



**Goulburn Valley Libraries**

# **Library Plan 2015-19**

**Incorporating Strategic Resource Plan**

**2016 Review**

**2017 Review**

## About Goulburn Valley Libraries

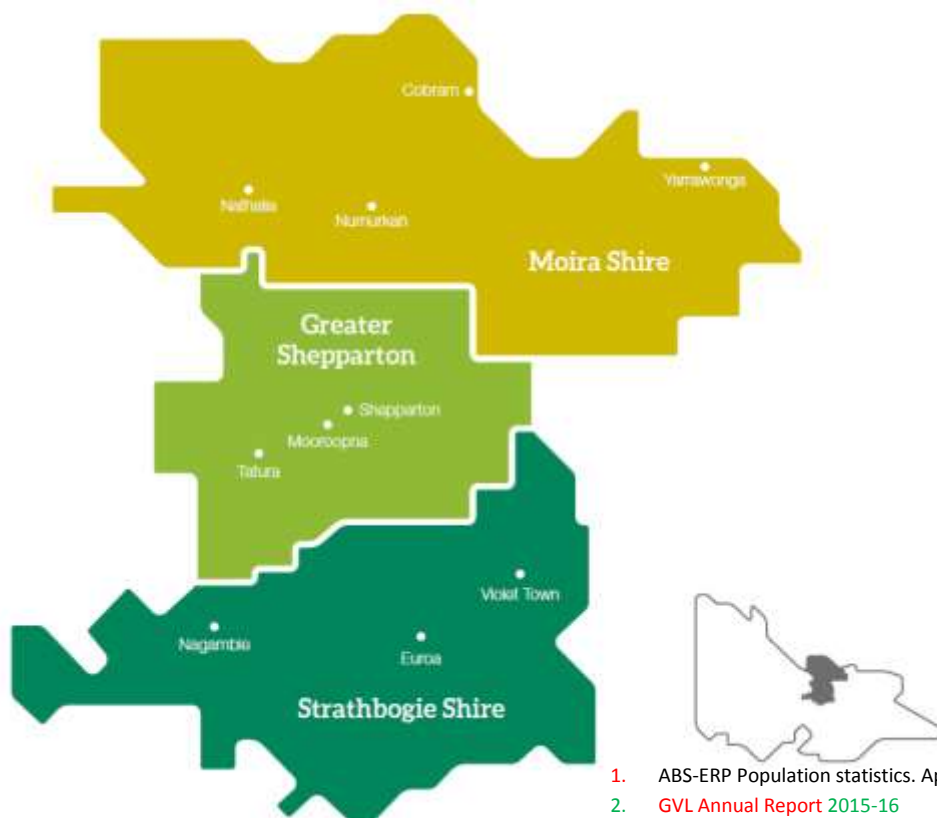
The Goulburn Valley Regional Library Corporation, trading as Goulburn Valley Libraries from 1 July 2015, provides Library services to the communities in the municipalities of Greater Shepparton City Council, Moira Shire and Strathbogie Shire. We serve a population of 102,497<sup>1</sup> people over an area of 9,772<sup>1</sup> square kilometres.

	Population	Area km <sup>2</sup>	Population Density Pop/km <sup>2</sup>
Greater Shepparton	63,652	2,422.0	26.3
Moira	28,887	4,046.6	7.14
Strathbogie	9,958	3,303.3	23.01

The Corporation operates 10 Libraries by agreement in the townships of Cobram, Euroa, Mooroopna, Nagambie, Nathalia, Numurkah, Tatura, Violet Town, Yarrawonga and the City of Shepparton. We also operate a Mobile Library service that serves smaller towns and communities within the region.

We provide:

- Management of a collection of 165,555<sup>2</sup> items, comprising 160,596<sup>2</sup> print and audio visual materials 4,959<sup>2</sup> digital materials.
- Shared Technical Services, CIT, HR, Administration, Operations and service support, from a Regional Administration and Support Centre at Shepparton.
- Management of a dedicated staff of 71, supported by community volunteers.



1. ABS-ERP Population statistics. April 2017
2. GVL Annual Report 2015-16

## The Challenges ahead – the current environment

**Goulburn Valley Libraries** is a well established community focussed organisation providing essential Library services to the Shires of Moira, Strathbogie and Greater Shepparton City Council.

**Goulburn Valley Libraries** services 10 township libraries and operates a mobile Library service to serve smaller communities.

**Goulburn Valley Libraries** also facilitates in-library and outreach programs to promote Literacy in the community and support life long learning activities.

The libraries and services are well valued by the communities and the patrons that access these facilities, resources and services.

Over the past five years the Corporation has minimised spending on customer service (staff and hours) and library resources (materials and book stock) to ensure financial stability and to reduce financial impacts to the funding Councils.

During this time there have been several Government and Council funded library redevelopment projects and the overall image of the Library Service remains one of an under funded organisation servicing children and an older and retired patronage.

Throughout the world and in Australia, libraries have been redefining their image and role in the community to remain relevant. The modern day library still provides the traditional “book loan” services for their traditional patrons but also embraces a role as the “Community Living Room” and provides modern physical and virtual spaces and resources attractive to a wider demographic. The world has realised that to attract people to the library, the library must become attractive to the people, both in the service offerings and in the library spaces!

**In 2015** the organisation **was** characterised by;

- Declining trends in patronage;
- Low membership rate – 29.5% of population. Vic Ave 47%
- Low active membership rate – 16% of population. Vic. Ave 20%
- An older physical collection – 35% of stock purchased in the last 5 years. Vic. Ave 64%.
- A large physical collection – 2.1 items per capita. Vic Ave 1.5
- A small eBook collection – 0.02 items per capita. Vic Ave 0.05
- Low level of spending on collection items - \$2.09 per capita. Vic Ave \$6.05
- Low level of staffing – 0.24 EFT per 1000 pop. Vic Ave 0.31
- Relatively low level of funding - \$31.49 per capita. Vic Ave \$38.80
- High levels of satisfaction among current patrons - 9.3/10. Vic Ave. 8.57/10
- Sound financial position at current funding levels. – Min. debt. Modest cash reserve

	2010/11	2013/14	2014/15	2015/16
<b>Memberships</b>	30,797	29,899	29,531	28,974
<b>Visits</b>	375,787	363,441	346,430	364,147
<b>Loans</b>	496,350	474,179	449,893	455,956

Our libraries are about helping communities and library teams to reach their full potential.

We work collaboratively with others to improve access to learning, literature and literacy. We believe we can help communities take responsibility for their own literacy.

People are visiting our libraries, both physical and virtual, not just to seek information but to connect with others and collaborate. Today, modern libraries tell a real story about people meeting together, doing things, sharing stories, sharing culture and learning. Our Libraries are becoming more about people and engaging in the environment they're living in.

### **The Future of Public Libraries**

Our library spaces are moving away from primarily being dominated by print collections to being social and digital integrated spaces. Design thinking can help us to consider how our libraries should look, and how they will work into the future.

Future libraries need spaces for experiences and activities as well as performance and personal development. Business spaces and cafes, spaces for brain health and learning, spaces to participate and connect, will shape the future focus of libraries. Regional libraries need to help communities to be informed and knowledgeable as well as in step with technological innovations. Regional libraries need to catch up with their metropolitan counterparts by providing downloadable resources and services, as well as being ready to offer and communicate the newest and latest digital devices.

The role of the public library is changing as we live in a digital lifestyle where the web is a way of life and touches every aspect of our lives. People are increasingly interacting and participating on the internet and becoming creators and not simply consumers. Library teams need to become familiar and comfortable with these new ways of engaging and helping users find information, gather knowledge and create content. Libraries need to understand information seeking behaviour has changed dramatically. Users can now discover and select their own information, and we should be able to provide a space for them to be able to create, share and even publish. We need to participate in this new knowledge economy and understand we are operating in an environment that demands flexibility as it changes constantly.

### **Opportunities and Challenges ahead**

Libraries need to grow and evolve to match local community needs now and into the future, whilst at the same time respond to global trends.

To respond libraries now need staff with business minds and skills. They need innovators as much as financial analysts. Libraries need individuals that have a desire to learn, to share what they know, and to make things better.

It is imperative libraries aim to ensure that their practices and products are ethical, unbiased, fair, free, uncensored, accessible to all and environmentally sustainable.

To move forward and adapt libraries need to change. Change is uncomfortable for most people. Libraries and their teams need to embrace change in everything they do because nothing is ever static. Libraries need to get their heads around change in a world where technology moves so fast. Being able to adapt is a big part of being a contemporary library service.

Libraries have an opportunity to respond to the opportunities and challenges ahead.

The Ministerial Advisory Council on Public Libraries review has been completed and recommendations made. If funded and implemented, the recommendations will have a profound and positive impact on our services direction and resourcing. This Library Plan assumes that the review recommendations will not be implemented during the life of the plan-

### **2016 Review**

The Victorian Library concept has been the subject of a review by the Department of Environment, Land and Water Planning over the past year. KPMG have undertaken the review. No announcements or advice has been received in relation to the review or any initiatives to date.

### **2017 Review**

The Review of Victorian Libraries was completed and the State Government announced that it had accepted two main recommendations for directions for Victorian Public Libraries.

1. A shared single Library Management System(LMS), and
2. A shared single eResources platform.

The state government is now supporting the development of a specification for a new shared LMS as part of the SWIFT Consortium tender for a new LMS. This may encourage and enable more library services to participate in the LMS tender and also share resources and catalogues in the future.

The state government is also supporting the development of a new eResource platform by third party developers that could be adopted state wide and consolidate and simplify eResource access for all Victorians.

## The Library Plan

This Library Plan details our goals and ambitions for **Goulburn Valley Libraries** from 2015-2019..

### **Our Vision** - *What we want the future to look like!*

“Contemporary libraries that connect, empower and inspire our communities.”

### **Our Mission** - *Why we exist!*

“To deliver library services that are accessible, relevant and support the social, economic and cultural needs of our communities.”

### **Our Values** – *How we operate!*

Community	We will listen, support and be responsive to our communities.
Teamwork	We will take pride in shared achievements and outcomes.
Respect	We will actively listen to each other and appreciate our difference.
Innovation	We will be proactive to change and embrace new ideas.

### **Strategic Objectives** – *What we want to achieve!*

We have built our Library plan around the achievement of the following strategic objectives:

1. Highly valued well-utilised contemporary community **spaces**.
2. Libraries that grow with, adapt to and meet **community needs**.
3. Fresh and appropriate library **collections**.
4. A sustainable, capable and service-focused **organisation**.

### **2017 Review**

We believe that our Vision, Mission, Values and Strategic Objectives are still very relevant and will remain unchanged.

1 Highly valued well-utilised contemporary community spaces.							
Goals	Actions	14/15	15/16	16/17	17/18	18/19	Measures
Increase people space at libraries	Shelf reduction enabled through weeding program Increase number and variety/type of seating	Plan	Implement  Implement	Implement  Implement	Review  Implement	Implement  Implement	Weeding targets  Increase in seating Visits increased
Creative use of spaces to match user needs	Shelf height reduction plan Independent furniture and layout reviews Implement maker spaces into upgrades	Plan Nagambie	Plan	Nathalia Cobram Nagambie	Implement Numurkah	Implement Euroa Shepparton	Ave shelf height Complete for each Lib Spaces implemented
Modernisation of our Libraries – clean, contemporary look & feel – external facelifts	Trial modernisation upgrade - Nagambie Re fresh Numurkah Re fresh Nathalia Re fresh Nagambie	Plan	Implement  Plan	Implement Plan Implement Complete	Implement	Implement	Projects completed Visits, Members, Loans increased
Library Renewal through pursuit of Living Libraries funding	Shepparton redevelopment Shepparton Stage 1 Shepparton Stage 2 Cobram replacement Violet Town replacement Tatura redevelopment/expansion Yarrowonga relocation	Complete  Design Design		Complete  Plan Plan	Plan  Application Construct	Application  Construct Complete	Application submitted Project completed Project completed Project commenced Project completed
Improve Virtual Library spaces and presence	Web site redesign \Increase eResource offerings, Borrow Box, Zinio, Storybox library, eNewspapers, Training sites, Ancestry Grow Social media presence eSmart accreditation	Review Implement  Facebook	Plan Implement Promote Promote Ongoing Plan	Design Implement Promote Review  Implement	Implement Implement Promote  Accreditation	Review  Ongoing	Increased hit rate Increased borrow rate Increased usage Increased usage Connections Accreditation achieved
2 Libraries that grow with, adapt to and meet community needs							
Goals	Actions	14/15	15/16	16/17	17/18	18/19	Measures
Increase membership & use	Implement Marketing & Promotion Plan Branding Review Membership Recruitment and Retention plan	Develop Implement Develop	Review Complete Implement	Ongoing  Review	Ongoing  Ongoing	Review  Ongoing	Memberships Visits Loans
Service Review implementation	Progressively implement - Increase opening hours where cost effective Review Outreach Services Review Mobile Library Services	Sh/M/E		Cobram Plan	Numurkah Review	Plan Implement Review	Satisfaction rate, Visits Opening hours Customers served Review commenced
Customer / community research	Undertake Customer Survey & Review CEO Briefing to member Councils LSM briefings/meetings with Council staff	Complete Implement Implement	Implement Ongoing Ongoing	Complete Ongoing Ongoing	Implement Ongoing Review	Complete Ongoing Ongoing	Completed 2 per Council per year 2 per Council per year
Increase program delivery and utilisation	Develop yearly calendar of events Develop new Adult programs – needs based Increase promotion – Social networks, email	Plan Implement Plan	Ongoing Implement Plan	Ongoing Implement Implement	Review Implement Implement	Ongoing Implement Implement	No or /events Variety of events Increased Attendance
Engage with cultural and social networks	Create links to Council Age & Disability programs Partnerships with Council maternal & Child Health	Plan	Implement	Ongoing Plan	Ongoing Implement	Ongoing Ongoing	Links created Links created

3 Fresh and appropriate library collections.							
Goals	Actions	14/15	15/16	16/17	17/18	18/19	Measures
Increase access to new physical and digital material	Increase volume and variety of eResources Increase promotion of eResources	Plan Plan	Implement Implement	Implement Implement	Review Review	Implement Implement	Increased % eResources Increased utilisation & awareness
Physical stock reduction to improve quality and gain space	Maintain and grow new stock investment levels Weeding targets to reduce collection size	Plan Implement	Implement Ongoing	Implement Ongoing	Implement Review	Implement Implement	Increase in actual \$ spend Weeding targets achieved
Align collection with community needs and promote	Review stock management policy	Annually	Annually	Annually	Annually	Annually	Increased loans
	Effective Collections Team	Review	Ongoing	Ongoing	Ongoing	Review	Weeding targets, Meetings
Preserve and showcase our culture and history	New relevant presentations in Libraries	Plan	Implement	Implement	Implement	Review	Presentations held
	Permanent and Temp Displays	Plan	Implement	Implement	Implement	Implement	Displays held
	Investigate digitisation of local history collections Purchase historical / cultural materials <b>if available</b>	Ongoing	Ongoing	Plan Ongoing	Implement Ongoing	Review Ongoing	Items digitised Items purchased
Leverage Vic Library	Review SRP when Vic Library project funded		Review	Review	Review	Review	Plan reviewed
4 A sustainable, capable and service-focused organisation.							
Goals	Actions	14/15	15/16	16/17	17/18	18/19	Measures
Develop and increase staff capability	REAL Training for all staff <b>Develop and implement Training Program</b> <b>Product Knowledge training - eResources</b> <b>Customer Service Training</b> <b>eSmart &amp; cybersafety</b>		Implement  <b>Plan</b>	Implement  <b>Develop</b>	Compete  <b>Implement</b>	  <b>Review</b>	Staff completed  <b>Program completed</b> <b>Staff trained</b>
	Implement Working with Children checks		Implement	Ongoing	Ongoing	Ongoing	Staff with WWCC
Improve Workplace Health & Safety	Effective Incident Reporting and Investigations Workplace Inspections & actions follow up <b>Embed Cybersafety initiatives – eSmart Library</b>	Implement Plan	Implement Implement	Ongoing Ongoing <b>Plan</b>	Ongoing Ongoing <b>Implement</b>	Ongoing Ongoing	Incident reports Inspections <b>Accreditation achieved</b>
Investigate alternative revenue streams	Fees and Charges Sponsorships and Philanthropy prospectus Sponsorships and Donations Develop user pays for non core services Achieve new grants for programs/activities	Review Plan Plan Plan Plan	Implement Develop <b>Implement</b> Develop Implement	Review Implement Promote Implement Implement	Implement Ongoing Ongoing Ongoing Ongoing	Review Ongoing Review Review Ongoing	Increase revenue Prospectus completed \$ achieved, Additional revenue Grant \$ received
Pursue business efficiency and continuous improvement	Review Org Structure & Business functions <b>Complete Stock Take</b>	Review	Plan <b>Plan</b> <b>Plan</b>	<b>Plan</b> <b>Implement</b> <b>Review</b> <b>Plan</b>	<b>Implement</b> <b>Complete</b> <b>Implement</b> <b>Implement</b>	Review	Reduced Operating cost
	Review Asset Register Develop Operating procedures Manual	Plan					Depreciation rates Reduced Risk
Improve financial stability and sustainability	Enterprise Bargaining for cost stability <b>Risk Register Review</b> Risk Management Plans	Implement Plan	Implement <b>Plan</b>	Implement <b>Review</b> <b>Develop</b>	Negotiate <b>Implement</b> <b>Implement</b>	Implement <b>Ongoing</b> <b>Review</b>	New agreement achieved Review completed Plan completed
Invest in RFID technology to enhance service and productivity	Develop a Business Case Invest in RFID technology	Plan	<b>Complete</b> Implement	Implement	Implement	<b>Review</b>	Business case developed Board approval Project completed



## Strategic Indicators and Targets

Indicator	13/14 Vic Average	ALIA Standard	13/14 Actual	14/15 Target / Actual	15/16 Target / Actual	16/17 Target	17/18 Target	18/19 Target
Memberships as % of population	47%	46%	29.62%	30% 28.9%	31 28.4%	30	30	30
Active Library members as % of population	20%	No Standard	16%	17% 16.7%	18% 12.4%	14%	15%	16%
Attendance at library programs per 1000	279	No Standard	189	198	208 221	219	230	241
Physical visits per capita	5.0	5.1	3.6	3.63 3.40	3.66 3.57	3.55	3.6	3.65
Loans per capita	8.5	8.4	4.7	4.6 4.41	4.7 4.47	4.6	4.7	4.8
Turnover rate – physical items	5.4	4.4	2.3	2.4 2.26	2.5 2.83	2.4	2.5	2.6
Turnover rate – digital items	2.2	No Standard	1.2	1.3 1.1	1.4 1.7	1.3	1.4	1.5
Physical collection items per capita	1.54	2.0	2.08	1.9 1.95	1.8 1.57	1.7	1.6	1.5
% Collection purchased in last 5 years	64%	50%	35.5%	38% 35.94%	42% 41.9%	45%	50%	52%
Cost of service per capita	\$38.80	\$35*	\$31.49	\$31.80 \$29.63	\$33.01 \$33.05	\$33.89	\$34.86	\$35.80
Cost of service to Council per visit	\$6.17	No Standard	\$6.37	\$6.55 \$5.46	\$6.67 \$4.85	\$6.80	\$6.93	\$7.07
Expenditure on Library materials per capita	\$6.05	\$5.40*	\$2.09	\$2.62 \$2.68	\$2.97 \$2.96	\$3.46	\$3.90	\$3.90
Staff EFT per 1000 population	0.31	0.3	0.24	0.24 0.24	0.24 0.25	0.24	0.24	0.24
No of PC's per population	0.57	0.33	0.4	0.45 0.47	0.45 0.46	0.47	0.48	0.48
Collection size	No Standard	No Standard	211,000	195,000 198,681	180,000 160,596	165,000	150,000	150,000
Annual Weeding Target	No Standard	No Standard	15,000	30,000 34,634	30,000 67,508	30,000	30,000	15,000
eResources as % of total resources	2.97%	No Standard	0.84%	1.00% 1.69%	1.25% 3.0%	1.8%	1.9%	2.0%
Opening Hours (scheduled/f'night)	No Standard	No Standard	510	518 518	530 535	540	550	560
Customer Satisfaction	8.57	9.5	9.3	9.5 N/A	9.5 8.93%	9.5	9.5	9.5

\* 2011 ALIA Standards Publication

### 2016 Review

Membership targets have been revised to reflect a “maintenance” rather than “growth” target in consideration of National, State wide and Regional declining trends.

### 2017 Review

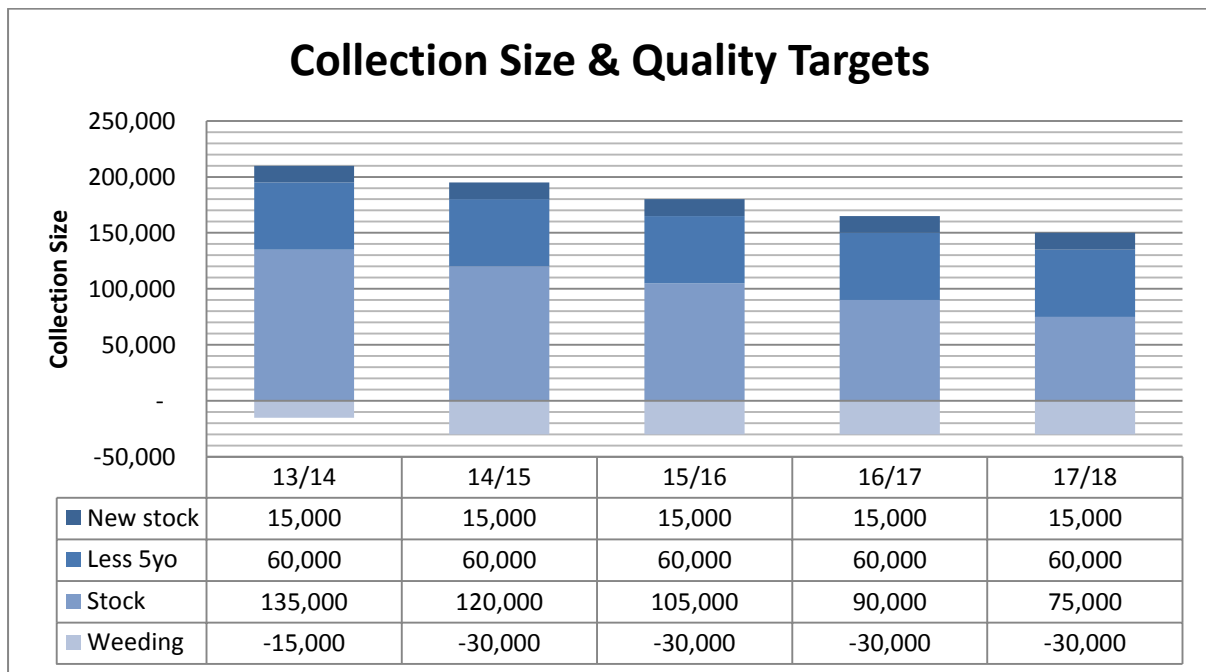
Active Membership targets have been adjusted to reflect Local Government Reporting Framework definitions. Only includes members who have borrowed or renewed items.

### Key Strategic project - Collection Management

In order to achieve goals in relation to the strategic objective of “fresh and appropriate Library collections” we will establish targets for physical stock reduction and size. Given budget constraints we assume that purchasing of stock will remain at current levels, the only lever to be applied is an increase to weeding of the physical collection. The balance between types of stock and categories needs to be determined each year as part of an annual review of the Stock Management Policy by the Collections Team.

The ALIA standard for Quality is “Stock purchased within the last 5 years”. The ALIA target is 50%. We are proposing a target of 50% at the end of the planning period.

We will adopt a “one item in, 2 items out” policy over the planning period to achieve this target.



Weeding Target %		-15.4%	-16.7%	-18.2%	-20.0%
Weeding Target No.		<b>(30,000)</b>	<b>(30,000)</b>	<b>(30,000)</b>	<b>(30,000)</b>
Quality Target - % <5yo	<b>36%</b>	<b>38%</b>	<b>42%</b>	<b>45%</b>	<b>50%</b>
Collection size Target	<b>210,000</b>	<b>195,000</b>	<b>180,000</b>	<b>165,000</b>	<b>150,000</b>
Collection size Target %	<b>100%</b>	<b>93%</b>	<b>86%</b>	<b>79%</b>	<b>71%</b>
Items per capita Target	<b>2.1</b>	<b>1.9</b>	<b>1.8</b>	<b>1.6</b>	<b>1.5</b>

#### 2017 Review

Our collection size and quality targets remain relevant.

### General Policy on Weeding

The removal of items from the collection (weeding) is not at any time undertaken for the sake of achieving targets. All selection of new materials for weeding is undertaken in accordance with our Stock Management Policy. Resources removed from the collection will demonstrate at least two of the following criteria:

Items not borrowed for extended periods, Extra copies of rarely used material, Items in disrepair, Unattractive and old fashioned items, Very old items more than 10-20 years old, Incomplete series where replacement copies of missing volumes cannot be obtained.

### Disposal of weeded items

Items removed from the collection are disposed through;

Supply to Friends of the Library for re sale through their various mechanisms to support Library services, Library service book sales, Donations to Hospitals, Nursing Homes, Little Outdoor Libraries, charitable organisations or as a last resort Recycling of materials.

## Key Strategic project - Increase Book Stock purchase and materials

To support the target to achieve “fresh and appropriate Library collections” we will increase our investment in new book stock and materials.

Our current purchase rates per capita are well below the ALIA benchmark standard and actual results for Victorian Libraries. This reflects the relative low level of investment in Library materials in recent years to bring the organisation to a financially stable situation. This level of expenditure has impacted on the quality of the collection indicated by the percentage of the collection purchased within the last 5 years.

Indicator	12/13 Vic Lib Actual	ALIA Standard	14/15 Actual	15/16 Actual	16/17 Target	17/18 Target	18/19 Target
Expenditure on materials per capita	\$6.09	\$5.40	\$2.68	\$2.97	\$3.46	\$3.90	\$3.90

It is proposed to increase investment in new materials to a level considerably above the inflation rate to catch up to a reasonable level.

Indicator	14/15 Budget	15/16 Budget	16/17 Budget	17/18 Budget	18/19 Budget
Book Stock	265,000	265,000	265,000	265,000	265,000
Increased Book Stock		35,000	85,000	135,000	135,000
<b>Total</b>		<b>300,000</b>	<b>350,000</b>	<b>400,000</b>	<b>400,000</b>

### General Policy on Selection of New material

The purchase of materials is not at any time undertaken for the sake of achieving budget targets. All selection of new materials is undertaken in accordance with our Stock management Policy. The primary purpose of selection is to collect materials of contemporary interest and significant value. Goulburn Valley Libraries will always be guided by a sense of responsibility to both present and future patrons when adding materials which will enrich the collection and when maintaining an overall balance. Goulburn Valley Libraries recognises an immediate duty to make available current, high demand, high interest material in a variety of formats for persons of all ages. It will also provide timely, accurate and useful information as well as customer service excellence.

### **2016 Review**

Our budget targets are still relevant and achievable. Annual reviews of expenditure levels will be undertaken during the annual budget process to achieve cpi increases if a positive operating result is achieved in 2016/17 and cash holding position allows without increasing financial risk.

**2017 Review** It is proposed to increase Book Stock budget by a further \$50k to \$400k total. This will ensure that our quality continues to improve providing an improved service offering to patrons.

## Key Strategic project - Investment in RFID Technology

In order to achieve our Visions of “*Contemporary libraries that connect, empower and inspire our communities*”, and to achieve our goals towards our objective for “*A sustainable, capable and service-focused organisation*”, it is proposed to undertake an RFID investment program to align our Libraries with current modern service practice.

### What is RFID?

Radio Frequency Identification, or RFID as it is commonly referred as, is a technology that is used to identify, locate and track the movement of any Library item. Using radio waves, items such as books, DVD’s etc can be automatically identified when an attached RFID tag, that has been programmed with specific information, is detected and read by an RFID reading device.

The RFID tags do not require a direct line of sight (unlike barcodes) and can be read from a much greater distance. RFID readers can detect multiple items simultaneously.

Today RFID is being used in Libraries all over the world and over 50% of Victorian Libraries utilise the technology.

### What are the benefits?

The technology offers improved customer service, increased productivity and improved security.

- The skills and time of library staff can be utilised in more high value activities, leaving the physically repetitive low value tasks to automated or semi-automated RFID equipment.
- Security of items is maximised through security gates with in built people counters.
- Back office efficiency can be achieved through the automation and semi-automation of book returns, stock take and making books shelf ready.
- 100% self check out available at Self loan stations.

### What are the costs?

Post Tender Revised Project Budget	15/16	16/17	17/18	18/19	19/20	20/21	Total
<b>Capital Costs</b>							
<b>Equipment</b>	\$100k	\$185k					\$ 285k
<b>In house tagging &amp; project mgt</b>	\$30k	\$15k					\$45k
<b>Library works</b>	\$20k	\$18k					\$38k
<b>Total Capital</b>	<b>\$150k</b>	<b>\$218k</b>					<b>\$368k</b>
<b>Recurrent Costs</b>		Warranty	\$15k	\$28k	\$28k	\$28k	<b>\$99k</b>
<b>Total 5 year cost</b>	<b>\$150k</b>	<b>\$218k</b>	<b>\$15k</b>	<b>\$28k</b>	<b>\$28k</b>	<b>\$28k</b>	<b>\$467k</b>

#### Notes

Business case to be funded through existing recurrent budget.

Recurrent costs will be offset through productivity savings.

Costs are based on revised project budget post tender process.

#### 2017 Review

Implementation was completed in 2016/17 – Final Capital Cost = \$377,547

Recurrent expenses begin in 18/19.

## Strategic Resource Plan

The Corporation is required by the Act to prepare a Strategic Resource Plan (SRP) covering both financial and non financial resources, and including key financial indicators for at least the next four financial years to support the Library Plan.

The Corporation has prepared a SRP for the four years from 2014/15 to 2018/19 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the Strategic Objectives and Strategies as outlined in the Library Plan and expresses them in financial terms for the next four years. **The 2016 review will take into account 2016/17 budget and project and additional year to 2019/20.**

**The 2017 review takes into account the 2017/18 Budget and projects an additional year to 2020/21.**

The key objective, which underlines the development of the SRP is financial sustainability in the planning horizon, whilst still achieving the Corporation's strategic objectives as specified in the Library Plan. The key financial objectives, which underpin the SRP, are:

- Maintain existing service levels as a base
- Maintain capital spending on resources and increase at or above inflation
- Maintain a balanced budget on a cash basis over the four years
- Investments in technology to achieve service improvements from cash reserves

In preparing the SRP and investment strategies it has ***been assumed that the Victorian Library project will not be implemented*** during the planning horizon. If implementation does commence then investment strategies will be adjusted. **2016 Review – This assumption is still valid. 2017 Review – this assumption has been confirmed through the Victorian Public Library Review.**

The Corporation has also been mindful of the need to comply with the following principles of sound financial management as contained in the Act:

- Prudently manage financial risks relating to debt, assets and liabilities.
- Consider the financial effects of the Corporations activities on future generations.
- Provide full, accurate and timely disclosure of financial information.

### Financial Resources

The following table summarises the key financial results for the planning period.

Indicator	14/15 Actual	15/16 Actual	16/17 Budget	17/18 Budget	18/19 Budget	19/20 Budget	20/21 Budget
Operating result	214,211	(33,561)	3,000	(6,994)	912	10,120	17,863
Cash and Investments	1,519,332	1,422,884	1,045,063	1,001,519	947,431	929,551	957,414
Capital works	389,459	594,086	643,000	465,000	475,000	450,000	415,000

The key outcomes of the plan are as follows:

- Financial Sustainability  
Cash and investments are forecast to reduce over the five year period to fund library investments
- Contributions Strategy  
Council contributions are forecast to increase by 2.0% per year for the planning period from 2017/18.
- Capital Works Strategy  
Annual Capital expenditure over the planning period will remain steady with an increase on Book Stock plus \$368k (RFID Investment) over 2 years.
- Service Delivery Strategy  
Service levels measured as opening hours, events and programs will be maintained over the planning period. The main productivity return on investment for the RFID investment where staff transaction time will be freed up will be channelled into enhanced in branch service, additional opening hours, programs and outreach services.

### Non financial resources

In addition to financial resources to be consumed over the planning period, the Corporation will also need to fund staffing levels that maintain and improve its service levels. The following table summarises the non financial resources for the planning period.

Indicator	14/15 Actual	15/16 Actual	16/17 Budget	17/18 Budget	18/19 Budget	19/20 Budget	20/21 Budget
Employee benefits (\$'000)	2,058,055	2,193,305	2,324,003	2,368,751	2,407,539	2,447,559	2,488,961
Employee numbers (FTE)	24.16	25	26	26	26	26	26

It is assumed that staff numbers will remain steady and that any productivity gains through RFID investment will deliver service and program improvements. Any increases in employee benefits and numbers that may occur to deliver service improvements i.e. increased opening hours will occur within the total budget expense. Overall increases in employee costs have been generally limited to 3% based on the new four year Enterprise Agreement signed in 14/15. Beyond 17/18 increases have been projected to be 1.5% in line with recent library industry Enterprise Agreements. This is dependent on reaching a new Enterprise Agreement to commence in 2018/19.

Superannuation guarantee costs will remain at 9.5% until 2021 based on current federal government policy.

It is assumed that there will not be a call to contribute to the Local Authorities Superannuation Fund (Defined Benefits Plan) during the planning period. The fund has reported a Vested Benefits Index (VBI) of **105.8% at 30 June 2015 and an estimated VBI of 104.4% at 30 Dec 2015** and this satisfies APRA's Superannuation Prudential Standard. No immediate change is currently forecast by Vision Super, **however this needs to be closely monitored as a result of current worldwide financial market climate.**

It is assumed that the Workcover Premium will **increase from \$11k to \$30k** over the planning period due to **a claim in the 2014/15 that has resulted in a long term injury.**

### Vehicles

It is proposed that a vehicle program will be adopted that provides;

- Replacement of all Corporation vehicles, including; the delivery Van, Pool vehicle and CEO vehicle within 4 years maximum.
- Replacement of the Mobile Library is not forecast to occur within the planning period.
- Purchase of a new Pool vehicle **in 2015/16** to accommodate increased programming activity and to replace expense incurred currently through paying staff for use of their private vehicles.

### FUNDING STRATEGIES

In developing the SRP, strategies have been developed for revenue, infrastructure and service delivery.

#### Revenue

The **2016/17 draft budget** and revenue projections has been developed using a preliminary Fee for Service contribution increase of 3.0% for each contributing council.

**A 2% increase has been adopted for 2017/18 and it is proposed that this rate will continue into the planning period.**

Recurrent grant revenue from the State Government is assumed to be increased by 2.6% per annum, based on the last 3 years average contribution. The state government has been gradually reducing its untied contributions and it is believed that the trend to tied capital **and recurrent** funding will continue. **In line with actual grant revenue received in 2016/17 the budgeted grant revenue has been assumed to increase by 1.3%.**

User charges and miscellaneous grants are assumed to increase due to a review of Fees and Charges in 14/15 and a program of targeting miscellaneous grants. Most miscellaneous grants typically require additional offsetting program expense to deliver the grant outcomes and so are therefore not included in budgets. The Premiers reading Challenge grant, approx. \$27k has been a regular feature of previous governments and it is assumed will continue in the planning horizon **and has been confirmed in the 2016/17 State Budget.**



## Capital Works

A key objective will be to maintain and preserve the Corporations existing assets at desired condition levels. It is proposed that the RFID investment of **\$368k over two years** will be funded by drawing down cash reserves. **The actual Capital cost of the project was \$377,547 over the two years.**

The following will influence the annual Capital Works expense in the planning period:

- The actual Council contributions,
- The actual State Government grant and the degree it is “tied” to recurrent or capital expenditures,
- The level of cash and investment reserves to maintain a satisfactory financial risk position.

## Financial Risk

To maintain a reasonable cash position whilst facilitating the proposed capital investment program it is proposed to adopt a Cash Target. The target proposed is 10% of Recurrent Expenditure (**less Depreciation expense**) plus an allowance for 100% of our Current Liability Provisions (Annual & Long Service Leave). This provides a sufficient factor of safety.

Indicator	14/15 Actual	15/16 Actual	16/17 Budget	17/18 Budget	18/19 Budget	19/20 Budget	20/21 Budget
Recurrent Expenditure	3,067,716	3,346,860	3,438,835	3,514,197	3,569,592	3,624,873	3,682,831
Provisions (A & LS Leave)	643,641	655,334	633,620	633,620	633,620	633,620	633,620
Target Min Cash Holdings	1,519,332	998,318	939,204	943,240	948,579	953,907	959,403
Forecast Cash & Inv	1,534,656	1,386,759	1,045,063	1,001,519	947,431	929,551	957,414

## Service Delivery

The key objectives of the SRP which directly impact the future service delivery are to maintain service levels measured as opening hours, events and programs over the planning period and achieve a reasonable operating result. The revenue strategy refers to contributions increases of 3.0% per annum for member councils for 2015/16 and beyond. The service delivery outcomes measured in financial terms as the net operating result are shown below. **The Council Fee for Service contributions are set at 2% increases for 2017/18 and beyond.**

Indicator	14/15 Actual	15/16 Adopted Budget	16/17 Draft Budget	17/18 Budget	18/19 Budget	19/20 Budget	20/21 Budget
Net Operating result	214,211	1	3,000	(6,994)	912	10,120	17,863

Overall increases in employee costs have been capped at 3%. This assumes that the EA increases of 3% per annum will be maintained and that there will be no growth in numbers or rates that are not absorbed through productivity or offsets. **A new Enterprise Agreement will be negotiated for 2018/19 for a minimum of 3 years.**

Superannuation contributions will remain at 9.5% as per current government policy.

It is assumed that the Workcover Premium will increase from \$11k in 15/16 to \$30k over the planning period due to a significant claim in the 2014/15 year.

The negative net operating result for each of the four forecast years is a general reflection of the increase in depreciation expense due to increase investment in Book Stock and RFID.

### Matters that Impact on the Strategies

The general influences affecting all operating revenue and expenditure include the following:

Influences	14/15	15/16	16/17	17/18	18/19	19/20	20/21
FFS Contribution Increases	3.0%	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%
Government Grant Funding	3.1%	2.65%	1.3%	1.3%	1.3%	1.3%	1.3%
Wages growth	3.0%	3.0%	3.0%	3.0%	1.5%	1.5%	1.5%
Superannuation increase	0.25%	0%	0%	0%	0%	0%	0%
Workcover premium increase	0%	20%	10%	33%	20%	20%	20%
Investment Returns	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%	1.5%

Given the variations in recent years a conservative approach has been taken in relation to the expected increase for the State Government recurrent grant and assumed to remain at 2.65% over the planning period. This has been revised to 1.3% increase from 2017/18.

The same conservative approach has been taken in respect to Investment Returns over the life of the plan.

**Appendix A**  
**Projected Standard Statements**

**Goulburn Valley Regional Library Corporation**  
**Income Statement**

	<b>2016/17 Budget</b>	<b>2017/18 Budget</b>	<b>2018/19 Forecast</b>	<b>2019/20 Forecast</b>	<b>2020/2021 Forecast</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Revenue</b>					
Fees and Fines	2,557,022	2,618,598	2,670,970	2,724,390	2,778,878
Grants	835,814	840,605	851,533	862,603	873,817
Other Revenue	49,000	48,000	48,000	48,000	48,000
<b>Total Revenue</b>	<b>3,441,836</b>	<b>3,507,204</b>	<b>3,570,503</b>	<b>3,634,993</b>	<b>3,700,694</b>
<b>Expenses</b>					
Employee Benefits	2,324,003	2,368,751	2,407,539	2,447,559	2,488,961
Administration	588,832	579,646	568,053	579,414	591,002
Repairs and Maintenance	136,000	142,500	170,000	173,400	176,868
Depreciation	383,000	418,000	420,000	422,000	425,000
Finance Costs	7,000	5,300	4,000	2,500	1,000
	<b>3,438,835</b>	<b>3,514,197</b>	<b>3,569,592</b>	<b>3,624,873</b>	<b>3,682,831</b>
<b>Surplus (Deficit) for the Period</b>	<b>3,000</b>	<b>(6,994)</b>	<b>912</b>	<b>10,120</b>	<b>17,863</b>
<b>Capital Expenditure</b>					
Motor Vehicles	35,000	25,000	35,000	60,000	25,000
Furniture & Equipment	10,000	10,000	10,000	10,000	10,000
IT & Computers	30,000	30,000	30,000	30,000	30,000
RFID	218,000	0	0	0	0
Book Stocks	350,000	400,000	400,000	350,000	350,000
<b>Total Capex</b>	<b>643,000</b>	<b>465,000</b>	<b>475,000</b>	<b>450,000</b>	<b>415,000</b>

**Goulburn Valley Regional Library Corporation  
Balance Sheet**

	2016/17 Budget \$	2017/18 Budget \$	2018/19 Forecast \$	2019/20 Forecast \$	2020/2021 Forecast \$
<b>ASSETS</b>					
<b>Current Assets</b>					
Total Cash and Cash Equivalents	1,045,063	1,001,519	947,431	929,551	957,414
Trade and Other Receivables	12,677	2,500	8,000	8,000	8,000
<b>Total Current Assets</b>	<b>1,057,740</b>	<b>1,004,019</b>	<b>955,431</b>	<b>937,551</b>	<b>965,414</b>
<b>Non-Current Assets</b>					
Property, Plant, Equip and Infra	2,227,080	2,242,213	2,242,213	2,283,213	2,292,213
<b>Total Non-Current Assets</b>	<b>2,227,080</b>	<b>2,242,213</b>	<b>2,283,213</b>	<b>2,292,213</b>	<b>2,272,213</b>
<b>TOTAL ASSETS</b>	<b>3,284,820</b>	<b>3,246,232</b>	<b>3,238,644</b>	<b>3,229,764</b>	<b>3,237,627</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Trade and Other Payables	70,719	50,000	55,637	50,482	56,061
Provisions	633,620	633,620	633,620	633,620	633,620
Interest-bearing Loans & Borrowings	14,875	14,875	16,145	17,579	4,225
<b>Total Current Liabilities</b>	<b>719,214</b>	<b>698,495</b>	<b>705,402</b>	<b>701,681</b>	<b>693,906</b>
<b>Non-Current Liabilities</b>					
Provisions	46,962	46,962	47,700	50,000	52,000
Interest-Bearing Loans & Borrowings	52,824	37,949	21,804	4,225	0
<b>Total Non-Current Liabilities</b>	<b>99,786</b>	<b>84,911</b>	<b>69,504</b>	<b>54,225</b>	<b>52,000</b>
<b>TOTAL LIABILITIES</b>	<b>819,000</b>	<b>783,406</b>	<b>774,906</b>	<b>755,906</b>	<b>745,906</b>
<b>NET ASSETS</b>	<b>2,465,820</b>	<b>2,462,826</b>	<b>2,463,738</b>	<b>2,473,858</b>	<b>2,491,721</b>
<b>EQUITY</b>					
Accumulated Surplus/(Deficit)	(439,927)	(442,921)	(442,009)	(431,890)	(414,027)
Member Contributions	2,905,747	2,905,747	2,905,747	2,905,747	2,905,747
<b>TOTAL EQUITY</b>	<b>2,465,820</b>	<b>2,462,826</b>	<b>2,463,738</b>	<b>2,473,857</b>	<b>2,491,720</b>

## Appendix B

### Statutory disclosures

#### 1. Borrowings

There are no new borrowings projected over the planning period.

#### 2. Fees and Charges

Fees and charges have been reviewed in 2014/15 and a new schedule implemented. The Corporation reserves the right to review the Fees and Charges in light of changing circumstances. Any changes following such review will be limited to CPI.

**2016 Review - No change is proposed. 2017 Review – Review will be undertaken 2017/18**

Item	Per	Fee
<b>PENALTY FEES</b>		
Overdue	item	\$0.20 / day Max.\$10
Holds not collected within 2 weeks	item	\$1.00
Lost book, magazine, DVD etc	item	At cost
Membership Card Replacement	item	\$2.00
Lost Barcode	item	\$2.00
<b>SERVICE CHARGES</b>		
Temporary Membership	item	\$50 Refundable deposit
ILL from non Public Libraries	item	\$16.50
Photocopying/printing using copier		
A4 B&W Single sided	page	\$0.20
A4 B&W Double sided	page	\$0.40
A4 Colour Single sided	page	\$0.90
A4 Colour Double sided	page	\$1.80
A3 B&W Single sided	page	\$0.40
A3 B&W Double sided	page	\$0.80
A3 Colour Single sided	page	\$1.80
A3 Colour Double sided	page	\$3.60
A4 B&W Inkjet Printer single	page	\$0.20
A4 Colour Inkjet Printer single	page	\$0.90
Sending within Australia	First page	\$3.00
Sending within Australia	Further pages	\$1.00
Sending Overseas	First page	\$8.00
Sending Overseas	Further pages	\$1.00
Receiving	page	\$0.50
Miscellaneous items		
Flash Drives 4MB	item	\$8
Head phones	item	\$1.50
Library bag	item	\$2.00
Laminating		
A4	page	\$3.50
A3	page	\$4.50
Book Covering Service		
Cover - Standard	item	\$5.00
Cover - Folio	item	\$8.00
Paperbacks – Standard	item	\$5.00
Paperbacks - Large	item	\$8.00
Mending	item	By quote

All fees and Charges inclusive of GST, as it applies.

## Appendix C

### Capital Works Program

The Capital Works Program supports the strategic objectives. Major factors that will impact the program are:

- Vehicle replacement program
- IT replacement and renewal strategy
- Library upgrade and modernisation program
- RFID Investment
- Stock Management Policy
- Shift to eResources from physical resources

	2014/15 Actual	2015/16 Budget	2016/17 Budget	2017/18 Forecast	2018/19 Forecast	2019/20 Forecast	2020/21 Forecast
	\$	\$	\$	\$	\$		
Motor Vehicles	60,000	60,000	35,000	25,000	35,000	60,000	25,000
Furniture & Equipment	10,000	10,000	10,000	10,000	10,000	10,000	10,000
IT & Computers	30,000	30,000	30,000	30,000	30,000	30,000	30,000
RFID		150,000	218,000	0	0	0	0
<b><u>Book Stock &amp; Resources</u></b>							
Adult Fiction		64,000	76,000				
Childrens & Young Adult		10,000	13,000				
Adult Non fiction		30,000	32,000				
Childrens & Young Adults NF		7,000	8,000				
Large Print		48,000	52,000				
LOTE Adult		12,000	14,000				
LOTE Childrens & Young Adult		3,000	6,000				
Reference Material		2,000	2,000				
Premiers Reading Challenge		27,000	27,000				
eBooks - Adult		25,000	35,000				
eBooks - Childrens & YA		3,000	6,000				
Talking Books - Adults		35,000	32,000				
Talking Books – Childrens & YA		2,000	0				
CD's music		2,000	2,000				
DVD Adult Fiction		14,000	22,000				
DVD Childrens & Young Adult		8,000	10,000				
DVD Adult Non Fiction		8,000	13,000				
<b><u>Book Stocks &amp; Resources Total</u></b>	<b>265,000</b>	<b>300,000</b>	<b>350,000</b>	<b>400,000</b>	<b>400,000</b>	<b>350,000</b>	<b>350,000</b>
<b>Total Capex</b>	<b>365,000</b>	<b>550,000</b>	<b>643,000</b>	<b>465,000</b>	<b>475,000</b>	<b>450,000</b>	<b>415,000</b>