

**Report to General Manager**

Attachments:

1. Correspondence from Willoughby City Council 15/12/16

SUBJECT: Shorelink Library Network – Notice of Termination from Willoughby City Council regarding Deed of Agreement

AUTHOR: Martin Ellis, Director Community and Library Services

ENDORSED BY: Ross McCreanor, Acting General Manager

EXECUTIVE SUMMARY:

The Shorelink Library Network was formed under a Deed of Agreement in 1983 with the twin purposes of increasing service and containing costs to member Councils' communities through the provision of joint cataloguing and membership databases. Lane Cove, Manly (Northern Beaches), Mosman, North Sydney and Willoughby Councils are members. Although reciprocal borrowing (members being able to borrow from library services outside of their LGA of residence) was streamlined under the Deed, this was never a prominent objective of the co-operative, as reciprocal borrowing rights already existed (and continue to exist) among NSW public libraries for decades under a separate agreement.

Willoughby City Council has given notice of withdrawal under Clause 17 of the Deed of Agreement to take effect from December 2017. A substantial impact of this will be a reduction in the number of items available through the Shorelink catalogue (down from 840,000 to 550,000). Minor impacts include necessity for residents of Willoughby and North Sydney LGAs to hold two membership cards, if they wish to use both library services and the loss of the privilege of members being able to return items to any library.

North Sydney is currently developing its estimates for 2017/18. In order for North Sydney (and the remaining member Councils) to participate in a library co-operative from January-June 2018 an amended Deed of Agreement will be drafted, and an extension of the current contract for a Library Management System (LMS) for the 12 months from July 2017 (inclusive of Willoughby's withdrawal in December) will need to be negotiated.

It is recommended that the proposed new Deed of Agreement will be a bridging Agreement for 6 months (January-June 2018), and include the same terms and conditions. This will allow member councils to continue a high level of customer service. Councils interested in continuing co-operation will then have an opportunity to develop a new Deed of Agreement suited to their new objectives for 2018/19 and beyond.

FINANCIAL IMPLICATIONS

A draft budget for July-December 2017 will tabled at the Shorelink meeting on 22 February 2017. This will underpin a related recommendation to extend the current contract for the LMS to December 2017. Councils who have not given notice of withdrawal will need to meet

separately to consider estimates for the full year (2017/18) for inclusion in their own draft estimates. These will be higher for the final two quarters due to Willoughby's withdrawal.

Local Government Act 1993: Section 23A Guidelines - Council Decision Making During Merger Proposal Period

The Guidelines have been considered in the preparation of this report and are not applicable.

RECOMMENDATION:

1. THAT Council note the correspondence from Willoughby Council and its consequence that the Shorelink Library Network Deed of Agreement will terminate or be amended in December 2017.

2. THAT Council includes in its estimates for 2017/18 a continuation of the Shorelink Library Network for July-December 2017, as well as costs for continuing to participate in a cooperative library network with the remaining Councils (Lane Cove, Northern Beaches (Manly) and Mosman for January-June 2018.

3. THAT a new or amended Deed of Agreement (with the same terms and conditions as the 1983 Agreement) be drafted to give a legal basis for the Library co-operative between January-June 2018.

LINK TO DELIVERY PROGRAM

The relationship with the Delivery Program is as follows:

Direction: 4. Our Social Vitality

Outcome: 4.6 Library services meet information, learning and leisure needs
4.8 Enhanced community facilities, information and services

BACKGROUND

Stanton Library has been a founding member of the Shorelink Library Network since 1983. The program is a sharing of the LMS (the Library Management System: cataloguing, online catalogue, membership and circulation) software with four other Lower North Shore councils. Shorelink delivers the otherwise unobtainable benefits for borrowers of a one stop shop for the catalogue (840,000 items) and, for library management, one membership database, with the resulting improved control over stock. There are other ancillary benefits of lesser importance such as borrowers having to handle only one card, being able to return items to any library, the need to master only one user interface, and recent initiative: joint purchase of e-books.

CONSULTATION REQUIREMENTS

Community engagement will be undertaken in accordance with Council's Community Engagement Protocol.

SUSTAINABILITY STATEMENT

The sustainability implications were considered and reported on during the initiation phase of this project.

DETAIL

Staffing and Costs of Shorelink

Operational support for the LMS (the Libraries' equivalent of Council's business systems: finance; payroll, mapping etc.) is provided by one full time and one part-time officer (known as the Shorelink Office, who are employed by North Sydney Council as the Agent Council). There is also some support from "contacts" in each Council library.

Costs are apportioned annually, mostly on the basis of circulation: the greater the number of loans the greater each Council's financial contribution. Willoughby Council, with approximately twice the number of loans of the next busiest services (Lane Cove and North Sydney), contributes twice as much as those libraries contribute. Other costs such as Internet (wireless services) though managed by the Shorelink Office, are wholly paid for by member Councils, who are therefore able to control their own costs and service levels.

History of Shorelink costs

The Shorelink model has shown to be able to constrain costs over a long period:

Voted Operational Costs (Source: 2015/16 Shorelink Annual Report)

2011- 12	2012-13	2013-14	2014-15	2015-16
\$542,074	\$544,777	\$507,090	\$524,735	\$542,714

Conclusion

Willoughby City Library's contribution to the catalogue and membership database will be much missed. The current LMS meets the needs of North Sydney's library service. The benefits of a consortium to residents are however demonstrable and North Sydney should continue to advocate for expansion of Shorelink as set out in the Shorelink Strategic Plan.

The Office of the General Manager

15 December 2016

North Sydney Council
200 Miller Street
NORTH SYDNEY NSW 2060

Attention: Ross McCreanor

By Email:
ross.mccreanor@northsydney.nsw.gov.au

Dear Ross

RE: Shorelink Deed - Notification of termination by Willoughby City Council

Reference is made to the deed dated 5 October 1983 between Willoughby City Council, Lane Cove Municipal Council, Manly City Council (which, together with Pittwater and Warringah Councils is now known as Northern Beaches Council), Mosman Municipal Council and the North Sydney City Council (together, the **Parties**) relating to the provision of joint automation of public library services between the Parties, as amended (the **Shorelink Deed**).

By this notice, Willoughby City Council gives the Parties written notice under clause 17 of the Shorelink Deed terminating the Shorelink Deed. The termination will take effect on 13 December 2017, being the date which is 12 months after the date of delivery of this notice to the Parties (**Termination Date**).

In accordance with clause 18 of the Shorelink Deed, on and from the Termination Date Willoughby City Council is entitled to the following:

- a) a machine readable copy of all computer records at the time of termination;
- b) all computer programs and other stored data relating to Willoughby City Council's own public library services; and
- c) a share (proportional to its monetary contribution) of the proceeds of any sale of assets owned jointly by the Parties (less any contingent liabilities),

(together the **WCC Property**).

We will be in contact with each of the Parties regarding the practical steps necessary for the WCC Property to be provided to Willoughby City Council by the Termination Date, including how any jointly owned property is to be sold, liabilities to be paid and each Party returning to Willoughby City Council any WCC Property in their possession.

Willoughby City Council will remain committed to its role as a Party to the Shorelink Deed, including honouring the required financial contribution until the Termination Date.

Willoughby City Council

Yours sincerely



Debra Just
GENERAL MANAGER
For and on behalf of Willoughby City Council