Corporate Plan
2012-2015

Front cover

This image shows the Queensferry cantilever of the Forth Rail Bridge under construction and is from a series of photographs capturing the building of the Bridge during 1886-1887. The photograph was taken by Philip Phillips, son of one of the contractors, and is included in his book 'The Forth Bridge illustrations 1886-1887'. A digital version of the book is available to view in the NLS digital gallery at http://digital.nls.uk/74570306

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Contents

Section 1: Introduction

History and background

The National Library of Scotland is one of Europe's major research libraries, with a long and distinguished history of collecting, preserving and managing collections of world-wide importance. This history dates back to 1680 with the foundation of the Faculty of Advocates' law Library, the predecessor of NLS. The collections of 750,000 or so items donated by the Faculty in 1925 to form the new National Library of Scotland, have since grown to some fifteen million printed items today.

Today, the collections cover both historic and contemporary material, from Scotland and around the world. They include books, magazines, scholarly journals, newspapers, manuscripts, electronic resources, music, film and maps. The key to the Library's collecting is the privilege of Legal Deposit, which entitles it to claim a copy of all printed items published in the UK (and Ireland). This privilege (unique, in Scotland, to NLS) has been responsible for the acquisition of most of the Library's collections for almost 300 years. In addition, the Library's collections of both historic and current publications are significantly enhanced through purchase, donation and deposit. Increasingly, knowledge is produced in some kind of digital format; this poses significant challenges, but also provides hugely exciting opportunities for the future.

While the Library's collections form the basis of its value as a resource for research, learning and inspiration, the key to fulfilling the Library's potential is to enable users to connect to this content. In recent years, significant efforts have been made to ensure that NLS is accessible, welcoming and outward-looking. The Visitor Centre in the flagship George IV Bridge building in Edinburgh, the launch of the Learning Zone educational resource and a major programme of access to digital collections all reflect this transformation.

2012 is a particularly significant year in the history of the Library, as the Scottish Parliament is currently considering a Bill which will modernise the statutory basis of NLS, and repeal the founding 1925 National Library of Scotland Act. The Bill provides a clear statement of the functions of the Library, expressed in broad terms which we anticipate will stand the test of time as user needs, services and technologies develop. It also will introduce a smaller Board of Trustees appointed under modern principles of good governance, to replace the arrangements devised in the 1920s which are now outdated. Future planning arrangements will need to take account of and reflect the statutory functions of the Library, as set out in the Bill, assuming it is passed.

Strategy and Priorities

NLS agreed a new corporate strategy 'Connecting Knowledge' in 2011, setting out the outcomes that we seek to achieve and our strategic priorities. It states the Library's purpose as: **to advance universal access to knowledge about Scotland and in Scotland**. We describe our principal strategic themes in terms of 'content' and 'connectivity', which are themselves underpinned by two key enablers: 'organisational effectiveness' and 'collaboration'.

This Corporate Plan is structured around these four headings. It covers a three-year timescale - to March 2015 - reflecting the fact that we have been advised of Grant-in-

Aid levels for the next three years, and can therefore plan over more than a single year ahead. (In the last two years, both budgets and plans were restricted to a single year). The Plan sets out only the 'high-level' objectives for the Library, rather than everything that the Library does; it is complemented by more detailed plans for each of the 8 departments which encompass the whole span of NLS activity and which are managed and monitored by the Library's Corporate Leadership Team.

The Plan also includes a section on Resources which outlines the high-level budgets planned for the next three years and also draws attention to anticipated funding pressures. Finally, the Plan includes a section on performance, providing a snapshot of our performance with regard to our Key Performance Indicators, highlighting particular achievements and noting key contributions to the Scottish Government's National Performance Framework.

The planning context facing the Library over these three years is dominated by two inescapable influences: firstly that our funding levels (especially for capital) are reducing in real terms, and secondly, the continuing digital transformation of the information landscape. In this context, the Library has agreed some key principles for planning over the next three years.

Revenue funding, though reduced, remains at broadly similar levels to that of recent years, and so overall service levels will be broadly maintained. The pattern and nature of service delivery may, however be redefined; for example opening hours and the balance between onsite and offsite delivery will be reviewed. Increased flexibility from staff will be required if the policy of no compulsory redundancies is to be sustained. Any increases in pay (within Scottish Government pay policy) must be contained within existing budget levels and therefore need to be matched by increases in efficiency within the Library. We will aim to reduce staff costs through ceasing temporary contracts and offering early retirement/ voluntary severance in order to fund priority areas in future years.

Areas which may offer the potential for savings include a management restructure and changes in ingest processes. Steps to reduce the number of senior managers are currently underway as well as measures to reduce ingest costs by adopting more efficient stock selection, looking at workflow improvements and metadata provision and by reducing administrative overheads. However, there are also areas of activity which will be targeted for additional resources. We need to continue to support the Purchase Fund and improve resource discovery including addressing cataloguing backlogs. We need to improve our capacity for digital preservation and anticipate an increase in the number of operational level curatorial staff. Where it can be demonstrated that it will raise additional income, we will put more resources into fundraising and income generation. We will invest in shared services and corporate IT where demonstrable benefits can be achieved.

Section 2: Objectives

Content

By 'Content', we mean not only the items that we collect and own, as we have always done; but increasingly also material that we don't own - for example digitised images and licensed electronic subscriptions - but which we wish to manage and make accessible, in order to meet user needs.

The Strategic outcomes we want are:

- we preserve all our collections for the long term
- we collect Scottish publications as completely as we can
- we collect non-Scottish material that we know our customers in Scotland will want.

Priorities

Over the year ahead, we expect to implement the long-planned initiatives to collect electronic publications through legal deposit, as the Regulations permitted under the 2003 Legal Deposit Act appear, at last to be imminent. A key strategic aim, which is close to the point of delivery, is the introduction of effective policies and systems to ensure that digital collections can be preserved for the long term - currently, many electronic publications are much more at risk of loss than paper material, even if printed hundreds of years ago. At the same time, we will maintain our collecting activity to meet our strategic aims of collecting Scottish material as completely as we can and collecting non-Scottish material (from the UK and elsewhere) that we believe our users need (now, and in the future). We anticipate that there is scope to introduce savings in our collection ingest activity, both by being more hard-headed in only collecting (non-Scottish) material that is likely to be used, and through simplifying the collection management processes for all material that we do collect.

The key current challenges in relation to content are to:

- maintain and where possible increase the collection of Scottish publications of all kinds
- focus our intake of non-Scottish material through Legal Deposit, purchase and donation more closely on material that is, or is expected to be, in demand from our users
- prepare effective ways to build digital collections through Legal Deposit
- develop robust ways to preserve digital collections for the long term.

Content

Objective	Actions 2012-13	Actions 2013-15
Strategic outcome: We preserve all our collections for the long term		
Develop and implement NLS digital preservation strategy	A1 Review policy, strategy and implementation plan by December 2012. Identify and deliver resource requirements.	Move all digital assets requiring digital preservation into a preservation environment by June 2014.
Strategic outcome: We collect Scottish publications as completely as we can		
Ensure that the library receives the Scottish publications and material of Scottish interest through legal deposit, purchase or donation	A2 Review our approach to collecting Scottish material by August 2012.	Improve data on the volume of Scottish publishing by December 2013.
	A3 Rationalise our systems for managing legal deposit intake.	Monitor depositing performance of publishers each year.
Lead collaborative project to establish a Scottish national sound archive	A4 Establish a national steering group of interested parties led by NLS.	Develop funding bid to HLF and other potential supporters.
	A5 Establish a set of pilot projects to develop the technical model of operation for the distributed national collection.	Integration of the National Sound Archive into the programme to move the SSA to the Kelvin Hall.
Deliver NLS Gaelic Language Plan	A6 Implement NLS Gaelic Language Plan. Offer basic Gaelic OPAC (catalogue) by August 2012.	Offer full Gaelic language discovery interface by December 2013.
Strategic outcome: We collect non-Scottish material that we know our customers in Scotland will want		
Review Collection Development policy	A7 Review approach to Legal Deposit, purchasing and donation, to ensure customer needs are met effectively and resource implications for NLS are managed.	Implement revised approaches informed by the review.
Ensure the development of policies and infrastructure to manage the legal deposit of electronic materials	A8 Work with Legal Deposit partners to secure Regulations meeting Scottish interests and put in place the necessary resources.	Begin collecting electronic legal deposit from the commencement of Regulations.

Connectivity

'Connectivity' means how our users find and use content. Access will be through a range of channels - on-site in reading rooms, educational events and exhibitions, and remotely online.

The Strategic outcomes we want are:

- people can find and use the content they need
- our customers have expanded remote access to content they need
- customers have on-site access to our collections
- the Library, our collections and how they can be used have a high profile.

Priorities

As more and more information becomes available to researchers of all kinds, principally online, the key to creating knowledge ever more lies in ensuring that people can find and use the information that they need. Increasingly, this is not only information held within the Library - we must make it as easy as possible for people to make the links to other sources of information which they value - which may be anywhere in the world. Our efforts to improve 'connectivity' therefore lie principally in developing online services so that resources can be successfully searched for, found and joined together. Users also increasingly want to get direct access to the resource itself - and, subject to copyright, this is becoming more widespread by the day through digitisation and electronic publishing. At the same time as investing in digital connectivity to meet these growing user needs, we will broadly maintain our current level of more traditional services such as reading room services, exhibitions and enquiries, although we will examine the scope for matching these services more closely to demand, if marginal changes deliver good value for money.

The key current challenges in relation to 'connectivity' are to:

- extend remote access to digital collections as far as possible (recognising limitations such as copyright and Legal Deposit regulations)
- broadly maintain onsite service levels (reading rooms, exhibitions, events etc.)
- make it easier for users to find material that they want, and to make search and discovery more 'joined up'.

Connectivity

Objective	Actions 2012-13	Actions 2013-15
Strategic outcome: People can find and use the content they need		
Implement a suite of resource discovery initiatives to help users find collections easily	B1 Evaluate developing resource delivery tools including evaluation of 'Summon' search tool by October 2012.	Adopt a federated search tool that provides access to both internal and external digital resources.
	B2 Complete recommendations on resource discovery requirements to the internal NLS Digital Services Board by November 2012.	
	B3 Improve access to our 4 major databases through the AquaBrowser customer interface.	
	B4 Increase the volume of NLS catalogue records which can be automatically linked to other data through the web ('linked data').	
Provide records promptly for current intake	B5 Ensure that appropriate records are available online for all new intake within 1 month of receipt.	Ensure that appropriate records are available for all new intake within 1 month of receipt.
Disclose un-catalogued collections through library catalogues	B6 Commence a cataloguing project to improve access to 900,000 OS maps.	Continue the project to upgrade records to improve access to older Scottish publications.
	B7 Continue the project to upgrade records to improve access to older Scottish publications.	
	B8 Prioritise collections for further cataloguing projects.	
Develop the research, scholarship and knowledge transfer capacity of our staff	B9 Apply for Independent Research Organisation status from Arts and Humanities Research Council and/or other appropriate Research Councils.	Continue the development and support of staff in research, scholarship and KT and evaluate the impact of these activities on NLS and the broader community.
	B10 Actively support staff in their research scholarship and knowledge transfer activities.	

Objective	Actions 2012-13	Actions 2013-15
Strategic outcome: Our customers have expanded remote access to content they need		
Review and extend learning zone	B11 Implement a digital learning resource comprising a toolkit to support literacy and critical skills for schools. B12 Develop a minimum of 3 display-related mini web features supporting content relevant to the Curriculum for Excellence. B13 Review content based on customer usage, experience and expectations to assist in future planning.	Develop further content based on results of customer research.
Increase access to collections and services for remote users	B14 Develop enhanced services for enquiry management, access to licensed electronic resources and e-payment systems.	Increase use of licensed digital content by 20% to 2015. Implement an integrated enquiry registration and tracking system by 2014. Implement a single e-payment system for copying/printing services within all reading rooms by 2014.
Deliver a Web Strategy	B15 Develop and implement a Web Strategy by December 2012.	Implement/review Web Strategy.
Deliver digitisation strategy	B16 Develop our programme to digitise collections and to deliver effective digitisation-on-demand services.	Implement programme.

Objective	Actions 2012-13	Actions 2013-15
Strategic outcome: Customers have on-site access to our collections		
Deliver a year-round programme of free public exhibitions at George IV Bridge	B17 Deliver 2 full exhibitions and 5 Treasures displays.	Deliver 4 full exhibitions and a minimum of 8 treasure displays.
Improve facilities for readers at George IV Bridge	B18 Open new special Collections reading room by July 2012. B19 Commission scoping study on the future of reading room services. B20 Extend online ordering to serials, maps and manuscripts.	Improve self-service by revising the open-access reading room book stock to meet reader needs, coupled with conversion to Dewey classification to simplify finding.
Programme of learning, outreach and cultural events	B21 Deliver a minimum of 10 public events, 19 workshops, 1 roadshow and 3 award ceremonies.	Continue to deliver a public programme that reflects the needs of our customers and our available resources.
Strategic outcome: The Library, our collections and how they can be used have a high profile.		
Sustain media profile with an 'Advertising Value Equivalent' target of £1.65m	B22 Run media relations campaign.	Continue media relations campaign.
Increase public interaction with NLS through social media	B23 Develop strategy for social media, delivering a 20% increase in twitter and Facebook use.	Implement strategy.

Organisational effectiveness

In order to meet the substantive challenges represented by content and connectivity, we must have access to the finance, skills and infrastructure that we need. At this time of significant resource constraints, this requires effective leadership and improved business processes.

The Strategic outcomes we want are:

- the Library is well managed, equipped to achieve its key goals at a time of restricted public funding
- we improve internal processes, efficiency and productivity, and cut costs
- we acquire the resources we need
- our accountability and governance are improved.

Priorities

As noted elsewhere, the need to match our services and spending to reduced income levels is a powerful influence on everything the Library does. However, the financial support received by NLS from the Scottish Government remains substantial, and we can and will mitigate reducing Grant-in-Aid levels by both seeking to increase other sources of income and by continuing to bear down on costs and introduce further efficiencies. As well as a new governance structure expected as a consequence of the current NLS Bill, NLS is also revising its approach to the management of internal controls, process reviews and compliance with external obligations in order to meet statutory and best practice requirements as effectively as possible. All areas of NLS work will be scrutinised and affected by this work over the next three years, in order to get the best possible output from our staff, our funding, our infrastructure and our partnerships.

The key current challenges in relation to 'organisational effectiveness' are to:

- improve efficiency and effectiveness throughout the Library
- generate additional income (to supplement Grant in Aid)
- introduce new governance arrangements in line with the National Library of Scotland Bill and other statutory requirements.

Organisational effectiveness

Objective	Actions 2012-13	Actions 2013-15
Strategic outcome: The Library is well managed, equipped to achieve its key goals at a time of restricted public funding		
Develop the physical and technical capacity required to deliver our strategic aims	C1 Develop a capital programme of short, medium and long-term capital projects.	Support corporate programmes or projects for: – Resource discovery – Digital preservation – Digital Services – Capital infrastructure – Unprocessed collections – Income generation Continue to support non-corporate projects.
	C2 Implement project support office function and incorporate all projects into project management framework.	
	C3 Embed Office of Government Commerce project management framework throughout NLS.	
Embed and optimise the opportunities created by new management structure	C4 Role out/embed management competencies.	Continue to develop managers.
Strategic outcome: We improve internal processes, efficiency and productivity, and cut costs.		
Reduce or eliminate non-essential work to make the organisation simpler	C5 Deliver a programme of reviews to enhance efficiency and begin implementation.	Provide support for and monitoring of agreed review programme.
	C6 Identify appropriate resources and mechanisms to support efficiency reviews.	
	C7 Implement and monitor the impact of current reviews of ingest of printed materials and manuscripts/maps.	
	C8 Establish a forward programme of reviews.	

Objective	Actions 2012-13	Actions 2013-15
Strategic outcome: We acquire the resources we need		
Ensure that our staff have the skills, support and direction needed to achieve our strategic goals	C9 Undertake strategic skills review and produce a People Development Plan.	Monitor and review.
	C10 Roll out competencies within all HR processes.	
Improve staff engagement	C11 Roll out Sharepoint strategy.	Monitor progress and implement changes as appropriate.
	C12 Develop/implement internal communications strategy.	
	C13 Undertake staff survey to provide baseline information.	
Modernise pay and terms and conditions	C14 Design and deliver a new pay and grading system negotiated with the TUS.	Review.
Raise philanthropic income in support of NLS	C15 Achieve £400K income target. C16 Develop American Patrons Programme; in addition to Patrons gifts securing at least $60K in Year 1 to fund a USA Collections post. C17 Launch UK Patrons Programme; 50 donors in Year 1 (raising between £12.5K and £50K).	Increase fundraising income by 20% per year (£500K Year 2, £600K Year 3). American Patrons: US Fundraiser target of 100 new Patrons and $150K income by 2015 (split with NGS). UK Patrons: estimated 150 donors by 2015 (raising between £37.5K - £150K.
Generate income from charged-for services	C18 Develop and implement an income generation strategy including 'e-commerce'.	Achieve agreed targets.
	C19 Agree income targets for future years.	
Maintain technology capacity to meet our growing digital commitments	C20 Identify future requirements including web harvesting under Legal Deposit.	Develop and implement requirements in line with recommendations in McLennan review.

Objective	Actions 2012-13	Actions 2013-15
Strategic outcome: Our accountability and governance are improved		
Establish effective practices for new governance arrangements	C21 Provide support for the NLS Bill through the Scottish Parliament and manage changes to requirements.	Revise governance processes and policies in accordance with the wishes of the reformed Board.
	C22 Assist in the recruitment of a new Chairperson and Board.	
Review management of risk, internal controls and compliance with statutory requirements	C23 Review documentation of statutory obligations including new requirements such as Equalities Act, Gaelic plan and Bribery Act.	Embed processes and investigate scope for delivery through 'shared services' with partners such as National Galleries of Scotland.
	C24 Implement and embed current risk management policy.	

Collaboration

We cannot on our own meet our chief challenges nor grasp the many new opportunities - whether developing content, connecting with users or improving organisational effectiveness. Collaboration is therefore a key theme running through all our work and we will always look for opportunities to work with others.

The Strategic outcomes we want are:

- all Scottish library and archive collections are made more accessible to researchers
- Scottish library and information services collaborate effectively
- our work is well co-ordinated with major library, educational and cultural institutions
- we communicate with and involve our customers and potential customers, understanding their changing needs and demands
- our services are improved, and costs reduced, by collaborating with other partners.

Priorities

'Collaboration' is implicit in much of what NLS does - and indeed has always done. Examples include longstanding partnerships with the University of Edinburgh (for shared computer services) with other British and Irish Legal Deposit Libraries (for collecting and cataloguing books and journals) and with Scottish universities and libraries (through the Scottish Confederation of University and Research Libraries (SCURL), the Scottish Library and Information Council (SLIC), the Faculty of Advocates and others). However, in all three of the themes above - Content, Connectivity and Organisational Effectiveness - the need to collaborate rather than act unilaterally is ever growing, and many of the objectives in these sections - such as delivering electronic Legal Deposit and enhancing resource discovery - are in essence collaborative. This section focuses on other partnership and customer engagement work.

The key current challenges in relation to 'collaboration' are to:

- enhance links between Scottish library, archive and other cultural collections, enabling users to search seamlessly across institutions
- extend our programme of 'shared services' work with the National Galleries of Scotland.

Collaboration

Objective	Actions 2012-13	Actions 2013-15
Strategic outcome: All Scottish library and archive collections are made more accessible to researchers		
Relocate the Scottish Screen Archive (SSA) by March 2015	D1 Develop detailed project plan for move of SSA to Kelvin Hall, and to establish the proposed Scottish Sound Archive at Kelvin Hall, working with Glasgow-based partners.	Implement project plan.
Establish national steering group to deliver a Scottish National Sound Archive	D2 Develop a pilot programme with Tobar an Dualchais.	Deliver Scottish National Sound Archive.
Strategic outcome: Scottish library and information services collaborate effectively		
Provide access NLS services and resources to local Scottish libraries	D3 Develop a partnership agreement with at least one local authority.	Development and delivery of services.
Strategic outcome: Our work is well co-ordinated with major library, educational and cultural institutions		
Provide support for key national initiatives	D4 Develop and participate in a programme of collaborative projects including:	
	– Year of Creative Scotland	– Glasgow 2014
	– Olympics/Paralympics	– Year of Homecoming
	– Digital Scotland (including a digital preservation/storage strategy for Scotland)	
	– Strategies for international engagement and for youth employment.	
Develop a national strategy for digital access to Scottish cultural heritage	D5 Begin scoping study to define the project to ensure digital access to all out-of-copyright Scottish publications, wherever held.	Continue project management.

Objective	Actions 2012-13	Actions 2013-15
Strategic outcome: We communicate with and involve our customers and potential customers, understanding their changing needs and demands		
Understand needs of current and future customers	D6 Conduct effective market research programme.	Implement findings and recommendations from market research.
Strategic outcome: Our services are improved, and costs reduced, by collaborating with other partners.		
Develop programme of shared services	D7 Deliver services as set out in an Annual Operating Plan agreed with National Galleries of Scotland, with particular focus on integration of HR services and developments in joint Finance and ICT.	Deliver services as set out in an Annual Operating Plan.

Section 3: Funding and resources

In this section, we set out our high-level spending plans. Grant-in-Aid from the Scottish Government for 2012-13 is confirmed, but for the following two years is provisional until specific annual allocations are confirmed in the annual Budget Bill. This is particularly relevant with regard to capital allocations which may not be known well in advance - this in turn can affect our revenue spending, for example if, as in 2011-12, we choose to supplement capital items such as the Purchase Fund from revenue budgets.

2012/13 – Revenue £13,275k, Capital £1,050k
2013/14 – Revenue £13,209k, Capital £550k plus 500k for Causewayside refurbishment
2014/15 – Revenue £13,143k, Capital £825k plus £1.75m for Causewayside refurbishment.

In addition, attention is briefly drawn to the headings below which are factors likely to require additional resources; we anticipate a need to seek additional project funding for these elements from public, private and not-for-profit sources. As indicated elsewhere in this plan, we are also developing long-term solutions to key strategic issues, such as storage and electronic Legal Deposit and will address these requirements - some of which fall outside the 3-year timescale of this Plan - in our Capital Plan.

We will continue to achieve at least 3% annual efficiency savings which will be re-invested into operational activities to help us to continue delivering our service requirements.

Purchase Fund

The Scottish Government allocation for NLS Purchase Fund was reduced from £1,300,000 in 2010-11 to £700,000 in 2011-12. It is essential that we maintain a satisfactory level of purchasing to meet the needs to current users - especially foreign books and journals, and electronic resources that we cannot yet collect through Legal Deposit.

Capital maintenance

NLS faces a number of cost pressures arising from the buildings and plant. In particular, the roof of the NLS Causewayside building requires significant remedial work estimated at a cost of £5 million. The Scottish Government has agreed to provide £2.25m over 2013-14 and 2014-15 to begin the remedial programme.

Kelvin Hall - Scottish Screen Archive (SSA) relocation/Sound Archive

NLS is a key partner in a consortium of organisations developing the Kelvin Hall in Glasgow's West End as a new cultural hub. Funding of £4.8 million has already been secured at Stage 1 Level from the Heritage Lottery Fund. As part of the proposed programme, our intention is to relocate the SSA from its current unsuitable leased premises in Hillington to Kelvin Hall providing much superior public access and storage facilities. The Scottish Government has provided £250k towards the National Library's fit-out costs at Kelvin Hall.

Shared services

AS NLS and NGS continue to work closer together in the provision of a range of corporate services, there are likely to be a number of work packages which require investment in ICT and other infrastructure. The Scottish Government has already provisionally allocated £100,000 for each of the three years to 2015 to support this work.

Scottish digital access strategy

The ambition to provide digital access to all Scottish out-of-copyright publications needs to be translated into a costed project plan, which will be developed in 2012-13 (see page 14 above). The delivery of this ambitious project will involve numerous external partners over an extended timescale and is likely to require significant funding.

PROVISIONAL BUDGET 2012/13			TOTAL (£)
INCOME			
Grant In Aid			13,525,000
Other Grant			37,000
Interest Income			105,000
Trading Income			86,784
Other Income			437,141
TOTAL INCOME			**14,190,925**
EXPENDITURE	**Staff**	**Non-Staff**	
Access	1,037,451	253,982	1,291,433
Collections & Interpretation	2,568,755	438,505	3,007,260
Communications & Enterprise	89,889	267,244	357,133
Finance	211,082	42,818	253,900
Human Resources (1)	1,588,890	154,946	1,743,836
Ingest	1,011,081	182,326	1,193,407
Resources	2,314,436	2,533,006	4,847,442
Secretary	85,835	51,000	136,835
Deputy Chief Executive	100,805	87,280	188,085
Deputy National Librarian	124,950	26,798	151,748
National Librarian & Chief Executive (2)	128,202	1,127,047	1,255,249
Trading	0	41,914	41,914
TOTAL EXPENDITURE	**9,261,376**	**5,206,866**	**14,468,242**
Depreciation (3)			-2,033,000
SURPLUS/(DEFICIT)			**-2,310,317**

1) The budget includes £1m in the Human Resources Department for allocation to departments following approval of staffing applications based upon restructured departments. This amount is based upon existing temporary staffing (permanent staffing structures are included in departmental budgets.)

2) The budget includes £1m in the National Librarian and Chief Executive's Department from which business cases will be approved. The priorities have been agreed and include:
   - Capital strategy
   - Management restructure
   - Pay and grading review
   - A review of skills and skills development.

3) All funding received in relation to the purchase of both Heritage and Tangible Assets is held in a designated reserve entitled "General Fund - designated assets". This fund is forecast to be £59m as at 31 March 2012. As Heritage and Tangible Assets are amortised over their useful lives, the full amount of this amortisation is shown as

£2m depreciation on the face of the Library's Income and Expenditure Account (see note above). The total charge is effectively matched by an equal release from the "General Fund - designated assets". This treatment allows the Library to manage its financial resources more effectively.

Other Key financial data

Grant In Aid ("GIA") Profile	2012/13 £000s	2013/14 £000s	2014/15 £000s
Revenue	13,275	13,209	13,143
Capital	1,050	550	825
	14,325	**13,759**	**13,968**

Agreed priority use of GIA			
Running Costs	13,175	13,109	13,043
Capital Spend	350	150	425
Collection Purchase Fund	800	500	500
	14,325	**13,759**	**13,968**
note: Preventative Maintenance included within Running Costs	200	200	200

Collection Purchase Fund			
Reserve Brought forward	108	258	108
Grant In Aid Allocation	800	500	500
Spend on Collection Purchase	(650)	(650)	(650)
Reserve Carried forward	**258**	**108**	**(42)**

Note:

Scottish Government has provided profiled spend for the 2011 Spending Review period. The Executive Leadership Team has agreed priorities for use of Grant-in-Aid to ensure the Library meets its strategic objectives. The Collection Purchase Fund restricted reserve will be managed during the three year period to support this principle.

Section 4: Review of Performance

The past year has been a challenging one for NLS, as we have had to adjust to reduced funding (especially in the Purchase Fund) and at the same time face a number of imperatives relating to the digital information revolution. We simplified our management structure, halving the number of senior posts and, largely through a voluntary severance scheme funded by the Scottish Government have further reduced our headcount by ten since March 2011. These changes have inevitably been difficult and we have had to release staff with very considerable experience and expertise in a wide range of areas. Nonetheless these changes will produce significant and sustainable savings enabling us to not only continue our levels of activity in broad terms, but also support developing areas (such as electronic Legal Deposit) which require new investment.

Our last Corporate Plan stated the following priorities for the year; in each case, we have made significant progress, although by their nature, most of this work is ongoing.

Priority from 2011 Corporate Plan	Progress
Collecting electronic publications through the new extended legal deposit regulations	Consultation on Regulations was published by DCMS in February 2012.
Ensuring that digital collections are preserved for the long term	Digital Preservation policy devised; requiring investment 2012.
Increasing the resources that can be used online where and when it suits people best - in the home, school or business workplace	600,000 pages digitised per year; increased level of online e-resources available; maintained level of investment in the purchase/ rental of digital resources despite the significant reduction in Collection Purchase Fund.
Making collections visible, findable and joined-up	Increase the number of items in all formats discoverable through the AquaBrowser search facility.
Ensuring that our arrangements for managing risk, audit and governance meet best practice	Redefined responsibilities as part of management restructure.
Striking the best balance between investing in digital and in physical services	We have begun a review of the reading room services and will undertake an options appraisal for the project to digitise all out-of-copyright Scottish material.
Delivering and further developing our 'shared services' programmes	Progress with National Galleries of Scotland on Finance, ICT and Human Resources.
Ensuring that we prioritise the use of our resources wisely, bearing in mind our reduced levels of funding	Maintained/increased performance in Key Performance Indicators, despite reduced funding and headcount.

Key Performance Indicators

The Library monitors progress on key goals through a set of Key Performance Indicators (KPIs). This is a snapshot of performance on these at the end of Quarter 3 (December 2011). A full report on performance will be published separately once full-year data is available.

Interim progress report on KPIs, Q1 – Q3 2011-12 (April – December 2011)

Indicator	Q1	Q2	Q3	Overall Q1 – Q3
Additions to collections	-	-	-	- Total 190,281 items acquired (no target)
Additions to Scottish collections	-	-	-	- 6,327 Scottish monographs acquired by Legal Deposit (target in development)
Condition of Collections	✓	✓	✓	✓Climate control conformance targets exceeded
Digital objects created	✓	✓	x	✓ 503,536 objects created, against target 450,000
Staff absence	✓	✓	A	✓ Average 1.5 days' absence per quarter per employee, against target 1.75
Funds raised	✓	✓	A	A £149,738 raised, against target £154,475
Media profile	✓	✓	✓	✓ £1,706,257 Advertising Value Equivalent, against target £1,125,000
Visitors to events etc	✓	✓	✓	✓ Numbers of visitors to events and exhibitions, as well as gross 'footfall' in GIVB building, were ahead of targets
Use of website	✓	A	✓	✓ 1,281,000 sessions, against target 1,275,000
Reading room visits	A	x	-	(target under review)
Catalogues	✓	✓	✓	✓ sub-targets on percentage of intake processed on time and un-catalogued material catalogued both exceeded
Enquiries	x	x	✓	- 38,465 against target 45,611, as a result of change in definition, rather than performance

Key	
✓	Target achieved
A	Target at 'Amber'
x	Target not achieved
-	No target, or target in development

For detailed and current information on KPIs, please see http://www.nls.uk/about-us

Scottish Government National Performance Framework (NPF)

As outlined in each section of this Plan, NLS describes its strategic aims in terms of a number of desired outcomes. This approach enables the relationship between the work of NLS, and the outcomes described by the Scottish Government in the NPF to be closely aligned.

Late in 2011, the NPF was refreshed, with new National Performance Indicators for 'cultural participation' and for 'widening the use of the internet' included. Both of these innovations are highly relevant to NLS, and we will make a significant contribution to these Indicators.

NLS also continues to have an important role in contributing to the delivery of the outcomes for research, innovation, education and enterprise, as summarised below:

NPF Outcomes	NLS Outcomes
Better educated, skilled, renowned for research and innovation	• NLS is widely acknowledged as the premier library for many of Scotland's research communities • We support research in Scottish universities • Our innovative educational resources, including 'Scotland on Screen' and the 'NLS Learning Zone', are increasingly used in schools and colleges and by independent learners • We collect everything that is published in Scotland as completely as possible, in accordance with our collecting policy • People from all parts of Scotland make more use of our collections: use of on-line materials increased by 35% last year
Take pride in a strong, fair and inclusive national identity	• The collections are well preserved, enhancing Scotland's reputation for both the quality of its cultural heritage and for treasuring it • Enhanced reputation of NLS amongst public, LIS community and internationally.
Public services high quality, improving, efficient	• We have more customers, more diverse customers and more satisfied customers • The organisation is more efficient; our staff are skilled, productive and motivated • We generate income independently and raise funds • Increased collaboration/shared services.
Reduce the local and global environmental impact.	• NLS has continued to reduce its CO_2 emissions in line with the NLS Carbon Management Plan.
Scotland most attractive place to do business in / Realise our full economic potential	• Increased support for business information needs • Increased footfall/tourism.