

**Casey
Cardinia
Libraries**

'Inspiring spaces where everyone is free to discover possibilities'

AGENDA

Board Meeting

Wednesday 28 June 2017

5.30pm

**Cardinia Shire Offices,
Siding Avenue Officer**

Casey Cardinia Libraries

Board Meeting – Wednesday 28 June

Agenda

1. **Apologies**
Board Members:
 Ms. Sally Curtain (City of Casey)
 Mr Andrew Davis (City of Casey)

2. **Confirmation of the Minutes of The Casey-Cardinia Library Corporation (CCL)**
 Ordinary Board Meeting held on 26 April 2017.

3. **Declaration of Conflicts of Interest**

4. **Strategy**

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STRATEGY

CC28/2017 LIBRARY PLAN 2017 – 21

Report prepared by Chris Buckingham

Purpose

To provide the Board with the Library Plan 2017 – 21.

CCL Library Plan reference – 5.3

Discussion

Casey Cardinia Libraries is required to have a Library Plan under Section 125 of the Local Government Act 1989 in place by 30 June each year. It is the primary planning document for the delivery of library services.

At the April Board meeting it was resolved:

- 1. That the Board endorse the Library Plan 2017 – 2021.*
- 2. That CCL forward the Library Plan 2017 – 2021 to the member councils for adoption.*

Cardinia Shire Council considered and approved CCL Library Plan 2017–2021 at its Council meeting of 19 June 2017.

The City of Casey considered and approved CCL Library Plan 2017–2021 at its Council meeting of 20 June 2017.

The Library Plan will be reviewed on an annual basis to ensure that we continue to deliver and meet the community needs.

RECOMMENDATIONS

1. That the Board adopt the Library Plan 2017 – 2021.
2. That CCL forward a copy of the adopted Library Plan 2017 – 2021 to the Minister for Local Government in accordance with the provisions of the Local Government Act 1989.



Library Plan

2017 – 2021

The journey from good to great!



Casey
Cardinia
Libraries

Inspiring spaces

Where everyone is free
to discover possibilities

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Foreword

This Library Plan establishes an ambitious direction for Casey Cardinia Libraries (CCL) over the next four years. It is the primary planning document for the delivery of library services in the Casey Cardinia region and fulfils the requirements of Section 125 of the Local Government Act 1989. Community, staff and key stakeholders were widely engaged and consulted in the development of this plan. We are delighted to share it with you.

Public libraries are expected to do much more than curate collections and lend books. In a time of rapid change, libraries have a core role promoting literacy, providing free access to information, encouraging a culture of lifelong learning and contributing to positive socio-economic outcomes across the community.

CCL is one of Victoria's largest public library services. We are funded principally by the City of Casey, Cardinia Shire and the Victorian State Government. We support a rapidly growing and diverse community of over 400,000 people.

Our libraries are located at Cranbourne, Doveton, Emerald, Endeavour Hills, Hampton Park, Narre Warren and Pakenham. The Cardinia Mobile Library provides a weekly service to Beaconsfield, Bunyip, Cockatoo, Garfield, Gembrook, Koo Wee Rup, Lang Lang, Maryknoll, Nar Nar Goon, Tynong and Upper Beaconsfield.

Forecasts estimate that the population of City of Casey and Cardinia Shire council will exceed 650,000 people within twenty years. It is anticipated that membership and visits will continue to grow, while lending of physical items will gently decline as new ways of delivering information evolve.

Libraries are an integral part of healthy communities. The role of public libraries as community hubs where people can gather safely is gaining importance. New libraries will be required as residential areas are developed in the Casey Cardinia region. Existing libraries will also need to be refurbished to meet the changing needs of the community.

CCL in 1996–97

- *75,904 members*
- *648,129 visits per year*
- *230,661 items*
- *1,485,455 annual loans*
- *Open 247 hours per week*
- *Five fixed branches and one mobile library*

CCL Today

- *115,000 members*
- *2.1 million visits per year*
- *376,233 items*
- *2,661,973 annual loans*
- *Open 382.25 hours per week*
- *Seven fixed branches and one mobile library*

CCL – Past, Present, Future

CCL recently celebrated 20 years of service to the community. The role and function of public libraries has changed dramatically in this time, as have the needs and expectations of our community. There is every reason to expect that the pace of change will accelerate.

Public libraries will be judged more on the experiences we provide rather than the physical products we offer. To make the transition from good to great, we have to do things differently.

We love books, and we want people to read them. We also place a high value on making quality information easily accessible to people. Our free programs and events inspire creativity and bring people together. One of the most popular services we provide is free 24/7 Wi-Fi.

The way our community use our facilities is changing. This means we need to think carefully about the way we use space within the branches and adopt new technology. We must prioritise the creation of welcoming spaces where people can gather and learn.

CCL foster happier, healthier and more resilient communities. We are proud of the fact that our libraries are safe and welcoming. People will increasingly seek connection with others when they visit their library.



We also have to actively listen to our community and encourage participation. The people who use our libraries are more important than our books. We must value our customers' time and make it simple and easy to use our services.

To be vibrant and relevant spaces, we need to engage, enthuse and build the communities around us.

Bad libraries build collections, good libraries build services, great libraries build communities.

R. David Lankes

Library programs and activities are increasingly being built through partnerships with other organisations including schools and community organisations. It is vital that we actively cultivate strong relationships with the City of Casey and Cardinia Shire Council and look for ways to support each other in the delivery of services to the community.

Our libraries host enormous reservoirs of potential in the people who visit. As library and information industry professionals we have a vital role helping them discover the possibilities.

Role and Trends of Public Libraries

Public libraries locally and nationally are likely to encounter significant changes in demography. Significant trends in Casey Cardinia region include increased population, internal-migration, arrival of new migrant groups, more young families and an ageing population with increased life expectancy.

Great public libraries are open, accessible and welcoming public spaces where people can read, learn and connect with others.

Libraries are the 21st century knowledge wells. We provide a safe gathering place where people can explore and satisfy their thirst for knowledge. We help everyone: people studying, seeking information and needing help to access the internet; people simply wanting to browse, children coming for storytime, those finding their way in a new town seeking services or directions; people wanting to connect with others in a creative environment; and sometimes those simply seeking shelter.

Rapidly changing technology will significantly influence the future development of libraries. We have an important role providing up-to-date information technology and encouraging people to use it effectively.

The knowledge that was held almost exclusively in books is now available online. People have unparalleled access to information. Most people no longer need to physically visit the library to do research, get access to information or enjoy a leisurely read.



If we are successful, librarians at CCL will be known as way-finders rather than collectors or curators.

There is an expectation that library staff will actively engage and interact with the community in the library, online and outside our four walls. This means we have a growing responsibility to encourage social inclusion and help build resilient communities.

The learning opportunities we provide our community will continue to rise in importance. This will include literacy, creative and digital learning for all ages.

I use the Narre Warren library and the experience has always been good. Only comment is often there's not enough reading/study desks or chairs, but this is expected as it's busy and well used.

**CCL 2017 Online Community Survey:
Narre Warren Library user – female,
aged between 35–44**

Challenges and Opportunities

Budgets and Funding – The ongoing support and commitment of the City of Casey, Cardinia Shire and the Victorian State Government are critical to our success. We also need to seek new partnerships with business and community that generate new revenue and create efficiencies. Our people should understand and own our financial performance.

Change – We understand the need for innovation. Our appetite for risk is increasing. There is a willingness to have a go, make mistakes and learn from them. If we celebrate our strengths, empower our people to have a go and share success, we will be a great public library.

Communication – As we embrace change, we have the opportunity to improve the way we communicate with each other and our community. Active listening, engaging in conversations and leveraging technology are key opportunities.

Growth/Demographics – The Casey Cardinia region is growing and diversifying swiftly. The pressure on our services through increased patronage means we need to be looking for new ways to deliver key services to our community. This will require a deeper understanding of our community needs and a willingness to engage with partners in different ways.

Staffing – The jobs of the future are cognitive and non-routine. We need to consider how we get the best value from our people. We have great people working at CCL doing good work. We have an opportunity to empower staff to make decisions with a robust vision and clear set of values.

Technology – There is unprecedented change in the way humans gather and absorb information. Public libraries can be at the vanguard of that change if we choose to be early adopters. We have a responsibility to make sure that everyone can access information freely.

We have an opportunity to improve the way we operate. We can achieve significant efficiencies by updating and integrating our systems and automating routine tasks.

(Key findings from CCL All Staff Planning Workshop, November 2016).

Thank you for your wonderful service. My family and I love and appreciate the library, the service, and the wonderful staff. Keep doing what you are doing and the marvellous way you stay up to date with new technologies.

CCL 2017 Online Community Survey: Cranbourne Library user – female, aged between 55-64

Our Vision

Inspiring spaces where everyone is free to discover possibilities.

Our Mission

To encourage lifelong learning, increase literacy and build strong, resilient communities across the Casey Cardinia region.

Our Values

Teamwork

We excel when we all contribute. We are loyal and dedicated to each other. We always do our fair share.

Love of Learning

We love new things. We believe there is an opportunity to learn anywhere and everywhere.

Fairness

We treat all people fairly. We do not let our personal feelings bias our decisions about others. We give everyone a chance.

Creativity

Thinking of new ways to do things is crucial to our success. We are never content doing things the conventional way if we believe a better way is available.

Social Intelligence

We are aware of the motives and feelings of other people. We know what to do to fit into different situations and we know what to do to put others at ease.

Humour

We like to laugh, bringing smiles to other people. We try to see the light side of all situations.

Our Approach

- Great customer service
- Embrace new thinking
- Quick little steps
- Momentum not perfection
- Encourage people to take calculated risks
- Fail early, fail often
- A culture of collaboration and innovation
- Pay it forward
- Look after the neighbours
- Build confidence and resilience
- Share our story

Our Goals, Strategies and Desired Outcomes

1. The Knowledge Well

Create safe and welcoming places where everyone can gather, learn, share and grow.

Strategies		Targets and Indicators
1.1	Create accessible physical and virtual spaces which inspire our community	<ul style="list-style-type: none">• People visit our libraries and are happier for it• Increased library visitation (physical and digital)
1.2	Our core services are free and accessible to everyone in our community	<ul style="list-style-type: none">• Increased library usage – loans (physical and digital)• Program and events attendance and number of programs and events• Our libraries are spaces where the community can gather, learn and grow
1.3	Invest in ICT that enhances library user experience and enables greater staff productivity	<ul style="list-style-type: none">• Easy access to our free services anywhere for our community• Increased utilisation of digital technology
1.4	Operate as the vanguard of publicly available information technology and encourage people to use it effectively	<ul style="list-style-type: none">• Our staff have strong ICT skills and the capacity to effectively support library users as they learn about new technology• Our staff can provide expertise when and where our community needs it• Our services and staff respond to the changing environment

Related CCL Strategic Plans

- *Facilities Development Plan 2017–2021*
- *ICT Roadmap 2017–2020*
- *Social Inclusion Strategy 2017–2020*

2. Leadership & Innovation

Lead positive change through partnerships and teamwork.

Strategies	Targets and Indicators
2.1 Build community appreciation of the work we do and value the services we provide	<ul style="list-style-type: none"> Increased Net Promoter Score (Annual Community Survey) Improved customer satisfaction (Nexus Survey) Positive coverage in local media Positive community feedback via social media, letters and website
2.2 Form robust partnerships with organisations that support literacy and lifelong learning	<ul style="list-style-type: none"> Working relationships established with South East Local Learning and Employment Network, maternal child health services, childcare centres and kindergartens, local schools, tertiary education and training providers and other public libraries Connect with new members and community groups through targeted outreach Number of partnerships and enhanced service outcomes for the community
2.3 Positively advocate for public libraries and be an active member of the Public Libraries Victoria Network (PLVN) and Swift Library Consortium	<ul style="list-style-type: none"> Support growth and development of PLVN and Swift including Statewide Library Management System

Related CCL Strategic Plans

- *Marketing Communications Strategy 2017*
- *Social Media Strategy 2017*

3. Resilience

Strengthen capacity in our growing community.

Strategies	Targets and Indicators
3.1 Strong connections with our community	<ul style="list-style-type: none"> • Demonstrated connection with community leaders, Council stakeholders and relevant interest groups • Established volunteer programs that support literacy in our community • Positive community feedback via social media • Increased membership
3.2 Increased investment in new infrastructure and services that support our community	<ul style="list-style-type: none"> • Successful advocacy for new and refurbished libraries in target communities • Cost of library service per capita
3.3 Recognised contribution to community well-being and social equity	<ul style="list-style-type: none"> • Development and delivery of a comprehensive Social Inclusion Strategy that supports diversity and the prevention of Family Violence • Representation on committees and working parties with our member councils and other community agencies • The capacity of our libraries to support emergency response and recovery activities in high risk communities

Related CCL Strategic Plans

- *Facilities Development Plan 2017–2021*
- *Member Council Municipal Public Health and Wellbeing Plan(s)*

4. Literacies

Encourage reading and lifelong learning.

Strategies	Targets and Indicators
4.1 Deliver programs and activities that support literacy and lifelong learning	<ul style="list-style-type: none"> • Program attendance and number of programs • Create and nurture lifelong learning • Support readers and promote reader development
4.2 Ensure collection is accessible and well used	<ul style="list-style-type: none"> • CCL items are free and accessible to our members • Swift items are free and accessible to our members
4.3 Host events and performances that inspire creativity and learning	<ul style="list-style-type: none"> • The number of people who attend creative events and performances at CCL
4.4 Facilitate programs and activities that promote Science Technology Engineering Arts and Mathematics (STEAM) learning	<ul style="list-style-type: none"> • Establishment of STEAM related programs and activities

Related CCL Strategic Plans

- *Youth Services Plan*
- *Member Council Municipal Public Health and Wellbeing Plan(s)*

5. Organisational Performance

Build an outstanding and innovative organisation.

Strategies	Targets and Indicators
5.1 Embrace CCL values in everything we do	<ul style="list-style-type: none"> CCL staff share belief in the value of the services we provide and the communities we support CCL staff take calculated risks and embrace opportunities for growth Establishment and delivery of a CCL Leadership Development Program Staff engagement survey(s)
5.2 Create a people focused organisation that is quick to embrace new ways of doing things	<ul style="list-style-type: none"> Adoption of new services and strategies New revenue streams established through partnerships with external agencies and corporates Successful establishment of Bunjil Library
5.3 Compliance with statutory and funding requirements	<ul style="list-style-type: none"> All our activities are governed by sound financial and business management principles Annual Budget comes within + / - 5% projections Renewal of business systems including Employee Records Management System Development and delivery of Occupational Health and Safety Management System

Related CCL Strategic Plans

- *Workforce Development Plan 2017 – 21*
- *Risk Management Plan 2017*
- *Budget 2017 – 2021*

Key Performance Indicators

- Development and delivery of the CCL Library Plan 2017 – 2021
- Development of a high performing workforce with positive culture
- Our community is consulted, engaged and enthused by CCL
- Efficient and effective management of the operations of the library service
- Sound financial and business management of CCL
- CCL complies with statutory and funding requirements

Measures

Casey Cardinia Libraries gathers feedback and statistics on its performance through a range of measures.

- Net Promoter Score (happy customers)
- Bi-annual Nexus survey 2016, 2018 & 2020
- Sustainable financial position (books balance)
- Investment attracted for new library services and programs
- Staff surveys
- Community surveys
- Selected lead indicators from the Annual Survey of Public Libraries
- Local Government Performance Reporting Framework



Our Key Measures

The following projections are based on 2015-16 results; targets will be revised once 2016-17 results are finalised in July 2017.

Measure	CCL Actual 2015/16	CCL Target 2017/18	CCL Target 2018/19	CCL Target 2019/20	CCL Target 2020/21
Visits – physical	1,229,021	1.50 mil	1.43 mil	1.45 mil	1.50 mil
Visits – virtual	910,915	942,000	975,000	1.01 mil	1.06 mil
Number of programs and events	2,358	2,500	2,500	2,500	2,500
Program and events attendance	68,868	80,000	85,000	95,000	100,000
Loans (total physical and digital)	2,661,973	2.50 mil	2.55 mil	2.55 mil	2.55 mil
Utilisation of Technology (internet, Wi-Fi, specialist PCs)	355,062	400,000	450,000	500,000	525,000
Net Promoter Score (Community Survey)	59	63	70	70	70

Statewide Measures

Measure	CCL Actual 2015/16	State Average 2015/16	CCL Target 2017/18	CCL Target 2018/19	CCL Target 2019/20	CCL Target 2020/21
Active Library Members	11%	17%	17.5%	18.5%	20.0%	21.0%
Turnover rate – physical items	6.9	5.1	7.0	7.1	7.2	7.3
Turnover rate – digital items	12.3	3.7	13.0	14.0	15.0	15.0
Physical quality of library collection (age of collection – less than 5 years)	69%	63%	70%	70%	70%	70%
Cost of library service per capita	\$24.86	\$43.17	\$27.08	\$26.69	\$26.22	\$25.74
Council Cost of library service per visit	\$5.56	\$6.51	\$5.08	\$5.42	\$5.51	\$5.43
Overall Customer Satisfaction (Nexus Survey biannual)	8.59	8.48	8.7	N/A	8.8	N/A

For more detail:

Local Government Reporting Framework measures go to [City of Casey](#) or [Cardinia Shire](#) websites

Key Performance Indicators can be sourced from the [Annual Survey of Public Libraries](#)

[Australian Library and Information Association \(ALIA\) Guidelines, Standards and Outcome Measures for Australian Public Libraries – July 2016](#)

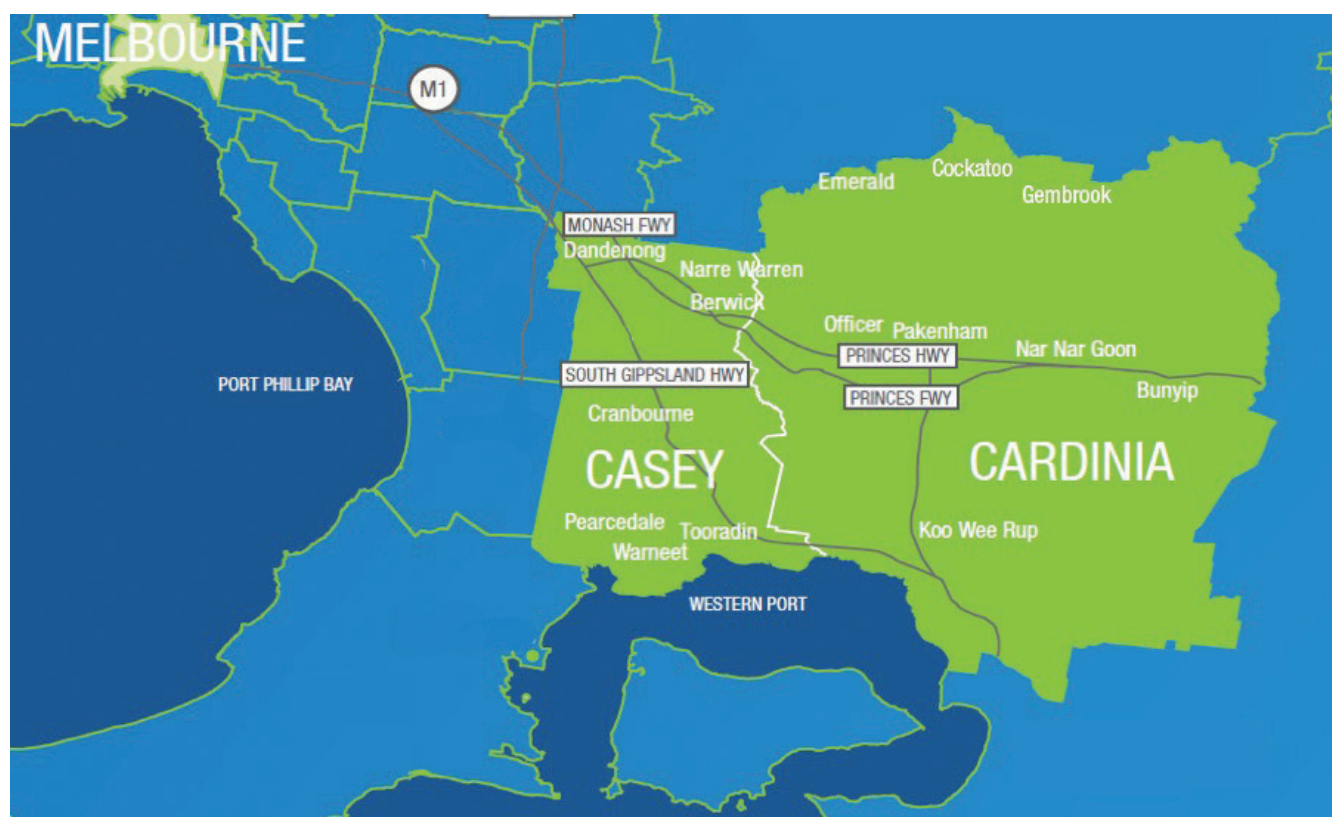
Our Community – A Snapshot

In 1996, Casey Cardinia region had a population of 188,488. Over the past 20 years the population has increased to 400,063 with significant residential development across the region's 1,690 square kilometres. (*Regional Population Growth, Australia – 3218.0 Australian Bureau of Statistics, March 2017*).

Casey will be the second largest metropolitan growth Local Government Area (LGA) from 2011–2031 and Cardinia Shire will be the fourth fastest metropolitan growth LGA. (*Victoria in Future 2016 Population and Household Projections to 2051*).



Casey Cardinia lies in the traditional lands of the Wurundjeri (Woi wurrung) and Boon Wurrung (also spelt Bunurong and Bun Wurrung) peoples. Indigenous people from many different places live in the region.



Our community is diverse. More than a quarter of residents were born in non-English speaking countries. Key languages other than English include Sinhalese, Persian/Dari, Arabic, Spanish, Hindi and Mandarin. More than 4,500 Afghan-born people live in Casey; this is nearly half of all Afghan-born people in Victoria.

Both Casey (2002) and Cardinia (2014) have been declared Refugee Welcome Zones, pledging 'commitment in spirit to welcoming refugees into the community, upholding the human rights of refugees, demonstrating compassion for refugees and enhancing cultural and religious diversity in the community.' ([Refugee Council of Australia, Refugee Welcome Zones, November 2015](#)).



'In 2014, recent migrants were less likely than people born in Australia to have someone outside the household they could confide in. Additionally, they were more likely to have experienced some form of discrimination, but less likely to have experienced two or more incidents of crime in the last 12 months.' ([General Social Survey Summary Results - 4159.0, Australian Bureau Statistics, 2014](#)).

Approximately 19% of the population in both municipalities have a disability, with 5.8% of the population in Casey having 'disabilities causing profound or severe restriction of communication, mobility and personal self-care'.

Education
More residents (15 years+)
in our community hold
vocational or no
qualifications



Employment

Over 94% of our
residents are employed,
over half are full-time



4.8% of the Victorian
Indigenous population
live in our community.

Organisation for Economic Co-operation and Development (OECD) data suggests that, compared with other OECD countries, Australia is below average in work-life balance (*How's life in Australia?, OECD, 2016*). General Social Survey data shows that in 2014, 45% of women and 36% of men were always or often rushed or pressed for time, compared with 21% of women and 28% of men who were rarely or never rushed or pressed for time. (*General Social Survey Summary Results - 4159.0, Australian Bureau Statistics, 2014*).



Time is a precious resource in our community. More than 94% of residents (15 years+) are employed. Approximately 70% of working people from Casey and Cardinia leave the region to work every day (*Casey Cardinia Economic Development Strategy 2016-17*). On average, residents spend over 300 hours (close to two weeks per annum) travelling to work (*Southern Melbourne Regional Development Australia 2011*).

Excessive commuting cuts into people's time for family and leisure. It also impacts their health and wellbeing. We have a direct interest in encouraging people to work closer to home as it will free up time to visit our libraries!

Casey Cardinia region has more couples-with-children households (43%) and single parent households (12%) than the Melbourne average. There is also a higher percentage of residents providing unpaid childcare.

Family and domestic violence occurs across all social and economic classes, religions, location and cultural backgrounds. Victims can be anyone, men, women and children. Casey Cardinia region has some of the highest recorded number of family violence incidents in Victoria (*Crime Statistics Agency, Family incidents, 2012-2016*). City of Casey and Cardinia Shire are both strong advocates for the prevention of family violence.

work full time and am very busy. I can read reviews online and whip out my phone and immediately request it. It is great for time-poor people. I can just come in and pick up my holds if I don't have time to do other things.

Mother of one female aged 10, CCL 2017 Community Consultation

Listening & Learning

CCL recognize how important it is to engage and listen to our community, our stakeholders and our staff. We have employed a number of methods to gather insights that inform this plan.

As part of the library planning process CCL undertook extensive consultation through a variety of methods.

We appreciate the time and thought invested by library users and community members who shared their ideas, suggestions and feedback.

This plan is informed by:

- An Online Community Survey (405 responses)
- In depth interviews with community groups and individuals
- CCL All Staff Planning Workshop (100 people)
- Internal Organisational Health Check (85 responses)
- CCL Board members
- Key staff at City of Casey and Cardinia Shire Council
- Conversations across the organisation
- State Government, Public Libraries Victoria Network, State Library Victoria and Council Plans
- Australian Library and Information Association Standards and Guidelines



Key findings from our community survey included:

- Books are really important. More than 75% of respondents to the Online Community Survey indicated they visit to borrow or use print materials. Some part of this is likely perception. In many people's minds, libraries = books. This comes through clearly in the feedback as nearly 37% of people said something that stops them coming to the library is the fact that they can get books more easily elsewhere.
- Nearly 32% of respondents indicated that they come to the library to read.
- Lack of time is a significant constraint on visitation and engagement. More than 42% of those who have not visited in 12 months cited time as a key factor. 26% of those not visiting mentioned that their priorities had changed.
- Our library users wanted comfortable furniture, attractive spaces and some quiet areas available. People also placed a high value on access to coffee and drinks as well as clean toilets.
- Many people asked for services that are already available through CCL. A strong indicator that we need to 'share our story' with the community and communicate our services and programs more widely.
- There was a lot of feedback about the importance of friendly and approachable staff and customer service. This is the key to our service. People won't ask for help if they don't feel comfortable approaching us. A bad experience could discourage someone from visiting our library again. A warm smile and friendly greeting may just be what it takes to ensure that someone keeps coming back.
- The overall Net Promoter Score (NPS) for CCL was 59. While a benchmark NPS score for public libraries is not available, the result indicates that our users are incredibly supportive of the service. 67% of respondents were 'highly likely' to recommend the service to a friend, and a further 25% were 'likely' to recommend. This is an exceptional response. It suggests that those that use our libraries love us. The challenge is convincing people who are not currently using our libraries that we present compelling value.

Public Libraries nurture creativity, learning and play; they provide access to knowledge, ideas, connections and discussion. They bring a range of specific arts and cultural experiences to diverse groups, fostering vibrant community interactions and possibilities.

State Library of Victoria, *Creative Communities: The cultural benefits of Victoria's public libraries*, 2014



For more information on Casey
Cardinia Libraries visit

www.cclc.vic.gov.au

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 @CasCarLibraries

 @caseycardinia

CC29/2017 STRATEGIC RESOURCE PLAN 2017 – 21

Report prepared by Chris Buckingham

Purpose

To provide the Board with the Strategic Resource Plan 2017 – 2021.

CCL Library Plan reference – 5.3

Discussion

Casey Cardinia Libraries is required to have a Strategic Resource Plan under section 125 of the Local Government Act 1989. It details the resources required to meet the strategic objectives identified in the Library Plan.

At the April Board meeting it was resolved:

- 1. That the Board endorse Strategic Resource Plan 2017 – 21.*
- 2. That CCL forward the Strategic Resource Plan 2017 – 21 to the member councils for adoption.*
- 3. That member councils move forward with conversations on the 4 year Strategic Resource Plan including considerations of the impact of population growth and the need for per capita contributions to CCL.*

Cardinia Shire Council considered and approved CCL Strategic Resource Plan 2017–2021 at its Council meeting of 19 June 2017.

The City of Casey will consider the Strategic Resource Plan 2017 – 21 in July.

RECOMMENDATIONS

1. That the Board note progress made with adoption of the Strategic Resource Plan 2017–2021.

CC30/2017

LIBRARY BUDGET 2017-18

Report prepared by Chris Buckingham and Pam Vickers

Purpose

To provide the Board with an update on the Library Budget 2017 – 18.

CCL Library Plan reference – 5.3

Discussion

The Library Budget 2017 – 18 details the resources required to meet the strategic objectives identified in the Action Plan 2017 – 18.

At the April Board meeting it was resolved:

- 1. That the Board endorse CCL Budget 2017 – 18.*
- 2. That CCL Budget 2017 – 18 be forwarded to member Councils for approval prior to final adoption by the Board in June 2017.*

Cardinia Shire considered and approved the Library Budget 2017-18 at its Council meeting of 19 June 2017.

The City of Casey considered and approved the Library Budget 2017-18 at its Council meeting of 20 June 2017.

Finance – Key Expenditures aligned with the Library Plan

CCL will continue to provide quarterly reports to the Board comparing actuals to the 2017-18 budgets.

RECOMMENDATIONS

1. That the Board adopt the CCL Budget 2017 – 18.

Our ref: OUT1724347



20 June 2017

Casey Cardinia Library Corporation
ATT: Chris Buckingham
Locked Bag 2400,
CRANBOURNE VIC 3977

Dear Chris,

Re: Casey Cardinia Libraries Budget, Library Plan and Strategic Resource Plan

Cardinia Shire Council acknowledges your letter dated 2 May 2017 in which you seek approval of the Casey Cardinia Libraries Draft Budget 2017 - 18, Library Plan 2017-2021 and Strategic Resource Plan 2017-2021. I am pleased to inform you that Cardinia Shire Council provides its approval for all documents which were presented to Council on Monday 19 June 2017.

The following recommendations were endorsed by Council:

1. Council endorses the Casey Cardinia Libraries Library Plan and Strategic Resource Plan 2017-2021.
2. Council endorses the Casey Cardinia Library Budget 2017-2018, and
3. The Chief Finance Officer undertakes an annual review of the draft budget and Strategic Resource Plan of Casey Cardinia Libraries to secure approval in principle prior to the proposed budget being presented to the Casey Cardinia Libraries Board for endorsement.

I acknowledge that the draft 17-18 budget incorporates a 2.61% increase in the Cardinia Council contribution.

Council wishes to acknowledge that Casey Cardinia Libraries is embarking on a period of change and exciting aspiration. Council looks forward to strengthening the partnership with the corporation in the coming months.

Yours sincerely

Jenny Scicluna
General Manager Community Wellbeing

CASEY CARDINIA LIBRARIES Budget 2017 – 2018

26, April 2017

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Our Vision:

Inspiring spaces where everyone is free to discover possibilities

Our Values**Teamwork**

We excel when we all contribute. We are loyal and dedicated to each other. We always do our fair share.

Love of Learning

We love new things. We believe there is an opportunity to learn anywhere and everywhere.

Fairness

We treat all people fairly. We do not let our personal feelings bias our decisions about others. We give everyone a chance.

Creativity

Thinking of new ways to do things is crucial to our success. We are never content doing things the conventional way if we believe a better way is available.

Social Intelligence

We are aware of the motives and feelings of other people. We know what to do to fit into different situations and we know what to do to put others at ease.

Humour

We like to laugh, bringing smiles to other people. We try to see the light side of all situations.

1.0 Executive Summary

The 2017-18 budget has been developed in consultation with key staff, Board members and Council Officers. A draft version of the budget was presented at the November Board meeting.

The financial statements have been prepared in accordance with the Local Government Act, maintaining a reporting framework that is consistent with the principles of sound financial management.

CCL is funded City of Casey and Cardinia Shire Council, and the State Government. It is funded according to the funding formula specified in the 2012 Casey-Cardinia Library Corporation Agreement. Member Council funding is calculated on population and usage across the region. The State Government funding is primarily based on population.

In 2017-18 there is increased expenditure due to the opening of the Bunjil Library. Staffing has been increased from 79.9 EFT to 86.6 EFT to cover broader opening hours at Bunjil Library.

The development of the ICT road map will inform investment in a range of new products and platforms.

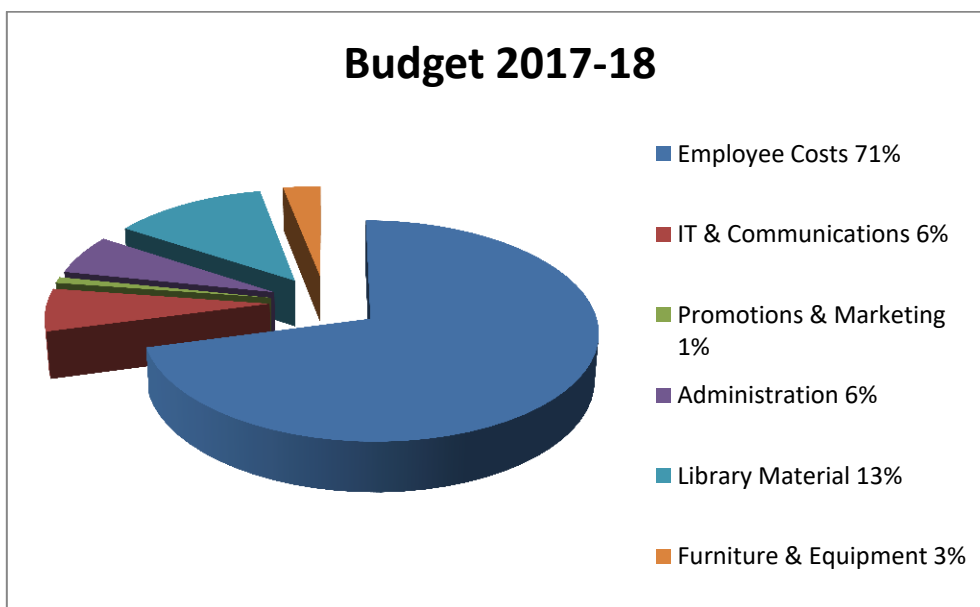
Operating hours at Doveton and Pakenham will be expanded during day light savings on a trial basis. Doveton will open on Wednesdays from 1.30pm until 8.00pm and Pakenham will extend opening hours on Fridays to 8.00pm.

Savings have been made through careful reduction of general expenditure and trimming the Collections budget.

Income

	Total Budget 2016-17	Revised Est 2016-17	Budget 2017-18
City of Casey	5,179,175	5,179,175	5,741,275
	52.61%	51.82%	53.99%
Cardinia Shire	1,825,925	1,825,925	1,873,625
	18.55%	18.27%	17.62%
State Government	2,295,071	2,416,203	2,487,785
	23.31%	24.18%	23.40%
CCL - Operations	544,385	572,967	530,600
	5.53%	5.73%	4.99%
Total Income	9,844,556	9,994,270	10,633,285

Expenditure



2.0 Budgeted Financial Statements 2017–18

Comprehensive Income Statement For the Year ending June 2017–2018				
	Note	Total Budget 2016–17	Revised Est 2016–17	Budget 2017–18
Revenue				
Council Contributions	1	7,005,100	7,005,100	7,614,900
State Government Grants	2	2,295,071	2,416,203	2,482,785
CFC Grant Funding		142,335	157,937	146,670
Interest on Investments		105,000	105,000	105,000
Other income		257,550	278,330	283,930
Total Income		9,805,056	9,962,570	10,633,285
Expenditure				
Employee Costs	3	6,820,526	6,860,283	7,715,835
CFC Expenditure		22,770	33,257	19,170
IT & Communications	4	683,000	656,850	697,700
Library Materials	5	272,150	272,150	246,150
Promotions & Marketing		57,000	63,000	100,000
Administration		648,150	693,498	636,800
Depreciation		1,415,115	1,462,134	1,408,360
Total Expenditure		9,918,711	10,041,173	10,824,015
Net Gain (loss) disposal of Plant & Equipment		-9,905	-5,550	
Total comprehensive result		-123,560	-84,153	-190,730

Balance Sheet				
As at June 2017-2021				
	Note	Total Budget 2016-17	Revised Est 2016-17	Budget 2017-18
ASSETS		\$	\$	\$
Current Assets				
Cash Asset		75,000	85,630	76,800
Financial Assets		3,066,124	3,047,647	2,811,412
Receivables		12,500	5,262	
		3,153,624	3,138,539	2,888,212
Non-Current Assets				
Fixed Assets		4,407,067	4,696,024	4,705,924
TOTAL ASSETS		7,560,691	7,834,563	7,594,136
LIABILITIES				
Current Liabilities				
Payables		295,000	478,784	450,500
Employee Entitlements		1,653,940	1,342,407	1,319,500
		1,948,940	1,821,191	1,770,000
Non-Current Liabilities				
Employee Entitlements		65,000	24,006	25,500
TOTAL LIABILITIES		2,013,940	1,845,197	1,795,500
NET ASSETS		5,546,751	5,989,366	5,798,636
EQUITY				
Members Contribution on Formation		2,051,239	2,051,239	2,051,239
Accumulated Surplus		3,495,512	3,938,127	3,747,397
TOTAL EQUITY		5,546,751	5,989,366	5,798,636

Statement of Change in Equity

As at June 2017– 2018

	Total	Accumulated Surplus (deficit)	Member Contribution on Formation
2017			
Bal at the beginning of the financial year	6,073,519		2,051,239
Comprehensive result	-84,153	3,938,127	
Balance at end of financial year	5,989,366	3,938,127	2,051,239
2018			
Bal at the beginning of the financial year	5,989,366		2,051,239
Comprehensive result	-190,730	3,747,397	
Balance at end of financial year	5,798,636	3,747,397	2,051,239

Statement of Capital Works

For the Years ending June 2017–2018

	Note	Total Budget 2016–17	Revised Est 2016–17	Budget 2017–18
Capital Expenditure				
Library Material	5	1,164,460	1,143,733	1,133,260
Motor Vehicles		70,000	67,570	
Furniture & Equipment		205,000	393,000	285,000
		1,439,460	1,604,303	1,418,260

Statement of Cash Flows

Year ended June 30, 2017-2021

	Note	Total Budget 2016-17 \$	Revised Est 2016-17 \$	Budget 2017-18 \$
Cash Flow from Operating Activities				
Income from:				
Council Contributions		7,005,100	7,005,100	7,614,900
Government Grants		2,295,071	2,416,203	2,482,785
Interest Income		102,500	114,889	110,262
Overdue Fines		112,000	104,710	106,330
Other Income		287,885	331,298	324,270
		9,802,556	9,972,200	10,638,547
Payments for:				
Employee Costs		6,676,383	6,848,283	7,732,248
Library Materials		272,150	272,150	246,150
Computer Services		683,000	656,850	697,700
Other Costs		717,920	765,704	789,254
		8,349,453	8,542,987	9,465,352
Net Cash Inflow from Operating Activities		1,453,103	1,429,213	1,173,195
Cash Flow from Investing Activities				
Payments for:				
Proceeds for sale of Plant & Equipment		38,000	31,700	
Payment for Books, Furniture, Plant & Equipment		-1,439,460	-1,604,303	-1,418,260
Net Cash (Outflow) from Investing Activities		-1,401,460	-1,572,603	-1,418,260
Net Increase/Decrease in Cash		51,643	-143,390	-245,065
Cash at the beginning of the year		3,089,481	3,276,667	3,133,277
Cash Held at End of Year		3,141,124	3,133,277	2,888,212

Statement of Human Resources

For the four years ending June 2021

	Total Budget 2016-17	Revised Est 2016-17	Budget 2017-18
Staff Expenditure			
Employee costs - Operating	6,820,526	6,860,283	7,715,835
Total Staff Expenditure	6,820,526	6,860,283	7,715,835
	EFT	EFT	EFT
Staff Numbers	77.89	79.86	86.59
Permanent full time	31.00	30	31
Permanent part time	114.00	112	117

3.0 Notes to Budgeted Financial Statements year ending June 2017-2018

1 Council Contributions

Contributions are calculated based on the funding formula in the 2012 Regional Library Agreement. The Population figures are based on the ABS estimates as at June 2016. *(ABS figures released 30 March 2017)*

	Budget 2016-17	Revised Est 2016-17	Budget 2017-18
Population	383,095	383,095	400,063
Councils Contribution	\$7,005,100	\$7,005,100	\$7,614,900
Avg Contribution per capita	\$18.29	\$18.29	\$19.03

2 State Government Grants

The State Government establishes a funding agreement with each Library Corporation/municipality. The current funding agreement commenced July 1, 2016 and expires July 31, 2017. The state funding is primarily calculated on population. State Government funding has been budgeted with a 4% increase.

	Budget 2016-17	Revised Est 2016-17	Budget 2017-18
State Funding	2,295,071	2,416,203	2,482,785
Contribution per capita	5.99	6.31	6.21

3 Staff Resources

Employee costs includes salaries and wages, overtime, travel cost, staff training and development, and on-costs. Increases allow for banding adjustments and scheduled Enterprise Agreement increases.

	Budget 2016-17	Revised Est 2016-17	Budget 2017-18
Human Resources			
Employee costs	\$6,820,526	\$6,860,283	\$7,715,835
Total Staffing EFT	77.89	79.86	86.59
% of total expenditure	68.5%	67.4%	71.2%
Expenditure per capita	\$17.80	\$17.91	\$19.29

	Budget 2016-17	Revised Est 2016-17	Budget 2017-18
Loans			
Loans	2,595,425	2,595,425	2,500,000
Loans per capita	6.77	6.77	6.25
Cost of loans per capita	\$0.26	\$0.25	\$0.23

	Budget 2016-17	Revised Est 2016-17	Budget 2017-18
Visits			
Physical Visits (door)	1,225,729	1,283,368	1,500,000
Virtual Visits (on-line)	909,620	919,428	942,000
Total Visits	2,135,349	2,202,796	2,442,000
Total Visits per capita	5.57	5.75	6.10
Council cost per visit	\$5.72	\$5.46	\$5.08

4 Information & Communications Technology (ICT)

CCL is a member of the Swift Library Consortium which allows access to an Integrated Library Management System (ILMS) at a reduced cost while sharing the development and implementation costs of new technology. The ILMS is up for tender early 2018.

The ICT road map currently in development will inform the range of products and platforms used by CCL.

	Budget 2016-17	Revised Est 2016-17	Budget 2017-18
Telecommunications	33,000	29,950	32,700
Data communications	266,000	265,000	249,500
ILMS	199,000	176,900	218,000
Computer software and support	185,000	185,000	197,500
Total ICT	683,000	656,850	697,700
% of total expenditure	6.9%	6.5%	6.4%
Expenditure per capita	\$1.78	\$1.71	\$1.74

5 Library Resources and Materials

CCL is re-aligning its collection as it balances ongoing demand for traditional library materials, increasing use of electronic resources, data bases and downloadable services.

	Budget 2016-17	Revised Est 2016-17	Budget 2017-18
Library Resources - Capital	1,164,460	1,143,733	1,133,260
Library Resources -Non Capital	272,150	272,150	246,150
Total Library Resources	1,436,610	1,415,883	1,379,410
% of total expenditure	14.4%	13.9%	12.7%
Expenditure per capita	\$3.75	\$3.70	\$3.45

4.0 Member Council Contributions 2017-18

Summary:	Total	Casey	Cardinia
Core Library Service			
Population (ABS June 2016)	400,063	304,071	95,992
		76.0%	24.0%
Usage: April 2016-March 2017	2,246,235	1,592,456	653,779
		70.9%	29.1%
Avg %		73.5%	26.5%
Income			
Operations	1,248,925	999,570	249,355
Total State Funding	2,482,785	1,823,615	659,170
Council General Funding	7,152,205	5,278,580	1,873,625
Bunjil Library	462,695	462,695	0
Operating Income 2016-17	10,883,915	8,101,765	2,782,150
<u>Expenditure</u>			
Operating Expenditure	9,465,655	7,060,045	2,405,610
Capital Expenditure	1,418,260	1,041,720	376,540
	10,883,915	8,101,765	2,782,150
CCL Operating Budget 2017-18			
Population (ABS June 2016)	400,063	304,071	95,992
Bunjil Library	462,695	462,695	0
Core Council Contribution	7,152,205	5,278,580	1,873,625
	7,614,900	5,741,275	1,873,625
Core Council Cont 2016-17	7,005,100	5,179,175	1,825,925
Est Council Cont 2017-18	7,152,205	5,278,580	1,873,625
Council Contribution	2.10%	1.92%	2.61%

Summary:	Total	Casey	Cardinia
Total cost per capita	\$27.21	\$26.64	\$28.98
State Contribution per capita	\$6.21	\$6.00	\$6.87
Draft Budget 2017-18 Council contribution	\$17.88	\$17.36	\$19.52
Budget 2016-17 Council contribution	\$18.29	\$17.72	\$20.09
	-2.25%	-2.03%	-2.84%
Cost of Library Service per Capita			
State average 2015-16	\$43.17		
Casey Cardinia Libraries 2015-16	\$24.86		
Casey Cardinia Libraries 2016-17	\$25.95		
Casey Cardinia Libraries 2017-18	\$27.21		

Contribution Allocation 2017-2018	Total	Casey	Cardinia
Population (ABS June 2016)	400,063	304,071	95,992
		76.0%	24.0%
Usage: April 2016-March 2017	2,246,235	1,592,456	653,779
		70.9%	29.1%
Income		73.5%	26.5%
Capital Replacement Reserves	250,630	177,700	72,930
Bunjil Library	462,695	462,695	0
Operations Income	283,930	208,550	75,380
Interest on Investments	105,000	77,125	27,875
CfC funding	146,670	73,500	73,170
Sub Total	1,248,925	999,570	249,355
State Government Funding Est			
Premiers Reading Challenge	56,200	41,280	14,920
State Subsidy	2,305,260	1,693,220	612,040
Local Priorities	121,325	89,115	32,210
Total State Funding	2,482,785	1,823,615	659,170
Expenditure			
Employee Costs	7,175,640	5,280,075	1,895,565
Employee Costs (inc CfC staffing)	127,500	70,480	57,020
CfC Cranbourne Expenditure	3,020	3,020	0
CfC Pakenham Expenditure	16,150	0	16,150
IT & Communications	697,700	512,465	185,235
Library Materials	246,150	187,090	59,060
Promotions & Marketing	100,000	76,010	23,990
Berwick Mechanics Insitute	1,800	1,800	0
Administration	635,000	466,410	168,590
	9,465,655	7,060,045	2,405,610
Capital Expenditure			
Library Materials	1,133,260	832,385	300,875
Motor Vehicles	0	0	0
Furniture & Equipment	285,000	209,335	75,665
	1,418,260	1,041,720	376,540
Total Expenses Core Library Service	10,883,915	8,101,765	2,782,150
Annual CCL Operating Budget			
Core Council Contribution	7,152,205	5,278,580	1,873,625
Bunjil Library	462,695	462,695	0
	7,614,900	5,741,275	1,873,625
Core Council Cont 2016-17	7,005,100	5,179,175	1,825,925
Core Council Cont 2017-18	7,152,205	5,278,580	1,873,625
Council Contribution	2.10%	1.92%	2.61%

5.0 Schedule of Fees and Charges: 2017-18

1. **Overdue Fines:**

Adults **20 cents** per day, which accrues to a maximum of **\$5.00** per item.

Junior **10 cents** per day, which accrues to a maximum of **\$3.00** per item.

The maximum amount charged is **\$45.00** if paid in one transaction.

There is a 3 day grace period however if an item is not returned within 3 days, the full amount of the overdue fine will be payable.

2. **Replacement membership cards: \$3.30** to replace a lost card.

3. **Replacement single disks (from sets):** A standard **\$17.00** per CD is made for the replacement of each individual damaged or lost CD from any talking book set.

4. **Lost or damaged items:** A charge is made to replace the item, based on the retail price. (*GST inclusive*). Applications for refund for items valued at more than \$10.00 must be accompanied by the receipt.

5. **Computers and Electronic Resources:** Access to information via library computers, ie. the Internet, databases or CD-Roms is free.

6. **Photocopying and printing:**

Black & White Photocopying		Colour Photocopying		Scanning
A4	20¢	A4	\$1.00	All sizes and colours Free per page
A3	30¢	A3	\$1.50	

7. **Overdue Recovery Charge:** **\$15.00** is placed on the patron's account if items are not returned and the matter is referred to a debt collector.

8. **Inter Library Loans:**

Interstate/Academic Libraries **\$16.50**

Victorian Public Libraries **\$5.00**

Swift Items are free

9. **Other Charges:**

Library Bags (New member Free), Replacement Bags **\$ 2.00**

Ear Buds **\$ 2.00**

USB Sticks **\$ 10.00**

Book clubs (per annum) **\$100.00**

10. Library Meeting Room Hire:

General Rate: **\$30.00 per hour**

Community Rate: **\$15.00 per hour**

(Conditions apply – refer to the Bookings Policy)

Creative Rate: **\$15.00 per hour**

Definition – a special rate for artists who are running workshops for members of the community eg theatre groups, painting classes etc

11. Local History Reproduction Fees:

Contact: Local History Officer

At Cranbourne Library (03) 5990 0150

Local History Schedule of Reproduction Fees

As the custodian of the Casey–Cardinia Local History Archive, CCL charges a fee for the reproduction of material held in the Local History Archive. **This fee is not a copyright fee.** CCL does not hold the copyright for all material in the collection. It is the responsibility of the user to obtain permission from the copyright owner. The fees stated below are for the publication of ONE item for ONE specified purpose. If another use is required, a new application must be made. A consent form outlining the exact purpose of the copied material and acknowledgment of the source must be completed.

All prices are per copy:

Black & White Photocopying		Colour Photocopying		Digital Image	
A4	20¢	A4	\$1.00	Hi Resolution	\$11.00
A3	30¢	A3	\$1.50	Low Resolution	\$5.50

Casey Cardinia Libraries

Locked Bag 2400, Cranbourne, 3977
Telephone: 5990 0100 Fax: 5996 2533
www.cclc.vic.gov.au

CC31/2017 PROCUREMENT POLICY

Report prepared by Pam Vickers

Purpose

The purpose of the Procurement Policy is to:

- Provide a procurement framework that seeks to achieve best value in price,
- Consistent, competitive and transparent process, and
- Minimise and manage risks in procurement.

CCL Library Plan reference – 5.3

Discussion

CCL is required under the Local Government Act 1989 Section 186A to prepare, approve and comply with a Procurement Policy encompassing the principles, processes and procedures applied to all purchases of goods and services.

The Procurement Policy is reviewed annually; it was last reviewed and adopted by the Library Board in June 2016. Minor amendments to Attachment I Delegation of Authority were adopted in February 2017. CCL has reviewed the use and allocation of credit cards to CMT members to improve process for purchase of goods and services including goods only available on-line.

A full review of the Procurement Policy has been undertaken to ensure that we continue to deliver the library services and the community needs through procurement procedures that follow best practice guidelines, value for money effectively and efficiently.

RECOMMENDATIONS

1. That the Board adopt the revised Procurement Policy as attached.

1. Purpose

The purpose of this Policy is to:

- provide policy and guidance to Casey Cardinia Libraries (CCL) to ensure consistency and control over Procurement activities;
- demonstrate accountability to stakeholders;
- provide guidance on ethical behaviour in public sector purchasing;
- demonstrate the application of elements of best practice in purchasing; and
- increase the probability of obtaining the right outcome when purchasing goods and services.

2. Definitions

CCL	Casey-Cardinia Library Corporation trading as Casey Cardinia Libraries (CCL) being a legal entity under <i>Local Government Act 1989</i> .
Board Members	individuals holding office on the CCL Board.
Library Officers	the Chief Executive Officer and staff of CCL appointed by the Chief Executive Officer.

3. Scope

This Procurement Policy is made under Section 186a of the Local Government Act 1989.

The Policy applies to all contracting and procurement activities at CCL and is binding upon Board Members, Library Officers, temporary employees, contractors and consultants while engaged by CCL.

4. Context

All CCL's procurement activity is subject to the applicable:

- Legislative and regulatory provisions
- Promulgated guidelines (including Victorian Local Government Best Practice Procurement Guidelines 2013).

The key legislative requirements include:

- Section 186 of the Local Government Act (LGA) (Power to enter into Contracts)
- Section 186A of the LGA (Procurement Policy)
- Sections 208C of the LGA (Best Value Principles); and sections 77-80, and 95 (Conflict of Interest)
- Competition and Consumer Act 2010.

5. Policy

The following principles apply to all aspects of CCL's procurement.

5.1 Value for Money

All persons engaged in purchasing decisions must aim to obtain best value-for-money.

Value-for-money will take into account all of the relevant costs and benefits of each proposal throughout the entire procurement cycle. While cost will be a major consideration, goods, services and works will also be selected on the basis of the degree of compliance with specified quality standards.

CCL will enhance its value-for-money outcomes through the use of competitive process wherever possible.

CCL will seek to minimise the cost of procurement by:

- Ensuring that all procurement needs and outcomes are clearly defined
- Packaging works and services in a manner that encourages competition
- Measuring ongoing performance, savings and benefits by conducting buying and tendering process efficiently
- Ensuring contracts are managed effectively and efficiently.

5.2 Ethics and Probity

CCL's procurement activities shall be performed with integrity and in a manner able to withstand the closest scrutiny.

All persons engaged in CCL procurement must exercise the highest standards of probity and will:

- Treat potential and existing suppliers with fairness and equality
- Not seek or receive personal gain
- Maintain confidentiality of commercial information such as contract prices and other sensitive information
- Deal with suppliers in an honest and impartial manner that does not allow conflicts of interest
- Provide all suppliers and tenderers with the same information and equal opportunity
- Be able to account for all decisions and provide feedback on them.

5.3 Conflict of Interest

Board Members and members of staff (and all persons engaged in procurement on CCL's behalf) have an overriding responsibility to act impartially and with integrity, avoiding conflicts of interest (section 77 – 80, 95 LGA).

Board Members and Library Officers shall at all times avoid situations in which private interests conflict or might reasonable be perceived to conflict, or have potential to conflict with their CCL duties.

5.4 Fair and Honest Dealing

All prospective providers must be afforded an equal opportunity to tender or quote. Impartiality must be maintained throughout the procurement process.

The commercial interest of existing and potential providers must be protected. Confidentiality of information provided by existing and prospective providers must be maintained at all times. Confidentiality includes but is not limited to prices, discounts, rebates, profit and manufacturing and product information.

5.5 Accountability and Transparency

All persons engaged in procurement must be able to explain and provide evidence of the process followed in purchasing on behalf of CCL. The test of adequate accountability is that an independent third party must be able to clearly see that a process complying with this Policy has been followed and that the process is fair and reasonable.

A consistent approach will be undertaken in all procurement across CCL. Procurement activities will be conducted in a fair, honest and open manner, demonstrating the highest of integrity consistent with the public interest.

5.6 Responsible Financial Management

The principles of responsible financial management shall be applied to all procurement activities.

Accordingly, to give effect to this principle, the availability of existing funds within an approved budget, or source of funds shall be established prior to the commencement of any procurement action for the supply of goods, services or works.

(Refer to other policies that interact with procurement – Procedure Manual – 3.02 Purchase Orders and 3.06 Use of CCL Credit Cards).

Library Officers must not authorise the expenditure of funds in excess of their financial delegation.

5.7 Gifts and Hospitality

No Board Member or member of CCL staff shall, either directly or indirectly solicit or accept gifts or presents from any member of the public involved with any matter that is connected with the duties of the officer, or in which CCL is interested. Staff are referred to the CCL's Gifts and Hospitality Policy for details. *(Reference Procedure Manual – 5.27).*

Board Members and member of staff (and all persons engaged in procurement on CCL's behalf) must adhere to relevant CCL Policies and Procedures on Gifts and Hospitality.

5.8 Procurement Thresholds and Competition

Purchase of all goods and services with an estimated expenditure exceeding \$150,000 shall be undertaken by public tender as per the thresholds contained in the Local Government Act.

The thresholds must represent the estimated value of the whole of term of the contract i.e. the initial term plus the value of any options to extend the initial contract term, and are to be inclusive of GST.

As an alternative however purchases can be made through an approved purchasing scheme being either Strategic Purchasing or MAV Procurement provided that the particular scheme has been nominated by CCL to act on its behalf and CCL has been nominated in the purchasing scheme's tender documentation and a competitive tendering process has been undertaken.

Should the CEO consider that the nature of the requirement and the characteristics of the market are such that the public tender process would lead to a better result for the CCL, public tenders may be called for purchase of goods, services and works for which the estimated expenditure is below these thresholds.

5.9 Quotations, specification and tenders

Purchases below the Local Government Act public tender thresholds shall be undertaken as follows:

- Purchase orders will be raised for all purchases over \$500
- Items with a value up to \$500 do not require more than one quotations
- Items with a value between \$501 and \$10,000 – Request for Quotation.
At least two written quotations must be received. These quotations must be recorded.
- Items with a value between \$10,000 and \$150,000 – Request for Quotation.
A minimum of three written quotations must be recorded.
- All pricing is inclusive of GST.

As an alternative, procurement can be made through an annual supply contract, a service supplier contracted to CCL or through a Government approved agent under ministerial order.

The situation may arise where insufficient quotations can be obtained to satisfy the above requirements.

This may occasionally occur where there are few suppliers for the goods, services or works being sought or the work is highly specialised. In this case, the details of the contacted suppliers must be recorded or recommendation and an appropriate comment recorded and an exemption from procurement process be sought.

5.10 Internal Controls

CCL will establish and maintain a framework of internal controls over procurement processes that will ensure:

- More than one CCL employee is involved in each transaction
- Transparency in the procurement process
- A clearly documented audit trail exists for procurement activities
- Appropriate authorisations are obtained and documented
- Systems are in place for appropriate monitoring and performance measurement
- Ensure contract and arrangement are managed effectively and efficiently.

All persons engaged in procurement activities must diligently apply all internal controls.

5.11 Risk Management

CCL will manage all aspects of its procurement activities in such way that all risks, including occupation health and safety, are controlled to the standards required by law.

6. Sustainability

CCL is committed to achieving environmental sustainability and ensuring it monitors and reports on:

- activities and programs that have an impact on or contribute to the environment
- supporting the principles of sustainable procurement within the context of purchasing on a value-for-money basis.

Value-for-money purchasing decisions made by CCL are made on the basis of whole-of-life cost and non-price factors impact of CCL procurement on environment.

7. Support of Local Business

Casey Cardinia Libraries is committed to buying from local business where such purchases may be justified on value-for-money grounds.

8. Review

The next annual review of this document is scheduled to be presented to the Board at the June 2018 Board meeting.

Attachment 1

Delegations of Authority

Chief Executive Officer

- Purchase orders to the value of \$149,999
- Contracts to the value of \$149,999
- Appointment to register of pre-qualified suppliers
- Approval of electronic payroll signoff
- Credit Card access (\$5,000)

Finance Manager

- Purchase orders to the value of \$75,000
- Contracts to the value of \$10,000 per year
- Life up to 5 years
- Approval of electronic payroll signoff
- Credit Card access (\$5,000)

Customer Experience Manager

- Purchase orders to the value of \$30,000 (Library materials)
- Purchase orders to the value of \$5,000 (Promotions/Marketing)
- Contracts to the value of \$10,000 per year
- Life up to 2 years
- Credit Card access (\$5,000)

Community Programs &Engagement Coordinator

- Purchase orders to the value of \$20,000 (Library materials)
- Purchase orders to the value of \$5,000 (Promotions/Marketing)
- Contracts to the value of \$10,000 per year
- Life up to 2 years

Information Services & Technology Manager

- Purchase orders to the value of \$50,000 (IT Hardware and Software)
- Contracts to the value of \$10,000 per year
- Life up to 2 years
- Credit Card access (\$5,000)

Information Services Coordinator

- Purchase orders to the value of \$20,000 (Databases, Hardware and Software)
- Contracts to the value of \$10,000 per year
- Life up to 2 years

Operations Manager

- Purchase orders to the value of \$10,000 (Training)
- Approval of electronic payroll signoff
- Credit Card access (\$5,000)

All authority granted is to within allocated and approved budgets.

<End document>

OFFICERS' REPORTS

CC32/2017 FINANCE

Report prepared by Pam Vickers and Chris Buckingham

Purpose

To provide the Board and update of CCL's financial position and related financial matters:

- Financial Report month ended May 30, 2017
- Deductible Gift Recipient status
- Financial Review Report
- Year End Audit Strategy
- Related Party Transaction Declaration
- Ordinary Returns

CCL Library Plan reference – 5.3

Discussion

Month ended May 30, 2017

Income: – Overall income from operations is up 29.2%. Photocopying/printing \$14,025 meeting room hire \$10,566 Additional income derived from book clubs and donations from library friends groups', Premier's Reading Challenge (PRC) and the PLVN Tech Savvy project. \$96,956. Totals Income areas under budget include overdue fines, damaged/lost cards and lost books interest on investments and proceeds from sale of plant –\$13,997.

CFC projects are funded by Federal Government grants. The CFC Cranbourne program received additional funding from Windermere to develop an evidence based status so that they may tender for funding under the evidence based funding Programmes in 2017–2019.

Expenditure: – Operating expenditure is within 1.5% of Budget. Total employee costs are within 4% of budget. Employee costs include salaries, overtime, on costs, conference and seminars, employee travel and staff development. Salaries and on costs are slightly under which offset the over expenditures in conference and seminars and staff development.

Capital Expenditure: – The Library Materials budget has been reduced by \$20,727 in this financial year. Spending is in line to meet the new target.

Furniture and Equipment includes ICT equipment. The budget has been reviewed. The timelines of purchasing for Bunjil Place are being monitored. The PC's to replace the public computers at Pakenham and laptops to mobilise staff have been purchased and are being rolled out. The rollout and replacement of ICT equipment is funded through the Capital Reserve fund.

Credit Card Expenditure

Credit Card Purchases			
Card Holder	Transaction Date	Detail	\$
CEO			
Month April 2017	21/04/2017	Campaign Monitor - Email campaign	\$420.93
	21/04/2017	Parking Fed Uni Berwick	\$4.00
	21/04/2017	Parking Fed Uni Berwick	\$4.00
Month May 2017	5/05/2017	Adobe Creative Cloud Software	\$90.61
	11/05/2017	BYOJET travel _DL conference Syd.	\$464.60
Total			\$984.14
Finance Manager			
Month March 2017	24/03/2016	RACV Roadside Asst	\$51.69
	24/03/2017	Etag City link	\$50.00
	27/03/2017	Skat Katz art dealers - cutting mat	\$27.19
Month April 2017	6/04/2017	Mojang .com - Minecraft Yth programs	\$36.05
	21/04/2017	Melb Writer Fest.	\$99.50
Month May 2017	1/05/2017	Freshservice.com Fresh Desk Ser. Sub.	\$2,487.15
	8/05/2017	The Iconix- laptop bags	\$795.00
	8/05/2017	ETSY.com - laptop bags	\$597.37
	16/05/2017	Lu Cong (yth programs)	\$37.31
	16/05/2017	Blitzsports - yth programs	\$89.80
	18/05/2017	EECW Pty Lts (SNAICC nat conference)	\$980.00
Total			\$5,251.06

Financial Position

Balance Sheet			
As at May 2017			
	Note	Total Budget 2016-17	YTD May 2017
ASSETS		\$	\$
Current Assets			
Cash Asset		61,130	196,294
Financial Assets		1,270,000	2,307,528
Capital Reserves		945,101	1,230,976
Receivables		8,000	16,402
		2,284,231	3,751,200
Non-Current Assets			
Fixed Assets		4,330,046	4,582,226
TOTAL ASSETS		6,614,277	8,333,426
LIABILITIES			
Current Liabilities			
Payables		395,000	266,538
Employee Entitlements		1,235,000	1,308,990
		1,630,000	1,575,528
Non-Current Liabilities			
Employee Entitlements		35,000	22,945
		35,000	22,945
TOTAL LIABILITIES		1,665,000	1,598,473
NET ASSETS		4,949,277	6,734,953
EQUITY			
Members Contribution on Formation		2,051,239	2,051,239
Accumulated Surplus		2,898,038	4,022,280
TOTAL EQUITY		4,949,277	6,734,953

CASEY-CARDINIA LIBRARY CORPORATION BOARD MEETING
Wednesday 28 June 2017

Income Statement Month Ended May 31, 2017	Total Budget 2016-17	Budget May 2017	Act YTD May 2017	Variance	% Actual Vs Budget
Income					
Reserves	220,000				
Council Contributions	7,005,100	6,421,342	6,421,342	1	0.0%
State Government Grants	2,295,071	2,295,071	2,333,258	38,187	1.7%
CFC Cranbourne Grant	69,165	51,885	86,147	34,262	66.0%
CFC Pakenham Grant	73,170	73,170	74,302	1,132	1.5%
Overdue Fines	113,500	102,750	99,826	-2,924	(2.8%)
Interest on Investments	105,000	96,960	95,410	-1,550	(1.6%)
Other income	183,550	168,399	280,422	112,023	66.5%
	9,844,556	9,209,577	9,390,707	181,130	2.0%
Expenditure					
Employee Costs (inc cfc staffing)	6,820,526	5,956,341	5,935,087	21,254	0.4%
CfC Cranbourne Expenditure	6,015	2,544	15,644	-13,100	(514.9%)
CfC Pakenham Expenditure	16,755	6,833	5,546	1,287	18.8%
IT & Communications	683,000	599,028	550,381	48,647	8.1%
Library Materials	272,150	270,893	264,457	6,436	2.4%
Programs Promotions	57,000	51,820	69,085	-17,265	(33.3%)
Administration	648,150	581,722	614,969	-33,247	(5.7%)
Deprecation					
Total Expenditure	8,503,596	7,469,183	7,455,171	14,012	0.2%
Net Gain(loss) disposal of plant & equipment					
Net result for the reporting period	\$1,340,960	\$1,740,394	\$1,935,536	\$167,119	9.6%

	Total Budget 2016-17	Budget May 2017	Act YTD May 2017	Variance	% Actual Vs Budget
Capital Expenditure					
Library Material	1,164,460	1,156,230	992,483	163,747	14.2%
Motor Vehicles	70,000	70,000	66,755	3,245	4.6%
Furniture & Equipment	225,000	75,000	214,863	-139,863	(186.5%)
	1,459,460	1,301,230	1,274,102	27,128	2.1%

Deductible Gift Recipient status

CCL submitted an application for DGR endorsement by the ATO on May 1, 2017. CCL has received formal advice that the new application has been accepted. A comprehensive fundraising strategy is being developed.

Financial Process Review

CCL engaged Brad Tomholt from Crowe Horwath from Warragul to undertake a review of CCL's financial practices. The report is attached for the Board's information.

The report identified a number of opportunities to improve efficiencies in process and streamline access to reporting. There are 3 key options for consideration:

- **Continue with current arrangement** – Move from Kronos Time keeping system to the Deputy Time keeping system and continue to buy service from City of Casey for payroll, general ledger, treasury and accounts payable.
- **Adopt In-house general ledger only** – Interface Deputy time keeping with the City of Casey payroll and move general ledger, accounts payable and treasury to an in-house system
- **Adopt In-house Integrated GL/Payroll software** – move to a fully integrated cloud base software package.

Further cost analyses including detail of any potential impacts to CCL and the member Councils is required before proceeding. Consideration needs to be given to the legal and legislative requirements of CCL. Updates on improvements to process will be provided to the Board on a regular basis.

Audit Strategy

CCL has received the CCL – Final FY17 Audit Strategy for the financial year ending June 2017 from VAGO. An interim audit was conducted in April by Auditors from RSM Bird Cameron. The final audit visit is scheduled from July 24, 2017. The final visit is dependent on the completion of the draft report being submitted to audit.

There has been a change in the accounting standards AASB124 Accounting for Related Party Disclosures. CCL has the same responsibility under the Act as the member Councils. There are four types of related parties to be considered:

1. Entities related to CCL
2. Key Management Personnel (KMP)
3. Close family members of KMP
4. Entities that are controlled or jointly controlled by either 2 or 3 above.

AASB124 defines Key Management Personnel as those person having authority and responsibility for planning, direction and controlling the activities of the entity, directly or indirectly. The definition covers Board members, the CEO and CMT members of staff.

The additional information CCL requires is not included on the Primary or Ordinary returns. Board members and Senior officers are required to complete an additional declaration to meet requirements of the Accounting Standards.

Ordinary Returns.

Under Section 81 of the Local Government Act 1989, CCL is required to keep a register of interests of Board members and Senior officers.

In compliance with the Local Government Act Board members lodged Primary Returns must be lodged by new board members and senior officers within 30 days of appointment. Existing board members and senior officers to lodge an ordinary return every six months as per the guidelines.

All Board members and the CEO lodged Primary Returns in December 2016, therefore Board members and CEO are now required to complete an Ordinary Return. Forms will be forwarded to all Board members to complete.

All Register of Interest returns for all Board members will be held securely at CCL.

Conclusion

CCL is on track to meet the budget estimates as at June 2017 and to meet the requirements as detailed in the VAGO Audit Strategy.

The Finance Manager will distribute Ordinary Returns and Related Party Declaration forms for the Board Members for completion before the end of July.

RECOMMENDATIONS

1. That the Finance Report be noted.

Consolidated						
	Revised Est 2016-17	Total Budget 2016-17	Budget May 2017	Act YTD May 2017	Variance	% Actual Vs Budget
Income						
Overdue Fines	104,710	113,500	102,750	99,826	-2,924	(2.8%)
Lost/Damaged Mem. Cards	5,080	7,600	7,050	5,088	-1,962	(27.8%)
Photocopying/printing	95,715	90,700	80,605	94,630	14,025	17.4%
Income - Meeting Room	22,700	15,250	13,149	23,714	10,566	80.4%
Reimburse Lost Books	23,000	27,000	24,960	22,557	-2,403	(9.6%)
Interest on Investments	105,000	105,000	96,960	95,410	-1,550	(1.6%)
Proceeds sale of Plant	31,700	38,000	38,000	32,842	-5,158	(13.6%)
Public Access PC's						
Reservations/ILL						
Other Income	12,360	5,000	4,635	14,903	10,268	221.5%
Library Program	5,235			5,679	5,679	
Grants/Special Ser.	82,945			71,446	71,446	
Donations	9,530			9,563	9,563	
Public Lend. Rights Sub						
Proceeds sale of Furniture & Equipment						
Branch Income	497,975	402,050	368,109	475,657	107,549	29.2%
Expense						
Salaries & Overheads	6,397,145	6,348,801	5,616,480	5,445,249	171,231	3.0%
Salaries - Overtime	186,288	204,875	181,410	158,407	23,003	12.7%
Programs-Events	43,000	40,000	36,110	42,662	-6,552	(18.1%)
Publicity & Marketing	20,000	17,000	15,710	26,424	-10,714	(68.2%)
Advertising	1,600	3,500	3,250	1,670	1,580	48.6%
Conference/Seminars	35,000	35,000	32,345	74,743	-42,398	(131.1%)
OH&S Compliance & Training						
Consultancy Fees	110,000	28,000	28,000	96,568	-68,568	(244.9%)
Equipment	12,600	7,500	6,850	12,825	-5,975	(87.2%)
Fringe Benefits Tax	22,000	19,800	14,700	16,169	-1,469	(10.0%)
Insurance	30,000	28,500	28,500	27,797	703	2.5%
Telephone	29,950	33,000	30,235	25,623	4,612	15.3%
Photocopier Service	99,100	107,500	98,275	87,519	10,756	10.9%
Notices & Postage	59,250	70,790	64,759	58,223	6,536	10.1%
Printing/Stationery/General	35,000	40,000	36,110	19,761	16,349	45.3%
Travel Allow Kilometres	18,000	20,000	17,710	15,976	1,734	9.8%
Vehicle Oper. Exp	22,600	22,000	20,710	15,751	4,959	23.9%
Bank Charges	2,500	550	535	1,914	-1,379	(257.8%)
Staff Development	14,900	6,500	5,700	14,883	-9,183	(161.1%)
Other Exp.	7,500	8,260	7,492	7,031	461	6.2%
Memberships & Subscriptions	23,500	25,000	19,000	23,773	-4,773	(25.1%)
Catalogue Access	1,500	450	100	1,240	-1,140	(1140.5%)
Admin Fee to Council	29,000	29,000	28,500	28,822	-322	(1.1%)
Security Cash Collection	6,400	6,500	6,000	5,066	934	15.6%
Audit Fee	11,000	11,000		30	-30	
Overdue Loan Recovery	26,398	28,750	26,176	24,952	1,225	4.7%
Freight & Cartage	122,475	127,800	117,995	115,879	2,116	1.8%
Los Disp. Asset						
Depreciation Exp						
WDV Assets Sold						
Legal Fees		2,000				
Industrial Advocacy		5,000				
Branch Expense	7,366,706	7,277,076	6,442,652	6,348,955	93,697	1.5%
Net Branch Cost	6,868,731	6,875,026	6,074,543	5,873,298	201,246	3.3%

Consolidated						
	Revised Est 2016-17	Total Budget 2016-17	Budget May 2017	Act YTD May 2017	Variance	% Actual Vs Budget
Computer Services						
ILMS	176,900	199,000	160,485	147,546	12,939	8.1%
Data Communications	265,000	266,000	243,833	235,715	8,119	3.3%
Software support sys.	60,000	45,000	42,800	42,614	186	0.4%
Technical Prof support	125,000	140,000	121,675	98,884	22,791	18.7%
Computer Services Expense	626,900	650,000	568,793	524,759	44,035	7.7%
Local History						
Salaries & Overheads	84,200	85,785	75,900	74,661	1,239	1.6%
Salaries - Overtime	70			32	-32	
Projects						
Equipment						
Printing/Stationery/General			50		50	100.0%
Memberships & Subscriptions						
Local History Expenses	84,270	85,785	75,950	74,693	1,257	1.7%
CfC - Cranbourne						
Income						
Other Income						
Library Program						
Grants/Special Ser.	84,767	69,165	51,885	86,147	34,262	66.0%
Branch Income	84,767	69,165	51,885	86,147	34,262	66.0%
Expense						
Salaries & Overheads	65,000	62,550	55,370	53,639	1,731	3.1%
Salaries - Overtime	18		300	12	288	96.0%
Marketing & Promotion	4,220	3,500	1,000	12,421	-11,421	(1142.1%)
Advertising						
Computer Services	750	1,200	815	605	211	25.8%
Conference/Seminars	2,000	715	500	500		
Equipment	850	350		1,576	-1,576	
Telephone	150	250	229	102	127	55.4%
Photocopier Service						
Postage						
Printing/Stationery/General	652			435	-435	
Travel Allow Kilometres	600	600	550	395	155	28.2%
Other Exp.	11,177			6	-6	
Branch Expense	85,417	69,165	58,764	69,690	(10,926)	(18.6%)
Net Branch Cost	650		6,879	-16,457	23,336	339.2%

Consolidated						
	Revised Est 2016-17	Total Budget 2016-17	Budget May 2017	Act YTD May 2017	Variance	% Actual Vs Budget
CfC - Plus Income						
Other Income						
Library Program						
Grants/Special Ser.	73,170	73,170	73,170	74,302	1,132	1.5%
Branch Income	73,170	73,170	73,170	74,302	1,132	1.5%
Expense						
Salaries & Overheads	57,480	53,615	47,440	54,238	-6,798	(14.3%)
Salaries - Overtime		800	750	499	251	33.4%
Marketing & Promotion	6,500	5,000	4,500	3,547	953	21.2%
Advertising						
Computer Services	820	800	733	605	129	17.6%
Conference/Seminars	1,200	1,200	750	152	598	79.8%
Equipment	1,248			832	-832	
Telephone	500	600	550	269	281	51.1%
Photocopier Service						
Postage				94	-94	
Printing/Stationery/General	140					
Travel Allow Kilometres	1,600	2,000	1,833	1,055	778	42.5%
Miscellaneous Exp.	4,750	9,155	300	48	252	84.0%
Branch Expense	74,238	73,170	56,857	61,339	(4,482)	(7.9%)
Net Branch Cost	1,068		-16,313	-12,964	-3,350	
HQ Building Expense						
Cleaning	7,550	8,300	7,662	6,289	1,372	17.9%
Security Service	285	350	323	225	98	30.3%
Rent & Charges HQ Build	64,000	67,600	66,735	63,466	3,269	4.9%
Headquarters Expenses	71,835	76,250	74,720	69,980	4,740	6.3%
Contribution Casey	5,179,175	5,179,175	4,747,577	4,747,577	0	0.0%
Govt Subsidies	1,632,056	1,608,470	1,608,470	1,632,056	23,586	1.5%
Contribution Cardinia	1,825,925	1,825,925	1,673,765	1,673,765	0	0.0%
Govt Subsidies	584,540	571,846	571,846	584,540	12,694	2.2%
State Govt. Local Priorities	116,662	114,755	114,755	116,662	1,907	1.7%
Total Cont/Subs	9,338,358	9,300,171	8,716,413	8,754,600	38,188	0.4%
On-costs & Overheads						
Superannuation	515,210	546,135	483,170	484,599	-1,429	(0.3%)
Workcover-Premium	30,000	53,000	53,000	29,653	23,347	44.1%
Workcover-Medical	2,100			3,442	-3,442	
Workcover Excess						
Workcover Rehabilitation	6,500			7,251	-7,251	
LSL Payment to Res fund	125,000	120,000	106,200	97,334	8,866	8.3%
Annual Leave Provision	45,000	35,000				
Maternity Leave Accrual		25,000				
Term Payment to staff						
Employment Support	5,000	5,000	4,615	7,380	-2,764	(59.9%)
OH&S		5,000	2,000		2,000	100.0%
On Costs	-728,810	-789,135	-728,432	-588,362	-140,071	
Total On-Cost Exp			(79,447)	41,298	(120,745)	152.0%

Consolidated						
	Revised Est 2016-17	Total Budget 2016-17	Budget May 2017	Act YTD May 2017	Variance	% Actual Vs Budget
Capital Works						
Library Materials						
Periodical/Subscriptions	90,000	90,000	89,100	86,046	3,054	3.4%
Books - Adult	357,000	365,000	361,350	321,567	39,783	11.0%
E-Books	57,560	57,560	56,900	48,305	8,595	15.1%
Data Bases	161,150	161,150	161,150	165,174	-4,024	(2.5%)
Books - Reference	7,000	7,000	7,000	5,059	1,941	27.7%
Lote Lib Materials	29,000	29,000	29,000	29,962	-962	(3.3%)
Lote Periodicals & Subs	12,000	12,000	11,880	10,471	1,409	11.9%
Lote Catalogue & Proc.	7,000	7,000	6,930	1,370	5,560	80.2%
Books - Children	217,000	267,000	264,330	209,945	54,385	20.6%
PRC - Child Books	56,173			29,297	-29,297	
Special Projects						
Out sourced processing	62,500	62,500	61,875	48,848	13,027	21.1%
Processing Materials	62,500	62,500	61,875	38,536	23,339	37.7%
PRC Processing				2,967	-2,967	
AV Adult	217,000	222,000	222,000	204,525	17,475	7.9%
AV Child	78,000	91,900	91,900	53,472	38,428	41.8%
PRC - Child AV						
Refund Lost Books	2,000	2,000	1,833	1,397	437	23.8%
Sub Total Exp	1,415,883	1,436,610	1,427,123	1,256,941	170,183	11.9%
Total Non Capital	272,150	272,150	270,893	264,457	10,460	3.9%
Total capital	1,143,733	1,164,460	1,156,230	992,483	159,723	13.8%
Total	1,415,883	1,436,610	1,427,123	1,256,941	170,183	11.9%
Population						
Plant & Equipment						
Capital Replacement Reserve		150,000				
Computer Services	363,000	50,000	50,000	170,607	-120,607	(241.2%)
Library Resources						
Equipment	30,000	25,000	25,000	44,257	-19,257	(77.0%)
Motor Vehicle Purchase	67,570	70,000	70,000	66,755	3,245	4.6%
Capital Works Expenses	460,570	295,000	145,000	281,619	(136,619)	(94.2%)



CASEY-CARDINIA LIBRARY CORPORATION
LOCKED BAG 2400
CRANBOURNE VIC 3977

Our reference: 7105152460150
Phone: 1300 130 248
ABN: 38 577 892 449

16 May 2017

Your organisation is endorsed as a deductible gift recipient

Dear Sir/Madam

We have endorsed your organisation as a deductible gift recipient and enclose your *Notice of endorsement as a deductible gift recipient*.

This endorsement enables your organisation to receive gifts which are tax deductible to donors.

The following details will appear on the Australian Business Register:

- your organisation's endorsement as a deductible gift recipient
- the date or period of effect.

You can view the details at **www.abr.business.gov.au**

If your organisation has also applied for other endorsements, you will receive separate notification.

What you need to do

Your endorsement was based on the information you gave us. Your organisation should regularly review its endorsement as a deductible gift recipient. We recommend a yearly review. If there are any changes (for example, to governing rules, structure or operations) and you are no longer entitled to endorsement, you must notify us before or as soon as possible after the event.

For more information

You can find out more about your non-profit entitlements, obligations and how to subscribe to regular updates on our website, **www.ato.gov.au/non-profit**. If you have any questions about matters specific to non-profit organisations, please phone us on **1300 130 248** between 8.00am and 6.00pm, Monday to Friday.

What you need if you phone us

We need to know we are talking to the right person before we can discuss your tax affairs. We will ask for details only you or someone you have authorised would know. An authorised contact is someone who you have previously told us can act on your behalf. It will help if you quote 'Our reference' which you will find at the top of the letter. If you can, please have your Australian business number with you.

Yours faithfully

Michael Cranston
Deputy Commissioner of Taxation



16 May 2017

Notice of endorsement as a deductible gift recipient

Endorsement as a deductible gift recipient under Subdivision 30-BA of the *Income Tax Assessment Act 1997* is provided as detailed below.

Name	CASEY-CARDINIA LIBRARY CORPORATION
Australian business number	38 577 892 449
Endorsement date of effect	26 April 2017
Provision for gift deductibility	Item 1 of the table in section 30-15 of the <i>Income Tax Assessment Act 1997</i> Item 4 of the table in section 30-15 of the <i>Income Tax Assessment Act 1997</i>

Item(s) in Subdivision 30-B of the Income Tax Assessment Act 1997	12.1.2 public library
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Your organisation's endorsement as a deductible gift recipient together with the date or period of effect, is entered in the public register maintained by the Australian Business Registrar at **www.abr.business.gov.au**

Your organisation must notify us in writing if it ceases to be entitled to endorsement.

Chris Jordan
Commissioner of Taxation and
Registrar of the Australian Business Register

Financial Processes Review

Casey-Cardinia Library Corporation

5 June 2017

Confidential

Prepared for: Chris Buckingham, CEO

Prepared by: Brad Tomholt, Associate Partner

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1. Executive Summary

1.1 Engagement Overview

Crowe Horwath has been engaged to undertake a review of the financial processes of Casey-Cardinia Library Corporation ("CCL") with the objective of:

- Identifying areas of potential efficiency gains
- Identifying and managing risk
- Delivery of more accessible financial reporting to inform resource management and delivery of services

1.2 Background

CCL was established in September 1996 as a Corporation to provide public library services to the municipalities of Casey and Cardinia. CCL has eight branches, including a mobile library service, servicing a population of almost 400,000.

CCL has an annual expense budget of approximately \$10 million, and is funded in large part by the member councils, City of Casey and Cardinia Shire Council and State Government funding.

Currently, a large element of the financial processing is outsourced to the City of Casey, including processing of payroll and related tasks, maintenance of the general ledger, supplier payments and treasury functions. Currently, the Finance Manager is the sole CCL employee who has online access to these systems. All legislative financial reporting functions are carried out by the Finance Manager.

Strategic financial tasks are handled in house, including preparation of the Annual Budget and Strategic Resource Plan, and Annual Financial Report.

1.3 Scope

This engagement is covering a high level independent review of the finance function of CCL, with the primary objective of seeking improved efficiency in the finance function of CCL, within the bounds of risk management and budget constraints. The review scope will encompass financial processes, financial systems, financial reporting and investment management.

The purpose of this engagement was not to undertake an audit or risk assessment of the existing processes or controls. CCL is subjected to an annual audit in relation to the presentation of the Annual Financial Report, of which the audit processes seek to test the effectiveness of internal controls. Without seeking to duplicate this process, this review is focused on efficiency measures albeit within the constraints of adequate financial controls.

1.4 Engagement Approach

The engagement will be broken down into three key components:

Scoping

Initial meetings with key stakeholders within the finance function to obtain overview of systems and processes and development of process map.

Review

Meetings held with staff at all levels identified in process map to obtain in-depth understanding of task carried out within the wider finance function, including consideration of risks, process bottlenecks and system and process failures.

Report & Recommendations

Documentation of findings and recommendations, including analysis of options presented.

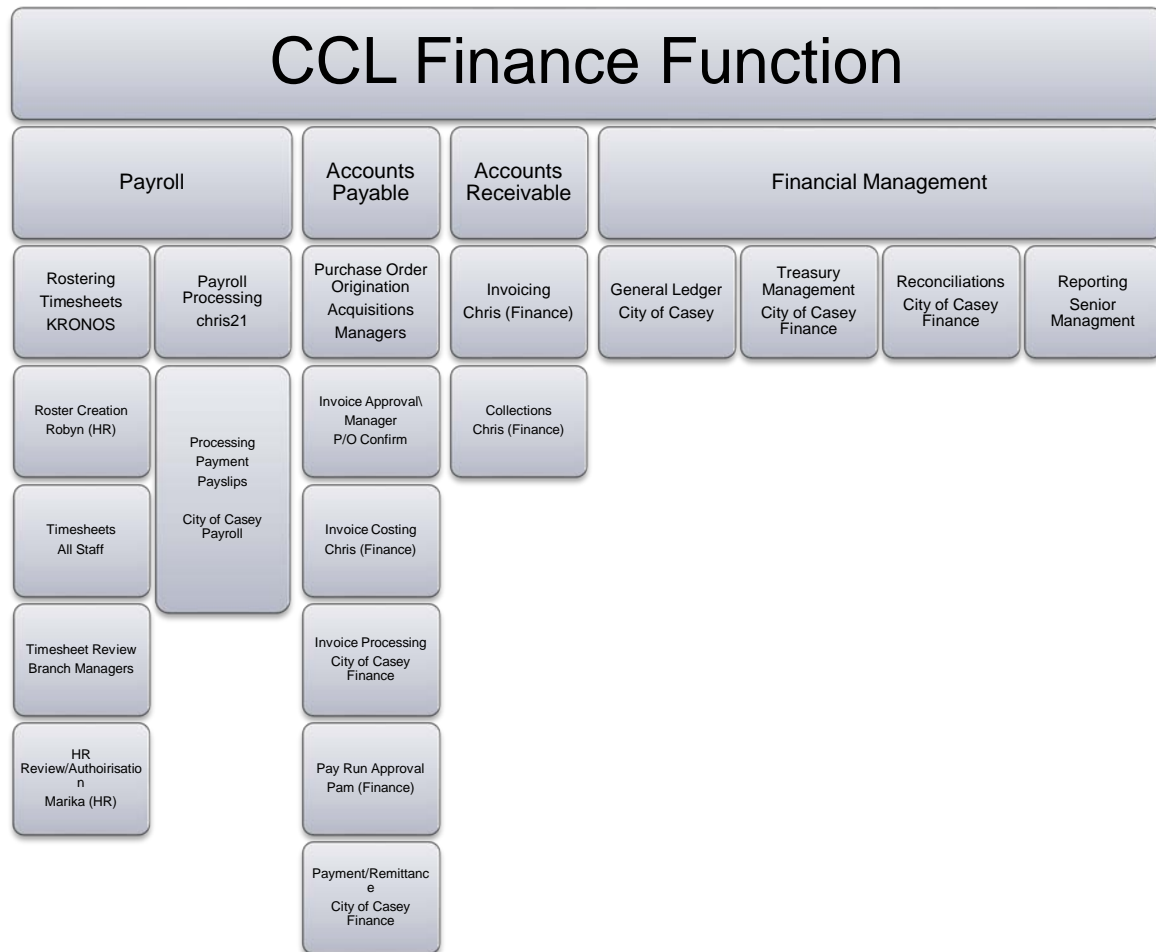
1.5 Summary of Findings

The primary objective of any financial system is to enable timely and accurate reporting of the financial performance and position of an organisation, in order for management of the organisation to be informed in their decision making. Our review has highlighted a deficiency in the timely access and availability of financial information to assist management in decision making.

The current arrangement of the out-sourcing of significant elements of the finance function we believe contributes to a lack of access and availability to required information, to facilitate effective, efficient and agile management of the organisation.

Presented later in the report, we will outline the options available to CCL in order to seek these efficiency gains.

2. Process Diagram



3. Detailed Findings

As previously outlined, some key elements of the finance function are out-sourced to the City of Casey, including the processing of payroll, accounts payable, general ledger maintenance and treasury functions. The source of these transactions generally originates at CCL, and the data is provided to City of Casey in a quite manual and laborious manner. Further to this, access to reporting on this data is limited to the Finance Manager – Pam Vickers, creating somewhat of a bottleneck in having timely access to financial data to assist with decision making. This control also creates a considerable Key Person Risk, in that in Pam's absence, access to this vital information would become even more limited. At each of the points below, we will outline the current processes undertaken, and provide relevant commentary thereon.

3.1 Payroll

There are two systems used in the payroll function, Kronos as the scheduling and time tracking software, and chris21 as the payroll software utilised at the City of Casey. I understand a project is currently underway to move off of Kronos, and onto Deputy as the staff management, rostering and time tracking software.

The payroll process begins with the automatic creation of a weekly roster through Kronos based on existing templates which is updated by Robyn in HR to include absences for the coming week. These staff absences are factored in to the roster, which is provided to the Branch Managers on the Thursday of the week prior for review, before being made available to staff. There is no 'push' notification to staff of rostered shifts, and it is incumbent on the staff member to seek this information. Utilisation of Deputy will give the option to provide notification to staff. In staff interviews, there was some perception as to inequity of staffing in the roster, in that at times, certain branches were lacking in staff, whereas others maybe more that adequately resourced. The addition of a central communication portal, whereby managers could communicate a need for additional staffing, may assist in more effective on-the-go resource sharing. Again, Deputy has functionality to fit this need.

Staff clock-in to Kronos using a Swipe Unit, which electronically records their shift information. At the completion of day the Branch Manager then reviews and makes any necessary adjustments. There appears to be inconsistencies across the organisation in how Kronos is utilised and also the process for Manager approval of allotted shifts. With the move to Deputy, a clear, consistent process should be outlined and followed to ensure consistency across the organisation. Some control risk exists in the ability to adjust the rostering. Rostered variances are identified by Branch Managers and adjusted in Kronos, by changing the schedule. Whilst there is an expectation that any shift variances are approved by HR, there appears to be no mechanism to identify any adjustments to the original roster. Consideration should be given to monitoring this with the Deputy rollout.

Upon completion of the pay period, Marika (HR) undertakes a second review of the actual hours v rostered hours. When satisfied, an export is generated from Kronos and provided to the City of Casey to import into chris21 for the processing of the payroll, payment of staff pays, distribution of hard-copy payslips, as well as an export file from chris21 back into Kronos with the pay records. I understand this process with be similarly followed with the implementation of Deputy.

There is currently no employee self-service portal, for employees to login to update personal data or submit leave requests. Currently the process to submitting these is by manual (paper) form. Adding this functionality would greatly enhance the ability track and effectively plan for upcoming absences, as well as reduce instances of error. A kiosk function exists within Deputy which will provide this functionality.

3.2 Accounts Payable

The accounts payable function is driven in large part by CCL's Procurement Policy. The purchase process originates with the creation of a manual purchase order. The instrument of delegation within the procurement policy outlines the approval limits for managers within the organisation. The manual nature of the purchase order system limits the potential value in the system. Digitising this process would allow an additional level of visibility over committed expenditure.

Following placement of the order, and delivery of the goods or services, the invoice is received and confirmed by the relevant CCL manager. The invoice is attached to a carbon copy of the purchase order and submitted to Finance for payment.

The process differs slightly in the procurement of Library Materials. Standing orders are in place for a number of material suppliers, whereby a pre-approved order is submitted to the supplier at the beginning of the financial year, with the materials to be delivered over the course of that year. The materials to be supplied are outlined in purchasing plans provided to the supplier at the time of order placement. In some cases, these standing orders are pre-paid at the beginning of the financial year, in other cases the payments occur progressively as the materials are received. In order for the item to be appropriately catalogued, each item is subject to a purchase order being created in the Library Management System ("LMS"). In the case of these standing orders, the purchase orders are created in the LMS when the goods are received, as this is the first point at which the specific items are identified. Whilst the standing order process does give rise to particular control risks, the efficiencies gained through this method necessitate a need for this to continue. Consideration should be given to appropriate reconciliation measures being introduced to ensure delivery of the agreed standing orders, and the appropriate accounting treatment thereof.

Outside of the standing orders, specific orders are placed throughout the year. Depending upon the supplier, various ordering methods are used to place orders. In some instances, orders are entered via a supplier website or order form. In other cases, orders are entered via the LMS and the purchase order is sent electronically to the supplier. The expectation is that the order should be created in the LMS at the time of placement of the order, regardless of the ordering method. It appears though that there are inconsistencies in how this is applied in practice. This process should be addressed to ensure a consistent approach is used.

Upon receipt of the stock, the delivery is checked against the invoice, the invoice is matched to the purchase order generated through the LMS. The invoice is then given in hard-copy to Finance for payment.

The organisation maintains a strong adherence to purchase order placement, which is an important financial control measure. Exceptions exist for purchases subject to contractual arrangements and minor credit card purchases. Standing orders are also an exception in that the purchase order is issued subject to a purchasing plan, rather than for specific items.

CCL operates on a twice-monthly invoice payment run. On each occasion, invoices that have been provided over the course of the previous half-month are collated and validated by the Accounts Officer - Chris Scott. Each invoice is format stamped, and entered with the TechnologyOne Supplier Number, cost allocation, and approval. The accounts are then reviewed by the Finance Manager before being bundled and sent by hard-copy to the City of Casey for processing.

Upon receipt of the invoice bundle at City of Casey, the invoices are scanned and paid through the TechnologyOne system. A report of invoices to be paid, along with the invoice bundle is then returned to CCL. The Accounts Officer then ticks off each item on the report to the source document to ensure the correct payee and amounts are recorded. The report is authorised by the CEO prior to the payment being released. Instruction is then provided to City of Casey to release payment. Remittances and cheque payments, where required, are generated and sent to CCL for mailing to suppliers. The hard-copy invoice bundle and report is then filed. It is important to note that an electronic copy of each invoice is kept within the TechnologyOne system. Access to this system by CCL Managers and Accounts staff is being explored to eliminate the necessity to store the hard-copy invoices, as well as provide more timely access to source data.

The out-sourcing of the Accounts Payable system has certainly limited the ability to achieve efficiencies in the space. There is the potential to operate a system whereby authority can be given to selected staff to raise purchase orders, and separately for CCL Managers to be given approval permissions to approve these purchase orders electronically. Efficiencies could be made, whereby the purchase orders can be converted to purchase invoices at the appropriate time, without the necessity of having to re-work by entering the invoice again for costing purposes. Further work would be required to explore any integration from a LMS Purchase Order perspective, however to replace the current manual purchase order system for non-library materials would provide a more efficient solution for those purchases.

The invoice payment process could be simplified by operating this in-house, removing the requirement for invoices to be sent back and forth between CCL and City of Casey, and the risks inherent with that process.

3.3 Accounts Receivable

Due to the relative simplicity and minor nature of the Accounts Receivable function, we have only briefly covered this area. CCL is funded primarily by the two Member Councils and the State Government. The annual contribution is determined in the budget, and a fixed monthly amount is paid to CCL over the course of the year. Any additional invoicing requirements are raised by the Accounts Officer in-house. As previously outlined, with the General Ledger being out-sourced, it is another step that needs to be taken, however given the relatively low numbers of invoices being issued, the additional administrative burden is minor.

3.4 Financial Management

3.4.1 Treasury, Reconciliations, General Ledger Maintenance

Each of these functions are performed by City of Casey and are relatively minor in their own right. Little consultation between the City of Casey Finance Team and the CCL Finance Team is had, which may result

in outcomes that are not-optimal. A better understanding of the organisation by the internal finance team may provide some efficiency gains, as decisions in relation to these areas would be better informed. We note that maintenance of and amendments to the Chart of Accounts and any journal adjustments are raised by the Finance Manager and processed by the City of Casey Finance Team. Any new creditors are raised by the Accounts Officer and also processed by the City of Casey Finance Team.

3.4.2 Reporting

Our review meetings with management staff outlined a lack of visibility and timeliness of access to reporting on budget performance. With the out-sourcing of the financial systems to the City of Casey, and access to these systems limited to the Finance Manager – Pam Vickers, the ability to access this information is constrained by the availability and workloads of Pam to access and provide this information upon the request of each manager. This is an unnecessary waste of resources.

Further to the lack of access to reporting, improvement in the transparency of detailed information would further assist managers in effective decision-making. Amongst the feedback received, was that budget variances, particularly in wages are difficult to assess, due to the lack of detail available. This limitation is as I understand it, a result of the manner in which the various system interactions occur, between Kronos, chris21 and TechnologyOne.

Significant efficiency gains could be achieved in access and transparency of reporting by utilising an in-house finance function. In that case the system can be more appropriately tailored to the needs of the organisation, without the added complexity of maintaining the finances of a separate organisation on the same platform. User access can be more appropriately controlled to allow specific staff access to required areas of responsibility.

4. Options & Recommendations

Our review of the financial process of CCL have determined that there are three potential options available to the organisation. With the focus of the review being on efficiency and process improvement, the options are presented as follows, in order of preference (from 1 being the least preferable, to 3 being the most preferable) and a brief summary of the reasoning.

1. **Continue with Current Arrangement** – with the move off of Kronos to Deputy already in progress, the organisation has the option of maintaining the use of the services of City of Casey with the chris21 Payroll System and TechnologyOne for the general ledger functions. With the inefficiencies identified within the accounts payable and reporting functions, a move to an in-house solution would better meet the needs of the organisation.
2. **Adopt In-House General Ledger Only** – With the ability of Deputy to interface with chris21 Payroll, and the relative effectiveness of the current payroll process, the more immediate focus should be on addressing the inefficiencies associated with the General Ledger functions. A cloud-based option such as Xero would provide the opportunity for the organisation to develop a tailored solution to meeting the needs of a more efficient accounts payable and reporting function. A renegotiation of the current service fee paid to City of Casey would need to occur to fully assess the cost-benefit implications of this change. With the potential efficiency improvements, it is not envisaged that any substantial expenditure of additional staffing would occur, however any cost savings from moving in-house could be redirected to additional resourcing within the finance team to cover any potential increase in workload.
3. **Adopt In-House Integrated GL/Payroll Software** – This is our recommended approach. Further efficiency gains can be made and risk of error decreased by integrating payroll with the GL solution. Again, a cloud-based option like Xero provides for this. Added to that, Xero integrates directly with Deputy. The payroll processing function performed by City of Casey is essentially just an import from Kronos currently (to be replaced with Deputy) with little intervention. With that being the case, there should be little additional staff burden for moving this in-house. All in all, the move to an in-house integrated financial solution will provide substantial efficiency gains, and provide management with more up-to-date information to assist in decision-making.

Should a decision be made to move to adopt an in-house solution, a more thorough analysis of costing implications, including software purchase/subscription costs, as well as any additional staffing impost be undertaken. A further scoping exercise on the required features of an internal accounting solution be also appropriately considered. Whilst we have undertaken a high-level review, and made intimations towards some potential options, these should be adequately assessed to ensure the needs of the organisation can be met.

5. Immediate Considerations

In undertaking this review, there were a number of areas which we believe should be considered for more immediate action, whilst the overall options are being assessed.

As we have previously outlined, the current out-sourced approach we believe contributes to a lack of access and availability to required information to assist in effective management of the organisation. As an interim measure, it should be explored with the City of Casey, as to whether a wider range of access can be granted to key staff within CCL, so that the information bottle-neck can at least be somewhat relieved.

With the implementation of Deputy, some key areas to be included in the implementation should be ensuring that adequate control mechanisms exist with the creation and amendment of staff rostering. Consideration should also be given to a process to ensure the most efficient use of staff resources across the organisation. The introduction of the employee self-service kiosk should also be made a priority as a key aspect of the roll out, to ensure efficiencies are realised from an employee interaction perspective.

The manual purchase order system currently in place for non-library material purchase could also be considered for a relatively quick change to an electronic system. With the introduction of a digitised purchase order system with integration functionality into any future accounting package, this will provide efficiency gains whilst also setting up for any potential future changes.

Whilst these measures will provide some interim gains, an overall shift to a fully internal accounting function would provide the most optimal solution.

6. Transition Approach

Our recommended option for CCL is to move to a completely in-house accounting function, including the rollout out of a new integrated general ledger and payroll software package.

To outline further the process and resources required for this transition, we have summarised in the below action plan.

Milestone	Internal Resource	External Resource	Estimated Cost of External Resource
Scoping of possible replacement GL/Payroll Software and analysis	Pam/Daniel	Strategic Adviser	\$3,000
Subscription Costs for Software	N/A	TBD	\$2,500 - \$5,000
Costing/Resource Analysis	Pam/Daniel	Strategic Adviser	\$3,000
Development of Implementation Plan	Pam/Daniel	Strategic Adviser	\$1,000
Configuration/Setup of Software	Pam/Chris	Strategic Adviser/Accounts Support	\$5,000-\$10,000
Ongoing Support	N/A	Strategic Adviser/Accounts Support	As Required

The above are estimates are assumed based on experience of similar transition projects being undertaken and may vary based on the level of complexity uncovered as the projected is scoped as well as the time commitment available from internal staff.

7. Disclaimer

This report has been prepared solely for the use of Casey-Cardinia Library Corporation for the purpose outlined in the Engagement Overview. It is not intended that this report should serve any purpose other than as stated above. Accordingly neither Crowe Horwath, nor any member or employee thereof, undertakes responsibility to any person in respect of the use of this report other than for the specified purpose.

The statements and opinions given in this report are given in good faith and in the belief that such statements and opinions are not false or misleading.

In preparing this report, we have relied upon information believed to be reliable and accurate. We have not undertaken an audit or review of this information, but instead have relied on information supplied by the staff of CCL, City of Casey and Cardinia Shire Council. We have no reason to believe that any material facts have been withheld from us, nor do we warrant that our investigations have revealed all of the matters which an audit or more extensive examination might disclose.

Further we note that this report merely presents our view as to the various options available. We also note that this is by no means an exhaustive list of options available.

Neither the whole or part of this report may be included in any document without prior written consent of Crowe Horwath in the form and context which it appears.

Audit Strategy — Casey-Cardinia Regional Library Corporation (CCRLC)

for the year ending 30 June 2017

Presented to the Board on 28 June 2017.

VAGO

Victorian Auditor-General's Office
Auditing in the Public Interest

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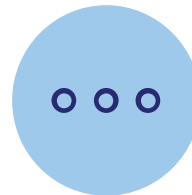
[Risks](#)



[Changes to the
auditor's report](#)



[Administration](#)



[Other matters](#)



[Appendices](#)

Introduction

Purpose of the audit strategy

- Outlines our audit approach to your financial report
- Key document for us to communicate to those charged with governance

This document should be considered in conjunction with our engagement letter issued 27 January 2015.

Scope of the audit

- The *Audit Act 1994* requires the Auditor-General to form an opinion on your financial report and provide a copy of the audit report to you
- Copies of the auditor's report are provided also to the Minister for Local Government and to the Minister for Finance.

Independence

The Auditor-General is:

- an independent officer of the Victorian Parliament
- appointed under legislation to examine, on behalf of Parliament and taxpayers, the management of resources within the public sector
- not subject to control or direction by either Parliament or the government.



New for 2016–17



Standing
Directions



Related party disclosures



Recent fraud incidents



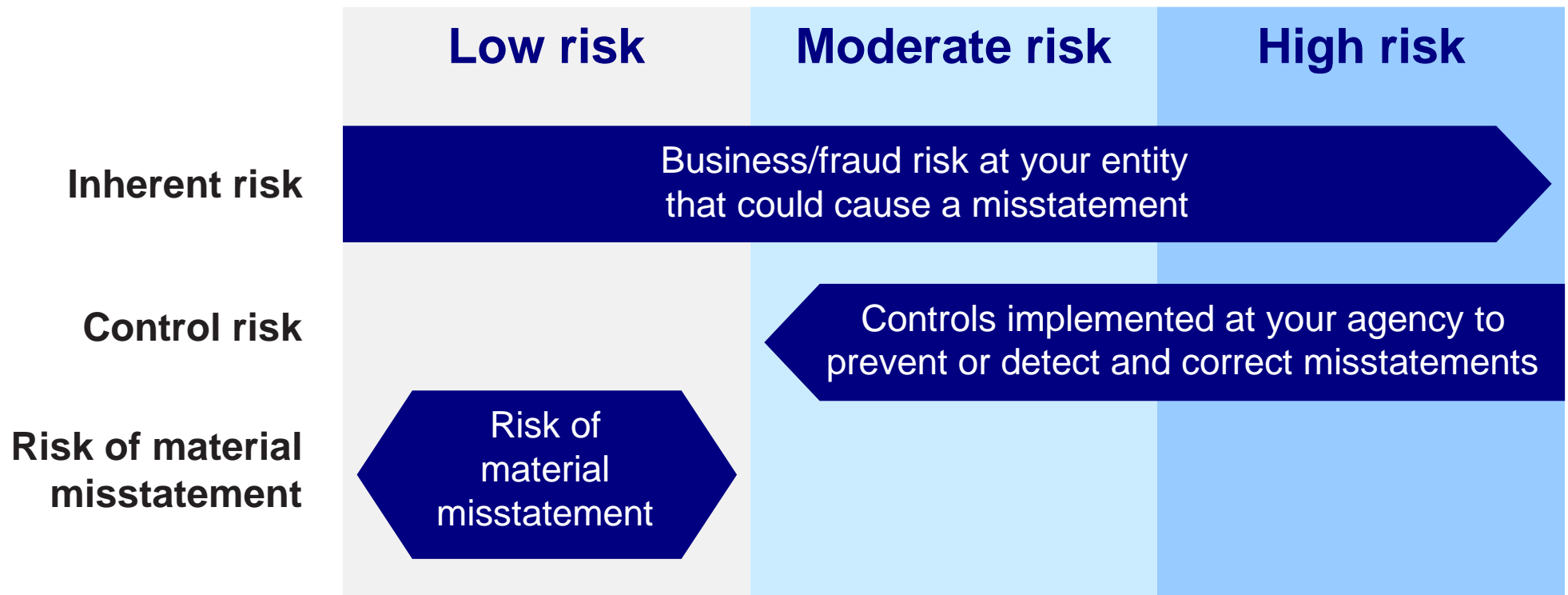
27th Victorian
Auditor-General



'Enhanced' auditor's reports

Our audit approach

Our methodology is risk-based. We **plan** our audit to focus on the material components of your financial statements and then **target our attention** on those **areas** which we think pose a higher **risk of material misstatement** whether due to fraud or error.



Our audit approach

Misstatements

Misstatements in the financial statements occur when there is a difference between what is recognised/disclosed and what is required to be recognised/disclosed according to the financial reporting framework. Misstatements can be unintentional (**error**) or intentional (**fraud**).

A misstatement is considered material if it could, individually or collectively, be reasonably expected to influence the economic decisions of users of the financial statements.

Users could be influenced by either the amount (**quantity**) or the nature of the matter (**quality**).

Materiality

We set a quantifiable amount for materiality at the start of the audit to assist in our planning process. We have set an initial planning materiality of \$109,000. This may change throughout the course of the audit. **Appendix B** outlines our approach to assessing planning materiality.

Our audit does not guarantee that every amount and disclosure in the financial statements is error-free.

We may identify amounts that we believe should be recorded differently in the financial report. When we determine these amounts are material (either qualitative or quantitatively) we will request that management adjust the financial statements.

Fraud

We are not responsible for preventing or detecting fraud. However, we are required to consider the risk of material misstatement due to fraud when performing our audit.

Suspected corrupt conduct

The *Audit Act 1994* requires us to notify the Independent Broad-based Anti-corruption Commission (IBAC) where we become aware of any matter in the course of our audit that we reasonably suspect involves corrupt conduct occurring or having occurred. If we need to notify IBAC, this will override the existing confidentiality provisions in the *Audit Act 1994*.

Our audit approach

Control environment

Management is responsible for maintaining suitable accounting records, and designing and operating internal controls that prevent and detect fraud and error.

The control environment is an integral component of the governance framework. It represents management's commitment to establishing and executing well-controlled business operations. Our capacity to rely on systems of control is directly related to how effective we assess they are.

Our preliminary assessment of your control environment is that it supports our reliance on your internal systems of controls.

Waste, probity & financial prudence

When performing our audits we are required to have due regard for waste, probity and financial prudence matters. If we become aware of an issue we will report it to management and/or Parliament via our reports.

Shared services

Our audit program takes into account the services that you have outsourced to the City of Casey (Council). You are responsible for creating clear service agreements and monitoring their effectiveness. Refer to the risk section for our audit approach.

Our audit approach

Key communication



Risk assessment

Understanding your entity, your environment and internal control framework

Use our understanding to:

- establish materiality
- identify and assess the risks of material misstatement
- develop our overall audit strategy

Audit Strategy
Issued by 22 May



Risk response

Design procedures to respond to the risk of material misstatement
Implement and perform those procedures to reduce audit risk

- Interim
- Final

Interim management letter
Issued by 15 June 2017.



Reporting

Evaluate the audit evidence obtained
Form an overall conclusion on the financial report

Closing report
July 2017
Independent auditor's report
August 2017
Final management letter
August 2017

Higher risks of material misstatement

Our risk assessment procedures have identified the following as posing a higher risk of material misstatement to your financial statements, and therefore requiring more auditor attention.

		New this year	Fraud/Error	Area	Significant judgements
1	AASB 124 Related Party Disclosures	✓	Fraud/Error	Disclosure	✓
2	Outsourced payroll function		Error	Payroll	

Risk response

Risk of material misstatement	Why we think it's a higher risk	Planned audit response
<p>1 AASB 124 Related Party Disclosures</p> <p>AASB 124 has become applicable for not-for-profit entities, including local government entities, for financial years commencing on or after 1 July 2016.</p> <p>As CCRLC is funded by Casey City Council and Cardinia Shire Council, it is critical to ensure accurate and complete disclosure of any related party relationships, transactions and outstanding balances in the financial report.</p> <p>Any transactions between the respective Council's and CCRLC, whether monetary or not, may need to be identified and disclosed.</p> <p>Furthermore compensation of key management personnel is to be disclosed in total and for each of the categories as prescribed under paragraph 17 of AASB 124 <i>Related Party Disclosures</i>.</p>	<p>If CCRLC does not assess the implication of AASB 124 in a timely manner, this could delay the preparation and audit of the financial report as a result of not capturing all related party transactions that are required to be disclosed.</p> <p>There is also the risk that related party disclosures may be incomplete and / or inaccurate.</p>	<p>We will:</p> <ul style="list-style-type: none"> • review the Library's process for capturing and disclosing KMP remuneration and related party transactions and balances; and • check financial report disclosures to ensure compliance with AASB 124 disclosure requirements and consistency with the Council financial statements.

Risk response

Risk of material misstatement	Why we think it's a higher risk	Planned audit response
<p>2 Outsourced Payroll Function</p> <p>Outsourced payroll function requires appropriate management oversight and monitoring of the third party provider's activities. .</p>	<p>Salary expenditure and employee entitlement liabilities may not be complete and accurate. Material errors may occur due to insufficient monitoring controls at the entity.</p>	<p>We will:</p> <ul style="list-style-type: none">• review the effectiveness of CCRLC's monitoring over the accuracy and completeness of the payroll processing undertaken by City of Casey (Council); and• perform analytical review and substantiation of variances.

Changes to auditor's report 2016–17

Enhanced auditor's reports

Changes to auditors' reporting requirements in the Australian auditing standards have resulted in the following enhancements to the form and content of the auditor's report:

- our '*Opinion*' is moved to the start of the report
- our '*Basis for opinion*' is moved to follow the opinion section
- includes enhanced details of our auditor's responsibilities
- now includes explicit commentary on management's responsibilities in relation to going concern
- includes a new '*Other information*' section summarising the results of our work on the entity's annual report, where we have received the draft report prior to issuing our opinion

Key audit matters

ASA 701 Communicating Key Audit Matters in the Independent Auditor's Report is a new auditing standard which requires auditors of specific entities to include a description of key audit matters (KAMs) in the auditor's report.

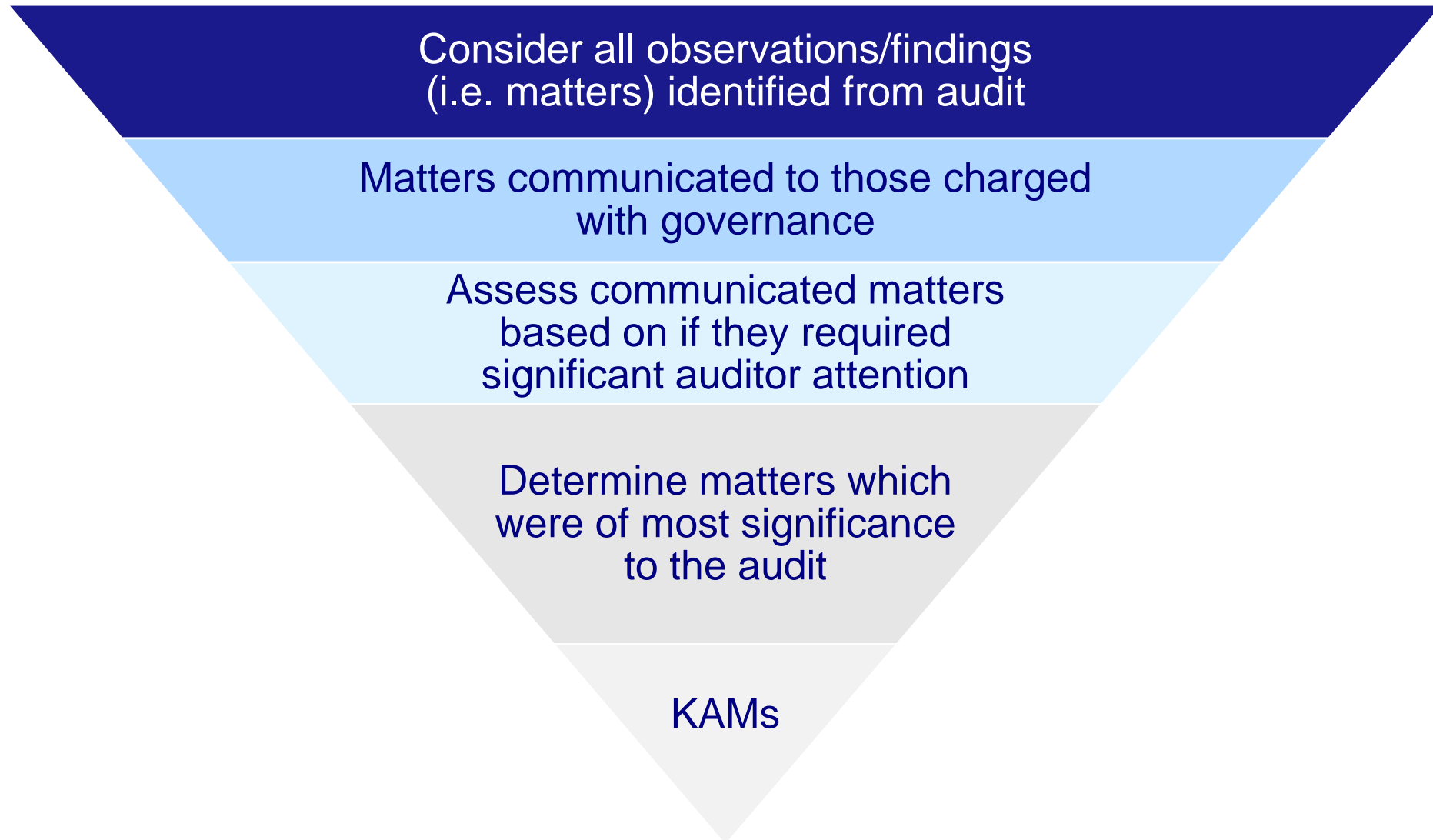
KAMs are determined by the auditor as those matters being of most significance to the audit.

We have voluntarily adopted ASA 701 as we believe this will enhance the value of our auditor's report by providing greater transparency and insights about our audit process.

Our reports will include KAMs for Material entities to the state of Victoria for 2016-17.

KAMs are not expected to be reported for Local Government entities including **Casey-Cardinia Regional Library Corporation** for the financial year 2016-17.

Key audit matters (KAMs)



Administration



Planned visit dates

Interim audit visit — **April 2017**

Final audit visit (dependent on the complete draft report being submitted to audit) — **24 July 2017**



Fees

We will advise you directly of the estimated audit fee via a separate fee letter based on our planned audit approach.

The 2016-17 audit fee will be:

- billed progressively based on work completed
- subject to change as a result of changes in the scope, volume and complexity of the audit
- other matters that may also have an impact include agreed key milestones not being met and limited availability of key staff.



Key contacts

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Sector Director - Local Government

Phone: 8601 7086

Email: Tim.Loughnan@audit.vic.gov.au

Warwick Spargo

Audit Service Provider

Phone: 9286 8124

Email: warwick.spargo@rsm.com.au

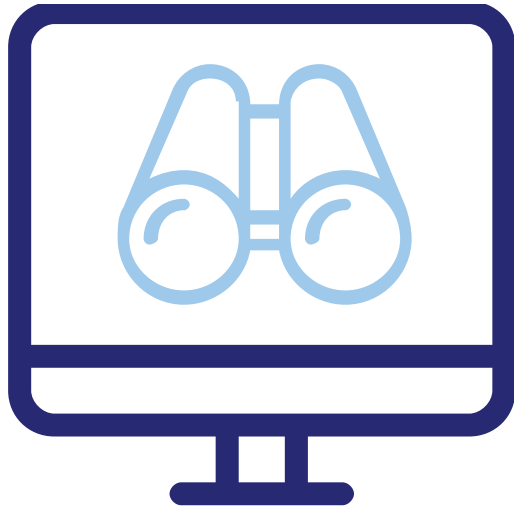
Reports to Parliament



Performance Audits

- A list of performance audits in progress can be found on [our website](#)
- Details of planned performance audits can be found in our [Annual Plan](#)

Key VAGO links and resources



[Financial Audit Process](#)

[Audit Practice Statement](#)

[Annual Plan](#)

[Reports and Publications](#)

[Audits in Progress](#)

[Corporate Information](#)

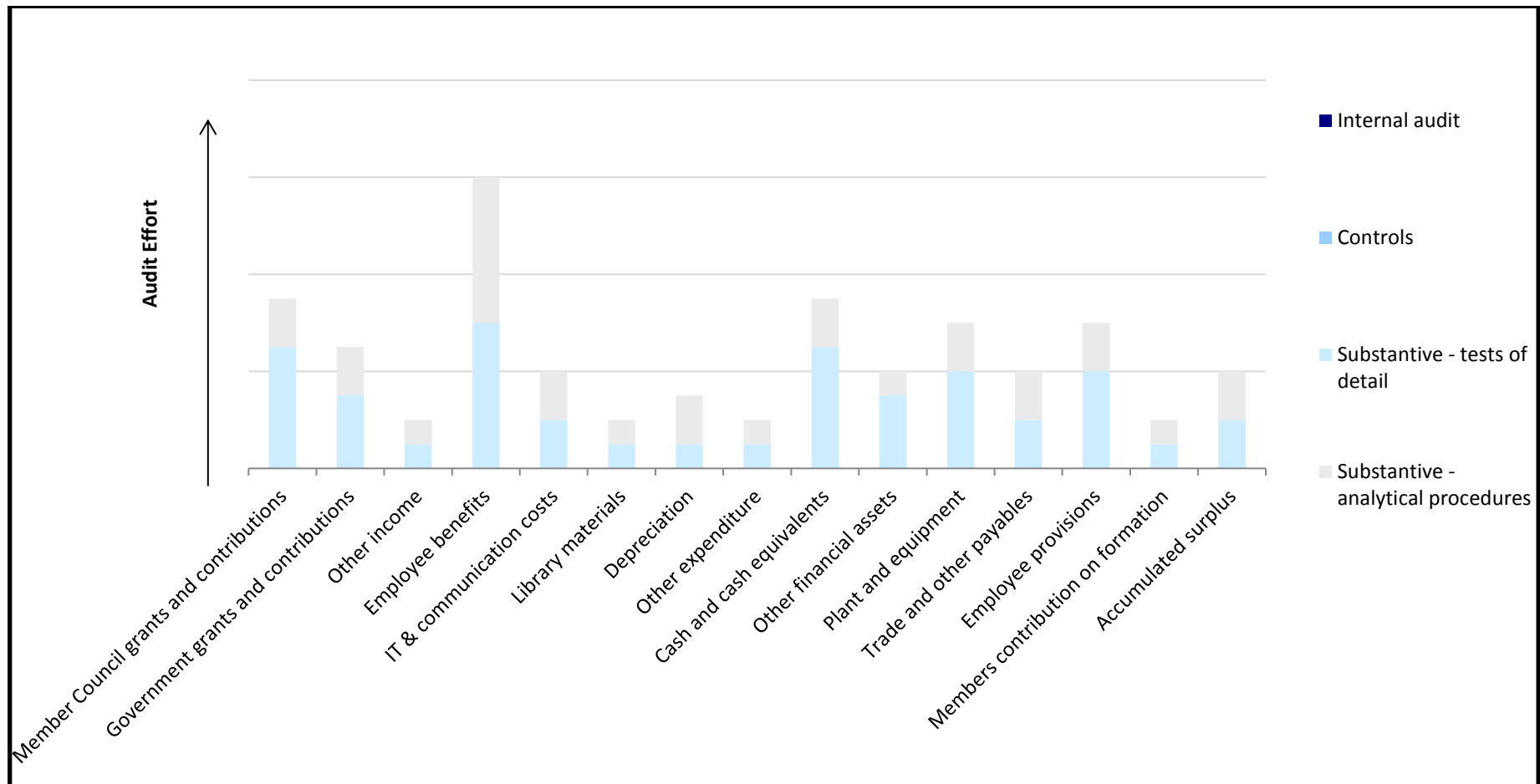
[Protected Disclosures](#)

[Confidentiality](#)

[Complaints about VAGO](#)

Appendix A

Risk-based audit approach



Appendix B

Materiality

Our audits are planned to provide reasonable, rather than absolute assurance, that the financial report is free from material misstatement.

Matters are considered material if their omission or misstatement could, individually or collectively, influence the economic decisions of users taken on the basis of the financial report.

Assessing materiality is a matter of professional judgement and takes into account qualitative and quantitative factors.

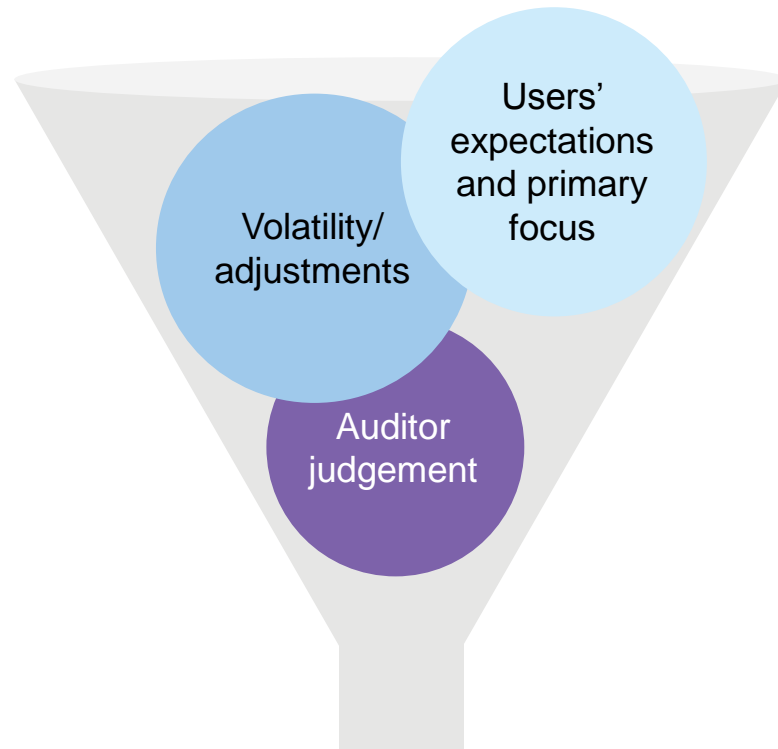
Our planning materiality levels are shown in the table at right.

Note that materiality levels may be revised as the audit progresses.

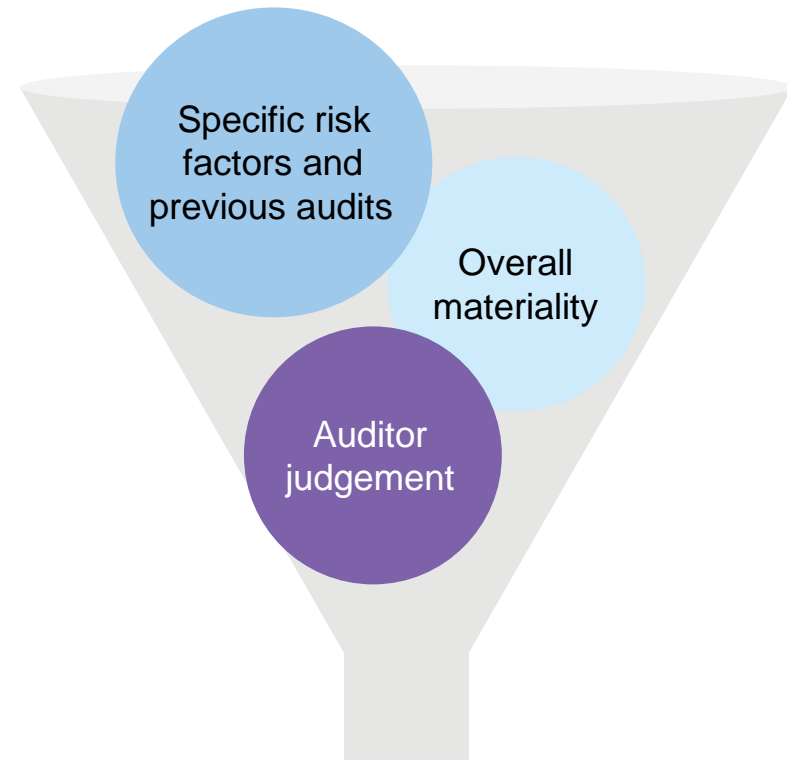
Materiality type	Calculation	\$
Income statement	1% of revenue	109,000
Preliminary		109,000
Planning	80% of preliminary materiality	87,000
Tracking (scoresheet / clearly trivial)	3% of preliminary materiality	3,270

Appendix B

Materiality



Overall materiality



Planning materiality

CC33/2017 BUILDINGS AND FACILITIES

Report prepared by Chris Buckingham and Pam Vickers

Purpose

To provide an update on the status of CCL buildings and facilities, current and future.

CCL Library Plan reference – 1.2, 1.3, 3.2, and 5.2

Discussion

Relocation of Casey Cardinia Libraries Headquarters (Library Plan reference 1.3)

Casey Cardinia Libraries (CCL) has had discussions with the member Councils about the potential relocation of Casey Cardinia Libraries Headquarters (CCL HQ) within the next 12 months. Following is an updated brief on progress:

Background

CCL HQ has been located at 65 Berwick – Cranbourne Road for the last 20 years. Approximately 20 people work at CCL HQ. This includes the Corporate Management Team, departmental managers, key administrative functions and Technical Services.

The building is owned by the City of Casey and a five year commercial lease was signed in November 2016. The annual cost of the lease is \$57,000 plus expenses. Future annual increases are linked to CPI. There is an exit clause that allows CCL to give 6 months' notice of intention to depart.

CCL HQ is cluttered and lacks amenity. There are ongoing issues with plumbing and air conditioning.

Public transport linkages to 65 Berwick – Cranbourne Road are weak and connecting road infrastructure is increasingly congested.

CCL HQ is located in the same building as the Cranbourne Library; however Cranbourne is at the southern end of the CCL service area. This means physical connectivity between CCL HQ and the branches is stretched. The Cranbourne Library can operate successfully without CCL HQ.

There are strategic benefits for CCL HQ to be co-located with either a member Local Government, or a library service.

CCL branches do not have the physical capacity to accommodate essential administrative functions and the leadership team.

City of Casey and Cardinia Shire Council have adopted activity based work practices that will support the desired culture at CCL HQ.

Current Reviews and Considerations

Technical Services Review

A review of the role and function of the Technical Services Team has been completed and CCL is undertaking a formal process of consultation with staff to finalise next steps.

One of the key recommendations of the review is that the functions of Technical Services are decentralised and/ or outsourced.

Departmental Managers and Specialist Staff

A review of role and function of these areas (adult collections, children's youth, information services, communications, outreach) will be conducted as some of the roles are directly connected with Technical Services and its functions. The option to be more flexible and work from other branches is possible.

CMT and HR/Admin

The Leadership Team and previously centralized support functions are becoming more mobile and therefore suited to an activity based work environment.

CCL is planning to migrate all of its ICT functions to the cloud within the next 6 - 8 months.

Relocation of CCL HQ prior to the Bunjil Library opening and/ or migration of ICT functions to the cloud would be problematic.

Summary of Costs

CCL HQ @ Cranbourne

Outgoings	Annual Amount
Lease	\$57,000
Electricity	\$4524
Water	\$2,271
Security	\$269
Cleaning	\$7,513
Total	\$71,578

Current Options

City of Casey

City of Casey will make 5 work stations available at Bunjil Place for Leadership and Management Team.

The City of Casey are not in a position to countenance hosting CCL HQ at VIBE or Bunjil Place.

Cardinia Shire Council

Cardinia Shire Council has developed cost estimates for 10 work stations located at Officer HQ.

The number of work stations required is based on an estimated 75% occupancy rate and the understanding that Technical Services will not be located at Officer.

ICT integration will not present a significant barrier (or cost). The single largest additional expense will be cost of leasing Government Wideband Internet Protocol (GWIP) at approximately \$800 per month for 20MBPS.

Summary of proposal is as follows:

ICT Set Up Costs inc Wi-Fi FindMe and Printing	\$12,000
Transition training	\$5035
Annual rental	\$44,500 per annum
IT Service Costs exc GWIP	\$4,900 per annum

All costs are GST inclusive and based on use of up to a maximum of 10 workstations (Technical services will not be relocating with HQ).

Key Conditions

- Terms are three years with an option for a further two.
- Annual increments will align with the declared rate cap for local government.
- Market valuation of rent will take place at the end of the third year.
- This rental charge covers all costs associated with the building i.e. security, wear and tear, desk availability and meeting room access, cleaning, utilities and building management and maintenance.

Total estimated cost per annum = \$59,000

Next Steps

- Establish cost of decommissioning current CCL HQ including potential renegotiation of lease and relocation of large printer
- Consider potential redesign of the current HQ storeroom, HQ meeting room and kitchen area for better use of the space and provision of work spaces for some of the current roles/functions at CCL HQ
- Explore the possibility that the space created by relocation of CCL HQ will enable a low cost expansion of Cranbourne Library
- Finalise consultation process with Technical Service Team

Emerald Library (*Library Plan reference 1.1, 1.2 and 3.2*)

Cardinia Shire Council are leading the redevelopment of the Emerald Hills Hub. While the Library is not due for redevelopment as part of this precinct, there will be impacts.

Building works will interrupt access to the library via the Northern carpark and when the Community Hub is complete the library will not be as visible from the main road. The upside is that the architects are considering the creation of a reading garden near the library entrance and we will be able to convert the library meeting room into much needed additional floor space for program activities and general library use.

It is anticipated that once the Emerald Hills Hub is completed, the library will benefit from increased car parking and greater activation of the spaces around the library including the playground.

Hampton Park Library (*Library Plan reference – 3.2 and 5.2*)

Hampton Park Library came a very close second in Ikea Springvale's Living Local Community Grant Competition. Ikea ran the promotion through Facebook and we garnered significant community support.

The \$1000 prizemoney will be use to renew furniture in the branch.

Local History Archive Relocation from Narre Warren to Cranbourne

Works on preparing the building at Cranbourne will commence on Thursday 22 June and will run through to the end of July.

The major demolition works will happen on Saturday 24 June. There will be a significant amount of noise and this will travel into the library. There will be an impact to our services and at times the use of the meeting room at Cranbourne.

Relocation of the Local History Archive and Narre Warren Family History Group will commence once works are finished.

Cardinia Mobile Library Service (*Library Plan reference – 3.2*)

CCL is actively supporting Cardinia Shire Council's bid for funding through the State Government's Living Libraries Fund in July 2017

RECOMMENDATIONS

1. That the Buildings and Facilities report be noted.

CC34/2017

BUNJIL PLACE UPDATE

Report prepared by Daniel Lewis

Purpose

To provide an update on the status of Bunjil Place Library.

CCL Library Plan reference – 1.2 and 5.2

Discussion

Timeline

City of Casey and Casey Cardinia Libraries have been working towards a July 1 ready date since early 2017 in eagerness for a late 2017 opening. City of Casey and Casey Cardinia Libraries are working in partnership to ensure a seamless opening.

We are developing a precise schedule for tasks/activities to be completed, while aiming to reduce the down time the community will face whilst transition to the new building is underway. The schedule prioritises the technological fit-out, collection movement and final preparations.

Customer Service Model

Bunjil Library is the first of our branches to be spread across multiple levels. This has prompted the team to explore different models of customer service to ensure we can support user needs. It has been identified that key activities will change across the levels of the building. The ground floor may well focus on new membership sign-ups, general enquiries, location and way-finding, IT queries, and the junior collections. The first floor has the majority of adult collections, and therefore reference queries, more IT and the gaming consoles. The mezzanine will be much more about quiet study.

Preliminary planning on a customer service model has begun. Two staff members will be located on the ground level, and another in the returns room. Staff across all levels will wear two-way radios to ensure constant contact. Two more staff will be located on the first floor (one at the information desk and one roving throughout the collections and also covering the mezzanine). In the early stages of opening, we also hope to have an extra staff member roving between the floors to help customers with way-finding.

A 'concierge' approach to the ground floor entry has been explored; however we liken the role of the staff member at the entrance information desk more to a triage-nurse than a concierge. The triage staff member will be located at the entrance and help with initial queries, and contact other staff to take over, using a 'warm hand-off' method where possible.

This staff member is also well located to help customers with the self-check borrowing kiosks. Our current Narre Warren Library has these, but many customers still go to the circulation desk to ask

staff to check items out. We will need someone located near the kiosks to help customers get used to this.

Training for the library team in the Bunjil Library customer service model will be delivered in late July.



The library stair leading up from the ground level to level one



Library amphitheatre steelwork leading from level one up to the mezzanine on level 2.

RECOMMENDATIONS

1. That the Bunjil Place Update report be noted.

CC35/2017

INFORMATION TECHNOLOGY

Report prepared by Daniel Lewis

Purpose

To provide the Board an update on CCL Information and Technology strategies and implementation.

CCL Library Plan reference – 1.1 1.3, 1.4, 2.1, 2.3, 3.1, 5.1, 5.2 and 5.4

Discussion

ICT Roadmap *(Library Plan reference 1.3)*

Release Timeframe – July 2017

A progressive ICT roadmap balancing both functional output and strategic thought is necessary to guide CCL's ICT investment over the next 3 years. The draft roadmap has been built on the work of Michelle McLean in 2016.

The document outlines the vision for ICT at CCL and provides a strategic framework for current and upcoming projects which links back to key goals and actions in our library and action plans as well as providing clear timelines for delivery.

Network Transparency *(Library Plan reference 1.3, 1.4 and 5.2)*

Initial Deployment – June 2017

To meet the growing demands of our community, we are implementing Sinefa probes across CCL to monitor web traffic and help provide empirical evidence around the health of our organisation's networks. Sinefa also provides us with enhanced tools to shape web traffic and provide the best possible user experience through a public network.

Initial tests were run at the Pakenham branch during April and May with great success. Devices were received in June and allocated to each branch to be installed and configured by the ICT team during July.

ICT Support and Managed Services *(Library Plan reference 1.3 and 5.2)*

Initial Deployment – June 2017

May saw the completion of our managed services provider (LAN) fixed service model, in which they provided a fixed staff member (Rowland Spiteri) to tend to our service needs. The savings from this ongoing monthly fixed OPEX is to be redirected into building a more flexible internal ICT team – that can provide evidence based active maintenance and assistance.

We have rolled out FreshService to monitor ICT issues, report on our team and manage our assets more effectively – whilst providing a better user experience for our staff.

We have installed TeamViewer to provide the ICT team remote access to any device within the organisation to help resolve issues as they happen.

Website *(Library Plan reference 1.1, 1.3, 1.4, 2.1, 3.1 and 5.1)*

Initial Deployment – July 2017

In May we appointed Digital Developments as our website design and development partner. They have done some great work to help refresh our digital presence and provide our community with an engaging and emotive website that both encourages them to make use of our digital assets and also visit our branches to further embrace the services we offer.

Final designs have been approved and we are now in the development stage. We plan to launch the website in late July. This will then be followed by progressive updates and maintenance to ensure the site is achieving the best results – based on evidence based practices and split testing methodologies.

Office 365 Education *(Library Plan reference 1.3 and 5.2)*

Initial Deployment – July 2017

Our current Office 365 plan with Telstra provides us with Exchange email accounts for staff and operational groups to access their emails, calendars and task lists from the cloud with relative ease. This functionality within Office365, although preferential to internal hosting of email services, does not make full use of suite of tools and functions made available through the Office 365 platform – like Yammer, SharePoint, OneDrive and Skype for Business.

In May we obtained education status with Microsoft Office 365 that allows us to extend the functionality available to staff while substantially reducing the cost. As standard and education Office 365 tenants are different we have had to engage an external provider (TechWare) to undertake a tenant migration which will occur in late June.

Corporate Network *(Library Plan reference 1.3 and 5.2)*

Initial Deployment – July 2017

We are centralising our staff network onto our cloud servers on vCentre, which will extend our staff accessibility beyond Cranbourne HQ and provide enhanced functionality to the ICT team – most notably the streamlining of asset deployment through group policy.

This project is being undertaken in conjunction with the Office 365 tenant migration as we can connect the two services together to streamline the process ultimately provide staff with a single sign-on experience.

TechWare have been engaged as the service provider to undertake this work. The design work and mapping has been completed for a late June migration.

Mobilising our Management (*Library Plan reference 1.1, 1.3 and 5.2*)

Initial Deployment – July 2017

To enhance the mobility of our staff, we are rolling out HP EliteBook x360 laptops and workstations throughout the organisation.

All laptops and peripherals were delivered in May, but training and release to staff has been held off until the completion of the Office 365 tenant migration and Corporate Network setup. This will save additional work in reconfiguring the devices twice within 2 months and will simplify the transition for staff.

Modern Self Checkouts (*Library Plan reference 1.1, 1.3 and 1.4*)

Initial Deployment – July 2017

CCL are making a conscious effort to move away from unnecessary proprietary hardware as it has limited the organisation – and the library sector – to two providers. This has restricted our nimbleness and resulted in many delays and disruption of community services – with some partner tickets taking weeks (or even months) to resolve. By using our own hardware and instead purchasing just the software provides us with greater flexibility and the capacity for quicker resolutions.

We have engaged SOLUS a new player in the market to help create more competition and deliver better services to our customers. We now have a working test case at the Narre Warren branch to go live late June.

Librarian Mobility (*Library Plan reference 1.1, 1.3, 1.4 and 5.2*)

Initial Deployment – August 2017

Moving our floor staff to activity based working will see a move to staff kiosks over desks (on the library floor) encouraging staff to be out amongst the community and our working spaces. This will inevitably lead to less desktop real estate and ultimately less staff dedicated computers in those spaces.

We have entered into a partnership with SOLUS to deliver a new staff app and handheld device that will give floor staff the ability to undertake their role from any location.

Twelve devices have been ordered, with a discounted price for early adoption, and are scheduled for delivery late July. These will then be configured and rolled out mid to late August at Narre Warren as the primary focus for the Bunjil Place Library.

Intranet and Shared Documents Project (*Library Plan reference 1.3 and 5.2*)

Initial Deployment – September-October 2017

We have undertaken workshops with staff members to bring ideas together and start setting expectations around the purpose and functionality of the CCL intranet and shared document model. These workshops identified six key requirements/desires from staff which will form the 2017 focus of the intranet;

- Remove requirement for “Remote Desktop”

- Staff Directory
- Social Noticeboard
- Easy Search
- Staff Training
- Centralised Calendars

Other ideas that came out of these workshops have been itemised and will be implemented progressively over time to grow the usage and adoption of CCL's intranet.

Conclusion

We are excited by the service improvements that new ICT initiatives will provide both our staff and community at large. We look forward to providing more fluent experiences that empower the user and spark their creativity to discover possibilities.

RECOMMENDATIONS

1. That the Information Technology Report be noted.
2. That the ICT Roadmap is in final draft format available for Board review on request.

CC36/2017

PEOPLE AND CULTURE

Report prepared by Marika Szendroe

Purpose

To provide an update on team development and staffing opportunities.

CCL Library Plan reference - 1.4, 2.2, 3.3, 4.1, 5.1, 5.2, and 5.3

Discussion

Critical Response Training

CCL has 30 staff who have participated in two sessions of the Critical Response Training: Negotiation and Crisis Intervention Unit 2. The sessions Included:

- how to deal with aggressive behaviours
- how to identify appraise third part intervention techniques
- application of duress response principles to critical incidents
- ability to identify suitable office safety procedures
- safe and effective eviction (if necessary)
- developing aggression management procedures.

CCL are now in the process of updating policies and procedures. The training is beneficial and will be useful with Bunjil Place and emergency training procedures.

CCL Living Leadership Program *(Library Plan reference 5.1)*

CCL Living Leadership Program was launched on May 16. 63 staff registered to complete the 6 month course.

Workshop 1 on Mindfulness has been delivered and Workshop 2 on Values commences shortly.

The program follows the 'Train the Trainer' model where Mel Neil advises key CCL staff on how to best roll out the training to all participants. Training leaders include: Celia Rice, Jess Nichols, Melissa Martin, Sue Flett, Narelle Stute and Beth Luppino.

The program will run May to November 2017 and play a key part in helping staff respond and adapt to the change program at CCL.

Social Inclusion Strategy *(Library Plan reference 3.3)*

A working party has been established to develop a Social Inclusion strategy for CCL. The strategy will cover ageing positively and elder abuse, child safe standards, culturally and linguistically diverse, disability, family violence support, gender equity, homelessness, indigenous engagement, men's action groups, women's collective establishment of safe places and providing staff with the tools and information they need to provide advice and support for effective social inclusion.

Training

Training for the financial year is coming to a close with recent training including Reading Matters 2 day conference, event management, outside the lines youth conference and Aboriginal cultural awareness training. The new financial year training starts with Staff supervision and Health and Safety Representative (HSR) training.

Workforce Plan (*Library Plan reference 5.1*)

The Workforce Plan including the forward program of staff training and development opportunities for 2017 – 18 will be finalised in July and will be tabled at the August Board Meeting.

RECOMMENDATIONS

1. That the People and Culture Report be noted.

CC37/2017 OPERATIONS

Report prepared by Chris Buckingham

Purpose

To describe CCL's monthly performance from April to May 2017.

CCL Library Plan reference - 1.1, 1.2, 3.1, 4.1 and 5.3

Discussion

Visits and Loans *(Library Plan reference 1.1, 1.2 and 4.1)*

May was a very good month for Casey Cardinia Libraries with solid growth in loans and visits. April loans were also strong given there were a number of closed days as a result of Easter and Anzac Day; this was reflected with lower visitation. In May CCL had the largest number of loans since July 2016. A significant achievement that reflects well on the sustained effort by staff right across CCL who continue engaging with our community and promoting our services to them. Evidence of growth in community participation is further highlighted by the significant increase in program attendance to over 8,700 people in May.

Cranbourne Library experienced the largest number of new members in both April and May. Pakenham Library also had a substantial number of new members. CCL membership at the end of May was 117,143.

Digital Services *(Library Plan reference 1.1, 1.2 and 3.1)*

Usage of e-resources and internet/Wi-Fi services across the library network is steady. April saw a drop in Internet bookings and Wi-Fi sessions which correlates with the branch closed dates for Easter and Anzac Day. Usage went back up in May. Busy Things, our online educational resource for young people continue to grow in popularity.

CCL's Cloud Library subscription for eBooks started in May, this replaces Axis 360 which will be phased out at the end of June. Cloud Library will provide library members with a much more positive user experience and a larger range of titles.

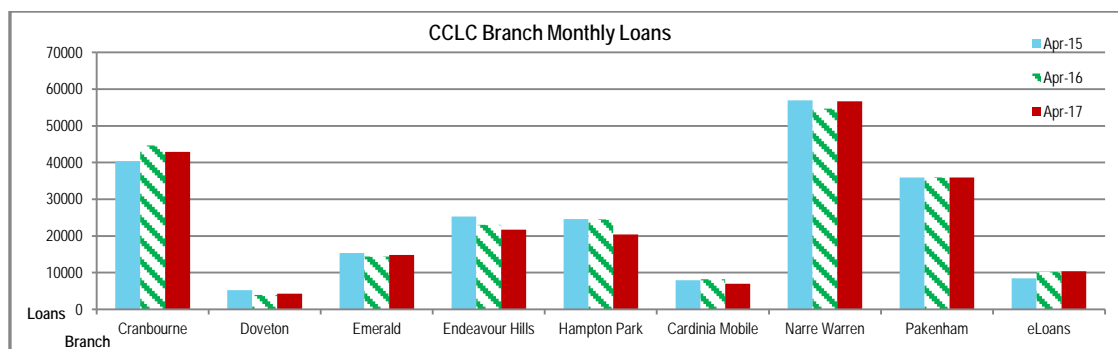
CCL launched its online subscription to Fairfax Newspapers on 8 June 2017. The subscription includes free online access to three Fairfax newspapers, The Age, The Sydney Morning Herald and the Australian Financial Review. These are available for use within any of our libraries, using either personal devices and connecting to our Wi-Fi, or on library computers.

Visits and Loans

Visits and Loans – April 2017

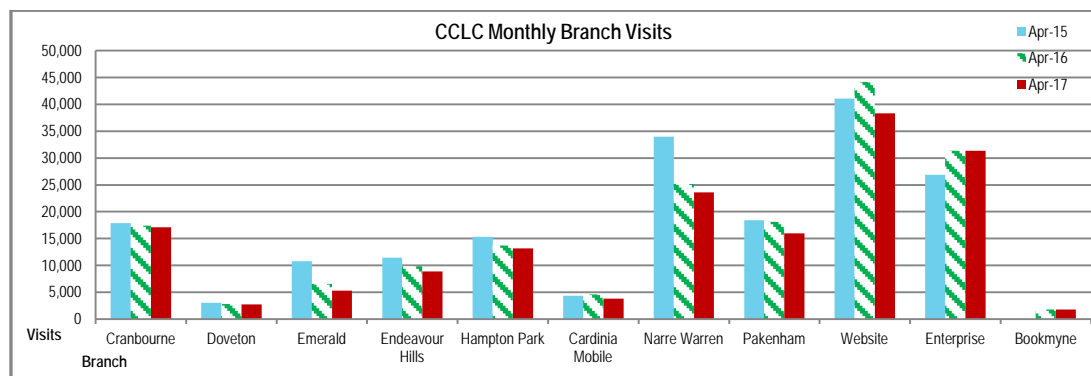
Loans

Branch	Apr-15	Apr-16	Apr-17	% Variation 2016/ 17
Headquarters	684	1,109	1,334	20.3%
Cranbourne	40,279	44,670	42,889	-4.0%
Doveton	5,247	3,976	4,283	7.7%
Emerald	15,315	14,370	14,850	3.3%
Endeavour Hills	25,327	23,013	21,750	-5.5%
Hampton Park	24,612	24,495	20,383	-16.8%
Cardinia Mobile	7,952	8,201	7,017	-14.4%
Narre Warren	56,924	54,689	56,707	3.7%
Pakenham	35,966	35,936	35,911	-0.1%
Region	212,306	210,459	205,124	-2.5%
eLoans	8,486	10,245	10,366	1.2%
Total Loans	220,792	220,704	215,490	-2.4%



Visits

Branch	Apr-15	Apr-16	Apr-17	% Variation 2016/ 17
Cranbourne	17,907	17,407	17,104	-1.7%
Doveton	3,031	2,824	2,715	-3.9%
Emerald	10,794	6,538	5,297	-19.0%
Endeavour Hills	11,466	9,865	8,867	-10.1%
Hampton Park	15,347	13,713	13,157	-4.1%
Cardinia Mobile	4,344	4,588	3,815	-16.8%
Narre Warren	33,945	25,152	23,597	-6.2%
Pakenham	18,429	18,120	15,962	-11.9%
Region	115,263	98,207	90,514	-7.8%
Website	41,072	44,183	38,335	-13.2%
Enterprise	26,897	31,352	31,352	0.0%
Bookmyne		1,805	1,805	0.0%
Total Virtual	67,969	77,340	71,492	-7.6%
Total Visits	183,232	175,547	162,006	-7.7%



Digital Services

Digital Services – April 2017

Internet Bookings

Branch	No. of PCs	Apr-16	Apr-17	% Variation 2016/ 17	Total Avail
Cranbourne	12	1,495	1,535	2.7%	2,664
Doveton	9	581	405	-30.3%	941
Emerald	7	654	557	-14.8%	1,250
Endeavour Hills	10	1,067	954	-10.6%	2,220
Hampton Park	16	1,550	1,577	1.7%	3,296
Cardinia Mobile	1	16	18	12.5%	153
Narre Warren	19	3,099	2,739	-11.6%	4,807
Pakenham	18	2,649	2,049	-22.7%	4,266
Total	92	11,111	9,834	-11.5%	19,596
Total year to date		110,774	125,492	13.3%	

Wireless Network Bookings

Branch	Apr-16	Apr-17	% Variation 2016/ 17
Cranbourne	4,140	3,000	-27.5%
Doveton	480	450	-6.3%
Emerald	840	780	-7.1%
Endeavour Hills	1650	1,470	-10.9%
Hampton Park	2,490	2,730	9.6%
Cardinia Mobile	0	0	0.0%
Narre Warren	5,760	5,280	-8.3%
Pakenham	3,510	3,000	-14.5%
Total	18,870	16,710	11.4%



Electronic Resources

	Apr-16	Apr-17	% Variation 2016/17
Axis 360 e-Books	137	154	12.4%
Bolinda eAudiobooks	2,195	3,070	39.9%
Bolinda eBooks	2,153	2,792	29.7%
Britannica Online	99	84	-15.2%
Choice		70	
Comics Plus		7	
Freegal Music	1,896	1,496	-21.1%
Press Display	894	812	-9.2%
Story Box Library	20	29	45.0%
Tumblebooks	1,476	424	-71.3%
Zinio	1,237	1,428	15.4%
TOTAL	10,107	10,366	2.56%

E-Learning

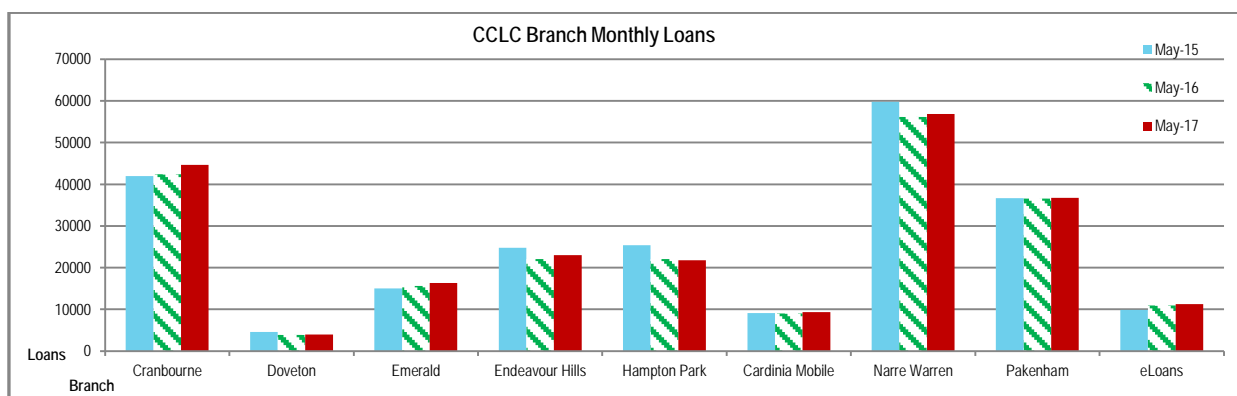
	Apr-16	Apr-17	% Variation 2016/17
Busy Things	5967	8,749	46.6%
Road to IELTS	33	19	-42.4%
Transparent Language	124	53	-57.3%
Your Tutor	250	248	-0.8%
TOTAL	6,374	9,069	42.28%



Visits and Loans – May 2017

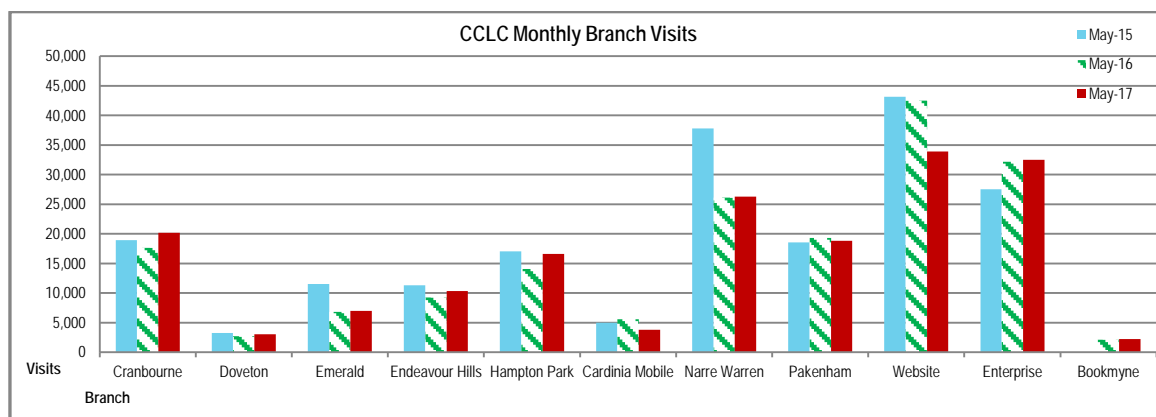
Loans

Branch	May-15	May-16	May-17	% Variation 2016/ 17
Headquarters	693	1,200	1,558	29.8%
Cranbourne	41,983	42,448	44,684	5.3%
Doveton	4,569	3,914	3,965	1.3%
Emerald	15,041	15,622	16,338	4.6%
Endeavour Hills	24,768	22,049	22,972	4.2%
Hampton Park	25,386	22,057	21,749	-1.4%
Cardinia Mobile	9,114	9,009	9,337	3.6%
Narre Warren	59,789	56,134	56,883	1.3%
Pakenham	36,660	36,572	36,745	0.5%
Region	218,003	209,005	214,231	2.5%
eLoans	9,851	10,918	11,299	3.5%
Total Loans	227,854	219,923	225,530	2.5%



Visits

Branch	May-15	May-16	May-17	% Variation 2016/ 17
Cranbourne	18,934	17,611	20,179	14.6%
Doveton	3,247	2,711	3,051	12.5%
Emerald	11,543	6,841	6,994	2.2%
Endeavour Hills	11,301	9,267	10,349	11.7%
Hampton Park	17,026	14,052	16,596	18.1%
Cardinia Mobile	4,985	5,570	3,815	-31.5%
Narre Warren	37,793	26,120	26,296	0.7%
Pakenham	18,529	19,289	18,828	-2.4%
Region	123,358	101,461	106,108	4.6%
Website	43,129	42,485	33,878	-20.3%
Enterprise	27,512	32,188	32,474	0.9%
Bookmyne		2,109	2,253	6.8%
Total Virtual	70,641	76,782	68,605	-10.6%
Total Visits	193,999	178,243	174,713	-2.0%



Digital Services – May 2017

Internet Bookings

Branch	No. of PCs	May-16	May-17	% Variation 2016/ 17	Total Avail
Cranbourne	12	1,695	2,155	27.1%	2,952
Doveton	9	538	471	-12.5%	999
Emerald	7	728	726	-0.3%	1,393
Endeavour Hills	10	1,022	1,173	14.8%	2,460
Hampton Park	16	1,704	1,915	12.4%	3,616
Cardinia Mobile	1	17	6	-64.7%	168
Narre Warren	19	3,361	3,284	-2.3%	5,263
Pakenham	18	2,763	2,762	0.0%	4,644
Total	92	11,828	12,492	5.6%	21,495
Total year to date		122,602	123,814	1.0%	

Wireless Network Bookings

Branch	May-16	May-17	% Variation 2016/ 17
Cranbourne	4,619	4,154	-10.1%
Doveton	403	496	23.1%
Emerald	992	1,178	18.8%
Endeavour Hills	1612	1,798	11.5%
Hampton Park	2,976	4,278	43.8%
Cardinia Mobile	0	0	0.0%
Narre Warren	6,603	6,138	-7.0%
Pakenham	3,875	3,875	0.0%
Total	21,080	21,917	4.0%

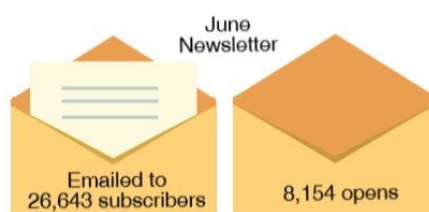


Electronic Resources

	May -16	May 17	% Variation 2016/17
Axis 360 e-Books	146	87	-40.4%
Bolinda eAudiobooks	2,396	3,304	37.9%
Bolinda eBooks	2,449	2,684	9.6%
Britannica Online	140	390	178.6%
Cloud Library	0	69	
Choice Online	0	95	
Comics Plus	0	11	
Freelag Music	2,154	1,787	-17.0%
Press Display	782	889	13.7%
Story Box Library	84	33	-60.7%
Tumblebooks	1,275	682	-46.5%
Zinio	1,413	1,268	-10.3%
TOTAL	10,839	11,299	4.24%

E-Learning

	May -16	May 17	% Variation 2016/17
Busy Things	6722	8,807	31.0%
Road to IELTS	90	7	-92.2%
Transparent Language	106	99	-6.6%
Your Tutor	250	308	23.2%
TOTAL	7,168	9,221	28.64%



RECOMMENDATIONS

1. That the Operations Report be noted.

CC38/2017

CUSTOMER EXPERIENCE

Report prepared by Beth Luppino

Purpose

An update on community engagement, collections and services and including programs, events and partnerships.

CCL Library Plan reference – 1.4, 2.1, 4.1, 4.2, 4.4, 5.1 and 5.2

Discussion

Programs and events at CCL provide opportunities to promote the library as a community space where people of all ages gather for a range of activities including early literacy programs for young children; literacy and creative programs for school aged children and teens, school holiday programs; lifelong learning, digital literacy, and reader development programs for adults.

Community Engagement

CCL is creating engagement via social media and other digital platforms (2.1). This media is cost-effective, instant and has the ability to create excitement about our services to new and existing members. The Social media team are working with the wider staff to ensure that the focus of messaging is on creating interest that prompts sharing, tagging, following and reposting. This requires posts to be entertaining, innovative, and interesting, rather than simply a noticeboard for event information. The team has also been seeking opportunities to reach out to audiences beyond our own hosted pages to other 'special interest sites' where there is an existing high level of engagement. A recent example of this was our Harry Potter 20th Anniversary Celebrations that appeared on the Facebook page *Things to See and Do- Melbourne Outer East*. Over 70% of bookings came through overnight after this event was posted on the external page, despite appearing for several weeks on our own page. It demonstrates the potential for strong outcomes, provided the content is relevant.

Partnerships

CCL has successfully applied for funding over the next two years for the *Communities For Children* 'Library Has Legs' programs in Cardinia and Casey (5.1). Working with Funding Partners Windermere and Anglicare, the 'Library Has Legs' Project workers deliver programs that make a real difference to the literacy outcomes for vulnerable families across the Casey-Cardinia region. Working predominantly with individual families, parents learn how to be active in their child's literacy development; and children build confidence, literacy skills and strong ongoing links to the library.

Programs

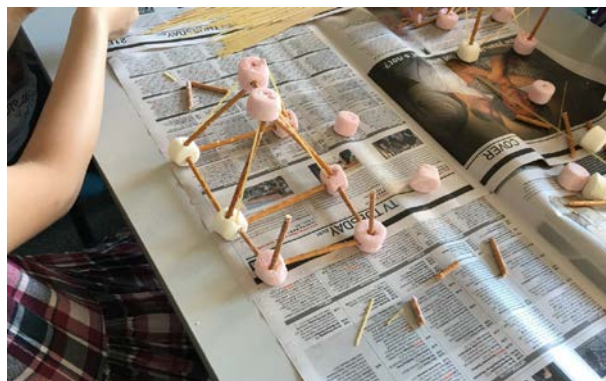
Supporting the Community in the Development of Digital Literacy Skills (*Library Plan reference 1.4*)

A suite of Business and Finance, IT and Technology classes are being rolled out to support community members with ongoing digital literacy and finance skills. CCL is working with representatives from the Australian Tax Office and Centrelink to host information sessions on

mortgages (repayment strategies, mortgage structures, and brokers), and online tax tools/resources. Discovery classes in email, Microsoft Word, and using Ebooks and Magazines are also in place.

S.T.E.M. Programming at CCL (*Library Plan reference 4.4*)

The Federal Government has committed to supporting and furthering student uptake of STEM (Science, Technology, Engineering and Mathematics) subjects in Primary and Secondary schools across the country. As a provider of alternate educational opportunities and pathways, CCL and many other public libraries are incorporating STEM into the planning of events and programs. The Arts are now also being incorporated into the strategy (STEAM), recognising the role creativity has in future economy and culture. As well as planning school holiday programs around this theme, CCL now has a Coding club kit – a collection of tablets with pre-loaded programs and other coding equipment, suitable for the delivery of weekly programs for a range of school-aged children across the region.



STEM activity at Hampton Park Library

The Premiers Reading Challenge (*Library Plan reference 4.1*)

The State Government funded Premiers' Reading Challenge is a long-running literacy development initiative. Funding is provided to support Public libraries in the provision of new and updated copies of books appearing on the 'Premiers Reading Challenge' lists. Children and Families are encouraged to read books from the lists to develop literacy skills, and to enjoy the variety of books. Many local schools have limited ability to provide these collections, and families rely on CCL to provide access to the titles. The State Government's promotion of the initiative this year has been particularly centred on the Early Years (Pre-school) age group. The theme for the Early Years Challenge is 'Share a Book Today', in recognition of the positive impact simply sitting with a young child and opening a book can have. It aligns with the '1000 Books Before School' state-wide program, and with the fundamental principles of early literacy development.



Baby Marley is off to a great start reading at Emerald Library with her Dad Dean.

Hampton Park Library Teen Photography Competition (*Library Plan reference 4.3*)

Hampton Park Library Teen Photography Competition proudly supported by The Friends of Hampton Park Library presented the winners of both age groups 13-15 and 16-18 today. CCL had 73 entrants and Hampton Park have 120 photos on display for the next month for the community to check out the fantastic photos all done by local kids.



CCL CEO, Chris Buckingham, Casey Camera Club member Chantelle Riordan and City of Casey Cr, Wayne Smith

National Simultaneous Storytime (NSS) – May 2017 (*Library Plan reference 4.1*)

The team from Casey Cardinia Libraries were out and about celebrating National Simultaneous Storytime 2017. This year's book was *The Cow Tripped Over the Moon* written by Tony Wilson and illustrated by Laura Wood.

A big thank you to Cardinia Mayor Brett Owen, Cr Jodie Owen and Cr Leticia Wilmot from Cardinia Shire, Cr Amanda Stapledon from City of Casey, CEO Chris Buckingham and our Youth Team. Hundreds of children across City of Casey and Cardinia Shire Council participated along with children from around Australia. Cr Michael Schilling also participated in NSS in his own capacity with Casey Childcare Cardnia.



National Simultaneous Storytime – Cardinia Mayor Brett Owen at Beaconsfield Kinder



National Simultaneous Storytime – CCL CEO Chris Buckingham, and Youth Librarian Courtney Ross at Headstart Early Learning Centre in Berwick.

READ Quality Assurance Accreditation (*Library Plan reference 2.2*)

Casey Cardinia Libraries has achieved an agreed best practice standard of quality for our early years literacy programs and services. Here is the *Quality Assurance* READ logo that only CCL can use. This logo illustrates to the community that CCL met the Statewide agreed best practice in Early Years Services. Congratulations and well done to CCL staff, particularly the Youth Services Team who continue to deliver popular activities for youth.



In May, 8,093 people attended 239 CCL program sessions, with 3,367 of these attending Babies Time and Tinies Time.

Program Attendances for CCL – April-May 2017 (*Library Plan reference 3.1*)

April 2017 Program Attendances

Attendances at Youth Activities

Branch	Apr-16	Apr-17
Cranbourne	1,083	1,047
Doveton	142	251
Emerald	339	309
Endeavour Hills	738	660
Hampton Park	1,030	537
Cardinia Mobile	86	193
Narre Warren	1,271	1,138
Pakenham	1,012	618
Total	5,701	4,753

Attendances at Adult Activities

Branch	Apr-16	Apr-17
Cranbourne	19	10
Doveton	5	2
Emerald	79	0
Endeavour Hills	35	11
Hampton Park	117	25
Cardinia Mobile	0	0
Narre Warren	31	31
Pakenham	67	26
Total	353	105



May 2017 Program Attendances

Attendances at Youth Activities

Branch	May-16	May-17
Cranbourne	1,007	1,884
Doveton	248	229
Emerald	428	363
Endeavour Hills	605	552
Hampton Park	1,184	1,152
Cardinia Mobile	222	426
Narre Warren	1,479	1,727
Pakenham	1,781	1,760
Total	6,954	8,093

Attendances at Adult Activities

Branch	May-16	May-17
Cranbourne	77	56
Doveton	21	29
Emerald	19	45
Endeavour Hills	25	82
Hampton Park	258	65
Cardinia Mobile	0	0
Narre Warren	67	265
Pakenham	194	85
Total	661	627



Collection Performance (*Library Plan reference 4.2 and 5.2*)

Data has recently been released by The Australia Council and Macquarie University which provides insights into the current 'preferences, behaviours and attitudes of Australians towards books and reading*'. It highlighted that Australians value and enjoy reading and would like to do it more – reading ranks higher than browsing the internet and watching television as the leisure activity Australians enjoy most. The data also showed that Australians read more than book sales alone suggest – almost as many people borrow books as buy them – and readers are mixing digital and hard copy print options. The findings in this research support the thinking behind our current library plan. We know that our library users access our services for many reasons, but the provision of free, relevant collections in a variety of formats remains a key customer need.

*The Australian Book Industry: Authors, publishers and readers in a time of change is a three-year research project funded by the Australian Research Council and Macquarie University.

http://www.businessandeconomics.mq.edu.au/our_departments/Economics/econ_research/reach_network/book_project/about

The 'Top Titles' browsing collection is now in place across the region, following the success of a trial in two branches. The community value of this collection has been demonstrated in consistently high loans. Over 85% of these items are consistently on loan (615 items in collection, approximately 20 different titles). This can be compared with the broader benchmark in libraries that 30% of collections will be on loan at any given time. 'Top Titles' consists of a selection of highly popular fiction and non-fiction titles which is being regularly updated and replenished.



Narre Warren Library Top Titles launch.

The service review of the Technical Services department responsible for acquiring, cataloguing and processing library collection items (5.2) has been completed. The review was conducted internally and involved contact with external suppliers around the potential for out-sourcing, and benchmarking service delivery with other library services. Consideration is now being given to the allocation of funds towards out-sourcing costs, within the parameters of approved 2017-18 budget, to enable improvements to be implemented.

Collections Purchasing Plan

The 2017-18 Library Materials Purchasing Plan has been completed. While funds may be reallocated as the year goes on according to emerging needs, the plan reflects the current expected spends in each area of the collection. Priority areas for this year's plan are the Top Titles collection, E-Resources, English Language Support, capacity for expanded LOTE collections (awaiting Census data to support introduction or expansion of any community languages), and funding shelf-ready processing of collection items. Key areas of high demand are children's books and audio-visual materials, adult popular fiction (print and digital), adult DVDs, magazines and audio books. There continues to be a decline in popularity of the physical Reference collection. This can be attributed to the increased availability of access to digital reference information.

Conclusion

CCL continues to engage our community through our collections and programs within and beyond our library branches.

RECOMMENDATIONS

1. That the Customer Experience Report be noted.

Purchasing Plan 2017–2018 – Collections and Resources

Library Plan Reference 4.2

Background

The Collection Development Policy (2014) informs this Purchasing Plan. It aims to develop a well-balanced collection with an emphasis on current, high interest materials.

The Library Plan 2017–21 includes Library Collections as a Strategy that supports literacy development in the community, encouraging reading and lifelong learning. We will achieve this by ensuring the collection is accessible and well used. Key actions and activities are listed below.

1. Literacies

Encourage reading and lifelong learning.

Strategy		Key Action and Activity	Timeline	Targets and indicators
4.2 Ensure collection is accessible and well used	4.2.1	Use Collections HQ (Collection Management tool) to assess, manage and improve collection performance	July, 2017	<ul style="list-style-type: none">Branch Managers manage collection on day to day basisCollection loans are increasedAverage age of collection is decreasedCCL items are free and accessible to our membersSwift items are free and accessible to our members
	4.2.2	Enhance the presentation of lending materials in branch	March, 2018	<ul style="list-style-type: none">Average age of our collection is decreasedCreate more visible retail displaysIncrease loans
	4.2.3	Reduce the size of the collection in the branches to make more space for our community	March, 2018	<ul style="list-style-type: none">Use Collection HQ data to identify relevant and popular collectionsGreater balance between collection/technology/ furniture and free spaces in library branchesIncreased utilization of Swift collection
	4.2.4	Expand Top Titles initiative across the CCL Network	December, 2017	<ul style="list-style-type: none">Top Titles implemented in all CCL branches

Current Methodology for Selection and Acquisition of Library Materials

Library materials are acquired continuously throughout the year using the following methods of selecting and acquiring materials:

- Selection from materials brought to the library on approval with no obligation to purchase any particular items
- Standing orders for bestselling adult authors and junior series fiction, reference, large print and audio fiction, DVDs and CDs and subscriptions for periodicals are reviewed annually

- Direct ordering of specific items, identified from catalogues, websites or recommended lists, placed with selected suppliers. These acquisitions may be the result of a member reservation or suggestion for purchase, or identified subject gaps.
- Visits to booksellers or publishers premises to select items.

Suppliers are encouraged to provide details of any other methods of selection that will enhance the speed and efficiency with which library materials can be selected and acquired.

Key Issues

The Library Plan 2017–21 identifies the need to 'improve the balance between collections/technology/furniture and free spaces in the library branches to improve amenity'. This is being addressed through targeted weeding of the current collections, and an overall decrease in allocation of funds to collections (10% over 2016–17 and 2017–18). This means that the collections we do keep need to be highly relevant, and viewed within context of entire region (i.e. Each branch does not need to have a copy of each item).

Priorities for 2017–18:

- Renewal of existing collections at Narre Warren Library in preparation for the opening of Bunjil Place library
- Top Titles collection – the pilot of this collection has been a success, but requires significant ongoing funds to support this moving forward. Top Titles consists of both fiction and non-fiction highly popular titles, and therefore needs to be renewed on a monthly basis. Funds for this collection have been redirected from Basic English, Genre Fiction, Console games, Adult Non Fic, Junior DVDs, Adult DVD, and Periodicals. More funds may need to be redirected to this collection as the year progresses.
- Purchasing of more copies of popular E-book titles has been identified as a priority, to support the physical Top Titles collection.
- E-audio titles continue to be extremely popular, but are expensive to purchase. Funds in this line are currently the same as in 2016–17. Funds in this line that are not spent on subscription plan and e-magazine subscriptions will be allocated to the purchase of additional copies of popular titles. This may require more resourcing as the year goes on, which will require funds being drawn from other collection areas.
- The Languages Other Than English budget has been increased to enable development of community language collections after the release of the latest Census data
- CCL intends to outsource the processing of more collection items to improve the speed items can be made available to the community, and to enable in-house resources to be allocated to other areas of the business. This requires an increase to the Processing budget. It has been increased from \$125K to \$142K in this plan by reducing funds allocated to purchasing new physical stock, but further funding would need to be sourced from other areas of library budget to enable all of the collection processing to be outsourced.

COLLECTIONS AND RESOURCES – PURCHASING PLAN 2017–2018

Collection Categories	Total \$ 2016/17	Proposed \$ 2017/18	Difference \$
Top Titles	0	44,000	-44,000
Adult Fiction	50,000	49,000	1,000
Adult Fiction SO	85,000	71,000	14,000
Adult Fiction Genres	20,000	15,000	5,000
Large print	1,000	1,000	0
Large Print SO	67,000	62,000	5,000
General Non-Fiction	127,000	100,000	27,000
Book Club sets	5,000	3,500	1,500
English Language Support	10,000	15,000	-5,000
Total Adult Books	365,000	360,500	-9,500
General Reference	1,000	1,000	0
Ref. standing Orders	6,000	3,000	3,000
Total Reference	7,000	4,000	3,000
DVD	105,000	95,000	10,000
Audio: Fiction	87,000	80,000	7,000
Audio: (digital)	22,000	25,000	-3,000
Adult/YA CD's	8,000	2,000	6,000
Total Adult Audio	222,000	202,000	20,000
J DVD	55,000	45,000	10,000
J/YA Talking Books	11,000	8,000	3,000
J/YA eAudio	10,000	10,000	0
J CD's	5,000	3,000	2,000
J/YA CD Rom	900	0	900
Total Children's Audio	81,900	66,000	15,900
Picture Books	92,000	70,000	22,000
J Fiction	77,000	52,000	25,000
Graphic Novels	23,000	23,000	0
YA fiction	33,000	20,000	13,000
PRC (Premiers Reading Challenge)	-	56,200	-
JNR Non fiction	42,000	32,000	10,000
Total Children's Books	267,000	253,200	70,000
LOTE Materials	29,000	40,000	-11,000
LOTE Mags	12,000	12,000	0
LOTE Cat and proc	7,000	10,000	-3,000
Total LOTE	48,000	62,000	-14,000
E-Books and E-Magazines content	57,560	57,560	0
Periodical Subscriptions	90,000	80,000	10,000
Total Processing New Materials	125,000	142,000	-17,000
e-Resources, Databases & console games	161,150	150,150	11,000
Total Refund lost books	2,000	2,000	0
Total Other	435,710	431,710	4,000
Total Library Materials	1,426,610	1,379,410	89,400

GENERAL BUSINESS

CC39/2017 REGIONAL LIBRARY AGREEMENT REVIEW

Report prepared by Chris Buckingham

Purpose

To inform the Board of progress made with the review of the 2012 Regional Library Agreement (2012 RLA).

CCL Library Plan reference – 5.1 and 5.3

Discussion

At the CCL November Board Meeting it was noted that the 2012 RLA was due for review.

It was resolved that a Working Group be established to develop a discussion paper to inform the review of the 2012 RLA for the February Board meeting along with a timetable for consultation.

The Working Group agreed that there was an opportunity for a deep dive review of the 2012 RLA that better reflects the vision and values of CCL.

Timeframes

- Draft agreement tabled for consideration at the June Board Meeting
- An external consultant will be engaged to reformat the document in a more contemporary and accessible style
- Once adopted by the Board the agreement will then be forwarded to Councils for ratification/ adoption
- Process to be completed by November 2017.

RECOMMENDATIONS

1. That the Regional Library Agreement Report be noted.

CASEY CARDINIA REGIONAL LIBRARY AGREEMENT

DRAFT



Casey
Cardinia
Libraries

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AGREEMENT TO FORM THE CASEY-CARDINIA LIBRARY CORPORATION

THIS AGREEMENT is made on _____
20____.

BETWEEN:

- (1) Cardinia Shire Council, established as a body corporate under an order in council made pursuant to the Local Government Act 1989 of P.O. Box 7, Pakenham, Victoria, 3810 ("Cardinia"); and
- (2) City of Casey Council, established as a body corporate under an order in council made pursuant to the Local Government Act 1989 of P.O. Box 1000, Narre Warren, Victoria, 3805 ("Casey").

PREAMBLE

Public libraries are expected to do much more than curate collections and lend books. The Councils acknowledge that the Regional Library has a core role promoting literacy, providing free access to information, encouraging a culture of lifelong learning and contributing to positive socio-economic outcomes across the community.

This agreement recognises the importance of collaboration and co-operation between the Councils and is intended as a platform for partnership built on trust and mutual respect.

The Councils have a shared commitment to supporting the Regional Library on a sustainable basis as it realises the vision, mission and strategic goals articulated in the Library Plan.

This Agreement is informed by the principles and standards articulated in the Australian Library Industry Association [Guidelines, Standards and Outcome Measures for Australian Public Libraries](#) (July 2016)

Our Vision

Inspiring spaces where everyone is free to discover possibilities.

Our Mission

To encourage lifelong learning, increase literacy and build strong, resilient communities across the Casey Cardinia Region.

Our Values

Teamwork

We excel when we all contribute. We are loyal and dedicated to each other. We always do our fair share.

Love of Learning

We love new things. We believe there is an opportunity to learn anywhere and everywhere.

Fairness

We treat all people fairly. We do not let our personal feelings bias our decisions about others. We give everyone a chance.

Creativity

Thinking of new ways to do things is crucial to our success. We are never content doing things the conventional way if we believe a better way is available.

Social Intelligence

We are aware of the motives and feelings of other people. We know what to do to fit into different situations and we know what to do to put others at ease.

Humour

We like to laugh, bringing smiles to other people. We try to see the light side of all situations.

RECITALS

- A. The Councils desire to have an agreement to operate a Regional Library to service the community in the area comprising their municipal districts, and the broader community with the intention that Section 196 of the *Local Government Act 1989* will apply.
- B. The Regional Library will operate in accordance with a Library Plan, Strategic Resource Plan and an Annual Budget which have been approved, in writing, by each Council, according to Clauses 7 and 8 of this Agreement.
- C. The Councils have agreed on the assets they will provide for the use of the Regional Library. These assets will be identified in accordance with the procedure specified in Clause 6 of this Agreement.
- D. The Councils have agreed to contribute certain sums of money annually for the purposes of the Regional Library.
- F. The Councils will support the Regional Library's Vision, Mission and Values (Schedule 1) in all dealings with respect to the Regional Library.
- G. The Councils acknowledge that the Regional Library plays an important role supporting the delivery of their Municipal Public Health and Wellbeing Plans.
- H. The Councils have agreed to substitute this Agreement for the previous Agreement (2012).

1. DEFINITIONS

In the interpretation of this Agreement, including the Recitals, except where the context otherwise requires –

(a) the following words shall have the following meaning:

"Act" means the *Local Government Act 1989*;

"Chief Executive Officer" means the person appointed in accordance with the Act;

"Additional Service" means an additional service provided to a Council which does not form part of the Regional Library's Ordinary Business of providing library services to Councils and which is identified as an additional Service by a resolution of the Board;

"Board" means the governing body of the Regional Library established under Clause 3.1;

"Budget" means the Annual Budget of the Regional Library which has been approved by each Council in accordance with Clause 8;

"Collection" means the books, ebooks, periodicals, audio-visual and other items owned and or lent by the Regional Library;

"Council" means a party to this Agreement;

"Dispute" means any dispute or difference between a Council and the Regional Library or between any of the Councils which arises out of this Agreement or concerns the Regional Library;

"Financial contribution" means annual contribution as well as any other contribution of assets for the life of the agreement;

"Library Plan" means the Library Plan of the Regional Library which has been approved by each Council in accordance with Clause 7;

"Local Law" means a Local Law made in accordance with Part 5 of the Act;

"Minister" means the Victorian Government Minister responsible for administering *Local Government Act 1989*;

"Ordinary Business" means the provision of library service to Councils determined by the Board that is not considered by the Board to be an Additional Service or a Special Project;

"Regional Library" means the Regional Library established under this Agreement;

"Strategic Resource Plan" means the Regional Library's Strategic Resources Plan for the next 4 years which has been approved by each Council in accordance with Clause 7.

"Usage" means loans from the collection, as recorded by the library computer system or other auditable means.

"Annual Action Plan" means the Regional Library's Annual Action Plan which articulates the program of works planned for the financial year ahead.

- (b) In this agreement, unless the contrary intention appears:
- (i) headings are for ease of reference only and do not affect the meaning of this agreement;
 - (ii) the singular includes plural and vice versa and words importing gender include other genders;
 - (iii) other grammatical forms of defined words or expressions have corresponding meaning;
 - (iv) a reference to a clause, paragraph, schedule or annexure is a reference to a clause or paragraph of a schedule or annexure to this agreement and a reference to this agreement includes its schedules and annexure;
 - (v) a reference to a document or agreement, including this agreement, includes a reference to that documents or agreement as notated, altered or replaced from time to time;

-
- (vi) a reference to a Council includes its administrators and successors;
 - (vii) words and expressions importing natural persons include partnerships, bodies corporate, associations, governments and governmental and local authorities and agencies; and
 - (viii) a reference to any legislation or statutory instrument or regulation is construed in accordance with the Interpretation of Legislation Act 1984 (Vic).

2. DEFINITION OF THE REGIONAL LIBRARY

There shall be constituted a Regional Library for the purposes of Section 196 of the Act, or any subsequent change to the Local Government Act by the name of the **Casey-Cardinia Library Corporation** to:

- (a) provide, subject to any conditions attached to any State government library subsidies and grants to the Regional Library or the Councils, a regional library service for the Councils' municipal districts as determined by the Board;
- (b) provide Additional Services in accordance with this Agreement;
- (c) make Local Laws relating to the Regional Library;
- (d) perform any other functions which are conferred on the Regional Library under this Agreement or the Act, including defining overall policy objectives, developing strategic policy and approving a Library Plan, Strategic Resource Plan and Annual Budget; and
- (e) do all things necessary or expedient in accordance with this Agreement and the Act for the carrying out of its functions.

3. MEMBERSHIP OF THE BOARD

- 3.1 The Board of the Regional Library shall consist of:
- (a) two (2) councillors appointed by the Casey City Council and two (2) officers appointed by the Chief Executive Officer of the Casey City Council; and
 - (b) one (1) councillor appointed by the Cardinia Shire Council and one (1) officer appointed by the Chief Executive Officer of the Cardinia Shire Council.
- 3.2 Council officers are appointed as delegates of their Council CEO.
- 3.3 Board members have the dual role of representing the Regional Library and their Council.
- 3.4 Board members are bound by the Regional Library Board Member Code of Conduct
- 3.5 A Council may appoint a councillor or member of council staff to act as a substitute in place of one of its appointed members.
- 3.6 A member and substitute shall hold office until the term of his/her appointment by their Council expires, until removed, or the person resigns, or ceases to be a councillor or member of council staff, whichever occurs first.
- 3.7 A Council may remove from office its appointed member or substitute them.
- 3.8 A Council must fill a vacancy in its members as soon as possible and notify the Board in writing of the new member.
- 3.9 The office of a member automatically becomes vacant if he/she is absent for three consecutive meetings without the leave of the Board.
- 3.10 Objective of the Board:

-
- (a) the primary objective of the Board is to achieve the best library service outcomes now and into the future for the communities of the Councils within the context of each Council's available resources and competing demands.

3.11 Role of the Board:

- (a) ensure that the library services provided by the Regional Library are provided in accordance with the Library Plan, Strategic Resources Plan and Annual Budget;
- (b) provide leadership by establishing Regional Library strategic objectives and monitoring their achievement;
- (c) maintain the sustainability and viability of the Regional Library by ensuring that resources are managed in a responsible and accountable manner;
- (d) uphold its fiduciary responsibility to identify and consider the economic and financial consequences of its deliberations;
- (e) advocate on behalf of the library service to other key stakeholders in business, community and government;
- (f) act as a responsible partner in government by taking into account the aspirations and needs of the community;
- (g) ensure that the library service continues to contribute to the social value of the community; and
- (h) determine on an annual basis as part of the budget process the requirement for provision of an internal audit function.

4. PROCEEDINGS OF THE BOARD

- 4.1 The Board shall meet in accordance with Local Law No.1
- 4.2 The Board shall hold an ordinary meeting at least once in every three months.
- 4.3 If a special meeting is called, it must be called by the Chief Executive Officer on the request of the Chairperson or any two members of the Board.
- 4.4 The Board shall elect a Councillor member to be Chairperson of the Board and he/she shall hold office for twelve months, unless he/she goes out of office earlier in accordance with Clause 3.3 of this Agreement.
- 4.5 The role of Chairperson shall alternate between Councillors from Councils on an annual basis to reflect each Council's shared responsibility.
- 4.6 The Chairperson shall preside at a meeting of the Board.
- 4.7 In the absence of the Chairperson from a Board meeting, the remaining members of the Board will elect one of their number to preside at that meeting. Where possible the acting Chairperson will be a Councillor.
- 4.8 Notice of motion to recommend amendment of this Agreement and notice of motion for the adoption or amendment of Local Laws by the Board shall be given in writing to Councils at least two months before the meeting of the Board at which the motion is to be discussed.
- 4.9 Each Council agrees to indemnify the Regional Library in respect of any liability incurred as a consequence of the operation of the Act in relation to each of its appointed members.

5. CHIEF EXECUTIVE OFFICER

- 5.1 The Board must appoint a Chief Executive Officer of the Regional Library under a contract.
- 5.2 The Board is responsible for monitoring CEO Performance at least annually
- 5.3 In addition to any responsibilities imposed on a Chief Executive Officer under the Act, the Chief Executive Officer shall be responsible to the Board for the finances and day to day administration and operation of the Regional Library including the implementation of the Library Plan, Strategic Resource

Plan, Annual Action Plan and Annual Budget, delivery of the service and administrative support for the Board and any other duties specified.

6. EQUITY AND OPERATING COSTS

- 6.1 Each Council agrees to the Regional Library using the assets set out in the Statement of Council Assets in Schedule 1 to be updated within three months of the end of each financial year.
- 6.2 Each Council agrees to transfer the assets and assign the liabilities set out in the Statement of Regional Library Assets and Liabilities in Schedule 2 to be updated within three months of the end of each financial year.
- 6.3 The Chief Executive Officer shall maintain a register of the assets provided for the use of the Regional Library by Councils. This register must indicate which Council owns each asset.
- 6.4 The Chief Executive Officer shall maintain a register of the assets owned by the Regional Library to be updated within three months of the end of each financial year.
- 6.5 A Council must, unless otherwise agreed by the Board, give twelve months' notice in writing to the Chief Executive Officer of its intention to withdraw assets from the use of the Regional Library.
- 6.6 The Regional Library shall, unless otherwise agreed by the Board, be responsible for the cleaning, maintenance, repair, replacement and other operating costs of assets owned by the Regional Library.
- 6.7 Each Council shall, unless otherwise agreed by the Board, be responsible for the cleaning, maintenance, repair, replacement and other operating costs of assets owned by it but provided for the use of the Regional Library.
- 6.8 The Regional Library shall, unless otherwise agreed by the Board and subject to Clauses 6.6 and 6.7, be responsible for its own operating costs.

7. STRATEGIC PLANNING

- 7.1 The Chief Executive Officer shall no later than 1 May each year provide each Council with a copy of the Regional Library's proposed Library Plan as endorsed by the Board prepared in accordance with Section 125 of the Act.
- 7.2 The Chief Executive Officer shall no later than 1 May each year prepare and provide each Council with a proposed Strategic Resource Plan, Annual Budget and Annual Action Plan for the financial year commencing 1 July as endorsed by the Board in accordance with Section 126 of the Act.
- 7.3 The Strategic Resource Plan, Annual Budget, and Annual Action Plan shall include a program for the delivery of services by the Regional Library which identifies the nature and extent of proposed services and an estimate of the costs of the provision of those services. The Strategic Resource Plan shall include an asset replacement forward plan covering the period of the Library Plan.
- 7.4 The Regional Library must adopt a Library Plan and Strategic Resource Plan by the date specified in the Act.
- 7.5 The Regional Library shall not adopt a Library Plan or Strategic Resource Plan which has not been approved, in writing, by the Councils, unless Councils have not provided this approval, or specified their objections, by the date specified in the Act, in which case the Regional Library may adopt its proposed Library Plan and Strategic Resource Plan.

8. ANNUAL BUDGET

- 8.1 The Regional Library will provide formal advice to the member Councils by 15 December each year of expected contributions and draft budget for the next financial year, to inform budget planning.
- 8.2 Councils will advise the Regional Library by 28 February each year as to the expected contribution in the draft budget and if required will propose an alternative amendment.
- 8.3 The Regional Library shall endeavour within two days following the April Board meeting (but no later than 30 April) each year provide each Council with a draft copy of the Regional Library's proposed Annual Budget as

endorsed by the Board and prepared in accordance with Section 127 of the Act. Councils are to consider the draft Annual Budget and provide a written response prior to 22 June each year.

8.5 The proposed Annual Budget shall include:

- (a) the amount of funds currently held by the Regional Library;
- (b) the amount of each Council's proposed financial contribution to the Regional Library for the financial year commencing 1 July; and
- (c) the amount of funds to be received from any other source by the Regional Library in the financial year commencing 1 July; and
- (d) draft budgeted financial statements.

8.6 The Regional Library shall not adopt a proposed or revised Annual Budget which has not been approved, in writing, by the Councils, unless Councils have not provided this approval, or specified their objections, by the date specified in the Act, in which case the Regional Library may adopt its proposed Annual Budget.

9. ANNUAL FINANCIAL CONTRIBUTIONS

9.1 The amount to be contributed to the Regional Library by each member Council during each financial year shall be the sum of:

- (a) the amount specified for the Council in the Regional Library's adopted Annual Budget as calculated in accordance with Schedule 4;
- (b) all State Government library subsidies and grants received by the Council for the Regional Library's service if not paid directly to the Regional Library;
- (c) funds received by the Council from any other source for the Regional Library's services; and
- (d) any additional contributions necessary for the provision of Additional Services for the Council;

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- 9.2 The Councils must agree on a funding formula for the purpose of making annual financial contributions to the Regional Library under Clause 9.1 (a). Schedule 3 provides the principles to be used when agreeing on a funding formula.
- 9.3 Each Council's financial contribution under Clause 9.1 (a) and 9.1 (b) to the Regional Library shall be paid in monthly instalments by the 15th day of each month.
- 9.4 If the Budget has not been adopted before July 1, then the monthly payment shall be the same amount as the last month of the previous financial year. Once a budget has been adopted then the next monthly payment after the adoption shall include any adjustment necessary to ensure the year to date instalments meet the agreed year to date contribution levels for the adopted budget.
- 9.5 All other Council contributions under Clause 9.1 (c) shall be paid within one month of receipt of the monies by the Council, or as otherwise agreed.
- 9.6 A Council shall be responsible for the Regional Library's costs in providing any Additional Service or resources requested by the Council under Clause 9.1 (d) and such costs are to be paid within 30 days of the Council receiving an invoice from the Regional Library, or as otherwise agreed.
- 9.7 Interest shall be paid on any amount payable under Clause 9.1 to 9.6 inclusive, which is not received by the Chief Executive Officer within 14 days of the due date at the rate fixed by the Governor in Council for the purposes of Section 172 of the Act and calculated monthly from the date the amount became due until the date it is received by the Chief Executive Officer.

10. ANNUAL REPORTING AND ACCOUNTS

- 10.1 The Chief Executive Officer shall, within three months of the end of each financial year, provide each Council with a copy of the Regional Library's Annual report prepared in accordance with Section 131 of the Act.
- 10.2 The Chief Executive Officer shall endeavour to forward relevant preliminary information to the member Councils that underpins the Councils draft financial statements by 10 August each year.

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- 10.3 The books of accounts and all other financial records of the Regional Library shall be available for inspection at all reasonable times by any councillor or person authorised by a Council, or, by any person authorised by the Secretary of the Department responsible for administering State Government library subsidies and grants from which the Regional Library or Councils receive funds.
- 10.4 The Chief Executive Officer shall provide the Board and Councils the latest year to date financial reports at each board meeting which include an operating statement reporting the Regional Library's performance to Budget and other performance indicators as detailed in the Library Plan, Strategic Resource Plan and Annual Budget.

11. ENTRY AND EXIT OF PARTIES

- 11.1 A Council which is not a party to this Agreement may, by unanimous supplementary agreement with the Councils, be admitted as a party to this Agreement and subject to the provisions of the supplementary agreement, shall have the same rights, duties and obligations of the Councils under this Agreement.
- 11.2 A Council must, unless otherwise agreed by the Board, give not less than twelve months' notice in writing to the Chief Executive Officer of its intention to withdraw from this Agreement.
- 11.3 A Council which has given notice under Clause 11.2 must, unless otherwise agreed by the Councils, withdraw from this Agreement on 30 June in any year.
- 11.4 A Council which withdraws from this Agreement shall be entitled to a portion of the net assets of the Regional Library as at the date of its withdrawal from the Agreement, less an amount which represents the full costs to the Regional Library of the withdrawal, unless otherwise agreed by the Board.
- 11.5 The portion of net assets to which a Council is entitled under Clause 11.4:
- (a) shall be calculated according to the value of the assets as disclosed by the relevant audited financial statements;

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- (b) shall be in the same proportion as its financial contribution to the Regional Library bears to all the member Councils' financial contributions to the Regional Library over the life of the Agreement;
 - (c) may be taken in such combination of property and cash as agreed between the Council and the Board, and if it is agreed that a Council is entitled to library materials, the cost of removing them shall be paid for by the Council.

11.6 A Council which withdraws from this Agreement shall be liable for a portion of the liabilities, including contingent liabilities, of the Regional Library as at the date of its withdrawal from the Agreement.

11.7 The portion of the liabilities and of a reasonable assessment of contingent liabilities to which a Council is liable under Clause 11.6:

- (a) shall be calculated according to the liabilities and contingent liabilities as disclosed by the relevant audited financial statements and reports, and any notes attached to them;
- (b) shall be in the same proportion as its financial contribution to the Regional Library bears to all the member Councils' financial contributions to the Regional Library over the duration of this Agreement; and
- (c) where contracts for goods and services are affected, shall be the full cost of any additional payments for variations to contractual arrangements resulting from the withdrawal.

12. DISSOLUTION OF REGIONAL LIBRARY

12.1 Subject to Section 197G of the Act, the Regional Library may be dissolved by both parties to the Agreement or, if more parties are admitted to the Agreement by supplementary agreement, by agreement of at least two thirds of the parties to this Agreement, including those admitted as a party by supplementary agreement.

12.2 If the Regional Library is dissolved under this Clause:

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- (a) each Council shall be entitled to a portion of the Regional Library's assets in the same proportion as its financial contribution to the Regional Library bears to all the member Councils' financial contributions to the Regional Library over the duration of this Agreement; and
 - (b) each Council shall be liable for a portion of the liabilities and contingent liabilities of the Regional Library in the same proportion as its financial contribution to the Regional Library bears to all the member Councils' financial contributions to the Regional Library over the duration of this Agreement.
 - (c) If CCL is wound up or its endorsement as a deductible gift recipient is revoked (whichever occurs first), any surplus of the following assets shall be transferred to another organisation with similar objects, which is charitable at law, to which income tax deductible gifts can be made:
 - i) Gifts of money or property for the principal purpose of the organisation
 - ii) Contributions made in relation to an eligible fundraising event held for the principal purpose of the organisation
 - iii) Money received by the organisation because of such gifts and contributions.

13. DISPUTE RESOLUTION

- 13.1 If any Dispute arises which cannot be resolved by the Board, the Councils must use their best endeavours, and act in good faith, to settle the Dispute.
- 13.2 If the Councils are unable to settle the Dispute, the Councils must agree to the appointment of an independent mediator. If the Councils are unable to agree on a person to act as an independent mediator, the mediator will be appointed by the President of the Law Institute of Victoria. The parties to a mediation shall:
 - (a) be responsible for their own mediation costs; and
 - (b) share the mediator's costs equally.
- 13.3 The function of the mediator is to mediate not arbitrate. The mediator will not have the power to make any decisions. If the Dispute is not resolved

through mediation, the Councils may proceed to arbitration in accordance with Clause 13.5.

13.4 A party must not commence proceedings pursuant to Clause 13.5 in respect of a Dispute unless:

- (a) the Dispute has first been referred to a mediator; and
- (b) the Dispute remains unresolved.

13.5 If there is a Dispute the matter shall be determined under the *Commercial Arbitration Act 1984* and the arbitrator's decision shall be final and binding on the parties to the dispute.

13.6 The parties to the arbitration shall:

- (a) be responsible for their own arbitration costs; and
- (b) unless otherwise determined by the arbitrator, share the arbitrator's costs equally.

14. AGREEMENT AMENDMENT

14.1 An amendment to this Agreement has no effect unless it is:

- (a) in writing and signed by all parties to the Agreement; and
- (b) approved by the Minister by notice published in the Government Gazette.

14.2 The transfer of assets to or the making available of additional assets for the use of the Regional Library pursuant to Clause 6 will not constitute an amendment to this agreement.

15. AGREEMENT REVIEW

The parties shall, together with the Board, review the operation of this Agreement at least once in every five years.

16. ASSIGNMENT

A Council must not assign this agreement or any right under this agreement.

17. ENTIRE AGREEMENT

This agreement:

- (a) constitutes the entire agreement between the Councils' as to its subject matter; and
- (b) in relation to that subject matter, supersedes any prior understanding or agreement between the Councils' and any prior condition, warrant, indemnity or representation imposed, given or made by a Council.

18. WAIVER

The failure of a Council at any time to require performance of any obligation under this agreement is not a waiver of that Council's right:

- (a) to insist on performance of, or claim damages for breach of, that obligation unless that Council acknowledges in writing that the failure is a waiver; and
- (b) at any other time to require performance of that or any other obligation under this agreement.

19. GOVERNING LAW AND JURISDICTION

19.1 This agreement is governed by the law applicable in Victoria.

19.2 Each Council submits to the exclusive jurisdiction of the courts of Victoria.

20. SEVERABILITY

20.1 The Councils' agree that a construction of this agreement that results in all provisions being enforceable is to be preferred to a construction that does not so result.

20.2 If despite, the application of Clause 20.1, a provision of this agreement is illegal or unenforceable:

- (a) if the provision would not be illegal or unenforceable if a word or words were omitted, that word or those words are severed; and
- (b) in any other case, the whole provision severed, and the remainder of this agreement continues in force.

21. NOTICE

21.1 A Council giving notice or notifying under this agreement must do so in writing:

- (a) directed to the recipient's address specified in this Clause, as varied by any notice;
- (b) hand delivered or sent by prepaid post or email to that address; and

The Councils addresses and email addresses are:

City of Casey Council

Address: Magid Drive, Narre Warren, Victoria 3805

Postal Address: PO Box 1000, Narre Warren, Victoria 3805

Phone: (03) 9705 5200

Email:

Cardinia Shire Council

Address: 20 Siding Avenue, Officer, Victoria 3809

Postal Address: PO Box 7, Pakenham, Victoria 3810

Phone: (03) 5945 4222

Email:

21.2A notice given in accordance with Clause 21.1 is taken to be received:

- (a) if hand delivered, on delivery:
- (b) if sent by prepaid post, 3 days after the date of posting;
- (c) if sent by email, when the sender's email system generates a message confirming successful transmission of the notice unless,

within Business Hours after that transmission, the recipient informs the sender that it has not received the entire notice; and

- 21.3 A Council must give notice in writing of any changes to its address or email address recorded in Clause 21.1.

22. CONDITIONS PRECEDENT

This Agreement has no effect as between the parties unless it is approved by the Minister in accordance with Section 196(2) of the Act.

CASEY CARDINIA LIBRARY CORPORATION
SCHEDULE 1: STATEMENT OF COUNCILS' ASSETS

City of Casey

City of Casey agrees to supply and maintain the following:

- buildings;
- shelving;
- furniture;
- fixtures; and
- fittings

at the Branch Libraries listed below:

1. Cranbourne Library
Casey Indoor Leisure Centre
65 Berwick-Cranbourne Road
Cranbourne 3977
2. Doveton Library
Autumn Place
Doveton 3177
3. Endeavour Hills Library
Raymond McMahon Boulevard
Endeavour Hills 3806
4. Hampton Park Library
Stuart Avenue
Hampton Park 3976
5. Narre Warren Library (until October 2017)
Overland Drive
Fountain Gate 3805
6. Bunjil Place Library
Patrick Northeast Drive
Narre Warren 3805

Note: The costs and arrangements associated with the location for Library Administration/Headquarters are the responsibility of the Regional Library.

Cardinia Shire Council

Cardinia Shire agrees to supply and maintain the following:

- buildings;
- shelving;
- furniture;
- fixtures; and
- fittings

at the Branch Libraries listed below:

1. Emerald Library
400B Belgrave-Gembrook Road
Emerald 3782
2. Pakenham Library
Corner of John Street and Henry Street
Pakenham 3810

Cardinia Shire owns and agrees to supply and maintain a Mobile Library comprising of a prime mover and trailer. This vehicle is garaged at the Cardinia Depot.

Insurance

Councils are responsible for insurance cover of their assets including:

- buildings
- fixtures;
- fittings;
- general furniture;
- mobile library (Cardinia Shire);
- public liability; and
- Regional Administration Office Building.

The Regional Library is responsible for insurance cover of its assets including:

- books and library materials;
- computers;
- staff equipment;
- regional head office fixtures, fittings and equipment;
- motor vehicles;
- marine cargo (Mobile Library contents);
- public liability; and
- association's liability (professional and indemnity).

CASEY CARDINIA LIBRARY CORPORATION
SCHEDULE 3: STATEMENT OF REGIONAL LIBRARY ASSETS AND LIABILITIES

The Regional Library will maintain a detailed asset register of assets owned and purchased by the Regional Library for use at the Branch Libraries and Regional Library's Administrations Office.

The Chief Executive Officer shall, within three months of the end of the financial year, provide each Council a copy of the Regional Library's Annual Report including asset values and depreciation schedules of all books and library materials, plant, equipment and liabilities and contingent liabilities.

The apportionment of net assets and liabilities to which a Council is entitled is under Clause 12.5 of the Regional Library Agreement.

The Regional Library will be responsible for supply and maintenance of:

- furniture and equipment at the regional head Office;
- computers and communications equipment for administrative functions
- motor vehicles; and
- books and library materials.

Note: the Regional Library's asset register includes furniture and equipment purchased by the Friends of the Libraries which is used in the Branch Libraries.

CASEY CARDINIA LIBRARY CORPORATION
SCHEDULE 4: FUNDING PRINCIPLES

In drawing up the funding principles Councils have agreed to the following principles and formulae for funding the operations of the Regional Library.

1. Sustainable Funding

Councils will provide a sufficient proportion of funding to enable the Regional Library to deliver the key strategic goals in the Library Plan.

2. Service Points

Definition

A service point is defined as a library or mobile library that offers at least lending services.

- 2.1. A Council is responsible for determining the number, location, service levels and hours of operation of the service points in its own municipality, and subject to consideration by the Board on the likely impact of any changes to regional resources and service levels.
- 2.2. Councils will share the combined total general operating costs of all service points across the region according to an average percentage of regional loans and population (as per Australian Bureau of Statistics) for each municipality. General operations include lending services, branch administration, reference, outreach, local history, youth and adult services.
- 2.3. A Council will fully fund any service provided in its municipality that is not considered to be a general service, unless the Regional Library agrees to incorporate the service as a general service. An example of an additional service would be the current courier service to the Berwick Mechanics Institute, computer access to a Council or some other special service provided to a Council.

2.4. A Council will fully fund new initiatives within general library operations, such as extensions to hours or services, or new service points, for a period of one or more years as determined by the Board, after which usage according to 2.2 will prevail.

2.5. Funding of a new service point is to include funding for a new Collection if required by the Board.

3. Collection Development

Definition

Collection development includes policy, selection, withdrawal and transfer of materials, acquisitions, cataloguing, data input, processing, repairs, binding, reservations and inter-library loans.

3.1. Collection size and composition will be maintained in response to community need.

3.2. At least 70% of the physical Collection will be less than 5 years old

3.3. New and replacement lending materials will be distributed to service points in such a way that each municipality receives its due proportion of material based on population, plus any additional materials purchased according to 2.2.

4. Population

Where the funding basis is to be population, the population figure is to be based on the last published provisional Australian Bureau of Statistics population figures at the time the Budget is prepared.

5. Usage

Where the funding basis is to be usage, the usage figure is to be based on computer records for the 12 months April to March, that is, the April to March period preceding the budget preparation period. In preparation for the

November preliminary Budget estimates, the usage figure is to be based on the 12 months November to October, that is the, November to October period preceding the preliminary Budget estimates period.

6. State Funding

Expected State Funding will be attributed back to the member Councils' on the basis of an average of the population and usage percentages, as referred to in Clauses 3 and 4 of the Funding Principles. The Board will determine how variations in the State Funding will be dealt with; however any variation in State Government Funding in excess of five (5) percent under or over, the Budget estimates will be referred back to the member Councils for consultation and final decision.

CC40/2017 CEO'S PERFORMANCE REVIEW

Report prepared by Chris Buckingham

Purpose

To inform the Board of progress with CEO Performance Review.

Discussion

The CEO provided an interim report against agreed Key Performance Indicators (KPIs) at the end of March.

The end of Financial Year Annual report against KPIs will be provided to the Board at the end of July.

The Board is required to appoint a sub-committee to review the CEOs performance and table its recommendations for Board approval. (*February Board meeting minute 10*).

RECOMMENDATIONS

1. That the Board appoint a sub-committee to convene in early August 2017.
2. That the CEO finalise report against KPIs by the end of July 2017.

CC41/2017 COMMUNITIES FOR CHILDREN

Report prepared by Beth Luppino

Purpose

To update the Board on the status of the Communities for Children Funding.

CCL Library Plan reference – 5.1

Discussion

CCL has two long-running federally funded literacy outreach programs based in Cranbourne and Pakenham.

The 'Library Has Legs' outreach programs target at-risk and vulnerable children and families, and seek to improve literacy outcomes, a love of reading and develop ongoing links and relationships with our libraries. The programs are funded through community Funding Partners – Anglicare in Pakenham and Windermere in Cranbourne.

Both projects have just had their funding renewed for the next two financial years, commencing this July.

The Pakenham based Communities For Children program has had its funding agreement signed off by the Chief Executive Officer and the appropriate Anglicare authorising officers. This was an extension to the current contract from 1 July 2017 to 30 June 2019 for the amount of \$151,031.89 (exc GST). Sealing of this funding agreement was not required.

CCL has received the formal agreement for the Cranbourne based 'Library has Legs' program through Windermere, and this agreement requires signing and sealing. The agreement is from 1 July 2017 to 30 June 2019 for the amount of \$173,063.84 (exc GST).

In accordance with the requirements of the CCL's Local Law, the Board has to approve the use of the seal, and the Chairperson also signs with the Chief Executive Officer.

A copy of the funding agreements are available for the Board's information by request.

RECOMMENDATIONS

1. That the Board approve the use of the Common Seal and that the CEO and Chairman sign the Communities for Children Funding Agreement with Windermere.

NEXT MEETING

Wednesday 23 August at the City of Casey, VIBE – Casey Works Centre, Vesper Drive, Narre Warren