



## STAFF REPORT ACTION REQUIRED

12.

### 2012 Service Review Program and Budget Update

<b>Date:</b>	June 7, 2011
<b>To:</b>	Toronto Public Library Board
<b>From:</b>	City Librarian

#### **SUMMARY**

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This report provides an update regarding the City of Toronto's Service Review program, the 2012 Budget Process and a Multi-Year Financial Planning Process. The 2012 operating budget guidelines include an operating budget reduction target of 10% of the 2011 net operating budget, which for Toronto Public Library (TPL) amounts to \$17.044 million.

This report also provides information about the Library's participation in the City's consultation plan for the Core Service Review and a TPL-specific survey that will be available online and in branches after June 7<sup>th</sup> with Board authorization.

The report also provides a timeline and a proposed meeting date for the Board to review findings in advance of a planned City Executive Committee meeting on July 28, 2011.

#### **RECOMMENDATIONS**

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##### **The City Librarian recommends that the Toronto Public Library Board:**

1. receives the update regarding the Service Review program and the Library's participation in the City of Toronto's consultation plan for the Core Service Review and information about the 2012 budget process and budget reduction target;
2. authorizes staff to complement and augment the City's consultation strategy by offering opportunities for residents to provide input specifically on library services and programs through a survey that will be available online and in branches; and
3. schedules the July Board meeting for July 18, 2011 at 12 noon.

## **FINANCIAL IMPACT**

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The outcome of the Core Service Review, the User Fee Study and the Service Efficiency Study will provide guidance to the development of the City's 2012 budget and multi-year budget planning process.

The Director, Finance and Treasurer has reviewed this financial impact statement and is in agreement with it.

## **DECISION HISTORY**

City Council approved the Service Review Program, 2012 Budget Process and Multi-Year Financial Planning Process on April 12, 2011. City agencies are included in the proposed Core Services Review and User Fee Study, and the Library is participating in the Service Efficiency Study.

On April 4, 2011 the Library Board approved motions requesting that the Toronto Public Library Board:

*considers all recommendations in the Core Services Review before they are submitted to Executive Committee and that a special meeting be called for this purpose, if required;*

*and*

*the City Librarian report to its next meeting on the Library's participation in the City's community engagement strategy for the core service, service efficiencies and user fee reviews, and make any specific recommendations for additional consultation specific to library users.*

## **COMMENTS**

To address Toronto's 2012 budget gap of \$774 million, City Council has launched a review of services. The outcome of the Core Service Review, the User Fee Review and the Service Efficiency Study will provide guidance to the development of the City's 2012 budget and multi-year budget planning process.

### **Core Service Review**

The Library has a Program Map as part of the annual budget submission. The Program Map was further developed to better describe library services and activities. The Program Map (Attachment 1) now identifies four services for the Library: library administration, library facility access, library collection use and programs and outreach. Program maps listing current services and activities for all city departments and agencies have been provided to the City's Core Service Review consultant, KPMG. Additional information has also been provided outlining key service standards and performance measures used to evaluate library services. This information will serve as a starting point

for the Core Service Review as well as the Service Efficiency Study and User Fee Review.

### **User Fee Review**

An internal team has begun an examination of Library fees and fines. The options under consideration include increases to the fines rates, different fine levels based on type of item, the application of fines through collection type rather than user group and adjustments to the collection agency thresholds. Any recommended changes will require approval by the Library Board.

This information will be provided to City staff as part of the City process.

### **Efficiency Review**

TPL was identified to participate in the City's service efficiency review. In response, Library staff has undertaken training in continuous improvement techniques using Lean Six Sigma methodologies. This approach to finding efficiencies focuses on customer service, includes participation of front-line staff and has been used successfully in manufacturing, corporate and public sector organizations.

Library operations and processes for selection, acquisition, and processing of new materials, materials handling in the branches and delivery are being reviewed by Library staff. The area of focus for the service efficiency review led by third-party experts appointed by the City has not been confirmed. Other areas of interest may be shared service models, use of public space and expanding use of e-services.

### **Community Engagement**

On May 11, the City launched their public consultation. The City's consultation plan (Attachment 2) includes a website survey, information kits and eight public meetings, including a meeting to be held at the Toronto Reference Library. Scheduled meetings end on June 7, 2011. The website includes an opportunity for residents to comment on library services including access to collections, public space, technology and programs.

To support broad public access to the City's consultations, a link is provided from the Library's website to the City's consultation website. The Library is also promoting the survey and meetings by sharing information with groups such as Youth Advisory Groups and ESL classes. Users are able to access the consultation website from Library computers and Library staff is assisting as needed. The City's information kit may also be made available in Library programs and outreach activities, as well as to residents and community groups who want to participate in other ways.

The Library will be using a similar format to complement the City website survey with a Toronto Public Library survey for residents to comment specifically on library services and programs. Paper copies of the surveys will also be available in Library branches. A TPL backgrounder will be available alongside the survey in order to provide context for

Library collections and services. It is expected that the survey will be available beginning the week of June 7 through to June 24 to allow adequate time for participation.

The Library will use information from the consultation to support its participation in the Core Service Review as well as to improve customer service, and inform the development of future service plans.

## **2012 Operating Budget Target**

The 2012 operating budget guidelines included an operating budget reduction target of 10% of the 2011 net operating budget, which for TPL amounts to \$17.044 million.

Staff are working on developing the 2012 operating budget request, which is due in June 2011, and efforts are being made to find savings to mitigate budget pressures, in addition to activities related to the core service review, service efficiency study and the user fee reviews.

The core service review, service efficiency studies and use fee reviews may impact on the strategies being proposed to achieve the reduction target once Council has considered the results of the service review in the fall.

The Library's 2012 Budget Process Timetable is provided in Attachment 3.

## **Timetable**

The core services review recommendations will be considered at a special meeting of the Executive Committee on July 28, 2011. Public consultation regarding core services is currently underway. In order for the Board to consider core service review outcomes for the Library and the City's survey on core services, it is proposed that the Library Board meet on July 18, 2011. The overall findings of the core service review and public consultation are expected to be submitted to Council in September 2011. A timetable for the service review program and timeline is provided in Attachment 4.

The user fees review and the service efficiency review are scheduled for completion in the fall of 2011.

## **CONTACT**

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## **SIGNATURE**

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Jane Pyper  
City Librarian

## **ATTACHMENTS**

- Attachment 1: Toronto Public Library Program Map and Service Profiles
- Attachment 2: City of Toronto: Core Service Review – Public Consultation Plan
- Attachment 3: Toronto Public Library – 2012 Budget Process Timetable
- Attachment 4: City of Toronto – Service Review Program Timeline (2011)