

## B | CORPORATE OVERVIEW

### ROLE

The functions of the Library are set out in section 6 of the *National Library Act 1960*:

- (a) to maintain and develop a national collection of library material, including a comprehensive collection of library material relating to Australia and the Australian people;
- (b) to make library material in the national collection available to such persons and institutions, and in such manner and subject to such conditions, as the Council determines with a view to the most advantageous use of that collection in the national interest;
- (c) to make available such other services in relation to library matters and library material (including bibliographical services) as the Council thinks fit, and in particular, services for the purposes of:
  - i. the library of the Parliament;
  - ii. the authorities of the Commonwealth; and
  - iii. the Territories; and
  - iv. the Agencies (within the meaning of the *Public Service Act 1999*;
- (d) to co-operate in library matters (including the advancement of library science) with authorities or persons, whether in Australia or elsewhere, concerned with library matters.

The Library is one of several agencies within the Communications, Information Technology and the Arts portfolio with responsibilities for collecting Australian cultural heritage materials and making these available to the Australian public. Senator the Hon. Rod Kemp MP was appointed Minister for the Arts and Sport on 23 November 2001, succeeding the Hon. Peter McGauran MP, Minister for the Arts and the Centenary of Federation. Senator Kemp is the Minister responsible for the Library, together with the Portfolio Minister, Senator the Hon. Richard Alston. The affairs of the Library are conducted by the National Library Council, with the Director-General as chief executive officer and member of the Council.

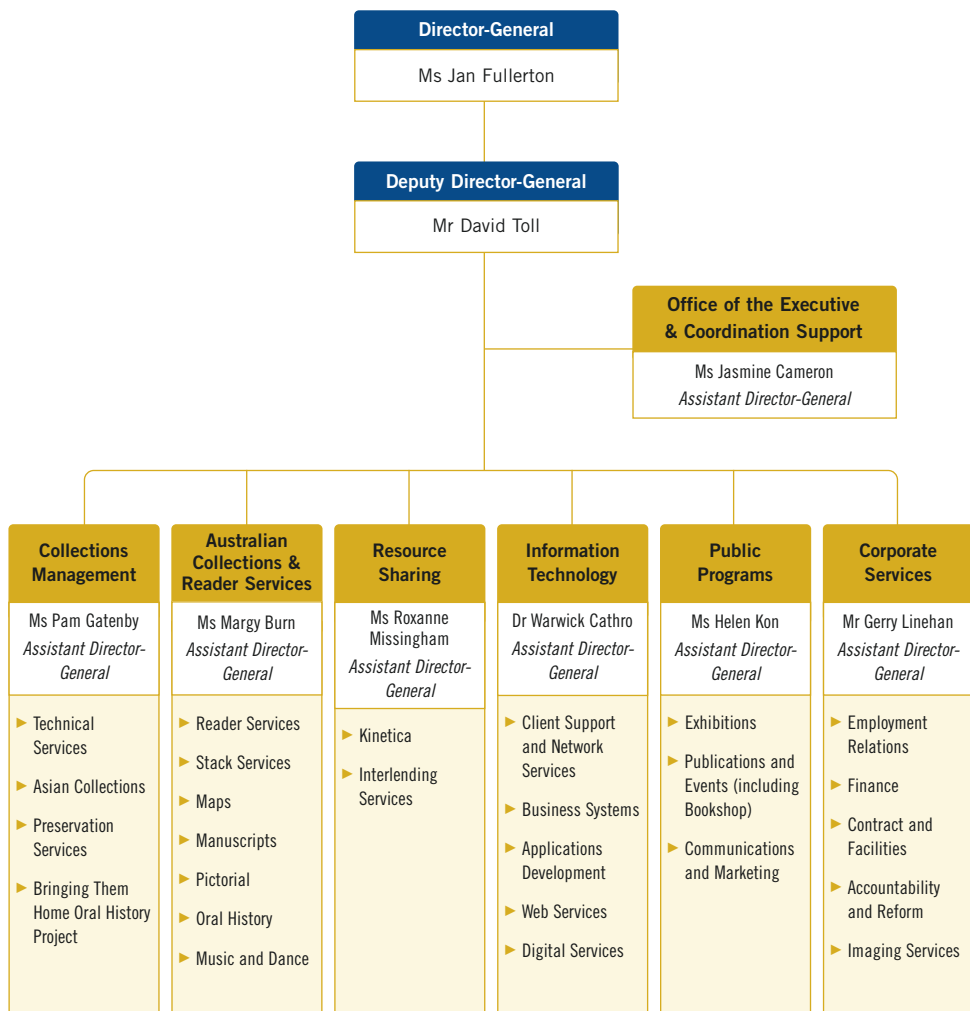
### LEGISLATION

The Library was established under the *National Library Act 1960* ([scaletext.law.gov.au/html/pasteact/1/761/top.htm](http://scaletext.law.gov.au/html/pasteact/1/761/top.htm)), which defines the Library's role, corporate governance and financial management framework. As a Commonwealth statutory authority, the Library is subject to the *Commonwealth Authorities and Companies Act 1997* ([www.austlii.edu.au/au/legis/cth/consol\\_act/caaca1997387/index.html](http://www.austlii.edu.au/au/legis/cth/consol_act/caaca1997387/index.html)), which provides the reporting and accountability framework.

## ORGANISATION

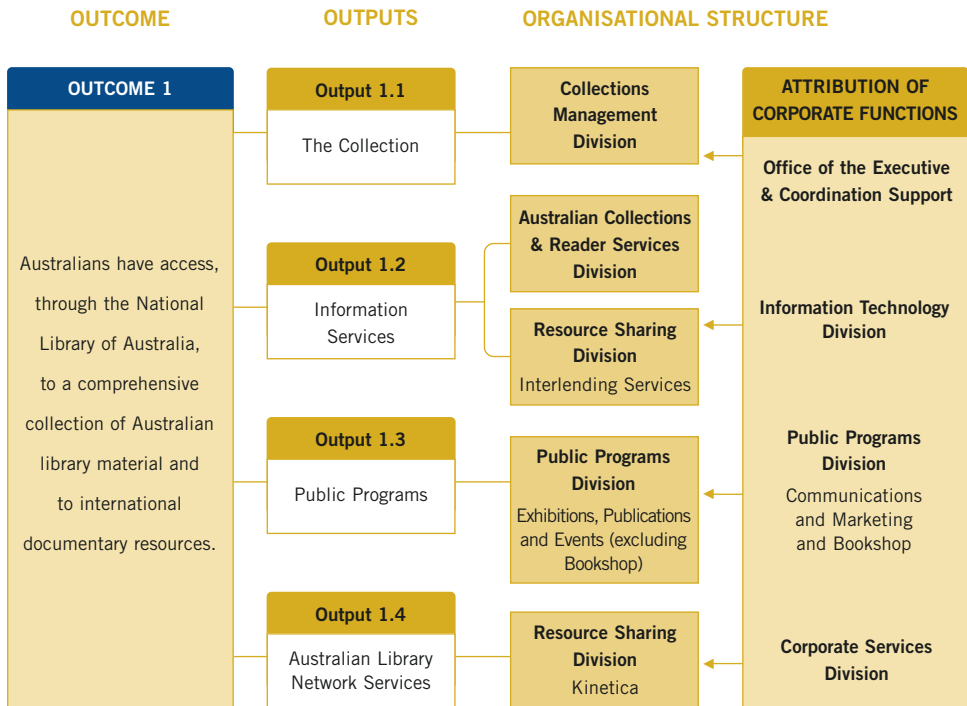
The Library’s senior management structure comprises the Director-General, the Deputy Director-General, and seven Assistant Directors-General. The following chart describes the divisional organisational structure and senior management structure at 30 June.

### ORGANISATIONAL CHART



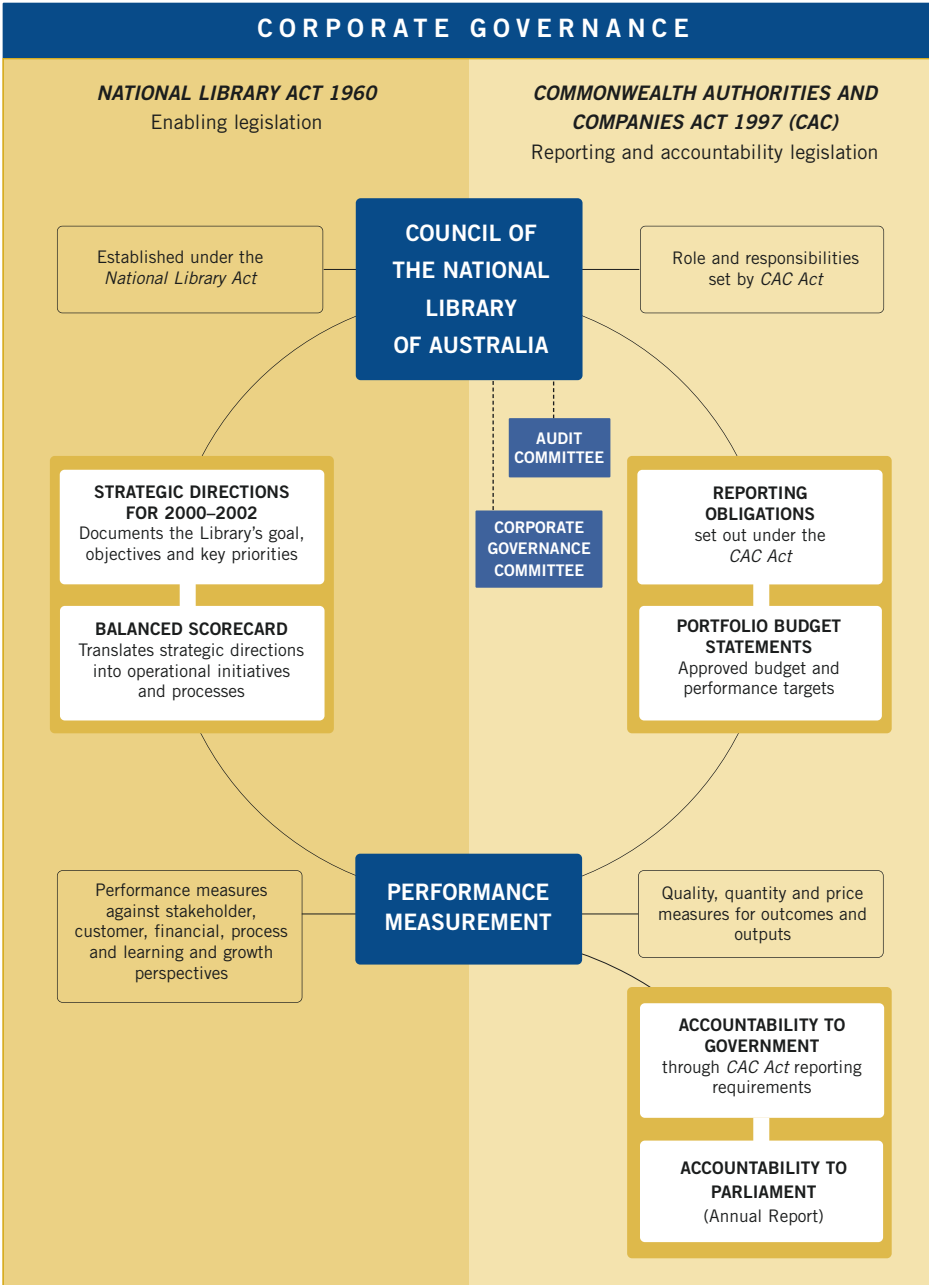
## OUTCOMES AND OUTPUTS STRUCTURE

The following chart shows the relationship between the outcomes and contributing outputs for the Library, and the organisational structure. The financial details by outcomes, outputs and output groups appear in the table on page 12 of this Report.



## CORPORATE GOVERNANCE

The Library has the following key elements of corporate governance.



## National Library Council

The *National Library Act 1960* provides that a Council shall conduct the affairs of the Library. The Council consists of 12 members—including the Director-General, one senator elected by the Senate, and one member of the House of Representatives elected by that House. A list of Council members and their attendance at Council meetings is at Appendix 1 of this Report.

In addition to general administrative and financial matters, the Council considers a range of specific issues, including:

- ▶ extension of legal deposit provisions to electronic publications
- ▶ collection and preservation of online Commonwealth Government publications
- ▶ user charging policy
- ▶ space management
- ▶ the future of resource sharing services
- ▶ benchmarking of Library activities
- ▶ development of a new performance management program
- ▶ workforce planning, and
- ▶ information technology developments

The Council has three advisory committees: the Audit Committee, the Corporate Governance Committee, and the Fellowship Scheme Advisory Committee. Details are provided at Appendix 1.

### Audit Committee

The Audit Committee is a committee of the Council with the following role:

- ▶ to assist the Library and members of the Council to comply with obligations under the *Commonwealth Authorities and Companies Act 1997*
- ▶ to provide a forum for communication among the members of the Council, senior managers of the Library, and the Library's internal and external auditors, and

- ▶ to ensure that there is an appropriate ethical climate in the Library and to review policies relating to internal controls and management of risks

The Audit Committee has a minimum of three non-executive members of Council, the Director-General, and a member of the senior executive. A list of Audit Committee members and attendance at meetings is at Appendix 1.

The Audit Committee considers a range of issues, including:

- ▶ review of the Committee's role and charter
- ▶ internal self-assessment of Audit Committee performance
- ▶ review of internal and external audit reports
- ▶ benchmarking of internal audit and the finance function
- ▶ continuing scrutiny of the Library's response to the recommendations of Auditor-General reports and internal audit reports
- ▶ initiation of a review of the Library's control framework
- ▶ consideration of risk management and planning, and
- ▶ review of incidents of fraud in the Library

### Corporate Governance Committee

The Corporate Governance Committee is a committee of Council with the following role:

- ▶ to evaluate the effectiveness of the Council in its role in corporate governance, and
- ▶ to evaluate the performance and remuneration of the Director-General

The Corporate Governance Committee is a committee of four members of Council including the Chair of the Council, the Deputy-Chair of the Council, the Chair of the Audit Committee and one non-executive member of Council. A list of the Corporate Governance Committee members appears at Appendix 1.

### Fellowship Scheme Advisory Committee

The Fellowship Scheme Advisory Committee is an advisory committee to Council with the following role:

- ▶ to make recommendations on the award of fellowships, and
- ▶ to make recommendations on other matters relating to the administration of the scheme

The Fellowship Scheme Advisory Committee is a committee of nine members including the Deputy-Chair of the Council and the Director-General. A list of the Fellowship Scheme Advisory Committee members appears at Appendix 1.

### Corporate Management Group

The Corporate Management Group, consisting of the Director-General and senior executive staff, provides strategic and operational leadership to the Library. In particular, the Corporate Management Group monitors the achievement of objectives and strategies, oversees budget matters, develops policy, coordinates activities across the organisation, and oversees a range of operational issues. The Corporate Management Group meets weekly.

A number of cross-organisational committees advise the Corporate Management Group in key areas, such as IT and collection development.

### Corporate planning framework

This year the Library reviewed its strategic directions, and will issue a revised directions statement early next year. The Balanced Scorecard is now fully implemented as the Library's planning support system. The Balanced Scorecard facilitates the linkage of strategic, operational and budget planning. The scorecard approach adopted has five main perspectives for viewing organisational performance—customer, stakeholder, financial, internal process, and learning and growth. The Balanced Scorecard has proven to be a successful performance management tool that is well accepted by staff and stakeholders, including the National Library Council.

### Risk management framework

The Library Risk Management Register, developed in accordance with *Australian Standard AS/NZS 4360:1999*, was implemented in January. The Register provides a framework for the identification of emerging risks and enables the Library to ensure that risks and business continuity management are factored effectively into strategic and business planning processes.

## PUBLIC ACCOUNTABILITY

### External and internal audit

The Library's Audit Committee met four times during the year and considered external and internal audit reports.

### Australian National Audit Office reports

The following reports contain Auditor-General recommendations implemented by the Library:

#### 2000–01

- ▶ No 52—*Payment of Accounts*
- ▶ No 54—*Engagement of Consultants*

#### 2001–02

- ▶ No 8—*Disposal of Infrastructure Plant and Equipment*
- ▶ No 12—*Selection, Implementation and Management of Financial Management Information Systems in Commonwealth Agencies*
- ▶ No 13—*Internet Security Within Commonwealth Government Agencies*
- ▶ No 18—*Performance Information in Portfolio Budget Statements*
- ▶ No 19—*Payroll Management*
- ▶ No 20—*Fraud Control Arrangements in the Department of Agriculture, Fisheries and Forestry—Australia (AFFA)*
- ▶ No 22—*Personnel Security—Management of Security Clearances*
- ▶ No 25—*Accounts Receivable*

- ▶ No 27—*Agency Management of Software Licencing*
- ▶ No 34—*Management of Travel—Use of Taxes*
- ▶ No 36—*Benchmarking Implementation and Production Costs of Financial Management Information Systems*
- ▶ No 45—*Recordkeeping*
- ▶ No 52—*Internal Budgeting*
- ▶ No 53—*Goods and Services Tax Administration by Commonwealth Organisations.*

### Internal audit reports

The following internal audit reports were received by the Library:

- ▶ Fraud Risk Assessment and Fraud Control Plan
- ▶ Review of the IT Division's Policies and Procedures Relating to Portable and Attractive Items
- ▶ Audit Planning and Assessment of the Library's Control Framework
- ▶ Review of Portable Attractive Item Policy
- ▶ Review of the Goods and Services Tax
- ▶ Aurion Post Implementation Review of Degree to Which the System Meets the Business Case
- ▶ Capitalisation of Costs Associated with Information Technology Products, and
- ▶ Review of Staffing Model

### Parliamentary committees and Government inquiries

There were no submissions made to Parliamentary committees or government inquiries during the year.

### Ministerial Directions

No Ministerial Directions were received under the *Commonwealth Authorities and Companies Act 1997*.

### Legal actions

No legal action was commenced against the Library.

### Ombudsman

No new issues relating to the Library were referred to the Commonwealth Ombudsman's Office. The Library provided further information to the Ombudsman relating to a complaint about a 1996 tender process for one of the Library's off-site storage facilities.

### Freedom of Information

The Library received no requests for access to documents under the *Freedom of Information Act (Commonwealth) 1982*. A Freedom of Information Statement is provided at Appendix 3. A list of the Library's key supporting policies and documents is provided at Appendix 4.

### Indemnities and insurance premiums

Indemnity is provided to directors and officers of the Library under the coverage of the Library's insurer, Comcover, which is a Commonwealth Government self-managed fund for insurable risk. Premiums are levied as part of the overall insurance coverage and are based on the agreed insurance value and previous-claims history.

### Social justice and equity

The Library continued its commitment to meeting the Government's objective of enhancing social justice and equity, outlined within the *Charter of Public Service in a Culturally Diverse Society*.

The Library aims to provide all Australians with equitable access to its services in a manner appropriate to their individual needs. In particular, the Library:

- ▶ provides an increasing range of services to Australians in any location through its web site and travelling exhibitions
- ▶ collects Australian library materials in all community languages for current and future research, and

- ▶ maintains high standards for physical access to the building through implementation of the Disability Action Plan

### Service Charter

The Library’s Service Charter was revised during the year and is used as a means of dialogue with users of the Library’s services. The Charter sets out the Library’s commitment to users, the

standards of service which users can expect, and the mechanisms for providing feedback or making a complaint. The Charter is made available via the web site ([www.nla.gov.au/charter](http://www.nla.gov.au/charter)) and throughout the Library. The Library welcomes all feedback from users, as well as suggestions for service improvement. This year a total of 324 compliments and 140 formal complaints were received, as set out in the tables below.

### COMPLIMENTS

SUBJECT	NUMBER	NATURE
<i>Treasures</i> exhibition	184	Mostly on general arrangements, including the consideration of special requirements such as disability access
Other Public Program activities	28	Other exhibitions, education programs, concerts, tours and the Bookshop
Web site	16	Content and layout
Library services	96	Mostly efficiency and helpfulness of staff in reading rooms
<b>TOTAL</b>	<b>324</b>	

### COMPLAINTS

SUBJECT	NUMBER	NATURE	OUTCOME
<i>Treasures</i> exhibition	101	The majority concern access to the exhibition	The extraordinary demand meant that some members of the public were unable to gain entry and often had long waits. The Library took a variety of steps to inform the public of the difficulties in obtaining entry to the exhibition, however some people were disappointed that they could not gain entry at the time required.
Other Public Program activities	8	Bookshop, publication sales and distribution, events, grants	Revised arrangements were implemented, where required.
Collection development/ use of collections	15	Collection policies and access arrangements	Services were enhanced where possible.
Facilities	16	Road access, IT, and photocopying	Services were reviewed and improved where possible. Longer-term changes to improve facilities are under consideration.
<b>TOTAL</b>	<b>140</b>		



The average time taken to respond to complaints was 4.9 days, and the Library's services to the public were available at the stated times throughout the year.

### Consultancy services

The Library engaged 37 consultants at a total cost of \$899 508. The consultants were selected in accordance with the Library's Procurement Guidelines, on the basis that specialist expertise was considered necessary and was not available within the Library. Consultancies with an individual value of \$10 000 or more are listed at Appendix 5.

### Advertising and market research

The advertising and market research organisations indicated below were contracted to provide services at a total cost of \$139 734.

#### ADVERTISING & MARKET RESEARCH ORGANISATIONS CONTRACTED

ORGANISATION	COST	PURPOSE
Environmetrics Pty Ltd	\$11 700	Survey of national awareness of the Library
Environmetrics Pty Ltd	\$15 000	Survey of user satisfaction with onsite exhibitions
User Insite (Division of Courage Partners)	\$11 242	Survey of stakeholder and customer satisfaction with Kinetica
Canberra Mailing	\$19 517	Distribution of publications and flyers promoting the Library's services and products
StarCom Worldwide	\$82 275	Newspaper advertising promoting Library events
<b>TOTAL</b>	<b>\$139 734</b>	

## CORPORATE MANAGEMENT ISSUES

### People management

#### Workforce planning

During the year the Library established a Workforce Planning Committee, comprising senior representatives from all divisions, to oversee future workforce planning initiatives. The following initiatives were commenced:

- ▶ development of a new performance management framework
- ▶ participation in a graduate recruitment program
- ▶ participation in staff development programs in association with other Commonwealth agencies, and
- ▶ revised recruitment strategies

#### Industrial democracy: Certified and Workplace Agreements

The Library's Consultative Committee met five times during the year. The Consultative Committee is a forum for consultation and discussion between management, staff and unions.

The Library completed preliminary negotiations with relevant employee associations under section 170LJ of the *Workplace Relations Act 1996* for a new Certified Agreement for 2002–04. The Agreement will make a significant contribution to:

- ▶ increasing organisational efficiency and effectiveness
- ▶ improving services to customers
- ▶ enhancing the quality of the working lives of employees, and
- ▶ achieving the objectives and key priorities set out in the Library's strategic directions statement

Proposed productivity improvements relate to:

- ▶ a new performance management framework with strengthened links between individual performance and remuneration

- ▶ better use of office and public space, and
- ▶ implementation of cost efficiencies and operational improvements arising from an internal benchmarking review

#### Remuneration including non-salary benefits

In accordance with the Principle Executive Office arrangements, the National Library Council determines the Director-General's remuneration.

At 30 June, all eight Senior Executive Service (SES) and 44 of the non-SES staff were covered by Australian Workplace Agreements, and the remaining 445 staff were covered by the 2000–02 Certified Agreement.

The remuneration for SES and non-SES staff covered by an Australian Workplace Agreement is determined by the Director-General after consultation between the employee and the respective Division Head. The salary ranges for classifications below the SES level are set out below.

Classification	Salary range	No. of employees
APS 1	\$9303 – \$27 204	6
APS 2	\$30 787 – \$34 141	95
APS 3	\$35 067 – \$40 461	71
APS 4	\$39 083 – \$44 500	55
APS 5	\$43 592 – \$47 055	83
APS 6	\$47 082 – \$58 000	84
Exec. Level 1	\$60 216 – \$73 000	61
Exec. Level 2	\$69 401 – \$88 846	34

Staff also have access to a range of non-salary benefits, including flexible working hours, uncapped personal leave for caring purposes, and additional recreation leave for staff required to work Tuesday to Saturday. In addition, SES staff have an entitlement to a vehicle and mobile phone.

### Fraud risk assessment and fraud control plan

The Library has a current Fraud Risk Assessment and Fraud Control Plan. These were prepared by the internal audit contractor and endorsed by the Audit Committee in December. The Library also has in place appropriate fraud prevention, detection, investigation, reporting and data collection procedures and processes which, together with the Fraud Risk Assessment and Fraud Control Plan, meet the specific needs of the Library and comply with the *Commonwealth Fraud Control Guidelines*.

### Establishment and maintenance of appropriate ethical standards

A new program of fraud awareness training was conducted this year. The program was based on the Library's Fraud Management Policy, the Australian Public Service Code of Conduct, the Australian Public Service Values, and the Library's Fraud Control Plan. Arrangements have been made for fraud awareness training to be continued, with specialised courses being developed where required.

### Disability Action Plan

The Library continued its commitment to achieving improved access to its building and services by people with disabilities as set out in its Disability Action Plan, which assists the Library in meeting its obligations under the *Disability Discrimination Act (Commonwealth) 1992*. The plan aims to ensure that people with a disability are not unfairly disadvantaged as clients of the Library, or in any aspect of the Library's employment or working environment.

In particular, the Library:

- ▶ responded to customer requests to improve the ways it meets the needs of people with disabilities
- ▶ participated in the Roundtable on Information Access for People with Print Disabilities

- ▶ convened a Forum on Library Services for People with Disabilities, to develop a national agenda to improve access to library services
- ▶ held training sessions for staff, run by the ACT Deafness Resource Centre, to raise awareness of the needs of people with disabilities
- ▶ released a Web access policy and principles document, which outlines the Library's commitment to provide access to visually impaired users
- ▶ ensured the Library's web site allows visually impaired people to use special software to access the Library's online resources
- ▶ reviewed the Certified Agreement, Staff Selection Guidelines and Staff Training Program to ensure compliance with the requirements of the *Disability Discrimination Act (Commonwealth) 1992*.

The Library's Disability Action Plan 2002-04 is currently under review, and a revised document will be released during the first quarter of 2002-03.

### Workplace diversity program

At 30 June, 70 per cent of Library staff were female and at least 20 per cent were from a culturally and linguistically diverse background. The Library contracted seven Indigenous staff for the Bringing Them Home Project.

### Occupational Health and Safety

The Occupational Health and Safety Committee met four times and discussed a range of issues relating to health and safety principles and practices. Training in Occupational Health and Safety was provided to over 100 employees, and individual workplace assessments were provided for 115 employees by occupational therapists. The Library also completed an organisation-wide Occupational Health and Safety hazard identification and risk assessment.

## Asset management

### Asset Management Committee

In recognition of the need to achieve ongoing improvement in the planning and management of assets, the Library established an Asset Management Committee with the role of monitoring progress against the Asset Management Strategic Plan 2002–05 and the annual Asset Acquisition and Asset Disposal Plans.

### Collection asset

The Library's Collection, valued at \$1.520 billion, is the major asset on which many of the Library's services are based. The high-value items within the Collection are valued individually, and the remainder of the collections are valued using sampling techniques. The Library revalues the Collection every three years.

### Land and buildings

The Library's land and buildings are valued at \$133.22m. The major components of these assets are managed through the Long-Term Strategic Management Plan for the Building Asset. The Plan provides a full condition appraisal and life-cycle cost analysis of the total building asset and includes a 15-year forward maintenance program. This Plan is reviewed and updated every three years.

### Plant and equipment

The remaining material assets are controlled using an Asset Register. Total value of plant, equipment and intangible assets is \$14.06m. The Library has adopted an integrated life-cycle management policy for these assets.

### Energy consumption and environment protection

The Library continued its efforts in energy consumption and environment protection, and in keeping with Government policy is currently implementing an Environmental Management System.

### Competitive tendering and contracting

The Library continued its program of utilising outsourcing options in cases where this is demonstrated to be cost-beneficial. No changes to the functions outsourced occurred during the year.

### Purchasing policies

The Library re-examined its procurement policies and practices in light of the release in February of the Commonwealth Procurement Guidelines, and has subsequently updated and expanded its Procurement Guidelines. A series of workshops and briefing sessions has been conducted on use of the revised Procurement Guidelines.

All new contracts for outsourced functions provide the opportunity for the Auditor-General to have access to the contractor's premises.

There were no contracts recorded as exempt from the *Purchasing and Disposal Gazette*.

### Discretionary grants

The Library operates two discretionary grant programs:

- ▶ Community Heritage Grants  
([www.nla.gov.au/chg/index.html](http://www.nla.gov.au/chg/index.html))

The Library, in cooperation with the Commonwealth Department of Communications, Information Technology and the Arts, and the National Archives of Australia, offers Community Heritage Grants to assist Australian community organisations to preserve significant documentary heritage collections.

- ▶ Harold White Fellowships  
([www.nla.gov.au/collect/awards.html](http://www.nla.gov.au/collect/awards.html))

The Library awards a limited number of fellowships to enable established scholars and writers to work for periods of three to six months on material in the Library's collections.

### Cooperation on corporate management issues within the Communications, Information Technology and the Arts portfolio

The Library continued to chair the Corporate Management Forum, comprising senior executives with corporate management responsibilities from 10 agencies within the Communications, Information Technology and Arts portfolio, and two other agencies. The forum considers common issues in the areas of personnel management, financial management, infrastructure management, corporate planning, information technology and public programs with a view to achieving economies-of-scale and best practice.

Some key outcomes of the Forum include:

- ▶ consideration of options for the provision of shared services
- ▶ continuation of joint management training programs, and
- ▶ a joint approach to fraud control policy and fraud awareness training

## INFORMATION TECHNOLOGY ISSUES

The delivery of the Library's services is being rapidly transformed by changes in the technology environment, and in particular by the maturing of the World Wide Web as a universal mechanism for information delivery.

The Council approved an Information Technology Plan for the period 2002–04. This plan identifies more than 60 projects to be undertaken over the three-year period, and provides indicative costs for these projects.

The Library aims to contain the costs of its information technology projects by a number of means, including competitive procurement procedures, continuous improvement, market testing of IT infrastructure, benchmarking of specific activities, and use of open-source software where appropriate. The Library has developed a plan to benchmark the cost of supporting its desktop computer environment, and of providing technical support for selected business systems. Depending on the outcomes of these benchmarking projects, the Library will consider the need to market test selected segments of its information technology infrastructure.

### The Library's web site

The Library's web site allows users to gain detailed information about the collections, to browse or view portions of the collections, to experience exhibitions, and to gain a good understanding of the Library's policies, strategies and activities. The Library is currently developing a strategy to further improve the ease of use of the web site.

In accordance with Government requirements, the Library has an Online Action Plan ([www.nla.gov.au/policy/oplan/index.html](http://www.nla.gov.au/policy/oplan/index.html)), a Privacy Statement, an Accessibility Statement and a Metadata Strategy pertaining to its web site.

## Digital Services Project

The Digital Services Project ([www.nla.gov.au/dsp/](http://www.nla.gov.au/dsp/)) is a major undertaking to implement a scaleable infrastructure and management framework to support the Library's growing digital collection. Several components of this infrastructure were implemented this year:

- ▶ The Digital Object Storage System—is used to store the Library's digitised publications, maps, manuscripts, sheet music, pictorial images and oral history audio files. By the end of the year over two terabytes of digital collection material were being stored in the system.
- ▶ The Digital Archiving System—supports the collection and management of Australian web sites and electronic publications. Several State libraries, and ScreenSound Australia, are also using this system to contribute to the Library's collection of electronic publications.
- ▶ The Digital Collections Manager System—supports the digitisation of pictures, maps, manuscripts and sheet music, and allows digitised images to be uploaded to the Digital Object Storage System.
- ▶ The Online Resolver Service—accepts Web requests which refer to a digital collection item by its persistent identifier, and redirects them to the current storage location of that item. These identifiers can be used in citations, knowing they will persist long into the future irrespective of changes to the delivery mechanisms.

During the year the Library continued to develop and enhance its online delivery systems for digitised pictorial, map, manuscript, sheet music and audio collections.

### IT infrastructure improvements

The Library improved the performance and security of its IT infrastructure by:

- ▶ upgrading the desktop computers used by staff and readers
- ▶ upgrading the voice infrastructure
- ▶ upgrading the speed and redundancy of links to the Internet, and
- ▶ making a major improvement to data storage facilities through the introduction of a Storage Area Network and Digital Object Storage System

### Service availability

The average availability during the year of 10 key service areas exceeded the Library's target of 99.5 per cent for those areas.

Service	Availability (%)
Local Area Network	99.75
File Services (Microsoft NT Servers)	99.69
Email (Microsoft Exchange)	99.82
Web Services	99.55
Integrated Library Management System	99.93
PANDORA	99.98
Finance One	100.00
Kinetica Document Delivery	99.73
Kinetica Searches	99.63
PictureAustralia	99.94