

WA Public Libraries Strategy Forum 21 June 2019

Proposed Repurposing of Funds and Asset Management for Public Library Materials

Consultation Report

Contact:

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Introduction

The *Library Board of Western Australia Act 1951* and its regulations 1985 provide the governing legislation in which Local Governments operate public libraries in partnership with the State Government (represented by the Library Board of Western Australia). Local Government provides library infrastructure, including buildings and technology, staff, and operating costs while the Library Board, through the State Library of Western Australia, allocates funds for public library stock. In December 2017 the Minister for Culture and the Arts, Hon David Templeman MLA, released the WA Public Libraries Strategy (the Strategy), to establish strategic priorities for public library development in Western Australia over the next four years.

The State Library of Western Australia (SLWA), Western Australian Local Government Association (WALGA) and Public Libraries Western Australia (PLWA) have been working in partnership to consult with the Local Government sector to design and implement a way forward with the Strategy.

The Public Libraries Working Group (PLWG), which includes membership from WALGA, PLWA, the Department of Local Government, Sport and Cultural Industries and the Library Board of Western Australia, was established to consider the outcomes from the consultation phase for the Strategy and provide advice to SLWA on the Strategy's implementation.

Background

WALGA State Council, the Library Board and PLWG endorsed the Strategy's Consultation Report at respective meetings held in July 2018. The PLWG identified a new model for public library service delivery in Western Australia and a new model to support regional and remote public library services as the initial priority. The SLWA undertook to endeavor to find funding to progress a Business Case for a single access card system. The PLWG Reference Group was established to develop a proposal for a new tiered model to support public library service delivery in Western Australia for the consideration of the PLWG.

Following PLWG's endorsement of a framework for a new model to support public library service delivery including support for regional and remote public library services, this was endorsed by WALGA State Council, PLWA, and the Board at their respective meetings. Central to the implementation of the new framework is the transfer of ownership of stock and repurposing of existing State Government capital funding for library materials to recurrent funding that can be used for a range of public library priorities including technology, learning programs and new services as well as library materials by Tier 1 libraries. On 21 June 2019, WALGA and PLWA hosted a forum with Local Governments to identify opportunities and issues related to this. Provided below is a summary of the consultation and key recommendations arising from the forum.

Context

Currently, the SLWA receives capital and recurrent funds for the purchase of library materials. Recurrent funds are provided for licenses to electronic materials (e.g. ebooks, emagazines, etc.), while physical and print materials (e.g. books, DVDs. etc.) are purchased with capital funding. The capital allocation for 2018-19 was \$8.524 million with a further \$1,030,000 in recurrent funding for electronic materials.

SLWA 'allocates' capital funding via a population-based formula to Local Governments then purchases library materials on their behalf and, essentially, lends them to public libraries. They remain as State assets but are exchanged between libraries across WA's 139 Local Governments. There are approximately 2.67 million items, owned by the State, in the 233 public libraries.

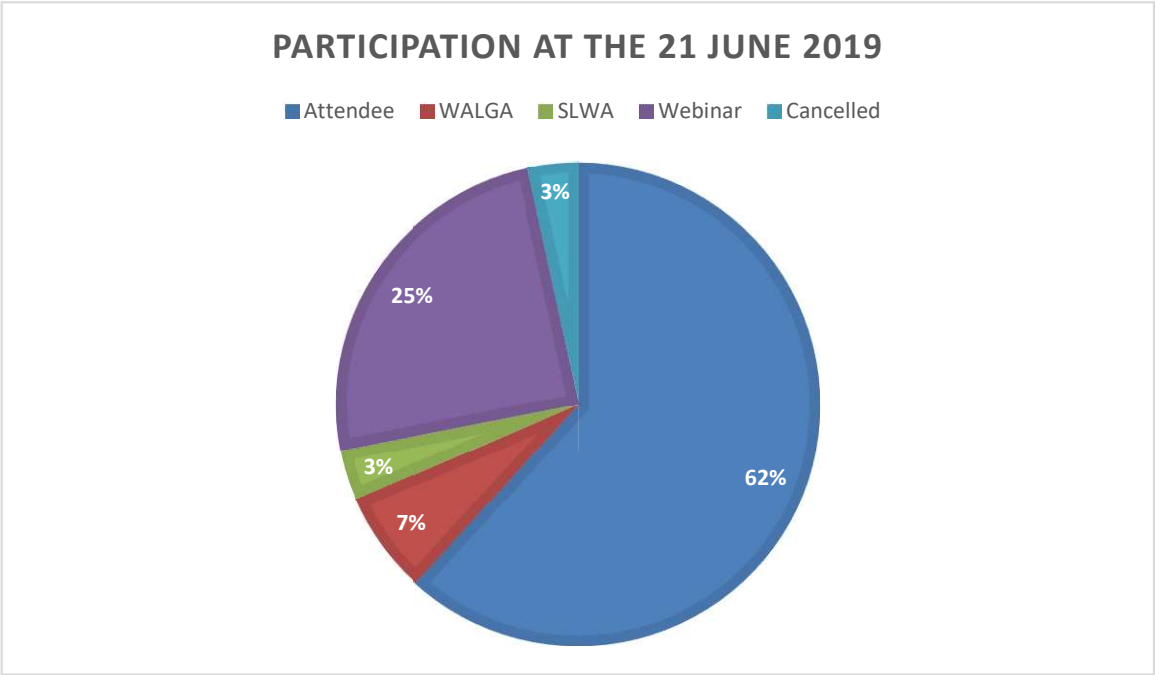
In addition to a new multi-tiered support model determined by the ability to meet agreed criteria for service provision and population size, the Strategy also proposes the introduction of a new grants-based system for the allocation of annual State Government funding that is not limited to the purchase of physical library stock but could also be used for technological infrastructure, innovative programs and services, or other defined priorities for Local Government library services in Tier 1 of the new framework.

A Forum was held at WALGA on 21 June 2019, to facilitate a robust conversation within Local Government to consider the proposed:

- Repurposing of the accounting treatment of existing capital funds to recurrent funding.
- Transfer of ownership of stock from State to Local Governments.

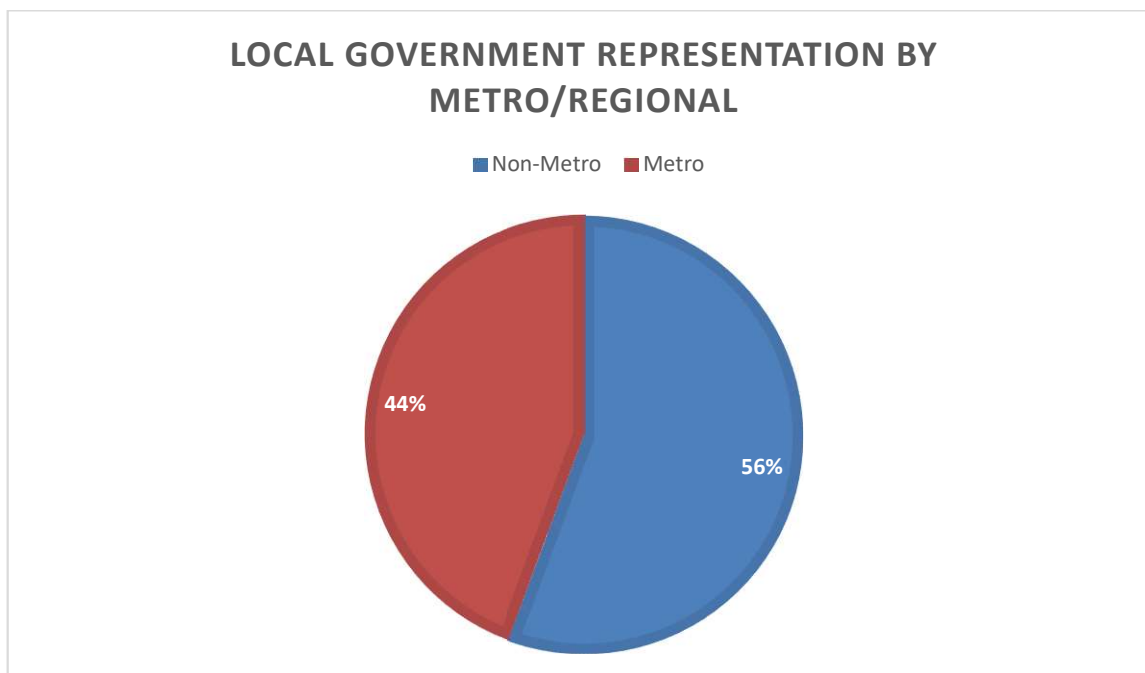
Attendance

The Forum recorded an active count of 86 participants, with a variety of library, finance and executive backgrounds, who were engaged across a variety of mediums.



Of the 86 participants a total of 45 Local Governments, or 32% of the sector were represented by either online or webinar facilities. A full list of registrants and the method of engagement can be viewed in Appendix A.

The breakdown of metropolitan to non-metropolitan Local Governments can be viewed in the pie chart below.



Methodology

Participants both in person and online were engaged in the program which centred around four key questions. The full program is available in Appendix B.

Small groups of participants each had time to discuss the questions and report back to the wider group on the key outcomes for consideration into the final recommendations. Webinar attendees had access to all presentations and commentary and their feedback is included in the data collated on the day. A webinar recording will be made available on the [WALGA website](#).

A copy of the State Library of Queensland's Public Library Grant, Library Priority Project – Information Guide¹ was provided to all participants on the day by SLWA and a [link](#) provided to webinar participants. This additional information was provided to assist with discussions for question four.

At the conclusion of the event all written materials were collected and collated by PLWA staff. The final report was edited and endorsed by WALGA and PLWA.

Photos from the consultation at the forum are provided in Appendix C.

Discussion

Participants welcomed the Forum as an opportunity to discuss the proposed repurposing of funds and management of public library materials. Following a welcome and introduction from Jo Burges, WALGA's Executive Manager, People and Place, SLWA's Director, Library Services, Elizabeth Spencer provided an overview of the purpose of the Forum as being to explain the proposed new treatment of funds and materials and discuss the best mechanisms for achieving this. Viv Barton, President of PLWA also provided context for the Forum discussion. James Dew, Chief Financial Officer SLWA, gave a presentation providing background and context for the proposal to repurpose public library materials funding and transfer the ownership of stock, and explained the proposed new treatment of funds and materials.

SLWA proposed two options, with Option 2 supported by a clear majority.

¹ <http://www.plconnect.slq.qld.gov.au/manage/funding-and-grants/library-collections-grant>

Option 1: Two Stage Approach

- Public library materials purchased by SLWA prior to full implementation of the new model remain the property of State Government until their value is written down to zero (five years)

Option 2

- Public library materials purchased by SLWA – held in public libraries at a date to be determined – have ownership transferred to Local Government.
- In addition, library materials acquired by Local Governments using State Government grant funding become the property of Local Governments.

There was a clear preference for Option 2 with participants agreeing that this option was more efficient and timely, and reduced the transitional workload. There was also agreement that a change in intent of funding from capital to recurrent would not create any issues for Local Government in the way they treated library materials as they already consider local stock as expensed rather than as an asset.

Participants then discussed the issues and opportunities for Local Government around the following questions:

Q1: Proposed repurposing of library materials funding, from capital to recurrent. Feedback included:

- Agreement supporting repurposing funding from capital to recurrent.
- Local Government already treats local stock funding as recurrent funding within budgets and cash flow reporting, so no change.
- Current Local Government insurance covers library materials.
- Requirement for an MOU between WALGA, Local and State Government outlining responsibilities for all parties; funding must be for public library purposes; and a specified funding agreement (i.e. a five-year specified funding quantum).
- WALGA to protect and lobby for increased funding for public library materials and innovations programs.
- Increased Local Government autonomy to form consortia purchasing arrangements with other Local Government s, as well as select own suppliers using State funding.
- Opportunities for WALGA to review and extend WALGA supplier contracts for library materials, and other library services.
- Establish an education program to ensure that the proposed 80/20 funding split for library materials versus other purposes remains dedicated to library purposes. This could be addressed in the application and acquittal process for the grant.

Q2: Proposed transfer of ownership of stock from State to Local Government. Feedback included:

- Support by Tier 1 Local Government s for the transfer of ownership of stock from State to Local Government.
- Exchange System (to be reviewed). Concerns included availability of discarded stock from Tier 1 due to Tier 2/3 reliance on the exchange system; some Tier 1 Local Government s want to continue participating in the exchange system.
- Inter-library Loans (ongoing review). Concerns included how will freight be funded for ILLs; who will maintain the state-wide library database; clarification if ownership is transferred to the Local Government, why does the Local Government have to participate in ILLs.
- Develop an agreed process for stocktake management; reconciliation to the state-wide library database.

Q3: Proposed funding to enable expenditure on a range of priorities including library stock, technology, new services and learning programs. Feedback included:

- Details required for the grant process including 80/20 definitions; application, reporting and acquittals processes; templates; audit/transparency (who assesses the grant applications); extend grants to Tier 2. SLWA provided the State Library of Queensland template.
- Improve SLWA timeframe in advising funding to Local Government, acknowledging this is limited by State Government corporate budget process.
- Provide flexibility for the grant to be utilised across Local Government s for combined programs or services

Q4: Implications for Local Governments in maintaining grant funding for library materials. This question was not discussed as participants agreed responses had already been provided in response to Questions 1, 2 and 3.

Parked Issues Requiring Further Discussion

1. That WALGA collaborate with Local Government and PLWA to develop a campaign to raise public library awareness, and lobby for protected and increased funding for public library materials and innovations purposes.
2. That WALGA, State and Local Government develop an MOU between WALGA, State and Local Government for the provision of WA public library services.
3. That WALGA review and extend WALGA supplier contracts for the purchase and supply of shelf-ready library materials, and other library services.
4. That WALGA collaborate with Local Government and PLWA to develop consortium opportunities for the purchase and supply of shelf-ready materials, and other library services.

Recommendations

1. That WALGA State Council SUPPORTS the proposed repurposing of the accounting treatment of existing capital funds to recurrent funding.
2. That WALGA State Council SUPPORTS the proposed transfer of ownership of stock from State to Local Governments for Tier 1 Local Governments.
3. That SLWA advise WALGA/Local Government of the State Government corporate budget schedule and expedite annual funding allocation notifications to Local Government as soon as possible in the new financial year.

Policy

3.25 Investing in Communities

WALGA supports Local Government initiatives and infrastructure that contribute to health and wellbeing of the community.

3.25.1 Community Infrastructure

WALGA continues to advocate for better planning and support for community infrastructure and investment by the State, Commonwealth and private partners.

3.2.6 Public Libraries

WALGA supports the provision of Public Library services in Western Australia through a formal partnership between Local Government and the State Government of Western Australia, governed by the *Library Board Act 1951*.

Conclusion

It is proposed the recommendations outlined above will enable a planned transition to a more effective, efficient and flexible model that will deliver 21st century public library services to provide better value for money and deliver essential outcomes to community members.

WALGA, Local Government and PLWA look forward to continuing discussions to improve WA public library services in collaboration and equal partnership with State Government.

Appendix A: Final Registration List

WA Public Libraries Strategy Forum


Prefix - R First Name - Re Last Name - Reg Suff Company - Registrant Ac Position - Regis E					
Active - Count: 86					
Attendee - Count: 55					
Ms	Randi	Augustin		City of Gosnells	Senior Accountan r
Mr	John	Toomey		City of Gosnells	Branch Librarian j
	Maxine	Ahrens		City of Gosnells	Acting Manager Li
	Fiona	Ting		City of Stirling	Senior Manageme fi
	Jeremy	Earl		Subiaco Library	Librarian, Collecti
	Bev	Pilton		City of Joondalup	Financial Account: B
Mrs	Kim	Shepherd		Donnybrook Community Lib	Library Manager k
Mrs	Rosalie	Dolliver		City of Swan	Libraries Coordinat
	Angela	Garces		City of Subiaco	Management Acca
Mr	Roy	Ruitenga		Town of Cambridge	Manager Finance n
	Darren	Simmons	JP	Shire of Koorda	Chief Executive O c
Ms	Deb	Summers		City of Swan	Manager Custome d
Ms	Tina	Ackerman		City of Subiaco	Manager Cultural ti
Mr	Bimsara	Pathirathna		City of Wanneroo	Manager Transact b
Mr	Darren	von Bergheim		City of Wanneroo	Coordinator Librai d
Mr	Gareth	Dixon		City of Armadale	Manager Library & g
	Renata	Pietracatella		Bassendean Memorial Public	Manager Library a r
	Lachlan	McCaffrey		RPS Australia East Pty Ltd	Senior Planner la
Mr	Stan	Scott		Shire of Toodyay	Chief Executive O c
Ms	Evelina	Dobrowolski		City of Bayswater	Manager Library a e
Ms	Caroline	Jones		City of Canning	Manager Commur c
Mrs	Linda	Seymour		Cockburn Libraries	Manager li
Mr	Nelson	Mauricio		City of Cockburn	Manager, Financi n
Ms	Sharon	Chapman		City of Bunbury	Manager Libraries s
Mr	James	Shepherd		City of Bunbury	Acting Director Cc J
Mr	Jeremy	O'Neill		Shire of Capel	Manager Commur J
Mr	Terry	Fay		City of Bayswater	Manaqer Library a b
Ms	Lesley	Wilkinson		City of Wanneroo	Manager Cultural le
Ms	Joanna	Andrew		City of Perth	Coordinator Librai j
Mrs	Jude	Thomas		City of Joondalup	Manager Comuity j
Mrs	Viv	Barton		City of Stirling	Service Lead - Lib
Mrs	Ingrid	Hawkins		City of Stirling	Director Corporat ir
Mrs	Rachel	Jackson		City of Stirling	Librarian Strategi n
Mrs	Sarah	Liddiard		Town of Claremont	Manager Claremo s
Mrs	Natalie	Martin Goode		Town of Victoria Park	Chief Community N
	Deborah	Rigby		Town of Victoria Park	Literacy and Leari D
Mrs	Kaitlyn	Griggs		Town of Victoria Park	Manager Commur K
Ms	Ruth	Schofield		Town of Victoria Park	Manager Library S R
Ms	Carol	Anderson		City of Busselton	Coordinator Librai c
Mrs	Alison	Mudgway		City of Melville	Coordinator Librai a
Mrs	Leeann	Reid		City of Melville	Manager Cultural L
Ms	Christine	Young		City of Melville	Director Commun C
Mrs	Nicole	Richards		City of Belmont	Coordinator Librai n
Mrs	Natasha	Griggs		City of Belmont	Manager Commur n
	Helen	Sarcich		Shire of Serpentine Jarrahd	A/Chief Executive h
	Lisa	Keys		Shire of Serpentine Jarrahd	Acting Director Cc l
Mrs	Ruth	Campbell-Hicks		Shire of Harvey	Principal Librarian h
Mrs	Cheryl	Parrott		City of Perth	Manaqer, Library c
	Alison	Oliver		City of Rockingham	Manager Library S a
Ms	Justine	Skeet		City of South Perth	Manager Library S j
Ms	Vicki	Lummer		City of South Perth	Director Developn j
Dr	Sarah	McQuade		City of Canning	s
	Audrey	Bell		Shire of Toodyay	Manager Commur n
Ms	Jacqui	Pickerill		Town of Cambridge	Coordinator Librai j
Ms	Priya	Narula		Town of Cambridge	Manager Commur p

WALGA Staff - Count: 6

Nebojsha	Franich	WALGA	Policy Manager, E I
Andrew	Blitz	WALGA	Procurement and a

	Marissa	MacDonald	WALGA	Policy Officer, Tra
	Kirstie	Davis	WALGA	Policy Manager Col
	Jo	Burges	WALGA	Executive Managej
	Anne	Banks-McAllister	WALGA	Capacity Building j
SLWA Staff - Count:	3			
Ms	Sue	North	State Library of WA	Public Library Stras
	Liz	Spencer	SLWA	
	James	Dew	SLWA	
Webinar only - Count:	22			
	Helen	McKissock	Shire of Mundaring	Branch Librarian I
	Vicki	Cobby	Shire of Broome	Senior Finance Of
	Kellie	Bartley	Shire of Merredin	Deputy Chief Exec
Ms	Sue	O' Toole	City of Karratha	Assistant Manage
Mrs	Vanessa	Subramoney	City of Karratha	Library Services Co
Miss	Debra	Hodges	City of Kalgoorlie-Boulder	Manager Communi
	Olivia	Letter	Gnowangerup Shire public	Library Services Cl
	Cheryl	Weston	Shire of Carnarvon	Coordinator Librai
	Sa	Toomalatai	Shire of Carnarvon	Manager Finance t
	Gloria	Quinn	Shire of Carnarvon	Assets Coordinato
Ms	Leigh	Angilley	Shire of Murray	
Ms	Vanda	Dei-Tos	Shire of Manjimup	Manager, Librarie
Ms	Judy	Bagshaw	Town of Port Hedland	Manager, Commu
	Mazita	Omar	Shire of Katanning	Library Coordinati
Miss	Shannon	Wood	Shire of Collie	Manager of Inform
Mr	Steve	van Nierop	City of Albany	Acting Manager Fi
Ms	Elizabeth	Denniss	Shire of Bridgetown-Green	Executive Manage
	Jayne	Arnold	Shire of Esperance	Library and Cultur
	Sally	Eaton	Shire of Broome	Library Coordinati
Ms	Alison	Morris	Broome Public Library -Shir	Librarian
	Monica	Fairless	Shire of Yilgarn	Support Officer
	Sharon	Regterschot	Shire of Exmouth	Coordinator Librai
Cancelled - Count:	3			
Mrs	Despina	Swain	City of Nedlands	Library Services Co
Ms	Heather	Auld	Shire of Augusta Margaret	Manager Library S
	Amy	Green	WALGA	

Appendix B: Forum Program

 <h1>WA Public Libraries</h1> <h2>Strategy - Forum</h2> <h3>Proposed repurposing of funds and asset management for public library materials</h3> <p>Friday, 21 June 1:30pm – 4:00pm WALGA Boardroom, ONE70, Lvl1, Railway Parade, West Leederville</p> <p>Aim: To discuss and identify opportunities and issues for Local Government with the proposed repurposing of State Government funding for library materials to enable a transition to a new model where funds are able to be allocated to a range of library priorities rather than tied to the purchase of physical library stock.</p>		<p>Q4: What are the implications for your Local Government in maintaining grant funding for library materials? E.g. internal processes, acquittal, capacity to manage a grant, reporting etc.</p> <p>Summary of discussion <i>Debra Summers and Alison Oliver, Public Libraries Western Australia</i></p> <p>Next Steps <i>Jo Burges, WALGA Executive Manager People and Place</i></p> <p>Close of Event</p> <p>Outcome: To develop recommendations for the preferred Local Government approach for a future accounting treatment and asset management model for library services.</p>	
3:05pm			
3:30pm			
3:50pm			
4:00pm			
CONTACTS			

PROGRAM	
1:00pm	Welcome & Acknowledgement of Country <i>Jo Burges, WALGA Executive Manager People and Place</i>
1:05pm	Introduction from Public Libraries Western Australia <i>Viv Barton, President, Public Libraries Western Australia</i>
1:10pm	The WA Public Libraries Strategy: a new chapter for our public library system <i>Liz Spencer, Director Library Services, State Library of Western Australia</i>
1:15pm	Overview of current State Government funding and asset management procedures for public library materials <i>James Dew, Chief Financial Officer, State Library of Western Australia</i>
1:35pm	Q1: What are the issues and opportunities for Local Government in the proposed transfer of ownership of stock from capital to recurrent funding? E.g. financial implications, how does your LG currently treat library stock (capital/recurrent)?
2:00pm	Q2: What are the issues and opportunities for Local Government in the proposed transfer of ownership of stock from State to Local Government? E.g. financial implications, value, insurance, depreciation, balance sheet, record keeping, stocktake and write-offs, etc.?
2:25pm	Q3: The new model proposes recurrent funding to enable expenditure on a range of priorities including library book stock, technology, new services and learning programs. What are the issue and opportunities for your Local Government?
2:50pm	Afternoon Tea
CONTACTS	

Appendix C: Photo Log

