other minor equipment	10	10	10	
RFID equipment lease	140	103	116	Capital payments increase as finance costs decrease
Lease liability	100	114	79	Some leases expire in the 09/10 period and it is anticipated that new agreements will be at a much lower rate. A review of lease or buy options will be made

				during the year.
Loan repayment	109	109	117	Capital payments increase as finance costs decrease
Total	1,936	1,913	1,993	2.9%

All principal payments treated as capital; all interest costs treated as expense

Loan repayments for RFID project - \$600,000 repaid over 5 years

\$117,000 for repayment of loan principal

User fees and charges

Item	Cost	Comment
Overdue charge	25c per day	Overdue charges increased 08/09 from 20c per day to 25c per day
Lost library card	\$2.50	Increased in 08/09 from \$2 to \$2.20
Lost items	Cost of the item	
Inter library loans	Cost recovery (13.20 per item)	
Use of meeting room	As per member council's schedules	
Use of training room	As per member council's schedules	
DVD Writeable disks	\$1.10 per disk	
Printing and copying	25c per page	
Debt recovery	\$50 plus	

All fees and charges are the same as last year's budget with the exception of lost cards.

Annual Business Plan 09/10

1. Libraries building community capacity

Building community capacity means libraries partnering with other agencies to deliver wider agendas (ie Council, State and Federal) and developing co-operative arrangements which will improve and expand services to the community.

Services need to be focussed and balanced according to social justice precepts and libraries can bridge the digital divide and offer equitable access to new technologies.

In order to have strong communities, there is a need to develop capacity. The library has a role in developing informed citizenry, of becoming a marketplace of ideas.

The library needs to identify opportunities to strengthen communities and recognise leverage in integrated activities.

In 4 years time:

- The library's role in improving reading and literacy is valued, measurable and recognised.
- Community outcomes are being achieved in libraries as part of the broader agenda of the three levels of government.
- Community learning opportunities are enhanced through libraries partnering with other learning organisations.
- Important issues of the day are highlighted, debated and discussed at the library.

Actions 09 / 10:

Strategy	Actions
Develop the library collection to enable learning, encourage reading and improve literacy	<ul style="list-style-type: none">• Continue to realign collections to reflect demand. Increase proportion of adult fiction, picture books, DVDs, magazines and graphic novels• Provide an additional 20 titles for Book Club kits• Establish additional Daisy reading clubs for people with vision impairment• Introduce Language Cafes to encourage reading in languages other than English and to assist in improving conversational skills• Relocate teenage collection at Watsonia to enhance space and allow for gaming initiatives• Introduce Bundle of books junior fiction promotion at Rosanna
Focus on programs and services that enhance reading and pre reading skills.	<ul style="list-style-type: none">• Create new Youth Services Co ordinator role to promote library services, reading and learning to teenagers as outlined in the Youth Strategic Framework.• Introduce Bedside Reads (an unstructured book club); a new monthly program at all branches• Continue with Bookaroo program for new parents, an information session about the importance of reading to babies. Promote with M&CH nurses and Council Early Years programs

	<ul style="list-style-type: none"> • Continue to provide core activities for children – Baby Storytime, TinyTots, Toddler Time, Preschool Storytimes • Continue to provide regular Storytimes on the Mobile Library at selected Nillumbik stops and West Heidelberg • Continue the Summer Reading Club for primary aged students • Continue developing Reading Wiki to enhance content and encourage interaction with borrowers • Continue the Just4Kids program for 5 – 12 year olds – activities, book chats and new fiction • Provide Storytimes during school holidays at selected branches • Conduct evening and weekend Storytimes at selected branches to encourage reading and promote the library to all members of the family • Introduce bilingual Chinese Storytimes at Watsonia • Conduct grandparent / grandchild Storytimes at Watsonia • Promote adult literacy materials at Rosanna • Introduce Video Gaming nights for teenagers at Lalor • Increase number of storytimes at Mill Park
<p>Partner with member councils and community organisations to collaboratively deliver programs and services.</p>	<ul style="list-style-type: none"> • Partner with City of Whittlesea youth workers on Youth space project at Thomastown • Continue to work with local schools on partnerships and activities • Continue to provide access to library facilities for Diamond Valley Living and Learning Centre • Continue to liaise with Northern Activity Network group to promote library to nursing homes in Thomastown • Re-establish partnership with Watsonia Neighbourhood house • Continue to build up relationship with Simpson Army Barracks, attend orientation sessions for new families. • Liaise with BCC’s Leisure Services on the Recreation Program for Older Adults • Develop promotional partnership with Rosanna Fire Station Neighbourhood House • Liaise with Women’s Health in the North • Continue ongoing partnership with Olympic Adult Education, with provision of library space and facilities • Conduct Storytime program for Banyule’s Family Day-care providers • Establish partnership with Connex re community safety program at Rosanna • Establish partnership with Heidelberg Theatre Company • Partner with Eltham Community Health Centre on health awareness issues • Continue “Bringing books into Children’s lives” program with Lalor Park Primary school and the Children’s Protection Society • Develop partnerships with Neighbourhood Houses and Living & Learning Centres to provide literacy and reading programs

	<ul style="list-style-type: none"> • Continue partnership with the City of Whittlesea and the Whittlesea Heritage Program • Continue to provide computer courses to residents of Bundoora Retirement village • Create the Mill Park Writers Group
<p>Develop programs to encourage debate and raise community awareness and knowledge - to create a marketplace of ideas.</p>	<ul style="list-style-type: none"> • Introduce “coffee and chat” discussion group with a focus on world events and issues at Watsonia • Hold forums on topical issues at libraries

2. Libraries as community hubs

The public library is increasingly being recognised as an essential community hub; a place where all are welcome and there is something for everyone. The public library builds community connections, facilitates learning opportunities and provides access to informational, educational and recreational resources.

With the increased focus on local places and local activity centres, the library service needs to have quality facilities and effective means of engagement with the capacity to pull together the energy that is in the community.

In 4 years time:

- The library is full of multi format content – informational and recreational – that is popular, current, relevant and in good condition.
- The library fosters community connections through cultural and learning events and programs.
- The library is visible and connected to the community and is marketed and promoted professionally and effectively.
- Quality spaces have different zones for activities, quiet spaces and reading. There are learning spaces, art work is incorporated in the building, IT is integrated and the presentation of libraries is impeccable.
- Libraries are the hubs of communities and are contemporary, sited in the right place, accessible and appropriate to their communities.

Actions 09 / 10:

Strategy	Actions
Develop a forward plan with member councils for new libraries that respond to community needs and demands.	<ul style="list-style-type: none"> • Work with Nillumbik Shire on Eltham project • Work with City of Whittlesea on planning for Mernda and Epping North library facilities • Work with Banyule City Council on West Heidelberg and Ivanhoe projects • Investigate redesigning circulation area at Watsonia to provide more space for public access pcs • Redesign children's courtyard at Watsonia (dependant on funding from BCC)
Develop a wide range of programs and events celebrating the diverse range of interests and cultures in our communities.	<ul style="list-style-type: none"> • Celebrate Cultural Diversity Week with a program of activities and events • Celebrate Refugee Week • Continue with IT Playgroup at Ivanhoe to encourage older people to learn computer skills • Encourage library usage by indigenous communities and celebrate NAIDOC week • Promote Chinese collection and culture through bilingual Storytimes and celebrate Chinese New Year

	<ul style="list-style-type: none"> • Continue with reminiscence programs at branches and extend program to include nursing homes and Day Centres • Continue to conduct Get Loud program during Youth Week • Continue with Friday focus program for over 55s at Eltham • Continue Thursday Senior afternoons program for over 55s at Lalor • Promote and display new LOTE books with regular launches • Introduce multilingual computer classes as part of the One2One program at Lalor • Collaborate with Maltese community to hold a Maltese festival at Mill Park library • Collaborate with Italian community to hold an Italian festival at Mill Park library
<p>Continually monitor and assess library buildings to ensure that they are well maintained, attractive and welcoming, and that spaces are fully optimised.</p>	<ul style="list-style-type: none"> • Review communication and signage in LOTE • Develop a region wide approach to displaying library material • Increase shelving for LOTE material at Mill Park Library
<p>Continue to develop marketing and communication initiatives to ensure that people know what collections, programs, services and facilities are available at their library.</p>	<ul style="list-style-type: none"> • Showcase libraries at Council festivals • Increase use of multiscreens to promote activities, services and community groups • Develop an ezine to promote the library and its services and programs • Introduce once a month promotion at Epping Plaza • Visit Maternal and Child Health Centres and Primary Schools • Visit local nursing homes to promote library services and encourage borrowing
<p>Encourage the community to participate, interact and collaborate with the library</p>	<ul style="list-style-type: none"> • Develop a teenage volunteer program • Invite secondary school students to assist with computer classes • Continue branch involvement with students and volunteers with disabilities • Enhance the Volunteers Reward and Recognition scheme

3. Libraries Online

Libraries are changing from being service providers to facilitating the creation of content. Relevant areas for public libraries are local history, local writing and local literature. Libraries are aware of the need to acquire and make accessible content “born digital” to ensure that they are providing the information that people require and to remain relevant in an increasingly online world.

New social networking technologies enhance the ability to find, share and combine information more easily.

In 4 years time:

- There is significant local content created in local history, literature and the arts.
- Social networking enables people to form new networks and interact online creating new communities of interest.
- The network is stable, redundant and secure. There are enough pcs, peripherals and equipment for people to access and create content.
- The Library Management System is at the leading edge and online content is easy to access and authoritative.

Actions 09 / 10:

Strategy	Actions
Build content that documents life in Melbourne’s north through participation in the Wikinorthia project.	<ul style="list-style-type: none"> • Increase participation in Wikinorthia through targeted branch programs
Develop and promote online collections.	<ul style="list-style-type: none"> • Promote LibraryLink to borrowers • Promote LibraryThing and Chilifresh to borrowers • Promote use of Overdrive downloadable media • Promote Local History Online (Hyperion) and continue to add content (and transfer existing).
Engage with borrowers, promote programs and services, and encourage participation using social networking technologies.	<ul style="list-style-type: none"> • Continue to develop and expand computer classes • Conduct regular classes in the use of social networking tools eg blogging for seniors, Flickr, LibraryThing • Conduct online surveys on particular services and programs • Increase usage of YourTutor • Continue One2One@Lalor library to increase community skills
Ensure the Network meets the needs of the library service and there are sufficient pcs etc	<ul style="list-style-type: none"> • Provide additional pcs in children’s and teenage area at Watsonia and Ivanhoe • Continue to monitor network

4. Skilled and confident library staff

In order to realise our exciting and positive vision for the future of our libraries we need to recruit, retain and develop a diverse, appropriately skilled workforce.

Library staff need to be familiar and comfortable with the new ways of engaging and helping users find information, gather knowledge and create content.

We need to invest in skills development to enable staff to deliver on our agenda, and staff need the opportunity to acquire skills that will enable them to further their career in a sector that is constantly changing.

In 4 years time:

- There is a culture of learning and staff are skilled and confident in their roles.
- There is a safe and healthy workplace.
- There is an organisational culture of innovation and flexibility.
- Systems, processes and policies that facilitate effective management of all staff are in place.

Actions 09 / 10:

Strategy	Actions
Ensure that staff development programs are relevant, interesting and encourage staff to learn new things.	<ul style="list-style-type: none">• Continue with library worker 2.0 program• Provide regular training for multicultural library services• Provide regular training for Disability Awareness• Provide basic reference and information training for all staff
Promote a safe and healthy workplace.	<ul style="list-style-type: none">• Continue to promote warm up for work program• Action all items on monthly Safety Inspection Checklist
Promote an environment of innovative thinking, adaptability, flexibility and risk taking.	<ul style="list-style-type: none">• Continue with international staff exchange program• Create a forum to encourage staff input• Implement staff rotation scheme
Implement systems, processes and policies that facilitate the effective management of all staff.	<ul style="list-style-type: none">• Upgrade Greentree software to incorporate HR functionality.

5. Seamless integrated technology

We value a culture of innovation and pride ourselves on providing resources, programs, services and up to date technology that are continually evolving to meet the needs of our community.

We strive for continuous improvement. We continually look for new ways of doing things and streamlining our processes. We value personalised services both in branches on online. We ensure that we are getting value for money.

In 4 years time:

- YPRL is considered a best practice public library.
- Technology is fully integrated and the network provides seamless, reliable and fast service.
- There is a culture of continuous improvement.
- RFID is fully utilised and is providing significant benefit.

Actions 09 / 10:

Strategy	Actions
Redevelop the website and intranet.	<ul style="list-style-type: none">• Use Local Priorities funding to upgrade Website
Monitor and evaluate network performance to ensure it is providing the necessary bandwidth.	<ul style="list-style-type: none">• Continue to monitor network
Ensure RFID is being exploited to provide maximum benefit including the introduction of automated returns.	<ul style="list-style-type: none">• Install returns and book sortation at Eltham library as part of refurbishment
Identify and prioritise key areas for review.	<ul style="list-style-type: none">• Install power points for laptops at selected branches• Refresh IT Strategic Plan
Identify process and system changes required to improve reliability and performance and implement.	<ul style="list-style-type: none">• Disaster Recovery – install 2 virtual servers at Watsonia to ensure continuation of internet and LMS• Install new UPS units at each branch

6. Sustainable and responsible finance and governance

The Library Service is governed by a Board comprising 2 councillors from each of the 3 municipalities. The Audit Committee is a sub committee of the Board and advises it on financial and risk management issues.

Sustainability ratios measuring underlying result; liquidity; indebtedness; and investment gap are regularly monitored.

The library is proactive in ensuring that all legislative requirements are met and that all processes and procedures meet best practice through regular internal audits.

In 4 years time:

- The organisation is sustainable and appropriately funded, including realistic asset replacement.
- Strategic and operational plans are robust, meaningful and future oriented.
- Income from other sources is maximised.
- All relevant legislation and policies are complied with, to Best Practice standards.

Actions 09 / 10:

Strategy	Actions
Ensure sustainable asset replacement including collections.	<ul style="list-style-type: none"> • Increase collection budget an additional \$36,000 over CPI to bring collection expenditure to a 6 year depreciation schedule by 2012 • Develop a 5 year strategic asset plan for branch furniture and fittings
Meet budget targets.	<ul style="list-style-type: none"> • Align budget with Strategic Plan using best practice model. • Provide monthly reports and follow-up to all managers • Review internal reporting mechanism
Continually monitor spending to ensure best value is obtained from funding.	<ul style="list-style-type: none"> • Continue delegations and develop appropriate purchasing and procurement procedures. • Continue contract management procedures to ensure tendering ongoing management of contracts is effective
Monitor the Risk Management Plan so that it is a living document that accurately reflects the risks to the organisation and manage those risks.	<ul style="list-style-type: none"> • Continue Risk Management meetings and regular reporting to Audit Committee • Develop a Risk Management culture within EMT
Continue with the Internal Audit process, addressing areas of highest risk to the library service.	<ul style="list-style-type: none"> • Work with new Internal Auditor and develop 3 year plan
Use relevant benchmarking and best practice tools to improve performance.	<ul style="list-style-type: none"> • Participate in State wide project "Being the best we can: Service Excellence Framework."

Work on providing additional income streams	<ul style="list-style-type: none">• Continue to offer training to other organisations on a fee basis• Develop an online Web 2.0 program for Local Government workers (subject to grant funding)• Promote community room usage
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