Colac Otway Shire

Library Service Review

January 2020

I & J Management Services

Colac Otway Shire – Library Service Review

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EXECUTIVE SUMMARY

Library service review and Notice of Motion

1. At the Council meeting of 27 February 2019, Councillor Stephen Hart presented a **Notice of Motion** seeking investigation of the implications of Colac Otway Shire (COS) withdrawing from Corangamite Regional Library Corporation (CRLC) and joining Geelong Regional Library Corporation (GRLC) for provision of public library services to the Colac Otway community. Cr Hart is one of two CoS representatives on the CRLC Board.

2. The Notice of Motion required the COS CEO to commence an investigation, brief Council on its outcomes, and prepare a community consultation plan giving consideration to these outcomes.

Library trends and service models

3. Research shows that public libraries are one of the most productive investments in public services across all levels of government. For example, every $1 invested in CRLC libraries by member Councils and other funding sources generates a return of $3.80 to the community through efficient access to collections and educational, social, health and employment benefits.

4. Contemporary libraries retain a strong focus on reading, research and historical collections (including ebooks) for people of all ages and interests. Libraries are also experiencing increasing community demand for reading and social programs, efficient access to technology, and safe comfortable places and spaces to read, study, work, meet and relax.

5. COS has 2 library branches, fortnightly outreach services to 8 townships and online services.
   - Colac has a large modern library located at Colac SC. It is open 48.5 hours per week and operates under a joint use agreement with the College in a building owned by DET.
   - Apollo Bay Library is situated behind Marrar Woorn Neighbourhood House in Apollo Bay. Open 18 hours per week, the library building is owned by Great Ocean Road Health.

6. COS has several options available to it in its future provision of public library services.
   - Stay with CRLC at the current service level or at an amended service level
   - Move to GRLC
   - Leave CRLC and deliver own library services (e.g. Glenelg, Swan Hill, Latrobe)
   - Leave CRLC and 'buy in' services from another library service (e.g. Ballarat network).

7. In response to the Notice of Motion, this Library Service Review is focused on the GRLC option. It has involved industry research and consultation with managers from COS, CRLC and GRLC. Staying with CRLC in a current or amended form is assumed as the alternative. Library corporations are typically more cost-efficient than stand-alone municipal library services due to economies of scale in administrative and strategic functions.

Corangamite Regional Library Corporation

8. CRLC was formed in 1996 under section 196 of the *Local Government Act 1989*. It provides library services in four municipalities – Colac Otway, Corangamite, Moyne and Warrnambool.

9. Benchmarking data shows CRLC provides a good library service – broadly in line with industry standards. However, while service provision is commensurate with the size of the regional population, use of library services across the region is low in terms of per capita membership, visits, loans, program participation and computer use. Customer satisfaction is high.
   - **COS has higher levels of use than other CRLC libraries** (24% of population vs 32% of use).

10. Customer feedback from COS library users through the current 'Libraries Change Lives' campaign (SLV/PLV) has seen people share the impact libraries have on their lives and the lives

of those around them. Hundreds of responses were received from young children, avid readers, parents, and people who use the computers and library spaces in their everyday life.

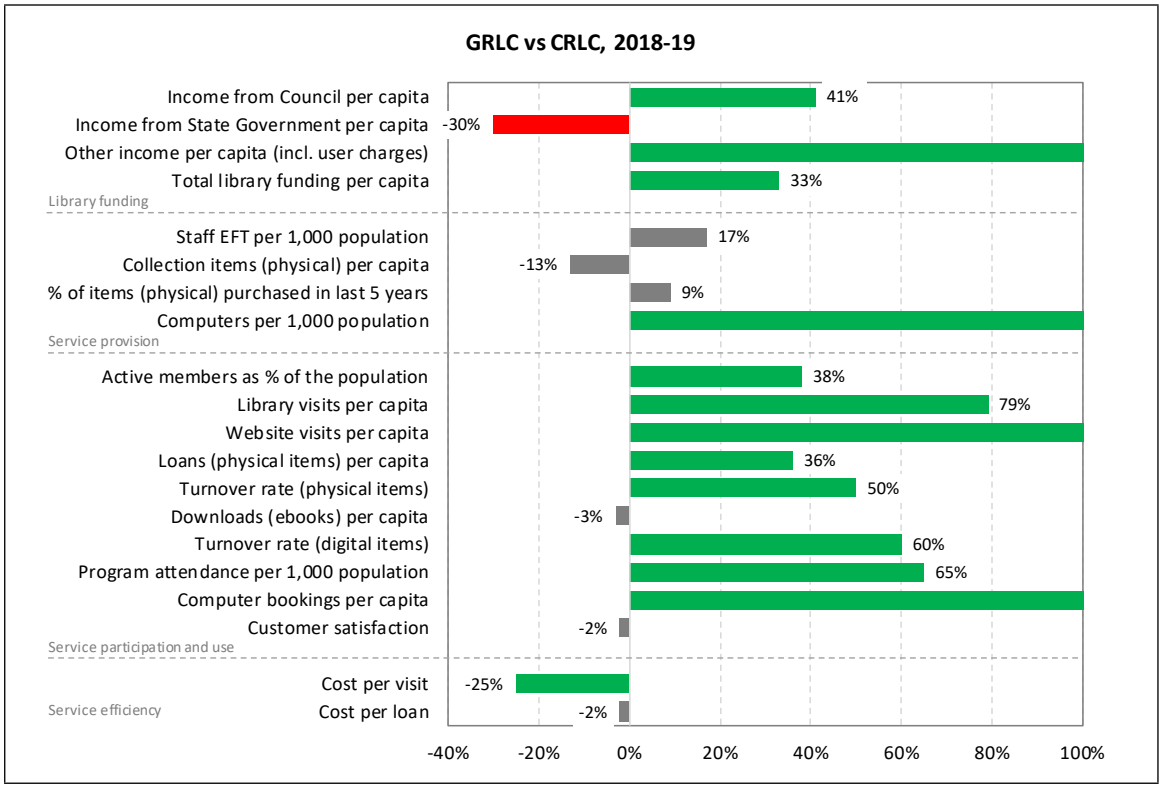
11. CRLC's total income for 2018-19 was $3.20M, with $2.31M of this provided by member Councils. Council contributions averaged $25.80 per capita, 21% below the state average of $32.56.
    - **COS has higher per capita contributions than other CRLC libraries** ($32.98 per capita) to fund its service levels (including additional outreach services).

12. The CRLC Board is concerned that CRLC's capacity to continue to deliver the current level of service is not sustainable given funding uncertainties and the need to consider increased costs for service provision. An independent review of CRLC completed in August 2019 found that:
    - Council contributions show a trend of minimal or no growth every second year
    - State Government contributions have not kept pace with inflation or rate capping
    - City of Warrnambool is partnering with South West TAFE in construction of a new joint-use library at the TAFE campus and may withdraw from CRLC (any withdrawal of a Council from the CRLC would severely impact the viability of the Corporation).

Geelong Regional Library Corporation

13. **GRLC is Victoria's leading library service**. For five years GRLC has outperformed the other 46 Victorian library corporations and municipal library services by having consistently high to good performance against state benchmarks on all aspects of library operations.

14. GRLC outperforms CRLC across 20 key statistical indicators.
    - CRLC leads GRLC on only one indicator – per capita funding contribution from the State Government (which is based on rurality/equity and is beyond a library service's control).
    - CRLC and GRLC are similar (+/- 20%) on another six indicators, including three related to service provision and customer satisfaction (both have high customer satisfaction ratings).
    - GRLC outperforms CRLC by at least 20% on the remaining 13 indicators.



15. There are two major statistical differences between GRLC and CRLC:
    - GRLC has **higher levels of funding** from its member Councils

- GRLC has consistently **higher levels of use** of its library services – including per capita membership, visits, loans, program participation and computer use.
- With additional funding GRLC puts more resources into community engagement and marketing of its library services (including having a modern website). It offers a wider and more diverse range of reading, literacy, cultural and social programs. As a result, more people use the services and derive **greater individual and community benefits**.

16. Research shows that CRLC and GRLC have the same benefit to cost ratio of 3.8. However, compared with CRLC, GRLC's member Councils commit greater recurrent funding per capita to their libraries, and therefore achieve greater net benefits for their communities.

Value of Public Libraries, SGS 2016-17	GRLC	CRLC
Recurrent expenditure	$15.5 M	$3.3 M
Net benefit	$42.7 M	$9.3 M
Benefit cost ratio	3.8	3.8
Recurrent funding per capita	$46	$36
Net benefits per capita	$147	$108

GRLC offer – issues to consider

17. COS moving to GRLC would deliver a service that in part would appear unchanged to the library user. There would still be a library at Colac and one at Apollo Bay. Smaller communities could still access services through a mobile library. Familiar collections and programs would still exist.

18. It is also noted that Colac Otway residents can already access GRLC's collections and services in GRLC branches by becoming a GRLC member.

19. In other ways, moving to GRLC represents an **improved service offer**.
    - Access to a collection of 469,800 physical and digital items (vs 142,700 in CRLC)
    - Larger borrowing limits (40 items vs 30) and longer loan periods (28 days vs 21)
    - Access to a much larger and more diverse range of reading, learning, social and cultural programs (e.g. author talks, reading festivals, lifestyle programs for people of all ages)
    - Weekly outreach services (if COS wants this, vs fortnightly ones in CRLC)
    - A more user-friendly website with greater functionality to access online library services
    - Online and print newsletters and material promoting library activities.
    - Regional networks with a range of community, educational, cultural and business groups that could contribute to increasing library membership and use of library services.
    - Opportunity (not costed) to integrate Council and historical society records, artefacts and resources into the Geelong Heritage Centre and access its regional collections/databases.

20. COS membership of GRLC in 2019-20 would have required a Council contribution of $831,000. This is $104,000 (14.3%) more than the $727,000 Council committed to CRLC for 2019-20.
    - On an annual per capita basis this would represent an increase from $33.66 with CRLC to $38.47 with GRLC – an increase of $4.81 per person who lives in Colac Otway Shire.
    - The cost would be slightly lower if COS negotiated with GRLC a reduced level of outreach service (e.g. fortnightly roster not weekly, fewer than 8 stops).

21. A range of other factors are relevant to any decision for COS to move from CRLC to GRLC.
    - **External**: With its new library arrangement Warrnambool may choose to leave CRLC. The viability of CRLC is uncertain if this were to happen.
    - **Strategic**: Joining GRLC would align library service delivery with membership of G21.
    - **Structural**: Recent changes to the *Local Government Act* mean COS joining GRLC would trigger dissolution of GRLC and require establishment of a new collaborative arrangement. If COS were to join, GRLC have stated their intention to immediately reform as a new entity. [Note: **The same changes will trigger dissolution of CRLC by 2029**.]

- **Governance**: COS would go from having around 30% of CRLC's critical mass to being around 7% of GRLC. From equal representation on the CRLC Board, COS would have one position on an 8-9 member GRLC Board.
- **Regional**: There is a 'pull' to Geelong as a centre for accessing specialist services/facilities.
- **Local employment**: CRLC's administrative office is based in Colac and provides employment for ten people (6.9 FTE). These jobs would move if COS left CRLC.

22. If COS initiated any move from CRLC to GRLC it would also, under existing agreements, be liable for all transition costs out of and into the new arrangement. The earliest a move could be made is 30 June 2021 (assuming notice to leave is given by 30 June 2020). It is estimated that the total one-off legal and administrative costs to COS of transition would be in the order of $30-120,000.

An extended CRLC service offer

23. The current CRLC Service Level Agreement allows for negotiation of variable servicing levels. COS already does this (e.g. relatively longer opening hours at Colac Library, a relatively high number of outreach stops) and consequently makes higher per capita contributions to CRLC than the other three Councils.
    - Additional funding from COS could, for example, increase the size of the collection, increase the frequency of programs offered in COS branches, and increase the number of computers and the speed of the wifi.

24. Alternatively, CRLC could realise some small savings (with both CRLC and GRLC) by reducing the scope of its outreach service. Outreach is a very valuable service to people who live in remote areas or are unable to visit a library due to disability or ill health. However, use is low and expensive (average cost per stop per fortnight ~ $200 for an average of 4 visitors and 30 loans).

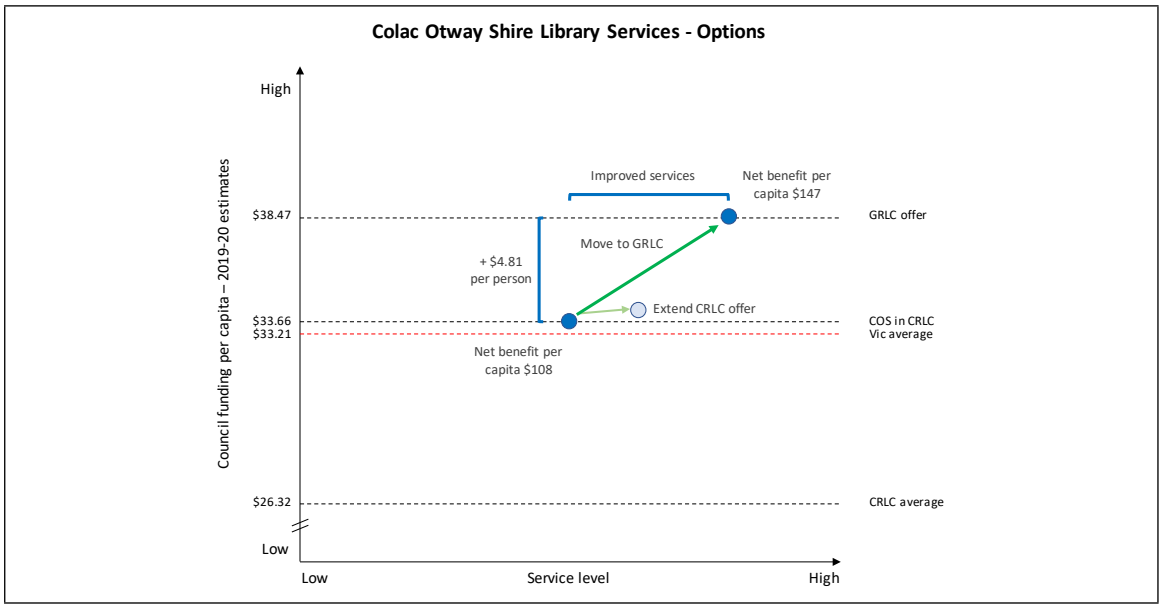
25. However, due to CRLC's size, structure and overall funding (especially in comparison with GRLC) it will be difficult and uneconomic to realise some other improvements (e.g. new programs, website upgrade), especially where these would require agreement and additional investment from other member Councils to be viable.

26. Colac Otway's current population profile explains its relatively greater demand for and use of library services. Forecast population growth in the next 20 years will only increase demand for public library services, in particular, larger general collections and reading, social, technology support and special interest programs. These are areas where the GRLC offer clearly exceeds anything that could be achieved through an extended CRLC offer.

Colac Otway Shire	➔	Impact on demand for services	GRLC	CRLC+
Increasing total population		Larger collections (physical/digital)	✓	●
		More general library programs	✓	●
		More reading/study/meeting space	X	X
Ageing population with high proportion of older people		Larger reading collections (incl. large print)	✓	●
		More social/special interest programs	✓	●
More single person households		More demand for social connectivity	✓	●
More people (especially older people) needing access to assistance due to a disability		Home library services and outreach programs	✓	●
More low income households		More demand for access to free library collections and programs	✓	●
More people with no home access to the internet		More access to computers and wifi	X	X
		More technology support programs	✓	●

Decisions and action

27. The questions for Colac Otway Shire in delivering library services that are more in line with (or above) community standards, industry benchmarks and desirable usage levels are therefore:
    - Is it willing to pay **an extra $104,000** (in 2019-20, at **$4.81 per person**) to access GRLC's more extensive and superior library services and the benefits they bring to library users and the community? (See benefits and risks in Paragraphs 18 and 20)
    - Is it willing to do so every year (subject to adjustments for inflation and service levels)?
    - Is it willing to incur **transition costs of $30-120,000** to realise these changes?



28. It is not yet known if the Colac Otway community would be supportive of this change. This report contains a draft Consultation Plan which could be implemented over approximately two months to test support for future options.

1. BACKGROUND REVIEW

Statement of the rationale for the review, taking into account the current status, operations and performance of the Corangamite Regional Library Corporation (CRLC) and the interests of the Colac Otway Shire (COS).

1.1. COS Council resolution 27 February 2019

At Colac Otway Shire's Ordinary Council meeting of 27 February 2019, Councillor Stephen Hart (a Council representative on the Board of the Corangamite Regional Library Corporation) presented a Notice of Motion.

> *"The Corangamite Regional Library Service was initially formed in 1967 and grew to serve 13 local government areas. Following Council amalgamations in 1994, the Service became the Corangamite Regional Library Corporation (CRLC). Since 1996 CRLC has provided library services for four municipalities – Colac Otway, Corangamite, Moyne and Warrnambool. …*
>
> *Warrnambool Council has been pursuing a joint use library arrangement with TAFE since around 2010. That issue prompted Council to consider the ongoing viability of CRLC and led to discussion as to whether Council might become a member of Geelong Regional Library Corporation (GRLC). Council now needs to consider whether there are advantages to move to GRLC regardless of what Warrnambool Council does with the management of their library service. …*
>
> *Initial enquiries have resulted in GRLC saying, in effect, that they are open to the discussion of Colac Otway Shire becoming a member so that library services are managed by GRLC rather than CRLC. Council has made some initial cost estimates and they indicate that there will be extra costs in moving from CRLC to GRLC. However, until there is more of a clear proposal it is difficult to assess precise costs. …*
>
> *Under the current Agreement, Colac Otway Shire Council has to give CRLC 12 months' notice that it is leaving the Corporation. If, after public consultation, Council does decide to leave and join GRLC, the commencement date is likely to be more than a year away."*

The Notice of Motion was passed, stating that Council:

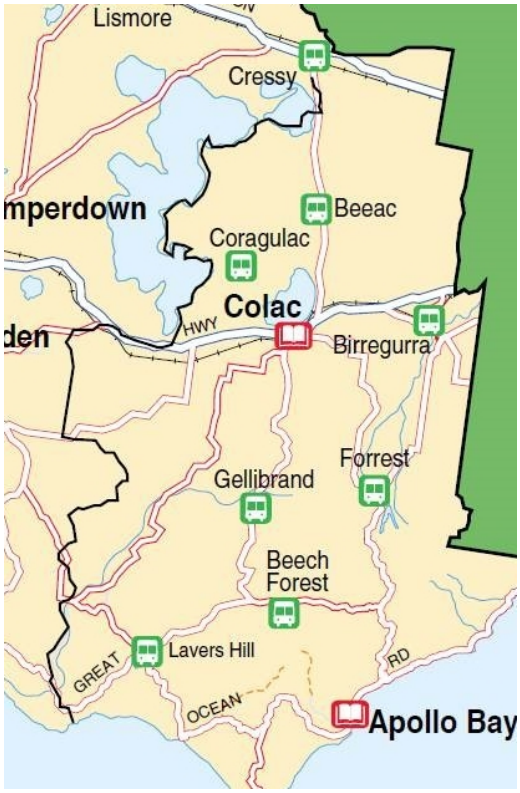
1. Notes that a review of the provision of library services is identified in Council Plan 2017-2021 and the Creative Colac Otway Arts and Culture strategy 2018-2022.
2. Notes that initial enquiries have been made by Council about the possibility of Council changing its membership from CRLC to GRLC.
3. Notes that GRLC has indicated that it is prepared to enter into a discussion as to whether Colac Otway Shire Council could become a member of GRLC.
4. Endorse the commencement of a more detailed investigation of the financial, governance, human resource and legal and service implications of such an arrangement.
5. Requests that the Chief Executive brief Council on the outcome of the investigation.
6. Requests that the Chief Executive prepare a consultation plan giving consideration to the outcomes of 4 and 5.
7. Requests that the Chief Executive brief Council on the outcome of all activities including negotiations with GRLC and consultation with the community, with recommendations for next steps.

1.2. Library services in Colac Otway Shire

CRLC currently operates library services in Colac Otway Shire, Corangamite Shire, Moyne Shire and Warrnambool City Council. CRLC has 11 library branches and a mobile outreach van that visits 12 small towns on a fortnightly schedule. In 2018-19 CRLC had 38,000 members, 307,000 library visits and more than 550,000 loans. It has an annual budget of around $3.2M and employs 60 staff (26.6 FTE).

Colac Otway Shire libraries

Colac Otway Shire has two library branches at Colac and Apollo Bay, and eight outreach stops.



The Colac Community Library and Learning Centre was built in 2010. The centre accommodates the general community, Colac Secondary College students and other learning groups including TAFE and U3A students. The library offers a full range of library services – physical and digital collections, reference and information services, children's and adult programs, access to computers and wifi, and spaces for people to read, study, work, meet and relax.

The small Apollo Bay Library has one public computer with internet access, access to online resources, talking books for children, ebooks and a host of books to loan. The library runs a weekly Rhyme Time program for pre-school children during school term.

The library outreach van provides a mobile library service to people in small rural communities where there is no physical branch, or to people unable to visit a library due to frailty, disability or ill health. The van services Colac and eight rural locations in the Shire, including Beeac, Beech Forest, Birregurra, Coragulac, Cressy, Forrest, Gellibrand and Lavers Hill. The van visits these towns fortnightly and carries a collection of more than 1,200 items for loan, including fiction and non-fiction books, talking books, videos and DVDs, large print books and magazines.

A challenging environment

CRLC's 2018-19 annual report notes the challenging environment in which the library is operating.

> *"Our libraries continue to be well used, although there was an overall decrease in loans and visits when compared to last year. There were however pleasing increases in the number of people who came to our programs and activities. Loans of our electronic resources, especially ebooks and e-audiobooks, continue to grow at a healthy rate.*
>
> *The finances of the Corporation continue to be a concern with our first deficit budget for some years. The review of services to ensure they are financially viable, effective and sustainable has been undertaken over the past year, with some important decisions from member Councils about how their library services can best be delivered. The Board continues to advocate with our major funding bodies to ensure the needs of the service can be adequately accommodated in a Rate Cap environment."* [1]

[1] *CRLC 2018-19 Annual Report*, message From the Chair, Cr Ruth Gstrein.

1.3. CRLC Sustainability Review

In recognition of the challenging environment in which it operates, during 2019 CRLC engaged an independent consultant (Graham Shiell Consulting) to conduct a Performance and Sustainability Review of the Corporation. The Board was concerned that CRLC's capacity to continue to deliver the current level of service is not sustainable given the funding uncertainties and the need to consider increased costs for service provision. The review was completed in August 2019, with key findings noted below.[2]

- Services
  - CRLC is delivering a service comparable to similar sized Library Corporations.
  - CRLC is experiencing negative trends in some of its usage metrics – partly reflective of industry-wide patterns and partly symptomatic of difficulties it faces in attracting resources to respond to industry trends and build collections and programs.
  - Visits, loans and computer usage in 2017/18 were the lowest in the past four years.
  - There has been a gradual ageing of the library collection in the past few years.
  - Customer feedback shows that parking, opening hours and ease of using the library website are all considered weaknesses.[3]
  - CRLC compares favourably with other library services in the size of its regional administration functions (i.e. relatively efficient).
- Financials
  - The dependence on Council and State funding support is significant (approx. 72% of revenue comes from Council contributions, 26% from State Government grants and 3% from other sources, such as fees and charges).
  - Council contributions show a worrying trend of minimal or no growth ever second year.
  - State Government contributions have not kept pace with inflation or rate capping.
  - Working capital ratio is below target and the trendline shows it declining further.
- Corporate model
  - Colac Otway is considering the possibility of becoming part of GRLC.
  - Warrnambool is partnering with SWTAFE in the construction of a new joint-use library at the TAFE campus and is undertaking a thorough review of governance models.
  - Withdrawal of a Council from CRLC would severely impact the viability of the Corporation.

Opportunities for cost savings were identified. Opportunities to enhance the service offer to the community (for extra cost) included digital literacy education, increased programs and activities, marketing and promotion campaigns, improved online experiences and improved computer and wifi access.

1.4. Benchmarking CRLC's performance

CRLC's service levels and performance can be benchmarked in a number of ways, including:

- comparison with the national standards for public libraries
- comparison with other Victorian library services
- internal comparison of library branches within CRLC.

Benchmarking of CRLC's service provision, usage and efficiency (see Appendix 2) shows that:

- provision of library services by CRLC to the regional population is broadly in line with national standards and state averages

[2] Graham Shiell Consulting, *CRLC Performance and Sustainability Review*, August 2019.
[3] A move from CRLC to GRLC would have no effect on user access to parking, which is an issue for Council. Opening are negotiable with CRLC and would be with GRLC. GRLC has a superior website.

- use of library services by the regional population is below relevant benchmarks
- average use of library services by COS residents is higher than in the other member Councils (Warrnambool is also above average, Corangamite below average, Moyne well below average).

1.5. Libraries' contribution to community outcomes

Public libraries are known to contribute to a range of different outcomes for library users and their communities (as identified in the national Guidelines for public libraries).[4]

[4] APLA/ALIA, *Guidelines, Standards and Outcome Measures for Australian Public Libraries*, 2016.

- Literacy and lifelong learning
- Informed and connected citizenship
- Digital inclusion
- Personal development and wellbeing
- Stronger and more creative communities
- Economic and workforce development.

Contribution to Council goals

The COS libraries contribute directly to achievement of four of the six goals related to the 'Our Community' theme in the *Council Plan 2017-2021*, as well as contributing to the goals and objectives articulated in Council's *Public Health and Wellbeing Plan 2017-2021*.

> ***COUNCIL PLAN – THEME 3: OUR COMMUNITY*** [5]
> *We work to know our community and to understand their needs and aspirations. We plan our assets and services to meet community need and to foster a culture of good service and partnership with others.*
>
> *Goal 1 – Increase social connection opportunities and community safety.*
> *Goal 2 – Connect people through events and activities.*
> *Goal 3 – Opportunities for the community to participate in lifelong learning.*
> *Goal 5 – Foster an inclusive community.*
>
> ***HEALTH AND WELLBEING PLAN*** [6] ***(Goal : Objective)***
> *Support families to provide the best start for their children : Focus on the importance of reading to young children.*
> *Healthy ageing : Older people are empowered to participate in decision making that enhances their quality of life.*
> *Take action to build resilient and socially connected individuals and communities : Increased social connection opportunities.*
> *Acknowledge and celebrate our community's culture, heritage and diversity : Support diverse communities.*

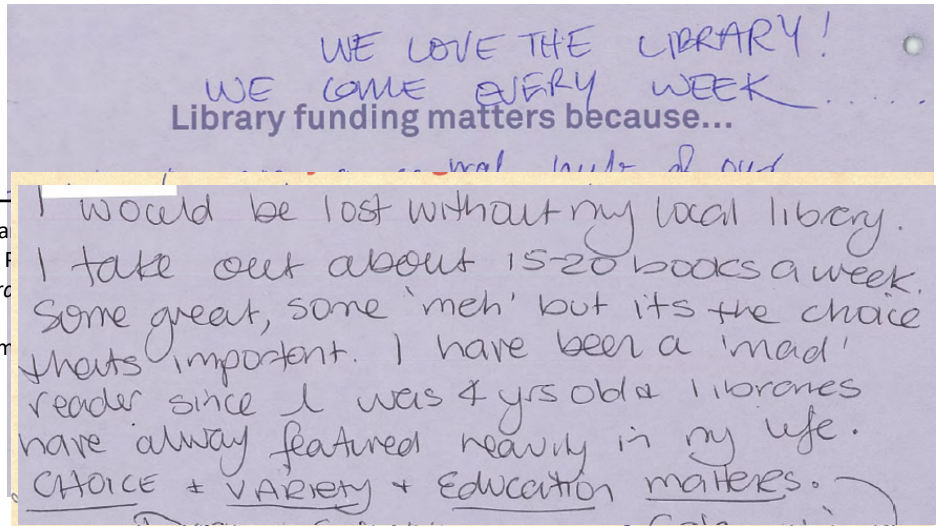
The importance of these goals is highlighted in an ageing Colac Otway community with a high proportion of people living alone (see Appendix 3).

Return on investment

Research recently undertaken by SGS Economics and Planning in Victoria[7] corroborates national and global research that identifies public libraries as one of the most productive forms of investment in public services. The 2017 data shows that CRLC has a benefit to cost ratio of 3.8, meaning that every $1 invested in the libraries by member Councils and other funding sources generates a return of $3.80 to the community. This equates to a net benefit of $108 per resident per year. The library service supports regional employment with estimated creation of 32 FTE jobs and local value added of $4.0M.[8]

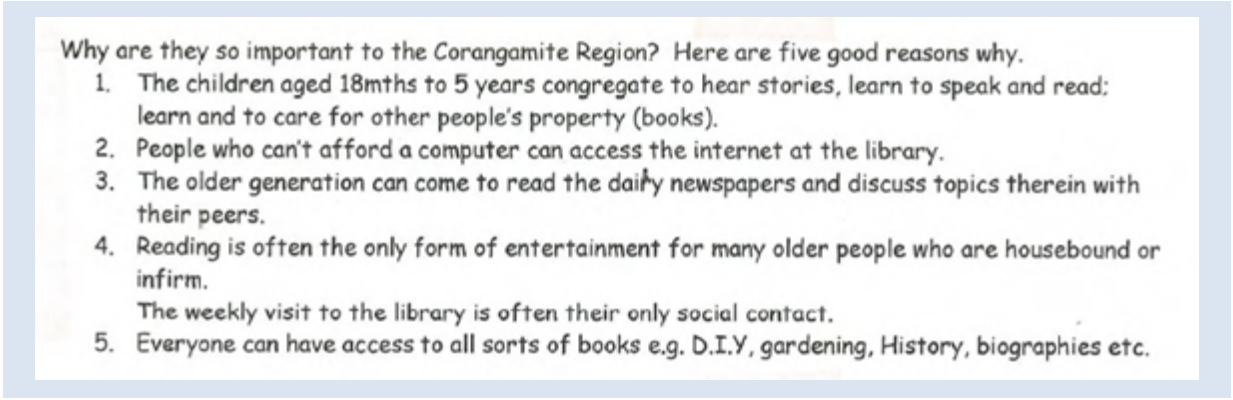
Libraries Change Lives

Through the 'Libraries Change Lives' campaign run by the State Library of



[5] Colac Otway Shire Council Pla
[6] Colac Otway Shire Municipal F
[7] *Dollars, Sense and Public Libra*
(plus update in 2017).
[8] https://www.sgsep.com.au/m

Victoria (SLV) and Public Libraries Victoria (PLV), library users have been encouraged to share their experiences of their local library service and the impact it has on their life and the lives of those around them. Among the hundreds of responses received across the region, the postcards from COS residents (names removed) demonstrate the importance of local libraries. Apart from the literacy benefits for young children and avid readers, people commented on the social benefits for people of all ages, digital inclusion and the way in which libraries are an important part of many people's day to day life.



Why are they so important to the Corangamite Region? Here are five good reasons why.

1. The children aged 18mths to 5 years congregate to hear stories, learn to speak and read: learn and to care for other people's property (books).
2. People who can't afford a computer can access the internet at the library.
3. The older generation can come to read the daily newspapers and discuss topics therein with their peers.
4. Reading is often the only form of entertainment for many older people who are housebound or infirm.
   The weekly visit to the library is often their only social contact.
5. Everyone can have access to all sorts of books e.g. D.I.Y, gardening, History, biographies etc.

2. CURRENT CRLC SERVICE OFFER

Statement of the current library services offered to member Councils and the community by CRLC, and the conditions under which those services are offered (e.g. financial, legal, operational).

CRLC's provision of library services to COS is based on two agreements:

i) Agreement to form Corangamite Regional Library Corporation (consolidated to incorporate the Deed of Amendment approved by the Minister in 26 September 2011)
ii) Library Service Level Agreement, 1 July 2019 to 30 June 2020, Colac Otway Shire Council and Corangamite Regional Library Corporation.

2.1. Regional Library Agreement

The Agreement to form Corangamite Regional Library Corporation is an agreement between the four member Councils to form and operate a regional library to service the area comprising their respective municipal districts pursuant to section 196 of the *Local Government Act 1989*. The agreement (section 7A) provides for each member Council to enter into Service Level Agreements with the Corporation.

> *"Service Level Agreement*
> *1 Each Council will enter into a Service Level Agreement with the Regional Library.*
> *2 The Service Level Agreement will specify the base level services and standards to apply across the region, as well as the Council specified arrangements for added and/or modified services.*
> *3 The Service Level Agreement operates in conjunction with and supports the underlying principles and objectives of this Agreement."*

The agreement also defines the conditions governing the exit of any party from the agreement (see Appendix 4).

2.2. Colac Otway Shire – CRLC Service Level Agreement 2019-2020

COS (as do all other member Councils) has an annual Service Level Agreement (SLA) with CRLC. The agreement is an extension to the Regional Library Agreement and constitutes a legally binding contract between the parties to the agreement. The SLA specifies the base (i.e. minimum or default) level services and standards to apply across the region, as well as Council specific arrangements for added and/or modified services.

The key sections of the SLA in considering the current CRLC service offer are:

- Part B: Funding Arrangements
- Part C: Core Public Library Services
- Part D: Base Level Services & Standards
- Part E: Service Point Obligations (including Appendix A: Building Maintenance Responsibilities)
- Part F: Specific Municipal Services (including Appendix B: Council Specific Services)
- Appendix C: Physical Assets at Colac Library, Apollo Bay Library and CRLC Regional Office (for insurance purposes).

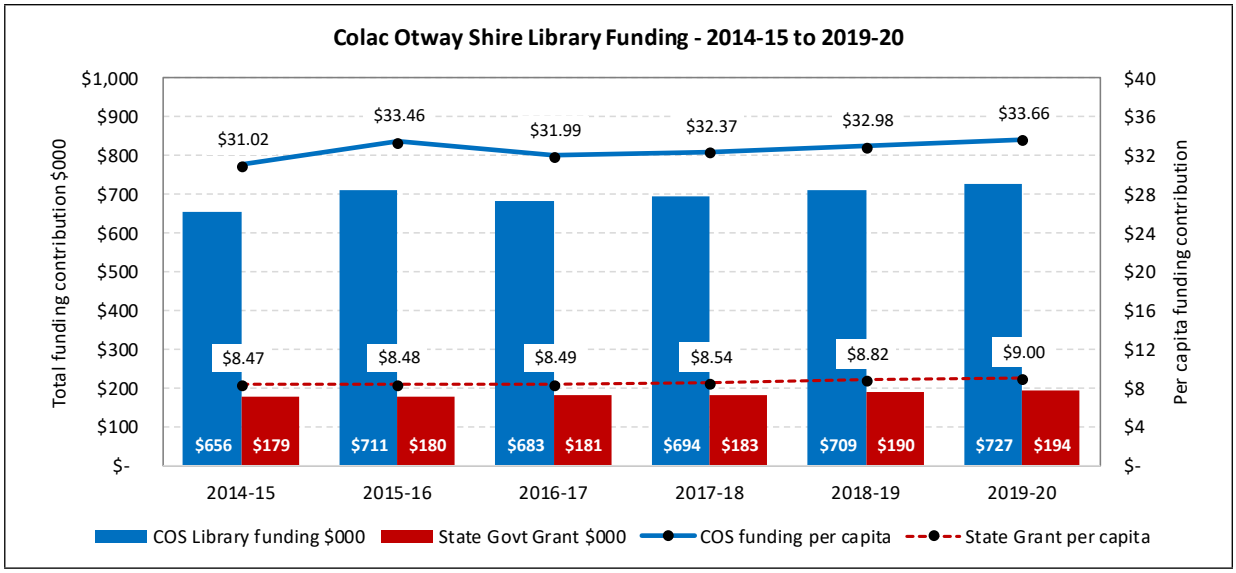
The provisions contained in these sections of the SLA are presented in Appendix 5. The key features of the service offer are summarized in the following table.

Library service	CRLC SLA 2019-2020
Service MANAGEMENT	
Governance	▪ Equal representation on the Library Board (2 members – one Councillor and one Council Officer – on the 8 member Board)
Management	▪ Management of all aspects of the Regional Library Corporation and local library services on behalf of COS
Service OFFERING	
Collections	▪ 133,800 physical items and 8,900 digital items (total 142,700) ▪ 1.5 physical collection items per capita ▪ 67% of physical items purchased in last 5 years ▪ Online catalogue accessible in library branches, on the outreach vehicle and via the library website ▪ Loans of up to 30 items for a general loan period of 21 days (outreach loans 28 days, periodicals and DVDs 7 days, high demand items 14 days) ▪ Overdue fines $2.50 after 7 days ▪ 2 renewals per item (excluding overdue materials and DVDs) ▪ Access to interlibrary loans ($2.50 per item)
Information and reference services	▪ Free assistance with access to and use of the collection and with reference and information enquiries
Programs	▪ Reading, literacy, cultural and social programs as agreed with COS ▪ Story Time at Colac Library (weekly during school terms) ▪ Rhyme Time at Colac Library (twice weekly during school terms) ▪ Baby Bounce at Colac Library (weekly during school terms) ▪ Rhyme/Story Time at Apollo Bay Library (weekly during school terms) ▪ Outreach Story Time (occasional) ▪ National Simultaneous Story Time ▪ School holiday activities at Colac and Apollo Bay ▪ Book Club at Colac Library ▪ Author events (book launches, readings), approx. 6-8 per year
Technology access	▪ 7 desktop computers at Colac and 1 at Apollo Bay (total 8) ▪ CRLC average 0.38 computers per 1,000 pop. ▪ Access to public use software ▪ Online public access catalogue at each branch ▪ Free wifi services at library branches and outreach stops ▪ Printing and photocopying charged at 20c per A4 B&W page and $1 for A4 colour
Places	▪ Free access to spaces in library branches for reading, study, meeting and creating ▪ Meeting room for hire at Colac Library ▪ Library website provides access to online collections and services
Service DELIVERY	
Service points	▪ Delivery of agreed library services within Council nominated facilities ▪ Colac Library open 48.5 hours per week (43.5 hours during school holidays) ▪ Apollo Bay Library open 18 hours per week ▪ Fortnightly outreach stops at 8 locations across the Shire as agreed with COS ▪ Home Library Service in Colac (housebound service) ▪ Library website ▪ Online access to the library catalogue and other services (e.g. event booking)

Library service	CRLC SLA 2019-2020
Staffing	▪ 5.95 FTE staff delivering services in COS branches and outreach stops, equal to 0.30 FTE per 1,000 pop. ▪ Staff with library qualifications
Funding	▪ $727,000 funding from COS for 2019-20, equal to $33.66 per capita ▪ State Government Public Libraries Grant paid to CRLC
Partnerships	▪ Joint use agreement with Colac Secondary College ▪ Joint use agreement with Great Ocean Road Health
Customer service	▪ 95% customer satisfaction ▪ Some marketing and promotion of library services

Funding trends

Colac Otway Shire's 2019-20 funding of $727,000 for provision of community-based public library services is a 2% increase on funding made in previous years. Two percent annual growth in Council funding of library services over the past six years is broadly in line with rate capping limits (which approximate inflationary factors), but does not allow for any growth in the municipal population and associated increased demand for library services. The State Government Public Libraries Grant has increased in absolute terms over the past six years, but has not kept pace with inflation or population growth. The figures in the following chart have not been adjusted for inflation.



2.3. Joint use agreements

Two other joint use agreements are instrumental in the provision of library services to COS residents at Colac and Apollo Bay.

Colac Library

The Colac Library is located on the grounds of Colac Secondary College. The library building and the land on which it sits are owned by the Victorian Government through the Department of Education and Training.

Colac Otway Shire has access to the building for the provision of community-focused public library services through a Development and Joint Use Agreement (October 2008) between the Minister for Education, the Colac Secondary College School Council and the Colac Otway Shire Council. Under the terms of the agreement, COS contributed approximately $2.9M toward construction of the library

(which included State and Federal Government grants totalling $1.8M). The Minister and College Council have granted COS a licence to use the facility for an initial term of 30 years for an annual fee of $1 (payable on demand).

The agreement states that the College Council and the Shire Council are entitled to shared use of the library area during the specified hours of use. Of particular relevance to this review is Clause 11.4.

> *"11.4 Appointment of Library Operator*
> *(a) The Shire Council may appoint a Library Operator to operate the Library/Resource Area, subject to prior consultation with the parties, and will be responsible for paying any fees and costs charged by the Library Operator, pursuant to a separate agreement developed between the Shire Council and the College Council.*
> *(b) If appointed, the Library Operator will manage and pay for the operating costs in respect of the library systems. The College Council will reimburse the Library Operator for a share of these costs."*

That is, COS has the right to appoint a Library Operator of its choosing. This is currently CRLC. Should COS decide to join GRLC it could appoint GRLC as the Library Operator.

The operation of the Agreement is overseen by a Joint Committee comprising 2 members appointed by the College Council, 2 members appointed by the Shire Council, 1 member of the Library Operator (if one is appointed) and 2 independent community representatives.

Apollo Bay Library

The Apollo Bay Library is situated behind Marrar Woorn Neighbourhood House in Apollo Bay. The library building and the land on which its sits are owned by Great Ocean Road Health, an amalgamation of Otway Health and the Lorne Community Hospital.

Use of the site for a library is authorised through a 2013 Lease and Licence Agreement between (then) Otway Health and Community Services and Colac Otway Shire Council. The Agreement allows Council to use the Library Extension and Multipurpose Rooms for a period of 15 years at an annual fee of $1. The facilities are to be used to provide library services to the Apollo Bay community. Clause 1.2 states that:

> *"The Tenant* (COS) *consents to the corporation listed in item 5 in schedule 1* (that is, Corangamite Regional Library Corporation) *operating the library on behalf of the Tenant as its agent or manager and agrees that this arrangement does not constitute an assignment or sub-lease or a vacation or parting with possession of the Premises."*

That is, CRLC is listed in a schedule to the Agreement as the operator of the library service on behalf of COS. This is the only reference to CRLC in the Agreement. Therefore, should COS decide to join GRLC it could appoint GRLC as the 'Corporation' listed under item 5 of schedule 1.

2.4. Outreach services

CRLC provides a fortnightly outreach service to people in small rural communities. The library van services Colac and eight rural locations in the Shire, including Beeac, Beech Forest, Birregurra, Coragulac, Cressy, Forrest, Gellibrand and Lavers Hill (as well as four other stops in Moyne and Corangamite Shires).

2018-19 data indicates that on average, around four people visit the van at each stop and they borrow eight items each. The cost of running the outreach service to each location is around $200 to $250 per stop per fortnight. With either CRLC or GRLC as the library service provider, COS should consider the viability of this service and potential alternatives (e.g. delivery via meals on wheels).

3. POTENTIAL GRLC OFFER

Outline of a potential service offer from Geelong Regional Library Corporation (GRLC) to enable comparison with the current CRLC service (e.g. data, cost, service level), including identification of the benefits and disadvantages of the GRLC service.

3.1. Geelong Regional Library Corporation

Geelong Regional Library Corporation – with 17 branches serving a regional population of 310,600[9] – is Victoria's leading library. Based on service provision and usage data across a range of library indicators, GRLC has consistently outperformed all other library corporations and municipal library services over the past five years.

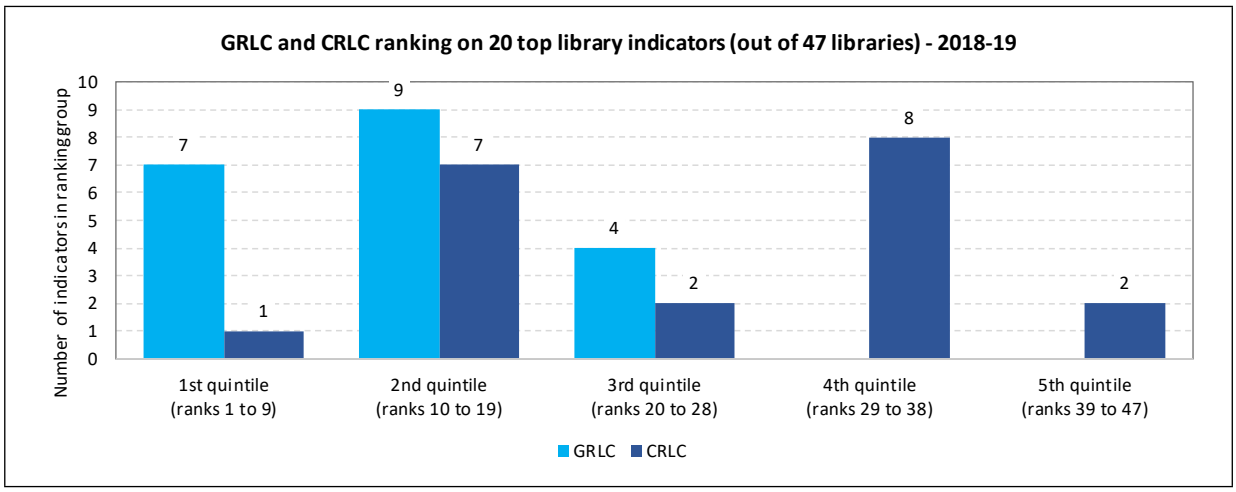
Indicator	2018-19			Average rank (out of 47) 2016-17 to 2018-19	
	GRLC	CRLC	% difference	GRLC	CRLC
Library funding					
Income from Council per capita	$36.32	$25.80	+41% ●	22	36
Income from State Govt per capita	$6.33	$8.98	-30% ●	24	9
Other income per capita	$4.74	$0.81	+485% ●	3	30
Library funding per capita*	$47.39	$35.76	+33% ●	27	14
Collections and service provision					
Staff EFT per 1,000 pop.	0.35	0.30	+17% ●	18	24
Physical items per capita	1.3	1.5	-13% ●	26	18
Physical items purchased in last 5 years	73%	67%	+9% ●	12	16
Computers per 1,000 pop.	1.48	0.38	+289% ●	3	36
Service participation and use					
Active members as % of pop.	18%	13%	+38% ●	13	31
Library visits per capita	6.1	3.4	+79% ●	11	39
Website visits per capita	4.8	0.25	+1820% ●	2	39
Loans (physical items) per capita	7.5	5.5	+36% ●	5	25
Turnover rate (physical items)	5.7	3.8	+50% ●	10	29
Downloads (ebooks) per capita	0.65	0.67	-3% ●	18	15
Turnover rate (digital items)	10.9	6.8	+60% ●	6	11
Program attendance per 1,000 pop.	508	307	+65% ●	4	30
Computer bookings per capita	0.59	0.29	+103% ●	12	38
Customer satisfaction	9.3	9.5	-2% ●	5	10
Service efficiency					
Cost per visit*	$7.80	$10.39	-25% ●	10	34
Cost per loan*	$6.32	$6.44	-2% ●	12	13

* All indicators are ranked from the highest value to the lowest value, except for some cost indicators where the lowest value is ranked No. 1 (marked *).

PLV data for the past three years highlights GRLC's leading industry performance. For example, in the 20 indicators in the table above – covering library funding, collections and service provision, service use

[9] ABS, *Regional Population Growth, Australia, 2018*, Cat. No. 3128.0, published 27 March 2019.

and efficiency – GRLC ranks among the top fifth of the 47 Victorian library services (ranks 1 to 9) for 7 of these indicators. It also ranks in the second fifth (ranks 10 to 19) for 9 indicators, and in the middle fifth (20 to 28) for the remaining 4 indicators – three of which are related to library funding, where it might be argued that GRLC's median level of funding from member Councils and the State Government is more desirable than having very low levels of funding (potential underservicing) or very high levels of funding (potential overservicing and inefficiency). Across all 20 indicators, GRLC ranks no lower than 27th out of 47 library services. It is this consistently high to good performance across all aspects of library operations that positions GRLC as the leading library.



3.2. Potential GRLC service offer

Discussions with GRLC have established that if COS were to be a member of GRLC the components of the service offer would be as outlined in the following table. This does not represent a binding agreement or commitment, but is indicative of the services currently offered to GRLC's four member Councils and therefore the services that would be offered to COS and the Colac Otway community.

Library service	GRLC Service Offer 2019-2020
Service MANAGEMENT	
Governance	▪ One member (COS Councillor) on an 8-9 member Library Board ▪ City of Greater Geelong would have 4-5 members with Golden Plains, Surf Coast, Colac Otway and Queenscliffe having one member each
Management	▪ Management of all aspects of the Regional Library Corporation and local library services on behalf of COS ▪ Greater levels of access to contemporary library industry knowledge, research and networks
Service OFFERING	
Collections	▪ 445,400 physical items and 24,400 digital items (total 469,800, including COS collections) ▪ 1.3 physical collection items per capita ▪ 73% of physical items purchased in last 5 years ▪ Online catalogue accessible in library branches, on the mobile libraries and via the library website ▪ Loans of up to 40 items for a general loan period of 28 days (magazines, music CDs, DVDs, ebooks 14 days) ▪ Overdue fines $0.40 per day ▪ 2 renewals per item (excluding requested items) ▪ Access to interlibrary loans ($5.50 per item)

Library service	GRLC Service Offer 2019-2020
	▪ Optional: Incorporate local Council and historical society collections and archives into the Geelong Heritage Centre, Victoria's largest regional archive and resource centre. [Note: This opportunity has not been costed in the current offer.]
Information and reference services	▪ Free assistance with access to and use of the collection and with reference and information enquiries
Programs	▪ Reading, literacy, cultural and social programs as agreed with COS ▪ Weekly Baby Time, Toddler Time and Preschool Story Time sessions ▪ Wide range of children's programs during school terms and school holidays (e.g. Lego Club, Coding Club, craft, puzzles/games, exercise) ▪ Wide range of youth programs (e.g. STEAM, Manga, movie nights, art, music, trivia, craft) ▪ Wide range of literary activities for adults (e.g. book clubs, author encounters – 2-3 per week, literary festival) ▪ Digital literacy programs, Open Mind lectures, Creative and Connected programs (2-3 per week) ▪ Quarterly online and Print What's On brochures
Technology access	▪ Desktop computers at library branches as agreed with COS ▪ GRLC average 1.48 computers per 1,000 pop. ▪ Access to public use software ▪ Online public access catalogue at each branch ▪ Free wifi services at library branches and outreach stops ▪ Printing and photocopying charged at 30c per A4 B&W page and $1 for A4 colour
Places	▪ Free access to spaces in library branches for reading, study, meeting and creating ▪ Physical library facilities provided by COS and presented to GRLC standard ▪ Contemporary website and online platform providing easy user access to ebooks and online services
Service DELIVERY	
Service points	▪ Delivery of agreed library services within Council nominated facilities ▪ Colac Library open 48.5 hours per week (43 hours during school holidays) ▪ Apollo Bay Library open 18 hours per week ▪ Weekly outreach stops at 8 COS locations incorporated into the GRLC mobile library (or as agreed with COS) ▪ Home Library Service in Colac (housebound service) ▪ Library website ▪ Online access to the library catalogue and other services (e.g. event booking)
Staffing	▪ Staffing levels as agreed by COS/GRLC ▪ GRLC average 0.35 FTE per 1,000 pop. ▪ Staff have full access to GRLC's professional learning activities and networks
Funding	▪ $831,000 funding (estimated) from COS for 2019-20 ▪ $38.47 (estimated) per capita ▪ State Government Public Libraries Grant paid to GRLC

Library service	GRLC Service Offer 2019-2020
Partnerships	▪ Joint use agreement with Colac Secondary College ▪ Joint use agreement with Great Ocean Road Health ▪ GRLC has extensive networks across the G21 region (e.g. community organisations, education providers, business groups, cultural organisations)
Customer service	▪ Customer satisfaction rating 9.3 out of 10 ▪ Survey library users every two years to gather feedback and suggestions for improvement ▪ Multiple avenues for customers to engage with the library onsite, online and via social media

GRLC's modelling of indicative funding estimates incorporates the following assumptions.

- No change in funding for existing GRLC members.
- State Government Public Libraries Grant of $190K paid directly to GRLC (as per existing member Councils).
- Branch salaries costed at GRLC rates for 2019-20.
- Branch communications and computer support costed per comparable branches
  - Colac = Waurn Ponds
  - Apollo Bay = Chilwell
  - Outreach = Golden Plains Mobile.
- Colac Otway represents a 6.1% increase in GRLC loans and visits based on CRLC's 2017-18 Annual Report. Assumed 6.1% increase in related costs for Technical Services and Regional Library Support Centre.
- No income recorded for Colac Otway branches.
- No income recorded for COS Premiers Reading Challenge.
- Colac Otway collections valued at $1.15M as per documentation provided by COS in 2018 for initial review. Assumed no material change in collection value since 2018. Depreciation assumed at 19% as per GRLC 2018-19 Annual Report.

The overall estimate of COS funding required to be part of GRLC is $831,000 for 2019-20.

▪ Colac Library	$392,500
▪ Apollo Bay Library	$ 60,500
▪ Outreach Services	$ 72,000
▪ Regional costs	$306,000
▪ Total	$831,000.

The $306,000 contribution to GRLC's regional co-ordination represents 37% of the total funding required. This includes functions such as program design and development, technical services, information technology, provision of online services and the library website, and administration of all aspects of the organisation (e.g. HR, finance, systems, governance).

The $72,000 funding for outreach services assumes a weekly service to all 8 current COS locations, compared with CRLC's fortnightly service. As noted in Section 2.4, independent of any decision to move to GRLC or stay with CRLC, it is appropriate for COS to consider the financial viability of this service relative to usage levels and potential alternatives.

4. COMPARISON OF SERVICE OFFER

Comparison of the current CRLC service offer with a potential GRLC service offer against standard library metrics, including commentary on CRLC's capacity to improve or change their service offer to match GRLC, and associated costs to Council.

4.1. Benchmarking CRLC and GRLC

PLV data (as shown in Section 3.1) shows that CRLC is a moderately well-performed public library service, with the majority of its library indicators ranked either just above average (ranks 10 to 19) or just below average (ranks 29 to 38). However, as also noted in Section 3.1, GRLC is Victoria's leading public library and outperforms CRLC on most key indicators of library service provision, use and efficiency.

By comparison with GRLC, CRLC is well above GRLC on only one of these indicators – the per capita funding contribution from the State Government (which is based on rurality and equity issues). CRLC is broadly similar to GRLC (+/- 20%) on another six indicators, including three related to service provision (e.g. staffing levels, collection size) and customer satisfaction (both libraries rank very highly for customer satisfaction). GRLC outperforms CRLC by at least 20% on the remaining 13 indicators.

Overall, the two major statistical differences between GRLC and CRLC are:

i) GRLC has higher levels of funding from its member Councils (CRLC 29% below GRLC)
ii) GRLC has higher levels of use of its library services – including per capita membership, visits, loans, program participation and computer use (CRLC 27% to 51% below GRLC).

It appears that with additional funding GRLC is able to put more resources into community engagement, marketing and promotion of its library services (including through a modern website), and offer a wider and more diverse range of reading, literacy, cultural and social programs. The result is that more people use the services and derive greater individual and community benefits.

As noted in Section 1.5, research by SGS Economics and Planning shows that CRLC has a benefit to cost ratio of 3.8, meaning that every $1 invested in the libraries by member Councils and other funding sources generates a return of $3.80 to the community. GRLC's benefit to cost ratio of 3.8 is the same as CRLC. The difference is that GRLC has greater recurrent funding per capita, and therefore delivers greater net benefits per capita than CRLC.

Value of Public Libraries 2016-17[10]	GRLC	CRLC
Recurrent expenditure	$15.5 M	$3.3 M
Net benefit	$42.7 M	$9.3 M
Benefit cost ratio	3.8	3.8
Recurrent funding per capita	$46	$36
Net benefits per capita	$147	$108

4.2. Comparison of CRLC and GRLC service offers

The key elements of the service offers provided by both CRLC (currently – see Section 2.2) and GRLC (potentially – see Section 3.2) are compared in the following table. This does not include reference to a potentially upgraded offer that might be negotiated between COS and CRLC (see Section 4.4).

[10] *Dollars, Sense and Public Libraries,* SGS Economics for State Library of Victoria and Public Libraries Victoria Network, 2011 (plus update in 2017).

Library service	CRLC SLA 2019-2020	GRLC Service Offer 2019-20	Comment
Service MANAGEMENT			
Governance	▪ Equal representation on the Library Board (2 members – one Councillor and one Council Officer – on the 8 member Board)	▪ One member (COS Councillor) on an 8-9 member Library Board ▪ City of Greater Geelong would have 4-5 members with Golden Plains, Surf Coast, Colac Otway and Queenscliffe having one member each	▪ Reduced number of Board representatives at GRLC ▪ Equivalent standing to other smaller Councils (1/9th or 11%) ▪ Over-represented proportionally as COS is only 7% of regional population
Management	▪ Management of all aspects of the Regional Library Corporation and local library services on behalf of COS	▪ Management of all aspects of the Regional Library Corporation and local library services on behalf of COS ▪ Greater levels of access to contemporary library industry knowledge, research and networks	▪ GRLC's much larger regional administration team has a wider and deeper range of professional expertise and connections (e.g. strategic planning, technology services, staff development, marketing and promotions, partnerships, community engagement) as is evident in GRLC's leading library status
Service OFFERING			
Collections	▪ 133,800 physical items and 8,900 digital items (total 142,700) ▪ 1.5 physical collection items per capita ▪ 67% of physical items purchased in last 5 years ▪ Online catalogue accessible in library branches, on the outreach vehicle and via the library website ▪ Loans of up to 30 items for a general loan period of 21 days (outreach loans 28 days, periodicals and DVDs 7 days, high demand items 14 days) ▪ Overdue fines $2.50 after 7 days ▪ 2 renewals per item (excluding overdue materials and DVDs)	▪ 445,400 physical items and 24,400 digital items (total 469,800, including COS collections) ▪ 1.3 physical collection items per capita ▪ 73% of physical items purchased in last 5 years ▪ Online catalogue accessible in library branches, on the mobile libraries and via the library website ▪ Loans of up to 40 items for a general loan period of 28 days (magazines, music CDs, DVDs, ebooks 14 days) ▪ Overdue fines $0.40 per day ▪ 2 renewals per item (excluding requested items)	▪ GRLC collection more than 3 times the size of CRLC's and of better physical quality ▪ GRLC has greater borrowing terms (e.g. number of items, length of loan) ▪ Option (uncosted) to be part of Geelong Heritage Centre for storage and access to historical records, collections and artefacts

Library service	CRLC SLA 2019-2020	GRLC Service Offer 2019-20	Comment
	▪ Access to interlibrary loans ($2.50 per item)	▪ Access to interlibrary loans ($5.50 per item) ▪ Optional: Incorporate local historical collections and archives into the Geelong Heritage Centre, Victoria's largest regional archive and resource centre (not costed)	
Information and reference services	▪ Free assistance with access to and use of the collection and with reference and information enquiries	▪ Free assistance with access to and use of the collection and with reference and information enquiries	▪ No difference
Programs	▪ Reading, literacy, cultural and social programs as agreed with COS ▪ Story Time at Colac Library (weekly during school terms) ▪ Rhyme Time at Colac Library (twice weekly during school terms) ▪ Baby Bounce at Colac Library (weekly during school terms) ▪ Rhyme/Story Time at Apollo Bay Library (weekly during school terms) ▪ Outreach Story Time (occasional) ▪ National Simultaneous Story Time ▪ School holiday activities at Colac and Apollo Bay ▪ Book Club at Colac Library ▪ Author events (book launches, readings), approx. 6-8 per year ▪ All programs run at Colac Library, Apollo Bay has a more limited program offer	▪ Reading, literacy, cultural and social programs as agreed with COS ▪ Weekly Baby Time, Toddler Time and Preschool Story Time sessions ▪ Wide range of children's programs during school terms and school holidays (e.g. Lego Club, Coding Club, craft, games, exercise) ▪ Wide range of youth programs (e.g. STEAM, Manga, movie nights, art, music, trivia, craft) ▪ Wide range of literary activities for adults (e.g. book clubs, author encounters – 2-3 per week, literary festivals) ▪ Digital literacy programs, Open Mind lectures, Creative and Connected programs (2-3 per week) ▪ Quarterly online and Print What's On brochures	▪ GRLC has an extensive range of library programs with activities for people of all ages and interests ▪ Most activities are scheduled at all branches, with feature programs hosted at larger libraries (which could include Colac)
Technology access	▪ 7 desktop computers at Colac and 1 at Apollo Bay (total 8) ▪ CRLC average 0.38 PCs per 1,000 pop.	▪ Desktop computers at library branches as agreed with COS ▪ GRLC average 1.48 PCs per 1,000 pop.	▪ GRLC branches have on average 3-4 times the number of computers of CRLC libraries

Library service	CRLC SLA 2019-2020	GRLC Service Offer 2019-20	Comment
	▪ Access to public use software ▪ Online public access catalogue at each branch ▪ Free wifi services at library branches and outreach stops ▪ Printing and photocopying charged at 20c per A4 B&W page and $1 for A4 colour	▪ Access to public use software ▪ Online public access catalogue at each branch ▪ Free wifi services at library branches and outreach stops ▪ Printing and photocopying charged at 30c per A4 B&W page and $1 for A4 colour	
Places	▪ Free access to spaces in library branches for reading, study, meeting and creating ▪ Meeting room for hire at Colac Library ▪ Library website provides access to online collections and services	▪ Free access to spaces in library branches for reading, study, meeting and creating ▪ Physical library facilities provided by COS ▪ Contemporary website and online platform providing easy user access to ebooks and online services	▪ GRLC's website is superior to CRLC's in terms of look, ease of navigation and functionality
Service DELIVERY			
Service points	▪ Delivery of agreed library services within Council nominated facilities ▪ Colac Library open 48.5 hours per week (43 hours during school holidays) ▪ Apollo Bay Library open 18 hours per week ▪ Outreach stops at 8 locations across the Shire as agreed with COS ▪ Home Library Service in Colac (housebound service) ▪ Library website ▪ Online access to the library catalogue and other services (e.g. event booking)	▪ Delivery of agreed library services within Council nominated facilities ▪ Colac Library open 48.5 hours per week (43 hours during school holidays) ▪ Apollo Bay Library open 18 hours per week ▪ Weekly outreach stops at 8 COS locations incorporated into the GRLC mobile library (or as agreed with COS) ▪ Home Library Service in Colac (housebound service) ▪ Library website ▪ Online access to the library catalogue and other services (e.g. event booking)	▪ Both CRLC and GRLC would deliver agreed library services within Council nominated facilities and with opening hours as agreed with COS ▪ GRLC is familiar with the operation of joint use libraries through Barwon Heads and Western Heights Libraries (both on school grounds) ▪ GRLC runs its mobile service on a weekly schedule vs CRLC's fortnightly schedule

Library service	CRLC SLA 2019-2020	GRLC Service Offer 2019-20	Comment
Staffing	▪ 5.95 FTE staff delivering services in COS branches and outreach stops, equal to 0.30 FTE per 1,000 pop. ▪ Staff with library qualifications	▪ Staffing levels as agreed by COS/GRLC ▪ GRLC average 0.35 FTE per 1,000 pop. ▪ Staff have full access to GRLC's professional learning activities and networks	▪ Both CRLC and GRLC would agree staffing levels with COS ▪ GRLC typically has slightly higher staffing levels ▪ By virtue of size and strategic position GRLC staff have access to a range of professional development opportunities
Funding	▪ $727,000 from COS ▪ $33.66 per capita ▪ State Government Public Libraries Grant paid to CRLC	▪ $831,000 (estimated) ▪ $38.47 per capita ▪ State Government Public Libraries Grant paid to GRLC	▪ GRLC requires additional $104,000 annually (to be inflation and service adjusted) ▪ Additional $4.81 per capita ▪ GRLC can realise greater administrative efficiencies due to its much larger size
Partnerships	▪ Joint use agreement with Colac Secondary College ▪ Joint use agreement with Great Ocean Road Health	▪ Joint use agreement with Colac Secondary College ▪ Joint use agreement with Great Ocean Road Health ▪ GRLC has extensive networks across the G21 region (e.g. community organisations, education providers, business groups, cultural organisations)	▪ Access to a wider range of regional partners to facilitate service provision and reach out to new target audiences
Customer service	▪ 95% customer satisfaction ▪ Some marketing and promotion of library services	▪ Customer satisfaction rating 9.3 out of 10 ▪ Survey library users every two years to gather feedback and suggestions for improvement ▪ Multiple avenues for customers to engage with the library onsite, online and via social media	▪ Both library services have very high levels of customer satisfaction (ranked 4 and 5 in Victoria in 2018-19) ▪ GRLC very active in engaging users and seeking user feedback

4.3. Other factors

Beyond the delivery of library services to the Colac Otway community, COS should consider other a range of strategic, structural and operational factors in assessing future options for its library services.

Factor	Status
External	▪ The City of Warrnambool has been pursuing a joint use library arrangement with South West TAFE since around 2010. It is understood that Warrnambool Council will make a decision about its provision of library services in early 2020. This may include a decision to leave CRLC. ▪ If Warrnambool were to leave the viability of the Corporation would come into question regardless of any decision by COS on its library services. If the three remaining member Councils chose to continue with CRLC they would each have additional financial commitments to cover Warrnambool's share of CRLC's corporate administrative operations (currently approximately $250,000). COS would represent approximately 50% of the reconstituted corporation. ▪ If CRLC were to fold due to Warrnambool and/or COS leaving there would be broader implications in terms of the dissolution of the corporation and distribution of current assets and liabilities. The full extent of this outcome – the timing and the financial implications – are to some extent unknown and have not been considered as part of this review.
Strategic	▪ Geelong Region Alliance (G21) is a formal alliance of government, business and community organisations working together to improve the lives of people within the Geelong region. G21 works as a forum to discuss regional issues resulting in better coordinated research, consultation and planning. G21 supports delivery of projects that benefit the region and is a platform for the region to speak with one voice to all levels of government. G21 works across five municipalities – COS and the four Councils that are members of GRLC. COS moving to GRLC would align provision of library services with G21.
Regional	▪ It is understood that for some part of the Colac Otway population there is a natural 'pull' toward Geelong. Geelong is the nearest large city and provides greater levels of access to specialist health, tertiary education, Commonwealth and State government, major recreation, retail centres and other community services.
Structural	▪ The *Local Government Bill 2019* amends the provisions in the *Local Government Act 1989* related to regional library corporations. The 2019 amendments require all existing regional library corporations formed under section 196 to be wound up within 10 years. That is, CRLC must be wound up as an entity formed under section 196 of the Act by 2029. Member Councils may choose to re-engage in a corporate structure of their choosing. The 2019 Bill, which comes into effect on 1 July 2021, also states that while a Council may cease to be a member of an existing regional library, "no additional Council may become a member of an existing regional library". That is, COS becoming a member of GRLC (which under the current Agreement could happen from 1 July 2021) would trigger the dissolution of GRLC and require establishment of a new corporate entity. It is understood that GRLC member Councils are willing to accept this outcome.

Factor	Status
Governance	▪ COS currently represents around 30% of CRLC's critical mass (in terms of members, collections, loans, etc.). COS has 24% of the regional population and 25% membership of the CRLC Board. As part of GRLC, COS would become one of four small member Councils working with a very large Council, making up around 7% of library services and use. This change would be reflected in new governance arrangements. COS would go from having an equal 25% membership of the CRLC Board to one position on an 8-9 member Board where City of Greater Geelong has 50% or a majority of members. Interestingly, while COS in GRLC would have less total influence over governance issues than it currently has in CRLC, its proportional influence 11-12% would be greater than its population or usage share.
Local employment	▪ CRLC's administrative office is based in Colac (Wilson St). The office provides local employment for ten people (6.9 FTE). If COS were to leave CRLC, the administrative office would move to another Local Government Area (LGA), probably Warrnambool. GRLC's head office is at the Geelong Library and Heritage Centre in central Geelong.
Library Management System	▪ CRLC and GRLC operate different Library Management Systems (Spydus by Civica and Horizon by Sirsi Dynix respectively). Any move to GRLC would require migration of the collection to the new LMS. There were would be temporary disruption to user access to the collection (less than one week).

4.4. Extended CRLC service offer

CRLC's current Service Level Agreements already provide capacity for member Councils to negotiate variable servicing levels. This is evident in the fact that COS libraries have different (in Colac longer) opening hours to other CRLC libraries and COS has eight of the 12 outreach stops. COS's annual contribution to CRLC reflects these differentiated service levels, and it makes higher per capita contributions than the other three Councils.

LGA	Population 30 June 2018	CRLC Contribution 2018-19	Council funding per capita
Colac Otway	21,503	$709,155	$32.98
Corangamite	16,140	$444,511	$27.54
Moyne	16,887	$331,392	$19.62
Warrnambool	34,862	$821,448	$23.56
Total	**89,392**	**$2,306,506**	**$25.80**

Therefore, extending (or reducing) the scope and range of services COS accesses through CRLC is (for the most part) simply a matter for negotiation as part of the annual service level and funding agreements. For example:

- branch opening hours
- the size of the collection
- the frequency of reading, social and cultural programs offered in COS branches
- the number of computers
- the speed of the wifi
- the number and frequency of outreach stops (the current model is not cost efficient and alternative models could be explored (e.g. meals on wheels, micro service points).

Potential changes to service levels can be identified through community feedback.

However, unless all member Councils were committed to making a significant investment in improving regional library services (e.g. by raising funding to the state average), there are some service enhancements that CRLC would have difficulty in providing, could not provide, or would find uneconomic to provide for COS alone. For example:

- offering new library programs (as opposed to offering more instances of an existing program) typically involves one-off development costs
- developing a website with greater user functionality and appeal
- significant improvements to the CRLC's marketing and communication to the community
- changes to borrowing limits, loan times and user fees and charges.

In summary, service improvements and enhancements can already be realised through existing CRLC processes. These should be pursued as part of every annual negotiation of the SLA. In practice, however, there appears to be limited scope for some improvements due to CRLC's size, structure and funding (especially in comparison with GRLC).

4.5. Other options

The Council resolution of 27 February 2019 only anticipated investigation of the option of COS moving from CRLC to GRLC. In addition, the brief for this review included examination of CRLC's potential to improve their current service to meet the desired service standard. Including these two alternatives, in total, COS has five broad options available to it in terms of its provision of public library services.

1. Stay with CRLC at the current service level (see Sections 2.2 and 4.2)
2. Stay with CRLC at an amended service level (see Section 4.4)
3. Move to GRLC (see Sections 3.2 and 4.2)
4. Leave CRLC and deliver own library services
5. Leave CRLC and 'buy in' services from another library service.

Leave CRLC and deliver own services

COS could choose to manage and deliver its own library services. In Victoria, 34 of the 48 regional/rural Councils are members of eight Regional Library Corporations/networks. The remaining 14 LGAs run their own library services (including Glenelg, Swan Hill, Wodonga and East Gippsland). Average per capita costs in stand-alone regional/rural library services are around 20% higher than in collaborative models.

This option would provide COS with complete control over the funding and administration of its library services. It would also require COS to employ library staff and develop its internal capacity to manage community-based library services. On average, stand-alone municipal library services are not able to achieve the financial efficiencies available through collaborative arrangements and have relatively higher funding ratios per capita and servicing ratios (e.g. cost per visit, cost per loan).

As noted previously, CRLC delivers a good level of library service, so (without change in CRLC membership) there is no imperative for COS to pursue an alternative path .

Leave CRLC and 'buy in' services

There are currently two library networks in Victoria through which a large central Council provides collection management and some other library services to smaller neighbouring Councils on a fee for service basis. For example, the City of Ballarat (through the Central Highlands Library Network) provides library services to six other LGAs – Southern Grampians, Ararat, Pyrenees, Central Goldfields, Hepburn and Moorabool .

Under these arrangements the purchasing Councils are responsible for direct employment and management of staff, program delivery, technology access and support, and maintenance of library branches. Provision of outreach services can be negotiated. All governance decisions rest with the 'host' Council/library service as there is no formal Board structure. In 2018-19 Council contributions to the Central Highlands Network averaged $26.51 vs $25.80 at CRLC.

COS could, theoretically, seek to purchase library services from CRLC or GRLC. It is not known whether the City of Ballarat would entertain this option as COS does not share a boundary with any of the Councils in the Central Highlands Library Network (all seven Councils form a contiguous block in central and south-western Victoria).

4.6. Transition arrangements

Withdrawal from CRLC

Appendix 4 defines the conditions governing the exit of any party from the CRLC Regional Library Agreement. Put simply, if COS were to choose to leave CRLC:

- COS must give the CRLC CEO no less than 12 months' notice in writing of its intention to withdraw from the Corporation
- withdrawal takes effect from 30 June following the expiry of the 12 months' notice
- COS must pay all costs incurred by CRLC as part of the withdrawal
- COS will retain its share of CRLC's net assets (primarily the collection) and will be liable for its portion of any liabilities (no major liabilities currently exist).

Therefore, if COS were to decide to leave CRLC, the date of withdrawal would be:

- 30 June 2021 – if notice was given before 30 June 2020
- 30 June 2022 – if notice was given between 1 July 2020 and 30 June 2021.

Entry to GRLC

As noted in Section 4.3, recent changes to the *Local Government Act 1989* mean that COS becoming part of GRLC would trigger dissolution of GRLC in its current form as an entity established under section 196 of the Act. Therefore, GRLC would need some notice to make the necessary structural changes. The exit provisions from CRLC would provide ample time for these changes to be made.

In moving to GRLC, COS would need to:

- have its collection transferred to GRLC's LMS
- have agreed outreach points included in GRLC's mobile schedule
- have signage changed to reflect GRLC branding
- be incorporated into the GRLC website, print and electronic newsletters and other regular communication channels
- have library staff transferred from one employer to another (if that was the agreed approach among all parties, including the staff involved)
- have library staff inducted into GRLC
- undertake an initial communication program to raise community awareness of the change.

Transition costs

Moving from CRLC to GRLC would see COS liable for a range of costs. That is:

- costs incurred by CRLC associated with COS' withdrawal, for example:
  - legal fees
  - rebranding of marketing and communication materials
  - data extraction from the LMS and transfer to GRLC
  - contribution to ongoing LMS contracts
  - relocation of the CRLC administration unit
  - potential redundancy of staff in the CRLC administration unit
- costs incurred by GRLC in entering COS to the Corporation, for example:
  - legal fees, including establishment of a new corporate entity
  - rebranding of marketing and communication materials (e.g. newsletters, website)
  - data transfer from CRLC and changes to the LMS
  - transfer of employment of staff in COS libraries
- costs incurred by COS in revising its agreements with the Colac Secondary College School Council and Great Ocean Road Health (minor)
- costs incurred by COS in working through the transition.

As these transition costs include potential redundancies from administrative staff, it is difficult to accurately estimate the likely exit costs, which could be between $30,000 and $120,000.

Under the current agreement COS is also entitled to a proportionate (approx. 24%) share of CRLC assets and liabilities. The 2018-19 CRLC Financial Report reports liabilities at $603,000 ($474,000 is provisions for staff entitlements) and assets at $2,225,000 (of which $1,624,000 is non-current, that is, collection stock and equipment).

5. DRAFT SERVICE STANDARDS

Documentation of current best practice and desired library service levels, taking into account the view of key stakeholders in Council, CRLC and partner organisations.

The following service standards are based on the Australian Library and Information Association's (ALIA) *2016 Guidelines, Standards and Outcomes Measures for Australian Public Libraries* (the Guidelines). The Guidelines define the objectives for provision of public library services in Australia in terms of the way the services are managed, the range of services offered, and the way in which services are delivered. The service standards also include appropriate numerical targets based on national and state industry benchmarks.

The COS service standards reference local community expectations and capabilities from recent surveys. They represent the minimum level of service management, offering and delivery that Council and the community should expect from a library service provider. The service usage standards (marked *) are presented as aspirational targets (only) to which the service provider should aim, as actual usage levels are ultimately determined by the community.

Proposed draft Colac Otway Shire Service Standards

These service standards will be tested through upcoming community consultation (see Section 6). The service standards may be amended based on this feedback. Standards marked '*' denote service standards that represent an increase on current levels. Quantitative standards reflect an appropriate mix of current CRLC service levels, GRLC service levels and statewide benchmarks.

Library service	COS Service standard (DRAFT)
Service MANAGEMENT	
Governance	1 Provide governance mechanisms that ensure the library is responsive to community needs, accountable to its community and key stakeholders, and sustainable in the meeting the interests of its community. a Representation in governance and decision-making forums that appropriately reflects the Colac Otway community's interests b Two-yearly library user and community feedback surveys *
Management	2 Establish and implement management policies and approaches that are consistent with the general principles of good organisational management and address the specific requirements of an effective and efficient public library.
Service OFFERING	
Collections	3 Develop and manage library content and collections which: meet the information, education, recreation and cultural needs of the community; support the development of lifelong learning; and foster a love of reading. a Free access to library collections and information resources, regardless of the format in which they are held and the location where they are held b Free loans of up to 40 items for a loan period of 28 days * (most items) c At least two renewals per item (excluding overdue materials and DVDs) made in person, online or via the telephone d Access to loans from other Victorian public library collections

Library service	COS Service standard (DRAFT)	
		e Return of loans to any library service point f Online catalogue accurately and fully reflects library holdings g Size: 1.2 physical collection items per capita h Quality: 70% of items for loan purchased within last 5 years * i Circulation: 5.5 loans of physical items per capita j Turnover: 4.6 loans per physical collection item * k Efficiency: Cost per loan at or below Victorian average (2018-19 $6.37) * l ebook circulation: Downloads of ebooks per capita at or above Victorian average (2018-19 0.66)
Information and reference services	4	Offer information, reference and readers' advisory services to all library customers. a Free assistance with access to and use of the collection b Free assistance with reference and information enquiries using internal resources
Programs	5	Provide targeted activities and events that use library resources and collections to: enrich the lives of community members; build literacy, language and learning skills; engage, connect, inform and inspire; improve personal development and wellbeing. a Children's programs at all library branches b Digital literacy programs at all library branches c Reading, book launches and author programs as funding permits d Program attendance per capita of 350 per 1,000 population*
Technology access	6	Provide free use of computers, the internet and other technological equipment and applications to allow users to access library and public information and resources. a At least one public access internet computer and one online public access catalogue at each branch b 1.0 public access computers per 1,000 population * c Access to public use software d Charges for printing and photocopying set at cost recovery e A reliable connection to the public wifi network at all times to cater to peak patronage* f Minimum internet speed of 100Mb/40Mb per second*
Places	7	Provide physical and digital places and spaces that meet the recreational, educational, social, information and employment-related needs of library users of all ages and interests. a Free entrance/access to all library service points b Signage assists users to easily locate items and facilities c Meeting room hire at Colac Library
Service DELIVERY		
Service points	8.1	Provide library buildings which: are attractive, functional and accessible; stimulate interest in library services; are designed for flexible use, efficiency in operation and sustainability; and accommodate library collections, resources and programs which serve the identified needs of the community. a Opening hours at Colac Library at least 48.5 hours per week (43.5 hours per week during school holidays) b Opening hours at Apollo Bay Library at least 18 hours per week c Cost per visit at or below Victorian average (2018-19 $8.52) *

Library service	COS Service standard (DRAFT)
	8.2 Provide mobile, online and outreach services that take the library out and into the community. a Fortnightly stops at agreed locations b Free access to housebound services
	8.3 Support virtual visits to the library via the library website and online services so that library content and services are available when and where customers want them.
Staffing	9 Ensure that the number, competencies and mix of library staff support a range of services and programs which meet the needs of the community (as defined by these service standards). a 0.30 library staff per 1,000 population
Funding	10 Fund provision of public library services to at least the minimum level required to support the local community in meeting its informational, educational, recreational and cultural needs. a Council funding per capita at or above Victorian average (2018-19 $32.56) b State Government Public Libraries Grant paid to service provider c Revenue and expenditure associated with any service point attributed to the Council where the service point is located d Revenue and expenditure associated with regional library administration shared equitably by member Councils
Partnerships	11 Develop partnerships and collaborate with community-based organisations and the wider public library sector in order to: raise awareness of and promote library services to targeted population cohorts; increase library membership, service usage and impact; expand service offerings and service delivery options; and improve service reach, quality and efficiency.
Customer service	12 Have a positive effect on library users. a 40% library membership * b 4.8 branch visits per capita * c Customer website visits per capita at or above Victorian average (2018-19 2.1) * d Customer satisfaction rating ‘very good’ or ‘good’ of 95%

6. CONSULTATION PLAN

Proposed methodology for seeking and gathering public feedback on the draft library service standards.

As per the national public library Guidelines, any decisions on provision of community-based library services should be informed by the views of the people who use, benefit from, value and pay for the provision of those services. In Colac Otway Shire that is:

- people who access any of the available library services through COS library branches, online or via outreach
- library users who gain direct personal, educational, wellbeing and employment benefits and the COS community who benefit from stronger more creative communities and wider social and economic benefits
- people who derive direct benefits and those who believe a universally accessible public library is a valuable civic asset (research consistently shows that a large proportion of people who don't use public libraries strongly support provision of library services in the community)
- all COS residential and commercial ratepayers.

Public consultation on the draft library service standards should, as far as possible, reach out to all of the affected stakeholder groups above through a 'whole of community' approach.

Method of consultation

It is recommended that consultation on the draft library service standards adopt the following approach.

Target audience	▪ All COS residents and ratepayers ▪ Users of COS libraries
Key stakeholders	▪ CRLC ▪ Colac Secondary College
Form	▪ Community survey available in both online (Survey Monkey) and print form ▪ Interactive version at COS libraries (e.g. posters with coloured stickers)
Access	▪ Online survey link accessible via COS website and CRLC website ▪ Hard copy survey available at library branches, Council offices and Council service points for return to any of these locations
Promotion	▪ Council website, newsletter and social media ▪ Library website and email to membership list ▪ Posters at libraries and Council service points ▪ Local newspapers ▪ Schools and kindergartens
Duration	▪ Period of 4 weeks

Issues for consultation

The Notice of Motion that initiated this review raised the question of whether COS should become a member of GRLC, and the financial, governance, human resource and legal and service implications of such an arrangement. The Consultation Plan should focus on this issue.

Introductory, background or explanatory information to be made available to the community might include:

- the Notice of Motion
- the research and consultation undertaken by the review
- information on local and national trends in community demand for, access to and use of contemporary library services
- the Executive Summary and key findings from this review (in full or in an abridged form)
- where CoS library services currently delivered by CRLC do and do not meet the library service standards
- how GRLC performs against the library service standards.

The key questions to be canvassed through the consultation are:

- Do the draft library service standards represent the needs and expectations of the COS community?
- Does the community want Council to invest more public funds in provision of library services to achieve the higher service standards accessible through GRLC?

Community sentiment might be explored by asking the following questions in the consultation survey.

"Council can increase library service levels for a total cost of approx. $5 per person per year. Please indicate which service improvements, if any, you believe are worth investing in and to what degree."

Service improvement	Definitely not worth investing in / Not important	Not worth investing in / Happy with current service	Don't know / Undecided	Worth investing in	Definitely worth investing in
1. Increase the number of physical and digital items available for loan (from 143,000 to 370,000)	○	○	○	○	○
2. Increase number of items that can be borrowed at one time (from 30 to 40)	○	○	○	○	○
3. Increase borrowing limits (from 21 to 28 days)	○	○	○	○	○
4. Increase range of library programs (more frequent, more diverse, higher standard)	○	○	○	○	○
5. More frequent outreach services in small communities (weekly vs fortnightly)	○	○	○	○	○
6. Increase the number of public access PCs for use (from 8 to 16)	○	○	○	○	○
7. Improve library website (more user friendly, more online resources/services)	○	○	○	○	○
8. Improve marketing/promotional material (print/online newsletters, social media)	○	○	○	○	○
9. Improve the speed of the internet connection	○	○	○	○	○
9. Improve the reliability of the wifi connection	○	○	○	○	○
10. Regular feedback surveys to inform service improvement	○	○	○	○	○

Are there any other improvements you would like to see to your library service that are not included above?

Do you believe Colac Otway Shire should join the Geelong Regional Library Corporation? Yes / No
Comments

APPENDIX 1. LIBRARY SERVICE REVIEW

Project brief

Colac Otway Shire is currently a member of the Corangamite Regional Library Corporation (CRLC). Council sought the services of a consultant with relevant skills and experience in library service planning and knowledge of the industry to undertake a review of Council's library service. The objective of the study was to determine the best and most viable option for Council, including:

- determination of Council's desired service standards
- a review and comparison of Council's current CRLC service against the Geelong Regional Library Corporation (GRLC) service offer and CRLC's potential to improve their current service to meet the desired service standards.

The study was to develop a first draft report by mid-December 2019 that included as a minimum:

- background review
- outline of Council's current CRLC library service
- outline of a potential GRLC offer, including consultation with GRLC to ascertain comparative data, costs and service levels
- summary comparison of GRLC service and current CRLC offer against standard metrics
- draft service standards based on current best practice and desired service levels
- consultation plan for public feedback on the draft service standards.

Following a public consultation period, a second draft of the report will be prepared for Council by mid-April 2020 including:

- summary of consultation feedback
- updated proposed service standards based on public feedback
- comparison of GRLC and CRLC ability to meet the revised service standards including costs to Council
- a recommendation to Council on the most viable, preferred option for provision of library services to meet the articulated service standards.

I & J Management Services was engaged to undertake the library service review.

APPENDIX 2. BENCHMARKING CRLC'S PERFORMANCE

National library standards

The Australian Library and Information Association's (ALIA) 2016 *Guidelines, Standards and Outcomes Measures for Australian Public Libraries*[11] (the Guidelines) document 15 standards for Australian public libraries (three of which are not yet active). The standards are based on average industry figures across all states and territories and do not differentiate by size or location of library service.

National Library Standard (2016)		Standard	CRLC 2018-19	
Service provision				
S1	Library expenditure per capita (excl. collections)*	$42.09	$26.18	●
S2	Number of staff (FTE) per 10,000 pop.	3.3	3.0	●
S3	Number of staff (FTE) with library qualifications per 10,000 pop.	1.0	1.4	●
S4	Library materials expenditure per capita*	$5.89	$4.60	●
S5	Collection items per capita	1.7	1.5	●
S6	% collection items purchased in last 5 years	60%	67%	●
S7	Internet computers per 10,000 pop.	5.0	3.8	●
Service reach, participation and use				
S8	% of eligible pop. who are library members	44%	22%	●
S9	Customer visits (to branch) per capita	4.8	3.4	●
S11	Circulation: Loans per capita	7.3	5.5	●
S12	Turnover: Loans per collection item (physical)	4.4	3.8	●
S15	Customer satisfaction ('good' or 'very good')	95%	95%	●

* Standards with a dollar basis have been adjusted for inflation to 2018-19.

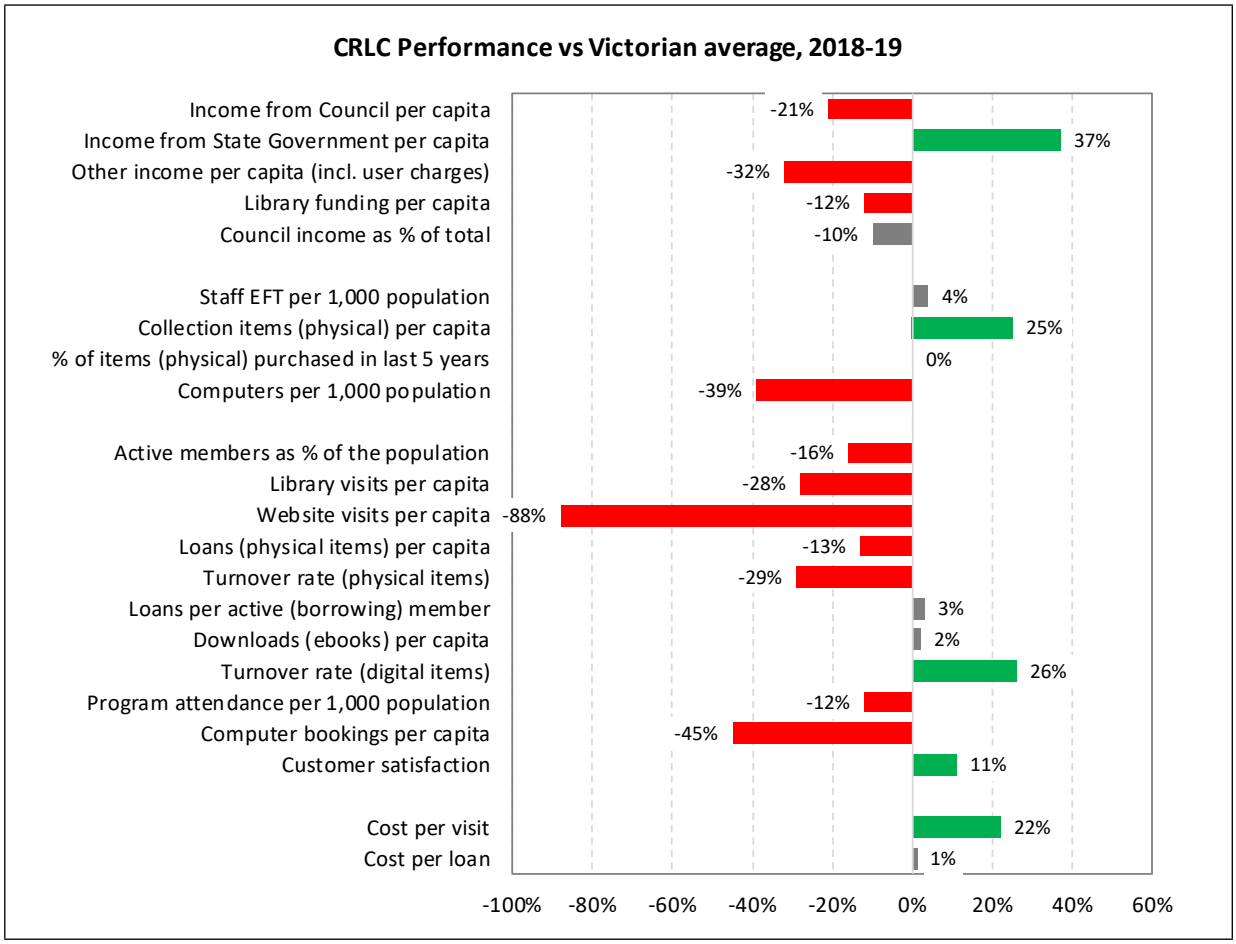
CRLC performs moderately well against national standards in terms of the service provided. Expenditure on library services and collections is below the national average (which is expected of a larger services which is able to achieve financial efficiencies). Average staffing levels are broadly in line with the standards, as are the size of the collection (items per capita) and the age of the collection (% purchased in last 5 years). Customer satisfaction at CRLC is also in line with the very high standard expected. However, the provision of public access computers in CRLC's libraries is below the national standard.

In contrast, library data shows that community use of the good services provided is well below the national benchmarks in terms of library membership (50% below the standard) and the rate of visits and loans (20-30% below the national standard). These outcomes typically reflect limitations in community engagement and promotion of library services.

Victorian library benchmarks

Public Libraries Victoria (PLV) collects and publishes annual data from all 47 Victorian library services (plus Vision Australia). The 2018-19 data shows that per capita funding from the four member Councils is 21% lower than the state average, and the Council's contribute a relatively low 72% of total funding (State Government 25%, other sources 3%). As was the case against the national standards, the level of service provision from CRLC is broadly in line with state averages, but use of these services is typically below average (other than downloads and turnover of ebooks). Customer satisfaction is high.

[11] APLA/ALIA, *Guidelines, Standards and Outcome Measures for Australian Public Libraries*, 2016.



Library indicator	PLV 2018-19	CRLC 2018-19	
Library funding	Average	Value	Diff.
Income from Council per capita	$32.58	$25.80	-21%
Income from State Government per capita	$6.55	$8.98	+37%
Other income per capita (incl. user charges)	$1.44	$0.98	-32%
Library funding per capita	$40.57	$35.76	-12%
Council income as % of total	80%	72%	-10%
Collections and service provision			
Staff EFT per 1,000 population	0.29	0.30	+4%
Collection items (physical) per capita	1.2	1.5	+25%
% of collection items (physical) purchased in last 5 years	67%	67%	0%
Computers per 1,000 population	0.62	0.38	-39%
Service participation and use			
Active members as % of the population	16%	13%	-16%
Library visits per capita	4.8	3.4	-28%
Website visits per capita	2.1	0.25	-88%
Loans (physical items) per capita	6.4	5.5	-13%
Turnover rate (physical items)	5.4	3.8	-29%
Loans per active (borrowing) member	41	42	+3%
Downloads (ebooks) per capita	0.66	0.67	+2%
Turnover rate (digital items)	5.4	6.8	+26%
Program attendance per 1,000 population	350	307	-12%
Computer bookings per capita	0.53	0.29	-45%
Customer satisfaction	8.6	9.5	+11%

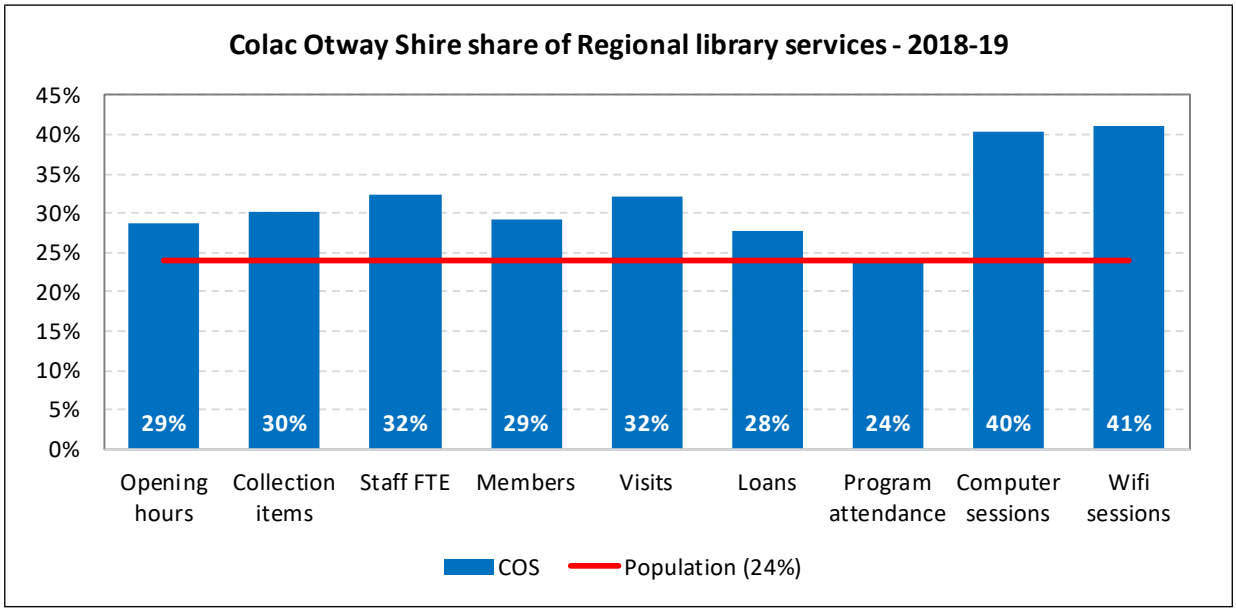
Library indicator	PLV 2018-19	CRLC 2018-19	
Service efficiency			
Cost per visit	$8.52	$10.39	+22%
Cost per loan	$6.37	$6.44	+1%

CRLC branches

Colac Otway Shire's population of 21,500 (ABS, June 2018) represents 24% of the population served by CRLC. However, on most library indicators COS has a higher share of the volume of services provided and the volume of services used – especially in the proportion of computer bookings (40%) and wifi sessions (41%).

Library metric	2018-19		% of CRLC 2018-19				
	Apollo Bay	Colac	COS*	Cor	Warr	Moy	CRLC
Population '000			24%	18%	39%	19%	89.4
Opening hours per week	18	49	29%	34%	18%	20%	251
Collection items** '000	5.4	33.5	30%	29%	24%	17%	142.7
Staff FTE	0.8	4.5	32%	18%	37%	13%	18.4
Total members '000	1.3	9.7	29%	15%	44%	12%	38.6
Visits '000	11.5	86.6	32%	19%	34%	15%	307.7
Loans** '000	10.3	120.5	28%	14%	45%	13%	556.0
Program attendance '000	0.3	6.2	24%	17%	46%	14%	27.5
Computer sessions '000	0.6	9.9	40%	9%	46%	5%	26.0
Wifi sessions '000	1.1	2.7	41%	22%	23%	13%	9.2

* Includes outreach services.
** Excludes digital collection items and loans.



APPENDIX 3. COLAC OTWAY SHIRE DEMOGRAPHICS

The current and emerging age and demographic profile of the Colac Otway community influences the demand for public library services.

- The Colac Otway population will grow from 21,300 in 2016 to 25,400 in 2036.
- COS has an older population than most other areas of regional Victoria.
  - 43.7% aged 50 years and over in COS vs 41.1% in regional Victoria
  - 35.2% aged 18 to 49 years vs 36.9%
  - 21.2% aged 0 to 17 years vs 21.9%.
- The proportion of the population aged 60 years and over increased from 25.7% in 2011 to 29.4% in 2016.
- Population forecasts show a large increase in the next 20 years in the proportion of the COS population aged 70 years and over (from 14.2% to 20.8%), with a corresponding drop in the proportion of the population aged 45 to 69 years (from 34.7% to 29.4%).
- COS has a high proportion of households where people live alone (32.5%).
- By 2036 the proportion of couple households with no dependent children will increase from 28.7% to 31.4%.
- In 2036, nearly two thirds of COS households will have no dependent children living in them.
- 6.4% of the COS population (primarily older people) require assistance with everyday core activities vs a regional Victoria average of 6.0%.
- COS households have below average incomes compared with both the national average and regional Victoria.
  - 64.4% of COS households have incomes below the national median
  - This is influenced by having an older non-working population and a high proportion of single person households.
- Only 69.2% of COS households have home internet access vs 73.5% in regional Victoria and 83.2% nationally.

Population characteristic	➔	Impact on demand for library services
Increasing total population		Larger collections (physical and digital) More general library programs More reading, study and meeting spaces
Ageing population with high proportion of older people		Bigger general reading collections (incl. large print) More social and special interest programs
More single person households		More demand for social connectivity
More people (especially older people) needing access to assistance due to a disability		Home library services and outreach programs
More low income households		More demand for access to free library collections and programs
More people with no home access to the internet		More access to computers, wifi and 'connected workspaces' More technology support programs
Fewer tertiary student		Fewer study spaces during the day/evening
High levels of English language proficiency		Less need for adult literacy programs
Fewer people of non-English speaking background		Less demand for collections in languages other than English

Service age group (2016)	COS 2016	COS 2016	Reg. Vic.	Diff.
Babies and pre-schoolers (0 to 4)	1,166	5.6%	5.8%	- 0.2%
Primary schoolers (5 to 11)	1,781	8.5%	8.7%	- 0.2%
Secondary schoolers (12 to 17)	1,499	7.1%	7.4%	- 0.3%
Tertiary education and independence (18 to 24)	1,525	7.3%	7.9%	- 0.6%
Young workforce (25 to 34)	2,202	10.5%	10.9%	- 0.4%
Parents and homebuilders (35 to 49)	3,655	17.4%	18.1%	- 0.7%
Older workers and pre-retirees (50 to 59)	2,993	14.3%	13.9%	+ 0.4%
Empty nesters and retirees (60 to 69)	3,053	14.6%	13.4%	+ 1.2%
Seniors (70 to 84)	2,507	12.0%	11.1%	+ 0.9%
Elderly aged (85 and over)	585	2.8%	2.7%	+ 0.1%

Age group	COS 2016	COS 2036	Diff.
0 to 14 years	18.0%	17.9%	- 0.1%
15 to 29 years	16.8%	15.4%	- 1.4%
30 to 44 years	16.3%	16.6%	+ 0.3%
45 to 69 years	34.7%	29.4%	- 5.3%
70 years and over	14.2%	20.8%	+ 6.6%

Household type	COS 2016	COS 2036	Diff.
Couple families with dependents	24.5%	23.6%	-0.9%
Couples without dependents	28.7%	31.4%	2.7%
Group households	3.5%	2.4%	-1.1%
Lone person households	32.5%	32.4%	-0.1%
One parent family	9.3%	8.9%	-0.5%
Other families	1.5%	1.4%	-0.2%

Household income quartiles (2016)	COS 2016	COS 2016	Reg. Vic.	Diff.
Lowest quartile	2,488	33.9%	31.9%	2.0%
Medium low quartile	2,237	30.5%	29.0%	1.5%
Medium high quartile	1,679	22.9%	23.0%	-0.1%
Highest quartile	933	12.7%	16.1%	-3.4%
Total households	7,339	100.0%	100.0%	

Internet connection (2016)	COS 2016	COS 2016	Reg. Vic.	Diff.
Internet connection	5,994	69.2%	73.5%	-4.3%
No internet connection	1,898	21.9%	18.1%	3.8%
Not stated	771	8.9%	8.4%	0.5%

Assistance (2016)	COS 2016	COS 2016	Reg. Vic.	Diff.
Persons needing assistance with core activities (all ages)	1,333	6.4%	6.0%	0.4%

APPENDIX 4. EXITING THE REGIONAL LIBRARY AGREEMENT

Clause 12 of the Regional Library Agreement defines the conditions governing the exit of any party from the agreement.

12. ENTRY AND EXIT OF PARTIES

…

12.2 A Council may withdraw from this Agreement having given not less than twelve (12) months' notice in writing to the Chief Executive Officer.

12.3 A Council that has given notice under clause 12.2 shall withdraw from the Agreement effective from 30 June following the expiry of the period of notice given under clause 12.2.

12.4 A Council that withdraws from this Agreement must meet the full costs directly incurred by the Regional Library by reason of the withdrawal, including (but not limited to) any redundancy costs, fees paid to a professional advisor and administrative costs directly incurred by the Regional Library by reason of the withdrawal.

12.5 A Council that 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.

12.6 The portion of net assets to which a Council is entitled under clause 12.5:

(a) shall be calculated according to the value of the assets as disclosed by the relevant audited financial statements;

(b) shall be in the same proportion as its financial contribution to the Regional Library bears to all Councils' financial contributions to the Regional Library over the duration of this Agreement; and

(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.

12.7 A Council that 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.

12.8 The portion of liabilities and contingent liabilities for which a Council is liable under clause 12.7:

(a) shall be calculated according to the liabilities and contingent liabilities as disclosed by the relevant audited financial statements and reports, and any other notes attached to them;

(b) shall be in the same proportion as its financial contribution to the Regional Library bears to all 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.

APPENDIX 5. CRLC SERVICE LEVEL AGREEMENT 2019-2020

Colac Otway Shire has an annual Service Level Agreement with CRLC. The agreement is an extension to the Regional Library Agreement and constitutes a legally binding contract between the parties to the agreement. The SLA specifies the base (i.e. minimum or default) level services and standards to apply across the region, as well as Council specific arrangements for added and/or modified services.

In considering the current CRLC service offer the key sections of the SLA are:

- Part B: Funding Arrangements
- Part C: Core Public Library Services
- Part D: Base Level Services & Standards
- Part E: Service Point Obligations (including Appendix A: Building Maintenance Responsibilities)
- Part F: Specific Municipal Services (including Appendix B: Council Specific Services)
- Appendix C: Physical Assets at Colac Library, Apollo Bay Library and CRLC Regional Office (for insurance purposes).

The provisions of COS's 2019-2020 SLA with CRLC, as they are relevant to this review, are presented in the following pages.

Part B: Funding Arrangements

1. Source of Funds: CRLC may fund its operations from a variety of sources, including:

(a) Contributions by the member councils in accordance with the funding formula;

(b) Government contributions in the form of the State Government Public Libraries Grant and other specific funding programs;

(c) Revenues earned from product and services sales, fines and charges; …

2. Application of Funds: The funds available to CRLC will be applied to:

(a) The operating costs of the library service, which will include expenditures in relation to static branches, outreach services and headquarters;

(b) The capital requirements of the library service; …

5. Funding Formula:

5.1 For each static service point, the net recurrent expenditure will be wholly borne by the member council for the municipality in which the service point is located.

5.2 The revenues and expenditures associated with any mobile or outreach service will be shared between the member councils … in accordance with criteria agreed to by the Library Board.

5.3 The revenues and expenditures associated with CRLC's headquarters will be shared between the member councils … in accordance with criteria agreed to by the Library Board.

Part C: Core Public Library Services

As the recipient of a State Government Public Libraries Grant, CRLC is required to provide a range of core services as part of its public library role. Core services are free of charge, as distinct from value added services for which charges may be imposed. The definitions of core and value added services have been developed in the context of ALIAS's *Statement on Free Access to Information (2015)* and *Statement on Public Library Services (2009)*.

1. Core Services: Core public library services are those which:

(a) Provide free entrance to the library;

(b) Provide access to the library's information resources, regardless of the format in which material is held;

(c) Provide assistance with the use of the collection and with reference enquiries;

(d) Provide training in the use of public access catalogues;

(e) Lend items from the collection to members of the public for specific periods of time;

(g) Educate the public in the effective use of public libraries;

(h) Provide programs such as story-telling; and

(i) Provide any additional service which enables access to other basic services (including housebound services).

2. Value Added Services: Libraries may charge for services which provide greater ease of access, convenience or private benefit, and which may attract additional costs to the library service provider. Value added services include, but are not limited to:

(a) Use of remote online resources where access is only obtainable by payment of a specific per use charge;

(b) Providing access to loans from collections outside the public/State library network;

(c) Providing printed or electronic copies of materials held or accessed by the library;

(d) Providing for public use software, including specialist software packages;

(e) Requiring staff to undertake research, to write reports, or to provide other high level support; and

(f) Providing any service which attracts an external service charge, such as online database searching, speakers and theatre performances.

Part D: Base Level Services & Standards

1. Accessibility:

1.1 Access to the core library resources (Part C) and assistance with their use will be free of charge.

1.2 Members will have access to all loan items in CRLC's collection regardless of location and may return borrowed items to any of CRLC's service points.

1.3 Membership is free and available to any resident of Victoria upon providing proof of identity and residence. …

2. Circulation:

2.1 Library users receive courteous attention and prompt service at the circulation desk.

2.2 Return dates for borrowed items are provided in writing at the time of borrowing, unless the borrower requests otherwise.

2.3 Items may be returned to any service point in the region. …

2.5 Loan renewals may be made in person, via the telephone or via CRLC's website catalogue. …

3. Collection Development:

3.2 The collection will be weeded to identify and remove from display those materials that: a) are irretrievably damaged; b) are out of date; or c) could present misleading information to readers.

3.3 Materials will be reviewed prior to disposal to ensure that items of value or historical significance are retained within the region.

3.4 The budget for the acquisition of new materials is set by the Library Board and consideration will be given to the ability of the collection to meet community demand and the achievement of acceptable collection turnover rates.

3.5 Materials selection and acquisition will be the responsibility of CRLC.

4. Catalogue and Location Aids:

4.1 Online public access catalogues (OPACs) will accurately reflect the library's holdings, including the location and status of items.

4.2 Catalogue entries will be updated and include sufficient detail to enable users to find the required information.

4.3 Signage which assists users to easily locate items and facilities will be provided at all service points.

5. Reference and Information Services:

5.1 Access to the reference and information resources of the region and assistance with their use will be free of charge to those eligible for membership. Where it is necessary to access external information sources and/or inter-library loans, any costs incurred may be recovered from the enquirer.

5.2 Reference services may be accessed in person or via CRLC's web page.

5.3 Staff will be trained in the use of reference resources available in the region.

5.4 When an enquiry cannot be satisfied, further research or referral will be undertaken and the enquirer will be advised of the expected timeframe.

5.5 Photocopy services will be provided at all service points. Charges for photocopies provided in relation to reference enquiries will be determined by CRLC.

6. Information Technology and Technology Support:

6.1 The minimum provision of public access IT facilities will be: (a) One dedicated public access Internet terminal (PAIT) at all static service points; and (b) One dedicated online public access catalogue PC (OPAC) at all static service points.

6.2 Charges may be imposed for the use of public access IT facilities: (a) Printing materials. (b) Provision of consumables such as storage devices. …

6.4 All staff will be trained in the use of the Internet and PC-based IT and will facilitate basic access for the public as required.

6.5 Where appropriate, staff will also receive basic training in the use of public access PC software programs for word processing and spreadsheets in order to facilitate public use.

7. Library Programs:

7.1 CRLC will promote and participate in appropriate literary programs, as funding permits. This includes but is not limited to: (a) Summer Reading Program for children; (b) Children's Book Week; (c) National Simultaneous Story Time; and (d) Book launches for local writers, meet the author program or statewide author visit programs.

7.2 CRLC will take part in other events as deemed appropriate by the Library Board. These may include the provision of stands or information displays at events such as field days, local festivals and Shire service days.

Part E: Service Point Obligations

Member councils are responsible for providing, maintaining and replacing buildings, shelving and furniture and fittings suitable for the delivery of library services.

1. Design Standards: Member councils determine the location of branch library facilities. CRLC will assist member councils in ensuring that the facilities meet public library standards for community access and use.

2. Maintenance Obligations: Member councils are responsible for maintenance, cleaning and security of their respective branch library facilities, including associated areas, such as gardens, paths, exterior signs and parking areas. Appendix A details maintenance responsibilities.

3. Operational Obligations:

(a) Member councils are responsible for the payment of service charges for their respective branch library facilities, including telephone, water and sewerage, power and heating, asset insurance.

(b) CRLC is responsible for the operational activities of the library service and ensuring that staff members use resources in an efficient and effective manner.

(c) Member councils will specify opening hours for their library facilities (see Appendix B).

Part F: Specific Municipal Obligations

The Specific Municipal Services for each council are listed separately in Appendix B.

Appendix A: Building Maintenance Responsibilities

Colac Library Building Maintenance Responsibilities are subject to an alternative agreement with DET.

Apollo Bay Library Building Maintenance Responsibilities are in accordance with the Lease and Licence between Otway Health and Community Services and Colac Otway Shire Council.

Appendix B: Council Specific Services

1. Branch Library Locations and Customer Service Hours

Day	**Colac Library School terms**		***Colac Library School holidays***		**Apollo Bay Library**		**Hours per week**	
Monday	8.30	5.30	*9.30*	*5.30*	2.00	5.00	12	*11*
Tuesday	8.30	5.30	*9.30*	*5.30*	-	-	9	*8*
Wednesday	8.30	5.30	*9.30*	*5.30*	11.00 1.30	1.00 6.00	15.5	*14.5*
Thursday	8.30	5.30	*9.30*	*5.30*	-	-	9	*8*
Friday	8.30	7.00	*9.30*	*7.00*	10.00 1.30	1.00 5.00	17	*16*
Saturday	10.00	12.00	*10.00*	*12.00*	10.00	12.00	4	*4*
Sunday	-	-	-	-	-	-	-	-
Total							**66.5**	***61.5***

2. Outreach Services

	Service point	Day	Open	Close	Hours per session
Week One	Gellibrand	Wednesday	11.00	12.00	1.0
	Lavers Hill	Wednesday	2.00	3.00	1.0
	Beech Forest	Wednesday	3.30	4.30	1.0
Week Two	Coragulac	Wednesday	10.00	11.30	1.5
	Beeac	Wednesday	1.00	2.30	1.5
	Cressy	Wednesday	3.00	4.00	1.0
	Forrest	Thursday	11.00	12.30	1.5
	Birregurra	Thursday	1.30	3.00	1.5
Total					**10.0**

3. Housebound Services: Home Library Service – Colac.

4. Library Programs: a) Children's Programs at Colac Library and Apollo Bay Library. b) Digital Literacy Programs.

5. Other Services: Meeting room hire at Colac Library.

Appendix C: Physical Assets at Colac Library, Apollo Bay and CRLC Regional Office

CRLC will provide insurance for the following physical assets at Colac Library, Apollo Bay Library and CRLC Regional Office: Computer/IT; Equipment; Furniture; Appliances; and Shelving and Fittings.