



Casey
Cardinia
Libraries

'Inspiring spaces where everyone is free to discover possibilities'

AGENDA

Special Board Meeting

Tuesday 7 July

5.00pm

Online Meeting via Teams

1. Present
2. Apologies
3. Acknowledgement of the Traditional Owners
4. Confirmation of the Minutes of The Casey-Cardinia Library Corporation (CCL) Ordinary Board Meeting held on 24 June 2020.
5. Declaration of Conflicts of Interest
6. Correspondence
7. Matters Arising from Correspondence
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GENERAL BUSINESS

CC39/2020 FUNDING OPTIONS FOR 2020 – 2021

Report prepared by Chris Buckingham

Purpose

To provide a report on Funding Options for CCL 2020 – 2021.

CCL Library Plan reference – 5.3

Discussion

At the June 24 Board Meeting, the recommendations made in report CC27/2020 were:

MINUTE 26

It was resolved:

- 1. That CCL delay advertising the 2020 – 2024 Library Plan until the 2020 – 2024 Strategic Resource Plan and 2020 – 2021 Annual Budget are approved by both Member Councils.*
- 2. That the Board note the need for CCL to adopt its Budget and Strategic Resource Plan by 31 August 2020.*
- 3. That Chris Buckingham, CEO of Casey Cardinia Libraries present a report to the Board outlining options with a reduction in service hours in Cardinia to meet the shortfall of Cardinia Shire's Budget 2020-2021 contribution and that a special meeting be convened in early July to endorse the preferred option.*

CCL have proposed two options for the reduction of service hours in the Cardinia region in order to offset the shortfall in contributions from Cardinia Shire Council:

- 1) Reduce the operating hours of Emerald and Pakenham libraries on a Saturday for 12 months as follows:
 - Pakenham Library hours reduced from 10am-2pm (2-hour loss) provides a \$27,000 saving
 - Emerald Library hours reduced to 10am-1.30pm (1-hour loss) provides an \$8,000 saving
- 2) Close the Pakenham Library on Sundays for six months as follows:
 - 1 – 4pm (3- hour loss) providing a \$34,000 saving

CCL will need to consult with affected employees and the ASU before implementing such a change. The process will take at least 4 weeks.

Cardinia Shire Council have committed to providing the full measure of requested funding (\$1,115,000) through the CCL Budget process for the first half of 2020 – 2021.

This commitment is accompanied by an assurance that Cardinia Shire Council will consider increasing their contribution to meet the projected shortfall in the second half of 2020 – 2021.

Cardinia Shire Council will notify CCL of the decision whether to increase their contribution by the November Board Meeting.

By accepting the proposed approach from Cardinia Shire Council, CCL will give the Member Councils time to participate in a Service Review that will consider the best operating model for library service delivery in the Casey Cardinia region over the longer term.

RECOMMENDATIONS

- 1). That the Board support the proposed contribution of \$1,115,000 from Cardinia Shire Council for the first half of 2020 – 2021.
- 2). That the Board acknowledge the assurance from Cardinia that they will notify CCL by the November 2020 Board Meeting of their funding commitment for the second half of 2020 – 2021.
- 3). That CCL participate as a key stakeholder in the Proposed Strategic Review of Library Services with the Member Councils.
- 4). That CCL advertise the 2020 – 2024 Library Plan, the 2020 – 2024 Strategic Resource Plan and 2020 – 2021 Annual Budget once they are approved by both Member Councils.



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25 June, 2020

Cr Jeff Springfield
Mayor
Cardinia Shire Council
PO Box 7
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Cc Cr Jodie Owen
Carol Jeffs
Glenn Patterson
Steve Coldham
Tracey Parker

Dear Jeff

Re Finalisation of Casey Cardinia Libraries Budget 2020 - 21

In the absence of a formal response to previous correspondence (11 June, 2020) seeking clarification from Cardinia Shire Council about its preferred approach to delivery of library services in 2020 - 21, Casey Cardinia Libraries (CCL) Board resolved last night that:

1. That CCL delay advertising the 2020 – 2024 Library Plan until the 2020 – 2024 Strategic Resource Plan and 2020 – 2021 Annual Budget are approved by both Member Councils.
2. That the Board note the need for CCL to adopt its Budget and Strategic Resource Plan by 31 August 2020.
3. That the CEO of Casey Cardinia Libraries presents a report to the Board outlining options with a reduction in service hours in Cardinia to meet the shortfall of Cardinia Shire's Budget 2020-2021 contribution and that a special meeting be convened in early July to endorse the preferred option.

CCL propose meeting the shortfall in funding from Cardinia Shire Council by reducing the operating hours of Emerald and Pakenham libraries on a Saturday as follows:

- Pakenham Library hours reduced from 10am-2pm (2 hour loss) provides a \$27,000 saving
- Emerald Library hours reduced to 10am-1.30pm (1 hour loss) provides an \$8,000 saving

The Library Board acting in accordance Section 2.1 and 2.2 of the Funding Principles outlined in Schedule 4 of our Regional Library Agreement requires Cardinia to respond to the proposed implementation. Following that the Board will consider that position to ensure compliance with the Agreement and proceed with the appropriate steps.

Please provide a written response by July 3rd, 2020. The Board will consider this and resolve the way forward at the extraordinary meeting scheduled for July 7th, 2020.

Regards

Noelene Duff
Chairperson

3 July 2020

Ms Noelene Duff
Chairperson
Casey Cardinia Libraries Board
OfficeofCouncil@casey.vic.gov.au

Dear Ms Duff,

Re: Response to Letters dated 11 June 2020 and 25 June 2020 regarding funding of Casey Cardinia Libraries

Thank you for your letter of 25 June 2020 regarding the finalisation of the Casey Cardinia Libraries (“CCL”) budget for the financial year 2020-2021.

Firstly, please accept my apologies on behalf of Cardinia Shire Council for the lack of response to your letter of 11 June 2020. This was an oversight and not at all reflective of the seriousness of which we regard this matter or the importance of Library Services in Cardinia Shire.

In your letter of 11 June 2020, you wrote advising that Cardinia Shire Council’s Budget to be adopted was \$35,000 short of the proposed CCL budget and strategic plan and that this would seem to be in contravention of the CCL Agreement which required both parties to agree on the funding. While I agree that there is no agreement, I am not sure why the proposed contravention should be aimed solely at Cardinia Shire Council.

In this letter you advised that this reduction would result in a reduced service for Cardinia residents and encouraged the Council to consider funding the full amount.

Although it is acknowledged that communication could have been better on all sides, Cardinia Shire Council has consulted with CCL during the decision making process and it is very disappointing to me that we are at this point of the process and matters have not been resolved. In fact, Council’s draft budget initially contained a 0% increase for CCL to reflect the extraordinary circumstances we find ourselves in with the COVID-19 pandemic.

As you are aware, Cardinia Shire Council generously revised its initial 0% increase and agreed to add \$30,000 back into our final adopted budget. It should be noted that during the budget process, Cardinia Shire Council removed \$10million from its capital budget, agreed to borrow a further \$10million, has returned at least \$1.6 million to the community and has prepared to run down cash reserves to cover operational costs in light of COVID19. This is on top of expected losses that will run into several million dollars. Cardinia Shire Council has made these reductions with relatively minimal impact on our community and customers.

While no permanent staff have been impacted to date due to the pandemic, we have put a hold on our EBA negotiations until December and advised staff there would be no increases in their salaries until the negotiations can resume. I am proud that our staff and organisation saw fit to make a small personal sacrifice for the betterment of our community.

These are the reasons that Cardinia Shire Council asked CCL to contribute their bit and not insist on a 3.5% increase, well over and above Council rating increase of 2% and well over the 0% increase for staff salaries over 6 months.

On behalf of Cardinia Shire Council, I request that the CCL Board explain in writing:

- What efforts have been made to make savings during the time the library was closed due to COVID19?
- What steps the CCL Board has taken to mitigate salary and operational expenses during COVID19?
- What steps did the CCL Board take in exploring freezing staff costs?
- How the proposed savings that were made during COVID19 when the service was closed are proposed to be utilised?
- What steps the CCL Board have taken and are taking to mitigate expenses in the 2020/21 financial year in light of the ongoing and significant impact COVID19 is having on our communities?

Both your letters request feedback on the proposed service reductions at Cardinia Shire Libraries. It is disappointing that no other options have been explored other than a reduction of services. I would expect there to be many tens of thousands of dollars saved in staff salaries during the COVID19 shut down. On behalf of the Council, I therefore cannot agree to any reductions of hours, nor can I agree to an increase of \$30,000 without a subsequent Council resolution, the earliest of which would be our August Council meeting. Our organisation has found significant savings whilst not reducing services to our customers and I would expect that CCL would do the same.

In order to progress this matter, I suggest that the CCL Board consider the following as an alternative to the reduction of hours:

- That for the first six months July to December, Cardinia Shire forwards the first six months proportion of the full amount requested being half of the \$2,230,000 = \$1,115,000
- That CCL budget for Cardinia's contribution to be \$1,080,000 in the second half of the financial year without any commentary on service provision at this stage.
- That CCL furnish Cardinia Shire Council a copy of end of year accounts for 2019/20 with variance against budget showing any savings and projections of savings as a result of reduced operations due to COVID19 and the questions set out above by 17 July 2020.
- That CCL furnish Cardinia Shire Council with other options than reducing hours (for example – using savings from COVID service reductions) to deal with the \$30,000 shortfall by 17 July 2020.
- That Cardinia Shire Council commits to providing the CCL board with a recommendation regarding funding for the second half of the financial year no later than the November CCL Board meeting 2020.

I request a response to the questions set out in this letter and our counter proposal by no later than Friday 17 July 2022 in the event that there is a decision required by Council at the August Council meeting regarding this matter.

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Cardinia Shire Council is reviewing the governance, funding and service models for CCL given the local government act changes and, on behalf of the Council, I fully support this.

Kind regards



Jeff Springfield
Mayor

NEXT MEETING

Wednesday 26 August 2020, City of Casey – Online via Teams