

Item 3.

Joint Operation of Paddington Library

File No: X088718

Summary

Since January 1994, the City of Sydney (the City) has jointly provided a library in Paddington Town Hall, a building owned by the City, with Woollahra Municipal Council (Woollahra).

The current agreement with Woollahra to manage the Paddington Library expires on 30 June 2026. A major capital works project is scheduled at Paddington Town Hall disrupting the operation of the library. This renewal project will modernise whole of building services and facilities, improve access throughout the building and repair and protect important heritage elements.

A decision is required by Council to extend the current agreement with Woollahra for the period from 1 July 2026 to the commencement of capital works. In addition, this report recommends that the City enter into a new agreement to continue to deliver library services to the community in Woollahra's EJ Ward community centre (located at 189 Underwood Street, Paddington) for the period during the capital works.

The management of the Paddington Library has been successful to date. It has established co-operation between councils and enabled a cost effective, quality library service for the residents of both Woollahra and the City's Local Government Area.

Recommendation

It is resolved that Council:

- (A) Council endorse extending the existing agreement with Woollahra Municipal Council to jointly run a library from Paddington Town Hall from 1 July 2026 until capital works commence;
- (B) Council endorse entering into an agreement with Woollahra Municipal Council to jointly run a library from EJ Ward community centre at 189 Underwood Street, Paddington for the duration of the capital works on the terms set out in the subject report;
- (C) Council endorse the payment of a maximum of \$50,800 to Woollahra Municipal Council for relocation costs for Paddington Library; and
- (D) authority be delegated to the Chief Executive Officer to negotiate and enter into agreements with Woollahra Municipal Council to give effect to the approvals outlined in (A) and (B) above.

Attachments

Nil.

Background

1. On 29 March 2021, Council approved The City of Sydney (the City) entering into an agreement with Woollahra Municipal Council (Woollahra) for the joint operation of Paddington Library at Paddington Town Hall, a building owned by the City. This agreement sets out the following:
 - (a) the annual operating budget
 - (b) that Woollahra operates the library
 - (c) that operational costs are shared, 60% Woollahra and 40% the City, based on the use by residents of each Local Government Area. Members who live outside the Local Government Areas are split using the same ratio
 - (d) that the City provides the building free of charge and pays for its maintenance. Woollahra pays for the cost of utilities, cleaning and security. The City does not charge Woollahra for the use of the space and forgoes annual rental income of \$345,800 per annum
2. The existing agreement between both parties provides a range of key performance indicators (KPIs) including collection size, library programs, visitation, and number of loans and members. Paddington Library has been meeting KPIs.
3. Paddington Library contributes to State Library of NSW guidelines for minimum size and location of libraries within the city. It provides a collection for children and families, free public access computers, self-check facilities, and venues and programs which are well received by the community. The computers and self-check facilities are owned by Woollahra, and the programs are delivered by Woollahra to community.
4. Paddington Library has a mid-range number of users, a collection size within the City's network range, and maintains a comparable number of loans. The collection is location dependent and does not form part of a 'floating' collection, unlike the City's collection which is used across the network.
5. It is recommended that the current agreement with Woollahra is extended until capital works commence. It is further recommended that the City and Woollahra sign a new agreement to jointly run the library from EJ Ward community centre located at 189 Underwood Street, Paddington in the Woollahra Local Area for the duration of works. A library will be set up at the temporary site and collection and equipment will be moved from Paddington Library into EJ Ward community centre. The equipment is owned by Woollahra and will be reinstated in Paddington Town Hall when the works have finished.
6. Woollahra's preliminary draft budget for 2026/2027 indicates operational costs for Paddington Library of \$1,003,395. This is within CPI increase on the previous year's budget. It is proposed that the current funding arrangement for operating costs continues (Woollahra 60% and the City 40% split).
7. Based on the draft budget, Woollahra will pay an annual operating cost of \$602,037 and the City will contribute an operating cost up to a value of \$401,358 excluding GST

for the 2026/27 Financial Year. The budget will be reviewed annually with increases to remain within CPI each year unless otherwise agreed.

8. Woollahra Council has indicated the relocation of the library will cost \$127,000. It is proposed that the City will contribute a maximum of \$50,800 for relocation costs, in line with Council's 40% contribution to the operational costs of Paddington Library. Woollahra has also indicated that they will cover the accommodation costs in the temporary venue (EJ Ward community centre). This will be included as a key term in the agreement.

Key terms

9. The library opening hours will remain the same for the period that the library operates from EJ Ward Community Centre. These are:

- Monday to Tuesday 9:30am to 6pm
- Wednesday 12noon to 8pm
- Thursday to Friday 9:30am to 6pm
- Saturday 10am to 4pm
- Sunday 10am to 4pm

Total opening hours 54 per week

10. Key Performance Indicators will be monitored throughout including:

- Number of members
- Residential status of members
- New members per quarter
- Number of loans
- Turnover of stock
- Satisfaction – quarterly feedback
- Annual satisfaction survey
- Number of visitors
- Budget spent

Key Implications

Strategic Alignment - Sustainable Sydney 2030-2050 Continuing the Vision

11. Sustainable Sydney 2030-2050 Continuing the Vision renews the communities' vision for the sustainable development of the city to 2050. It includes 10 strategic directions to guide the future of the city, as well as 10 targets against which to measure progress. This report is aligned with the following strategic directions and objectives:
 - (a) Direction 6 - An equitable and inclusive city - Library services support communities to have the skills, tools and access to technology to engage and participate in digital life and support equitable access to education and learning activities.
 - (b) Direction 8 - A thriving cultural life - Libraries are cultural and creative spaces and the continuation of the service supports the access to affordable cultural spaces and activities which promote creative participation and social cohesion.

Organisational Impact

12. The joint operation has established co-operation between councils and enabled a cost effective library service for the residents of both Woollahra Municipal Council and the City of Sydney Local Government Areas.
13. The joint operation has provided opportunities for collaboration and skills sharing between the 2 councils to provide stronger library services and programs to mutual communities.

Risks

14. This request is within the City's risk appetite, which states:
 - (a) We have a cautious to open appetite for our strategic, community development, urban planning and creative functions and services. .
 - (b) We have minimal appetite for disruption to our regulatory functions, especially those that affect public safety, front line service and our core corporate functions and business systems.
 - (c) We will not tolerate failure to develop plans to respond to a disruption and ensure continuity of operational infrastructure.
15. The recommendations support the continued delivery of library services to the communities in Paddington with minimal disruption during a period of asset renewal works.

Social / Cultural / Community

16. This proposal positively impacts the community by ensuring continuation of library services in the area.

Financial Implications

17. The Joint Operation of Paddington Library is in the Long Term Financial Plan and the City's contribution of \$401,358 excluding GST is budgeted for in the draft 2026/27 Budget.
18. Funding to support the move of the library service to temporary accommodation will be included in the appropriate financial year's budget bid.

Relevant Legislation

19. Local Government Act 1993.
20. Local Government (General) Regulation 2021.

Critical Dates / Time Frames

21. The current agreement on the Joint Operation of Paddington Library expires on 30 June 2026.

Options

22. The City has an option to end the agreement and not provide library services to the Paddington community for the period of the capital works project. This would create operational savings of at least \$401,358 excluding GST based on projections for the 2027/28 Financial Year. This would leave the community without access to nearby library facilities for an extended period and would be detrimental to the collaborative efforts between the 2 councils. This option is not recommended.
23. The City has an option to end the agreement and cease a library service in Paddington. This would create operational savings of at least \$401,358 excluding GST based on projections for the 2026/27 Financial Year and opportunity for increased rental income from the Paddington Town Hall site in future years. This would have a negative impact on the community who use the library service and would be detrimental to collaborative efforts between the 2 councils. This option is not recommended.

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