



181st Annual General Meeting

Minutes of the meeting held in the Reading Room and online via Zoom Webinar at 6pm on Tuesday 15 November 2022

The Chairman, Sir Howard Davies, welcomed everyone to the meeting and explained that, since he had one year remaining of his tenure, a search was now underway for his successor. He reminded anyone interested in applying that the deadline was the end of November.

On the year under review, the Chairman noted it had been another tricky year, with the continuation of the Covid pandemic at the beginning and then, later in the year, the effects of a sudden rise in inflation bringing financial challenges for the Library and indeed, for members. Despite this, good progress had been made against the two core strategic aims: to grow membership and to reduce, and eventually eliminate, the Library's annual operating deficit.

In terms of membership, the Library grew for the fourth consecutive year, ending the year with 7,392 members, an increase of 337 members or 4.8%. Largely as a result of the increase in membership, but also thanks to good cost control and continued philanthropic donations, particularly legacies, the Library had been able to reduce its deficit and enhance reserves.

Since the end of the financial year, there had been a small decline in membership numbers mainly due to the effect of financial challenges many members are faced with. In response, the Library was doing what it could to limit fee increases for the coming year. Whilst the Trustees were concerned about the decline since the Library had not yet reached a position of financial stability, he reassured members that the Director and his team were doing everything possible to increase income and carefully manage expenditure.

Finally, the Chairman expressed his gratitude to members who had contributed to the Library's finances through their membership and in many cases through additional donations; their support was vital to the Library.

The Chairman then handed over to the Library's Director, Philip Marshall.

The Director began by noting that 2021-22 was the fourth year in the Library's current six year strategic plan with its twin goals of increasing awareness and use of the Library and removing the annual operating deficit by the end of March 2024, and as mentioned by the Chairman, good progress had been made against both of these objectives. He reported under the following headings that cover the key areas of activity in the relevant period:

1. Raising awareness and access to the Library

The public profile of the Library was raised through a number of print and radio interviews and features. Early in the financial year, there had been some significant coverage around the Library's 180th birthday, particularly the Library's literary festival

(LitFest) and a story around Charles Darwin's borrowing records which was picked up by *The Times*, *The Telegraph*, *i-Newspaper* and the BBC.

Social media remained an important platform during the year and the follower base across Twitter, Facebook and Instagram grew by 8,000 followers across all platforms, representing an increase of c15%. The Library had also grown use of the Library's website and its email newsletter.

The Library had been delighted to reinstate its speaker event programme, which has proved successful in attracting non-members to the Library as well as building general awareness of the Library. The LitFest had some 50 participating speakers including Salman Rushdie, Tom Stoppard, Simon Schama, Suzannah Lipscomb and Sarah Waters. The online event drew an audience of over 8,000 including international viewers and earned a FutureBook commendation as one of 2021's most prominent events. Several other speaker events were held in person and online with such notable speakers as Claire Tomalin, Giles Milton, Katy Hessels, Simon Garfield and Inua Ellams. The Library partnered on events with English PEN and Jewish Book Week and held 'Write and Shine' workshops. These events had a combined audience of c2,000 over the course of the year.

In terms of other access and outreach activities, the Library was delighted with the ongoing success of the Emerging Writers Programme which began its third year in 2021 with a further cohort of 40 participants. The Programme has since begun its fourth year and it was very satisfying to see that several members of the earlier cohorts were now published writers. Thanks were given to Trustees, Sara Wheeler, for chairing the judging panel for the 2021-22 cohort and Yassmin Abdel-Magied, for chairing the judging panel for the latest cohort. There were over 1,000 applications for each of these cohorts, demonstrating the ongoing demand for this offer to new writers. The Library is keen to continue this as an annual programme, and is currently seeking funds to run this again next year. The Director thanked those who had donated to the programme this year.

The Library was delighted to have grown the number of Schools in membership. By the end of the financial year, there were over 50 schools in membership with 20% of them having joined through the Library's subsidised schools membership scheme where eligible state schools are offered a year's free membership.

The Library continued its longstanding commitment to offering subsidised membership to those on low income via the London Library Trust with some 276 members receiving this benefit. The Director encouraged anyone with an annual income of less than £25k to consider applying to the scheme.

As a result of various efforts, the total number of members increased substantially in the last financial year, now the fourth year in a row, to nearly 7,400 members. Young Persons' Membership increased by c28% which was particularly pleasing. The Director reiterated that there had been a slight decline in numbers since the start of the new financial year, the main reason being a financial one. With so many pressures on members it was not surprising that some had had to sacrifice their Library membership. The Library was doing all that it could, within its own financial limits, to ensure it continued to provide an excellent service that offers good value to existing and potential new members.

2. Managing the Collection

The Director noted that the year had started in lockdown with the Library continuing to operate its postal loans service whilst the building remained closed to members alongside access to its online collections. The Library opened in early April, albeit with various social distancing measures in place, and the Director thanked everyone for

their patience throughout the period when restrictions were still necessary at the Library.

The Library continued to suspend postal fees throughout the year and maintained a raised borrowing allowance for members. 9,500 books were posted out under this system which was gratefully received by members up and down the country.

58,000 books were loaned throughout the year, which was an increase of 17,000 on the previous year and although this was lower than the pre-pandemic rate, the rate of borrowing was expected to continue upwards in the current year.

The Library has continued to acquire new collections material. In the year, £283k was spent, up from £248k the previous year, with £155k of this being spent on digital resources, reflecting the growing importance of this part of the collections to members. The Library continue to progress its collections management strategy under which suitable books are selected for off-siting and some selective reductions in the holdings are made. This year, 88 linear meters of very low use material in the Bibliography section was removed following extensive consultation with members. The Library continued its strategy to place journals into offsite store where the same content is freely available online adding a further 45 titles, equivalent to 80 linear metres of shelf space, into store, this time from the quarto section. These items remain retrievable upon request from members and the moves have allowed us to continue acquiring new books and periodicals, which we know are much in demand by members.

A major retro cataloguing project was begun to add some 20,000 items to the online catalogue, previously only discoverable by members through the Library's printed records. 95% of collections are now included on the online catalogue, and a smaller project is now underway to add those outstanding items, almost all of which can be found in digital format through our existing online subscriptions.

A project to improve the cataloguing, management and storage of the Library's rich institutional archive was also underway. The Archivist continues to make interesting discoveries about the Library's history and the Library is looking at ways to share this more widely.

3. Increasing Fundraising

The Director reminded members that the Library was not able to run on membership fee income alone and depends on donations received. Regular types of giving include the Patrons' Circle (also known as the Founders' Circle), the annual Library Fund Appeal, and donations to ongoing schemes for supported membership, such as the Emerging Writers Programme and Schools memberships.

In the year to March 2022, the Library Fund Appeal raised some £90k for the installation of energy saving lighting in the Library, the aim of which is to improve the Library's environmental and financial sustainability whilst providing an improved browsing experience for members. Thanks were given to those members who donated. The new lighting will be rolled out in the coming year as far as there are available funds. It was hoped to upgrade the lighting in the rest of the Library in future, and members were welcome to continue to donate to this project.

The Library also benefited from generous legacies from past members. The Director noted how legacies have been a vital source of income for the Library over the years and thanked everyone who had made a provision for the Library in their Will. If members were happy to let the Library team know they had done so, they would be pleased to invite them to occasional events for legacy pledgers, known as the Prevost Circle.

The Director ended by thanking members again for their support of the Library. He hoped that the Library continued to inspire and support members in whatever their reading or writing pursuits might be in the coming year. He then handed over to the Treasurer, Philip Broadley.

The Treasurer reported on the Library's financial position for the year ending 31 March 2022. This was the fourth year of the Library's strategic plan, one of the goals of which is to eliminate the operating deficit by 2024. This was one year later than originally planned, largely as a result of the medium-term financial consequences of the pandemic.

The operating deficit for the year reduced by over £200k and, at £164k, is now only one quarter of what it was in 2018 when the plan was adopted. Changes had been made in the presentation of the operating deficit, principally to deal with what was considered the best way to account for transfers between funds and non-cash items, and were explained fully in the Annual Report. There were no changes to accounting policies or judgements that are used to produce the financial statements themselves.

The Treasurer then referred attendees to the one-page financial review (made available as a handout and onscreen to online participants), compiled from the audited financial statements, and illustrated on page 11 of the Annual Report.

The Library's funds increased by £627k compared to an increase of £2.4m in the previous year. The Treasurer explained the decrease was mainly due to two items. In 2021, the Library had recognised a large, single legacy of £1.1m from Christopher Smith and this year, there has been a smaller unrealised gain in the value of investments compared to last year.

Income from membership, events and trading at £2.9m was 7% higher than the prior year. Membership income increased to £2.8m with growth in member numbers in almost all categories of membership. Income from talks, events, venue hire and trading was over £80k as activity picked up again after the pandemic restrictions ended.

Fundraising income, at £900k, was over £1m lower than the prior year. Underlying donations from Members, other supporters and legacies held up well and the Treasurer echoed the thanks already expressed to all the Library's supporters. As mentioned previously, the Library had received, in the prior year, an exceptional legacy of £1.1m. The Library had also received over £100k from the Government's Job Retention Scheme, which the Library is required to be accounted for as a grant under fundraising income, and which was not repeated this year. On legacies, the Treasurer noted that whilst the Library is required to account for legacies when there is a reasonable evidence of their receipt, estates often take a long time to be wound up and distributed. Thus, on the balance sheet at 31 March the Library recognised a debtor of £500k, the outstanding amount anticipated to come from the Christopher Smith estate, and in fact these funds are still awaited.

The total costs of operating the Library, £4.4m relating to operations and £300k relating to fundraising, rose by 13%. However, this included over £500k of expenditure on the retro-cataloguing project, systems development and archiving which were funded by the Tom Stoppard Innovation Fund and excluding these one-off project costs, the underlying recurring expenditure rose by 6%.

While keeping a close eye on expenditure, the Library continued to add to the collection. During the year, c3,600 printed items were added to the catalogue to the value of £170k, including books gifted to the Library to the value of c£9k, and c£150k was spent on digital resources.

Investment income increased by 20% to £236k, partly due to an increase in dividends paid by public companies, but largely because the Trustees increased holdings in the Newton Growth and Income Fund in anticipation of receipt of a legacy.

There were two unrealised gains in the year. Firstly, an unrealised gain in the market value of the Library's financial investments (largely comprising endowed and restricted funds) of £643k, a 12.6% return.

Secondly, the assets that support the obligations of the Staff Superannuation Fund (the Library's closed defined benefit pension scheme) grew in value, while the estimated present value of the scheme's future obligations to its members fell due to rising interest rates. Each year, the Library is required to make an estimate of the present value of the series of cash payments the scheme will make to pensioners over thirty or more years compared to the market value of the Fund's Assets. The Fund's assets are over £12m and the liability around £11m. He reminded Members that whilst the Scheme's accounting surplus was recognised in the accounts, this was not considered available to the Library today, but rather when all obligations are met many years hence surplus funds will revert to the Library.

The Treasurer explained that, as in previous years, these two non-cash movements can move from large positive to large negative numbers and was simply a reflection of the volatility in share prices and yield on government gilts, especially of late. By way of reassurance, the annual average of these amounts over time should be positive. The five-year average annual investment gain is £350k and the five-year annual average improvement in the financial condition of the pension scheme is c£300k.

On the Library's financial resilience, the charity's total funds were over £31m, including endowed and restricted funds of £7.4m. Overall, there were free reserves of £2.15m at the end of March, and the Treasurer noted that this is just £50k less than what is required to cover all of the Library's obligations to the pension scheme over the remainder of the decade under the current recovery plan and to cover operating deficits at current levels for a further three years. He judged the level of reserves to be prudent given the Library was expected to improve operating performance over that time.

The Library has no debt and owns the freehold to its buildings that is surely worth more than the historic cost value of £16.8 million in the accounts.

The collection does not appear on the balance sheet since acquisitions are charged to the revenue account when purchased but it is insured for £26m.

He hoped that the Library would continue to provide something that the Members valued and they would renew in the coming year. The Library was within striking distance of eliminating the operating deficit which has challenged the Library over a number of years. Around 300 additional members, an increase of 5% in total membership, would close the remaining gap.

On the resolution to confirm the proposed increase in fees at 1 January 2023. These increases are around 5% depending on membership category. In setting the increase below the rate of inflation, the Trustees have sought to find a balance between the costs of operating the Library and the cost of living pressures that Members face.

As ever, the Treasurer concluded by urging Members to recommend membership to others; the joys of the Library should surely not remain a secret.

The Chairman then invited questions from the Members.

Antony Knox asked whether Brexit had had any recognizable impact on the Library's finances? The Chairman responded that he felt there was not likely to be anything specific other than the value of UK investments generally. The Treasurer agreed, adding that separating Pandemic and Brexit effects on business would be difficult.

Jonathan Clarke thanked the Director for engaging with him since the last AGM on union recognition for staff. He had heard that a ballot had now taken place and a clear majority had voted in favour of Unite the Union to represent the interests of staff. He asked whether the Library would now commit with working with the Union to deliver functional and substantial representation for the staff.

The Chairman responded that, at the last AGM, he had said on behalf of the Trustees that the Library would accept whatever the staff wanted in terms of representation and this had been done. The Director added that staff in the relevant bargaining unit, ie all staff except the Executive Team, had voted to recognise Unite the Union for the purposes of collective bargaining on pay, hours of work and holidays. He was now engaging with them to negotiate a satisfactory voluntary agreement. On timing, he expected the agreement to be in place in time for pay award discussions in February/March. Jonathan Clarke reiterated his thanks to the Director for his statement at the previous AGM on how much he valued staff as indeed the Members do.

Elisabeth Luard asked whether The Study room was to continue as a laptop free space since it was often empty. The Director explained that the arrangement was part of a trial to determine demand for such a space. The main Reading Room had previously been laptop free, but during Covid this had been reversed in order to make better use of capacity in the Library. He felt that there was a significant demand for a computer free space and the Library was currently looking at the balance between different spaces and members' preferences. This was being monitored on a daily basis. This year's Members' Survey results would also be taken into consideration and Members were also encouraged to give further feedback. It was expected that a decision would be made in January on how to proceed.

Ann Thwaite voiced her support in favour of returning the Reading Room to a laptop free space. On finances, she wondered if the Library's Magazine might be considered a lavish expenditure. The Director responded that whilst the Magazine did not break even in terms of advertising revenue, it was a valuable resource for Members including those who were not able to visit the Library regularly and a way of encouraging a sense of community. He felt it was important to illustrate the work of Members and how they use the space and the collection. It was also made available online so non-members could read it.

Peter Phillips commented that he felt that the Reading Room should be reverted to a computer free space. The additional desks in the room made it difficult to access and enjoy the periodicals which were housed in the room. The Director responded that the evidence so far was that the room was far better used now laptop use was allowed. This was pretty evident firstly during Covid when there were no laptop free spaces in the Library and since everything reverted back to some sort of normality, it has remained the case. In the Members' Survey, some 30% desired a laptop free space, and a high proportion of these felt that this should be the Reading Room, however the overall majority felt that the Reading Room should remain laptop accessible.

Christopher Clark suggested moving the Library's current copies of periodicals from the Reading Room into The Study and keeping it laptop free. The Director thanked him for his suggestion which would certainly be considered and could be part of a trial process.

Martin Albrow asked what the Library's policy was on legacies in the form of private libraries. He was considering donating in this way himself. He reported that a friend had

been interested in leaving his collection, including first editions, to the Library. However, although the Library had been interested in some of the collection, it had been unable to take the collection in full, and he had resigned his membership because of it. The Director responded that the Library is grateful to benefit from donations of libraries and books and he apologised if there had been any misunderstanding in the way this particular offer had been handled. The Library certainly tried to encourage Members and others to notify the team of legacies in advance to discuss logistics and whether unwanted material could be sold on. The Director thanked Mr Albrow for considering donating to the Library in this way.

Jonathan White asked whether the entire Library was heated to the same degree or whether bookstacks were heated less than social rooms? He wondered if savings could be made by having less heating in the stacks. This was in relation to a further question of how many people were using the Library as their main place of work? The Director was unable to comment directly on the heating question, but he reported that there was a relatively small number of members using the Library as a main workspace apart from the many writers who worked in the Library. The Library was not really set up for other types of work which would require online meetings, and there were not many spaces to do this, because of the policy on silence.

Danielle Wilson thanked the Library for its encouragement of interest groups, particularly the History Group of which she was a member, and asked whether the Library could support such groups on an institutional basis. The Chairman responded that there were plans, currently being worked up under the Buildings and Facilities Committee, to turn a part of the Library into an area for outreach and access, a 'discovery space', which would comprise a meeting room away from communal spaces, and therefore might be a potential meeting space for interest groups. The Director was pleased to hear the positive feedback on the History Group and felt that the leader of the group, Mohammad Almojel, was doing a wonderful job of co-ordinating a large group of people. The Director added that with the new 'discovery space', the Library would be able to host events during the normal day hours, without affecting the rest of the Library, but in the meantime he was happy to look into hosting interest groups on evenings when the Library was open for other events.

Graham Betts asked whether the Board had considered the way in which they had responded to the pandemic as proportionate and correct? He wondered how they would respond in the event of another rise in infection if the government left it up to individual institutions to make arrangements. The Chairman responded that the Trustees were comfortable with the way in which the Library handled the pandemic to the credit of the Director and his staff. There had been a lot of consultation and the Library had followed best practice, not just from government guidelines, but also with the help of an informal network of other arts organisations. The Director felt that the Library would likely follow a similar process in the event of future outbreaks but it would nonetheless depend on circumstances at the time.

Jonathan Foreman asked whether the Library might revert to its former opening hours of staying open to 8pm on Monday to Wednesday, which he felt were more logical to the current arrangement of Mondays and Tuesdays to 9pm as there were only a handful of members in the Library after 8pm. The Director responded that the change had been made a few years ago because of the growing events programme and events hire business to be able to make Reading Room available on both Wednesdays and Thursdays (with Friday not a viable option). The hours were also extended to make it better for people visiting the Library after work hours. He felt the Library now relied too heavily on its events programme and venue hire income to be able to revert to the previous pattern of hours. The Library also made large parts of the building available whenever possible on evenings when there were public events.

Jonathan Foreman then asked whether the Library could reinstate the physical suggestions book or create a virtual one in order for other members to see what happens to complaints and comments, etc. The Director responded that the physical suggestions book had been replaced with a suggestions email account which enabled a far quicker response than before. Following a comment from another member that members enjoyed seeing other members' suggestions, and that they couldn't understand the sensitivity around the issue, the Director reiterated that it had not been an efficient use of senior staff time and that the response time was often slow. Furthermore, some of the comments made in the book were offensive to others.

Richard Eason referred to how world economies had experienced regular financial downturns over the last 20-30 years and asked whether there were any indications whether the current decrease in membership over the last few months is relatively greater than those that must have been occurred during the collapse of the dot com boom, 2008-9 financial crisis etc, ie is there was any sign that the recent downturn is anything but a short-term response to the current downturn. The Chairman responded that this was a difficult situation to assess since there was not a financial market collapse, rather a decline in living standards squeeze, the tightest for many decades. The fall in membership had not been dramatic and had indeed picked up in September. He did not think it was possible to look to past financial upturns and downturns to provide comfort on how numbers played out, because the current situation was a different construct.

A member asked, in view of increasing cost of energy, what will be the Library's policy on keeping windows open with the heating on during winter. The Director noted the guidance last winter on the importance of ventilation. In the recent colder months, windows had tended to be closed, but the Library would remain vigilant to the current Covid situation and prevailing guidance, whilst bearing in mind heating costs. The Treasurer added that the Library's energy costs were a small percentage of the total, at around 1%, and the gas and electricity contracts were fixed to Summer 2023.

Karen Bell reported she had very much enjoyed the Library's events programme and asked whether it would be possible to continue offering the potential for attendees to join online if they cannot attend in person? The Director responded that the Library would continue to offer this facility wherever possible so as to reach a wide an audience as possible.

Richard Eason asked that if special interest groups were to meet at the Library, would it be possible for online access to be made available. The Chairman noted the request and undertook for the Library to be able to provide this if at all possible.

Karen Bell asked whether the Library would be resuming public tours which had enticed her to the Library in the first place. The Membership Director responded that the Library will indeed be resuming them, potentially in a different format and only during the summer months when it is less disruptive to members, but there will be more of them and they will be advertised well in advance.

Glen Reynolds asked whether the postal service would remain in place. The Director responded that there were no plans to change the postal service. Postage fees were currently waived and he expected this to remain in place until the end of the financial year.

Victoria de Korda asked whether the Magazine could be printed on a cheaper weight of paper and the Director reiterated that the Magazine format could certainly be reviewed.

The Chairman thanked Members for their questions and directed the Director to consider the following items: on the temperature question, think about heating the Library in a

different way; accessibility of periodicals and room layouts; a meeting space for interest groups; resuming public tours; and, the economics of the magazine.

There being no further questions, the Chairman moved to the formal business of the meeting.

The Members approved the minutes of the 180th Annual General Meeting held on 15 November 2021.

The Members approved the adoption of the 2021-2022 Annual Report and Accounts.

The Members approved the reappointment of MHA MacIntyre Hudson as the Library's auditors for the financial year 2022-2023.

On election and retirement of Trustees, the Chairman reported that Sara Wheeler and David Lough were retiring this year and he warmly thanked them for their service to the Library. In particular, Sara Wheeler for chairing the Nominations Committee for eight years, and David Lough for his contributions to both the Finance and Development Committees.

The members approved Daisy Goodwin for a second and final term of trusteeship.

Three members were put forward and approved by the members for trusteeship: Paul Aylieff, Neil Christie and Rosalynn Try-Hane. The Chair was pleased to report increasing numbers of applications received for Trusteeship, and whilst this made final selections often difficult, he found it encouraging that so many members were minded to help in this way. He reported a new Co-optee, Liz Holderness, had been appointed to the Library's Nominations Committee. The Library was grateful to Liz who, as a senior recruitment consultant, worked with the Committee on an advisory basis, pro bono, to ensure a fair and consistent process.

On proposals for President and Vice-President, Tim Rice had served as President for five years and was now put forward as a Vice-President for a term of five years. The Chairman warmly thanked Sir Tim, who had been a great support to the Library, organising entertainment for some extraordinary supporters parties and hosting events both here and in New York. The Library was now delighted to put forward Helena Bonham Carter as President for the next five years. She had been a Member of the Library for many years and will be the first woman to hold the position.

Helena Bonham-Carter and Tim Rice were duly approved as President and Vice-President respectively.

On membership fees, subscriptions and charges from 1 January 2023, the Library was proposing an increase of an average of 5%. The Treasurer explained that the Board were conscious of the cost pressures on the Library and also members and had tried to find the revenue maximising point which covered an increase in costs whilst remaining affordable to members.

The fee increase was approved by the members.

The Chairman reiterated his thanks to members joining both in person and online and for their continued support of the Library. He looked forward to seeing members at the next AGM, which would be his last as Chairman.