

## **Activity Planning -2012-2022 Ten Year Plan Strong Communities - Libraries**

### **The main matter that the Council is being asked to consider is....**

- Whether to maintain existing levels of service, increase levels of service or decrease levels of service associated with the libraries activity.

### **1. Council direction**

The direction provided to staff by the Council in December 2010 was that to retain existing levels of service with regards to the Libraries activity and to review the findings of the library review report.

### **2. What the activity does**

There are varied levels of service across the District when it comes to providing libraries. These have been broadly grouped into three levels.

A high level of service is provided in Thames, Tairua and Mercury Bay.

- These libraries are TCDC owned and managed. These libraries are staffed by professional Librarians, employed by TCDC.
- Membership is free to all ratepayers and TCDC owns and manages the buildings.
- The libraries have a shared collection and have comprehensive digital access offering free internet access to customers. These libraries run a variety of community programmes and services to schools and the homebound.

A medium level of service is provided in Whangamata.

- The library is managed by the Community, staffed by one paid employee (not TCDC) and supported by volunteers.
- Membership by paid subscription only.
- The library has a partly shared collection and restricted digital/internet services.
- The library is housed in the Council Area Office building, on a lease arrangement.

A low level of service is provided in Coromandel, Pauanui, Hahei, Ferry Landing, Kuaotunu, Port Charles.

- These libraries are run by the Community on a voluntary basis.
- Membership fee is either for a key, or limited hours when manned by volunteers.
- A variety of Council support is provided to these community libraries.
- Hahei and Kuaotunu Libraries are situated in the Council owned halls. Coromandel Library is situated in a Council owned building.
- The Pauanui Library operates in a building for which Council pays the rent, and further, they use the Council's electronic library system.
- Port Charles, Colville and Ferry Library buildings are owned by the communities.
- Council has a financial interest in the community libraries by way of the grants provided.

## Activity Planning -2012-2022 Ten Year Plan Strong Communities - Libraries

### 3. What the legislations says

There is no legislative requirement for Council to be involved in the Libraries Activity but if a service is provided membership must be free.

### 4. How this activity currently would contribute to the Council Outcomes

The activity will contribute to the achievement of the Council Outcomes as follows:

Council Outcome	The Libraries activity...
A prosperous district	Provides access to information and technologies, helping create an environment that enables our economy to grow.
A liveable district	Provides community amenities and leisure opportunities. Contributes to informed, self-sustaining, healthy communities.
A clean and green district	The Libraries activity does not directly contribute to this outcome.

The Coromandel Peninsula Blueprint places expectations on the Libraries Activity to provide and maintain Libraries to support community wellbeing mainly under the Blueprint outcomes - diverse and vibrant centres and a place where generations can live work and enjoy.

### 5. Things to be aware of

- The District libraries use the Library Association of New Zealand Aotearoa (LIANZA) standards for public libraries as a measure of performance in some areas (as agreed by the Council).
- Residents from Hauraki District are also customers of our Libraries but currently have to pay an "out of District" membership fee whereas TCDC residents can join Hauraki District libraries for free).
- The rapidly changing technology environment means that the way services are delivered is changing.
- Mercury Bay Library has limited space for community events, collection growth and areas for public use. The 2009-2019 TYP had an extension project (subject to growth being realised) in the 2015/16 year.

### 6. A word from our community....

- The 2010 community prioritisation survey shows that "providing public libraries" was given a priority rating of 3.78 out of 5. The activity priority is ranked 11<sup>th</sup> out of the 27 activities surveyed.
- In the 2010 community survey, overall 65% of residents and non-resident ratepayers were satisfied with the District's libraries. There are notable differences between Community Board Area respondents and between socio-economic groups, in terms of those not very satisfied with the District's public libraries. It appears that Coromandel/Colville respondents are slightly more likely to feel this way (i.e. not satisfied).

## Activity Planning -2012-2022 Ten Year Plan Strong Communities - Libraries

### 7. Strengths, weakness, opportunities and threats

- A strength is that working with other community and national agencies enhances the ability, through collaboration, to provide services which would provide too costly to offer on our own. It ensures our communities are not disadvantaged by means of geographical or socio-economic status.
- A strength is that there is a comprehensive library collection, which provides access to a range of information.
- A strength is that there is support from customers - a high membership and circulation.
- A weakness is that the Mercury Bay Library has limited space for community events, collection growth and areas for public use.
- There is an opportunity to incorporate Mercury Bay Library into the proposed new civic centre
- There is an opportunity to develop a wider district library service and to share resources.
- There is an opportunity to provide customer services within libraries (eg. rates payments) to provide extra value for customers.
- The issue is that there are differing levels of service across the District - between District and community libraries, and this means that opportunities for sharing services more broadly throughout the District are not realised.

### 8. Proposed activity objective

The proposed activity objective for the libraries activity is:

*Our libraries connect with communities so they may discover and enjoy a wealth of experiences to enhance their wellbeing.*

NB: this is different to the objective in the 2009-2019 Ten Year Plan.

### 9. Proposed Levels of Service options

The proposed level of service options exist for the Libraries activity:

#### **Option 1: Maintain existing levels of service**

This option means...

- Customers have access to information in a variety of formats delivered within the libraries and via outreach programmes.
- The size of the district library collection meets the minimum LIANZA standard of 3.5 items per capita.
- 90% of the material borrowed has no charge.
- 350 new items per 100 residents are added to the collection each year.
- Community libraries operate independently, albeit with a variety of support from the Council.

#### **Option 2: Reduce costs associated with Library services (A)**

This option means...

- As for option one, but fees and charges could be applied to 15-20% of the collection.
- This would result in less cost to the Council (through increased revenue) however, there may be a decline in membership and usage as a result.
- Other local authorities have experienced 30% decrease sustained over a number of years when charges have been applied across the collections.
- This also means that a sector of the community would be denied access to

## Activity Planning -2012-2022 Ten Year Plan Strong Communities - Libraries

information.

### **Option 3: Reduce costs associated with Library services (B)**

This option means...

- As for option one, with fees and charges limited to 10% of the library collection but with the size of the collection reduced to 3 items per capita, (90-95% of the LIANZA minimum standard)
- This means a sustained 5% - 10% reduction in capital expenditure for books across the district libraries.
- The impact of this is unlikely to be felt by customers, particularly as the libraries share collections.

### **Option 4: Expand the District Library Service to include Whangamata**

This options means...

- Including Whangamata Library in the District Library service would improve collaboration in terms of a larger shared collection and resources.
- It would raise the level of service at Whangamata from the current medium level to high by offering the community of Whangamata access to the same services and programmes provided by the district libraries.
- There would be some increased costs associated with this, including staff employment costs, although this would be partially offset by the current grant. Membership and usage of Mercury Bay and Tairua Libraries has increased exponentially since becoming part of the district library service.
- Staff understand that the Whangamata community believe they are getting a "good" level of service. This is probably based on them not knowing what is possible, however the book collection is skewed more to adult needs rather than the whole community. There is likely to be a negative reaction from members of the Whangamata community to potentially increased costs associated with this option.

## **10. How is this activity managed?**

As noted in section 2, the Libraries are managed differently throughout the District.

## **11. What do we currently spend on this activity?**

As a proportion of Council's annual budget for the 2011/2012 year, the Libraries activity represents approximately 1.68% of total spend.

<b>2011/2012 Draft Annual Plan</b>	
Operating Expenditure (excluding internal interest cost)	\$1.46m
Capital Expenditure	\$0.24m
<b>Total budgeted spend for Libraries for 2011/2012</b>	<b>\$1.70m</b>
Total Budgeted spend for Council for 2011/2012	\$100.97m
Total percentage of budget spent on Libraries	1.68%
<b>2009-2019 Ten Year Plan</b>	
Operating Expenditure (excluding internal interest cost)	\$15.70m
Capital Expenditure	\$3.35m
<b>Total budgeted spend for Libraries for 10 years</b>	<b>\$19.05m</b>
Total Budgeted spend for Council for 10 years	\$1,295.64m
Total percentage of budget spent on Libraries	1.47%

## Activity Planning -2012-2022 Ten Year Plan Strong Communities - Libraries

### 12. How this activity is funded, and why

The Libraries activity is currently funded as follows:

*Funding rationale summary as outlined in the 2009-2019 Ten Year Plan*

Libraries are seen to be of benefit to their local communities. The Local Government Act 2002 requires the Council to provide free membership to all residents of the District if the Council, or a Council controlled organisation, provides a library for public use. Therefore, anyone living on the Coromandel Peninsula can benefit from the services provided by the Thames, Whitianga and Tairua libraries, .

*The funding mechanisms used to fund operating expenditure are:*

General Rates	UAGC	Targeted Rates	Fees & Charges	Grants & Subsidies
	20-39%	Fixed charge by Board 60-79%		

*The funding mechanisms used to fund capital expenditure are:*

Develop. &/or Financial Contribution	Borrowing	Asset Sales	UAGC	Depreciation	General Rates	Targeted Rates	Fees & Charges	Grants & Subsidies	Lump Sum Contribution
✓	✓	✓	✓	✓		✓	✓		

Staff recommend no changes to the funding policy used for this activity.

### 13. Staff recommendation

- In light of the Council's direction to align the annual rates increase to CPI, staff recommend Option 3 - Reduce costs associated with the Library services (B)
- Delaying the Mercury Bay Library extension project beyond the 2012-2022 Ten Year Plan period.
- Staff recommend no changes to the funding policy for the Libraries activity.