

LIBRARIES BOARD OF SOUTH AUSTRALIA
MEETING OF THE LIBRARIES BOARD OF SOUTH AUSTRALIA

Monday, 20 May 2019

Minutes No. 839

The meeting was held in the Morgan Thomas Boardroom, Institute Building at the State Library and started at 12.05 pm.

Agenda Items for Discussion: 7.3 and 9.1.

- 1 Present:**
Mr James Bruce (Chairman), Ms Vini Ciccarello, Mrs Janet Finlay, Mr Scott Hicks, Mr Andrew Luckhurst-Smith, Ms Lynn Spurling, Ms Jillian Whittaker and Dr Jan-Claire Wisdom.

In Attendance:
Mr Geoff Stempel (Director, State Library of SA)
Ms Jo Bayly (Associate Director, State Library of SA)
Ms Veronica Mathews (A/Associate Director, Public Library Services)
Ms Sue Scadding (Executive Secretary, State Library of SA – Minutes)
- 2 Apologies:**
- 3 Conflict of Interest**
There were no declarations of a conflict of interest.
- 4 Minutes**
The minutes of the Board meeting of 19 March 2019 were confirmed.

Moved: Lynn Spurling Seconded: Vini Ciccarello
- 5 Business Arising from the Minutes**
- 6 Workplace Health & Safety**
 - 6.1 Workplace Health and Safety Report – April / May 2019**
The Board discussed the Crowded Places Information Session and was pleased to see this is being addressed. Further discussion occurred on a recent security incident at the City Library.

The Libraries Board noted the activities and initiatives during April and May 2019.
- 7 Finance Reports**
 - 7.1 State Library Financial Performance Summary as at 31 March 2019**

Unstarred Item. The Libraries Board noted the Financial Performance Reports for the State Library for the period ending 31 March 2019, including notes and explanations for major variations.

7.2 Trust Funds Quarterly Investment Report – March 2019

As per previous discussions by the Board, the Board is considering its options in relation to the external financial advice it currently receives.

Ms Ciccarello asked about Macquarie's current view given that the expected change in government did not occur (and the possible impact on the Board's earnings from franking credits).

The Finance Sub-Committee requested that Macquarie provides a report on what fees have been charged over the last three years. Macquarie responded that \$15,000 have been charged in brokerage fees. Macquarie is also to provide information on the cost to move to the new service model proposed by Macquarie and an addendum to its report to address Ms Ciccarello's question on franking credits. The Director was asked to clarify the current terms of engagement with Macquarie and whether a written agreement exists.

The Libraries Board:

- **received and noted the Trust Funds Investment Report; and**
- **requested that an investigation and implementation of a formal procurement process to consider investment fund managers be undertaken.**

Moved: Andrew Luckhurst-Smith

Seconded: James Bruce

7.3 State Library Bequest Funds Report – March 2019

Ms Ciccarello queried if evidence exists to indicate that the Story Wall has been a good investment. The Director responded that there are anecdotes of people stopping to look at it however there is no formal measurement of foot traffic. There are mixed views. The Library will add more content and review it.

The Libraries Board received and noted the Bequest Funds report as at 31 March 2019.

7.4 State Library Proposed Fees and Charges 2019-2020

The Director reported that the last piece of advice from DTF is that Library fees and charges must only go up by the CPI, so where fees would be increased by small and inconvenient amounts they are left the same for several years until a multi-year CPI increase can be applied in a manner that sets the fees at appropriate amounts. The Board has funded the online shop (which is in place) and an online procurement process (which is still to be implemented). The Library will streamline its online procurement process and use this process to rationalise the current multitude of fees and charges.

The Libraries Board:

- **approved the proposed Fees and Charges Schedule for 2019-2020 which is to be forwarded to the Premier for his information. Subsequent to the Premier noting the approved Fees and Charges, they will be forwarded for publication in the SA Government Gazette with an operative date of 1 July 2019; and**
- **requested a review of Fees and Charges be undertaken.**

Moved: Andrew Luckhurst-Smith

Seconded: Jan-Claire Wisdom

7.5 PLS and SLSA Financial Management Compliance Programs 2019-20

Mr Luckhurst-Smith reported that this was not considered by the Finance Sub-Committee due to lack of time.

The Director advised that a lack of a FMCP had been identified by the auditors. The Board will now receive an annual FMCP.

Dr Wisdom queried the reason for both annual and five year budgets. The Director reported that this is for PLS only which does a five year projection (for the next and subsequent four years). The MOA sets the funding and PLS plans its deficits and surpluses ahead. The projections are based on business as usual.

Ms Finlay sought clarification on the Risk Ratings and what they mean. The Director noted that while this plan is a start, further work needs to be done on the SLSA plan and the management of risk to ensure risks are well documented and managed.

The Libraries Board endorsed the Financial Management Compliance Programs for Public Library Services and State Library for 2019-2020.

Moved: Andrew Luckhurst-Smith Seconded: Lynn Spurling

7.6 Independent Financial Advice regarding the Library's Financial Position

Mr Luckhurst-Smith reported that this was not considered by the Finance Sub-Committee due to lack of time.

Ms Finlay queried that the report was dated November 2018 and asked if this was the latest report. The Director advised that the final version was completed in March 2019.

The Board discussed recommendations and what actions to take. The Chairman stated that this will be a priority for the new incoming Chair.

Dr Wisdom departed the meeting at 13.06 pm.

The management team is to develop a strategy within 60 – 90 days.

Mr Hicks departed the meeting at 13.35 pm.

Ms Finlay temporarily departed the meeting at 13.35 pm and returned at 13.44 pm.

The Libraries Board endorsed, with great concern, the findings of the independent financial advice regarding the Library's current and future financial position. In particular, it noted the conclusions as:

- **The Library's budget allocation continues to be inadequate to meet its statutory mandate;**
- **The Library has used a range of short term measures as its way of addressing the funding shortfall and these short term measures are not sustainable;**
- **The Board will need to make some difficult and possibly unpalatable decisions about changes to the Library's service offerings and operational model if no positive change to the Library's appropriation is forthcoming.**

The Libraries Board resolved that the Chairman will write to the Chief Executive, DPC enclosing a copy of the Priadko report.

Moved: Andrew Luckhurst-Smith Seconded: Lynn Spurling

7.7 Update on New and Changes to Accounting Standards

Unstarred Item. The Libraries Board noted the progress of preparations for changes in accounting standards.

7.8 PLS Financial Performance Summary January to March 2019

Unstarred Item. The Libraries Board noted the Financial Performance Report for Public Library Services for the period 1 January to 31 March 2019 including notes and explanations of major variations.

8 Risk Management (Financial and Non-Financial)

8.1 PLS and SLSA Risk Profiles 2019 (Non-Financial)

Unstarred Item. The Libraries Board noted the PLS and SLSA Risk Management Profiles for 2019.

9 Public Libraries

9.1 Public Library Services Report for the January – March 2019 Quarter

Dr Wisdom starred this item for discussion, however as she had departed the meeting early, it was not discussed.

The Libraries Board noted the report.

9.2 CONFIDENTIAL: Library Content Procurement Purchase Recommendation and Contract Signing

Ms Spurling reported that Public Libraries South Australia (PLSA) was involved in discussions with PLS and the consultant regarding this and supports the recommendation that the Board approves the purchase recommendation and signing the contract.

The Libraries Board approved the outcome of the Library Content procurement and the Purchase Recommendation.

Moved: Lynn Spurling Seconded: Vini Ciccarello

9.3 Public Library Services Standing Committee Terms of Reference

Ms Spurling reported that some additional work had been requested by the Board on section 7.2 of the Terms of Reference which has now been incorporated. The Public Library Services Standing Committee is happy with the paper and endorsed it earlier this month.

The Libraries Board endorsed the changes of the Membership section of the draft revised Terms of Reference (version 0.2).

Moved: Janet Finlay Seconded: Vini Ciccarello

9.4 2019 Libraries Board Metropolitan and Regional Tours

The Board discussed dates for the Metropolitan and Regional tours and was comfortable with the Metropolitan Tour being held on 15 July 2019 and agreed that the Regional Tour be scheduled on Thursday, 17 and Friday, 18 October 2019.

The Libraries Board accepted the July Metropolitan Tour date of 15 July 2019 and agreed to schedule the Regional Tour to the Far North on 17 and 18 October 2019.

9.5 Delivery and Sortation Services Contract Update

Unstarred Item. The Libraries Board noted the current status of the Delivery and Sortation Services Contract.

10 Strategic Issues

11 State Library

11.1 Adelaide Festival Awards for Literature

The Board was pleased to see the State Library undertaking this initiative.

Unstarred Item. The Libraries Board noted the arrangement now in place that will see the State Library take over management and delivery of the Adelaide Festival Awards for Literature from 2020.

12 Chairman's Report

The Chairman reported:

- On participating in a lengthy workshop regarding the proposed Indigenous gallery;
- On his planned meeting with Minister Gardner next week regarding the School Community Libraries program.

13 Director's Report

The Director tabled his report and spoke on the various activities. Information on a digitisation plan will be provided to the Board sometime in the future.

The Board asked for the background surrounding the workshops which are to be held for staff. The Director provided a summary and will update the Board further on this in the future.

14 Any Other Business

14.1 Mrs Finlay conveyed her thanks to the Chairman for his time and contribution on the Board.

14.2 Ms Spurling asked if the libraries which participated in the Board's March Regional tour had been thanked. The Acting Associate Director, PLS confirmed that all libraries have been thanked by PLS.

14.3 Ms Whittaker asked if the Library has any holdings on the late Bob Hawker – staff advised we do not have anything significant in the collections as these are held by other institutions, including the Hawke Centre at the University of South Australia.

15 For Information

15.1 Correspondence

15.1.1 Chairman, Libraries Board to Minister Gardner re: School Community Libraries & request for meeting, 27 March 2019

15.1.2 Chairman, Libraries Board to all CEOs, Councils re: State Government consultation on the Arts Plan, 28 March 2019

15.1.3 Anne Rundle, Manager, Culture & Lifelong Learning, City of Adelaide to Chairman, Libraries Board re: State Government consultation on the development of an Arts Plan, 11 April 2019

15.1.4 J Blum, District Council of Tumby Bay to Chairman, Libraries Board re: State Government Arts Plan and Arts Funding, 1 April 2019

15.1.5 Chairman, Libraries Board to Premier Marshall, 1 May 2019 re: resignation, 1 May 2019

15.2 For Information

15.2.1 Update on the Implementation of Accounting Standards (*emailed to Board on 26/3/19*)

15.2.2 Briefing by Auditor-General to Risk & Performance Chairs (*emailed to Board on 13/5/19*)

16 Date of Next Meeting

The next Libraries Board meeting will be held on **Monday, 17 June 2019** at **12.00 noon**. The meeting will be held in the **Morgan Thomas Boardroom**, Institute Building.

The meeting closed at 14.10 pm.

Chairman:

Date: