Inquiry into Microeconomic Reform in Western Australia

by the Economic Regulation Authority

Submission by the

State Library of Western Australia

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Background

1.1 Delivery of public library services in Western Australia

Public libraries in Western Australia provide crucial services for all citizens and are delivered through a partnership between the State Government and local governments. Under this partnership the local government provides the building, staff, IT infrastructure and other ongoing costs while the State government provides shelf ready stock, access to e-resources, a statewide database of the State's public library resources, an interlibrary loan system, support services and training.

Funding for the purchase of the stock is provided to each local government on a per capita basis, but with additional allowances for very small shires, remote libraries, regional responsibilities and some other factors. Many local governments supplement State government supplied stock with additional funds to purchase best sellers and other stock relevant for their community. However, this additional stock is not listed on the State-wide database and not immediately visible for interlibrary loan.

The physical stock in public libraries is exchanged regularly to ensure that it is refreshed. This is particularly important for small libraries where stock could be the "read out" quite quickly.

Membership to a public library is free to all Western Australian citizens and residents, and people can borrow from any public library in the State. However, because each local government has its own Library Management System (LMS) a person must join the library in each local government they wish to borrow from.

Key Western Australian public library statistics

- 232 public libraries in Western Australia

- $111,926,000 spent annually on public libraries in Western Australia

- 995,794 public library members in Western Australia

- 10,069,578 visits to WA public libraries annually

- 4,380,000 library material items in WA public libraries

- $9,231,000 spent on public library resources by State Government in 2012-13

- 373,093 new items delivered to public libraries in 2012-13 by State Government

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1.2 Framework Agreement for the Provision of Public Library Services

Public library services in Western Australia operate under the *Framework Agreement between State and Local Government for the Provision of Public Library Services in Western Australia*. The signatories to the Framework agreement are the Minister for Culture and the Arts representing the State Government and the Western Australian Local Government Association (WALGA) representing local government. This Agreement sets out a shared vision for Western Australia's public library service as a sustainable and responsive network of vibrant and connected public libraries, and establishes a process for joint decision making between the State Government and local governments in the future.

The Library Board was established in 1951 under the *Library Board of Western Australia Act* to establish public libraries in Western Australia and since the 1980s there has been a public library in every local government.

The operation of the Framework Agreement is overseen by the Strategic Library Partnership Agreement Steering Committee (SLPASC) which drives reform and develops strategic directions and opportunities for public library services in Western Australia. It includes representatives from the State Library of Western Australia, the Public Libraries WA (PLWA) and the Department of Local Government and Communities. The group meets regularly to discuss issues and work to deliver new services e.g. lending of e-books, and to achieve structural reforms in the delivery of public library services.

1.3 Structural reform of public library services

The 2007 report *Structural Reform of Public Library Services in Western Australia* identified a number of important reforms that would improve the efficiency and effectiveness of the public library system in WA. Many of these have been implemented, resulting in the faster delivery of State Library stock and more transparent accountability for regional libraries.

One reform identified in the report is:

> *Opportunities for shared systems, particularly in metropolitan areas should be investigated. A state-wide strategy should be developed and opportunities for co-operative acquisition and management of library systems at the state and local level should be pursued* (p. 55).

The SLPASC recognised that this proposal, as well as benefiting metropolitan local governments, would have even greater benefits for regional local governments who struggle to provide the IT support available in the city.

To investigate the opportunity further a working group was established to investigate the feasibility of implementing a Single Library Management System for public libraries within Western Australia. The group reviewed similar models in other states and regions, and has surveyed local governments about their library management systems and the associated costs.

Share Library Management System

2.1 Outline of the proposed reform

The proposal is to implement a cost effective, single, integrated Library Management System for public libraries in Western Australia that provides greater access to information resources for all Western Australians through the library network.

It would provide the State's 232 public libraries with a contemporary library management system which aggregates ongoing costs below those which would otherwise be paid by Councils for the selection, upgrade and operation of the disparate systems they currently operate. In addition, it will provide seamless access for library clients to a greater array of information resources and improved levels of service. In particular it would provide efficiencies for small and remote public libraries who struggle to obtain the required IT support.

2.2 Current IT situation

Currently each local government operates a separate library management system to manage the purchase, cataloguing and loan of library stock as well as their membership database. These systems vary in size and sophistication depending on the size of the library.

The majority of respondents use Amlib, although a number of other systems are also installed. Each of these systems is standalone resulting in the replication of effort by each council. A recent survey of public libraries indicated that many contracts expire in 2013/2014, with councils needing to upgrade their system or go out to tender for a new system.

The actual costs for each council to run their Library Management System were varied and not well captured, and depended on the level of IT support available to the local government and the size of the system. They ranged from costs of $102,000 per annum (for a large metropolitan system) down to about $1000 for a country shire.

There is a gap in the data on IT costs that has been collected and this has hindered progress for this proposal. This body of work would benefit from baseline economic modelling similar to that undertaken for the South Australian Shared Library Management System.

2.3 Benefits of a shared LMS

There are a number of benefits to a consortia approach and common LMS for Western Australian public libraries. The successful implementation of such systems both nationally and internationally suggests there are significant efficiencies to be gained. These include:

Improved Customer Service
- Improved access to a larger collection of library materials (estimated to be at least 1.625 million additional items of local stock beyond the 2.9 million currently available via inter-library loan).
- Clients would have a single interface to search and have an improved hit rate on titles when searching one large catalogue of materials rather than multiple systems and searches. They would also have access to the circulation status of all items in the catalogue i.e. 'on loan', 'on shelf' etc.
- Increased client empowerment with staff-mediated inter-library loans replaced with direct self-service reservation of titles located in a shared catalogue.
- It would be easier for clients to join once and have the ability to use multiple library services (no multiple joining needed) if a decision is made to implement a single membership database.
- Ability for small libraries to gain access to a 'tier one' LMS and it's enhanced functionality and usability which they otherwise could not afford. This would include having a web-based catalogue available to clients 24/7, enriched content, web 2.0 services, integration with electronic resources etc.

Efficiencies and costs
- Reduced implementation costs for migrating to a new LMS since only one shared system is being set-up by the vendor instead of multiple implementations in each local government.
- Reduction in local ICT support and the staff time in each local government required to manage and support a local LMS.
- Savings in local ICT infrastructure and maintenance, or alternatively, achievement of cost savings through accessing a larger 'software as service' model.
- Efficiencies from standardisation and adoption of best practice work practices and business processes across local governments.
- Savings achieved through shared training and development of staff and the ability to develop a shared pool of casual staff who are familiar with LMS operations.
- Reduced time to manage the regular input and deletion of SLWA supplied stock (the record for each title would not need to be added to every LMS holding that item.
- Reduced cataloguing workload at the local level through the ability to attach additional copies of titles to existing bibliographic records.
- Reduction in lost library materials, with delinquent borrowers not able to target multiple libraries.

Quality
- Efficiencies from standardisation and adoption of best practice work practices and business processes across local governments.

- Building capacity and improving services in regional communities.
- A single Library Management system would support local government amalgamations as there would be one less infrastructure system to integrate.

2.4 National and International examples of a shared LMS

SLWA & the Department of Health

Since 2009, the State Library of Western Australia and the Department of Health have shared a single Library Management System to manage their collections. The Department of Health joined the State Library's system when their current system required upgrading.

This cost effective initiative enabled both agencies to share a system rather than each procure their own. The project delivered a fully operational system with new products and services which substantially improved functionality to clients and staff of both agencies.

Interagency collaboration, a spirit of trust, goodwill and cooperation between the agencies was embraced during the course of the project and the outcome was a library system that could be adapted to meet current needs as well as accommodate future library partners.

South Australia – One Library Management System Project

In 2009 the Libraries Board of South Australia (SA) instituted a project to explore the costs and benefits of instituting a common library management system (LMS) across the State. Following the development of a business case, the Local Government Association (LGA), the Libraries Board and the State Government worked together to ensure that this transformational project would proceed.

The One Library Management System began rolling out to libraries across South Australia in May 2012. This transformational project will be implemented over a three year period and will provide the South Australian community with access to over four million items held in libraries across the state.

Consultants working with the Steering Committee used all of the information gathered to undertake extensive analysis, and then to develop a variety of models related to levels of participation etc. From this information these various scenarios have been costed including a business as usual approach; partial take up by councils; and full participation by all councils over time.

Victoria & New South Wales - SWIFT Consortium

The SWIFT Consortium incorporates 16 library services in Victoria and has been expanded to include six library services in southern Sydney. The primary objectives of the SWIFT Project were to implement an Integrated Library Management System (ILMS) for the SWIFT Library Consortium that integrated diverse library operations including

Acquisitions and Serials; Cataloguing and Authority Control; Circulation and Reserves; and the Online Public Access Catalogue.

The ILMS was to be flexible and scalable to accommodate the varying requirements of participating Library services, meet current public and administrative needs and be capable of meeting future growth, additional libraries, and the future expansion of services.

It has a single customisable front end providing an integrated view of all available print and electronic resources and the ability to search at the local, regional and Consortium level. Other advantages are:
- uniform navigation to reduce accessibility barriers and optimise ease of use;
- increased mobility of library collections through interlibrary loans;
- an option to have a single patron membership card at all Consortium libraries;
- improved IT knowledge and skills for library staff;
- coordination of collection's management practices across the libraries;
- enhanced availability, development and maintenance of the library system infrastructure for all libraries, particularly those in rural areas; and
- reduced costs compared with the existing systems.

New Zealand – eLibraries for a Greater Auckland Region

The eLGAR (eLibraries for a Greater Auckland Region) project was the joint procurement, purchasing, implementation and operation of library management software involving 55 libraries and over 1400 staff.

The five library systems comprising eLGAR had legacy software systems which did not provide the functionality users were requesting and were unlikely to be a suitable platform for developing new services. They were interested in the possibility of working together to acquire new software and this was supported by statistics on library use and commuting patterns that demonstrated many library users lived in one local authority and worked in another. This pattern is similar to Western Australia with many people using libraries where they work or shop. This data meant that significant improvements in service could be delivered by:
- providing a standard interface to the libraries' online presence;
- enabling users to know easily what was in all of the libraries;
- reducing risks to service interruption by having a shared system support team;
- working together to provide services that were unaffordable separately.

The final description of the project objective was:
> *to work together to evaluate the costs, benefits and feasibility of jointly purchasing a replacement library management system and, if these were proved, to proceed to purchase, implement and jointly operate the system.*

United States - Georgia Library PINES

A program of the Georgia Public Library Service, Georgia Library PINES (Public Information Network for Electronic Services) is the public library automation and lending network for more than 275 libraries and affiliated service outlets in almost 140 counties.

PINES creates a state-wide 'borderless library' that provides equal access to information for all Georgians. Georgians with a PINES library card have access to materials beyond what is available on their local shelves and enjoy the benefits of a shared collection of 9.6 million books and other materials that can be delivered to their home library free of charge.

The Evergreen Project was initiated by the Georgia Public Library System in 2006 to serve their need for a scalable catalogue shared by approximately 250 public libraries in the state of Georgia. After Evergreen was released, it was adopted by a number of library consortia in the US and Canada as well as various individual libraries, and has started being adopted by libraries outside of North America.

The Evergreen Project develops an open source ILS (integrated library system) used by approximately 800 libraries. The software, also called Evergreen, is used by libraries to provide their public catalogue interface as well as to manage back-of-house operations such as circulation (check-outs and check-ins), acquisition of library materials, and (particularly in the case of Evergreen) sharing resources among groups of libraries.

2.5 Support for the proposal in Western Australia

There is general support for the development of a Single Library Management System for public libraries in Western Australia. WALGA, in its submission of local government priorities to political parties prior to the 2013 State Election, included a shared LMS for public libraries. WALGA has also raised awareness of the advantages of a shared library management system with local government elected representatives and officers by brining Mr Geoff Strempel from the South Australian One Library Management System Project to speak at a WALGA Conference.

Public Libraries WA (PLWA) has also generally supported a shared LMS, although there may be some opposition from individual librarians.

As mentioned earlier the Strategic Library Partnership Agreement Steering Committee (SLPASC) has established a working party to gather information about public library ICT infrastructure and costs in Western Australian public libraries and to review systems in other jurisdictions.

2.6 Current impediments to achieving a shared LMS

The major impediment to moving this project forward is the lack of resources to fund a business case for the project by an external consultant and then to manage the project through to completion. Once the project is implemented it is estimated that there will be considerable cost savings by local governments in their budgets for ICT infrastructure for their Library Management System. Neither the State Library of Western Australia nor the Western Australia Local Government Association (WALGA) currently have the

resources to fund the Business Case and manage this project. While the savings from this project would go to local governments, those resources are split over the 140 councils.

In addition, the attention of local governments is currently focused on the impact of Local Government structural reform and the uncertainty of the metropolitan review currently being considered by the Minister for Local Government.

Another issue is that despite efforts by the SLPASC Working Group, there are gaps in the data available on the current situation in relation to ICT costs by local governments for their library management systems. This has hindered progress for this proposal. This body of work would benefit from baseline economic modelling similar to that undertaken for the South Australian Shared Library Management System.

Conclusion

The implementation of a Shared Library Management System for public libraries in Western Australia would bring benefits to both local governments in terms of cost savings, and to the nearly one million clients of public libraries in the State. Other jurisdictions across Australia and the world are implementing similar systems, with South Australia providing the closest model for the Western Australian situation. The major impediment to taking this project forward are the funds and resources to develop the business case for Western Australia and then to oversee the project to implementation. This reform would take over 130 individual library management systems and deliver a single library management system for public libraries in Western Australia.