



175th Annual General Meeting

**Minutes of the meeting held in the Reading Room at 6pm on
Wednesday 9 November 2016**

The Chairman, Sir Howard Davies, began with some reflections on the overnight news of Donald Trump's victory in the US presidential election, and noted that students of Trump would find some interesting material within the Library's own catalogue.

One of the highlights of the Library's 175th year had been the *Words in the Square* celebrations in May. That these had been such a success was a tribute to staff from all departments, led by the Librarian and Deputy Librarian; all had worked beyond the call of duty. Members present warmly applauded their efforts. The event had made a contribution to raising the Library's profile and membership numbers had stabilised after a persistent decline over recent years, but the impact was not on the scale that had been hoped for. The Pushkin Press series *Found on the Shelves* was another showcase for the Library and the more idiosyncratic material in its collections. The second set had just been published and the first was selling well. Meanwhile the Library's President Sir Tom Stoppard was among a number of writers to have been interviewed on radio and television during the anniversary year.

The Chairman reported some key statistics on circulation and cataloguing for the year. He noted that the Library's electronic resources had been enhanced with the addition of the New Oxford Shakespeare Online and Oxford Dictionaries in several major languages as well as the Oxford Classical Dictionary. A new cohort of students from Camberwell College of Art had just joined the Library's preservation work placement scheme.

The Development team had been strengthened in preparation for the challenges ahead, and social media were becoming increasingly important in communications. Substantial endowment donations had been received during the year, including a further contribution to the Drue Heinz Literary Fund.

Library members had again been well represented among literary prize-winners during the year. A S Byatt, Elisabeth Luard and John Hurt had each received awards for lifetime achievement while Andrea Wulf, Gideon Rachman and Ian Bostridge among others had won prizes for specific works.

In recognition of the financial challenges facing the Library, the Chairman noted that a sustainability review was now in hand, which sought to establish a firm footing for the Library's finances. He emphasised that the review did not envisage a substantial increase in subscription rates.

The Treasurer, Mark Storey, took up the narrative, beginning with a review of five-year trends. He noted that the figures in his presentation were intended to illustrate the key issues and were not in the same format as the statutory accounts, although they could be

reconciled to them. The net loss of around 600 members over five years represented income of some £300,000 which in turn was about half the current operating deficit. Investments generated useful additional income but current returns were very low by historic standards. Donations made an important contribution, as did legacies despite their inherent unpredictability. The pension fund continued to be a burden despite having been closed to further accrual five years earlier, but the Library's Finance Committee would continue to explore ways to mitigate the risks associated with it.

The Library held reserves as a cushion against short term deficits and investment volatility, as well as endowment funds that now totalled £2.6m. Following an earlier review the Library's current holdings, spread over a number of separate fund managers, were being consolidated into units within two selected funds run by a single manager, to facilitate a clearer process for future investments. The Treasurer made mention of the Boston Athenaeum, a slightly older but smaller institution than the Library, which now held some \$90m endowment funds. While recognising that the US context was very different, he saw this as something the Library itself might aspire to.

Words in the Square had cost some £58,000 net of ticket sales and sponsorship, compared to a budget of £72,000. However, the net cost was more than covered by donations to the 175th Anniversary Appeal which now totalled some £95,000 including Gift Aid.

As he prepared to step down at the end of his second term the Treasurer expressed his appreciation to the Bursar, Paul Hamlyn, who had worked closely with him during this period. He was also pleased to welcome his successor Philip Broadley, who would bring a valuable breadth and depth of experience to the role.

The Chairman invited questions from the audience.

Jules Lubbock observed that if each of the Library's roughly 7,000 members were to donate £70 in addition to their fees, this would be eligible for Gift Aid and generate around £0.5m, largely eliminating the deficit. The Chairman agreed that an Annual Fund had potential as part of the fundraising mix, and the 175th Anniversary Appeal could be seen as an example although its purposes were rather more specific.

Andrew Duff noted that actual membership numbers over the last five years had been significantly lower than earlier projections, which raised doubts about the process and the reliability of future projections. He noted the investment of resources in the Development Office, but suspected that the most difficult problem was member retention. From his previous knowledge of McKinsey & Co he also saw a potential danger in seeking to attract corporate funds. The Chairman clarified that the McKinsey proposals for the Library did not envisage any significant involvement by the corporate sector. He did however acknowledge that members would often lapse on reaching the age of 25 at which point the full fee was payable. This was an issue being addressed in the new proposals, along with the engagement of members more generally. The Treasurer emphasised that this was a complex problem and welcomed ideas from members to supplement the detailed research already in hand.

The Librarian added that the projected membership for March 2017 was 6,623. At the end of October 2016 the total stood at 6,621 and the net movement during the financial year to date was positive. She emphasised that the Library took membership recruitment and retention very seriously, but the outside world was ever-changing and approaches that had served well enough in the past might no longer work. Moreover there could be

no single “magic bullet” since some members would be deeply opposed to initiatives that others would welcome.

Another member asked whether there was a distinction between projections and targets, and whether capacity was a constraint. The Librarian replied that intensity of usage was a key factor, and that this had increased markedly and permanently after the 2008 fee rise.

Richard Butt was in no doubt that the financial situation was serious, and suspected that changes would be needed to the membership structure to encourage younger members to stay, although he recognised that this would not be straightforward. Moreover he did not feel comfortable placing too much reliance on investments and voluntary income. He asked that a report be made to members before the next AGM. The Chairman agreed that further communication with members would follow, adding that an Extraordinary General Meeting would be required to approve changes to the membership structure should these emerge. However, he doubted that the Library would ever be able to sustain itself from subscription income alone.

Another member commented that he had joined during the last year mainly on the strength of the Library's online offer, and felt that the Library should explore new approaches to marketing its online resources. The Chairman replied that an online-only service could be considered among the range of possible membership options.

Christopher Clark noted that total fee income had remained very stable over the last five years. The Treasurer explained that the annual increases in fee rates had compensated for the fall in membership numbers but not increased income significantly.

Life member Malcolm Southan explained that he was a member of a storytelling club in his home city of Oxford, and found that it could offer an excellent bonding experience. He suggested the Library might consider something similar in its plans. Another member extolled the Library as a place to meet like-minded friends and make serendipitous discoveries.

Richard Howard noted that the original plan for a new Members' Room had envisaged this being on the roof of the building, whereas the recent survey asked members for their views on alternative locations within the building. The Librarian explained that the original proposal would require substantial fundraising, and the questions in the survey were designed to explore cheaper short-term options which would inevitably involve trade-offs.

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

By a show of hands the members approved the minutes of the 174th Annual General Meeting.

By a show of hands the members approved the adoption of the 2015-2016 Annual Report and Accounts.

By a show of hands the members approved the appointment of Isabelle Dupuy as a Trustee.

By a show of hands the members approved the reappointment of Sir Andrew Popplewell for his second consecutive term as a Trustee.

By a show of hands the members approved the reappointment of David Reade QC for his second consecutive term as a Trustee.

By a show of hands the members approved the reappointment of Peter Stewart for his second consecutive term as a Trustee.

By a show of hands the members confirmed the appointment of The Right Honourable Lord Boateng, Caroline Michel and Sir Tim Rice as Vice-Presidents.

By a show of hands the members approved the reappointment of MHA MacIntyre Hudson as the Library's auditors.

By a show of hands the members approved the 2017 fee proposals. With a full individual rate of £510 the new fees represented an increase of 3.03% on current levels, above the general inflation rate but broadly in line with the Library's specific cost base.

The Chairman warmly thanked the retiring Treasurer Mark Storey, who had developed a deep understanding of the Library's financial dynamics and had brought unwavering commitment to the role during the two terms he had served. Members present showed their appreciation with applause.

The Chairman also thanked Philip Broadley for agreeing to assume the role as successor to Mark Storey, echoing the comments the latter had made earlier. He explained that under the Library's Byelaws the Treasurer was appointed by the Trustees rather than directly by the members.

The Chairman noted that Sir Tom Stoppard would step down as the Library's President during the summer of 2017. He assured those present that there would be further opportunities to record the Library's appreciation of the contributions he had made.

Finally the Librarian explained that after long consideration and with no little regret, she had decided to take early retirement at the end of September 2017. She had spent nearly thirty years in the Library's service, and for much of that time had been responsible for driving forward strategic initiatives. Indeed the intensity of her involvement had been such as to dominate the rest of her life. She was under no illusions as to the scale of the challenges facing the Library over the next few years, and did not feel she had sufficient energy left to give them the sort of commitment they needed. She nevertheless considered it a privilege to have worked for and led an organisation she valued so highly. She had given nearly a year's notice to allow a thorough recruitment process for her successor, but wished to let the members know of her decision at what would be her last AGM. There was prolonged applause.

The meeting closed at 7.30pm. Some 82 members had attended.