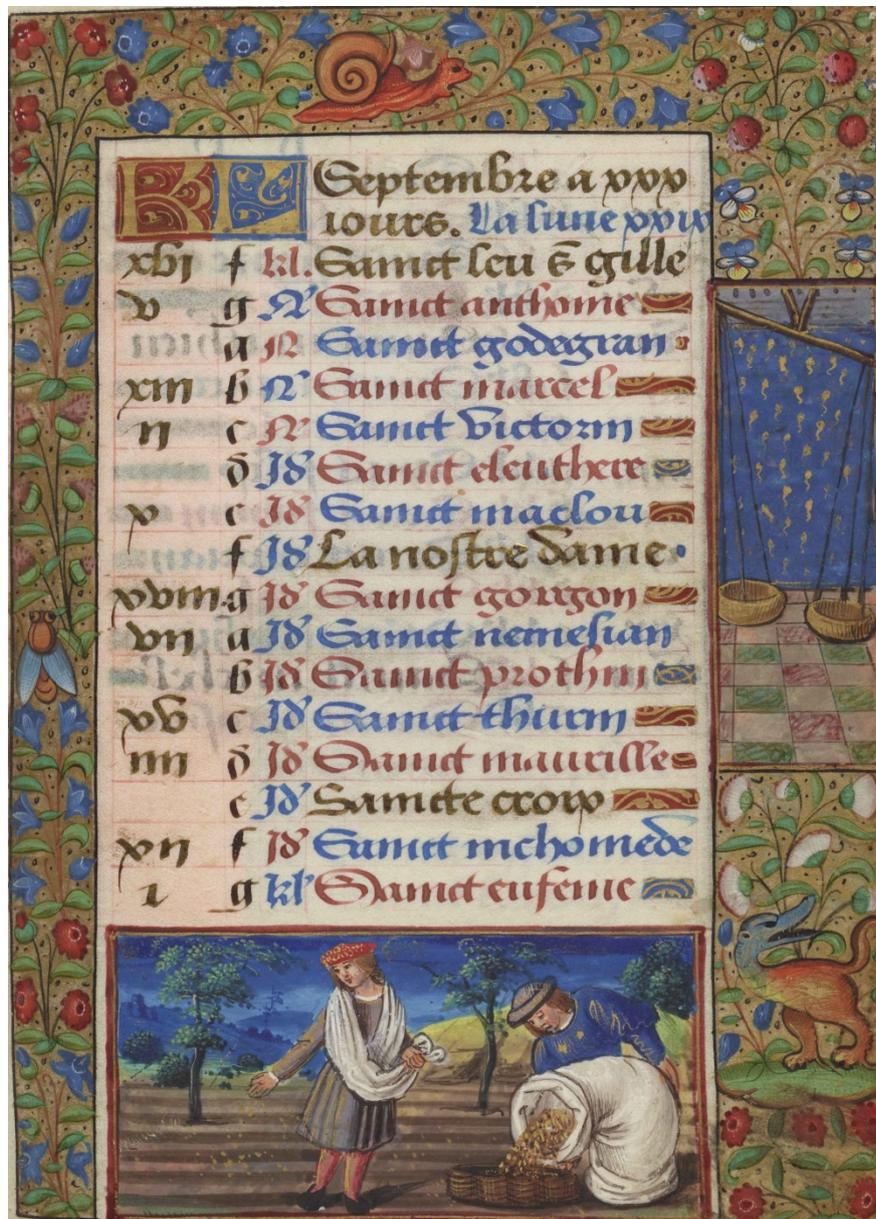


# Library Corporate Plan 2015-16



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# Contents

**1 Introduction**

**2 Corporate Plan objectives**

**3 Reporting on performance**

**4 Alignment with the Scottish National Performance Indicators**

**5 Budget**

**Appendix 1 — Notes to the Budget**

## **Section 1: Introduction**

The National Library of Scotland has a long and distinguished history of collecting and preserving Scotland's printed and recorded content, and delivering it to the public. Our activities support research, education and enrich the cultural life of the nation. The Library's collections comprise over 24 million items in a wide range of formats and have been built up over 300 years through legal deposit. This privilege, which is unique to the Library in Scotland, enables it to claim a copy of all printed items published in the UK and Ireland. In addition, through purchase, donation and deposit, the Library has built up pre-eminent collections relating to Scotland and the activities and influence of Scots throughout the world.

The steady shift to digital publishing means that more and more content is now produced electronically, as well as — or increasingly instead of — in print. From 2013, the Library has been able to collect digital publications through Legal Deposit, under Regulations to implement the provisions of the Legal Deposit Libraries Act 2003.

The National Library is a huge industrial operation, acquiring and processing most of the digital and printed content created in the UK and Ireland. We preserve this material for the nation and make it available for everyone to use.

The economic environment continues to be challenging. Since 2008 the Library has managed year-on-year reductions in its grant-in-aid through operational efficiency savings of 22% without a significant reduction in our front-facing services. Nevertheless, it is important for the Library to maintain its position as Scotland's principal research library, especially given the important 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. This states:

- (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.

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

The Library is currently developing a new strategy for the years 2015-2020 which will be agreed early in the 2015/16 financial year.

To help position the Library as strongly as possible, 2015/16 will therefore be a year of consolidation where we strengthen for the future. At the core of our plan for this year we will focus on a number of key objectives as well as running and delivering our normal end-to-end services to a high standard. These are:

1. Reveal “hidden” collections; material held by the Library but not able to be found by users due to insufficient cataloguing and/or a lack of exposure in electronic form
2. Increase digital access to collections
3. Improve the user experience
4. Deliver a programme of workshops, events and exhibitions across Scotland
5. Provide robust infrastructure to support Library operations
6. Establish a public National Library facility at Kelvin Hall
7. Deliver a Sound Scotland archive network
8. Create the capacity to search and to find material within all collections on-line
9. Grow our capacity to support research
10. Develop the national collections
11. Collect, curate and communicate material relating to the Scottish Referendum 2014
12. Continue to develop public awareness of and interest in the Library, its collections and services
13. Continue to fundraise for NLS priorities
14. Maximise organisational effectiveness through continuous improvement.

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. The Corporate Plan explains where we will be allocating our resources over the next year. 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 achieve 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 on the single year from April 2015 to March 2016, while noting the implications of plans for future years. This is in recognition that the new Library strategy will influence future Corporate Plans. Also, the Library's funding settlement from the Scottish Government is known only to 2015/16. 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.

## Section 2: Corporate Plan

Corporate Objective	Activities	Targets 2015/16
<b>1. Reveal hidden collections</b>	1.1 Complete a long-term plan on how to make the collections more accessible in digital formats	<ul style="list-style-type: none"> <li>Plan to be agreed by July 2015, then commence the programme to make more collections accessible in digital format</li> </ul>
	1.2 Ensure that there is a comprehensive, up-to-date, prioritised list of hidden collections	<ul style="list-style-type: none"> <li>Complete review of hidden collections by July 2015</li> </ul>
	1.3 Provide fit-for-purpose records for selected legacy collections	<ul style="list-style-type: none"> <li>Records created for the legacy collections targeted for 2015-16</li> <li>Complete cataloguing of former Inter Library Services (ILS) collection by December 2016</li> </ul>
	1.4 Complete programme to convert manual catalogues to online format	<ul style="list-style-type: none"> <li>Complete plan for retro-conversion of music catalogues by August 2015</li> <li>Complete conversion of descriptions and catalogue of Advocates' Manuscripts by January 2016 and ensure content is fully integrated into the Library's resource discovery solution by March 2016</li> </ul>
	1.5 Deliver externally funded cataloguing projects	<ul style="list-style-type: none"> <li>Fully describe and index 32 volumes of manuscript correspondence from the John Murray Archive by the end of March 2016</li> <li>Sort and arrange the Fairbairn archive and describe the material to item level by the end of July 2015</li> <li>Sort, appraise and describe the Mehew archive by the end of March 2016</li> </ul>

<b>Corporate Objective</b>	<b>Activities</b>	<b>Targets 2015/16</b>
<b>2. Increase digital access to collections</b>	2.1 Deliver eLegal deposit content to our Edinburgh and Glasgow sites	<ul style="list-style-type: none"> <li>• Maintain and develop the eLegal deposit delivery environment in collaboration with the other legal deposit libraries.</li> </ul>
	2.2 Pilot a Digitisation-on-Demand service, with a view to providing access to a corpus of our out-of-copyright print collections	<ul style="list-style-type: none"> <li>• Pilot to begin in April 2015 and report by July 2015</li> </ul>
	2.3 Complete Phase 1 of the mass digitisation external contract being conducted by the Dutch firm Picturae	<ul style="list-style-type: none"> <li>• Complete by October 2015</li> </ul>
	2.4 Work with schools and learning partners to extend awareness and use of digital resources to support learning and research with a particular emphasis on content appropriate to the national curriculum	<ul style="list-style-type: none"> <li>• Develop learning aids to support Scottish languages by March 2016</li> <li>• Develop learning aids to support “Lifting the Lid” during the exhibition run and beyond</li> </ul>
	2.5 Commence scoping requirements for a new Library Management Platform to deliver consistent and reliable cataloguing, inventory, search and web presentation capabilities	<ul style="list-style-type: none"> <li>• Provide support to the Scottish Confederation of University and Research Libraries (SCURL) procurement project by delivering the Library's functional requirements and test data according to the SCURL timetable</li> </ul>
	2.6 Store the digital collections within a resilient preservation environment	<ul style="list-style-type: none"> <li>• Adhere to the milestones in the development plan produced by the Digital Preservation Officer</li> </ul>
	2.7 Archive Scottish web sites	<ul style="list-style-type: none"> <li>• Ensure that, by June 2015, all known Scottish websites are being collected under electronic Legal Deposit or by the UK Web Archive</li> </ul>

<b>Corporate Objective</b>	<b>Activities</b>	<b>Targets 2015/16</b>
<b>3. Improve the user experience</b>	3.1 Review all public spaces and reading room requirements in Edinburgh to meet the strategic intention of enriching opportunities for learning, research, culture and enjoyment	<ul style="list-style-type: none"> <li>Options appraisal paper completed by June 2015 and submitted to the Board in September 2015</li> </ul>
	3.2 Develop opportunities for partnering with other library/cultural/educational institutions	<ul style="list-style-type: none"> <li>Agree at least three partnerships with other library/cultural institutions</li> </ul>
	3.3 Monitor and measure the level of user service satisfaction	<ul style="list-style-type: none"> <li>Implement a minimum of 11 mystery visits by March 2016 targeting those who use the Library in person as well as those who only use the Library remotely</li> </ul>
	3.4 Undertake audience research projects to develop a better understanding of the composition of Library users, their needs and potential barriers to access	<ul style="list-style-type: none"> <li>Complete audience research projects that align with objectives of new strategy by March 2016</li> <li>Complete audience development plan by September 2015</li> </ul>
	3.5 Continually monitor use of the Library, identifying changing patterns of usage to inform strategic planning	<ul style="list-style-type: none"> <li>Establish appropriate metrics</li> <li>Integrate user metrics into the revised balanced scorecard</li> </ul>
	3.6 Develop an improved online registration and sign-on process to access the Library's digital content	<ul style="list-style-type: none"> <li>Work with the Improvement Service on a proof-of-concept for linking the reader's registration system to myaccount</li> </ul>

<b>Corporate Objective</b>	<b>Activities</b>	<b>Targets 2015/16</b>
<b>4. Deliver a programme of workshops, events and exhibitions across Scotland</b>	4.1 Programme onsite exhibitions and displays to engage a wide range of audiences and showcase Library collections	<ul style="list-style-type: none"> <li>• Deliver two main exhibitions and four treasures displays by March 2016</li> </ul>
	4.2 Provide range of onsite workshops, events, visits and other programmes targeting both the general public as well as specific audiences	<ul style="list-style-type: none"> <li>• Deliver a minimum of 70 onsite events attracting a minimum cumulative audience of 5,000 by March 2016</li> <li>• Deliver a minimum of 40 onsite workshops and 30 onsite tours attracting a total audience of at least 1,000 by March 2016</li> </ul>
	4.3 Deliver an outreach programme of workshops, film shows, mini roadshows, talks and other events for learners, members of the public and specific key audiences to promote the Library's collections and services	<ul style="list-style-type: none"> <li>• Deliver a minimum of 40 offsite activities to attract an audience of at least 1,000 by March 2016</li> </ul>

<b>Corporate Objective</b>	<b>Activities</b>	<b>Targets 2015/16</b>
<b>5. Provide robust infrastructure to support Library operations</b>	5.1 Manage our buildings and facilities in accordance with the Property Asset Management Plan	<ul style="list-style-type: none"> <li>• Complete Phase 1 of the works on the Causewayside Building external envelope by March 2016</li> <li>• Deliver the yearly property maintenance programme according to the agreed schedules</li> <li>• Deliver the book-stack space rationalisation programme according to the agreed schedule</li> <li>• Transfer staff and operations to Pentland House during Causewayside Building works</li> </ul>
	5.2 Supply an IT environment which meets the current and future operational needs of the Library	<ul style="list-style-type: none"> <li>• Network uptime to be at least 99%</li> <li>• Provide sufficient data storage space and network capacity to enable normal Library operations</li> <li>• Plan system growth to ensure that capacity is available to meet expected data growth</li> <li>• Complete the ICT Plan for the Library by December 2015</li> </ul>

<b>Corporate Objective</b>	<b>Activities</b>	<b>Targets 2015/16</b>
<b>6. Establish a public National Library facility at Kelvin Hall</b>	6.1 Deliver the partnership project to refurbish Phase 1 of the Kelvin Hall	<ul style="list-style-type: none"> <li>• Negotiation of management agreement with partners by March 2016</li> </ul>
	6.2 Prepare for the relocation of Scottish Screen Archive staff, processing facilities, non-master and access collections	<ul style="list-style-type: none"> <li>• Complete planning and procurement of 'fit-outs' (office and public areas) by March 2016</li> </ul>
	6.3 Prepare for hand-over in May 2016 and opening in September 2016	<ul style="list-style-type: none"> <li>• Develop service and delivery models and products in preparation for opening</li> </ul>
	6.4 Provide high quality public access facilities to enable full consultation of SSA collections and the Library's digital content	<ul style="list-style-type: none"> <li>• Integrated software development throughout the year with final delivery in June 2016</li> <li>• Develop service and delivery models and products in preparation for opening</li> </ul>
	6.5 Negotiate the potential involvement of the Library in Phase 2	<ul style="list-style-type: none"> <li>• Achieve an agreement with the project partners for the role of the Library in Phase 2 by December 2015</li> </ul>

<b>Corporate Objective</b>	<b>Activities</b>	<b>Targets 2015/16</b>
<b>7. Deliver a Sound Scotland archive network</b>	7.1 Publish the Sound Scotland Portal	<ul style="list-style-type: none"> <li>• Launch new Sound Scotland portal by October 2015 with metadata from 8 organisations, and initiate phase 2 of portal development to include metadata to 20 contributing organisations by the end of 2017</li> <li>• Evaluate portal by end of February 2016</li> </ul>
	7.2 Raise funding for the delivery of the engagement and training programme with partners	<ul style="list-style-type: none"> <li>• Develop the engagement programme by planning the 'Invite and Involve' workstream and by preparing to deliver workshops/programme for 2016/17</li> </ul>

<b>Corporate Objective</b>	<b>Activities</b>	<b>Targets 2015/16</b>
<b>8. Create the capacity to search and to find material within all collections on-line</b>	8.1 Provide fit-for-purpose records for all post-1900 published print, non-print media and digital content	<ul style="list-style-type: none"> <li>• All post-1900 content provided with records within one month of receipt</li> </ul>
	8.2 Improve the “discoverability” and usage of our content	<ul style="list-style-type: none"> <li>• Implement agreed open-content data licence for images by July 2015</li> <li>• Add 44 collections to The European Library by March 2016</li> <li>• Continue to contribute records from our catalogues to COPAC and WorldCat</li> </ul>
	8.3 Integrate additional content into our 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	<ul style="list-style-type: none"> <li>• Complete Encoded Archival Description (EAD) integration by March 2016</li> </ul>
	8.4 Undertake an audit of the Library's websites and develop and implement a content policy to manage web content	<ul style="list-style-type: none"> <li>• Complete audit of all Library websites by September 2015</li> <li>• Agree and implement web content policy by November 2015</li> </ul>
	8.5 Develop an enhanced Library website	<ul style="list-style-type: none"> <li>• Initiate a programme for website redevelopment by August 2015 with the final delivery in August 2017</li> </ul>
	8.6 Enable and maximise access to Library content on all mobile devices	<ul style="list-style-type: none"> <li>• Design and agree minimum standard for mobile access by January 2016</li> </ul>

<b>Corporate Objective</b>	<b>Activities</b>	<b>Targets 2015/16</b>
<b>9. Grow our capacity to support research</b>	9.1 Deliver collaborative research projects and identify opportunities for more collaborations, particularly through Arts and Humanities Research Council funding streams, and the Fulbright project	<ul style="list-style-type: none"> <li>• Supervise at least three studentships</li> <li>• Prepare capacity and partnerships for two new potential Collaborative Doctoral Partnership award streams</li> </ul>
	9.2 Revise research policy to support increased capacity to deliver research outcomes through partnership working and to underpin strategic research goals	<ul style="list-style-type: none"> <li>• Run two workshops to scope out research community potential in one subject area</li> </ul>
	9.3 Identify and prioritise an area for pilot research community	<ul style="list-style-type: none"> <li>• Deliver at least one research fellowship</li> </ul>

<b>Corporate Objective</b>	<b>Activities</b>	<b>Targets 2015/16</b>
<b>10. Develop the national collections</b>	10.1 Maximise the potential value of additions to the collections through all collecting streams (legal deposit, purchase, licensing, donation and deposit) by making evidence-based collecting decisions	<ul style="list-style-type: none"> <li>• All acquisitions assessed to deliver 100% compliance with collecting policy</li> <li>• Deliver maximum long-term value to the Library from the Collections Purchase Fund</li> </ul>
	10.2 Plan to increase the size of the Collections Purchase Fund	<ul style="list-style-type: none"> <li>• Deliver a Collections Purchase Fund in the Budget for 2016/17 valued at a minimum of £750,000</li> </ul>
	10.3 Comprehensively collect the identified Scottish imprint	<ul style="list-style-type: none"> <li>• Collect 100% of the identified current Scottish imprint</li> </ul>
	10.4 Select the UK publications we wish to receive through legal deposit	<ul style="list-style-type: none"> <li>• Ensure that all selected UK publications are received as expected</li> </ul>
	10.5 Acquire and record all content identified for the collections through donation & purchase	<ul style="list-style-type: none"> <li>• Acquisitions accessioned within 15 days of receipt</li> </ul>
	10.6 Maintain a current and relevant collecting policy	<ul style="list-style-type: none"> <li>• Complete review of integrated collecting policy by March 2016</li> </ul>

<b>Corporate Objective</b>	<b>Activities</b>	<b>Targets 2015/16</b>
<b>11. Collect, curate and communicate material relating to the Scottish Referendum 2014</b>	11.1 Gather, preserve and make accessible a permanent record of this event to people in Scotland and researchers from around the world	<ul style="list-style-type: none"> <li>• Provide collection level descriptions for 100% of archive collections relating to the Referendum.</li> <li>• Organise and deliver 'Literature and the Referendum' Conference in partnership with Kathryn Ailes, UK-US Fulbright Postgraduate Scholar at Strathclyde University, 23rd September 2015</li> </ul>
	11.2 Prepare for project closure in May 2016	<ul style="list-style-type: none"> <li>• Deliver outputs from web-archiving work placement (January – March 2016) in collaboration with the Centre for the History of the Book at Edinburgh University</li> </ul>

<b>Corporate Objective</b>	<b>Activities</b>	<b>Targets 2015/16</b>
<b>12. Continue to develop public awareness of and interest in the Library, its collections and services</b>	12.1 Strategic brand and reputation management, internally & externally	<ul style="list-style-type: none"> <li>• Increase public awareness in Scotland in specific geographic areas (measured via the Omnibus Survey)</li> <li>• Deliver a staff engagement programme linked to the Library's new strategy, brand, culture and values</li> </ul>
	12.2 Marketing, including digital, to engage with existing & new audiences	<ul style="list-style-type: none"> <li>• Deliver projects with relevant partner organisations, e.g. the proposed Food Heritage Trail with Visit Scotland, National Trust for Scotland &amp; Edinburgh World Heritage</li> <li>• Increase the audience reach and engagement, e.g. by generating interaction with our marketing activity via platforms such as social media and online advertising</li> </ul>
	12.3 Media and external relations to generate positive editorial coverage in print, broadcast and online media	<ul style="list-style-type: none"> <li>• Deliver an Advertising Value Equivalent of £2m as measured by the NASDAQ service</li> </ul>

Corporate Objective	Activities	Targets 2015/16
<b>13. Continue to fundraise for NLS priorities</b>	13.1 Raise in excess of £1.5 million over the next three financial years	<ul style="list-style-type: none"> <li>• Deliver £565,000 of fundraising during 2015/16 focusing on the following priorities:               <ul style="list-style-type: none"> <li>○ Muriel Spark</li> <li>○ Kelvin Hall</li> <li>○ Sound Scotland</li> <li>○ Conservation workshop</li> <li>○ Collection Purchase Fund</li> <li>○ Fulbright Scholar</li> </ul> </li> </ul>
	13.2 Maintain the income from regular giving through the Patrons and Benefactors programme	<ul style="list-style-type: none"> <li>• Patrons and Benefactors programme raises at least as much as in 2014/15</li> </ul>
	13.3 Exploit appropriate income generation opportunities	<ul style="list-style-type: none"> <li>• During 2015/16 review income generation opportunities across the Library and identify areas and plans where increased income can be raised</li> </ul>

Corporate Objective	Activities	Targets 2015/16
<b>14. Maximise organisational effectiveness through continuous improvement</b>	14.1 Further develop the Organisational Development Plan in line with the new/emerging Library Strategy	<ul style="list-style-type: none"> <li>• Respond to emerging strategy and agree changes to the OD Plan by September 2015</li> <li>• Implement the Freedom to Deliver strand of the Organisational Development Plan by March 2016</li> <li>• Implement the Youth Employment strand of Organisational Development Plan by March 2016</li> <li>• Implement the Employee Engagement strand of Organisational Development Plan by March 2016</li> <li>• Implement the Workforce Planning and Career Development strand of Organisational Development Plan by 31 March 2016</li> </ul>
	14.2 Continue to modernise HR - delivering an excellent HR Service to stakeholders	<ul style="list-style-type: none"> <li>• Review, update and re-issue all contracts of employment by 31 March 2016</li> <li>• Automate HR forms</li> <li>• Improve HR page on the intranet in Q2</li> <li>• Support the National Librarian in the development of the new shape of the organisation Q2 and Q3</li> <li>• Complete review of HR policies by March 2016</li> </ul>
	14.3 Continue to improve the Library's governance framework	<ul style="list-style-type: none"> <li>• Ensure all agreed internal and external audit recommendations are implemented by the due date</li> <li>• By the end of Q3 for 2015/16 ensure that the Library has established a regular system of performance reporting to the Library Leadership Team and the Board</li> <li>• Develop the medium term (three year) financial planning for the 2016/17 budget</li> </ul>

	<p>14.4 Continue to progress the shared services programme with the National Galleries of Scotland</p>	<ul style="list-style-type: none"> <li>• Complete the HR systems development by September 2015</li> <li>• Complete the IT shared service project by December 2015</li> <li>• Revise the Memorandum of Understanding for 1st January 2015 – 31 March 2020</li> <li>• Complete feasibility studies for payroll system procurement; procurement/contract management and Health and Safety support</li> </ul>
	<p>14.5 Prepare for Archive Service Accreditation</p>	<ul style="list-style-type: none"> <li>• Have draft application ready by March 2016</li> </ul>

### Section 3: Reporting on performance

The elements of the Corporate Plan will be devolved to specific members of the Library's management team and progress with these will be monitored through normal channels. Bi-annual reports will be made to the Board of the Library.

In addition, the following measures have been identified as Key Performance Indicators (KPIs) which will help Board and senior management to monitor progress in achieving our key priorities over the 2015-16 year.

The Library has also developed a series of more detailed performance indicators sitting below the KPIs. These will relate to departmental performance and are reported monthly or quarterly, as appropriate. They are not part of the Corporate Plan.

Indicator No	Indicator	2010/11	2011/12	2012/13	2013/14
KPI 1	Additions to physical collections	260,489	247,544	224,452	222,065
KPI 2	Digital objects created	410,138	525,504	705,000	148,215
KPI 3	Library Memberships	-	17,159	23,991	24,770
KPI 4	Active Library Memberships	11,212	15,267	16,911	17,151
KPI 5	Reading Room Visits	89,271	74,968	64,054	74,598
KPI 6	Website Usage (Web sessions)	1,576,557	1,856,595	2,376,813	2,264,571
KPI 7	Exhibition Visitors	69,289	87,957	83,024	97,107
KPI 8	Event Attendees (Public & Education	3,442	4,751	6,187	9,016
KPI 9	User Satisfaction levels	93%	-	95%	-
KPI 10	Collection Environment compliance	99.2%	98.3%	99.5%	99.6%
KPI 11	Staff Absence rate (Days per Employee)	7.9	6.5	7.9	7.5
KPI 12	Fundraising totals raised	£65,550	£152,962	£374,000	£369,000
KPI 13	Media Profile (Advertising Value Equivalent)	£1,529,516	£2,146,935	£2,584,977	£2,960,151

## **Section 4: Alignment with the Scottish National Performance Indicators**

The National Library of Scotland supports the Scottish Government National Performance Framework. A link to the Scottish Government website is provided below.

<http://www.gov.scot/About/Performance/scotPerforms/indicator>

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.

### **Improve levels of educational attainment**

The National Library of Scotland will deliver educational events and resources which will support the curriculum. (Objectives 2 and 4)

### **Increase cultural engagement**

We will comprehensively collect the identified Scottish imprint and make it accessible. We see this as our unique national contribution. (Objective 10)

We will hold two major exhibitions and five treasures displays a year, as well as a rich programme of events, working with national themes. (Objectives 1 and 4)

### **Improve Scotland's reputation**

We will lead the collaborative project to deliver a national sound archive for Scotland. (Objective 7)

We will actively collect archival material relating to Scotland. (Objectives 10 and 11)

We will make the permanent record of the Scottish Referendum 2014 accessible to people in Scotland and researchers around the world. (Objective 11)

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

We will develop a plan for revealing all hidden collections. (Objective 1)

We will investigate using myaccount to offer cardholders membership of the National Library. (Objective 3)

### **Widen use of the Internet**

We will complete Phase 1 of the Picturae mass digitisation of selected collections (Objective 2)

We will pilot a Digitisation on Demand service. (Objective 2)

We will complete the programme to convert manual catalogues to online format. (Objective 1)

We will publish the Sound Scotland portal. (Objective 7)

We will enable and maximise access to National Library content on all mobile devices. (Objective 8)

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

We will undertake research projects to develop a better understanding of the composition of National Library users, their needs and the barriers to access (Objective 3)

We will integrate additional content into our single search-box solution and improve the level of web-based delivery. (Objective 8)

### **Improve knowledge exchange from university research**

We will grow our capacity to support research through collaborations with the Arts and Humanities Research Council and the Fulbright Programme, and by creating a pilot research community. (Objective 9)

## Section 5: Budget

In this section we set out spending plans for the next year.

The budget which has been developed for 2015/16 is balanced and will allow for clear progress to be made towards the Library's corporate plan objectives, identified earlier in this document. The draft budget also complies with the various expenditure rules set by HM Treasury.

The development of the budgets for 2015/16 and future years has been underway since November 2014. As well as the development of a budget for 2015/16 the aim of this work has been to develop an outline budget for the two subsequent years. This has now been completed and is part of the process of allowing the Library to move towards more medium-term financial planning.

### Draft Budget for 2015/16

The draft 2015/16 budget has been presented in two ways. These are as follows;

**Table 1** presents the Library budget by type of income and expenditure. The first numerical column shows the current (2014/15) budget. The changes to this figure are then shown in the next column and the final column represents the draft budget for 2015/16.

**Table 2** presents the Library budget by Department and shows their draft gross expenditure budgets for the year. Detailed budgets for each department/unit across the Library have been developed and agreed with each of the Heads of Department.

In overall terms, when compared to the current financial year, the Library will have higher income and expenditure in 2015/16. The reason for this is the inclusion of two major capital projects – Kelvin Hall and the Causewayside refurbishment. The majority of other departmental/unit budgets will see either very minimal budget increases or a reduction in their budgets in 2015/16.

A number of notes explaining the changes in the budget have been provided.

### Efficiencies during 2015/16

As in previous years the Library will continue to make efficiency savings due to reductions in grant in aid. During 2015/16 it plans to make efficiencies or raise extra income totalling £508,000 or approximately 3.8% of the revenue grant. These savings will be deployed in two ways – they will offset the real terms decrease in revenue grant funding and will be re-invested into operational activities to help the Library to continue delivering its service requirements.

These efficiencies will be achieved through a combination of:

- Generating additional income and ensuring that there is full cost recovery across services;
- Managing services in 2015/16 so that efficiency savings are generated across all areas, particularly in relation to staffing;
- Constraining cost growth – through effective demand management, good financial control by managers and by effective negotiation with suppliers.

## **Prospects beyond 2015/16**

As part of our budget planning we have also been working on outline budgets for 2016/17 and 2017/18. From these it is clear that the Library faces significant financial challenges going forward.

A number of scenarios are possible, but the current estimate, based on a possibly optimistic outlook for revenue Grant-in-Aid, is that the Library will be required to save or raise at least £670k as part of setting the 2016/17 and 2017/18 budgets. This equates to approximately 5% of the core Library budget.

The delivery of balanced budgets for these years will require further change in the way the Library operates. Although major efficiencies have already been achieved – 22% since 2009 - and more are planned for 2015/16, there will be a need for these to continue into future years. This work will need to be linked to the exploitation of income generation opportunities and effective fundraising.

However, by effectively working together with our partners such as the NLS Foundation and by delivering the required change programme, we are confident that this challenge can be managed and that over the period the Library will make good progress in delivering its strategic goals within a sustainable and balanced budget.

## **Risk Management**

In setting a budget, the Library must take into account the risks that may impact upon successfully delivering the strategy. The Library has a risk management process which operates at the strategic, corporate and departmental levels. This process supports the action the Library takes to manage those risks both in setting the budget and managing its finances over the coming years.

**TABLE I**

**NATIONAL LIBRARY OF SCOTLAND**

**SUMMARY INCOME & EXPENDITURE**

**DRAFT BUDGET 2015/16**

	2014/2015		2015/16		Percentage Change (%)	Note Reference
	Base Budget (£'000)	Changes (£'000)	Total Budget (£'000)			
<b>INCOME</b>						
Grant-in-Aid - Revenue	13,243	70	13,313		1%	1
Grant-in-Aid - Capital	3,375	2,225	5,600		66%	1
<b>Total Grant-in-Aid</b>	<b>16,618</b>	<b>2,295</b>	<b>18,913</b>		<b>14%</b>	
Donations/Bequests/Fundraising	0	225	225			2
Conditional Grant Income	1,483	(805)	678		(54%)	3
Investment Income	164	31	195		19%	4
Earned Income - Library Services	199	50	249		25%	5
Earned Income - Rents	134	0	134		0%	
Earned Income - Support Services	185	(36)	149		(19%)	6
Earned Income - Trading	91	0	91		0%	
Trust Fund Interest	20	(17)	3		(83%)	4
Other Funding	339	(185)	154		(55%)	7
	<b>2,615</b>	<b>(736)</b>	<b>1,879</b>		<b>(28%)</b>	
<b>Total Income</b>	<b>19,233</b>	<b>1,559</b>	<b>20,792</b>		<b>8%</b>	
<b>EXPENDITURE</b>						
Staff Costs	10,547	130	10,677		1%	8
Supplies & Services	1,672	(62)	1,610		(4%)	9
Property Costs	4,846	2,550	7,396		53%	10
Maintaining & Adding to Collections	287	(29)	258		(10%)	
Access & Promotion of Collections	240	(15)	225		(6%)	
Stock for Resale	40	0	40		0%	
Collection Purchases	1,601	(1,014)	587		(63%)	11
<b>Total Expenditure</b>	<b>19,233</b>	<b>1,559</b>	<b>20,792</b>		<b>8%</b>	
<b>Deficit/(Surplus)</b>	<b>-</b>	<b>-</b>	<b>-</b>			

**TABLE 2**

**NATIONAL LIBRARY OF SCOTLAND**

**GROSS EXPENDITURE**

**DRAFT BUDGET 2015/16**

	2014/2015		2015/16		Percentage Change (%)	Note Reference
	Base Budget (£'000)	Changes (£'000)	Total Budget (£'000)			
<b>GROSS EXPENDITURE</b>						
Collection Purchase Fund	1,514	(1,014)	500	(67%)	11	
Trust Funds	172	22	194	13%	4	
Externally Funded	256	(147)	109	(57%)	12	
Access	2,361	29	2,390	1%		
Trading Activities	51	0	51	0%		
Scottish Screen Archive	578	9	587	2%		
Collections & Interpretation	2,064	(61)	2,003	(3%)		
Communications	482	(11)	471	(2%)		
Development/Fundraising	199	(12)	187	(6%)	13	
Finance	303	19	322	6%		
Human Resources	431	(39)	392	(9%)	14	
Ingest	1,790	29	1,819	2%		
Cleaning & Security	1,045	63	1,108	6%		
Collection Support	853	19	872	2%		
Property Support	1,817	133	1,950	7%	15	
Kelvin Hall Project	187	1,336	1,523	714%	1	
Capital Projects	2,915	1,185	4,100	41%	1	
Imaging Services	246	1	247	1%		
Information Systems	1,017	(4)	1,013	(0%)		
Secretary	406	(48)	358	(12%)		
Executive Leadership Team	546	49	595	9%	16	
<b>Total Gross Expenditure</b>	<b>19,233</b>	<b>1,559</b>	<b>20,792</b>	<b>8%</b>		

## **Appendix 1 – Notes to the Budget**

### **Note Reference 1 – Grant in Aid**

Grant in Aid from the Scottish Government continues to be the largest element of the Library's income. Based on the current draft budget this comprises over 91% of the total expected income for the year. The draft budget figures are those which have been advised by the Scottish Government for 2015/16.

Revenue Grant in Aid for 2015/16 will increase by £70k (1%) when compared to the current financial year. The increase in the Capital Grant in Aid of £2,225k (66%) represents the 2015/16 element of the Scottish Government funding for the Causewayside and Kelvin Hall projects.

### **Note Reference 2 – Donations/Bequests/Fundraising**

The draft budget assumes that fundraising will deliver £200k during 2015/16 for the Kelvin Hall project. The remainder of this balance relates to the Patrons & Benefactors scheme.

### **Note Reference 3 – Conditional grant income**

Conditional grant income comes to the Library from a number of donors and typically comes with the caveat that it is spent on a specific project or purpose.

During 2015/16 conditional grant income is forecast to drop but will continue to be an important income source for the Library. The largest contributor in this area continues to be the NLS Foundation with support for the following projects;

- Scottish Referendum curation
- Kelvin Hall development costs
- Manuscript cataloguing

The reduction in conditional grant in 2015/16, when compared to 2014/15, is due to the inclusion of significant funding in 2014/15 relating to the purchase of the Aberdeen Breviary.

### **Note Reference 4 – Investment income/Trust fund interest**

In total, investment income and Trust Fund interest is assumed to increase by £17k in 2015/16. This reflects the higher returns that have been received from the investment managers and a changed investment profile i.e. more dividend income and less interest.

The budget assumes spending the whole of the anticipated dividend and interest income from the investment portfolios. Should there be any surplus this will be reinvested.

### **Note Reference 5 – Earned income/Library services**

As part of the budget process for 2015/16 the management team has focused upon areas where additional income could be generated to support the Library's activities. This work has resulted in a planning assumption that Earned Income will increase by

£50k (25%). This is considered a realistic ambition and progress will continue to be monitored over the year. The areas where additional income is expected are as follows:

- Reprographic/copy income
- Royalties
- Sale of surplus space.

### **Note Reference 6 – Support services income**

Income from this source is forecast to decline as a result of the reduction in the scope of the HR shared services project.

### **Note Reference 7 – Other income**

The Other Income category is the release of the provision set aside for the costs of those staff who are on pay protection. The amount of the provision will equal the additional costs borne by the Library in 2015/16.

### **Note Reference 8 – Staffing costs**

The 2015/16 staffing budgets have been based upon staffing lists agreed with the various Heads of Department. The staffing costs now reflect the actual cost of staff salaries for those staff members who will be on protected salaries over the coming year. A 1% pay award from August 2015 has been assumed alongside the increased employer pension contribution rates which come into effect from 1 April 2015.

In order to help balance the budget a number of currently vacant posts have been 'frozen' for the year. However, the figures do not anticipate staff savings through normal turnover, effectively increasing the contingency available, and reinforcing the robustness of the projections.

Other staffing efficiencies are planned in the year by reviewing and reducing the payment of overtime across various services.

### **Note Reference 9 – Supplies and services**

Library spending on supplies and services is planned to reduce by £62k (4%) in the 2015/16 financial year. In preparing the budget, provision to meet all known contractual commitments has been made. However, no general inflation increase in budgets has been incorporated. Essentially, services are expected to absorb general inflationary pressures through the efficient management of the resources they have. This 'cost containment' is an important element of the Library's financial strategy.

A number of savings/efficiencies are planned in this area. These include an across the board reduction in budgets for UK and Foreign travel and subsistence and other specific savings identified and agreed by the Heads of Department.

### **Note Reference 10 – Property costs**

The 2015/16 budget includes a significant increase in property costs associated with the refurbishment work on the Causewayside building, Kelvin Hall and the opening of the new Pentland House offices.

In the case of Causewayside and Kelvin Hall, the Library will be supported with funding from both the Scottish Government and the NLS Foundation.

### **Note Reference 11 – Collection Purchases/Collection Purchase Fund**

This element of the budget is currently used for purchase of current and heritage material, the licensing of digital collections for off-site access and digitisation.

For a number of years the annual capital allocation for Collections Purchases from the Scottish Government has been £500k. This level of funding will continue in 2015/16. This is a reduction from the £1.2 million grant received in 2010/11.

Since 2012, the budget for Collections Purchases has been supplemented by use of Library reserves. This brought the annual spend/budget up to a total of £880k. In addition, during 2013/14 this amount was supplemented by specific fundraising for the Aberdeen Breviary – from individual donors and from the NLS Foundation. This brought the total available to spend in 2014/15 up to £1.5 million.

As part of the draft 2015/16 budget the amount available to spend on Collection Purchases will reduce significantly in 2015/16. There are two reasons for this. Firstly, the budget does not assume the purchase of a significant item such as the Aberdeen Breviary. Secondly, the Library's reserves, which supplemented purchases of items for the collections over a number of years, have now been exhausted. This means that the 'base' budget for Collection Purchases comprises the grant allocated by the Scottish Government (£500k) plus the amounts generated from Endowment Funds (£87k).

### **Note Reference 12 – Externally funded**

A reduction currently budgeted for as the result of a number of projects coming to an end. This is only likely to be a temporary 'blip' as it is likely that a number of new projects will start during the 2015/16 year.

### **Note Reference 13 – Development/Fundraising**

The budget for 2014/15 was boosted by the receipt of funds from the American patrons. These have not been budgeted for in 2015/16.

### **Note Reference 14 – Human Resources**

The decrease in the HR budget for 2015/16 is a result of the decision to end an element of the shared service.

### **Note Reference 15 – Property support**

The planned increase in the costs of running this service are almost entirely due to the additional costs of operating Pentland House during the year. This is a new facility which will accommodate staff during the Causewayside work.

### **Note 16 – Executive Leadership Team**

As part of the 2015/16 budget a new fund of £50k has been created to support innovative projects across the Library. The fund will be administered by the National

Librarian/Chief Executive. It will ensure that an extra budget provision is available for those projects which help achievement of the Library's strategy.