

# **Corporate Plan 2014-15**

**The National Library of Scotland**

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National Library of Scotland  
George IV Bridge  
Edinburgh  
EH1 1EW

0131 623 3700

[enquiries@nls.uk](mailto:enquiries@nls.uk)

[www.nls.uk](http://www.nls.uk)

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## **Section 1: Introduction**

The National Library of Scotland has a long and distinguished record of collecting and preserving Scotland's culture, and in supporting Scotland's research communities. The NLS collections comprise over twenty four million items - books, magazines, scholarly journals, newspapers, music and maps. The key to the Library's collecting is the legal deposit privilege, which entitles it to claim a copy of all printed items published in the UK and Ireland. This privilege (unique to NLS in Scotland) has been responsible for the acquisition of most of the Library's collections for almost 300 years. In addition, through purchase, donation and deposit, the Library has built up pre-eminent manuscript and printed collections relating to Scotland and the activities and influence of Scots throughout the world.

The rapid evolution of digital publishing means that more and more content is now produced electronically, as well as - or increasingly instead of - in print. From 2013, NLS has been able at last to collect digital publications through Legal Deposit, under Regulations to implement the provisions of the Legal Deposit Libraries Act 2003. At the same time, however, the Library's ever-present challenge of managing the intake of printed matter (currently some 250,000 items a year need to be catalogued, preserved and housed) remains.

The economic environment for the period covered by this plan will continue to be difficult. In this context, it is all the more important for NLS to improve efficiency and promote effective collaboration. Equally, it will be important for NLS to capitalise on its position as Scotland's principal research library, given the key role that information, knowledge and creativity will play in promoting economic recovery.

### **The National Library of Scotland Act 2012**

The National Library of Scotland was established in 1925 by an Act of Parliament. In 2012, the Scottish Parliament passed the National Library of Scotland Act, which updated the statutory basis for the Library. The main provisions of the 2012 Act are to define the functions of the Library in law for the first time. These are:

(1) NLS has the general function of managing the Library established by section 1(1) of the 1925 Act as a national resource for reference, study, research and bibliography, having particular regard to Scotland.

(2) NLS has the particular functions of:

- (a) Preserving, conserving and developing its collections;
- (b) Making the collections accessible to the public and to persons wishing to carry out study and research;
- (c) Exhibiting and interpreting objects in the collections; and
- (d) Promoting collaboration and the sharing of good practice with and between other persons providing library and information services, and the adoption of good practice by those persons.

(3) NLS is to exercise its functions with a view to:

- (a) Encouraging education and research;
- (b) Promoting understanding and enjoyment of the collections;
- (c) Promoting the diversity of persons accessing the collections; and
- (d) Contributing to understanding of Scotland's national culture.

## **NLS Strategy**

NLS will be developing a new corporate strategy, building on its predecessor Connecting Knowledge from April 2014. This will equip the Library to meet the challenges set out in these functions, to exploit digital technology and to widen access while at the same time continuing to fulfil its historic role. In the meantime, six Strategic Aims have been developed which have been drawn from the early drafting work on the new strategy and provide the structure for this Corporate Plan to put the Library's strategic aspirations into practice.

The National Library of Scotland is responsible for providing support and leadership in fields such as librarianship, culture and the promotion of research and information. The main part of this leadership role will see us contributing to longer term thinking on the future role of NLS and of libraries in Scotland, and to the broader priorities of the Scottish Government.

We are committed to a number of ambitious, but achievable, goals, some of which will be highly-visible to our users, others less so as we continue to develop our organisational capacity, skills and culture which place a high value on innovation, customer focus and continuous improvement. This will bring about better services, greater responsiveness to users' needs and further efficiencies in the way we organise ourselves. Out of such gains in efficiency, we will give priority to developing services which meet the needs of the public, the Scottish library community and other partners and we are committed to a rolling programme of investment in digital services.

## **Corporate Planning in the National Library**

The Corporate Plan performs a dual role. As well as describing the most important actions and targets which the Library is committed to achieving in order to deliver the strategy, it is also a key formal mechanism for providing accountability to our main funding body, the Scottish Government. It demonstrates the relevance of our work programme to governmental priorities, taking particular account of the shift towards delivering 'outcomes' and the credibility of our plans to deliver them. Embedded in the Plan are a number of objectives which relate to the expectations of the Scottish Government in broad priority policy areas such as youth employability, Scotland's international profile and the promotion of good governance.

This Corporate Plan focuses principally on the single year from April 2014 to March 2015, while noting the implications of plans for future years. This is in recognition that the new NLS strategy will influence future Corporate Plans, which should cover a longer timescale. Also, the Library's funding settlement from the Scottish Government is known only to 2015. This means that future plans are dependent on as-yet-unconfirmed funding levels. In future years, with knowledge of both future strategy and future Scottish Government funding, it is intended that we will resume planning on a three year timescale.

NLS has made a number of improvements in its business management during the last year. These include further development of our shared services programme with the National Galleries of Scotland, the development of a proposed new pay and reward system and a comprehensive review of business processes across the Library. Other developments include closer integration of financial and operational planning, the use of more online planning tools and a refreshed approach to the management of projects, risk and audit. Further developments will be introduced to improve the Library's effectiveness in delivering its priority services and projects, including improved performance information systems.

## **Priorities 2014-15**

Like all public bodies, NLS is having to deliver more with less resources. In setting the priorities for this planning year, the Board has noted that the environment will remain challenging, with continuing restrictions on funding, the impact of the digital agenda, public sector reform and continually growing public and library sector expectations of NLS amongst the issues that we will need to manage. Most importantly, 2014 sees the referendum on Scottish independence and it is vital that NLS plays its part as an impartial source of information for the public. Regardless of the outcome of the referendum, NLS recognises that change is coming to Scotland and NLS is ready to embrace this change.

To help position the Library as strongly as possible for the future, 2014-15 will therefore be principally a year of consolidation where we strengthen the foundations for the future and focus our planning on a small number of areas:

- Defining how NLS will achieve its full range of functions; developing and implementing clear plans for each function;
- Prioritising and completing current projects, ensuring that they are managed within the Library's project management framework;
- Implementing a clear strategy for income generation and fundraising that will increase the resources available to the Library;
- Implementing a clear, prioritised digital strategy;
- Bringing current international activities together into a clear international strategy;
- Continuing to improve our planning process, balancing effective planning with encouraging innovation; developing projects at a more strategic rather than operational level; greater evidence based planning with clearly defined inputs, output, and outcomes;
- Developing our next strategy covering 2014-2030;
- Continuing to improve the way we manage the Library, including:
  - Further developing the management skills of managers at all levels;
  - Ensuring that we undertake auditable, evidence based decision making in line with the scheme of delegation;
  - Improving project management skills, including meeting targets and deadlines; bringing all existing projects within the project management framework;
  - Continuing to improve the development, implementation and compliance with our systems;
  - Continuing to improve communication up, down and across with the clear principle of 'no surprises' for anyone;
  - Continuing to focus on performance management;
  - Developing a clearer process for agreeing and managing partnerships; implementing a plan of collaboration with public and academic libraries.

### **Other key planning documents:**

The Corporate Plan informs a range of other, more detailed planning documents at Departmental and Divisional levels. In addition, there are a number of other significant strategies and planning documents; in particular the digital strategy, international strategy and capital strategy.

- Department-corporate linkages
- Scottish Government expectations
- Gaelic
- Equalities.

## Section 2: Objectives

<b>Strategic Aim A) We will strategically develop the collections</b>	
<b>Corporate Objective</b>	<b>Actions 2014/15</b>
<p><b>1) Sound Scotland: To complete preparatory work on developing a national sound collection</b> - lead: Head of Collections and Interpretation Department</p>	<p>The purpose of Sound Scotland is to promote sound archives by encouraging activities to share, explore, connect and preserve access to Scotland's sound heritage. The project is designed to improve access and awareness of existing sound collections while actively raising the profile of these collections and promoting the value in 'archiving' sound recordings for future generations.</p> <p>We have applied for Heritage Lottery Fund funding to support the following key activities:</p> <ul style="list-style-type: none"> <li>• Recruit an Engagement and Learning Co-ordinator to plan the engagement and training activities for the delivery stage, planned for July 2015</li> <li>• Run three pilot events to determine more accurate plans and budgets for running events during the delivery stage</li> <li>• Negotiate partnership agreements and plan any necessary procurement needs for the delivery stage</li> <li>• Gather relevant visitor data for participating collections to act as baseline for evaluation of impact during and after the delivery stage.</li> </ul> <p>This development phase will prepare for a more extensive delivery phase to build the network of the sound archive.</p>
<p><b>2) To update the collections policy</b> - lead: Head of Collections and Interpretation Department</p>	<p>The NLS Integrated Collecting Strategy was last updated in December 2008. In recognition of the changing external environment, changing customer behaviour, technological advancements and the impact of the Electronic Legal Deposit Legislation which came into effect in April 2013, we will review and update our Integrated Collections Policy.</p> <p>In preparation for this we have been reviewing collecting policies, and will evaluate the value of spending within the NLS Collections Purchase Fund by analysing the use of purchases and licensed resources, and our recent trial of Patron Driven Acquisitions.</p>

<p><b>3) To complete plans to audit the collections</b> - lead: Head of Collections and Interpretation Department</p>	<p>The NLS audit programme provides assurance that risks of losses from the collections are rigorously controlled to maintain their security and integrity. We will begin the stock checking programme across all physical collections in April 2014.</p>
<p><b>4) To comprehensively collect, curate and communicate material relating to the Scottish Referendum 2014</b> – leads: Head of Ingest Department (collect), Head of Collections and Interpretation Department (curate), Head of Access Department (communicate)</p>	<p>The upcoming referendum on Scottish Independence in 2014 is one of the most significant events in Scotland's constitutional history. NLS commits to capture the published output surrounding this major event in Scottish political and cultural life. Given the level of public and political interest, NLS is keen to ensure that the material collected is made accessible as quickly as possible, and to this extent we have allocated appropriate curatorial capacity to ensure that a permanent record of this event will be gathered, preserved and made accessible to people in Scotland and researchers from around the world.</p> <p>We will also host a series of referendum debates from early summer in partnership with the Scottish Review of Books featuring various authors speaking on aspects of the independence debate.</p>

<b>Strategic Aim B) We will make the collections globally accessible</b>	
<b>Corporate Objective</b>	<b>Actions 2014/15</b>
<p><b>5) To plan the relocation of the Scottish Screen Archive and the future enhanced digital services at Kelvin Hall</b> - lead: Deputy National Librarian</p>	<p>The Kelvin Hall project is a highly innovative digital library in the centre of Glasgow, the nation's largest conurbation of 1.75 million citizens. The new library is an integrated part of a major cultural complex also featuring Scotland's largest university museum, open-access storage for the city's museums and art galleries, cinemas and a gymnasium complex. Our digital national library will open entirely new markets for NLS by providing integrated access to all digital collections including the Scottish Screen Archive, Sound Scotland – the new national sound archive with public upload facilities – all UK electronic legal deposit including the entire .uk web-archive, our licensed digital resources and the Library's own digital content. Access to these holdings will be supplemented by our free digitisation-on-demand service for our out-of-copyright print collections, a digital cinema, education rooms and a sound recording booth. The new library will greatly widen access to the National Library of Scotland and will produce an entirely new relationship with a substantial portion of Scotland's academic sector.</p> <p>In 2014/15 NLS will continue the engagement with the external stakeholders to prepare and plan the refurbishment of Kelvin Hall and its associated public programmes. To develop the digital library services we will focus on the Scottish Screen Archive and on audience research to inform the development of enhanced digital services. NLS recently appointed a Programme Manager and is in the process of appointing a Digital Analyst, a Visitor Centre/Reading Room Development Manager and a Learning Development Officer.</p>
<p><b>6) To complete an options appraisal to deliver enhanced public access in Edinburgh to enable more diverse use of the collections</b> - lead: Head of Access Department</p>	<p>NLS provides a range of services to onsite visitors in Edinburgh including access to its reading rooms, exhibitions, treasures displays and events as well as the operation of its shop and café facilities. To meet the demands of our existing users, to increase usage to a wider diverse audience, to improve facilities and to future proof its reading room facilities the Library will review its physical spaces in this building. Specific objectives here are:</p> <ul style="list-style-type: none"> <li>• Complete a scoping review of reading facilities to determine future services and design for all reading rooms in George IV Bridge</li> <li>• Review all existing public spaces in George IV Bridge through a formal options appraisal to identify opportunities for improving facilities and attracting new audiences and the indicative costs involved in such developments.</li> </ul> <p>These developments will be closely linked to customer research as well as exploring opportunities for partnerships with external organisations.</p>

<p><b>7) To complete plans to make it easier to search and to find material within all collections</b>  - lead: Head of Access Department</p>	<p>Digital access remains the cornerstone of the Library's strategic objective to enhance discoverability and global access to its extensive collections. We are in the process of recruiting two additional staff to enable us to sustain and grow our digital offer to Scotland and beyond. Our key objectives over the 2014/15 year are to:</p> <ul style="list-style-type: none"> <li>• Deliver a visible single search box solution to enable our users to find information from our collection, quickly and whenever possible, directly through the website for content that already exists in digital form</li> <li>• Establish a web content policy and audit that will enable us to better manage the maintenance and addition of content to the Library's website and inform a future review of the main website's look and feel</li> <li>• Convert a further phase of our paper catalogues for unique manuscript collections into an online accessible format</li> <li>• Continue our plans to improve access and awareness of our collections by working collaboratively with partners such as OCLC WorldCat, The European Library, Wikimedia Commons and others. By exposing our metadata to these channels we will improve the discoverability of our content</li> <li>• Deliver externally funded cataloguing projects for the John Murray Archive and Patrick Leigh Fermor Archive.</li> </ul>
<p><b>8) To complete a detailed long term plan to reveal the undisclosed collections</b> -  lead: Head of Ingest Department</p>	<p>NLS holds an estimate 24 million objects, of which approximately 89% are readily accessible by our customers. Whilst this exceeds the 65% estimation of the percentage of entire heritage collections in European National Libraries that are accessible (Survey Report on Digitisation in European Cultural Heritage Institutions 2014), NLS wishes to further reveal these 'hidden', 'undisclosed' or 'legacy' collections for the benefit of our customers.</p> <p>This includes:</p> <ul style="list-style-type: none"> <li>• Ensuring that all new deposits and donations are adequately documented at the time of receipt</li> <li>• Reducing backlog of undocumented acquisitions</li> <li>• Ensuring that there is a comprehensive, up-to-date, prioritised list of hidden collections</li> <li>• Developing a long term plan for the cataloguing of all hidden collections, which means ensuring the provision of fit-for-purpose bibliographic and holdings records of selected hidden collections.</li> </ul>

**9) To complete a long term plan for total digital access to all collections - within legal restraints** - lead: Deputy National Librarian

We will publish our Digital Strategy and create an associated digitisation plan. Key elements include:

- Working towards supplying all NLS content in a digital form wherever it is legally possible to do so
- Leading an ambitious programme with the Scottish Government to digitise all out-of-copyright Scottish material at an estimated cost of £10-£25 million
- Developing an enhanced NLS website with improved Google-like search facility
- Providing access to content through as many digital devices as possible including smartphones, tablets, laptops and gaming machines
- Expanding digitisation of NLS collections to unlock content from the physical limitations of print
- Developing a Trusted Digital Repository to store, preserve and manage digital content
- Procuring a new Library Management System to provide consistent and reliable search capabilities
- Improving the 'discoverability' and usage of our content on the global web.

In 2014/15, we will:

- Deliver the agreed outcomes of geo-referencing project
- Deliver the agreed outcomes of Wilbourne partnership project
- Digitise titles identified through the BFI Unlocking Film Heritage project
- NLS Digitisation projects: around 80,000 pages of 18th/19th Century Gaelic books, Dean-Myatt shellac records, Field Marshall Haig's diary, more music (further items from Glen and Inglis and Balfour Handel), Hart's Army Lists (1839-1895), Monthly army lists (1913-1919) and more Scottish Trade Directories
- Crowdsourcing: build a service that enables the public to contribute towards our online collections. Initially the project will focus on manuscript transcriptions and Optical Character Recognition corrections (OCR – an electronic conversion of scanned images into machine-encoded/computer-readable text); later it will be extended to include document indexing
- Improve access on mobile devices: We will select popular web features for upgrade to make them responsive for use on mobile / tablet devices
- Investigate launching a Digitisation on Demand service, with a view to providing access to our out-of-copyright print collections for readers resident in Scotland
- Investigate the feasibility of our Patron Driven Acquisition programme to complement curator-led selection.

## Strategic Aim C) We will invest in staff and essential services

Corporate Objective	Actions 2014/15
<p><b>10) To implement the Organisational Development Strategy and Plan, including a focus on Youth Employment</b> - lead: Head of Organisational Development/ Human Resources Department</p>	<p>During 2014-15 we will publish our Organisation Development Strategy and create an associated long term development plan. Ultimately, our Organisational Development Strategy is about delivering sustainable organisational performance. We will focus on modernisation and ensuring our systems and processes and people are aligned.</p> <p>We will continue to make the development of our people a priority by engaging with our employees and focussing on workforce planning and career progression to ensure we have the right number of people with the right skills at the right time.</p>
<p><b>11) To complete a plan for meeting our future digital storage and digital preservation needs</b> - leads: Head of Resources Department (storage), Head of Ingest Department (preservation)</p>	<p>We will maintain and support all IT related infrastructure, and provide forward planning and data to support our storage requirements.</p> <p>The NLS digital preservation programme schedules high-level tasks that will improve the way NLS preserves access to its digital collections. The programme is updated annually. In 2014/15 NLS will undertake an audit of its digital collections, model preservation costs, create a digital preservation collection register and improve data storage. See <a href="http://www.nls.uk/collections/digital-collections/preservation-programme">http://www.nls.uk/collections/digital-collections/preservation-programme</a> for more details.</p> <p>In 2014 we will publish a mathematical model of the NLS' physical and digital storage environment as Mead, D. and Guven, M. 2014 Modelling the Future Costs of Storing Print and Digital Collections. Liber Quarterly, Vol. 24-1.</p>

<p><b>12) To complete renovations on our existing building on George IV Bridge</b> – lead: Head of Resources Department</p>	<p>Our building on George IV Bridge was built between 1937 and 1956. It is a Grade B Listed Building and is generally in good condition. However the external envelope requires extensive refurbishment to ensure it continues to protect the Collections within. The External Fabric Refurbishment Project started in 2013, with a view to:</p> <ul style="list-style-type: none"> <li>• Rectifying minor defects in stone front elevations and major defects in pointing</li> <li>• Rectifying cracking in rendered rear elevations</li> <li>• Rectifying defects in flat roofs</li> <li>• Repairing window frames</li> <li>• Increasing thermal insulation.</li> </ul> <p>Our building on Causewayside requires significant work on the external envelope. This is currently at design stage and £5.5 Million has been allocated by Scottish Government towards this work.</p>
<p><b>13) To continue to modernise the Library's governance framework</b> - lead: Secretary to the Library</p>	<p>We will gain Total Quality Management ISO 22301:2012 Business Continuity Management System accreditation. This will adopt tried and tested methods which can best ensure organisational resilience and recovery during and immediately following any major event or disruption, and allow us to ensure that out-sourced business critical systems, supply chain services or service providers seamlessly incorporate exactly the same techniques into their business continuity planning arrangements that NLS expects to see.</p> <p>We will review and adapt our planning framework and all its components, with the aim of moving towards activity costing and thus achieving tighter budget control and more streamlined funding towards strategic priorities. Subsequently this will lead to outcome costing and a clearer alignment to the Scottish Government National Outcomes Framework. Simultaneously we will introduce and manage effective assurance mapping across NLS, and move towards Balanced Scorecard Performance Reporting to improve our accountability.</p>
<p><b>14) To survey current research outputs, and to complete an updated Research Policy</b> - lead: Head of Collections and Interpretation Department</p>	<p>We will continue to actively engage with partners to deliver research projects. We will hold discussions with the other National Collections, with funding bodies and with various university research groups in Scotland, across Europe and around the world, in order to frame our research strategy.</p> <p>In addition we will review our current programme in preparation for the production of a research policy in 2015/16.</p>

<b>Strategic Aim D) We will promote NLS to the widest possible audience</b>	
<b>Corporate Objective</b>	<b>Actions 2014/15</b>
<p><b>15) To complete and implement an integrated PR, Marketing and Communications Strategy to build the NLS brand in internal, new and existing markets; with a focus on digital service delivery</b> - lead: Head of Communication and Enterprise Department</p>	<p>We will continue to raise awareness and understanding of NLS collections, services and activities through a proactive and strategic PR, marketing and external relations programme, including a media service to generate positive editorial coverage in print, broadcast and online media.</p> <p>We will continue to produce monthly e-communications, quarterly editions of What's On and three editions of Discover NLS, our award winning magazine.</p> <p>We will also address the need to raise public awareness and increase public interaction through social media. We will increase our current Klout score of 64.</p> <p>We will continue to support and promote the Library's public programme, such as exhibitions, events, road shows, workshops etc.</p>
<p><b>16) To complete plans to deliver an enhanced programme of workshops, events and exhibitions across Scotland, including enhanced digital resources</b> - lead: Head of Access Department</p>	<p>As a National Library, engaging with the people of Scotland to support, research, education and understanding of our collections is of key importance. We will continue to develop our range of activities to widen awareness, understanding and enjoyment of our resources. Key activity here will include:</p> <ul style="list-style-type: none"> <li>• Through our Access and Outreach team we will continue to develop a range of workshops, events, visits and other programmes targeting key users of the Library as well as working with potential new audiences such as young people to enable NLS to continue reflect the needs of the widest community.</li> <li>• We will continue to develop digital resources by working with external partners to support learning and research and making these available through the Learning Zone on our website. We will place a particular emphasis on working with schools to develop content appropriate to the curriculum.</li> </ul>

<p><b>17) To develop an international engagement plan</b> - lead: Deputy National Librarian and Secretary to the Library</p>	<p>The NLS international engagement plan will pick up on existing links on a curatorial level between different collections globally. It will aim to increase the overall size of the collections available to customers. Its key objective will be to create a flagship digital portal called 'National Library of Scotland International', which will provide access to the entire published Scottish record held anywhere in the world.</p> <p>To achieve this NLS will work in partnership with libraries, archives and other cultural institutions in other parts of the world with a strategic importance for the development of a 21st century Scotland.</p> <p>NLS will also increase international engagement through seeking speaking opportunities at international conferences, by bringing international conferences to Scotland (see objective 18 below) and by working with other Scottish partners to present a vibrant picture of Scotland to international audiences.</p> <p>This engagement process, combined with on-going activities to loan and exhibit unique collection items and share curatorial knowledge, e.g. in the United States, will enhance the ability of the Development team to fundraise globally.</p>
<p><b>18) To host IAMFA 2014, and to seek out more speaking and promotional opportunities at international events</b> - lead: Deputy Chief Executive</p>	<p>NLS will take the lead, in partnership with Glasgow Life, the National Galleries of Scotland and the Royal Botanic Garden Edinburgh, to host the international conference for IAMFA (International Association of Museum Facility Administrators) in September 2014.</p> <p>We will prepare for hosting the 11th Northumbria International Conference on Performance Measurement in Libraries and Information Services in Edinburgh in July 2015, in partnership with the University of York.</p>

## Strategic Aim E) We will collaborate with partners and forge alliances

Corporate Objective	Actions 2014/15
<p><b>19) To work in partnership with SLIC, COSLA and SCURL to set future partnership agendas</b> - lead: National Librarian/Chief Executive</p>	<p>NLS is one among a large number of libraries in Scotland and recognises that it is through supporting and collaborating with other libraries that collective improvements to service delivery and access can be made. Key activities in this area are:</p> <ul style="list-style-type: none"> <li>• We will continue to work with the other UK and Ireland legal deposit libraries in acquiring, preserving and making available the national published record</li> <li>• We will supply legal deposit material to the Faculty of Advocates Library and collaborate on sharing resources with our respective readerships</li> <li>• We will work collaboratively with SCURL to explore options for a national Library Management System (LMS) for Scotland</li> <li>• We will continue to support the LMS at the Signet Library</li> <li>• We will explore good models for partnership with public libraries, paying particular attention to the SLIC document 'The Case for a National Strategy for Public Libraries'</li> <li>• We will support staff engagement with SLIC, SCURL, CILIP, CILIPS, the SLA and other national and international library groups as well as through our involvement in regional groups in Scotland to support the sharing of best practice, skills and experience.</li> </ul>
<p><b>20) To initiate discussions on developing innovative ideas to promote the use of Scotland's cultural collections; we will work with other organisations to develop a Scottish Information Network and Creative Hub</b> - lead: National Librarian/Chief Executive</p>	<p>We will continue conversations with RCAHMS and Historic Scotland regarding the potential of collaborative infrastructure.</p> <p>We will continue exploring further options to build upon our existing Shared Services with the National Galleries of Scotland.</p> <p>We will actively increase the amount of NLS content accessible through the ScotlandsPlaces web portal.</p> <p>We will continue our role as the Scottish Representative on the European Board of the Special Library Association.</p>

## Strategic Aim F) We will prepare for the future

Corporate Objective	Actions 2014/15
<p><b>21) To implement a sustainable fundraising strategy and plan to raise funds for NLS priorities –</b> lead: Head of Communication and Enterprise Department</p>	<p>We will implement the strategy by continuing to build beneficial relationships whilst also developing a portfolio of attractive fundraising propositions.</p> <p>We will focus on raising income for approved business cases, with some additional funds being raised for three further areas:</p> <ul style="list-style-type: none"><li>• Collections purchase fund</li><li>• Conservation</li><li>• Education / access / outreach.</li></ul> <p>We will apply for grants from trusts and foundations, and approach individuals for donations, with a focus on major donors. We will also maintain the income from regular giving through the Patrons and Benefactors programme.</p> <p>We will develop a roadmap for sustainable fundraising in North America, continuing to work with American Patrons of National Library and Galleries of Scotland.</p> <p>We will take advantage of new opportunities to explore for fundraising when they arise through the normal course of business. We will arrange a fundraising visit to accompany our loan to the Hong Kong History Museum as a trial for this concept.</p> <p>We will develop longer term fundraising plans.</p>

<p><b>22) To realise the Library's commercial activity strategy through the development of effective, appropriate systems</b> - lead: Head of Communication and Enterprise Department</p>	<p>We will investigate the potential for establishing a Trading Company for NLS, gifting all its profits back to NLS.</p> <p>We will develop a programme of appropriate merchandising and accompanying publications, where possible to correlate with exhibitions for the whole life of an exhibition and beyond.</p> <p>We will explore opportunities for licensing images for third party product development.</p> <p>We will review the effectiveness of existing systems for our customers and recommend how these could be developed.</p>
<p><b>23) To complete a plan to further enhance our dialogue with customers, non-customers and all those interested in the National Library of Scotland</b> - lead: Head of Access and Head of Communication and Enterprise Department</p>	<p>The Library recognises that an understanding of its existing and potential audiences will enable the Library to further develop its collections, services and facilities. The Library is committed to continuing work in this area through the following activities:</p> <ul style="list-style-type: none"> <li>• We will continue to develop a mystery visit programme to enable NLS to maintain a high level of customer service delivery and to identify any areas for improvement</li> <li>• We will continue a range of specific audience research projects to develop a better understanding of the composition of NLS users, their needs and the barriers to access.</li> </ul> <p>We will continue to utilise a range of existing metrics through our CRS, footfall, reading room and use of collections data to monitor use of the Library, identify changing patterns of usage and inform strategic planning.</p>

## **2014/15 Alignment with the Scottish National Performance Indicators**

The National Library of Scotland supports the Scottish Government National Performance Framework. The objectives underneath are taken from our internal plans (see relevant Corporate Objective for more information), and evidence our intended contributions towards the National Performance Indicators.

### **1. Improve levels of educational attainment**

1.1. NLS will deliver educational events and resources. (Corporate Objective 16)

### **2. Increase cultural engagement**

2.1. NLS will produce monthly e-communications, four editions of What's On and three editions of Discover. (Corporate Objective 15)

2.2. NLS will hold a rich programme of events. (Corporate Objective 16)

2.3. NLS will hold two major exhibitions a year. (Corporate Objective 16)

### **3. Improve Scotland's reputation**

3.1. NLS will lead the collaborative project to deliver a national sound archive for Scotland. (Corporate Objective 1)

3.2. NLS will actively collect archival material relating to Scotland. (Corporate Objectives 1, 2, 4 and 17)

3.3. NLS will lead on the development of NLS International. (Corporate Objective 17)

3.4. NLS will deliver a loan exhibition in North America. (Corporate Objective 17)

3.5. NLS will use traditional and social media to increase public interaction. (Corporate Objective 15)

3.6. NLS will hold the Elizabeth Soutar international bookbinding competition. (Corporate Objectives 16 and 17)

### **4. Improve the responsiveness of public services**

4.1. NLS will develop a plan for cataloguing all hidden collections. (Corporate Objective 8)

4.2. NLS will advertise our Imaging Services, including an improved reference scanning service to allow large sized images to be downloadable to customers from a supplied link. (Corporate Objective 7)

4.3. NLS will manage a Patron-Driven Acquisition programme. (Corporate Objective 9)

### **5. Widen use of the Internet**

5.1. NLS will mass digitise certain collections. (Corporate Objective 9)

5.2. NLS will investigate launching a Digitisation on Demand service. (Corporate Objective 9)

5.3. NLS will convert paper catalogues for unique manuscript collections to online accessible format. (Corporate Objective 7)

5.4. NLS will deliver a public upload facility for sound material via the Sound Scotland portal. (Corporate Objective 1)

5.5. NLS will digitise moving image titles identified through the BFI Unlocking Film Heritage project. (Corporate Objective 9)

5.6. NLS will deliver a crowdsourcing project. (Corporate Objective 9)

### **6. Improve people's perceptions of the quality of public services**

6.1. NLS will review the digital image ordering processes, both online and in person, to ensure best practice and compliance when handling customer details and managing access to the collections. (Corporate Objectives 7 and 22)

6.2. NLS will work towards Total Quality Management (Phase 1 to ISO 22301:2012 Business Continuity Management System) accreditation. (Corporate Objective 13)

## **Section 3: Budget**

### **1. Summary**

This budget reflects Library plans for 2014-15 which are ambitious and clear-sighted, enabling the Library to show clear progress towards the strategic objectives set out in the new strategic plan currently being developed.

The budget is balanced, after allowing an appropriate contingency of £226K (1.7% of core expenditure), and complies with Departmental Expenditure Limit rules defined by HM Treasury.

### **2. Non-core activities**

A particular innovation in planning in 2014-15 arises from the time and effort put into developing the concept of 'Business Cases'. This approach supports the assessment of activities that contribute to the strategic development of the Library but fall outside core activities. The assessment process identifies costs and funding opportunities, and supports efforts to ensure that Grant-in-Aid is spent fully and most effectively.

In the 2014-15 Budget there are sixteen additional Business case activities, costing £0.5 million in the year, funded from a variety of sources.

### **3. Strengths**

- 3.1. The figures do not anticipate staff savings through normal turnover, effectively increasing the contingency available, and reinforcing the robustness of the projections.
- 3.2. In case of need – for example if difficulties were encountered in external fundraising – support could be sought from the NLS Foundation, to ensure that specific 'added value' projects could be pursued without compromise. It is intended to explore and develop, with the NLS Foundation, the concept of 'contingent funding', enabling new activities to be started when the time is right for the activity, rather than when other funding is available.
- 3.3. The budget does not anticipate spending the whole of the anticipated dividend and interest income from the investment portfolios. Any surplus will either be reinvested or transferred to the NLS Foundation as 'in-year' receipts. The potential surplus is small (less than £100K) so it has been omitted from the budget figures for simplicity, and because it may reasonably be viewed as capital appreciation rather than income.
- 3.4. The presentation of the budget is intended to be clear and unambiguous, reflecting the thinking in redesigning the Financial Performance Reports, thus supporting a proper understanding of the state and plans of the Library.

#### **4. Weaknesses**

- 4.1. The £719k target for external fundraising (including £634 for the 'special acquisition') is ambitious, but a great deal of time and effort has been invested in developing the target and defining how it can be achieved.
- 4.2. The achievement of the plans depend in part on timely recruitment of key temporary, contract and permanent skills, and the Library has found this very challenging in the past.

#### **5. Opportunities and threats**

Within the limits of a 12-month budget, there are few uncertainties about funding, and experience shows that change takes place slowly and with considerable advance warning, so on that time frame it is not felt to be worthwhile to consider opportunities and threats in any depth. The Library demonstrated in 2013, with the active and innovative support of the NLS Foundation, the ability to respond quickly to the opportunity to make the 'special acquisition', and the lesson from this will be valuable in future.

**National Library of Scotland  
2014/15 Budget**

Figures in  
£000s

	Notes reference	Revenue account	Capital account
<b>Income</b>			
Grant In Aid		13,243	3,675
Existing external funding		297	
New External Funding	1	688	634
Permitted use of Reserves brought forward			420
Other earned Income	2	683	
<b>Total income</b>		<b>14,911</b>	<b>4,729</b>
<b>Expenditure</b>			
Core Activities	5	13,482	
Externally funded projects	6	368	
Continuing Additional Projects	3	339	634
New Additional Projects	4	496	
Collection Purchase			880
Capital Projects			3,215
Contingency	7	226	
<b>Total expenditure</b>		<b>14,912</b>	<b>4,729</b>
<b>Surplus/(Deficit)</b>		<b>(0)</b>	<b>0</b>

## Notes

### 1 New External Funding

	Revenue	Capital
NLS Development activity	85	634
NLS Foundation	587	
	<hr/>	
	673	634

The amount to be raised from external sources by the Library includes £634 for the Special Acquisition for the collection, which is underwritten by the NLS Foundation. (See also Note 3)

The amount anticipated from the NLS Foundation is subject to application and approval, and includes funding for the Kelvin Hall development, for which the Foundation holds a conditional amount of £250.

### 2 Other Earned Income

Other income arises from a variety of continuing Library activities, including rentals, reprographics, shop and café, provision of services to ALDL, etc. These income areas are considered to be predictable and stable.

Access	91
Shop/café	87
Scottish Screen Archive	88
Collections & Interpretation	36
Communications & Enterprise	25
Finance	32
HR	82
CSS	55
Estates	137
Information Systems	43
Secretary	6
National Librarian	1
	<hr/>
	683

### 3 Continuing Additional Projects

These are activities which contribute to key aspects of longer term development but fall outside core activities for which Grant in Aid is provided.

	Revenue	Capital
Kelvinhall - continuing development expenditure	216	
Scottish Screen Archive backlog	123	
Major special purchase		634
	<hr/>	
	339	634

#### 4 **New Additional Projects**

These are also activities within the definition on Note 3 above, but which are being initiated in 2014-15

		<b>Staffing needs</b>
Collecting the Referendum	37	Two years
Modern Literary Manuscripts Cataloguer	33	Two years
Manuscript catalogue retro-conversion (phase 2)	33	18 months
Crowdsourcing	10	One year
New branding and logos for Sound Scotland and the Scottish Screen Archive	30	One year
Meta-data Manager hours	4	Permanent
Metadata Assistants (2)	40	Permanent
Collection Maintenance Staffing Resource	40	Two years
Staffing: Assistant Web Editor	29	Permanent
Manuscript and Archive Collections Curator, 18th century collections	43	Permanent
Web Archivist for the national collections	33	Permanent
Increase in NLS exhibition marketing budget	22	Permanent
Staffing: Assistant Systems Librarian	33	Permanent
Collaborative Exhibition with Independence National Historic Park, Philadelphia, USA	46	Two years
Muriel Spark Archive Cataloguer	29	
Conservation workshop F&E improvements	35	N/A
	<hr/> 496	

## 5 Departmental Expenditure Limit (DEL)

The Departmental Expenditure Limit is not the amount the Library is permitted to spend but the amount the Government is willing to pay, including funds released from Reserves. The Library may spend, in each year, additional income generated in that year by its own efforts. 'Spend' in this context includes transfers to the Foundation. The Government calculates the grant payable to the Library by taking the Library budget and subtracting the assessed amount that the Library may raise from its own efforts:

	Revenue	Capital	Total
Library budget expenditure	13,792	3,675	17,467
Assumed amount the Library will earn from its own efforts	(549)	0	(549)
GiA cash payable = Departmental Expenditure Limit (DEL) *	13,243	3,675	16,918

Provided the nature of the expenditure is within the Library's approved plans, the Library may budget for, and spend, in any year, funds generated from non-Government sources, without limitation. Expenditure paid from reserves is considered to be from Government, and is therefore subject to approval.

\* The actual DEL used in the Government approval letter is £19,298, after including a further £2,380 for depreciation (notional charge for using Government assets). This is not included in the above figures for simplicity.

## 6 Externally Funded Projects

Bartholomew Archive project	39
Callum MacDonald Memorial Award	6
Elizabeth Soutar Bookbinding Award	7
John Murray Archive Cataloguing Project	16
John Murray funded curatorial work on Patrick Leigh Fermor and Osbert Lancaster Archive	49
Sound Scotland NLSF & HLF year 2	71
British Film Institute funded assessment work on BFI film archive	8
John Murray Endowment funded support for JM Archive	88
Collection Purchase Fund related expenditure	84
	<hr/>
	368

## **7 Contingency**

A contingency is included as a matter of prudence in planning. During the year, starting from June, the Financial Performance Reports and the underlying detailed information are reviewed in detail with the objective of ascertaining whether some of the contingency can be released to support activities, either identified but deferred, or newly conceived. Also as a matter of prudence in planning, the possibility of spending under budget as a result of staff turnover (known as churn) is not anticipated in developing plans, but is identified and noted as a potential extra resource during the course of the year.

# Appendix I

## Introduction

Darryl Mead's 2012 case study 'Making Shared Back-Office Services a Reality in a National Library' described shared services thus: 'In smaller organisations, shared-services models for the back-office are fundamentally about building resilience to deliver services.' This programme report provides a strategic review of the joint National Library of Scotland / National Galleries Scotland programme to date and considers some options for 2014/15 and beyond.

In his case study Darryl went on to outline the potential benefits of a shared back-office, some of which are as follows:

'In theory a shared service makes the money go further in direct ways by:

- Sharing processes and platforms
- Increasing standardisation, robustness, efficiency and effectiveness of the support infrastructure
- Sharing physical storage, data storage or other tangible resources.'

'It also theoretically makes the money go further in indirect ways by:

- Potentially attracting government funding because you can demonstrate that you are actively developing a shared service that will deliver efficiencies, in line with Government policy
- Putting investment into weak areas of corporate infrastructure, making the individually unaffordable become collectively affordable
- Collaborative learning and sharing of experiences in dealing with new challenges such as green issues or the Scottish Government's programme of Procurement Capability Assessments.'

The list does not describe great cost savings to be had and instead focuses on new, more efficient and more resilient ways of working. Similarly, the key highlights from the 2012 cross government 'Efficiency and reform in government corporate functions through shared service centres' report by the Comptroller and Auditor General includes the fact that, far from saving money, central government has overspent implementing shared services, adding complexity and cost.

The stated strategy for the NLS/NGS venture was that potentials for service integration be explored incrementally, without a particular end-state in mind. It has always been about increasing resilience, efficiency and cost avoidance across the services in scope, initially HR, IT and Finance. The following sections will review progress and forward plans in each area before considering other options to take the programme forward beyond 2014/15.

## Governance and accountability

The Shared Services Programme Board (replacing the Shared Services Governance Board) met regularly in Q1, 2 and 3 of 2013/14 to manage and assess the programme of work. Regular attendees are the Chief Operating Officer and the Head of Planning and Performance from NGS, the Deputy Chief Executive and the Secretary of NLS and the Programme Manager, with invites extended to and annual attendance required of the National Librarian and Chief Executive of NLS and the Director General of NGS.

Workstream leads (Project Managers) have attended on 'as needs' basis as dictated by the Board, to provide updates in person or to discuss change control, as has the IT Project Coordinator. Meetings have been 4-6 weeks apart, according to diary commitments of the attendees, with location alternating between GMA2 and NLS Lawnmarket. Papers from each meeting are stored in accessible central locations in NLS and NGS and cover minutes, workstream updates, risk registers, timelines and scorecards.

The Head of Planning and Performance (NGS) took maternity leave in late 2013 and was replaced in the interim by the Director of the National Portrait Gallery. The existing set up works well and meetings are scheduled and diarised for the rest of this year and on into 2015. The Programme Board will keep the respective Boards at NGS and NLS informed of any significant changes.

### Information Technology

The workstream to join Information Technology of National Galleries and Information Services of the National Library gathered pace in Q3 of 2013/14 with such success that the plan to move to pilot was brought forward to February 2014. The work done by both departments in defining a draft SLA for a joint service (to be called Information Technology Services) served as a platform from which the workstacks, commitments, resourcing and work-in-progress of both sides could be analysed. With due consideration to each the future structure agreed was closely akin to that of the National Library's team, the challenge then being how to feather in the National Galleries team. This work is ongoing and involves due consideration of role profiles, responsibilities and reporting lines and pay levels.

The National Galleries team was seconded to the National Library in early February 2014 and it is anticipated that the pilot phase will last no longer than 6 months. The work from now until then is to:

- Further refine structures and relationships
- Implement and ensure appropriate methods for effective work reception, including prioritisation of ongoing and new initiatives
- Maintain the standards of day to day operations and service across both estates
- Further define success factors by which the pilot can be measured
- Ensure the people involved are given all due consideration in what will be a period of significant change.

From Darryl Mead's original paper:

<b>Table 1: Summary of the impact on Information Systems</b>		
<b>Direct Benefits</b>	<b>Incidental Benefits</b>	<b>Expected Benefits</b>
<ul style="list-style-type: none"> <li>• Upgrade of most PCs and operating systems</li> <li>• Improved security measures</li> <li>• High speed data link</li> <li>• Improved data storage helping to enable a major National Galleries project</li> <li>• Upgraded helpdesk system.</li> </ul>	<ul style="list-style-type: none"> <li>• Robust security measures</li> <li>• Improved systems</li> <li>• Improved storage</li> <li>• More efficient helpdesk system.</li> </ul>	<ul style="list-style-type: none"> <li>• Better client service</li> <li>• More efficient workflow</li> <li>• Faster data transfer</li> <li>• Improved storage and backup</li> <li>• Improved resilience and business continuity</li> <li>• More effective business delivery.</li> </ul>

Benefits realised thus far:

- A complex shared infrastructure has been successfully established, incorporating shared storage and servers, joint back-ups etc. Such complexity is rare in government circles and the project is recognised accordingly by other organisations
- NGS will sit behind a joint firewall established by NLS, removing £7k per annum cost
- NGS guest wifi now takes advantage of JANET access by virtue of NLS privileges
- Understanding the issues of another organisation is providing more options for problem solving, thereby increasing competencies in both teams, providing opportunities for staff to increase and develop skills and driving benefits in other interactions
- Working together has crystallised the need for gatekeeping on procurement and system development to ensure common solutions. This requirement can be addressed by moving to a single IS/IT structure next year (this is also a lesson learnt).

Lessons learnt:

- Consideration of the joint team's future shape could have been considered earlier in the process, enabling management to address emerging issues relating to relative remuneration and responsibilities in the teams
- Slow and steady is not always the best way. Some concerted effort and drive is needed, particularly where there is dubiety (see previous point).

## **Human Resources**

The HR pilot has been extended at National Galleries request until summer 2014. Resourcing constraints in the department in 2013 meant progress in further aligning and improving policies and processes / systems was significantly hindered. The arrival of two new members of staff in January of 2014 (the new, additional role of HR Shared Service Manager and the like for like replacement HR Partner) marked the return to full strength and the chance to re-plan and re-prioritise.

A major planned benefit of HR's shared service is improvements to manager and employee functionality – known as self service. This will bring new desktop tools which range from the ability of a member of staff to change elements of their own record, through to managers approving leave and running reports from their desks. To do so, HR is working with suppliers of two currently operational systems to join them together. The work is technically complicated and has involved much specification and discussion with the suppliers to enable them to estimate costs and time involved. It is fair to say the suppliers have not worked well together on this initiative so far, with one latterly conceding they have not managed the development as well as they might. A re-costed proposal was received in early February and is currently being evaluated and discussed before any commitment is made.

From Darryl Mead's original paper:

<b>Table 2: Summary of the impact on Human Resources and Organisational Development</b>		
<b>Direct Benefits</b>	<b>Incidental Benefits</b>	<b>Expected Benefits</b>
<ul style="list-style-type: none"> <li>• Greater resilience with a reduced HR Team</li> <li>• Increased learning and development</li> <li>• Sharing accommodation</li> <li>• Offering each other staff development opportunities</li> <li>• Jointly commissioned activities</li> <li>• Joint policy development with policies being reviewed and aligned.</li> </ul>	<ul style="list-style-type: none"> <li>• Standardised policies enabling more effective and efficient response to managers' enquiries</li> <li>• Closer working and greater team spirit empowers the team to have more impact.</li> </ul>	<ul style="list-style-type: none"> <li>• More effective, consistent and efficient HR service, with more timely information and advice</li> <li>• HR acting as a strategic partner that adds value not cost</li> <li>• Greater resilience by sharing knowledge, practice and skills and providing greater flexibility</li> <li>• Financial savings by reduced costs and avoiding duplication of effort.</li> </ul>

Benefits realised thus far:

- Salary costs of the joint service deliver a saving of almost £34,000 compared to the equivalent bills of two separate organisations before shared services. Restructuring resource and sharing management costs delivers a real, tangible benefit
- On-going ability to share HR costs – both in systems and in recurring HR costs, e.g. recruitment
- Extra resilience within the team
- Some identification and removal of redundant processes resulting in extra staff time being realised to focus on more value-add activity.

Lessons learnt:

- Having a long lead time with an extended pilot is not always the best way. The team have sometimes found it difficult to remain motivated each time the pilot date slipped with no 'confirmed' end in sight
- The risk of using agency staff to replace permanent staff was initially acceptable but as time went on the potential instability in the team caused by agency staff leaving became unacceptable
- It became clear more capacity was needed at middle manager level to allow the Head of OD and HR to undertake the strategic work expected of the role.

## Finance

Progress towards a shared Finance function has been extremely limited in 2013/14 in the absence of a Head of function at the National Library. The programme manager Paul Gilfillan submitted a report on options available for a more shared approach to Finance. The Programme Board agreed that whilst there does appear to be considerable scope, further detailed analysis and investigation should be delayed until the National Library Head of Finance has taken up post in March 2014.

## Performance management and use of resources

Both the HR and ITS workstreams are employing scorecards (HR Scorecard Appendix I) to measure success factors, the completion of which will determine when / whether the managed services are recommended for adoption. The scorecards indicate progress against set criteria and will inform decision making towards the end of the pilot.

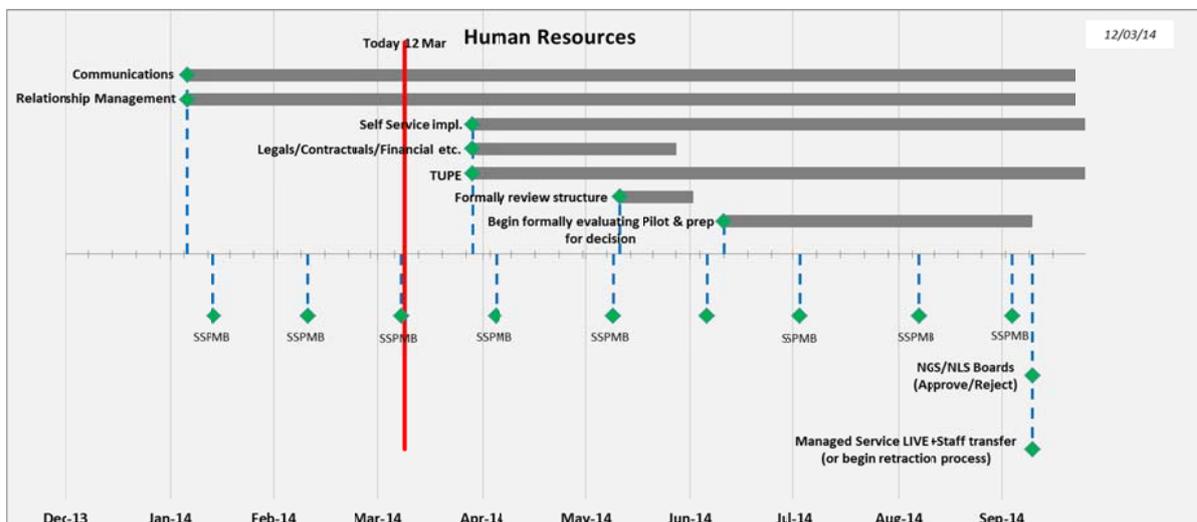
It is important to note that not every factor needs to be fully fledged in green for approval to proceed to be given. Informed decisions can be made by considering the extent to which any activity is complete along with the accompanying commentary and timeline. These success factors are built around service delivery and comprise of process improvements / changes, system implementations and other factors which have material effects on performance.

Should the decision to adopt a newly joined service be made each department will implement a regime of continuous improvement (CI) and will report its own performance against SLA. The statistics provided by the latter will inform the CI workstream thereby enabling timely and appropriate adjustments to service delivery and utilisation of resources.

Additionally by using the workstacks of each organisation and some activity analysis we will build a picture of who has worked on what in the newly joined services and ensure prioritisation has reflected / is reflecting the needs of both.

## Timelines – HR and ITS

The arrival in January of a new HR Shared Service Manager and an HR Partner to return the complement of that role to three brings much needed operational capacity to HR. Process and operational improvement work is now being re-planned and the results will be rolled out across the remainder of the pilot. The timeline for HR is reproduced below:



The ITS pilot began in February this year with the secondment of the NGS IT team to NLS. Now that a single structure model and the associated secondment requirements are in place, time can be spent further consolidating the known workloads of both departments and refining a timeline and scorecard similar to that of HR.

### **Prospective view**

Central (UK) government plans for Shared Services are to move back office services to centralised Shared Service Centres providing core services such as HR, payroll and elements of accounting (departments must take these), leaving optional non-core services to be compared with in house provisions. Such plans also depend on the use of Oracle Enterprise Resource Planning software and currently do not cater explicitly for smaller departments, let alone bodies like National Galleries and the National Library. It is worth noting that of the few established government shared service centres still tracking benefits, costs to date outweigh savings. Once the National Galleries / National Library programme pilots are fully established we may see more financial benefits by way of cost avoidance, some early examples of which are outlined above.

Scottish Government is currently revising its vision and approach to shared services, tying it into 'The 3-Step Improvement Framework for Scotland's Public Services'. A shared procurement service is due to launch on April 1st, although it is fair to say the definition of that service and precisely how it will operate is not yet fully fleshed. It is the Government's intent to use the procurement proposition as a template for others, so we will keep abreast of development in this area.

Government strategy aside, something which is becoming increasingly clear as the HR pilot in particular continues, is that at local level, a fully managed service is only one possible outcome. Work to date has shown the benefits which can be derived in the operational space by assimilating procedural matters, improving workflows, making systems more efficient etc., but at the same time, how one size is unlikely to fit all when it comes to matters such as organisational development strategy. Our findings reflect central government's definition of shared HR, namely the transactional elements only:

- Employee lifecycle processing (starters, leavers, changes)
- 1st level HR case management
- Absence management
- Query handling and resolution.

We may yet find ourselves at the conclusion of the pilot with a result we did not foresee at the outset: a partnership which shares those transactional elements and has built resilience, dependability and capacity for volume, yet leaves space for the non-transactional to be more closely aligned and managed to the needs of each organisation.

Other options of course, exist. We will engage with the three other bodies which started the shared service journey with NGS and NLS, namely Museums, Botanic and RCAHMs, to establish potential for future partnership activities and relationships. Indeed we have already made inroads here, with RCAHMs currently using ITS storage space in an arrangement covered by an SLA closely resembling that which would come into force when the joint IT service is fully fleshed.

Outsourcing remains a viable option for elements of the programme, even if only by way of specialism, e.g. payroll or procurement. On the latter, NGS is in an investigative phase with Scottish Government regarding a centralised shared Procurement offering, although there are many questions still to be answered with regard to Sco Gov's

proposal. NLS have decided not to continue discussions for the time being. Payroll, on the other hand, might be a very good place to start thinking differently. Both NGS and NLS are close to a position to do something about their provision and there are at least two viable options available:

- Jointly purchase a software solution (integrated to the current, common finance system), enjoying resultant economies, cross training staff and building resilience in the service
- Jointly outsource provision of payroll to a provider in the market – separately each organisation is on the small side to make the economies worthwhile but jointly opens up a different sector of provider where a deal may be economically beneficial.

Employing a Head of Managed Services might also be an initiative worth considering, to maintain the focus on delivery, service levels, customer satisfaction and economy whilst remaining alert to and participating in the evolving government shared service agenda.

## **Conclusion**

Considering all that has been learnt so far, arguably the most important message is that there is no 'one size fits all' approach to sharing services. There is no template which can be applied to achieve a certain, predestined outcome. Both organisations have learned a great deal since the programme's inception and now have full and clear understanding of the benefits to be gained from sharing services where there is common ground and context. Partnership and collaboration between NGS and NLS is enriched by this understanding and is now so embedded in the way the two organisations work together that Shared Services should no longer be considered a standalone initiative with an end date, but simply the way we do things.

## HR Scorecard March 2014

### Stage : Systems Integration readiness

Prerequisite steps						Commentary/Evidence	Change up/down	Due Date
Identify and align systems requirements						In place		done
Procure new core HR system						In place		done
Test and implement core system in HR						In place		done
Provide automated feeds to payroll & finance systems						In place		done
Occupational Health systems aligned						In place		done
Provide interface to Engage						Delivered functionality has never been fully tested due to time constraints. Initial tests unsuccessful. Manual entries persist (overtyping). Acceptable for time being.		tbc
Provide interface to Etarmis						Test software being loaded w/c 10/3. All being well go live early April.	UP	31/03/14
Create training programme, esp. NGS						Can not commence until Etarmis interface is delivered and tested.		tbc
Create comms plan to communicate changes						Can not commence until Etarmis interface is delivered and tested.		tbc
Roll out self-service inc. Etarmis to NLS managers inc. troubleshooting						Plan is to combine with Etarmis and roll out both simultaneously. Development time will be followed by testing and proof time at NLS.		tbc
Roll out self-service inc. Etarmis to NGS managers						Dependent on success and time at NLS but planned for summer 2014.		tbc

### Stage : Managed Service readiness

Prerequisite steps						Commentary/Evidence	Change up/down	Due Date
Align policies						HRSS Manager now working to align policies and store on intranet. Draft Plan completed.		31/12/14
Align operational processes						Some work done, some WIP.		31/12/14
Co-location of team and equipment						In place		done
Stable HR team – low turnover, temps less than 20% of FTE						Recruitment in process for 4 FTCs. On completion status will move to green. HRSS Mgr and HRP now in post. Small delay to recruitment - interviews w/c 10 March.	UP	14/03/14

Organisational structure fixed, with new job descriptions/content/pay aligned						In place		done
Telecoms and communications and location visiting mechanisms established x sites						Relaunch of HR schedule at other sites and calendar function to coincide with new team members tbc early Feb.	UP	14/03/14
Partners fully conversant with the staff and activities of the groups they support						Increased visibility of HRPs although operational constraints for one restrict fuller engagement.		ongoing
Level of resourcing, salary costings, experience and qualifications for ongoing BAU quantified						No gauge on volumes representing BAU so resourcing can not be matched. Limited MI. Early activity analysis being undertaken.		30/06/14
Non salary costs e.g. licences, legal fees for BAU known and projected						No gauge on volumes representing BAU so resourcing can not be matched. Limited MI. Early activity analysis being undertaken.		30/06/14
HR Shared Service Manager in post						In place		done
TUs consulted						Early consultation has taken place and will continue appropriately.		30/09/14
Client satisfaction survey adequate						Focus group to be established and facilitated by DC/PG. Stakeholder group meeting end March.	UP	30/06/14
Service Levels defined to clients						Can't be done until policies, processes, resources etc. are aligned.		30/06/14
Changes to MOU identified to reflect arrangement – legal contract drafted						Too early		30/06/14
TUPE consultation process						Too early		30/06/14
Mechanism and price for charging x entity established						Can not be attempted yet - too many variables.		30/06/14
Manager readiness to embrace HR Partner delivery model NLS						Good progress made. Further dev't required.		31/03/15
Manager readiness to embrace HR Partner delivery model NGS						Some progress made. Mgt Dev't programme will build capability and confidence.		31/03/15
Disaster Recovery Planning in place						Covered by existing backup procedures with exception of Bond. Analysis required.		



## **Appendix II**

**National Galleries of Scotland (NGS) and National Library of Scotland (NLS)**

**Shared Services Annual Operating Plan  
2014-15**

**12 March 2014**

## **Contents**

1. Introduction
2. Resources and budget holder
3. Governance
4. Shared Services project deliverables
5. Other projects under consideration

## 1. Introduction

The Annual Operating Plan for shared services is to be approved prior to the start of each financial year by both NGS and NLS Boards of Trustees. The plan and budget for 2014/15 are summarised below. Further project detail is provided within the project planning and management documents.

## 2. Resources and budget holder

Project		Allocated Funding £'000s	NGS & NLS in kind resource £'000s
Operational Governance			40
Information Systems/IT		16	50
Finance		40	40
Human Resources		20	50
Internal Audit and Review			20
Health and Safety			
Commercial trading		20	
Digitisation		10	20
External Affairs and Development			
Estates	Feasibility		
	Security (NGS)		
	Procurement (NLS)	5	
	Facilities Management (NGS)		
	Business Continuity (NLS)		
	Project Management (NGS)		
Staff Costs including TUPE		122	
Contingency/other		18	
Funding and Resources Totals		266	225
Budget holder: NGS Head of Finance and IT			

The allocated funding identified in the table above is provided by Scottish Government, ring fenced from normal NGS and NLS budgets. It is apportioned equally but channelled through the National Galleries of Scotland. The funds identified include carry over budget from 2012/13 of £166k as well as £100k of new money for 2014-15.

The Shared Services Budget will be held by the Head of Finance and IT, NGS and managed within the NGS procurement/financial system on behalf of the Shared Services Programme Manager.

The resources allocated by NLS and NGS represent estimates of the time spent by key employees in support of shared services projects.

Where there is no funding or resource figure identified, there is currently no formal activity or allocation although sharing of ideas and policies continues in these areas.

### 3. Governance

In approving the overall level and allocation of funding, the Boards of NGS and NLS delegate to the Shared Services Programme Board the power to reassign budget between projects as long as within the overall total budget described above. The Programme Board will keep the Boards of Trustees informed of any significant changes.

Project proposals for each area will be brought from the Programme Board to the two Boards of Trustees for decision, prior to progressing to the next phase. The three phases are:

- **Feasibility**
- **Systems integration**
- **Managed service**

Boards of Trustees meeting dates and expected decision points:

<b>NGS Board date</b>	<b>NLS Board date</b>	<b>Decisions / Approvals sought</b>
16 June 2014	June 2014	HLF Skills for the Future update
8 Sept 2014	23 Sept 2014	Shared HR Service pilot sign-off Shared IT Service pilot sign-off
17 Nov 2014	2 Nov 2014	tbc
26 Jan 2015	14 Dec 2014	tbc

#### 4. Shared Services project deliverables

The programme of work in this annual plan is designed to achieve greater resilience and cost avoidance in the provision of Corporate Services for NGS and NLS, without reduction in service quality, thereby ensuring better value for money. The following table provides the planned project outcomes for the current operating year at the highest level. These plans are supported by detailed timelines and project deliverables which are monitored by the Shared Services Programme Board. Consistent with previous years, the aim is to progress projects at the pace NGS and NLS staff feel comfortable with, to ensure maximum buy in and integration of initiatives into core departmental ways of working. The focus this year will be on successfully piloting and implementing the HR & IT shared services and we need time for reflection, to understand lessons learnt and key benefits so that this experience informs subsequent projects.

Project	Project Manager	Lead Organisation	Planned Activity	Date
Operational Governance	SS Programme Manager	NGS	Present detailed reports to the boards of trustees to enable the HR and ITS pilots to be signed off.	Sept '14
			Review of future funding model and the mainstreaming of Shared Services.	Dec '14
Information Systems/IT	Murat Guven	NLS	Complete ITS pilot.	July '14
			Conduct analysis/consideration of pilot results.	Aug '14
			With the Shared Services Programme Manager, prepare reports for the boards of trustees to enable ITS pilot to be signed off.	Aug - Sept '14
Finance	Mairi Rae	NGS	Feasibility study on standardising transactional services & processes.	July '14
			Recommendation on joint consolidated Chart of Accounts.	
			Options appraisal for joint Payroll solution.	Dec '14
Youth Employability	Mo Dockrell	NGS	Through the HLF Skills for the Future project, recruit and commence training of first 6 trainees.	Apr '14 - Mar '15
Human Resources	Mo Dockrell	NLS	Complete HR pilot.	July '14
			Conduct analysis/consideration of pilot results.	Aug '14
			With the Shared Services Programme Manager, prepare reports for the respective boards to enable HR pilot to be signed off.	Aug - Sept '14

## 5. Other projects under consideration

The following table provides details of areas that have been identified as potentially suitable for shared services and we will continue to explore synergies during the coming year.

Project Area	Activities and Objectives
Activity / outcome costing	Investigate practicalities and system options for a solution integrated with Finance systems, for ease of reconciliation, and implement.
Youth Employability	Through the HLF Skills for the Future project, contribute to the Youth Employment agenda.
Procurement	Participate in Scot Govt's shared Procurement initiative which commences 1/4/14. Conduct Shared Service feasibility study.
Internal Audit and Review	Explore project possibilities, including shared audit resource (post changes to NLS function and appointment of new auditors at NLS and NGS).
Health and Safety & Business Continuity	Sustain common working practices and policies with emphasis on use of RIVO common system. Conduct Shared Service feasibility study.
Commercial Trading	Further explore project possibilities, including shops/café synergies.
External Affairs and Development	Explore project possibilities, including Raiser's Edge (collaboration on contacts management).
Estates	Explore project possibilities, if other commitments allow.
Digitisation	Collaboration on streamlining digitisation processes, best practice and the training of new staff.