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## LIBRARIES BOARD OF SOUTH AUSTRALIA

### MEETING OF THE LIBRARIES BOARD OF SOUTH AUSTRALIA

Monday 14 February 2022

Minutes No. 867

The meeting was held via Microsoft Teams and started at 10.04am.

#### **1 Welcome**

##### **1.1 Present**

Bruce Linn (Chair), Bronwyn Lewis, Jillian Whittaker, Megan Berghuis, Janet Finlay, Professor Amanda Nettelbeck, Scott Hicks, and Professor Joanne Cys.

##### **In Attendance:**

Geoff Stempel (Director, State Library of SA)

Jo Bayly (Associate Director, State Library Services)

Hanlie Erasmus (Associate Director, Public Library and Corporate Services)

Marissa King (Manager, Finance Risk and Compliance)

Heather Ware (Board Executive Officer – State Library of SA)

##### **1.2 Apologies**

Nil

##### **1.3 Acknowledgement of Country**

The Chair made an acknowledgement of Country.

##### **1.4 Conflict of Interest**

Janet Finlay declared that she was a member of the South Australian Football Commission, and the Board should be aware that she has not been involved in the arrangements for the upcoming SANFL History Exhibition, being held by the State Library of South Australia later this year.

Scott Hicks declared that the NPS Agreement has now been concluded with Datacom and Datacom host their infrastructure within Scott Hick's YourDC facilities.

Local Government Association (LGA) nominated members declared a standing conflict of interest regarding negotiations for a new MOA between State and Local Governments.

#### **2 Starring of Agenda Items**

**Motion: That all non-starred items be received, and all recommendations contained therein are adopted and carried.**

It was noted that 4.1 should be 'starred'.

**Moved: J Cys**

**Seconded: A Nettlebeck**

#### **3 Minutes**

##### **3.1 Minutes of previous meeting**

It was noted that one line was repeated in error and should be removed [Bruce Linn – Chair, left the meeting at 11.03am, and handed over the Chair responsibility to Scott Hicks].

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**Motion: That the minutes of the Board meeting held on 8 November 2021 be confirmed, pending the removal of the repeated line.**

**Moved: B Lewis      Seconded: M Berghuis**

### 3.2 Action List – November 2021

Geoff Stempel provided an update on the following Action Items:

- *6-Dec-21 "7.4 Library materials Logistics Projects"*. Written letter of thanks to Jo Cooper and Ben Footner has now been completed.
- *14-Sep-20 "6. Director's Report"*. DPC is not proceeding with the Arts Plan Digitisation Project as planned. Action item to be removed from Action list.
- *9-Nov-20 "5.1 Future Service Design"*. Still under development.
- *14-Dec-20 "8.2 Distribution of State Government Grant Funding and Conditions"*. The initial stage of this will be discussed under agenda item 5.2 "School Community Libraries Funding Review" today.
- *9-Mar-21 "4.1 Memorandum of Agreement Negotiations Update"*. The Associate Director, Hanlie Erasmus, has provided the final version of the document to the LGA and awaiting their signature. The Board is keen for this to be approved before caretaker conventions begin. Likely this will need to be circulated to the Board out of session.

### 3.3 Unstarred. Matters dealt with out of session

No matters were dealt with out of session.

## 4 STRATEGIC MATTERS (Presentations, Key Strategy Updates)

### 4.1 Memorandum of Agreement Negotiations Update

Geoff Stempel provided a verbal update, advising that the final version of the document is now with the LGA and awaiting their signature. A motion is likely to be distributed via circular resolution to the Board out of session.

**Motion: The Libraries Board noted the update.**

**Moved: S Hicks      Seconded: J Cys**

## 5 FOR DECISION (Strategic)

### 5.1 Approval to proceed with a dedicated Children and Families' Reading Space

Geoff Stempel spoke to the paper. The State Library of SA manages the Adelaide Festival Awards for Literacy in early March, which provides an early opportunity to launch this project. A project lead would be engaged to focus and drive this project.

Megan Berghuis asked about the funding of the \$100,000 from the Libraries Board. Geoff advised funding is available and there would be further discussion at the next Board meeting.

Jo Cys asked about the considerations taken for identifying a physical location for the 'space'. Geoff advised that after some considerable review and in consultation with Sandwalk, the ground floor of the Institute would be the best location at this time.

**Motion: The Libraries Board approves the creation of a dedicated children and families' reading space with the condition that:**

- **while seed funding of \$100,000 is provided by the Libraries Board, the space will only be approved if a minimum of \$150,000 in private or corporate sponsorship is raised by July 2023.**

**Moved: B Lewis      Seconded: M Berghuis**

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## **5.2 School Community Libraries Funding Review**

Hanlie Erasmus talked to the paper. The SCL Local Agreement Project will help to bring the Councils, Schools, and public Libraries together. The next stage is to conduct a review of the funding contributions from the three funding partners: Department for Education, LGA and the Libraries Board and then develop and agree on the annual funding formula before the new financial year starts.

A brief discussion followed, and it was noted that the process was complex, and the timeframe tight, however, that a significant amount of preparation work had already been undertaken over a number of years, as part of a risk mitigation strategy.

**Motion: The Libraries Board approves:**

- 1) A review of the contributions of all three funding partners (DfE, LGA and Board)**
- 2) Development of an annual funding formula for all SCLs**
- 3) Implementation of the four recommendations in the KPPM Hybrid report:**
  - 1. That Councils with hybrid library arrangements (all of which have populations in excess of 5,000) transition from the SCL program (date to be determined).**
  - 2. That PLS supports Councils affected by Recommendation 1 to design and implement library arrangements that deliver equitable services and reflect contemporary trends in library service provision.**
  - 3. That an upper (total Council) population of 6,000 is set for the SCL program, with Councils that achieve this population for two successive years required to develop a transition plan.**
  - 4. Special consideration should be made for Councils that exceed 6,000 residents but lack a major population centre (Councils with many small communities, none greater than 40% of the total Council population).**

**Moved: B Lewis      Seconded: J Cys**

## **6 FOR DECISION (Operational)**

### **6.1 Libraries Board Investment Policy**

Marissa King noted that the marked-up version of the policy hadn't been provided to the Board and advised of the amendments:

- Removed the date from the cover page
- Section 1.1 has been updated to reflect the three group being: State Library Services, Public Library Services, and Corporate Services group.

Janet Finlay advised the Board that the Finance and Risk Committee were satisfied with the minor updates and recommend the Board approve the policy.

It was noted that the next annual review of the policy should also look at mitigating climate change as part of the Environmental, Social and Governance clause.

**Motion: The Libraries Board approves the updated Libraries Board Investment Policy.**

**Moved: J Finlay      Seconded: A Nettlebeck**

### **6.2 Finance and Risk Committee Terms of Reference**

Janet Finlay provided an update on the minor changes as follows:

- Removal of the Associate Director Public Library and Corporate Services (Hanlie Erasmus) as an ex-officio member of the Committee.
- The term 'Board Secretary' updated to 'Board Executive Officer'

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Janet advised that following a review late last year there will be further proposed recommendations that will come to the Board at a later date to amend the scheduled date/time of future committee meetings to:

- Provide the committee with sufficient time to effectively consider all matters within its remit and
- Utilise the expertise of the committee to resolve some matters that are best considered by the Committee rather than the Board

It is proposed that a summary written report of the committee meeting will be provided to the Board.

The Finance and Risk Committee recommends the Libraries Board approve the Terms of Reference as provided.

**Motion: That the Libraries Board approves the proposed changes to the Finance and Risk Committee Terms of Reference**

**Moved: J Finlay      Seconded: B Lewis**

### 6.3 **Finance Management Compliance Program 2021-2022**

Janet Finlay provided an update, noting the following:

- The Finance Management Compliance Program for 2022 is similar to that of last year, 2021, after being reviewed by Management for any changes that may be required.
- The review of the control's effectiveness has shown improvement across items that were only partially compliant in the 2021 year, moving into the majority compliant.

The Finance and Risk Committee were very appreciated of the work that has been done by the Finance Team.

**Motion: The Libraries Board approves the Financial Management Compliance Program for 2021-2022.**

**Moved: J Finlay      Seconded: M Berghuis**

### 6.4 **Internal Procurement and Contract Management Framework**

Janet Finlay provided an update, advising that the Finance and Risk Committee were very impressed with the documentation that was presented. The key issues were the implementation for the framework, which will include targeted training provided by State Library (in-house). Historically DPC has managed our procurements however under the new framework procurement activity be undertaken by State Library staff up to a threshold of \$550k (GST inclusive). Anything above this will be referred to Procurement Services for support.

Scott Hicks raised a concern around the effort required to implement a new framework so close to the election as the Library could find itself aligned to another department through machinery of government changes. Geoff Stempel advised that this framework is customised to our needs and not linked to any head department framework therefore it futureproofs the Library against any potential structural moves.

The Finance and Risk Committee recommends that the Board approve the motion.

**Motion: The Libraries Board approves the Internal Procurement and Contract Management Framework and notes the proposed changes to procurement authorisation limits that will be in place from 1 April 2022, as listed in Attachment C.**

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Moved: J Finlay      Seconded: J Cys

**7      STANDING ITEMS**

**7.1      Philanthropic and Corporate Partnerships**

No update was provided.

**7.2      Mortlock Strategy**

No update was provided.

**8      FINANCE AND RISK COMMITTEE REPORT**

Janet Finlay provided the following update:

- *Item 10.2 Trust Funds Investment Report for period ending 31 December 2021*  
It was noted that investment portfolio is moving closer to the requirements of the investment policy. Geoff and Marissa are meeting with Macquarie in the coming weeks to discuss this further.
- *Item 10.3 Update on Accounting Standard and Changes to Financial Reporting*  
Janet advised that she has received a letter from the Auditor's General, proposing new Treasurer's Instructions, not applicable for 2022, but for future years. The most significant change is for all agencies to have an internal audit executive and internal audit function whether resourced internally or externally. We have been invited to make a submission in response to the exposure draft. Key points discussed at the Finance and Risk Committee being, resourcing and funding to comply.
- *Item 10.4 Risk Profile 2022*  
Due to limited time at the Finance and Risk Committee meeting, this item wasn't discussed in detail. It was noted that the Finance Team have done a significant amount of work in this area. The Committee Members have been invited to ask any questions out of session, with a view to having a more detailed discussion at the next Committee meeting.

Moved: J Finlay      Seconded: M Berghuis

**9      DIRECTOR'S REPORT**

Geoff Stempel provided an update which included:

- A paper on Sandwalk will be provided to the Board at the meeting in March.
- The Cultural Collections Storage Project
- There is a significant amount of work being done within the organisation now, especially within Corporate Services, Cyber Security and Finance Team.
- Just completed a move of parts of collection items that were located at North Terrace to Netley which is getting us ready to undertake some major works around the modern research library. Great work done by the Team.

Moved: B Lewis      Seconded: A Nettlebeck

**10      FOR NOTING**

**10.1      Libraries Board Financial Performance Summary as at 31 December 2021**

The report was taken as read and noted.

**Motion: The Libraries Board notes the attached Financial Performance Summary for the period ending 31 December 2021, including notes and explanations for major variations.**

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**10.2 Trust Funds Investment Report for period ending 31 December 2021**

The report was taken as read and noted.

**Motion: The Libraries Board notes the Trust Funds Investment Report as at 31 December 2021.**

**10.3 Update on Accounting Standards and Changes to Financial Statements**

The report was taken as read and noted.

**Motion: The Libraries Board notes the update on accounting standards and changes to financial statements.**

**10.4 Risk Profile 2022**

The report was taken as read and noted.

**Motion: The Libraries Board notes the Risk Profile for 2022.**

**10.5 Libraries Board Metropolitan Tour – March 2022 – Draft Schedule**

The report was taken as read and noted.

**10.6 Workplace Health & Safety Report – October to December 2021**

The report was taken as read and noted.

**Motion: The Libraries Board notes the report of Work Health & Safety activity during October to December 2021 period.**

**11 Any Other Business**

No other business was noted.

**12 Date of Next Meeting**

The next Libraries Board meeting is scheduled as part of the metropolitan public library tour for **Tuesday 15 March 2022 at 3.00pm** in the Bronwyn Halliday Learning Studio, State Library of South Australia.

The meeting closed at 11.25am.

Chair: .....

Date: .....