

# Annual Report and Accounts 2021/22





# **Libraries NI**

## **The Northern Ireland Library Authority**

### **Annual Report and Accounts For the year ended 31 March 2022**

Laid before the Northern Ireland Assembly  
under Schedule 1, clauses 16 and 17 of the Libraries Act (Northern Ireland) 2008  
by the Department for Communities on 23 November 2022



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This publication is also available on our website at [www.librariesni.org.uk](http://www.librariesni.org.uk).

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## Foreword

I am pleased to present this Annual Report and Accounts for the year 2021/22. The Report includes an overview of the programme of work to fulfil the Authority's terms of reference, deliver its Business Plan, and continue to be responsive to the environment in which it operates, at the very heart of Northern Ireland's communities.

We faced another challenging year in 2021/22, dominated by the Covid-19 pandemic, which once again caused serious disruption to our normal operations and the provision of the library service. We began the year with all libraries open but with restrictions in place that limited services, access to computers, the use of internet and printing facilities, and BookBox and Book and Collect. As government restrictions eased during the year, more and more services were re-introduced, including browsing in libraries, access to study space and heritage collections, face-to-face programming and room hire. Unfortunately, as we moved into the winter period, the new and highly infectious Omicron variant resulted in further widespread government restrictions and resultant disruption to library services. In February 2022, restrictions were lifted and once again, work began to re-introduce the services that had been disrupted.

However, despite the many challenges, I am pleased to report that library services continued to be provided throughout the year. During the periods of disruption, an emphasis was placed on supporting eBooks, eMagazines, audio books and online programming, which proved to be highly popular and well used throughout the year. Our staff must be commended for the measures and steps taken to ensure our buildings remained safe spaces as members of the public started coming back into libraries, in increasing numbers, over the course of the year. Much of our efforts and energies through 2021/22 were focused on our continued response to Covid-19, re-establishing services, and 'reconnecting' with library users and the communities we serve.

It has also been another uncertain financial year with the public sector in general facing many financial challenges. Against this backdrop, I am grateful to the Department for Communities for the opening budget allocation of £28,135,000, which went some way to addressing the underfunding inherent in previous years' baselines. I am also grateful for the additional funding received in-year, which bolstered investment in book stock and meant that we were ultimately able to deliver strongly against our plans and targets, respond to the challenges of the pandemic, and continue the task of reconnecting with library users.

Due to the previous year's disruption to library services, there was a significant focus in 2021/22 on re-engaging with our customers, attracting new library members and encouraging participation in library services and programming. Flagship events were used to promote and attract new members and increase active membership numbers. There was a particular focus on families and older people, who traditionally are some of the more active library users but who were also the groups most heavily impacted by the Covid-19 pandemic. Open Days and Family Fun Days formed part of the approach taken, and in addition a dedicated advertising campaign ran from mid-February to end of March 2022, based around three core themes: events for children, the library as a place to reconnect with people, and libraries providing services that are free of charge; something that became an increasingly important message in the context of the cost of living crisis that emerged during the latter part of 2021/22.

Libraries deliver a range of core programming that contribute to wellbeing, literacy, and combatting social isolation. During 2021/22, a hybrid approach to delivering services was adopted, with programmes and activities including Rhythm and Rhyme, Children's Storytime, Heritage from Home, Reading Groups and Creative Writing sessions being delivered both in library premises and through social media channels, including Facebook, YouTube and Zoom. I know from the feedback received that members of the public using library services continued to enjoy and appreciate them.

The importance of digital inclusion remained high on our agenda, and throughout 2021/22 Libraries NI offered digital support via various channels, including e-mail and telephone. Help sheets were created to provide easy access to basic digital skills, and modules to support digital learning were developed and delivered via the Zoom platform. Not only did these programmes improve digital skills but equally importantly, they also helped people maintain connections with friends and families and equipped them to access Libraries NI resources.

For younger library members, Libraries NI again took part in the Reading Agency's Summer Reading Challenge, with the theme of nature and conservation promoted under the banner 'Wild World Heroes'. The Reading Challenge was delivered online and in local libraries, supplemented with story camps and creative writing workshops. This really important initiative, which helps to combat dips in children's literacy levels over the summer months, was once again highly popular, with some 13,900 young people registering to participate, reading 149,622 books.

As part of our partnership with BBC Northern Ireland, from 18 to 24 October 2021, the highly successful Book Week NI celebrated the benefits and pleasures of reading through the theme 'Read All About It'. There were a number of new features in 2021, including specially commissioned short films featuring well known BBC NI personalities discussing their reading. Love Your Library Day encouraged people to pay a visit to their local library and to sign up for membership, while Book Week Ambassadors played a proactive role on social media to encourage others to participate. The success of Book Week NI continues to grow, promoting the benefits of literacy and reading, and it is one of the highlights in the Libraries NI and BBC Northern Ireland calendars.

Other activities that were delivered include Heritage from Home, a really successful programme of online talks, workshops and musical events that focused on the history of the people of Northern Ireland.

Further details on the range of events and activities delivered by Libraries NI during 2021/22 can be found in the Development and Performance section of this Report.

On 23 March 2022, I was delighted to welcome HRH The Duchess of Cornwall to the Holywood Arches Library for a morning filled with activities celebrating books, reading and library services. The visit was part of the Royal Family's spring tours to mark Her Majesty The Queen's Platinum Jubilee, and the Duchess met and chatted with Holywood Arches staff and customers and experienced for herself a range of services delivered in our local libraries.

I was equally delighted that the Minister for Communities, Deirdre Hargey, and the Libraries NI Board took the very progressive policy step of abolishing overdue library charges. It is anticipated that this measure will reduce barriers to library use and



encourage library membership and wider engagement with the service. It will create a more equitable service provision, promote libraries as progressive and inclusive places, and make library use an enjoyable, convenient and beneficial experience for all.

Libraries NI was pleased to continue its participation in the Boardroom Apprentice programme in 2021/22. This innovative programme provides individuals who wish to become Board Members within the public and third sectors the opportunity to gain practical experience, training and support through a non-voting placement with a host Board.

Especially at a time like this, it is important to recognise the tremendous work carried out by our staff right across the service on a daily basis, against a backdrop of wider societal upheaval and an uncertain and unpredictable environment, created in large part by the Covid-19 pandemic. Library staff continued to deliver services throughout the various periods of disruption experienced in 2021/22, and all staff, ably led by the Senior Management Team, are to be commended for their continuing commitment, professionalism and consistently high levels of achievement in delivering a top-quality public library service in Northern Ireland.

I am ever conscious that the success of our service to our communities depends also on the continuing co-operation with our many partner organisations within the public, community, voluntary and trade union sectors. In particular, I wish to thank the Minister and Departmental officials, whose support was vital in enabling the Authority to operate so successfully in such a difficult and challenging environment during the year under review.

Throughout the year, the Board and its several committees continued to meet virtually to ensure that the governance and oversight of Libraries NI continued uninterrupted. In this regard I would like to record my gratitude to my fellow Board Members for their continued support and their dedication to the work of the public library service in what has been another challenging year. In particular, I wish to thank Garath Keating and Neil Bodger, who stepped down from the Libraries NI Board during 2021/22, for their valued contribution over several years, and to wish them every success in the future. The Director of Library Services, Trisha Ward, retired at the end of April 2022, and I also wish to thank her for the great contribution she has made to the public library service and to wish her well in her retirement.



**Professor Bernard Cullen**  
**Chairperson**

**Date: 13 October 2022**

# Performance Report

## Performance Overview

This Overview aims to provide sufficient information to allow the reader to understand the organisation, its purpose, the key risks to the achievement of its objectives and how it has performed during the year.

## Chief Executive's Statement

The financial year 2021/22 commenced with an initial resource budget allocation of £28,135,000, an increase of some £1,970,000 on the opening baseline allocation from the previous financial year. This represented a positive move towards a more sustainable level of funding for the public library service and reflected the constructive and collaborative work undertaken by Libraries NI and the Department for Communities (DfC) to address a level of underfunding inherent in previous years' baselines. The initial resource allocation provided a sound platform on which to develop spending plans and to support delivery through another challenging year, very much framed by the ongoing Covid-19 pandemic. Additional funding was received over the course of the year and this was used primarily to supplement the opening book stock budget which had been set at £1.05 million. This resulted in a total revised budget of £30,244,000 which facilitated a spend on library stock of £3.503 million in 2021/22, compared to £3.062 million in 2020/21.

In 2021/22, reported net expenditure for the year was £38,880,000. After subtracting non-cash expenditure and other expenditure not scoring against budget, recurrent net expenditure was £29,798,000 against an allocated budget of £30,244,000. Capital expenditure was £2,928,000 within an allocated budget of £3,149,000.

The capital allocation for 2021/22 was £3,149,000, which allowed for the completion of a number of projects carried forward from 2020/21 and expenditure on a number of new minor works and small estates projects, including design work for the new Enniskillen library, as well as essential investment in replacement IT systems, services and infrastructure. In addition a range of projects aimed at contributing positively to addressing climate change issues were undertaken including the creation of a travelling exhibition on the theme, two feasibility studies into energy efficient design and the installation of low energy LED lighting. Global supply chain issues impacted on planned spend late in the year and contributed to a higher than normal level of underspend against the capital budget.

As we moved into 2021/22, we faced continued uncertainty and disruption to library operations and services caused by the global coronavirus pandemic. Once again our resilience and resolve was tested as we continued to adapt and respond to the changing circumstances to ensure library services continued to be provided to the people and communities we serve.

Restrictions, in place at different times during the year, impacted on our ability to deliver services in local libraries and consequently prevented the public from accessing the full range of library services and programmes. The year began, in April 2021, with all libraries having returned to normal opening hours and as it progressed,

other services such as access to browsing and study space, and heritage library facilities were reintroduced. Further easing of restrictions through August and September enabled face-to-face programming to begin with further services being added through the autumn. However, the emergence of the Omicron Covid-19 variant over the winter period resulted in the reintroduction of public health restrictions and subsequently in disruption to library services, including to programming, activities in libraries and the mobile library service. With the lifting of restrictions, in February 2022, the focus once again returned to reinstating services that had been disrupted. This challenging, changing and uncertain environment inevitably had an impact on our organisational performance in 2021/22 and provides context to the period covered by this report.

I was greatly encouraged by the response of our staff, right across the library network, to the continuing and unprecedented challenge presented by the Covid-19 pandemic, and the achievements this year are testimony to their professionalism, dedication and commitment against a backdrop of the challenging and changing circumstances referred to above. I want to place on record my sincere appreciation to staff across the service, in both frontline and support services, for the contribution that they have made to the delivery of the 2021/22 Business Plan and for their continued support in difficult and uncertain times. This Annual Report gives a flavour of the range of programmes, activities and services which have taken place during the year to support delivery against our key outcomes and corporate objectives.

Recognising that the most significant opportunities to improve life opportunities exist in the form of early interventions, activities aimed at children and young people are a key element of Libraries NI's approach to tackling social exclusion. While many of our normal branch library activities were constrained, resources were made available online, and programmes and activities were adapted and delivered through our website and social media channels. Rhythm and Rhyme sessions were delivered using Zoom and Facebook and continued to prove popular with children and their parents and carers. We were delighted later in the year, in line with the relaxation of restrictions, to be able to begin to deliver more and more activities in local library settings. Other activities included the Summer Reading Challenge which saw 13,900 children register to take part, reading some 149,622 books over the summer period. During Children's Mental Health Week we promoted a range of resources and activities to support and help young people to deal with difficult and challenging issues. One highlight included partnering with Award Publications and prize winning children's author Pete Johnson to invite children to submit jokes which were subsequently published in a book 'How to be a Comedy Genius' and launched in Chichester Library. The focus of our activities is to encourage reading for pleasure, which, research shows, is linked to improved educational outcomes.

As a statutory partner in the Community Planning process, Libraries NI continued to engage with each of the Councils on delivering long term community planning objectives, including contributing to the review and update of community plans and statements of progress.

Supporting literacy and promoting a love of reading remains at the core of our work. In 2021/22 we spent £3.503 million on book stock (£3.062 million in 2020/21) in a variety of formats across a range of genres with some in different languages, reflecting

the multi-cultural background of library users. This equated to a spend of £1.85 per capita, based on official 2020 mid-year population estimates, against a public library standard of £2.25. While we maintained a strong emphasis on eBooks, eMagazines and audiobooks due to the continued uncertainty and disruption caused by the coronavirus pandemic, it was also good to see, as services began to return to a more stable operating environment, a strong recovery in loans and issues relating to physical books.

Our work is informed by the Department for Communities Building Inclusive Communities strategy, community planning and wider government priorities. A key focus of our Corporate Plan 2020-2024 is the contribution that libraries make to social, community and economic wellbeing as community hubs where people can access a wide variety of learning, information and social resources that make a difference to their quality of life in both the short and long term. Increasingly, opportunities are emerging for the public library service to make a significant contribution in communities as local access points to many services including those provided by government departments and public bodies. Examples of initiatives in this area during 2021/22 include the work Libraries NI is doing with the Driver Vehicle Agency (DVA) to pilot the use of libraries to facilitate customers through the process of booking an MOT online. Working with the Department for Economy, we helped provide IT access and support to people in local communities wishing to complete the online application for the High Street Support Scheme. Libraries NI also assisted the Local Government Boundaries Commissioner by facilitating online access as part of the public consultation on recommendations for Local Government Boundaries.

The extensive network of libraries is strategically important and we believe that this importance will strengthen as we continue to work collaboratively with organisations across government departments, public bodies and the voluntary and private sectors. In this way Libraries NI continues to play its role in responses to wider societal challenges, including recovery from the impacts of the coronavirus pandemic and the cost of living crisis and can support the delivery of other services, providing local access points and helping customers to connect with information and services that contribute to social and economic wellbeing. All of this is only made possible by our dedicated and professional staff who are committed to delivering high standards of service and providing help and support to assist people using libraries, no matter what their background or circumstances.

I am grateful to the Chairperson and the Board of Libraries NI for their continued interest in, and support for, the public library service over the past year. There is no doubt that the next few years will continue to be challenging and like all public bodies, Libraries NI will need to continue to change, improve and become more efficient in what it does.

## **Our Purpose**

The Northern Ireland Library Authority, known as Libraries NI, was established as a body corporate on 1 April 2009 as a result of the Review of Public Administration. Its functions are laid down in The Libraries Act (Northern Ireland) 2008. The primary duty of Libraries NI is to provide a comprehensive and efficient public library service for persons living, working or studying in Northern Ireland. In doing so the organisation

is required to:

- ensure that facilities are available for the borrowing of, or reference to, library materials sufficient in number, range and quality to meet the general requirements of adults and children (whether by keeping adequate stocks, by arrangements with other bodies concerned with library services or by any other means)
  
- have regard to the desirability of:
  - encouraging both adults and children to make full use of the library service
  - providing advice as to the use of the library service and making available such bibliographical and other information as may be required by persons using the service
  - promoting literacy and lifelong learning
  - maintaining a collection of library materials relevant to the cultural heritage of Northern Ireland
  - making library premises available for cultural and community activities
  - meeting any special requirements of adults and children by any appropriate means.

## **Our Corporate Goals**

Our corporate goals are articulated through three outcome areas and eleven associated strategic actions and are set out in the Libraries NI Corporate Plan 2020 – 24.

### Outcome area:

**A shared, inclusive public library service supporting communities and societal wellbeing**

### Strategic actions:

- Provide a customer focused public library service to people living, working or studying in Northern Ireland which contributes to societal wellbeing
  
- Create strong mutually beneficial regional and local partnerships, including with other public services and community planning partners, to develop libraries as access points for a wide range of services
  
- Reduce barriers to library use especially for those at risk of being socially excluded
  
- Raise awareness and increase understanding of library services with customers, the general public and stakeholders

**Inspired, informed and literate children and adults**

- Promote reading, literacy and lifelong learning through delivery of resources, services, programmes, activities and initiatives for children and adults
- Provide access to Heritage resources and services to the widest possible audience
- Improve digital services, access and literacy
- Promote access to information, information literacy and support children and adults to become more informed citizens

**Effective Governance and delivery**

- Maintain an effective organisational and governance framework and support and develop our people to enable delivery of high quality public services
- Make best use of available resources to support identified priorities and deliver an effective and valued public library service
- Develop and implement an Outcome Based Accountability (OBA) approach to business planning and performance measurement.

The Libraries NI outcome areas and strategic actions provide the context and framework for delivery of priorities and services with more detailed annual objectives and targets being set in the Annual Business Plan to ensure the aspirations and ambitions articulated in the four-year Corporate Plan are achieved. Both the Business and Corporate Plans are closely linked to wider government priorities with the aim of making a lasting and sustainable contribution to improving the societal wellbeing of individuals and communities in Northern Ireland.

In seeking to deliver against the outcome areas and strategic actions, we maintain a focus on services through the library network and online in a number of areas including:

- **Children and Young People**

The most significant opportunities to improve people’s health, wellbeing and life opportunities exist in the form of early interventions particularly, though not exclusively, designed for children and young people. Children’s and young people’s services and programmes are a key element in Libraries NI’s approach to tackling poverty and social exclusion.

- **Cultural Heritage**

Libraries have a long tradition of collecting and preserving material which

relates to our cultural heritage. Access to this cultural heritage, both local and national, can enrich society by nurturing creativity, imagination and a sense of place. It is of central importance in supporting and extending a community's understanding, not only of its local identity, but also of its past and its role in shaping the present.

- **Digital, Information and Learning Services**

Libraries have a critical role to play in the provision of learning opportunities and helping to promote greater equality of access to the skills, confidence, technology and connectivity necessary to operate in an increasingly online and digital world. Libraries provide free local access to broadband, Wi-Fi and information technology hardware. More importantly, library staff support library users in accessing online services and have the skills to understand customer needs to help them navigate through, and make sense of, the myriad of resources that are available. The provision of learning opportunities and the development of people's digital and information literacy skills remains a priority for the service and the increased reliance on being able to access resources and services online highlighted during the Covid-19 pandemic served to emphasise the importance of the work we do in this area.

- **Support for Health and Wellbeing**

Libraries promote health literacy through the provision of accessible health related information, in online and hard copy formats, through partnerships, events and programmes. The health and wellbeing benefits of reading and of social programmes are well documented. The library network provides welcoming, locally accessible and stigma-free environments for health promoting activities. Libraries NI's support for health and wellbeing is aligned with the widely used 'Five Steps to Wellbeing'.

- **Shared, Safe Spaces for Culture and Creative Development**

Libraries, as neutral trusted venues, are ideally placed within local communities to provide a shared safe social space for cultural and creative engagement, where individuals and communities can explore different cultural traditions and backgrounds.

- **Reading and Reader Development**

The value of reading stretches far beyond the benefits to the individual. Reading is an essential life skill and a gateway to learning and information. It is also a source of pleasure, enjoyment, inspiration and relaxation. Research demonstrates that developing a love of reading is important for children's life chances and is one of the most effective ways of leveraging social change. Reading expands knowledge and vocabulary and can help improve analytical and thinking skills, focus, concentration, and writing skills. Research also shows that reading and taking part in social reading activities such as reading groups has a beneficial effect on health and wellbeing, including mental health, self-esteem, confidence and stress reduction.

Delivery of library operations and services are structured around a number of key pillars, including the Network of Libraries, Collections, Online Services and Service Support, Customer Experience and Customer Groups.

### **Key Issues and Risks**

The coronavirus (Covid-19) global pandemic continued to represent a significant risk in 2021/22 and one that had a disrupting impact on many aspects of Libraries NI operations, placing a strain on the organisation and its staff. Contingency planning measures and mitigations were deployed and the library service operational model adjusted throughout the year taking account of restrictions and relaxation of restrictions introduced through coronavirus regulations and government and public health advice.

The impacts of the UK's exit from the European Union have been assessed as low for Libraries NI. While we continue to be subject to the wider economic, political and social effects of the UK exiting the European Union no notable disruption to business or supply chains, directly attributable to the exit, has been experienced during 2021/22. Libraries NI will continue to take steps to monitor, manage and mitigate issues where possible.

The level of uncertainty about longer term planning and budget setting, global economic and political uncertainty, rising inflation and the cost of living crisis represent further risks and issues that were at play during 2021/22. These matters will continue to impact into 2022/23 and will be monitored and where possible actions taken to manage and mitigate them.

### **Going Concern**

Libraries NI is an Executive Non-Departmental Public Body, sponsored by the Department for Communities (DfC), having been established by statute under the Libraries Act (NI) 2008. Libraries NI received its core resource and capital funding from the DfC during 2021/22, and an initial allocation has been made for 2022/23. While the financial environment is challenging, Libraries NI is of the opinion that the going concern basis of preparation of the Annual Report and Accounts is appropriate. Libraries NI is not aware of any events which would impact upon the entity's status as a going concern. For these reasons Libraries NI has adopted the going concern basis in preparing the Annual Report and Accounts.



## Performance Summary

<u>Outcome area / Targets:</u>	<u>Achievement against target / KPI:</u>																		
<b>A shared, inclusive public library service supporting communities and societal wellbeing</b>																			
<p>No. of loans and renewals against target of 3,050,000</p> <p>No. of new members against target of 100,000</p> <p>No. of active members against target of 160,000</p>	<p>Achieved:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Loans</td> <td style="text-align: right;">2,157,105</td> </tr> <tr> <td>Renewals</td> <td style="text-align: right;"><u>1,497,591</u></td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: right;"><b><u>3,654,696</u></b></td> </tr> </table> <p>Not achieved - 49,680 (including 11,223 virtual)</p> <p>Achieved - 227,369</p>	Loans	2,157,105	Renewals	<u>1,497,591</u>	<b>Total</b>	<b><u>3,654,696</u></b>												
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95% of branch libraries reopened and/or providing services	Achieved - 100% (Excludes libraries closed for planned refurbishment)																		
No. of eLoans against target of 1,600,000	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;"><b>2020/21</b></th> <th style="text-align: center;"><b>2021/22</b></th> </tr> </thead> <tbody> <tr> <td>eBooks incl eAudiobooks</td> <td style="text-align: center;">920,524</td> <td style="text-align: center;">760,009</td> </tr> <tr> <td>eMagazines</td> <td style="text-align: center;">983,023</td> <td style="text-align: center;">416,319</td> </tr> <tr> <td>eNewspapers</td> <td style="text-align: center;">406,778</td> <td style="text-align: center;">323,682</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: center;"><b>2,310,325</b></td> <td style="text-align: center;"><b>1,500,010</b></td> </tr> <tr> <td><b>Total % against target</b></td> <td colspan="2" style="text-align: center;"><b>93.75%</b></td> </tr> </tbody> </table> <p>Not achieved.</p>		<b>2020/21</b>	<b>2021/22</b>	eBooks incl eAudiobooks	920,524	760,009	eMagazines	983,023	416,319	eNewspapers	406,778	323,682	<b>Total</b>	<b>2,310,325</b>	<b>1,500,010</b>	<b>Total % against target</b>	<b>93.75%</b>	
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<b>Inspired, informed and literate children and adults</b>																			
Participation in reading challenges – measured against target - 12,000 children.	Achieved - 12,132 children participated in the Summer Reading Challenge.																		
Number of learning opportunities to improve digital literacy – measured against target - 400	Achieved - 391 Online Learning Opportunities and 116 face to face sessions																		

	delivered (includes the Connect project). Total 507 sessions.								
<b>Effective Governance and delivery</b>									
Annual net spend (resource and capital) will be within budget. Underspend will be minimized (<1%)	<p>Not Achieved – Resource Budget: (1.5% underspend against 1% target)</p> <table border="1"> <tr> <td>2021/22 Budget</td> <td>£30,244,000</td> </tr> <tr> <td>Year End spend</td> <td>£29,798,000</td> </tr> </table> <p>Not achieved – Capital Budget: (7% underspend against 1% target)</p> <table border="1"> <tr> <td>2021/22 Budget</td> <td>£3,149,000</td> </tr> <tr> <td>Year End spend</td> <td>£2,928,000</td> </tr> </table>	2021/22 Budget	£30,244,000	Year End spend	£29,798,000	2021/22 Budget	£3,149,000	Year End spend	£2,928,000
2021/22 Budget	£30,244,000								
Year End spend	£29,798,000								
2021/22 Budget	£3,149,000								
Year End spend	£2,928,000								
95% of Internal Audit service targets and standards will be met	Achieved - All Internal Audit Service targets and standards were met								

# Performance Report

## Performance Analysis

### How we measure performance

The performance management framework consists of:

- the Corporate Plan which sets out the corporate objectives linked to relevant priorities in the draft Programme for Government and the Department's strategies for the public library service
- an annual Business Plan which sets out the actions to be taken and the associated targets
- Key Performance Indicators which are used to report quarterly at Board level and to the Department on progress.

Information on performance is drawn from a range of sources. A statistician, seconded from the Northern Ireland Statistics and Research Agency (NISRA), worked closely with senior management to maintain and support a database which is used to hold data on Libraries NI activities. Due to incomplete data returns to the Libraries NI activity database, as a consequence of industrial action, there were limitations on the data available from it during 2021/22. Financial information is taken from the audited Financial Statements. Other management information is extracted from information systems which are subject to regular internal audit.

During 2021/22 Libraries NI continued to deliver against corporate goals, strategic objectives, targets and key performance indicators. The 2021/22 business plan was developed in a climate of financial, societal and economic uncertainty following the impact of the Covid-19 pandemic. Public health restrictions were in place for parts of the year and this impacted on the services we were able to offer. As a result of this our efforts were very much focused on our response to the pandemic, on 'reconnecting' library services and keeping the library network open and functioning whenever this was possible.

Despite the challenges and disruption, library services were continuously offered throughout the year with a continued emphasis on online resources and activities during periods of restriction and disruption. Branch libraries adapted existing programmes and activities such as storytime and Rhythm and Rhyme and delivered them using social media channels and then in library premises later in the year when this was permitted. Targets and KPIs were set taking account, as far as was possible, of the changing, uncertain and unpredictable backdrop of the Covid-19 pandemic.

The targets set for loans and renewals was met while eLoans, at 93.75% against the target of 1,600,000, was narrowly missed. The level of borrowing for the online offering for eBooks, eMagazines and audiobooks hit a record in 2020/21 and although this performance was not matched, the 2021/22 figure of 1,500,010 is nevertheless significant and represents some 29% of all loans and issues for the year. During 2021/22 there was a focus on driving up membership numbers and while the new members target of 100,000 proved unrealistic (49,680 achieved) the number of active members at 227,369 against a target of 160,000 was a commendable performance.

There was a strong performance in respect of social media likes with a 9.73% increase on the previous year. With the exception of Wi-Fi and Public Access Terminal usage, targets for all other library services were achieved.

The resource underspend at 1.5% marginally exceeded the target to keep underspend within 1% of budget, while a number of external procurement and supply factors impacted on capital spending plans resulting in this target not being achieved (7% underspend against a 1% underspend target). The KPI target relating to sickness absence at 9.97 FTE days lost against a target of 9.5 FTE days was missed, largely due to increases in long term sickness absences in the latter part of the year. Details of achievement against the KPIs for 2021/22 are set out in the table below.

### Key Performance Indicators

<u>Outcome area / Targets:</u>	<u>Achievement against target / KPI:</u>																		
<b>A shared, inclusive public library service supporting communities and societal wellbeing</b>																			
No. of loans and renewals against target of 3,050,000	Achieved: Loans 2,157,105 Renewals <u>1,497,591</u> Total <u>3,654,696</u>																		
No. of new members against target of 100,000	Not achieved - 49,680 (including 11,223 virtual)																		
No. of active members against target of 160,000	Achieved - 227,369																		
95% of branch libraries reopened and/or providing services	Achieved - 100% (Excludes libraries closed for planned refurbishment)																		
No. of e loans against target of 1,600,000	<table border="1"> <thead> <tr> <th></th> <th>2020/21</th> <th>2021/22</th> </tr> </thead> <tbody> <tr> <td>eBooks incl eAudiobooks</td> <td>920,524</td> <td>760,009</td> </tr> <tr> <td>eMagazines</td> <td>983,023</td> <td>416,319</td> </tr> <tr> <td>eNewspapers</td> <td>406,778</td> <td>323,682</td> </tr> <tr> <td><b>Total</b></td> <td><b>2,310,325</b></td> <td><b>1,500,010</b></td> </tr> <tr> <td><b>Total % against target</b></td> <td colspan="2"><b>93.75%</b></td> </tr> </tbody> </table>		2020/21	2021/22	eBooks incl eAudiobooks	920,524	760,009	eMagazines	983,023	416,319	eNewspapers	406,778	323,682	<b>Total</b>	<b>2,310,325</b>	<b>1,500,010</b>	<b>Total % against target</b>	<b>93.75%</b>	
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Social media likes - % increase against target of 4%.	Achieved - 9.73%																		

<b>Inspired, informed and literate children and adults</b>									
Participation in reading challenges – measured against target - 12,000 children.	Achieved - 12,132 children participated in the Summer Reading Challenge.								
Number of learning opportunities to improve digital literacy – measured against target - 400	Achieved - 391 Online Learning Opportunities and 116 face to face sessions delivered (includes the Connect project). Total 507 sessions.								
95% of branch libraries providing Wi-Fi/Public Access Terminals	Achieved - 100% (excludes libraries closed for planned refurbishment)								
No. of Wi-Fi/Public Access Terminal uses - measured against targets of: <ul style="list-style-type: none"> <li>• Wi-Fi 155,000</li> <li>• PAT 400,000.</li> </ul>	Not achieved -  No. of Wi-Fi Sessions: 66,002 No. of PAT Sessions: 198,678								
<b>Effective Governance and delivery</b>									
Annual net spend (resource and capital) will be within budget. Underspend will be minimized (<1%)	<p>Not Achieved – Resource Budget: (1.5% underspend against 1% target)</p> <table border="1"> <tr> <td>2021/22 Budget</td> <td>£30,244,000</td> </tr> <tr> <td>Year End spend</td> <td>£29,798,000</td> </tr> </table> <p>Not achieved – Capital Budget: (7% underspend against 1% target)</p> <table border="1"> <tr> <td>2021/22 Budget</td> <td>£3,149,000</td> </tr> <tr> <td>Year End spend</td> <td>£2,928,000</td> </tr> </table>	2021/22 Budget	£30,244,000	Year End spend	£29,798,000	2021/22 Budget	£3,149,000	Year End spend	£2,928,000
2021/22 Budget	£30,244,000								
Year End spend	£29,798,000								
2021/22 Budget	£3,149,000								
Year End spend	£2,928,000								
Capital and minor works programmes will be implemented in accordance with the agreed timetable and budget	The majority of the 2021/22 capital and minor works programme was delivered in line with agreed timescales and financial allocations, some elements were impacted by global supply chain issues and not achieved (e.g. electric vehicle procurement).								
Reduce sickness absence overall by 2% compared to the 2019 performance (9.68 FTE days)	Not achieved - Composite Average FTE days lost at 31 March 2022 was 9.97 days (4.9 % above the 2021/22 target of								

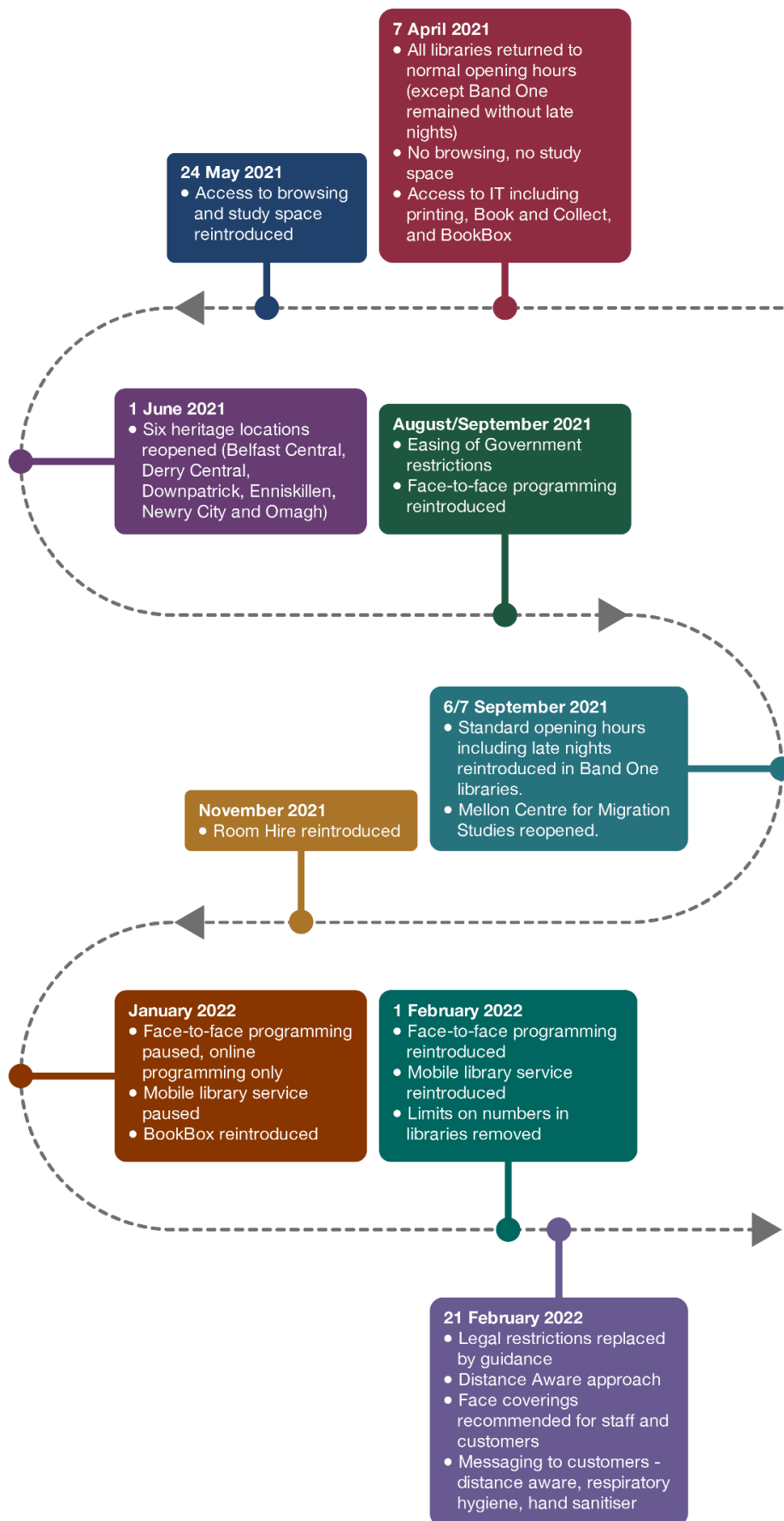
	maintaining sickness absence levels at or below 9.50 days FTE days).
95% of ICT service provision standards will be met	Achieved - As at 31 March 2022, 99% of ICT service provision standards were met
95% of Internal Audit service targets and standards will be met	Achieved - All Internal Audit Service targets and standards have been met

## **Development and Performance**

### **Library Services, Covid-19 and Re-Engaging with our Customers**

The 2021/22 year was another challenging one and as with the previous year, continued to be framed by the evolving and at times unpredictable nature of the Covid-19 pandemic. Restrictions, in place at different times during the year, impacted on our ability to deliver services in physical library buildings and prevented the public from accessing the full range of library services and programmes. The year began with all libraries having returned to normal opening hours in April 2021, with the exception of late-night opening in band one libraries. Services such as access to browsing and study space were introduced in May 2021, with access to heritage library facilities commencing in June 2021 and further easing of restrictions through August and September enabled face-to-face programming to begin. Further services continued to be reintroduced through the autumn period, however with the emergence of the Omicron Covid-19 variant further restrictions were put in place resulting in disruption to services, including to programming and activities in libraries and the mobile library service. With the lifting of restrictions, in February 2022, the focus once again returned to re-instating services that had been disrupted. Figure 1 below provides a summary of the impact on and changes to library services caused by Covid-19 and the associated restrictions that were in place during 2021/22.

**Figure One: The Impact of Covid-19 on Library Services 2021/22**





In planning for the 2021/22, year, a significant focus was placed on the need to re-engage with our customers, attract new library members and maximise participation in library services and programming. A membership drive initiative, utilising key partnerships and established events like Book Week NI, Summer Reading Challenge and Give it a Go Month, was developed to attract new members and increase active membership numbers. The membership drive recognised that the customer groups with the most active users of libraries, families and older people, were also those who were most impacted by the pandemic. These customers were identified as target groups and programming such as Open Days and Family Fun Days were tailored specifically towards them.

Promotions such as Love Your Library Day (as part of Book Week NI) and a pilot membership promotion with primary schools in Larne and Magherafelt, using child friendly uniquely designed membership cards, highlighted the potential of events and promotions to both raise the profile of Libraries NI, provide rewarding experiences for our users and attract new members.

The following paragraphs provide a flavour of the highlights, events and activities and serve to illustrate the diversity and breadth of library services delivered in 2021/22.

### **Open Days and Family Fun Days**

Open Days and Family Fun Days were hosted in 12 libraries during February and March 2022, combining a mix of library and facilitated events with Mr Hullabaloo, Theatre Without Walls and Science Starz. Participating libraries hosted a variety of free events to highlight services and to showcase the range of activities which take place regularly in libraries including Knit and Natter, Rhythm and Rhyme, Creative Writing and Reading Groups. This was an initiative to encourage customers to engage with the library service and the programme of events was very well received. Comments like “It’s lovely to see children being really encouraged and inspired to find adventures in books”, “Stimulated my interest in creative writing”, “Great fun for the whole family” were typical of the feedback received from customers.

### **Give it a Go Month, January 2022**

Give it a Go was developed as a combination of Festival of Learning and New Year, New You initiatives encouraging members and non-members of all age groups to continue learning, upskill or try something new. The branded events showcased both core and enhanced programming and were delivered online due to Covid-19 restrictions. Highlights included a talk by Spiderman and Marvel Artist Will Sliney, the Give it a Go Choir and Yoga for Children. A total of 252 instances of participation were recorded across these headline events, with the comic book event particularly popular, leading to four additional sessions. Customer feedback highlighted how the target audience was inspired and had learned new skills from attending the events.

### **Core Library Programmes Delivered in Libraries and Online**

Libraries deliver a range of programming which contributes to learning, wellbeing, literacy and addresses social isolation. During this year, programmes and activities including Rhythm and Rhyme, Children’s Storytime, Heritage from Home, Reading

Groups and Creative Writing sessions were delivered both in library premises and through social media platforms including Facebook, YouTube and Zoom. The response from customers was encouraging and positive in terms of feedback and engagement.

### **Removal of Overdue Charges**

The removal of overdue charges was a very positive policy development in 2021/22, removing a barrier to accessing library services at a time when we were working hard to encourage customers to return to libraries.

On 13 October 2021, Communities Minister, Deirdre Hargey announced the removal of all overdue charges stating that “Libraries are a crucial resource at the heart of our communities. They serve as a place for people to access a wide range of services and also provide a safe place for people who live alone, feel isolated or marginalised and they are a focal point for many community based activities for all ages. I am delighted that library fines are to be removed and would encourage people to return to libraries and avail of the many services they provide”.

The impact of this policy change will be assessed over the longer term but it is anticipated it will reduce barriers to library use and will encourage library membership and engagement with the service. It is intended to create a more equitable service provision, promote libraries as progressive and inclusive places, make library use an enjoyable, convenient and beneficial experience while engendering positive engagement with customers.

The announcement on the removal of overdue charges was broadcast nationally through local news and posted on social media and was widely welcomed.

### **Reading Challenges**

The 2021 Summer Reading Challenge ‘Wild World Heroes’ with the theme of nature and conservation and with associated reading resources was delivered in online and physical formats in partnership with The Reading Agency and the World Wildlife Fund. The reading challenge included a pilot intervention in 12 primary schools located in areas of urban and rural deprivation. Launched in Holy Trinity Primary School Belfast, by the Minister for Communities, Deirdre Hargey, the pilot focused on Year Three to Year Seven age pupils with each being given a library membership card, a Summer Reading Challenge starter pack and an invitation to visit their local library. The pilot intervention received positive feedback from the school Principals with some 70% of the children in the pilot libraries having read three or more books over the summer and becoming more engaged and interested in reading.

Events supporting the challenge ranged from Saturday gardening clubs, photography workshops and an art workshop with local illustrator and author Andrew Whitson and were delivered in both digital and physical formats. Additionally, there were story camps with the Armstrong Storytelling Trust and creative writing workshops delivered by the creative writing network Fighting Words. In 2021, 13,900 children registered for the challenge and 149,622 books were read.

Libraries NI also participated in The Reading Agency's Winter Mini Challenge which encouraged children to continue reading over the winter holidays with a free-to-access website featuring rewards and incentives for reading and reviewing books.

### **Celebrating Books and Reading**

Libraries NI continued its work to support readers and reader development and during March 2022 Libraries NI held a number of events and activities to 'Celebrate Books and Reading' with 70 libraries participating in events and activities to promote reading for pleasure and to coincide with national initiatives including World Book Day, Shakespeare Week and World Poetry Day. In total 300 events were delivered across branch libraries and staff engaged with customers and readers to talk about and celebrate books. The activities included book displays, poetry events, themed storytimes and a 'Love It or Loathe It' promotion where customers rated the books they had read.

Libraries NI also delivered a Writer in Residence with renowned local author Emma Heatherington, who provided 15 creative writing classes for new and emerging writers, including one to one sessions in three libraries. On World Book Day Emma hosted an 'Ask the Author' Facebook Live event for secondary school students where she shared insights into her creative process and the world of publishing.

### **Cross Border Reading Group Projects**

Libraries NI took part in a joint reading group project with libraries in County Louth as part of the Decade of Centenaries programme. Reading groups from Crossmaglen, Keady and Newry City libraries joined groups from County Louth with the programme culminating in an interactive online audience with well-known author Roddy Doyle in November 2021. Building on the success of this initiative, Libraries NI is currently working with libraries in County Leitrim to engage in a two year cross border project supported by the International Fund for Ireland to engage reading groups in the Leitrim, Cavan, Enniskillen and Omagh areas.

### **Stock Resources**

The book stock budget for 2021/22 was £3,500,000 with £1.8 million spent on hard copy stock and £1.5 million on eBooks. This equates to £1.85 per capita based on NISRA mid-year 2020 population estimates. However, the Public Library Standard is £2.25 per capita.

Book supply contract arrangements have been renewed with the addition of a second eBook supplier which has expanded the choice of titles on offer to customers.

Online reader development initiatives, including chats and videos, have continued to promote new books, different genres and stock resources in different formats including eBooks. A further initiative is the One Chapter More blog which is a series of short book reviews to signpost customers to inspirational reads and showcase the range of books available. Reviews are submitted by both staff and customers and they are an invaluable means of highlighting our book stock in its range of formats to a wider audience.

## **British Standards**

Libraries NI negotiated a licensing agreement to provide online access to British Standards as a one year pilot. British Standards are an important resource for small businesses which help improve the quality and safety of products, services and systems. The service is being promoted and usage monitored to help inform decisions on the longer term procurement of this service.

## **Working in Partnership**

### **Book Week NI**

Now in the sixth year of the partnership with BBC Northern Ireland (BBC NI), Book Week NI celebrated libraries, books and reading from 18 to 24 October 2021. The theme in 2021/22 was 'Read All About It!'

This year saw a return to in-person events and activities in libraries following the Covid-19 pandemic. A hybrid approach was adopted, with live author events that also streamed to an online audience. Authors such as Seamus O'Reilly, Louise Nealon, and Pete Johnston were interviewed about their books.

There were a number of new concepts for Book Week NI 2021. This included specially commissioned short films featuring well known BBC NI personalities discussing their reading. Love Your Library Day encouraged people to pay a visit to their local library and to sign up for membership while Book Week Ambassadors took a proactive role on social media to encourage others to participate.

Stakeholders involved in Book Week NI included HRH the Duchess of Cornwall, the First and Deputy First Ministers, the Communities Minister, the Agriculture Minister, the Education Minister, the Head of the Northern Ireland Civil Service, the Commissioner for Children and Young People and the Mental Health Champion.

The reach of Book Week NI on social media continued to grow with impressions during the week reaching 496,930 across Twitter, Facebook, Instagram and YouTube, an increase of 82% from 2019.

## **Turning Heads**

During 2021/22 the Carnegie UK Trust's Engaging Libraries (Phase 2) project supported public libraries to run public engagement activities on research within the themes of health, society and culture. As part of the Engaging Libraries project Libraries NI delivered 'Turning Heads' an innovative project which entailed a series of workshops and events to spark discussion and curiosity around the cultural and societal significance of hair. The research partner for the project was Ulster University, and good relations specialists Beyond Skin and the Armstrong Storytelling Trust also worked with Libraries NI to deliver a range of activities. Events included online talks on the genetics of red hair, the symbolism of hair in Irish mythology, storytelling sessions and poetry workshops.

## **Armstrong Storytelling Trust**

The culture of stories and storytelling continues to be encouraged in partnership with the Armstrong Storytelling Trust which funds the Libraries NI Storyteller in Residence, Liz Weir MBE.

Storytelling events reaching over 4,000 participants continued on Zoom through the year and with content also posted on YouTube. Online programme delivery provided the opportunity to host National and International storytellers and also to welcome local and worldwide audiences. The easing of restrictions in August brought the opportunity to reintroduce a blended approach of online and face-to-face activities in an outdoor setting. In association with the Armstrong Storytelling Trust, Libraries NI delivered the August Storytelling Festival which included a launch of three further Yarnspinnners groups in Dungiven, Keady and Lisnaskea libraries, bringing the total monthly Yarnspinning sessions to six. Graduates from the 2021 Open College Network (OCN) accredited storytelling course continued to feature in storytelling sessions and this is helping to build capacity in the verbal arts while providing valuable experience to local talented storytellers. Storytellers from the Armstrong Storytelling Trust have also featured in a number of other Libraries NI services and initiatives including Heritage and Good Relations Week.

## **Community Planning**

Libraries NI continues to be closely involved as a statutory partner in community planning with senior staff participating in roles of Chair and/or Vice Chair and other relevant staff actively involved in thematic and/or action groups. Many Community Plans were reviewed during the year and statements of progress provided to the Department for Communities.

Libraries NI is represented on three sub groups tasked with looking at the scope of community plans and taking forward recommendations from the Department for Communities commissioned report 'Towards a Programme of Support for Community Planning'.

Libraries NI will continue to prioritise Community Planning projects in line with locally identified needs and Programme for Government priorities.

## **Macmillan Coffee Morning**

Libraries NI works in partnership with Macmillan Cancer Support and participated again in the World's Biggest Coffee Morning held in September 2021 when 50 libraries hosted Macmillan coffee mornings raising an impressive £6,467.49 for the charity. Self-service coffee docks were set up at the entrance to libraries and the event was both an opportunity to raise the profile of libraries and to make a positive contribution to cancer support. Libraries NI continues to make Macmillan Cancer Support information available to the public in libraries.

## **Driver and Vehicle Agency (DVA) Pilot - Booking Your MOT Online**

During lockdown, public services continued to evolve to changing circumstances and demands. Increasingly libraries are being seen as places where public services can be accessed using the free computer, broadband and Wi-Fi resources available across the network of local libraries. One development during 2021/22 involved the Driver and Vehicle Agency (DVA) closing counter service points and offering an online MOT booking system. Recognising that many people either do not have access to the Internet or do not have the digital skills to complete online transactions, the DVA approached Libraries NI to facilitate a pilot scheme in four libraries (Enniskillen, Irvinestown, Lisnaskea and Omagh) which would enable the DVA to use library computers and assist their customers through the process of booking an MOT online.

Promotion of the pilot included social media, MOT reminders and posters in libraries. During the sessions both DVA and Libraries NI staff were available for IT support with library staff using the opportunity to promote library membership and services. The pilot was monitored and the future development and rollout of this initiative will be informed by an evaluation which is underway.

### **Our Wee Place**

Copies of a children's book 'Our Wee Place' commissioned by the Northern Ireland Office and created to 'sensitively reflect on the experience of growing up in Northern Ireland' were given to Libraries NI. The author, Sophie Kirtley, and illustrator, Eilan Rankin, are both from Northern Ireland and copies of the books are freely available in local libraries.

### **Visit by HRH The Duchess of Cornwall**

HRH The Duchess of Cornwall visited Holywood Arches Library on Wednesday, 23 March 2022 for a morning filled with activities celebrating books, reading and library services. The Duchess, visiting as part of the Royal Family's spring tours to mark Her Majesty The Queen's Platinum Jubilee, met and chatted with Holywood Arches staff and customers taking part in a digital learning computer session before enjoying a Storytime performance of Ruth Brown's storybook 'Ten Little Dogs' by children from Victoria Park Primary School. The Duchess then went on to meet international bestselling author and Libraries NI Writer in Residence Emma Heatherington, who had been discussing her book 'The Promise' with members of the Holywood Arches Reading Group.

### **Online Services and Programmes**

#### **Digital Inclusion Activities**

From April 2021, Libraries NI continued to offer digital support through a range of platforms responding to 1,051 requests for digital support. Help sheets providing easy access to basic digital skills and topics were made available to ensure that the public could help themselves and/or others, maintain contact with friends and family and access online resources during periods of lockdown.

Modules to support digital skills development continued to be delivered via the Zoom platform with 423 sessions and 775 participants taking part. Go On modules were delivered to participants who had limited digital skills and during 2021/22 new modules were developed including Internet Safety for Parents, Pressreader and Advanced Zoom with customers learning to use technology while also being encouraged to use Libraries NI eResources. These learning modules and access to eResources contributed to improving customer digital skills and assisted in reducing social isolation through enabling e-access to family, friends and library resources.

Feedback was excellent with many participants reflecting on increased confidence and skill in the use of the various platforms and Apps. Responses to the programme evaluation indicated that 92% found that the digital assistance was very useful, 88% of respondents felt they had learnt new skills or developed existing skills and 32% felt that it helped them to communicate with family or friends.

Connect was a new initiative aimed at the digitally excluded and delivered in partnership with the Department of Finance, Business in the Community, Ignite IT, Supporting Communities and The Police Service of Northern Ireland. The programme was delivered in two phases. The first phase was primarily delivered as one to one support and the second phase attempted to connect more with groups than individuals. In both phases, Libraries NI provided IT support, including phone and email support, for the participants along with assistance in connecting to the internet, delivering 84 sessions, 36 of which were online and 48 of which were provided face-to-face.

### **High Street Support Scheme (Spend Local)**

Libraries NI, through the Department for Communities, engaged with the Department for the Economy to raise awareness of the free computers, Wi-Fi and broadband access in local libraries and to help support and facilitate people in local communities wishing to complete the online application for the High Street Support Scheme.

### **Cultural Heritage Services**

Access to the Libraries NI Cultural Heritage collections was subject to Covid-19 restrictions for part of the year with much of the material available on a consultation only basis. However, the enquiry service continued to be delivered remotely and the main Heritage locations reopened between June and September with the exception of Armagh Heritage which opened to the public in its new, refurbished location in the Armagh Regional Administration Centre in March 2022.

In 2021/22, Heritage staff developed and launched a new touring exhibition 'Your Past in Print.' This exhibition showcases Libraries NI's extensive newspaper collection using images and articles from historical newspapers. The exhibition highlights the wealth of information held in the local, provincial and national newspaper titles held by Libraries NI.

### **Heritage from Home**

Following a successful funding application for £10,000 made to the Heritage Lottery Shared History Fund, the popular Heritage from Home programme continued to be

delivered in 2021/22 with 33 online talks and workshops delivered from October 2021 to March 2022 and attended by 1,680 people.

The programme focused on the history of the people of Northern Ireland with a variety of speakers and subject areas including Dr Eamon Phoenix and Ann Donnelly on The Path to Partition 1900-1922, Dawson Stelfox Power and Position: The Architecture of Parliament Buildings and Anna Lo The Place I Call Home.

The Armstrong Storytelling Trust also delivered online workshops allowing children and adults to both understand and reminisce about school life in bygone years.

### **Northern Ireland 1921 to 2021 Virtual Exhibition and Stormont Remembered**

A virtual exhibition highlighting the rich variety of Libraries NI's resources and charting the events of 1921 leading up to the creation of Northern Ireland was developed. The exhibition showcased photographs, maps and newspaper articles which give a contemporary insight into this period of history.

A pop up exhibition and a promotional video that highlights resources from Libraries NI collections that feature the construction of Parliament Buildings has been created and has toured around 15 libraries. The Stormont Remembered Exhibition will continue to tour extensively across the network of branch libraries and will be available for hosting by partner and community organisations.

### **Health Activities**

Happiness Labs was a programme developed and delivered in 2021 to offset loneliness by encouraging online social activities. Following the success of the programme 25 online health events including Chair Yoga, Hatha Yoga and Tai Chi were enjoyed by 289 people during the 2021/22 year.

### **Children's Mental Health Week**

During Children's Mental Health Week which ran from 7 – 13 February 2022, Libraries NI partnered with the publishing house Award Publications and prize winning children's author Pete Johnson to publish a joke book for children. The joke book is based around his fun loving character Louis, who features in the 'Louis the Laugh' series. During Book Week NI people were invited to submit jokes with over 550 received and these informed the resulting book 'How to be a Comedy Genius' which was launched in Chichester Library. Other programming during Children's Mental Health week included Catherine Wells (Occupational Therapist) who provided daily wellbeing messages posted on social media and Clare Galway (Dietician) who gave parents and carers advice on Mood Boosting foods for children.

### **Liaison with Library Services Elsewhere and Professional Library Organisations**

During the year we continued to maintain contact with other library services and library organisations to share information and discuss approaches to rebuilding services post the Covid-19 pandemic. This included Senior Manager engagement on a number of UK, ROI and International professional organisations including the Chartered Institute



of Library and Information Professionals (CILIP) – UK and Ireland, the Library Association of Ireland (LAI), Libraries Connected, British Library Living Knowledge Network and National Authorities on Public Libraries in Europe (NAPLE).

Libraries NI staff also presented and contributed at conferences including at the CILIP Ireland and LAI joint conferences in April and November 2021 and also at the International Federation of Library Associations (IFLA) World Library and Information Congress (WLIC) which took place in August 2021.

## **Other Events and Activities**

### **European Heritage Open Days**

Libraries NI participated in European Heritage Open Days (EHOD) during the week 6 – 12 September 2021. The week-long digital event was promoted through the EHOD website and brochure and included two virtual tours of Belfast Central Library with one exploring the history of the building, the other detailing the building.

### **Good Relations Week**

The theme for Good Relations Week, held between 20 -26 September 2021, was “Brighter Days Ahead” and focused on the issues faced by young people during the pandemic. It highlighted empathy and supported and encouraged our young people to look ahead to a brighter future, filled with hope and optimism as we start to return to normal life.

Libraries NI offered a range of physical and virtual events featuring story times, workshops, exhibitions, reading groups including a visually impaired reading group. International Storytellers facilitated by Libraries NI Storyteller in Residence, Japanese born teller Masako Carey and South African Nandi Jola, participated by celebrating cultural diversity with inspirational tales. The Health element included walking groups, Tai Chi and an online healthy recipe and cookery workshop.

The Libraries NI ‘Turning Heads’ project hosted a panel discussion and virtual poetry workshop during Good Relations Week. This event highlighted the cultural significance, heritage, sensitivities, and social pressures of hair for people of African descent. The event was led by Beyond Skin in partnership with House of 4C hair salon and Lush UK Belfast and included a relaxed discussion with an audience question and answer session.

### **Hi VIS Fortnight**

The theme for Hi VIS fortnight (formerly Make a Noise in Libraries), which ran from 7 – 20 June 2021, was ‘celebrating the diversity of reading’. Libraries NI took the opportunity to promote and highlight a range of resources to customers such as Access to Books and Clearvision collections, which are designed to meet the needs of children and carers who require books in Braille, print and pictures. There were also reading initiatives for people who are visually impaired and resources such as Browsealoud.

## **Empathy Day**

Libraries NI celebrated Empathy Day on 10 June 2021 with the aim of helping everyone understand and experience the transformational power of empathy through stories. The initiative was led by Empathy Lab who created toolkits, information and an online programme to enable libraries, schools and other organisations to participate.

Libraries took part in a number of ways including through book displays, staff recommendations of books that had had an impact on them, Rhythm and Rhyme and storytime sessions, social media activity, creative writing sessions and Bookchat discussions.

## **Get Online Week**

Online IT events took place between 18 – 24 October 2021 in communities all across the UK during Get Online Week, showing people how to stay connected and how the internet can make life easier, cheaper, healthier and more fun!

Libraries NI offered a programme of free Zoom sessions for customers allowing them to discover the benefits of getting online while promoting our network of libraries, Wi-Fi, computer resources and IT help that is available all year long. This year, 11 sessions were delivered to a total of 44 participants and covered a range of topics including Privacy, Practice Using Zoom, Your Health Online, Pressreader, looking out for Scams and eMagazines.

## **Northern Ireland Science Festival**

Libraries NI worked in partnership with the Northern Ireland Science Festival to deliver a programme of free fun events for children and adults between 17 – 27 February 2022.

Astrophysicist Dr Liz Conlon shared her extensive knowledge and passion about the Universe in a fun and illuminating manner when she delivered the 'Moving through the Cosmos' sessions for pre-school children in five libraries.

Pre-school children and their parents/carers also learnt some interesting facts about snails and slugs during a film screening of *The Snail and the Whale* in Lisburn City Library.

Libraries NI again partnered with Science Starz to deliver events to develop children's knowledge of science in a fun-filled and practical way. The Science Starz Mobile lab visited four libraries where workshops were held for children aged 5 – 11 years.

Two events were delivered via Zoom by registered dieticians Vanessa McMinn and Jennifer McBratney. Parents/carers learnt how to choose healthy lunchbox foods for primary aged children and parents/carers of secondary school aged pupils were given advice on preparing healthy snacks for teenagers.

## **STEM (Science, Technology, Engineering and Mathematics) Ambassadors**

The STEM Ambassador programme is managed by STEM Learning, a provider of education and careers support in science, technology, engineering and mathematics. Their vision is to provide a world leading STEM education for all young people across the UK. In Northern Ireland there are over 1,000 volunteers who connect with young people in schools, colleges and out of school groups to inspire them to become the next generation of STEM professionals. Libraries NI agreed to work in partnership with the programme to offer activities in a pilot group of libraries to facilitate sessions with children and young people.

STEM ambassadors, delivered storytimes in nine libraries which focused on a wide range of STEM subjects through familiar children's literature such as Spiders (Charlotte's Web) and Nature (The Very Hungry Caterpillar) with 48 adults and 98 children enjoying the themed stories.

## **Rural Needs**

Libraries NI has 29 libraries classified as rural libraries i.e. they are based in communities of 5,000 or less, however an analysis of membership consistently shows that all libraries serve at least some rural dwellers and a number of 'urban' libraries with a rural hinterland may serve larger numbers of rural dwellers than a small 'rural library'.

In 2021/22, libraries continued to provide important services to rural dwellers including Mobile Library services, Homecall and BookBox as well as online resources such as eBooks, eNewspapers and eMagazines which are available to everyone.

The Rural Needs Act (Northern Ireland) 2016 has applied to Libraries NI since 2018 requiring the organisation to 'have due regard to rural needs' when developing, implementing or revising policies, strategies and plans, and when designing and delivering public services. Of the 12 policies/strategies/plans which were subject to a Rural Needs Impact Assessment during 2021/22 no specific rural needs actions were identified.

## **Marketing and Communications**

The past year has had an impact on customer habits in all walks of life including libraries and the use of library services. Throughout the year, the constant changing environment meant that customers were often unsure about what was available despite ongoing marketing communications. The momentum to re-engage with customers was often interrupted by necessary government restrictions in response to the changing levels of Covid; simply letting regular users know that their library was open became an ongoing task. The primary challenge for communications was to keep customers informed about restrictions, the requirements for customers whilst they were in libraries and the changing level of service offer provided both online and in libraries. This required frequent graphic changes, video changes and press updates along with website updates including branch opening hour changes and service disruption announcements due to Covid. This frequency of service changes made the planned ReConnect with customers difficult and it had a marked effect on service delivery as,

for example, the restrictions led to one of the major planned initiatives being switched to online only at the final stage even though the work for communications, website and social media had already been completed.

The blended service offering remained on social media and the website throughout the course of the year. At times when restrictions were relaxed, there were some limited audience events and a key success was the Book Week NI events with a combination of audience and livestreaming in Derry Central, Omagh and Tullycarnet libraries with just under 1,000 views across the various platforms involved.

The advertising campaign ran from the middle of February through to the end of March 2022 and this year, more of the budget was allocated to external advertising (Adshels), radio and printed media; as well as digital advertising. The Adshels and Adshel Live sites were located in key transport thoroughfares and key public locations in numerous towns and cities. In each location, there was one of three key designed posters focused on the overall message of Opening Minds Together. The three poster graphics focused on events and resources for young children, the library as a place for people to reconnect with others in their community and how using the library was free and could help with the increased costs of living. The list of advertising locations included Cookstown, Antrim, Magherafelt, Newry, Coleraine, Banbridge, Omagh, Enniskillen, Derry~Londonderry and Belfast.

For the advertising budget in 2021/22, there was less expenditure on digital promotion than previous years and yet social media followers grew during the year by over 9%. The growth of social media was encouraging but work was also underway to increase the number of customers that could be contacted directly via promotional email and over 4,000 new customers signed up.

## **Assets**

Although funding for maintenance and upgrading of the estate continued to be limited throughout the year a range of projects aimed at enhancing the public library facilities were undertaken, including the following:

- a 'changing places' facility was created at Strabane Library
- refurbishment of Newcastle Library was completed
- construction of the replacement Fivemiletown Library started
- design development was progressed for the new Enniskillen Library
- projects were initiated at Belfast Central, Warrenpoint and Tullycarnet libraries to repair external masonry, upgrade toilet facilities and install LED lighting
- works were completed at Ballymena, Ballyhackamore, Portrush and Keady libraries to upgrade space heating and cooling systems
- projects commenced at Downpatrick and Limavady libraries to provide dedicated heating plant, upgrade ventilation and install LED lighting
- a remedial scheme to address water penetration to the ground floor was undertaken at Falls Road Library

- work commenced at Dundonald Library to carry out external improvements
- Portstewart Library and the Armagh Heritage Service were relocated to new premises and fit out works were completed
- a range of projects were undertaken aimed at improving the energy performance of the public library estate including installation of Led lighting at Falls Road, Limavady and Dundonald libraries.

## **Finance, Payroll and Procurement**

Libraries NI is a designated body for the purposes of the Whole of Government Accounts. The Whole of Government Accounts (WGA) consolidation exercise for 2020/21 was completed during 2022/23.

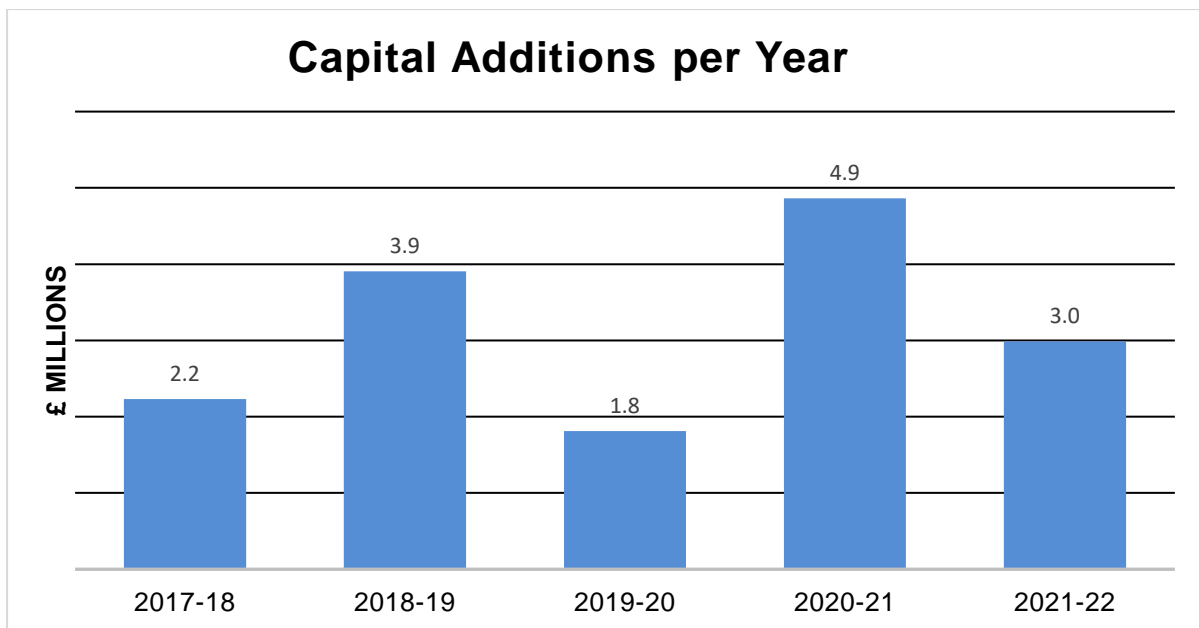
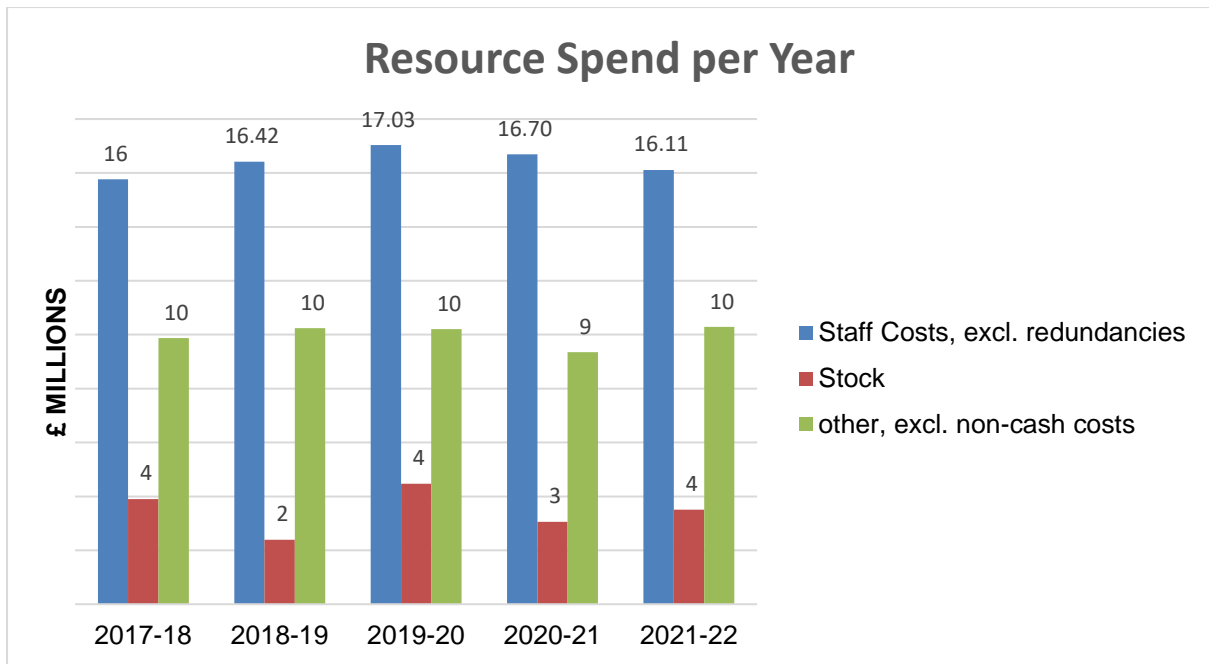
The initial 2021/22 financial resource allocation for the organisation saw a marked improvement on the opening position seen in previous financial years, reflecting the constructive work undertaken between Libraries NI and DfC to establish sustainable levels of funding for the public library service. While pressure remained, additional funding allocations were received in year which alleviated pressures in areas such as library stock.

As a result of changes with commercial arrangements within the payroll software provider, the Payroll Team worked with the Intelligent Customer Unit (ICU) and the Managed Services provider teams to implement a new payroll system, which went live in April 2022.

The Procurement Team conducted a number of in-house procurements and also supported managers on larger procurement exercises by liaising between Libraries NI management and the Education Authority CoPE, the Construction and Procurement Delivery CoPE and the Procurement Team in DfC, to deliver value for money and propriety in the procurement of goods and services.

The Finance and Payroll teams took part in the biannual National Fraud Initiative data matching exercise, to assist the government in identifying potential fraud. After investigation of the data matches identified by the exercise, no frauds were identified.

The following tables show the long-term spend trends in relation to resource and capital and reflect the reducing baseline resource budgets available and the variability of capital allocations.



Finance, Payroll and Procurement teams continued to successfully operate hybrid home/office working throughout 2021/22, making use of appropriate ICT technology to ensure efficient and effective working.

Despite the continuing impact of the pandemic, the performance on payment of suppliers within 30 working days improved to 98% (2020/21 95%), and performance on the average 10-day payment target improved significantly to 90% (2020/21 73%).

## Human Resources

HR is responsible for providing a wide range of advice, support and guidance on all matters pertaining to the employment, management, health and wellbeing and development of staff in Libraries NI.

## Recruitment and Selection

During 2021/22 there were 118 recruitment exercises carried out with a total of 918 application forms received. This compared to 52 recruitment exercises carried out in the previous year when a total of 460 applications were received. Due to the ongoing Covid-19 pandemic, the exercises completed were carried out in line with government regulations or remotely using video technology. All appointments were made according to the Libraries NI Code of Procedures on Recruitment and Selection.

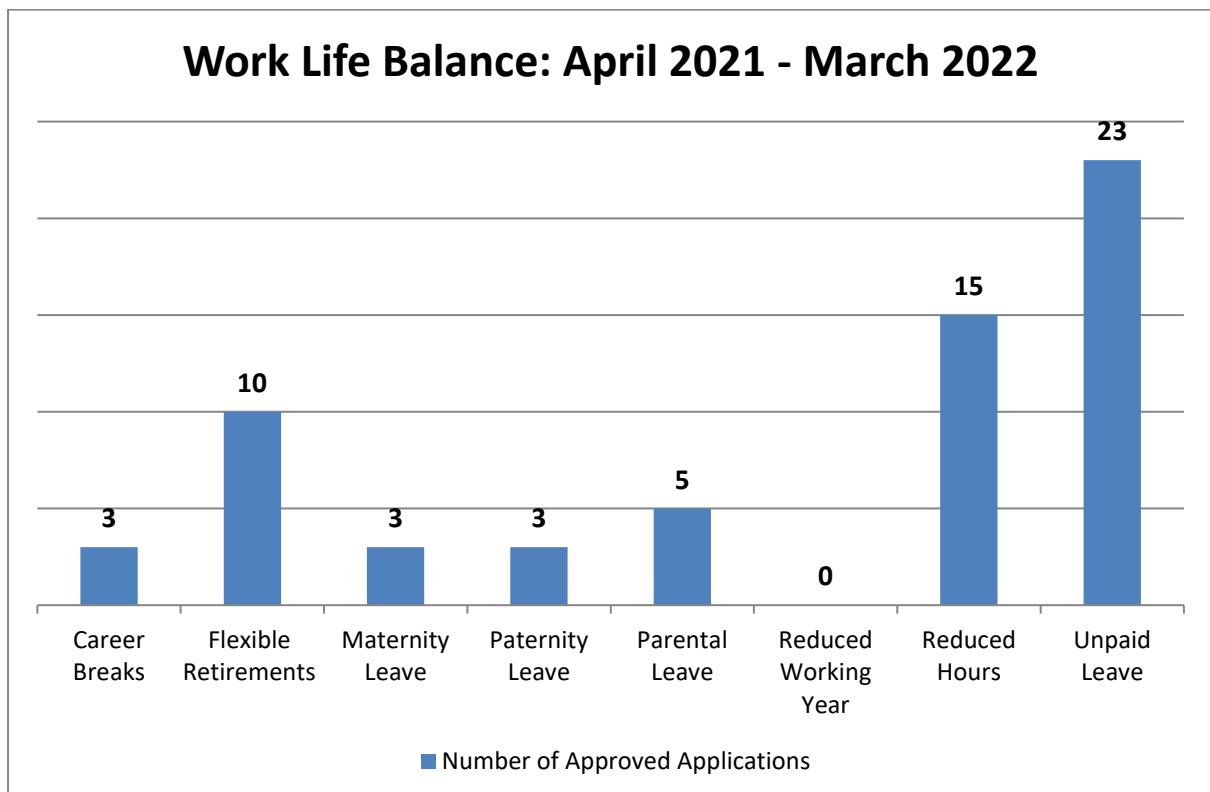
## Agency Support

Libraries NI procured and implemented its own Temporary Agency Worker Framework on 1 March 2022. During the Procurement process, agency supply was obtained under the Northern Ireland Civil Service (NICS) Terms and Conditions of Contract for Services.

In 2021/22, HR processed a total of 114 requests for agency workers, equating to 70.77 full-time posts for the year. Agency workers were used predominantly to support short term business needs including sickness cover, project backfill and vacancies. The majority of requests were for frontline posts at first entry recruitment grade.

## Employee Relations

Libraries NI is committed to providing staff with work life balance opportunities and has a range of policy and procedures to support staff. During 2021/22, 62 applications for Work Life Balance adjustments were approved, as shown by type in the following graph.

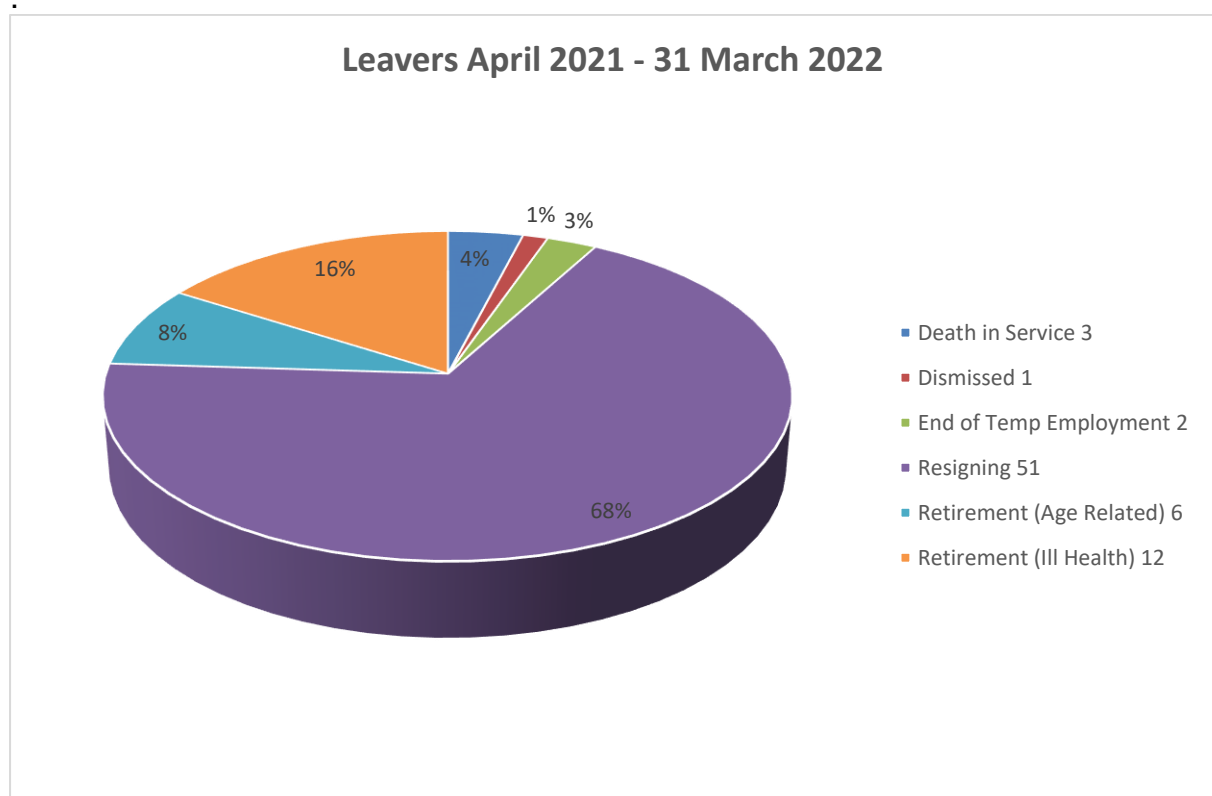


## Employee Engagement and Trade Union Relationships

Employee engagement and trade union consultation takes place regularly in Libraries NI to promote and support a culture motivated to contribute to organisational success, with an enhanced sense of employee well-being. The ongoing Covid-19 pandemic and how the changes to government regulations impacted on library services and staff was supported through communication from the Chief Executive's Message. HR Frequently Asked Questions, Working Together Staff Protocols, Staff Suggestion Scheme and Ideas and information on Health and Wellbeing were accessible on the staff Intranet. Team briefings and collaborative working practices ensured that timely and supportive communication was in place throughout Libraries NI. The Negotiating Committee which includes representation from the recognised trade unions met formally with Management each quarter. In 2021/22, time off with pay equating to FTE 0.9 was granted to elected trade union representatives to attend industrial relations duties.

## Leavers

During 2021/22, 75 staff left the employment of Libraries NI. The reasons are shown in the chart below. In this year there was an increase of 74% from 2020/21, when 43 employees left employment with Libraries NI.



## Pension

During 2021/22, HR reassessed pension contribution bandings for all staff who were members of the Northern Ireland Local Government Officers' Superannuation Scheme (NILGOSC). Following reassessment, all members were notified of their specific pension contribution rate. This resulted in 69 pension banding changes being



processed. In addition, 7 members returning from an authorised unpaid period of absence were notified of their eligibility to apply to pay Additional Pension Contributions (APC) to cover lost pension. Two members took up this opportunity.

## **Health and Wellbeing**

During 2021/22, HR Health and Wellbeing continued to provide staff with a work environment and opportunities that encouraged and enabled them to lead healthy lives and make choices that support their overall wellbeing inside and outside of work. Libraries NI recognised the continued challenges posed to staff due to the ongoing Covid-19 pandemic and a wide range of health and wellbeing information and initiatives were regularly communicated to staff through the staff Intranet and Libraries NI Extranet. This includes information about employee assistance programmes, support agencies and material to promote and support good mental health, a healthy lifestyle and healthy eating. HR Health and Wellbeing engaged with Benenden Healthcare and The Hospital Saturday Fund to enable employees, and their family members, to have affordable access to not for profit Private Healthcare Scheme and or Health Plan.

HR continues to work collaboratively with managers and trade unions to manage sickness absence effectively and provide a supportive employee culture. Libraries NI saw an increase in its overall absence rates compared to the previous year. It is recognised that the Covid-19 government restrictions, resulting in different working practices and library closures during 2021/22, impacted the previous absence rates and the subsequent rise in sickness absence coming out of the pandemic has resulted in the rise in absence rates. Libraries NI Managing Attendance at Work Policy, access to Occupational Health and Employee Assistance play an important role to support employees and manage sickness absence.

In 2021/22, the confidential counselling service provided by Inspire Workplaces was accessed by employees on 69 occasions compared to 57 during 2020/21. HR facilitated 24 eye tests. The Occupational Health Service is accessed under the Education Authority CoPE, and provided by Birmingham Hospital Saturday Fund (BHSF). During 2021/22, 114 medical referrals were attended by 75 employees and were predominantly carried out using video technology. Of the 114 referrals, 80 related to employees who were absent from work through illness; 34 were for various other health related matters. Some employees attended more than one medical assessment. In 2021/22 medical referrals increased by 83.9% when compared to 2020/21.

Following medical assessment, workplace adjustments were facilitated for 24 employees, 19 on a temporary basis and five on a permanent basis and seven employees returned to work through a phased return to work programme. All remaining cases were kept under review resulting in a return to work or ill health retirement or redeployment.

## **Staff Training and Development**

Training set up by a number of in-house teams and delivered towards the end of 2020/21, was continued into 2021/22. This included Using Zoom, Lego Clubs and

Junior Reading Groups. These sessions were delivered virtually thus enabling front-line staff to join and be trained remotely.

Many other training interventions were delivered virtually, including: Safeguarding Awareness; Designated Officer (Safeguarding); Autism Awareness; Alzheimer's Awareness; Sight Loss Awareness; Microsoft Office software skills; Minute Taking; Report Writing; Facilitation Skills; Chairing Meetings. There was also a return to some in-person training, including: Emergency First Aid at Work; Driver CPC; Pallet Truck use.

Staff were given the opportunity to attend a number of professional development courses, workshops and conferences. These included: Building Resilience; Data Protection Update; From PassivHaus to Zero-Carbon Design Strategies; Annual Review – Employment Law; CILIP/LAI Joint Conference.

In 2021/22, we were able to access two management development programmes: the Labour Relations Agency Certified Manager course for recently appointed middle managers and the Chief Executives' Forum's Transformative Leader programme for one senior member of staff.

The Service Level Agreement with the Centre for Applied Learning for access to their suite of online learning modules continued to be used during 2021/22 both for mandatory modules (Fire Safety Awareness, Responsible for Information) as well as providing opportunity to staff to enhance their knowledge and skills through the Click and Learn initiative, resulting in some 300 plus modules (e.g. Time Management, Supporting Vulnerable People) being accessed.

## **Information Systems**

The major information systems maintained and supported during 2021/22 in Libraries NI were:

- a Public Access Network which delivers services to library users and includes:
  - provision of public access computer terminals (public computers), including appropriate technology to facilitate use by people with disabilities
  - wireless (Wi-Fi) access in libraries to support the use of customers' own devices
  - a Virtual Library on a multi-platform basis to enable 24/7 access to library services outside the library environment, including a suite of electronic information resources e.g. eBooks and downloadable audiobooks
  - a Radio Frequency Identification (RFID) enabled Library Management System
  - delivering a more integrated approach to resource management and facilitating greater stock security as well as enabling customers to access services
  - RFID enabled kiosks in selected libraries to enable self-service

facilities for library users to release staff to provide added value programmes

- a corporate network and series of business applications to facilitate the work of the Finance, Human Resources and Assets Management units
- service wide telephony
- a management information and business intelligence solution to enable the production of better qualitative data and information to support decision-making.

All these systems and associated support services are delivered through a managed service contract with Fujitsu, which is administered by the Libraries NI Intelligent Customer Unit to ensure that an extensive list of performance and availability service levels are met each month. During 2021/22, overall performance was good against the contractual service model and all major service levels were met with only very minor exceptions. Where required, mitigating actions were taken on any risks related to Covid-19.

As part of an overall Information Systems (IS) Programme, a major project commenced during 2021/22 to improve the Libraries NI ICT network. The project is being delivered through the wider Public Sector Shared Network (PSSN) contract and will provide improved systems performance through increased bandwidth to all public libraries across Northern Ireland. The rollout of all the new services is scheduled for completion in September 2022.

Further work was carried out in 2021/22 to secure replacement arrangements for the current e2 managed service contract which is due to terminate on 30 September 2022. This project is entitled e3 and the formal procurement process commenced in May 2021 and successfully reached the final tender stage as planned. Plans are in place for a contract commencement date of 1 October 2022 and the new arrangements include the flexibility to ensure effective delivery of Information Systems to Libraries NI in the medium to long term.

## **Sustainability**

Sustainable development is based on balancing social, economic and environmental costs and benefits to ensure that human activities do not irreversibly damage the environment. The Libraries NI Environmental Policy supports the work undertaken to manage energy consumption and CO<sub>2</sub> emissions and to comply with best practice and statutory requirements. Throughout 2021/22, Libraries NI have been an active member of the Department for Communities Climate Change Working Group, a forum which facilitated the sharing of information and learning and the development of collective approaches to addressing climate change issues. Work to draft a Libraries NI Carbon Reduction strategy was substantially completed by March 2022.

Following the easing of government restrictions, public libraries re-opened to the public in May 2021 resulting in an increased consumption of energy for heating and lighting compared to the previous year. However the increase was tempered by a lower than normal use of vehicles and office accommodation as administrative staff continued to work from home and mobile library services remained limited.

While local and national Covid-19 related restrictions curtailed many of our services, the development of alternative ways of working and delivering our services had a positive effect in terms of our carbon footprint. We consumed fewer fossil fuels and produced less greenhouse gas emissions and learned valuable lessons which we will look to take forward and incorporate into our approaches to environmental management going forward.

Information on Libraries NI's approach and achievements in relation to sustainability is shown below:

- CO<sub>2</sub> emissions from the Libraries NI estate increased by 1.64% in comparison to 2020/21 however remained some 17.4% less than those generated by our normal operating model in 2019/20. CO<sub>2</sub> emissions from Libraries NI vehicles also increased in comparison to the previous year. As restrictions imposed to combat the Covid-19 pandemic were relaxed and business activities and vehicle use returned to more usual levels emissions rose by some 112% from the historic low of 2020/21, however they remained some 11% lower than the 2019/20 baseline
- all new major construction projects received a sustainable design brief with appropriate design parameters and criteria including sustainable and legal timber sourcing, site waste management plans and promotion of the Achieving Excellence in Construction initiative. New buildings were designed to include measures to minimise energy in construction and in use, eliminate pollution and minimise waste, preserve and enhance biodiversity, conserve water resources and make the best use of local transport links. In line with the Department's policy, all new construction projects are set a target of achieving a Building Research Establishment Environmental Assessment Method (BREEAM) 'Excellent' rating to describe the building's environmental performance
- projects were initiated at Downpatrick, Dundonald, Falls Road, Keady, Limavady, Portrush, Tullycarnet and Warrenpoint libraries to upgrade internal light fittings with modern and efficient LED lighting to reduce energy consumption
- significant work was undertaken at Downpatrick and Limavady libraries to disconnect from the existing shared fossil fueled heating systems and replace these with highly efficient air to air heat pumps to provide the libraries with their own dedicated heating systems. The fabric to the buildings were also upgraded to improve thermal efficiency
- refurbishment was completed at Newcastle library converting the failing heating system from oil to an efficient and thermostatically controlled gas system, installing double glazing and upgrading thermal insulation and the efficiency of the building
- work commenced at Belfast Central Library to replace the roof finish at the rear of the building which included installation of high performance roof insulation to improve the thermal efficiency of the building
- projects were completed at Ballymena, Portrush and Keady libraries to replace obsolete heating, cooling and ventilation systems with efficient modern equipment

- servicing was carried out to all heating appliances and air conditioning/ventilation units across the library estate to ensure all systems were running efficiently
- feasibility studies were completed for Garvagh and Killyleagh libraries to explore potential methods of construction which would allow the development of highly efficient low energy public library buildings in the future
- energy assessments were undertaken and Display Energy Certificates, Energy Performance Certificates and Air Conditioning Inspection Certificates supplied to all appropriate sites with 100% of all applicable properties receiving a non-default rating
- mobile library and delivery fleet drivers underwent remote online training to attain or retain a Certificate of Professional Competence (CPC) including efficient driving techniques
- staff were facilitated to make maximum use of IT services for home or remote working, reducing business travel, general commuting and accommodation demands across the library estate. Significant efforts were focused on providing reliable and accessible electronic communication channels, and software upgrades have been introduced to facilitate remote meetings, video conferencing and programme delivery
- all new vehicles commissioned in 2021/22 were fitted with EURO6 compliant engines and AdBlue exhaust additive systems, increasing fuel efficiency and significantly reducing our nitrogen dioxide and diesel particulate emissions
- A Single Use Plastics Reduction Action Plan was introduced with a view to identifying actions, setting timescales and providing guidance to support the reduction and eventual elimination of single use plastics from our estate, business and procurement activities
- A draft Libraries NI Carbon Reduction Strategy was developed to define the framework within which Libraries NI will act to reduce its carbon footprint.



**Jim O'Hagan**  
Chief Executive

**Date: 13 October 2022**

## Accountability Report

### Corporate Governance Report

#### Directors' Report

The Board of Libraries NI, when fully constituted, comprises a Chairperson and 18 Members, of whom a majority are Councillors, within the meaning of the Local Government Act (Northern Ireland) 1972. All Members of the Board are appointed by the Minister of the Sponsor Department.

The following served as Members of the Board during the year:

Professor Bernard Cullen	Chairperson
Mr Neil Bodger	
Alderman Thomas Burns	
Councillor Alistair Cathcart	
Councillor Glenn Finlay	
Councillor Julie Gilmour	
Councillor Cheryl Johnston	
Councillor Garath Keating	
Mrs Deirdre Kenny	
Councillor Donal Lyons	Vice-Chairperson
Councillor Cathal Mallaghan	
Mrs Wendy Osborne OBE	
Mr John Peto	
Mr Harry Reid	
Dr Margaret Ward	
Councillor Billy Webb MBE JP	
Miss Linda Wilson	

#### Organisational Structure

In the period covered by this Annual Report, Libraries NI was structured on the basis of the Chief Executive's Department and two Directorates, as detailed in the following paragraphs.

##### Chief Executive's Department

The Chief Executive's Department provides services to Board Members, other Departments, libraries and the general public and comprises:

- the Board Secretariat, which provides administrative and secretarial support for the Board and the Audit and Risk Assurance Committee

- Internal Audit, which provides assurance to the Chief Executive, as Accounting Officer, on the adequacy and effectiveness of the organisation's systems of risk management, control and governance.

### **Library Services Directorate**

*Director: Patricia Ward*

The Director of Library Services is responsible for the leadership, management, development and delivery of high quality, effective and efficient services to the public through:

- the Public Library Network, comprising branch, mobile and heritage libraries and related online and outreach services
- the Key Service Priorities, which are concerned with:
  - encouraging people to read, to read more widely and to get more from their reading
  - providing services and programmes which encourage children to become confident readers who enjoy reading
  - promoting digital inclusion through supported access to computers and Wi-Fi and to skills development opportunities
  - preserving, promoting and improving the accessibility of important material related to our cultural heritage
  - providing and supporting formal and informal learning experiences and opportunities for children and adults
  - providing people with access to current and relevant information in printed and online formats and developing information literacy skills
  - facilitating greater community participation in, and access to, cultural activities
  - providing access to information and activities which promote health and wellbeing
- Resources and Bibliographic Services which include the acquisition and cataloguing of stock, the request and inter-library loan service and the exploitation, editing, circulation, promotion and disposal of stock
- Marketing and Communications which is concerned with internal and external communications and promotion, developing the Libraries NI brand and market research.

### **Business Support Directorate**

*Director: Desmond Miskelly*

The Director of Business Support is responsible for the leadership, management, development and delivery of a range of services which support the provision of high quality public library services:

- the Assets Management Unit is responsible for the management, maintenance and development of the organisation's physical assets including land, property and vehicles and for progressing capital development programmes
- the Finance Unit, consisting of Finance, Payroll and Procurement, is

responsible for the provision of quality financial information to support decision-making, with the aim of meeting financial targets and reporting requirements, while complying with corporate governance requirements in relation to financial and procurement matters

- the Human Resources Unit is responsible for advice, support and guidance on employment practices, people management, health and wellbeing, trade union and staff engagement and staff learning and development issues, with the aim of achieving a skilled, motivated, flexible and diverse workforce
- Information Systems comprising of:
  - the Intelligent Customer Unit (ICU) which is responsible for managing the delivery of all services relating to electronic library information systems through the e2 contract
  - the Information and Communications Technology (ICT) Unit which is responsible for the support of information systems in Libraries NI
  - Information Governance which ensures that Libraries NI fulfils its responsibilities in respect of the requirements of Freedom of Information and Data Protection legislation and implements best practice in the discipline of records management
  - Business Analysis which ensures that Libraries NI is provided with appropriate management information and produces official statistics.

## **Register of Interests**

None of the Board Members, members of the key management staff or other related parties have undertaken any material transactions with Libraries NI during the year.

A Register of Members' Interests and a Register of Interests of the Chief Executive and Directors has been published on the Libraries NI website ([www.librariesni.org.uk](http://www.librariesni.org.uk)) and can also be inspected on application to the Chief Executive's Department.

Libraries NI have arrangements in place to manage the reporting on and recording of conflicts of interest, details of the policy and process governing the management of conflicts of interests is available on the Libraries NI website ([www.librariesni.org.uk](http://www.librariesni.org.uk))

## **Personal Data**

There were no incidents of data loss during 2021/22 which required notification to the Information Commissioner.

## **Corporate Governance Arrangements**

Libraries NI, through its Committee structure, maintains and reviews the system of internal control within the organisation by continually monitoring the service being provided to customers to ensure that it meets its objectives. The Chairperson of the Audit and Risk Assurance Committee reports to the Board on audit activity, including risk management.

The organisation has complied with the terms of current relevant Dear Accounting



Officer (DAO) letters issued by the Department of Finance ( DoF). In particular, grant and grant in aid received from the Sponsor Department has been used for the purposes intended. There was no novel or contentious expenditure for which relevant Departmental approval was not obtained. All other financial transactions conformed to the authorities which governed them, including delegated authority to commit or incur expenditure, and approvals were sought from the Department where required.

Registers of Board Members' and key staff interests are updated on an annual basis. Conflicts of interest relating to Board Members and key staff, actual or potential, are appropriately managed and controlled. A Conflicts of Interest Policy is in place.

An Anti-Fraud Policy, Fraud Response Plan, Fraud Risk Analysis, Anti-Bribery Policy and Whistleblowing Policy (Raising a Concern) are in place. In accordance with agreed procedures all suspected and proven frauds should be notified to the Sponsor Department and other relevant bodies. There were no suspected frauds reported during 2021/22.

DfC and all its Arm's-Length Bodies (ALBs) have a Service Level Agreement (SLA) with the NICS Group Internal Audit and Fraud Investigation Service to conduct fraud investigations. However, guidance has been received from the Department that along with its other ALBs, Libraries NI is classified as a 'Low User'. Libraries NI Internal Audit will conduct all fraud investigations unless, by exception, additional resources or advice are required from the Department. No fraud investigations were carried out during 2021/22.

An SLA is in place with the Education Authority's Internal Audit and Assurance Service to provide additional resources if required. This resource was also not required in-year.

Throughout the year, performance was monitored in terms of both business objectives and the effectiveness of internal control arrangements. At 31 March 2022, internal control was adequate to provide reasonable assurance of:

- effective and efficient operations
- integrity and accuracy of management information
- the safeguarding of assets
- compliance with laws and regulations.

The Board of Libraries NI, via the Audit and Risk Assurance Committee, received periodic reports concerning internal control. During the year, specific attention was given to the control arrangements relating to mission critical projects.

Four Audit and Risk Assurance Committee meetings were held remotely via video conference during the year. The Chief Executive, the Director of Business Support and the Head of Internal Audit attended all meetings. Representatives of the Northern Ireland Audit Office (NIAO) and the Department are invited to attend all meetings of the Audit and Risk Assurance Committee and are provided with a full set of papers for each meeting, including copies of all Internal Audit reports.

An Internal Audit function, which is compliant with the Public Sector Internal Audit

Standards (PSIAS) is in place within Libraries NI. At each meeting of the Audit and Risk Assurance Committee, the Head of Internal Audit reports on issues arising from internal audit reports and provides an opinion on the adequacy and effectiveness of the systems of risk, control and governance together with recommendations for improvement. The Head of Internal Audit's opinion is a key element of the framework of assurance that the Chief Executive needs to inform the completion of the Governance Statement.

The annual Audit Plan for 2021/22 called for the internal audit resource to be used to conduct assignments in different areas of Libraries NI. Actual usage of the Internal Audit resource is detailed in the table below.

<b>Category of Audit/ Allocation of Resource</b>	<b>No. of Days</b>	<b>% of Days</b>
Strategic	34	14%
Support Services	64	26%
Operational	7	3%
Mandatory	0	0%
Location Audits*	51	21%
Consultancy	34	14%
Training**	3	1%
Administration***	55	21%
<b>Total</b>	<b>248</b>	<b>100%</b>

\* Includes audits of 11 Branch Libraries

\*\* Includes receipt of training by Internal Audit staff and provision of training by Internal Audit for other Libraries NI staff

\*\*\* Includes support for the Audit and Risk Assurance Committee

## **Essential Contractual Arrangements**

Libraries NI uses a number of collaborative framework contracts to purchase goods and services. Procurements for the supply of goods and services, including estates-related services are facilitated by the DfC Procurement Team, a Centre of Procurement Excellence (CoPE) or in line with procurement advice provided by a CoPE. All contracts are evaluated on a best value for money basis, which may consider cost and quality factors. All contracts awarded by Libraries NI are a matter of public record and details are available on the Libraries NI website ([www.librariesni.org.uk](http://www.librariesni.org.uk)).

For the period under review, Libraries NI was involved in a Public-Private Partnership (PPP) contract for the provision of a serviced facility at the Lisburn City Library, a managed services contract for the provision of IT services to all library locations, and in November 2021 entered into an agreement to use the Public Sector Shared Network Contract.

## Customer Feedback

Libraries NI welcomes feedback from its customers about their experiences of our services. Feedback allows us to identify and repeat what is good, address any problems with the service, and helps us improve what we do and how we do it.

2021/22 has seen a rise in the overall number of items of feedback received to 387 (188 in 2020/21). The percentage of complimentary feedback remains high at 68% with customers continuing to appreciate the availability of online services but also the return to in-person services with the reopening of libraries, the ability to browse and the recommencement of activities such as Rhythm and Rhyme and Book Clubs.

2021/22 saw two significant changes to how Customer Feedback is received and managed. Firstly, a Feedback form has been included in the Libraries NI website enabling customers to provide feedback directly via an online form. Secondly, and in line with draft Northern Ireland Public Service Ombudsman proposals, the response time for complaints was reduced from 15 days to five. We are delighted to report that despite this significant reduction there were no instances where the response limit was exceeded.

A summary of feedback received during 2021/22 is shown in the table below:

<b>Items of feedback received:</b>	<b>387</b>
<b>Nature of feedback:</b>	
complimentary	<b>264</b>
complaint	<b>91</b>
comment	<b>32</b>
<b>Category of feedback:</b>	
Staff	<b>217</b>
Library Services	<b>132</b>
Online Services	<b>23</b>
Facilities and Buildings	<b>10</b>
Stock	<b>5</b>
<b>Average number of days taken to respond:</b>	<b>3 days</b>

## Access to Information

Libraries NI is committed to making information about its business and how it operates available to service users, the public and staff. The specific categories of information that Libraries NI is required to publish under the terms of the Freedom of Information Act 2000 can be viewed in the About Us section of the website ([www.librariesni.org.uk](http://www.librariesni.org.uk)). Individuals are permitted, under the Data Protection Act 2018, to request a copy of the personal information that Libraries NI holds about them.

Requests for information can be submitted electronically via the Freedom of Information Mailbox, the Enquiries Mailbox, and the Data Protection Mailbox on the Libraries NI website or by contacting any service point and/or office within the organisation. The majority of requests for information are dealt with routinely as part of normal business. Under the formal access to information regime, 15 requests were received under the Freedom of Information Act 2000 and 11 requests were received under the Data Protection Act 2018 during 2021/22.

## Preparation of the Accounts

The Accounts are prepared in accordance with a Departmental Accounts Direction, and comply with the Government Financial Reporting Manual (FReM) 2021/22. They are prepared on an accruals basis and give a true and fair view of Libraries NI's financial position and of its comprehensive net expenditure, changes in taxpayers' equity and cash flows for the financial year.

## Public Sector Payment Policy – Measure of Compliance

Libraries NI's payment policy in respect of trade creditors is consistent with the Northern Ireland Executive's commitment to paying suppliers as quickly as possible and we aim to pay 90% of invoices within ten working days. Libraries NI is bound by the terms of the Late Payment of Commercial Debts (Interest) Act 1998, which allows suppliers to charge interest and costs in respect of undisputed invoices unpaid after 30 days. Libraries NI paid no interest charges in relation to late payment during 2021/22.

Based on invoice Date	2021/22		2020/21	
	Invoices Paid	Paid within Target %	Invoices Paid	Paid within Target %
Total invoices paid	11,380	-	12,813	-
Paid within 30 days	11,175	98%	12,174	95%
Paid within 10 days	10,298	90%	9,339	73%

## Charitable Donations

Libraries NI made no donations for charitable or political purposes during the year.

## Statement of Accounting Officer's Responsibilities

The Accounting Officer of the Department for Communities has designated the Chief Executive as Accounting Officer for the Northern Ireland Library Authority (Libraries NI). The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records, and for safeguarding Libraries NI's assets, are set out in Managing Public Money Northern Ireland issued by the Department of Finance.

Under the Libraries Act (Northern Ireland) 2008 (Paragraph 16), the Department, with the consent of DoF has directed Libraries NI to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Libraries NI and its comprehensive net expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts the Accounting Officer is required to comply with the requirements of the FReM and in particular to:

- observe the Accounts Direction issued by the Department, including the relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis
- make judgments and estimates on a reasonable basis
- state that applicable accounting standards, as set out in the FReM, have been followed and disclose and explain any material departures in the financial statements
- prepare the financial statements on the going concern basis
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable
- confirm that he takes personal responsibility for the annual report and accounts and the judgement required for determining that it is fair, balanced and understandable.

As Accounting Officer, the Chief Executive is required to take steps to make himself aware of relevant audit information and to establish that the C&AG is aware of that information.



**Jim O'Hagan**  
Chief Executive

**Date: 13 October 2022**

## **Governance Statement**

### **Introduction/Scope of Responsibility**

As Accounting Officer for the Northern Ireland Library Authority (hereafter referred to as Libraries NI), I have responsibility for maintaining a sound system of internal governance that supports the achievement of the organisation's statutory duties, aims, objectives and policies, whilst safeguarding the public funds and the assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money (Northern Ireland). My responsibilities as Accounting Officer are also set out in the Libraries NI Management Statement.

I am required to provide assurance in respect of expenditure incurred by Libraries NI and funded by the Sponsor Department, in delivering the agreed objectives and targets set out in the Libraries NI Corporate Plan and annual Business Plan. The Corporate and Business Plans are developed and agreed by the Board of Libraries NI taking into account Departmental priorities, identified through meetings with Departmental officials.

The Corporate and Business Plans are approved by the Department and progress in relation to agreed KPIs incorporated within the annual Business Plan is reported on a quarterly basis to the Board of Libraries NI and discussed at regular Partnership Meetings with Departmental officials.

### **Compliance with Corporate Governance Best Practice**

During 2021/22, the Libraries NI Board completed a review of its effectiveness and compliance, taking into account best practice guidelines in relation to corporate governance, including the 'Corporate Governance in Central Government Departments: Code of Good Practice'. The Code was written specifically with government departments in mind. Libraries NI seeks to comply with this code to the extent to which it is relevant and meaningful to do so as a Non-Departmental Public Body. A substantial level of compliance with the key principles of the Code was established by the review of effectiveness. In order to continue to enhance the Board's effectiveness an action plan will be implemented.

During 2021/22, Internal Audit also undertook reviews of compliance with corporate governance including a review of The Board Operating Framework (an independent review of compliance), Risk Management and Information Management. The ensuing reports concluded that controls were operating in a satisfactory manner. No material issues were identified.

### **Governance Framework**

The governance framework of Libraries NI comprises the following elements:

The Chief Executive is the designated **Accounting Officer** and is personally responsible for:

- safeguarding the public funds for which he has charge
- ensuring propriety and regularity in the handling of those public funds
- the day to day operation and management of the organisation, including maintaining administrative structures which enable Libraries NI to discharge its statutory responsibilities efficiently and effectively and for ensuring that all legitimate decisions of the Board are implemented.

The **Board** consists of a non-executive Chairperson and, when fully constituted, 18 other non-executive Members, of whom at any time a majority are Councillors (within the meaning of the Local Government Act (Northern Ireland) 1972). The Chairperson and Board Members are appointed by the Sponsor Department.

The Board is a corporate body and its role is set out in the Management Statement drawn up by the Department in consultation with Libraries NI. The Board has corporate responsibility for ensuring that Libraries NI fulfils the aims and objectives set by the Department and for promoting the efficient, economic and effective use of staff and other resources by the organisation. In setting strategic direction, the Board takes account of Ministerial and Departmental priorities, the Draft Programme for Government (PfG) and the NICS Outcomes Delivery Plan.

The Board has agreed Standing Orders, setting out the procedures by which it transacts its business and has adopted a Code of Conduct for Board Members. Board Members complete Declarations of Interest which are published on the Libraries NI website. In addition, at each Board and Committee meeting, Board Members are required to declare if they have any actual or potential conflicts of interest associated with any matter being considered at that meeting.

The following declarations of potential conflicts of interest were recorded:

Prior to the Board Meeting held on 8 July 2021 Ms R Steenson (Boardroom Apprentice) had advised the Chief Executive that she would be taking up a position with Civica, a company that may be involved in bidding for the e3 contract. The Chairperson advised Ms Steenson that she should withdraw from the meeting for Items 19 and 20 which dealt with the minutes of the Information Systems Committee held on 13 May and 1 July 2021.

During the January 2022 meeting of the Services Committee, in order to avoid a potential or perceived conflict of interest, Mrs D Kenny and Councillor D Lyons withdrew during discussion of the Scheme of Charges for Room Hire.

The Board met remotely via Zoom on six occasions during 2021/22. One meeting took the form of a workshop at which consideration was given to longer term planning issues. The membership of the Board during 2021/22 was as follows:

- Professor Bernard Cullen (Chairperson)
- Councillor Donal Lyons (Vice Chairperson until July 2021)
- Councillor Julie Gilmour (Vice Chairperson from July 2021)
- Mr Neil Bodger<sup>2</sup>
- Councillor Cheryl Brownlee
- Alderman Thomas Burns
- Councillor Alistair Cathcart
- Councillor Glenn Finlay
- Councillor Garath Keating<sup>1</sup>
- Mrs Deirdre Kenny
- Councillor Cathal Mallaghan
- Mrs Wendy Osborne OBE
- Mr John Peto
- Mr Harry Reid
- Dr Margaret Ward
- Councillor Billy Webb MBE JP
- Miss Linda Wilson

<sup>1</sup> Resigned as a Board Member effective 31 January 2022

<sup>2</sup> Resigned on 31 March 2022 to take up a position as an Independent Member on the Department for Communities, Departmental Board.

Key issues considered by the Board during 2021/22 included the following:

- the Annual Report and Accounts 2020/21
- the Audit and Risk Assurance Committee's Annual Report 2020/21
- Key Performance Indicators
- the draft Annual Business Plan 2022/23
- Budget and Spending plan 2021/22
- Board effectiveness review and action plan
- Draft Partnership Agreement
- Standing Orders
- Board Operating Framework Review
- Corporate Risk Register
- Organisation and Structures: Review
- e2 contract extension and e3 Programme
- Community Planning



- ‘Operation Reconnect’, consideration of plans and updates on service provision during Covid-19 restrictions
- Update on Libraries NI’s financial position
- Recommendation concerning the appointment of a third tier officer.

Libraries NI participated in ‘The Boardroom Apprentice’ scheme, hosting an apprentice in a designated non-voting capacity. The scheme is aimed at providing opportunity for individuals aspiring to future membership of a Board to develop judgement and decision-making skills as well as the transfer of knowledge such as strategy, governance, audit and risk.

The **Audit and Risk Assurance Committee** is responsible for advising the Board and the Accounting Officer on, and for monitoring processes in relation to, internal control, risk management and corporate governance arrangements for compliance with relevant guidance and best practice. In doing so the Committee reviews on a regular basis:

- the Chief Executive’s Assurance Statements
- the minutes of the Chief Executive’s Partnership Meetings
- the Corporate Risk Register
- the Internal Audit Strategy and Annual Plan
- the External Audit Strategy
- Internal and External Audit reports and management’s response to audit recommendations
- relevant policies, processes and procedures including those relating to the Audit and Risk Assurance Committee Scheme of Delegation, the Risk Management Strategy and the Internal Audit Charter.

The Committee provides the Board and the Accounting Officer with an annual report summarising its conclusions from the work that it has carried out during the year and providing assurance regarding the governance framework.

Membership of the Committee during 2021/22 was as follows:

- Mrs Deirdre Kenny (Chairperson until June 2021)
- Councillor Glenn Finlay (Vice Chairperson until June 2021, Chairperson from June 2021)
- Councillor Alistair Cathcart
- Professor Bernard Cullen
- Ms Nuala McAuley (Co-opted Member)
- Mrs Wendy Osborne OBE (Vice-Chairperson from June 2021)

The Chief Executive, the Director of Business Support and the Head of Internal Audit attended all meetings of the Audit and Risk Assurance Committee. Representatives of the Northern Ireland Audit Office (NIAO), the External Auditors ASM and the Department for Communities are invited to attend all meetings of the Audit and Risk

Assurance Committee and are provided with a full set of papers for each meeting, including copies of all Internal Audit reports.

During 2021/22, the Audit and Risk Assurance Committee met remotely via Zoom on four occasions and considered and reported to the Board on the following:

- the Internal and External Audit Strategies
- the annual and assignment specific reports from Internal Audit with assurance levels provided
- reports of the Risk Management Group and its own review of the Corporate Risk Register
- reports from the Chief Executive and Senior Management Team on procedures for monitoring Mission Critical Projects
- reports from Senior Managers on the implementation of Internal Audit recommendations
- its review of the Assurance Statements completed by the Accounting Officer and forwarded to the Department
- Direct Award Contracts
- the report on the External Quality Assessment of Internal Audit
- the Accounting Officer's Governance Statement for 2020/21
- the Annual Report and Accounts and the Comptroller & Auditor General's Report to those Charged with Governance for 2020/21
- revisions and updates to various corporate governance policies and documents, including the Anti-Fraud Policy, the Fraud Response Plan, the Whistleblowing Policy, the Audit and Risk Assurance Committee Scheme of Delegation and the Internal Audit Charter.
- Internal Audit staffing arrangements

During the year the Committee carried out a review of its terms of reference and its effectiveness, using the National Audit Office (NAO) Self-Assessment Checklist, and determined that it was operating effectively and had added value to corporate governance and control systems.

The **Business Support Committee** makes recommendations to the Board of Libraries NI in relation to a range of issues including:

- financial matters, including the robustness of the process for setting the budget, reporting and monitoring arrangements
- internal and external financial statements, including reviewing the annual accounts prior to, and on completion of, the external audit
- procurement and tendering arrangements, including Direct Award Contracts
- staffing policies, procedures and processes
- capital strategies and planned maintenance programmes

- management information requirements and information governance arrangements.

The membership of the Business Support Committee during 2021/22 was as follows:

- Councillor Billy Webb MBE JP (Chairperson until January 2022)
- Mr Neil Bodger (Vice Chairperson until January 2022, Chairperson to March 2022)<sup>2</sup>
- Alderman Thomas Burns (Vice Chairperson from January 2022)
- Councillor Cheryl Brownlee
- Councillor Garath Keating<sup>1</sup>
- Miss Linda Wilson
- Professor Bernard Cullen

<sup>1</sup> Resigned as a Board Member effective from 31 January 2022

<sup>2</sup> Resigned on 31 March 2022 to take up a position as an Independent Member on the Department for Communities, Departmental Board.

During the year the Committee met (remotely via Zoom) on five occasions and considered and reported to the Board on a range of matters within its remit including the following:

#### Finance

- capital and recurrent budget plans and expenditure monitoring reports 2021/22
- the Annual Report and Accounts 2020/21
- the NIAO Report to Those Charged with Governance 2020/21
- prompt payment targets and performance
- procurement, including a review of procurement policy and Direct Award Contracts
- public and employer liability claims.

#### Human Resources

- absence management monitoring reports
- Covid-19 impact reports
- the Annual Progress Report on Equality, Article 55 Fair Employment report 2020/21
- policies and reviews on Capability and Workplace Substance Abuse
- customer feedback.

## Assets

- capital works 2021/22
- the estate maintenance programme 2021/22
- tender reports for the appointment of contractors for various remedial works at Ballyhackamore, Belfast Central, Keady, Limavady and Portrush libraries
- the Health and Safety Annual Report
- policies and reviews on Smokefree Workplaces and the reduction of Single Use Plastics
- use of the Libraries NI seal.

## ICU/ICT

- delivery of the e2 managed services contract
- Procurement of the e3 managed service contract
- Contractual arrangements for transition to the Public Sector Shared Network (PSSN)
- policies and procedures in relation to Freedom of Information.

The Committee reviewed and monitored the Service Plan relating to the work of the Business Support Directorate (i.e. Assets, Finance, Human Resources and ICT/ICU) and reviewed the related Risk Register. It also carried out an Effectiveness and Compliance review of its functions.

The **Services Committee** advises the Board on strategy and policy in relation to library provision and makes recommendations to the Board on a range of matters including:

- its statutory duty to provide a comprehensive and efficient public library service
- the facilities that should be available for the provision of a library service
- the acquisition, exploitation, retention and disposal of library stock
- encouraging full use of the library service and its facilities
- the development and implementation of the Key Service Priorities
- strategic marketing and communications.

The membership of the Services Committee during 2021/22 was as follows:

- Dr Margaret Ward (Chairperson until September 2021)
- Councillor Cathal Mallaghan (Chairperson from September 2021)
- Mr John Peto (Vice-Chairperson from September 2021)
- Professor Bernard Cullen
- Councillor Glenn Finlay
- Councillor Julie Gilmour
- Mrs Deirdre Kenny

- Councillor Donal Lyons
- Mr Harry Reid

During the year the Committee met five times (remotely via Zoom) and considered and reported to the Board on a range of matters within its remit including the following:

- Operation ReConnect and the ongoing response to the Covid-19 pandemic
- policies for Safeguarding, Opening Hours, Promoting Positive Health and Well-being, Filming, Community Information, Social Media and Partnerships
- customer feedback
- removal of overdue charges for adult library members
- Scheme of charges for room hire
- Public Library Standards
- ReConnecting with our Customers: Membership Drive
- Rural Needs Annual Report
- the effectiveness and compliance review.

The Committee received presentations on a number of topics including:

- Health and happiness
- Story Mapping
- Book Week NI 2021
- Library and Heritage Services in the Armagh City, Banbridge and Craigavon Borough Council Area

The Committee also reviewed and monitored the Services Plan relating to the work of the Services Directorate and reviewed the related Risk Register.

The **Remuneration Committee** is responsible for monitoring the annual performance objectives of the Chief Executive and Directors and for determining the appropriate levels of performance related pay to be awarded annually to the Chief Executive and Directors in accordance with their terms and conditions of employment and the agreed performance related pay scheme. Any such award must be within the limits set by the Department of Finance and approved by the Department for Communities (DfC).

The membership of the **Remuneration Committee** during 2021/22 was as follows:

- Professor Bernard Cullen (Chairperson)
- Mrs Deirdre Kenny (until June 2021)
- Councillor Donal Lyons
- Dr. Margaret Ward
- Councillor Billy Webb MBE JP
- Councillor Glenn Finlay (From June 2021)

During 2021/22 the Committee met on three occasions and considered the following matters:

- submission of a Business Case related to Pay and Remuneration for First and Second Tier Officers and engagement with DfC on related issues and progression
- National Joint Council (NJC) 2021/22 Pay Award for First and Second Tier Officer
- Remuneration Committee Effectiveness Review including the Scheme Specifying the Duties and Responsibilities to be Discharged and the Procedure to be followed by the Remuneration Committee
- a report from the Chairperson on the performance assessment of the Chief Executive in 2020/21 and targets set for 2021/22
- a report from the Chief Executive on the performance assessment of Directors in 2020/21 and targets set for 2021/22
- agreed a schedule of meetings in 2021/22 and options for additional meetings if required.

In February 2021 the Board approved the establishment of an **Information Systems Committee** with the appropriate delegated decision making authority to support the procurement and implementation phases of the e3 information systems and managed services project.

The membership of the **Information Systems Committee** during 2021/22 was as follows:

- Professor Bernard Cullen Chairperson
- Councillor Donal Lyons
- Mr Neil Bodger<sup>2</sup>
- Mr John Peto
- Dr Margaret Ward
- Councillor Billy Webb
- Councillor Cathal Mallaghan

<sup>2</sup> Resigned on 31 March 2022 to take up a position as an Independent Member on the Department for Communities, Departmental Board

During 2021/22 the Committee met on four occasions and considered matters relating to the procurement and implementation phases of the e3 Information Systems and Managed Services project.

## Attendance at Board and Committee Meetings

	Board	Audit and Risk Assurance Committee	Services Committee	Business Support Committee	Remuneration Committee <sup>3</sup>	Information Systems Committee
<b>Number of Meetings Held</b>	<b>6</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>3</b>	<b>4</b>
Professor Bernard Cullen (Chairperson)	6	2	5	4	3 / 3	3
Councillor Donal Lyons (Vice-Chairperson until July 2021)	4	-	4	-	0 / 1	1
Councillor Julie Gilmour (Vice-Chairperson from July 2021)	5	-	4	-	2 / 2	-
Mr Neil Bodger <sup>2</sup>	4	-	-	4	-	4
Councillor Cheryl Brownlee	5	-	-	5	-	-
Alderman Thomas Burns	6	-	-	5	-	-
Councillor Alistair Cathcart	4	4	-	-	-	-
Councillor Glenn Finlay	5	4	4	-	2 / 3	-
Councillor Garath Keating <sup>1</sup>	2	-	-	2	-	-
Mrs Deirdre Kenny	6	4	5	-	-	-
Councillor Cathal Mallaghan	6	-	5	-	1 / 2	2
Mrs Wendy Osborne OBE	6	4	-	-	-	-
Mr John Peto	6	-	5	-	-	4
Mr Harry Reid	4	-	4	-	-	-
Dr Margaret Ward	5	-	5	-	1 / 1	3
Councillor Billy Webb MBE JP	6	-	-	5	3 / 3	4
Miss Linda Wilson	6	-	-	5	-	-
Ms Nuala McAuley (Co-opted Member)	-	3	-	-	-	-

<sup>1</sup> Resigned as Board Member effective 31 January 2022.

<sup>2</sup> Resigned on 31 March 2022 to take up a position as an Independent Member on the Department for Communities, Departmental Board.

<sup>3</sup> Membership of the Remuneration Committee changed during the year. Record reflects number of meetings attended relative to membership.

The **Senior Management Team** comprises the Chief Executive, the Director of Business Support and the Director of Library Services.

Other elements of the corporate governance structure include:

- an agreed **Organisation Structure** with detailed job descriptions for staff at all levels and associated processes, including a staff appraisal scheme, to ensure that all members of staff are clear about their respective roles and responsibilities
- a **Corporate Plan** for the period 2020 - 2024
- an annual **Business Plan** approved by the Department, setting out, among other things, the vision, mission, aims and corporate objectives of Libraries NI as well as key activities and targets
- a **Board Operating Framework** which sets out the role and responsibilities of the Accounting Officer, the Board and its Committees, including matters reserved to the Board for decision-making and those delegated to Committees and the Chief Executive as Accounting Officer
- a range of **policies, strategies and procedures**, which guide the work of the organisation and are regularly reviewed
- a **Risk Management Framework**, incorporating a Risk Management Strategy, endorsed by the Accounting Officer and the Board through the Audit and Risk Assurance Committee. The Strategy specifies the risk management process within Libraries NI and sets out the roles and responsibilities of Members of the Board and officers
- an **Internal Audit Section**, which provides assurance to the Accounting Officer and the Board on the adequacy and effectiveness of governance arrangements
- **Assurance Statements**, completed bi-annually by the Accounting Officer based on similar stewardship statements from the Directors, who in turn receive assurances from the managers who report to them. The Accounting Officer's Assurance Statements are scrutinised by the Audit and Risk Assurance Committee and the Board. When the Board has satisfied itself as to the assurances provided in the Assurance Statement it is submitted to the Department
- an **Annual Board Assurance Statement** completed by the Chairperson and agreed by the Board, providing assurance about the exercise of his responsibilities as Chairperson and those of the Board itself.

## **Business Planning and Risk Management**

### **Business Planning**

During 2021/22, business planning took place in a climate of financial, societal and economic uncertainty following the continuing impact of the coronavirus (Covid-19) pandemic. Consequently, there was a significant focus on the Libraries NI response to the pandemic, including maintaining service delivery, reconnecting services and introducing new services in response to changing circumstances. Within Libraries NI, business planning is an iterative process involving a number of stages including the



following:

- consideration of relevant priorities in the draft Programme for Government, the Outcomes Delivery Plan, the Department's Corporate and Business Plans and 'Delivering Tomorrow's Libraries' as well as the statutory responsibilities placed on Libraries NI by relevant legislation
- Board review of the high-level corporate objectives for continued relevance
- Senior Management Team review of performance against the previous year's targets and KPIs, identifying areas where further work might be undertaken
- Board consideration of reports on performance against the previous year's Business Plan and KPIs
- review of feedback from consultations with library users and other stakeholders
- preparation of an annual Business Plan for consideration and approval by the Board and the Department
- the development of Service Plans which translate the high-level activities and targets contained in the Business Plan into more specific activities and targets
- the setting of objectives and targets at individual staff member level through the staff appraisal process. (Completion of staff appraisals has been impacted by ongoing industrial action).

## **Risk Management**

Within Libraries NI, Risk Management is designed to:

- identify and prioritise the risks to the achievement of aims, objectives and policies
- evaluate the likelihood of those risks being realised and the impact should they be realised
- manage risks efficiently, effectively and economically.

The Risk Management framework is set out in the following documents which are subject to regular review:

- Risk Management Strategy
- Risk Management Policy
- Risk Appetite
- Corporate Risk Register
- Corporate Risk Horizon Scanning document.

The Risk Management framework is designed to manage risk to a reasonable level and recognises that it is not possible to eliminate all risk of failure to achieve the aims, objectives and policies; it can therefore only provide reasonable, not absolute, assurance of effectiveness.

The Corporate Risk Register identifies the key risks directly related to the achievement of Libraries NI's corporate objectives and is linked to the annual Business Plan. The

Risk Management Group meets quarterly to review and revise the Corporate Risk Register to ensure that it remains relevant. In doing so, the Risk Management Group considers new risks that have been identified through management channels and changes in the operating environment, and the actions necessary to mitigate them as well as the success of actions taken to address existing risks. During 2021/22, the Risk Management Group comprised the Chief Executive, the Director of Library Services and the Director of Business Support (Chairperson).

The Corporate Risk Register is reviewed in detail at each Audit and Risk Assurance Committee meeting and is considered on a quarterly basis by the Board. The Corporate Risk Register is also discussed with the Department at Partnership Meetings. The relevant Committees consider risk registers relating to Service Plans.

During 2021/22, there were additions to, and removals from, the Corporate Risk Register, as well as updates to mitigating measures. Significant risks identified during the year, and associated mitigating actions, are detailed in the section on Internal Control Divergences.

Capital funding was received to progress the upgrading of IT infrastructure and to commence the construction of a replacement library facility for Fivemiletown, refresh part of the vehicle support fleet and to undertake a range of minor works and health and safety related schemes.

Training on corporate governance and risk management is provided for staff and Board Members to assist them in understanding the governance framework. The Risk Management Strategy and associated documentation is available to all staff on the Intranet. Internal Audit provides a consultancy service to managers concerning the evaluation of risks and the completion of the required documentation. Staff are held accountable for risk management through the performance management (staff appraisal) system. In addition, the management of risk is discussed at the Partnership meetings held between the Sponsor Department and the Libraries NI Accounting Officer.

Libraries NI's risk appetite is conditioned by many issues. Among the more important of these are government statute and guidelines and the attitude of the Sponsor Department. Overall Libraries NI has adopted a "cautious" approach to the management of risk but a specific risk appetite has been identified in respect of each corporate objective and this is reflected in the Risk Management Strategy and Corporate Risk Register.

## **Fraud Risk and Information Risk**

### **Fraud Risk**

Libraries NI has a number of policies in place, designed to minimise the risk of fraud.

These include:

- Anti-Fraud Policy
- Anti-Bribery Policy

- Conflicts of Interest Policy
- Gifts and Hospitality Policy
- Whistleblowing Policy and associated guidance (Raising a Concern)
- Code of Conduct for Staff
- Code of Conduct for Board Members
- Risk Management Policy

Associated procedures have been established to assist with the prevention of fraud and the management of actual or potential frauds, including:

- Finance, Cash Handling, Pay Related and Procurement procedures
- Travel and Subsistence Reimbursement Claim procedures
- Declaration of Interests (Board Members, relevant staff and suppliers)
- Fraud Response Plan
- Risk Management Strategy.

Relevant staff have received Fraud Awareness training. The Libraries NI Head of Internal Audit is trained in fraud investigation. Additional assistance is available to investigate suspected frauds should this be required. This assistance was not required during 2021/22. There were no suspected frauds notified during 2021/22.

One issue was identified which was initially treated as a concern raised under the Whistleblowing Raising a Concern Policy and Procedures.

An anonymous written concern was received suggesting that an individual member of staff was systematically breaching the Code of Conduct for Staff by manipulating their personal time and attendance records and failing to report absences from their work place.

After a preliminary investigation of the claims made, it was determined that while there may have been some basis for the concerns raised, this matter did not fall within the scope of fraud nor require action under the Fraud Response Plan and that it was appropriate in this instance to address the concerns through the application of internal disciplinary procedures.

## **Information Risk**

Information technology remains a key area of operations for Libraries NI and a range of policies are maintained to ensure the security and integrity of information and information systems, including:

- an Information Technology Security Policy to ensure business continuity and to minimise the risk of damage by preventing security incidents and reducing impact if these were to occur
- a Corporate Acceptable Use Policy which details how Libraries NI will manage and monitor the use of its information assets and systems and the standards required from users

- a Microsoft Windows Security Policy which sets out the minimum security standards applicable to Libraries NI Personal Computers (PCs)
- an Application Security Policy which sets out the minimum security standards applicable to applications used by Libraries NI
- an Internet Security Policy setting out the minimum security standards applicable to the interconnection of the Libraries NI environment to the Internet
- a Server Security Policy to establish the minimum security standards applicable to all servers within the Libraries NI IT environment
- a Network Security Policy to establish the minimum security standards applicable to the Wide Area and Local Area Networks within the Libraries NI IT environment
- revised records disposal and retention schedules are in place and the Data Protection Officer is available to provide guidance and support to managers at all levels throughout the organisation.

Operational responsibility for information security rests with the Information Security Manager, reporting to the Director of Business Support.

There were no incidents of personal data loss which required notification to the Information Commissioner.

### **Governance and Accountability**

Board Members are supplied with reports and information prior to each meeting of the Board and its Committees. Quarterly management reports are also submitted to the Board by the Chief Executive, which include information on KPIs and financial information, as well as the Corporate Risk Register. In addition, the Board receives and discusses the Chief Executive's bi-annual Assurance Statements. The Board exercises a robust challenge function in order to satisfy itself regarding the quality and comprehensiveness of the information contained in these reports.

Financial information provided is subject to audit by the external auditors. Validation of KPIs and Stewardship Reporting is also included in the Internal Audit Strategy.

During 2021/22, the Chief Executive met on three occasions with Departmental officials for partnership meetings.

No ministerial directions were received during the year.

### **Sources of Independent Assurance**

Independent assurance is provided to Libraries NI by its Internal Audit Section and by the Northern Ireland Audit Office.

### **Internal Audit**

Internal Audit is an independent and objective appraisal function within Libraries NI which provides a service to the Board and all levels of management. The Head of

Internal Audit is responsible for the effective review of all aspects of risk management, control and governance throughout Libraries NI's activities. Internal Audit has established a Quality Assurance Framework. During February / March 2021 the service was externally assessed by independent assessors appointed by DfC and found to be in compliance with Public Sector Internal Audit Standards (PSIAS). In addition, a Service Level Agreement is in place with the Education Authority's Head of Internal Audit and Assurance to carry out a peer review service and this provides additional assurance as to the effectiveness of the Libraries NI Internal Audit function.

Internal Audit's primary responsibility is to provide an annual assurance to the Chief Executive, as Accounting Officer, on the effectiveness of risk management, control and governance systems, by measuring and evaluating their effectiveness in achieving the organisation's objectives.

The Internal Audit work completed was based on the Internal Audit Strategy and the Internal Audit Plan for 2021/22, which was approved by the Audit and Risk Assurance Committee. A Revised Plan was considered and approved by the Committee at its meeting in October 2021. The format and content of these documents is based on guidance provided in HM Treasury: Public Sector Internal Audit Standards. A risk-based systematic approach has been used which includes identification and recording of objectives, risks and controls. Factors used to determine which risk areas should be incorporated in the Plan included a review of the corporate risk register, issues identified in previous internal audit reports and in the Report to Those Charged with Governance and a review of those important systems requiring regular assurance. A range of locations was also selected for review.

Assurance is reported by way of the Head of Internal Audit's professional opinion which is given in each assignment report and in the Annual Audit Report.

During 2021/22 Internal Audit completed:

- audits of 11 branch libraries. A 'satisfactory' level of assurance was provided on each occasion
- as a result of Covid-19 restrictions, the Libraries NI Mobile Library Service was suspended throughout the majority of 2021/22. Auditing of the Service was therefore also suspended and is planned to resume in 2022/23
- the Libraries NI Homecall Service was also suspended throughout the majority of 2021/22. Resources normally used to provide this and the Mobile Library service were redeployed to provide a 'Bookbox' service. This service was included in the testing completed in branch libraries
- ten strategic, operational, systems and review audits, providing a 'satisfactory' level of assurance on each occasion
- one consultancy audit was completed at the request of or in agreement with management
- Internal Audit resources were reduced during 2021/22 following the resignation of the Auditor. Reports on Internal Audit staffing arrangements were considered by the Audit and Risk Assurance Committee and the Board
- in compliance with the requirements of Public Sector Internal Audit Standards an Internal Audit Quality External Assessment was completed in March 2021

and a report brought to the Audit and Risk Assurance Committee in April 2021. The report concludes that the Internal Audit Section 'generally conforms' with the requirements of the Standards.

There were no Priority One recommendations made during the year. The Audit and Risk Assurance Committee received a report at each meeting on the actions being taken to implement all other audit recommendations. It should be noted that the number of Priority One recommendations has remained at a reduced level. This is due in part to the redefinition of what constituted a Priority One recommendation introduced by a DAO letter and implemented since 2016/17.

In the Internal Audit Annual Report for 2021/22, the Head of Internal Audit provided an overall 'satisfactory' level of assurance as to the risk, control and governance framework within Libraries NI.

### **Northern Ireland Audit Office**

The Comptroller and Auditor General (C&AG) to the Northern Ireland Assembly is responsible for the statutory audit and certification of the Libraries NI Annual Report and Accounts. It should be noted that the NIAO has sub-contracted the external audit of the Libraries NI financial statements to ASM.

The Certificate and Report are included in this Annual Report and Accounts document. In its Report to those Charged with Governance, the NIAO identified one Priority 3 issue in relation to the maintenance of the Fixed Assets Register.

The C&AG certified the 2021/22 Annual Report and Accounts with an unqualified audit opinion, without modification.

### **Review of Effectiveness**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control within Libraries NI. My review is informed by the work of the internal auditors as well as by the Directors, Heads of Service and Heads of Department who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their Report to Those Charged with Governance. I have been regularly updated by my senior management team on progress made in relation to action taken to implement recommendations contained in Internal Audit Reports and the Report to those Charged with Governance. The review of the effectiveness of the system of internal control is informed by:

- regular performance information provided by Directors, Heads of Service, Deputy Heads of Service and Heads of Department
- advice and assurances from the Audit and Risk Assurance Committee, including its Annual Report which includes the Committee's opinion on Libraries NI's corporate governance arrangements and the management of risk
- the subsidiary Assurance Statements provided by Directors, who have responsibility for the development and maintenance of the internal control framework in their respective areas

- Internal Audit's independent and objective appraisal of risk management, control and governance arrangements operating within Libraries NI
- comments made by the external auditors in their Report to Those Charged with Governance.

## **Internal Governance Divergences**

### **Prior Year Issues which have been resolved**

#### **Branch Library Managers**

In May 2018, Branch Library Managers commenced industrial action in a dispute about job evaluation. Agreement was reached with Trade Union representatives during 2021/22 to carry out job evaluation of the Branch Library Managers role and consequently industrial action has ended.

#### **Impact of coronavirus (Covid-19) global pandemic**

The disruption caused by the Covid-19 pandemic has adversely impacted on participation levels and use of libraries and addressing this as we adapt to operating in a changed environment has been a priority and will require a sustained response over a period of time.

#### **Response to Covid-19 and Re-connecting services**

The coronavirus pandemic represented a significant risk during 2021/22 which continued to cause significant disruption to normal library operations and services. During the course of the year services were adapted as appropriate and continued to be delivered taking account of government and public health advice and guidance, regulations and the varying restrictions in force. Plans to ReConnect services and introduce new services were brought forward and continue to be reviewed and updated in light of changing circumstances. The response to the coronavirus pandemic continues to present a challenge and the return to a more normal level of operational delivery and service will require a sustained response over a period of time.

#### **Stock Audit**

Stock, other than Stock Assets, is expensed in the period in which it is bought. Stock is recorded and controlled as it is bought, loaned to the public, circulated around libraries and eventually disposed of when it is no longer considered useful for loan purposes. The process to update the catalogue of stock records has just recommenced after it was suspended due to the impact of the coronavirus pandemic.

#### **Impact of change and budget cuts on staff morale and motivation**

Libraries NI has undergone significant change since its inception in 2009. Against a backdrop of planning uncertainty, an increased breadth of service delivery and pressures on resources this state of change is likely to persist. A range of processes and channels have been deployed to engage and communicate with staff on these issues, to provide information and to allay concerns.

## **Strategic Planning**

During 2021/22, a Business Plan for 2022/23 was drafted. Planning took place during a period of uncertainty in relation to longer term funding although it was anticipated that there would be a continued real-term decline in funding levels for the public sector during the lifetime of the new Corporate Plan. The draft Programme for Government and the developing priorities of DfC continue to inform planning priorities, however ongoing uncertainty makes longer term strategic planning difficult.

## **Belfast Central Library**

An Outline Business Case (OBC) for Belfast Central Library was approved in April 2016. Since then an absence of funding has prevented the project progressing. The refurbishment and redevelopment of the Belfast Central Library remains a strategic priority for Libraries NI and work commenced during 2021/22 to review and update the Strategic Outline Case for the project.

## **Business Continuity and Capacity**

The on-going budget pressures and uncertain future resourcing models have and continue to constrain effective business continuity planning. Mechanisms are in place to secure and if necessary respond to issues arising from the operation of our core Information Technology Systems. However, the management of potential threats to the remainder of the physical network essential to the delivery of Library Services (property, vehicles and other assets) relies upon there being both sufficient resources available to respond to issues and there being flexibility within the organisation to adapt to changing circumstances. The cumulative effect of the reduction in numbers of staff over a period of years is that staffing levels are now very lean, which presents risks in respect of the organisation's ability to respond to business continuity threats.

## **New Issues 2021/22**

None recorded.



## **Remuneration and Staff Report**

### **Remuneration Policy**

#### **Board Members**

The Chairperson of Libraries NI is paid by Libraries NI for duties carried out as Chairperson at a rate and on such conditions determined by the Department of Communities (DfC), with the approval of the Department of Finance (DoF). Libraries NI makes payments to other Board Members in relation to their functions as Members at rates and on conditions determined by DfC. Board Members also receive travel and subsistence allowances, at rates and on conditions determined by Libraries NI subject to Departmental approval.

#### **Chief Executive and Second Tier Officers**

The remuneration of the Chief Executive and second tier officers is based on performance. The Remuneration Committee determines the appropriate level of performance related pay to be awarded annually to the Chief Executive and second tier officers in accordance with the agreed performance related pay scheme (under review) within the contractual salary pay range. The Department for Communities considers the recommendations of the Remuneration Committee and approves the pay progression to be applied. Any award of pay shall be in line with DoF Public Pay Policy. Following a pay and grading review of the Chief Executive and second tier officers, the Remuneration Committee submitted a business case in April 2021 to DfC recommending a revised performance related pay progression mechanism within the existing salary pay range. This matter remains outstanding and a response is awaited from the Department.

#### **Service Contracts**

Staff are employed in accordance with the National Joint Council for Local Government Services Terms and Conditions of Employment and local agreements reached through the Negotiating Committee for Libraries NI. Recruitment is carried out in accordance with the Libraries NI Code of Procedures on Recruitment and Selection. Unless otherwise stated below, the employees covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Local Government Regulations and the agreed redundancy provisions.

#### **Remuneration (including Salary) and Pension Entitlements**

The following sections provide details of the remuneration and pension interests of the Board members and most senior management of Libraries NI.

**Remuneration - Board Members (Audited Information)**

	Salary £'000		Benefits in Kind (to the nearest £100)	
	2021/22	2020/21	2021/22	2020/21
Professor Bernard Cullen	10 - 15	10 - 15	-	-
Mr Neil Bodger	0 - 5	0 - 5	-	-
Alderman Thomas Burns	0 - 5	0 - 5	-	-
Councillor Alistair Cathcart	0 - 5	0 - 5	-	-
Councillor Glenn Finlay	0 - 5	0 - 5	-	-
Councillor Julie Gilmour	0 - 5	0 - 5	-	-
Councillor Cheryl Johnston	0 - 5	0 - 5	-	-
Councillor Garath Keating	0 - 5	0 - 5	-	-
Mrs Deirdre Kenny	0 - 5	0 - 5	-	-
Councillor Donal Lyons	0 - 5	0 - 5	-	-
Councillor Cathal Mallaghan	0 - 5	0 - 5	-	-
Mrs Wendy Osborne OBE	0 - 5	0 - 5	-	-
Mr John Peto	0 - 5	0 - 5	-	-
Mr Harry Reid	0 - 5	0 - 5	-	-
Dr Margaret Ward	0 - 5	0 - 5	-	-
Councillor Billy Webb	0 - 5	0 - 5	-	-
Miss Linda Wilson	0 - 5	0 - 5	-	-

## Remuneration (including salary) and pension entitlements – Senior Post Holders (Audited Information)

Single total figure of remuneration										
Senior Management Team	Salary (£'000)		Performance Related Payments* (£'000)		Benefits in kind (to nearest £100)		Pension Benefits** (to nearest £1000)		Total (£'000)	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Mr Jim O'Hagan	100-105	95-100	-	-	-	-	18	38	115-120	130-135
Mr Desmond Miskelly*	70-75	70-75	-	16	-	-	4	40	75-80	125-130
Ms Helen Osborn***	-	85-90	-	-	-	-	-	38	-	120-125
Mrs Patricia Ward***	70-75	-	-	-	-	-	59	-	130-135	-

\* In 2020/21 Mr Miskelly was paid Performance Related Pay (PRP) relating to the period 2017/18 to 2019/20  
 \*\* The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20 plus the real increase in any lump sum less the contributions made by the individual. The real increases include increases due to inflation and any increases or decreases due to a transfer of pension rights.  
 \*\*\* Ms Helen Osborn retired on 31 March 2021. Mrs Patricia Ward was appointed Director of Library Services from 1 April 2021.

Salary figures are based on salary paid during the year and does not include back dated pay progression approved after year end.

Salary includes gross salary and essential travel allowance

## Fair Pay Disclosures

### Pay Ratios (Audited Information)

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid post holder and staff who are paid on the 25<sup>th</sup> percentile, the median and the 75<sup>th</sup> percentile.

The normal banded remuneration of the highest paid post holder in 2021/22 was £95,000 - £100,000 (2020/21: £95,000 - £100,000). This was increased for 2021/22 to fall within the band £100,000 - £105,000 due to a one-off payment for holiday pay.

The relationship between the mid-point of this band and the remuneration of the organisation's workforce is set out below:

<b>2021-22</b>	25 <sup>th</sup> percentile	Median	75 <sup>th</sup> percentile
Total Remuneration £	20,043	20,043	24,920
Pay Ratio	5.11:1	5.11:1	4.11:1

<b>2020-21</b>	25 <sup>th</sup> percentile	Median	75 <sup>th</sup> percentile
Total Remuneration £	19,698	19,698	24,491
Pay Ratio	4.95:1	4.95:1	3.98:1

For 2021/22, the 25<sup>th</sup> percentile, median and 75<sup>th</sup> percentile remuneration values consisted solely of salary payments.

It should be noted that the remuneration for the highest paid director is based on the mid-point of the band within which their remuneration fell each year.

Remuneration ranged from £18,500 to £102,500 (2020/21 £18,500 to £97,500). No-one received remuneration in excess of the highest paid post holder

### Percentage Change in Remuneration

Reporting bodies are required to disclose the percentage change from the previous financial year in the salary and allowances of the highest paid director and their employees as a whole. The percentage for the highest paid director is based on the salary due in each year.

The percentage change in remuneration for the organisation is set out in the following table:

<b>Percentage Change for:</b>	<b>2021/22 v 2020/21</b>	<b>2020/21 v 2019/20</b>
Average employee salary and allowances	1.75%	2.75%
Highest paid director's salary and allowances	1.5%	2.75%

## Benefits in Kind (Audited Information)

Board Members and Senior Post Holders receive no non-cash benefits (benefits in kind).

## Pension Benefits – Board Members (Audited Information)

No Board Members receive pension benefits or make pension contributions in their capacity as Board Members.

## Pension Benefits - Senior Post Holders (Audited Information)

	Accrued pension at pension age, as at 31/03/22 and related lump sum £'000	Real increase in pension and related lump sum at pension age £'000	CETV at 31/03/22 £'000	CETV at 31/03/21 £'000	Real increase in CETV £'000
Mr Jim O'Hagan Chief Executive	25 – 30 -	1.0 – 1.5 -	386	347	17
Mr Desmond Miskelly Director of Business Support	30 – 35 40 - 45	0.5 – 1.0 (1.5) – (1.0)	618	586	8
Mrs Patricia Ward Director of Library Services	35- 40 65 - 70	3.0 – 3.5 4.0 – 4.5	797	700	69

## Pension Arrangements

Libraries NI's employees including Senior Post Holders belong to the Northern Ireland Local Government Officers Superannuation Committee (NILGOSC) Scheme. The NILGOSC Scheme is of the defined benefits type; the assets of the scheme being held in separate trustee-administered funds. The scheme is administered by NILGOSC, Hollywood Road, Belfast. The pension costs are assessed in accordance with the advice of independent qualified actuaries using the projected unit method.

Employee contribution rates are based on pensionable pay and were in the range 5.5% to 10.5% during 2021/22, as detailed below.

<b>Band</b>	<b>Range</b>	<b>Contribution Rate</b>
1	£0 - £15,000	5.5%
2	£15,001 - £23,000	5.8%
3	£23,001 - £38,400	6.5%
5	£38,401 - £46,600	6.8%
6	£46,601 - £92,300	8.5%
7	More than £92,300	10.5%

Libraries NI's contribution rate is determined by the fund actuary, based on a triennial valuation. The most up to date valuation was carried out as at 31 March 2019, at which date the funding ratio was 96%. This valuation was used to determine employer contribution rates from April 2021.

As part of the March 2019 valuation, the actuary certified that for 2021/22, the employer contribution rate was 19.5%. The contribution rates are set to meet the cost of benefits accruing during 2021/22 to be paid when members retire.

For any membership accrued before 1 April 2009, benefits accrue at a rate of 1/80<sup>th</sup> of the employee's final year pensionable pay, with an automatic tax-free lump sum of three times their annual pension. For all membership accrued from 1 April 2009, benefits accrue at a rate of 1/60<sup>th</sup> of final pensionable pay for each year of service but with no automatic lump sum (members can choose to give up some of their pension to provide a lump sum).

Since 1 April 2015, members accrue benefits normally at a rate of 1/49<sup>th</sup> of the employee's career average pensionable pay. Additional Voluntary Contributions (AVCs) may be made through the NILGOSC in-house AVC provider.

Further details about the NILGOSC pension scheme can be found at the website <https://nilgosc.org.uk/> and Notes 1 and 19 to the accounts.

### **Cash Equivalent Transfer Values**

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme, or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to Libraries NI's pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs

are calculated in accordance with Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2015, and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

### Real Increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period. However, the real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.

### McCloud Remedy

Discrimination identified by the courts in the way the 2015 pension reforms were introduced must be removed by the Department for Communities. It is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period. This is known as the 'McCloud Remedy' and will impact many aspects of the Local Government Pension Scheme. More information on the McCloud remedy can be found on the NILGOSC website <https://nilgosc.org.uk/employers/administering-the-scheme/mccloud-remedy/>

### Staff Report

#### Staff Numbers and Costs Average Numbers Employed (Audited Information)

#### Staff Costs (Audited Information)

	<b>Permanent employees 2021/22 £'000</b>	<b>Temporary employees 2021/22 £'000</b>	<b>Others 2021/22 £'000</b>	<b>Total 2021/22 £'000</b>	<b>Total 2020/21 £'000</b>
<b>Wages and salaries</b>	11,695	216	1,009	12,920	13,265
<b>Social Security costs</b>	909	11	-	920	967
<b>Pension costs</b>	5,468	27	-	5,495	4,305
<b>Other staff costs</b>	-	-	161	161	198
<b>Total</b>	<b>18,072</b>	<b>254</b>	<b>1,170</b>	<b>19,496</b>	<b>18,735</b>

Pension costs include £3.218 million in relation to non-cash current service costs (2020/21: £1.972m).

### Average Number of Persons Employed

The average number of Full-Time Equivalent (FTE) persons employed during the year is shown in the following table:

	<b>Permanent employees 2021/22 FTE</b>	<b>Temporary employees 2021/22 FTE</b>	<b>Agency/ Seconded 2021/22 FTE</b>	<b>Total 2021/22 FTE</b>	<b>Total 2020/21 FTE</b>
<b>Directly Employed</b>	461	5	-	466	474
<b>Other</b>	-	-	40	40	48
<b>Total</b>	<b>461</b>	<b>5</b>	<b>40</b>	<b>506</b>	<b>522</b>

These costs and numbers include Senior Post Holders.

Staff costs above include £197,000 which was capitalised during 2021/22 (2020/21: £NIL). Other staff costs include redundancy costs of £NIL (2020/21: £0.003 million), premature/flexible retirements of £NIL (2020/21: £0.029 million), and unfunded pension payments under legacy arrangements of £0.161 million (2020/21: £0.165 million). Wages and salaries include Agency staff costs of £0.945 million (2020/21: £1.184 million).

Some former public library service staff were given termination benefits by the former Education and Library Boards which were not funded, and these continue to be paid by Libraries NI.

### Staff Composition – Employed (Full-Time Equivalents) (Audited Information)

<b>Females 2021/22 FTE</b>	<b>Males 2021/22 FTE</b>	<b>Total 2021/22 FTE</b>	<b>Females 2020/21 FTE</b>	<b>Males 2020/21 FTE</b>	<b>Total 2020/21 FTE</b>
330	136	466	337	137	474

### Gender Balance – (based on headcount) (Audited Information)

	<b>At 31 March 2022</b>		
	<b>Female</b>	<b>Male</b>	<b>Total</b>
<b>Board</b>	6	10	16
<b>Senior Managers</b>	1	2	3
<b>Employees</b>	479	155	633



In carrying out its functions, Libraries NI has a statutory responsibility to have due regard to the need to promote equality of opportunity:

- between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation
- between men and women generally
- between persons with a disability and persons without
- between persons with dependents and persons without.

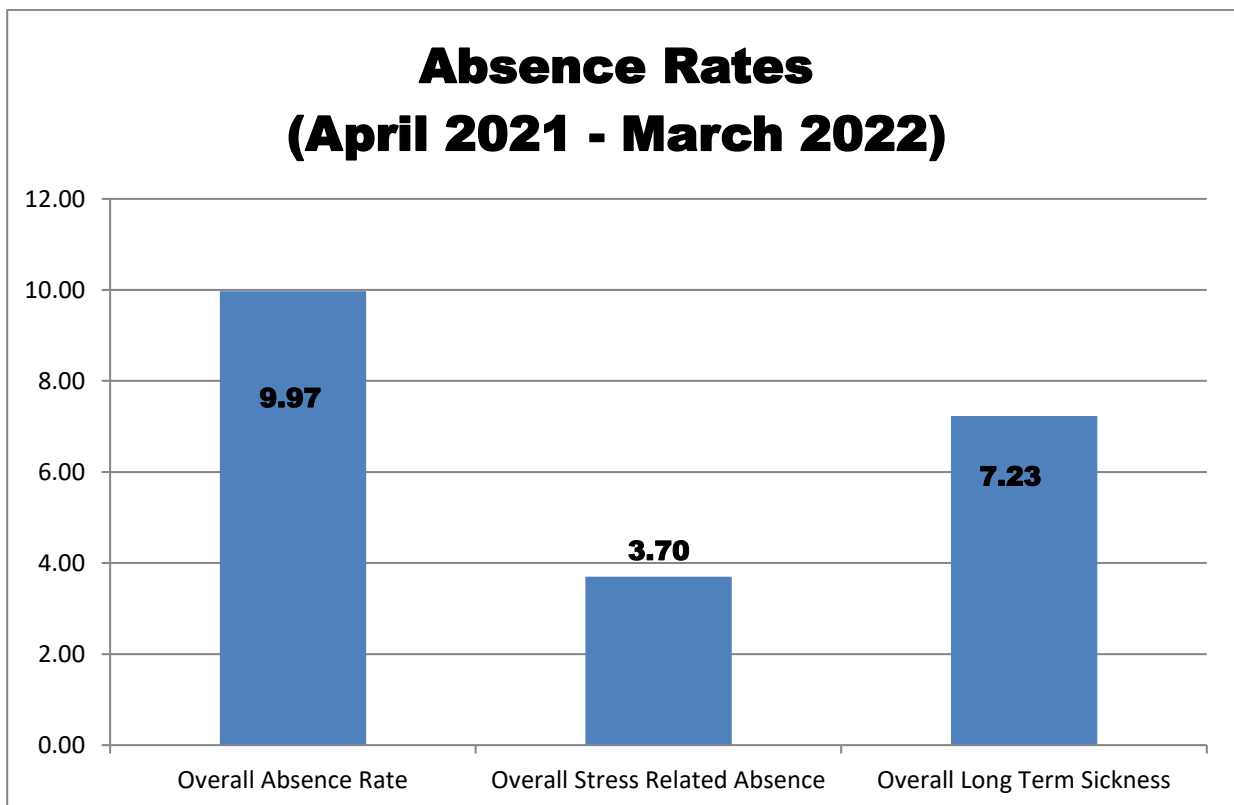
In addition, without prejudice to the above obligation, Libraries NI has regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group.

### Staff Turnover

The percentage staff turnover for 2021/22 is 11.86%. This is calculated based on the number of leavers (75) divided by the average number of persons in employment (632) during the 2021-22 financial year.

### Sickness Absence Data

Sickness absence is collated on a financial year. In March 2022 the composite average Full Time Equivalent (FTE) days lost through sickness absence was 9.97 days. Long term sickness accounted for the majority of days lost. There was also a number of staff absent due to Covid-19 which are excluded from these figures.



## **Employees with a Disability**

Libraries NI actively seeks applications for employment from people with a disability where the requirements of the job may be adequately performed. Where existing employees acquire a disability it is Libraries NI's policy, whenever reasonably possible, to provide continuous employment under normal terms and conditions and to provide training and career development and promotion, where appropriate.

## **Expenditure on Consultancy**

Expenditure on consultancy during the year was £NIL (2020/21: £4,685).

## **Off-payroll Engagements**

No "off-payroll" engagements were entered into between 1 April 2021 and 31 March 2022.

### Exit Packages (Audited Information)

	<b>Number of compulsory redundancies 2021/22</b>	<b>Number of other departures agreed 2021/22</b>	<b>Total number of exit packages by cost band 2021/22</b>	<b>Total number of exit packages by cost band 2020/21</b>
<£10,000	-	-	-	1
£10,001 - £25,000	-	-	-	-
£25,001 – £50,000	-	-	-	-
£50,001 - £100,000	-	-	-	-
£100,001 - £150,000	-	-	-	-
£150,001 - £200,000	-	-	-	-
<b>Total number</b>	-	-	-	1
<b>Total resource cost £</b>	-	-	-	3,485

There were no compensation payments for early retirement in 2021/22 (2020/21: £NIL).

### Flexible Retirements (Audited Information)

Twelve flexible retirements were supported during 2021/22, none of which incurred costs for early release of pension to effect efficiencies in line with Savings Delivery Plans.

During 2021/22, 12 people (2020/21: nine people) retired early on ill-health grounds. Ill-health retirement actuarial costs are met by the pension scheme and are not included in the table.

## Assembly Accountability and Audit Report

### Statement of Losses and Special Payments

#### Losses (Audited information)

	2021/22	2021/22	2020/21 restated	2020/21 restated
	No of Cases	£'000	No of Cases	£'000
Claims abandoned	13,023	42	8,913	33
Stores losses	21,067	44	22,783	53
Total	34,090	86	31,696	86

Claims abandoned relate to unpaid borrower charges which are abandoned after two years (£38,602) and to unpaid fines relating to 2020/21 (£1,622) and 2021/22 (£2,125) which were waived after library fines were abolished in October 2021.

Stores losses for 2020/21 relate to 22,777 items (£35,186) which were borrowed and due for return between October 2019 and September 2020, but had not been returned by year end, and 6 items of Stock Assets (£18,160). These figures are re-stated as the normal process to identify stock losses did not take place during 2020/21. Stores losses for 2021/22 relate to 2,121 items which were due for return between October 2020 and September 2021, but had not been returned by year end (£5,222) and 18,946 items identified as being lost or missing during catalogue tidy exercises during 2021/22 (£38,585). No stock deletion exercises were conducted during 2020/21 or 2021/22 due to the Covid-19 pandemic.

Stores losses figures are lower than in previous years, due to the ongoing impact of the pandemic. A number of factors have contributed to this; library opening was disrupted due to restrictions; library usage was lower than normal when libraries reopened resulting in decreased levels of borrowing; programming was reintroduced in phases through the year and mobile libraries were not fully operational. In addition, these figures reflect the impact of a temporary policy to extend borrowing periods and auto renewals which continued until December 2021. As a result some long overdue items may not be reflected in the above figures and there may be a consequential increase in the stock losses figures in the next financial year. However, we anticipate this will stabilise in future years as we move back to a more normalised operational environment.

#### Special Payments (Audited Information)

	2021/22	2021/22	2020/21	2020/21
	No of Cases	£'000	No of Cases	£'000
Compensation Payments	-	-	-	-

Compensation Payments relate to Employer and Public Liability claims.

**Remote Contingent Liabilities (Audited Information)**

A request for re-evaluation of the Branch Library Manager post has been agreed.

**Compliance with Regularity of Expenditure Guidance (Audited)**

Libraries NI's Business Plan targets for 2021/22 were approved by the Department for Communities, and Libraries NI has developed budgets to ensure that spend is directed to achieving these targets. Libraries NI reports monthly to the Department on spend, and quarterly on achievement of targets.

Libraries NI operates within the terms of an agreed Management Statement and Financial Memorandum with the Department and subsequent Departmental letters, which set out, inter-alia, appropriate delegations of authority.

Libraries NI has an internal regularity framework in place, including delegated budget authority, policies, procedures and systems for the justification and control of spend, and ex-post review of projects. Operation of the framework is kept under regular review.

During the period under review, procurement in Libraries NI was conducted within a framework of legislation and guidance from The European Union, the UK and the NI Executive. All procurement activity was supported by a Centre of Procurement Expertise (CoPE) and all procurement activity over £5,000 was administered by either the Departmental procurement team or a CoPE. Procurement activity is subject to regular review and is reported to the Board.

I am not aware of any irregularities or divergences from guidance on regularity of expenditure.



**Jim O'Hagan**  
**Chief Executive**

**Date: 13 October 2022**

## **NORTHERN IRELAND LIBRARY AUTHORITY**

### **THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY**

#### **Opinion on financial statements**

I certify that I have audited the financial statements of the Northern Ireland Library Authority for the year ended 31 March 2022 under the Libraries Act (Northern Ireland) 2008. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Government Financial Reporting Manual.

I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion, the financial statements:

- give a true and fair view of the state of the Northern Ireland Library Authority's affairs as at 31 March 2022 and of the Northern Ireland Library Authority's net expenditure for the year then ended; and
- have been properly prepared in accordance with the Libraries Act (Northern Ireland) 2008 and Department for Communities' directions issued thereunder.

#### **Opinion on regularity**

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

#### **Basis of opinions**

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate.

My staff and I are independent of the Northern Ireland Library Authority in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2019 and have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

### **Conclusions relating to going concern**

In auditing the financial statements, I have concluded that the Northern Ireland Library Authority's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Northern Ireland Library Authority's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

The going concern basis of accounting for the Northern Ireland Library Authority is adopted in consideration of the requirements set out in the Government Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

My responsibilities and the responsibilities of the Board and Accounting Officer with respect to going concern are described in the relevant sections of this report.

### **Other Information**

The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in that report as having been audited, and my audit certificate. The Board and the Accounting Officer is responsible for the other information included in the annual report. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements

themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

### **Opinion on other matters**

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department for Communities' directions made under the Libraries Act (Northern Ireland) 2008; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which I report by exception**

In the light of the knowledge and understanding of the Northern Ireland Library Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report. I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records; or
- certain disclosures of remuneration specified by the Government Financial Reporting Manual are not made; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with the Department of Finance's guidance.

### **Responsibilities of the Board and Accounting Officer for the financial statements**

As explained more fully in the Statement of Accounting Officer Responsibilities, the Board and the Accounting Officer are responsible for:



- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- assessing the Northern Ireland Library Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Northern Ireland Library Authority will not continue to be provided in the future.

### **Auditor's responsibilities for the audit of the financial statements**

My responsibility is to examine, certify and report on the financial statements in accordance with the Libraries Act (Northern Ireland) 2008.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Northern Ireland Library Authority through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Libraries Act (Northern Ireland) 2008;
- making enquires of management and those charged with governance on the Northern Ireland Library Authority's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and

fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;

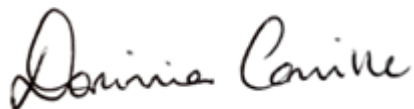
- completing risk assessment procedures to assess the susceptibility of the Northern Ireland Library Authority's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in relation to the management override of controls;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- addressing the risk of fraud as a result of management override of controls by:
  - performing analytical procedures to identify unusual or unexpected relationships or movements;
  - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
  - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
  - investigating significant or unusual transactions made outside of the normal course of business.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### **Report**

I have no observations to make on these financial statements.



*D Carville*  
*Comptroller and Auditor General*  
*Northern Ireland Audit Office*  
*106 University Street*  
*Belfast*  
*BT7 1EU*

*24 October 2022*

## Financial Statements

### Statement of Comprehensive Net Expenditure for the year ended 31 March 2022

	Note	2021/22 £'000	2020/21 Restated £'000
<b>Income</b>			
Revenue from Contracts with Customers		(10)	(12)
Other Operating Income	4	<u>(427)</u>	<u>(302)</u>
<b>Total Operating Income</b>		<u><b>(437)</b></u>	<u><b>(314)</b></u>
<b>Expenditure</b>			
Staff Costs		19,299	18,735
Purchase of Goods and Services		14,072	12,557
Depreciation/Amortisation/Impairment		5,036	4,257
Provision expense/(release)		4	36
Other Operating Expenditure		<u>16</u>	<u>14</u>
<b>Total Operating Expenditure</b>	3	<u><b>38,427</b></u>	<u><b>35,599</b></u>
<b>Net Operating Expenditure</b>		<u><b>37,990</b></u>	<u><b>35,285</b></u>
Finance Expense	5	889	881
<b>Net Expenditure for the year</b>		<u><b>38,879</b></u>	<u><b>36,166</b></u>
<b>Other Comprehensive Net Expenditure</b>			
Items that will not be reclassified to net operating costs:			
Net (gain) on revaluation of property, plant and equipment	9.1	(4,276)	(440)
Net (gain) on revaluation of intangible assets	9.2	(83)	(17)
Net (gain)/loss on revaluation of Heritage Assets	9.3	(137)	1
Net actuarial (gain)/loss on pension scheme assets and liabilities	19.3	(17,198)	995
<b>Comprehensive Net Expenditure for the year</b>		<u><u><b>17,185</b></u></u>	<u><u><b>36,705</b></u></u>

All amounts above relate to continuing activities.

The notes on pages 96 to 125 form part of these accounts.

## Statement of Financial Position as at 31 March 2022

	Note	2022 £'000	2021 £'000
<b>Non-current assets</b>			
Property, plant and equipment	6	107,542	104,983
Intangible assets	7	1,374	1,704
Heritage assets	10	10,299	10,162
Financial Assets	11	779	840
<b>Total non-current assets</b>		<b>119,994</b>	<b>117,689</b>
<b>Current assets</b>			
Trade and other receivables	11	1,252	1,102
Cash and cash equivalents	12	146	76
<b>Total current assets</b>		<b>1,398</b>	<b>1,178</b>
<b>Total assets</b>		<b>121,392</b>	<b>118,867</b>
<b>Current Liabilities</b>			
Trade and other payables	13	(4,233)	(3,873)
Provisions	14	(67)	(82)
<b>Total current liabilities</b>		<b>(4,300)</b>	<b>(3,955)</b>
<b>Total assets less current liabilities</b>		<b>117,092</b>	<b>114,912</b>
<b>Non-current liabilities</b>			
Provisions	14	(95)	(76)
Pension liabilities	19.1	(23,757)	(36,985)
Other liabilities	13	(2,950)	(3,103)
<b>Total non-current liabilities</b>		<b>(26,802)</b>	<b>(40,164)</b>
<b>Total assets less total liabilities</b>		<b>90,290</b>	<b>74,748</b>
<b>Taxpayers' equity and other reserves</b>			
General reserve		53,170	53,348
Pension reserve		(23,757)	(36,985)
Revaluation reserve		50,578	48,223
Heritage assets reserve		10,299	10,162
		<b>90,290</b>	<b>74,748</b>

The Financial Statements on pages 92 to 125 were approved by the Board on 13 October 2022 and were signed on its behalf by:



**Accounting Officer:**

**Date: 13 October 2022**

The notes on pages 96 to 125 form part of these accounts.

## Statement of Cash Flows for the year ended 31 March 2022

	Note	2021/22 £'000	2020/21 £'000
<b>Cash flows from operating activities</b>			
Net Operating Expenditure		(38,879)	(36,166)
Adjustments for non-cash transactions	3	3,780	2,366
Finance expense	5	137	143
Depreciation/Amortisation	6/7	5,246	4,651
(Increase) in trade and other receivables	11	(89)	(171)
Increase in trade and other payables	13	122	482
Use of Provisions	14	-	-
<b>Net cash outflow from operating activities</b>		<u>(29,683)</u>	<u>(28,695)</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(2,699)	(3,527)
Purchase of intangible assets	7	-	(1,236)
Interest on PFI	5	(60)	(65)
Proceeds of disposal of property, plant and equipment		39	19
<b>Net cash outflow from investing activities</b>		<u>(2,720)</u>	<u>(4,809)</u>
<b>Cash flows from financing activities</b>			
Grants from sponsoring department		32,694	33,417
Capital element of payments in respect of finance leases and on-SoFP PFI contracts	16/17	(144)	(135)
Interest on finance leases	5	(77)	(78)
<b>Net financing</b>		<u>32,473</u>	<u>33,204</u>
<b>Net increase / (decrease) in cash and cash equivalents in the period</b>		<u>70</u>	<u>(300)</u>
<b>Cash and cash equivalents at the beginning of the period</b>	12	<u>76</u>	<u>376</u>
<b>Cash and cash equivalents at the end of the period</b>	12	<u>146</u>	<u>76</u>

The notes on pages 96 to 125 form part of these accounts.

## Statement of Changes in Taxpayers' Equity for the year ended 31 March 2022

	Note	General Reserve	Pension Reserve	Revaluation Reserve	Heritage Assets Reserve	Total Reserves
		£'000	£'000	£'000	£'000	£'000
<b>Balance at 1 April 2020</b>		51,447	(33,280)	49,673	10,163	78,003
<b>Changes in taxpayers' equity 2020/21</b>						
Grants from Sponsoring Department		33,417	-	-	-	33,417
Comprehensive Net Expenditure for the year		(36,166)	(995)	-	-	(37,161)
Transfers between reserves	19.2/19.5	2,710	(2,710)	-	-	-
Revaluation gains		-	-	457	(1)	456
Realised element of revaluation reserve		1,907	-	(1,907)	-	-
Auditors Remuneration – notional	3	33	-	-	-	33
<b>Balance at 31 March 2021</b>		<u>53,348</u>	<u>(36,985)</u>	<u>48,223</u>	<u>10,162</u>	<u>74,748</u>
<b>Opening balance at 1 April 2021</b>		53,348	(36,985)	48,223	10,162	74,748
<b>Changes in taxpayers' equity 2021/22</b>						
Grants from Sponsoring Department		32,694	-	-	-	32,694
Comprehensive Net Expenditure for the year		(38,879)	17,198	-	-	(21,681)
Transfers between reserves	19.2/19.5	3,970	(3,970)	-	-	-
Revaluation gains		-	-	4,359	137	4,496
Realised element of revaluation reserve		2,004	-	(2,004)	-	-
Auditors Remuneration – notional	3	33	-	-	-	33
<b>Balance at 31 March 2022</b>		<u>53,170</u>	<u>(23,757)</u>	<u>50,578</u>	<u>10,299</u>	<u>90,290</u>

The notes on pages 96 to 125 form part of these accounts.

## **Notes to the Accounts**

### **1. Statement of Accounting Policies**

These financial statements are prepared in accordance with the 2021/22 Government Financial Reporting Manual (FReM) issued by the Department of Finance (DoF). The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context, and include early adoption of standards not yet effective where it is judged appropriate, and with the approval of DoF.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of Libraries NI for the purpose of giving a true and fair view has been selected. The particular policies to be adopted by Libraries NI are described below. They are applied consistently in dealing with items that are considered material to the accounts.

#### **1.1 Accounting Convention**

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and heritage assets.

#### **1.2 Recognition of Income and Funding**

##### **1.2.1 Departmental Funding**

The main source of funding for Libraries NI is grant-in-aid. All grants-in-aid, whether for revenue or capital purposes, are treated as contributions from controlling parties giving rise to financial interest in the residual interest of Libraries NI and are credited to the SoCNE Reserve. Grant-in-aid is recognised in the financial period in which the funding is received.

##### **1.2.2 Income from Activities**

Income from activities relates to the operating activities of Libraries NI and the sale of goods and services which includes fees and charges for services provided to library users, the recovery of shared costs for premises, staff and other income. Income from fees and charges and from the sale of goods and services is recognised in the period in which fees are incurred or services are provided. Debts relating to library fees which are over two years old, having been through the normal debt collection procedure, are abandoned.

##### **1.2.3 Grant Income**

In addition to grant-in-aid, Libraries NI receives revenue grants which are credited to reserves other than where Department for Communities (DfC) and DoF approval is obtained to treat them as income in the Statement of Comprehensive Net Expenditure (SoCNE). Revenue grants received for specific purposes are shown as income in the SoCNE to the extent of matching the related expenditure incurred during the period. Any income received but not matched to related expenditure during the period is shown as deferred income on the Statement of Financial Position (SoFP).



### **1.3 Foreign Currency Transactions**

Foreign Currency transactions are translated at the exchange rate ruling at the date of payment.

### **1.4 Taxation**

Libraries NI is not within the scope of Corporation tax.

Libraries NI is VAT registered and input tax on purchases is generally recoverable. Income and expenditure figures are stated net of VAT.

### **1.5 Property, Plant and Equipment**

Items of property plant and equipment costing in excess of £3,000 per individual item, which are held for use on a continuing basis in delivering Libraries NI activities, and which yield a benefit for a period of more than one year, are treated as capital expenditure in the accounts. Related items of property plant and equipment may be grouped for aggregation purposes.

#### **1.5.1 Land and Buildings**

All land and buildings are carried in the SoFP at fair value. Properties which are specialised and in operational use have been valued in Existing Use on the basis of Depreciated Replacement Cost. Full valuations are made by Land and Property Services (LPS) at a minimum every five years. In the intervening years the valuations are updated using appropriate indices provided by LPS.

Properties which were in operational use by Libraries NI but are now surplus, are stated at Existing Use Value if there are restrictions on the asset which would prevent access to the market at the reporting date.

Where there is an expectation to dispose of a property within a year, its value is re-classified and shown separately as part of current assets.

#### **1.5.2 Other Assets**

Other assets including vehicles, computers and plant/equipment are carried at fair value, and valued on a Modified Historic Cost basis. Values are updated annually using appropriate Office for National Statistics (ONS) indices and reviewed annually for impairment.

#### **1.5.3 Assets in the Course of Construction**

Assets in the course of construction are carried at cost, less any impairment. Cost includes all costs to acquire and construct the item of property, plant or equipment. On completion, property assets are reclassified at cost, and revalued. Other assets are reclassified at cost.

#### 1.5.4 Depreciation

Depreciation is provided for all items of property, plant and equipment having a finite useful life, by allocating the cost (or revalued amount) less estimated residual value of the assets as fairly as possible to the periods expected to benefit from their use. Useful lives are estimated on a realistic basis, reviewed annually and adjusted where appropriate.

Other than as noted in the following paragraph, assets are depreciated on a straight line basis over their expected useful lives. A full month's depreciation is charged in the period of acquisition or commissioning and no depreciation is charged in the month of disposal. Completed building projects are not depreciated until brought into use.

Depreciation is not provided for on freehold land, heritage assets or on assets which are held for sale.

Useful economic lives are generally set as follows, for each class and sub-class of asset. The estimated useful lives of buildings are revised as part of the five year revaluation exercise by LPS. The useful lives of computer hardware or software provided under a contract will be set in line with the terms of the contract.

<u>Asset Class</u>	<u>Asset Sub-Class</u>	<u>Asset Life</u>
Land	Land	Not Depreciated
Buildings	Permanent Buildings	50 Years
Computers	Hardware and software	5 Years
Plant & Equipment	Music Equipment	10 Years
	Library Equipment, Other	10 Years
	Furniture & Fittings	10 Years
	Reprographics	7 Years
Vehicles	Mobile Libraries	7 Years
	Vans	5 Years

#### 1.6 Intangible Assets

Intangible assets are non-financial non-current assets that do not have physical substance but are identifiable and are controlled by Libraries NI through custody or legal rights. Intangible assets costing in excess of £3,000 per individual item are capitalised and stated in the SoFP at fair value. Intangible assets are valued on a Modified Historical Cost basis, which is deemed to be a proxy for fair value. Valuations are updated annually using an appropriate index.

##### 1.6.1 Amortisation

Amortisation is provided for all intangible non-current assets with a finite useful life, by allocating the cost (or revalued amount) less estimated residual value of the assets as fairly as possible to the periods expected to benefit from their use. Useful lives are estimated on a realistic basis, reviewed annually and adjusted where appropriate.

## **1.7 Heritage Assets**

### **1.7.1 Stock Assets**

Stock Assets are defined as, "stock items or groups of items to be retained for use by future generations because of their cultural and/or historical associations and with a value individually or as a group of over £1,000". They include the valuable book collections in Belfast Central Library, Derry Central Library, Armagh Irish and Local Studies, Ballymoney Library, Coleraine Library, Downpatrick Library, Enniskillen Library, Omagh Library and Ballymena Administrative Centre.

The Stock Assets are valued at net realisable value, and are valued every five years by professionally qualified valuers on the basis of a rolling programme of valuation. The legacy items valued at under £1,000 are periodically revalued using an index which is derived on the basis of a valuation of a sample of items. Heritage assets are reviewed each year by the Heritage Team and impaired where appropriate. Stock Assets are not depreciated as they are considered to have an infinite useful life.

### **1.7.2 Other Non-Operational Assets**

These are defined as items or groups of items to be retained because of their cultural heritage associations, and with a value of over £1,000, other than Stock Assets. These include artworks located in library premises.

The other Non-Operational Assets are valued at net realisable value, and are valued every five years by professionally qualified valuers. They are not indexed in the interim, and are not depreciated as they are considered to have an infinite useful life, but are reviewed each year by the Heritage Team and impaired where appropriate.

## **1.8 Assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

## **1.9 Provisions**

Libraries NI provides for legal or constructive obligations which are of uncertain timing or amount at the SoFP date, on the basis of management's best estimate of the cost to settle the obligation. These estimates are made on the basis of advice from Libraries NI's legal and insurance advisors. When some or all of the costs to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

## **1.10 Employee Benefits**

The cost of providing employee benefits is recorded in the SoCNE in the period in which the benefit is earned by the employee, rather than when it is paid or payable. This is applicable to both short and long term benefits.

## **1.11 Pension Scheme**

Past and present employees are covered by the provisions of the Northern Ireland Local Government Officer's Superannuation Committee (NILGOSC) Scheme, which is a defined benefits scheme. The assets of the funded scheme are held in separate trustee-administered funds. Libraries NI's contribution to the fund is determined by the fund actuary based on a triennial valuation. Some former public library service staff were given termination benefits by the Education and Library Boards which were not funded, and these continue to be paid annually by Libraries NI.

Pension costs are assessed in accordance with the advice of independent qualified actuaries using the projected unit method and are accounted for on the basis of charging the cost of providing pensions over the period during which Libraries NI benefits from the employee's services. Variations from regular cost are spread over the expected average remaining working lives of members of the scheme after making allowances for future withdrawals.

The difference between the fair value of the assets held in Libraries NI's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method is recognised in Libraries NI's SoFP as a pension scheme asset or liability as appropriate.

In accordance with IAS 19 'Employee Benefits', the in-year movement in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by Libraries NI are charged to the Statement of Comprehensive Net Expenditure.

Further detail in relation to the pension scheme is disclosed in the Remuneration and Staff Report and in Note 19 to these accounts.

## **1.12 Reserves**

The SoCNE Reserve represents the accumulated financial position of Libraries NI. The Pension Reserve represents the cumulative balance on the Libraries NI portion of the NILGOSC pension fund. The Revaluation Reserve reflects the unrealised element of the cumulative balance of indexation and revaluation adjustments to PPE and intangible assets. The Heritage Assets Reserve represents the valuation of the Heritage Assets. Any increase or decrease in the valuation of Heritage Assets will be taken to the Heritage Assets Reserve.

Increases arising on revaluation of assets are taken to the revaluation reserve except when they reverse a revaluation decrease for the same asset previously recognised in the SoCNE, in which case it is credited to the SoCNE to the extent of the decrease previously charged there. A revaluation decrease is charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and thereafter to the SoCNE.

### **1.13 Finance and Operating Leases**

A lease is classified as either a finance lease or an operating lease depending on the substance of the agreement.

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Finance leases are treated as if the asset had been purchased outright. The related assets are included in non-current assets and the capital elements of the leasing commitments are shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against income in proportion to the reducing capital element outstanding. An asset held under a finance lease is depreciated over a useful life similar to that of equivalent owned assets.

An operating lease is a lease other than a finance lease. Operating lease rentals are charged to the SoCNE as costs are incurred over the lease term.

### **1.14 Private Finance Initiative (PFI) Transactions and other Service Concessions**

The PFI transaction in Libraries NI is assessed against IFRIC 12, Service Concession Arrangements, as the private sector operator is contracted to provide services related to the infrastructure to the public on behalf of Libraries NI.

Libraries NI recognises the infrastructure as a non-current asset and values it in the same way as other non-current assets of that type. The liability to pay for the infrastructure is also recorded on the SoFP. The asset is depreciated over its useful economic life and the associated liability is reduced as payments are made. An imputed finance charge on the liability is recorded in subsequent years using an asset specific rate. The remainder of the PFI payments is recorded as an operating cost. Libraries NI recognised the asset when it came into use. Libraries NI has made a contribution to the operator in advance of the asset coming into use, and this contribution is shown within prepayments and amortised to the SoCNE in equal amounts over the contract term.

In addition, Libraries NI has entered into a Service Concession arrangement which is not a PFI transaction in relation to an ICT managed service. The assets are owned by Libraries NI and the operator provides the service to the public and library staff on behalf of Libraries NI. The assets were recognised as non-current assets when they were brought into use, and are depreciated over their useful lives.

### **1.15 Financial Instruments**

Libraries NI does not hold any complex financial instruments. The only financial instruments included in the accounts are receivables and payables. Trade receivables are recognised initially at fair value less provision for impairment. A provision for impairment is made when there is evidence that Libraries NI will be unable to collect an amount due in accordance with agreed terms.

### **1.16 Contingent Liabilities disclosed under IAS 37**

Libraries NI discloses in its accounts sufficient information in relation to events occurring before the year end date which will probably give rise to a liability which it is not yet possible to estimate reliably, to allow readers of the accounts to understand the nature and possible timing of the liability.

### **1.17 Early Departure Costs**

Libraries NI meets the additional costs of pension benefits for employees who retire early by paying the required amounts in a lump sum at retirement. Libraries NI accrues for this in full at the time the early retirement becomes binding.

For some staff who retired early from the former Education and Library Boards, the additional costs of their pension benefits are paid annually. These costs are charged to SoCNE and the liability is reflected in the pension deficit, in line with other pension obligations, under IAS 19.

### **1.18 Accounting Standards, interpretation and amendments to published standards adopted in the year ended 31 March 2022**

Libraries NI has reviewed the standards, interpretations and amendments to published standards that became effective during 2021/22 and concluded that there are none which are relevant to its operations.

### **1.19 Accounting Standards, interpretations and amendments to published standards not yet effective**

Management has reviewed new accounting standards, interpretations and amendments to existing standards that have been issued but are not yet effective as at 31 March 2022, and which Libraries NI has not adopted early for these accounts.

IFRS 16 Leases will become effective from April 2022. Application of the standard will represent a significant change to how leases are presented in the accounts, and Libraries NI will be required to recognise an asset and a corresponding liability for material leases with terms in excess of 12 months.

As at 31 March 2022, Libraries NI held 9 material leases with a lease term of over one year. The implementation of IFRS 16 during the year would have resulted in a depreciation charge of £157,000, an interest charge of £7,000 and a Net Book Value (NBV) of £602,000 in respect of these properties, using the cost model. Libraries NI occupies a further four properties where no formal lease is in place and no rent is paid. These properties have been valued using the Existing Use Value and the implementation of IFRS 16 during the period would have resulted in a depreciation charge of £35,000 and an additional NBV of £735,000 in respect of these properties.

## 1.20 Library Lending Stock

Library lending stocks are those materials including books, audio and visual materials, and downloadable materials which are purchased for lending to and reference by borrowers. These are expensed when purchased.

## 2. Analysis of Operating Costs by Segment

Libraries NI operates solely within Northern Ireland and is managed at a corporate level as one segment. Decisions are made by the Senior Management Team and Board.

## 3. Operating Expenditure

	Note	2021/22 £'000	2020/21 Restated £'000
Staff Costs:			
Wages and salaries		12,768	13,265
Social Security Costs		905	967
Pension Costs		5,465	4,305
Other Staff Costs		161	198
Premises, fixed plant and grounds		4,718	3,741
PFI Service charges		338	323
Library lending stock		3,503	3,062
Supplies and Services		4,944	4,917
Other employee expenses		166	193
Transport		200	130
Rentals under operating leases: Buildings		203	191
Non-cash items:			
Depreciation		4,833	4,423
Amortisation		413	228
(Profit)/Loss on disposal of property, plant and equipment		(17)	(19)
Impairment / (Reversal of impairment) of property, plant and equipment	9	(210)	(394)
Provisions provided for in year	14	4	36
Auditors' remuneration – notional		33	33
		<u>38,427</u>	<u>35,599</u>

Libraries NI purchased no non-audit services from its external auditor (the Northern Ireland Audit Office).

Further analysis of staff costs is available in the Remuneration and Staff Report.

2020/21 Pension costs are re-stated to reflect the change in presentation of IAS 19 charges from Non-Cash Costs to Staff Costs.

#### 4. Other Operating Income

	<b>2021/22</b>	<b>2020/21</b>
	<b>£'000</b>	<b>£'000</b>
Fees and charges	144	40
Sale of goods and services	254	256
Grant Income	26	-
Other income	3	6
	<u>427</u>	<u>302</u>

#### 5. Finance Expense

	<b>2021/22</b>	<b>2020/21</b>
	<b>£'000</b>	<b>£'000</b>
Finance leases	77	78
PFI	60	65
Interest on net pension liability	752	738
	<u>889</u>	<u>881</u>



## 6. Property, Plant and Equipment 2021/22

	Land	Buildings	Vehicles	Computers	Plant & Equipment	Assets in Course of Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>							
<b>At 1 April 2021</b>	<b>13,223</b>	<b>87,093</b>	<b>2,754</b>	<b>11,901</b>	<b>3,006</b>	<b>1,339</b>	<b>119,316</b>
Additions	-	515	121	261	30	2,001	2,928
Disposals	-	-	(206)	(9,178)	(80)	-	(9,464)
Net (Impairment)/ Reversal	-	221	30	-	-	-	251
Revaluations	-	4,228	105	197	59	-	4,589
Reclassifications	-	133	-	806	-	(939)	-
<b>At 31 March 2022</b>	<b>13,223</b>	<b>92,190</b>	<b>2,804</b>	<b>3,987</b>	<b>3,015</b>	<b>2,401</b>	<b>117,620</b>
<b>Depreciation</b>							
<b>At 1 April 2021</b>	-	13	1,583	10,177	2,560	-	14,333
Charged in year	-	3,787	277	657	112	-	4,833
Disposals	-	-	(185)	(9,178)	(79)	-	(9,442)
Net Impairment/ (Reversal)	-	16	25	-	-	-	41
Revaluations	-	159	54	61	39	-	313
Reclassifications	-	-	-	-	-	-	-
<b>At 31 March 2022</b>	<b>-</b>	<b>3,975</b>	<b>1,754</b>	<b>1,717</b>	<b>2,632</b>	<b>-</b>	<b>10,078</b>
<b>Carrying amount at 31 March 2022</b>	<b>13,223</b>	<b>88,215</b>	<b>1,050</b>	<b>2,270</b>	<b>383</b>	<b>2,401</b>	<b>107,542</b>
<b>Carrying amount at 31 March 2021</b>	<b>13,223</b>	<b>87,080</b>	<b>1,171</b>	<b>1,724</b>	<b>446</b>	<b>1,339</b>	<b>104,983</b>

## 6. Property, Plant and Equipment (continued)

### Asset Financing:

	Land	Buildings	Vehicles	Computers	Plant & Equipment	Assets in Course of Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Owned	12,334	84,252	1,050	2,270	383	2,401	102,690
Finance Leased	522	-	-	-	-	-	522
On- SoFP PFI contracts	367	3,963	-	-	-	-	4,330
<b>Carrying amount at 31 March 2022</b>	<b>13,223</b>	<b>88,215</b>	<b>1,050</b>	<b>2,270</b>	<b>383</b>	<b>2,401</b>	<b>107,542</b>

Land and Buildings were revalued by Land and Property Services (LPS) as at 31 March 2021, and values were updated to 31 March 2022 using indices provided by LPS.

17 properties have intrinsic links to adjoining Health Trust facilities either through the sharing of common mechanical systems, access routes or building elements. The carrying amount includes £6,883,000 (2020/21: £6,815,000) in respect of such properties.

One property is identified as surplus (2020/21: 1 property). The property is located on a shared site with a Health Trust and future disposal will be through joint disposal with the Health Trust. This property was valued as at the 31st March 2022 by LPS, at fair value. The carrying amount is £30,000 (2020/21: £30,000).

The outbreak of the COVID-19 global pandemic in March 2020, has and continues to impact on many aspects of global economies and real estate markets. Some real estate markets continue, to experience significantly lower levels of transactional activity and liquidity than normal. Nevertheless, as at the valuation date, many property markets are functioning again, with transaction volumes and other relevant market metrics at, or returning to, levels where an adequate quantum of market evidence exists upon which to base opinions of value. This is true of some (but not all) of the local property market sectors that relate to the assets types identified as part of the client property portfolio.

LPS would advise that the overall market evidence gathered to underpin advice provided within the latest indexation report would tend to indicate a generally static property market at the present time, but that build costs are significantly increasing. Evidence has been collated and analysed to reflect general market movements only, as a means to allow restatement of the value of the client portfolio.

6. Property, Plant and Equipment (continued) 2020/21

	Land	Buildings	Vehicles	Computers	Plant & Equipment	Assets in course of construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost or Valuation at 1 April 2020</b>	<b>14,114</b>	<b>98,249</b>	<b>2,524</b>	<b>10,376</b>	<b>2,961</b>	<b>762</b>	<b>128,986</b>
Additions	-	541	259	1,506	29	1,283	3,618
Disposals	-	-	(50)	-	-	-	(50)
Net (Impairment)/ Reversal	(110)	(377)	8	-	-	-	(479)
Revaluations	(781)	(11,789)	13	19	16	-	(12,522)
Reclassifications	-	469	-	-	-	(706)	(237)
<b>At 31 March 2021</b>	<b>13,223</b>	<b>87,093</b>	<b>2,754</b>	<b>11,901</b>	<b>3,006</b>	<b>1,339</b>	<b>119,316</b>
<b>Depreciation at 1 April 2020</b>	<b>-</b>	<b>10,270</b>	<b>1,364</b>	<b>9,780</b>	<b>2,381</b>	<b>-</b>	<b>23,795</b>
Charged in year	-	3,609	257	390	167	-	4,423
Disposals	-	-	(50)	-	-	-	(50)
Net Impairment/ (Reversal)	-	(878)	5	-	-	-	(873)
Revaluations	-	(12,988)	7	7	12	-	(12,962)
Reclassifications	-	-	-	-	-	-	-
<b>At 31 March 2021</b>	<b>-</b>	<b>13</b>	<b>1,583</b>	<b>10,177</b>	<b>2,560</b>	<b>-</b>	<b>14,333</b>
<b>Carrying amount at 31 March 2021</b>	<b>13,223</b>	<b>87,080</b>	<b>1,171</b>	<b>1,724</b>	<b>446</b>	<b>1,339</b>	<b>104,983</b>
<b>Carrying amount at 31 March 2020</b>	<b>14,114</b>	<b>87,979</b>	<b>1,160</b>	<b>596</b>	<b>580</b>	<b>762</b>	<b>105,191</b>

6. Property, Plant and Equipment (continued)

Asset Financing:

	Land	Buildings	Vehicles	Computers	Plant & Equipment	Assets in course of construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Owned	12,334	83,117	1,171	1,724	446	1,339	100,131
Finance Leased	522	-	-	-	-	-	522
On-SoFP PFI contracts	367	3,963	-	-	-	-	4,330
<b>Carrying amount at 31 March 2021</b>	<b>13,223</b>	<b>87,080</b>	<b>1,171</b>	<b>1,724</b>	<b>446</b>	<b>1,339</b>	<b>104,983</b>

## 7. Intangible Assets

### Software Licences

	£'000
<b>Cost or valuation at 1 April 2021</b>	2,939
Additions	-
Disposals	(897)
Impairments	-
Revaluations	127
Reclassifications	-
<b>At 31 March 2022</b>	<b><u>2,169</u></b>
<b>Amortisation at 1 April 2021</b>	1,235
Charged in year	413
Disposals	(897)
Revaluations	44
<b>At 31 March 2022</b>	<b><u>795</u></b>
<b>Carrying amount at 31 March 2022</b>	<b><u>1,374</u></b>
<b>Carrying amount at 31 March 2021</b>	<b><u>1,704</u></b>
<b>Asset Financing:</b>	
Owned	<u>1,374</u>
<b>Carrying amount at 31 March 2022</b>	<b><u>1,374</u></b>
<b>Cost or valuation at 1 April 2020</b>	1,446
Additions	1,236
Disposals	-
Impairments	-
Revaluations	20
Reclassifications	237
<b>At 31 March 2021</b>	<b><u>2,939</u></b>
<b>Amortisation at 1 April 2020</b>	1,004
Charged in year	228
Disposals	-
Revaluations	3
<b>At 31 March 2021</b>	<b><u>1,235</u></b>
<b>Carrying amount at 31 March 2021</b>	<b><u>1,704</u></b>
<b>Carrying amount at 31 March 2020</b>	<b><u>442</u></b>
<b>Asset Financing:</b>	
Owned	<u>1,704</u>
<b>Carrying amount at 31 March 2021</b>	<b><u>1,704</u></b>

## 8. Financial Instruments

Financial Reporting Standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. As the cash requirements of Libraries NI are met through Grant-in-Aid, financial instruments play a more limited role in creating risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with Libraries NI expected purchase and usage requirements and Libraries NI is therefore exposed to little credit, liquidity or market risk.

## 9. Revaluation, Impairment and/or Indexation

### 9.1 Property, Plant and Equipment

	<b>2021/22</b> <b>£'000</b>	<b>2020/21</b> <b>£'000</b>
(Credited) to the SoCNE	(210)	(394)
(Credited) to Revaluation Reserve	(4,276)	(440)
	<u><b>(4,486)</b></u>	<u><b>(834)</b></u>

### 9.2 Intangible Assets

	<b>2021/22</b> <b>£'000</b>	<b>2020/21</b> <b>£'000</b>
(Credited) to Revaluation Reserve	(83)	(17)
	<u><b>(83)</b></u>	<u><b>(17)</b></u>

### 9.3 Heritage Assets

	<b>2021/22</b> <b>£'000</b>	<b>2020/21</b> <b>£'000</b>
(Credited)/Charged to the Heritage Assets Reserve	(137)	1
	<u><b>(137)</b></u>	<u><b>1</b></u>

#### Revaluation - Charges/Credits to the Revaluation Reserve:

Increases arising on revaluations are taken to the Revaluation Reserve except for reversals of impairments for the same asset previously recognised in expenditure, which are credited to expenditure to the extent of the decrease previously charged there. Revaluation decreases are recognised as an impairment charge to the Revaluation Reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure.

## Impairment - Charges/Credits to the SoCNE:

Impairment losses are due to changes in the market value. Where necessary, assets have been written down to recoverable amounts, and the loss charged to the Revaluation Reserve to the extent that there is a balance on the reserve for the asset and thereafter, to expenditure. Where there is a reversal of the impairment loss, it is credited firstly to the Statement of Comprehensive Net Expenditure to the extent of the impairment previously charged there and thereafter, to the Revaluation Reserve.

### 10. Heritage Assets

	<b>Stock Assets</b>	<b>Other Non-Operational Assets</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cost or valuation</b>			
<b>Opening balance at 1 April 2021</b>	<b>10,117</b>	<b>45</b>	<b>10,162</b>
Additions	-	-	-
Losses	-	-	-
Revaluations	137	-	137
<b>Closing balance at 31 March 2022</b>	<b><u>10,254</u></b>	<b><u>45</u></b>	<b><u>10,299</u></b>

	<b>Stock Assets</b>	<b>Other Non-Operational Assets</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cost or valuation</b>			
<b>Opening balance at 1 April 2020</b>	<b>10,118</b>	<b>45</b>	<b>10,163</b>
Additions	-	-	-
Losses	(18)	-	(18)
Revaluations	17	-	17
<b>Closing balance at 31 March 2021</b>	<b><u>10,117</u></b>	<b><u>45</u></b>	<b><u>10,162</u></b>

Libraries NI has an accounting policy in respect of its valuable books and collections, (termed Stock Heritage assets) and art (termed Other Non-Operational Heritage assets), and applies a capitalisation threshold of £1,000, as set out in Note 1.7. Balances include some assets valued at under £1,000 which were inherited from the former Education and Library Boards.

Libraries NI undertakes annual valuations on a rolling program, so that all assets over the threshold are revalued every 5 years. Assets under £1,000 are valued on a sampling basis. Valuations are conducted on the basis of Net Realisable Value and are carried out by experienced valuers in this field.

During the year to 31 March 2022 the collections in Armagh, Newry and Downpatrick were valued by Éamon de Búrca, ABA ILAB PBFA FABS IADA FSRAI.

Heritage Stock Assets are covered by the Libraries NI Heritage Policy which sets out the approach to the collection, preservation and exploitation of Heritage material. The stock is available to view by the public either on request or on open access, at a number of library locations.

#### 11. Trade Receivables and Other Current Assets

	<b>2021/22</b>	<b>2020/21</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year:</b>		
VAT	649	610
Trade receivables	300	264
Other receivables	-	-
Prepayments and accrued income	213	138
Current part of PFI prepayment	90	90
	<u>1,252</u>	<u>1,102</u>
<b>Amounts falling after more than one year:</b>		
PFI Prepayment	779	840
<b>Total</b>	<u>2,031</u>	<u>1,942</u>

#### 12. Cash and Cash Equivalents

	<b>2021/22</b>	<b>2020/21</b>
	<b>£'000</b>	<b>£'000</b>
<b>Balance at 1 April</b>	76	376
Net change in cash and cash equivalent balances	70	(300)
<b>Balance at 31 March</b>	<u>146</u>	<u>76</u>
Balances held in commercial banks and cash in hand	<u>146</u>	<u>76</u>

This balance includes £14,011 which relates to charitable funds administered by Libraries NI, and a £5,000 bequest for Woodstock Library. An equivalent liability is included within Deferred Income.



### 13. Trade Payables and Other Current Liabilities

	2021/22 £'000	2020/21 £'000
<b>Amounts falling due within one year:</b>		
Other taxation and social security	214	207
Trade payables	892	1,015
Other payables	26	53
Accruals and deferred income	2,948	2,454
Current part of finance leases	(38)	(38)
Current part of imputed finance lease element of on-SoFP PFI Contracts	191	182
	<u>4,233</u>	<u>3,873</u>
<b>Amounts falling due after more than one year:</b>		
Finance leases	1,163	1,125
Imputed finance lease element of on-SoFP PFI Contracts	1,787	1,978
	<u>2,950</u>	<u>3,103</u>
<b>Total</b>	<u><u>7,183</u></u>	<u><u>6,976</u></u>

### 14. Provisions for Liabilities and Charges

	Employer & Public Liability Claims £'000
<b>At 1 April 2021</b>	158
Provided in the year	34
Provisions not required written back	(30)
Provisions utilised in the year	-
<b>At 31 March 2022</b>	<u>162</u>

#### Analysis of expected timing of cash flows

Not later than one year	67
Later than one year and not later than five years	95
Later than five years	-
<b>At 31 March 2022</b>	<u>162</u>
<b>At 1 April 2020</b>	122
Provided in the year	61
Provisions not required written back	(25)
Provisions utilised in the year	-
<b>At 31 March 2021</b>	<u>158</u>

## Analysis of expected timing of cash flows

Not later than one year	82
Later than one year and not later than five years	76
Later than five years	-
<b>At 31 March 2021</b>	<b>158</b>

## Employer and Public Liability Claims

These are claims against Libraries NI submitted by members of staff and/or the public in relation to accidents or incidents which have happened on or before the SoFP date. Claims which have progressed sufficiently to allow a settlement figure to be reliably estimated are included in the provision. Estimates are calculated by Libraries NI's insurance advisors based on their experience and professional judgement.

The possible timing of payments in settlement of such cases is uncertain; cases are plaintiff driven and progress is dependent on the individual circumstances of each case. As a case progresses and more information becomes available, the estimated settlement figure may subsequently be revised up or down.

## 15. Capital Commitments

	2021/22 £'000	2020/21 £'000
<b>Contracted capital commitments at 31 March 2022 not otherwise included in these financial statements</b>		
Buildings	556	787
Computers	734	73
	<b>1,290</b>	<b>860</b>

## 16. Commitments Under Leases

### 16.1 Operating Leases

Total future minimum lease payments under operating leases are given in the table overleaf, for each of the following periods:

	2021/22	2020/21
	£'000	£'000
<b>Obligations under operating leases comprise:</b>		
<b>Land</b>		
Not later than one year	7	7
Later than one year and not later than five years	29	29
Later than five years	-	36
	<u>36</u>	<u>72</u>
<b>Buildings</b>		
Not later than one year	142	188
Later than one year and not later than five years	425	428
Later than five years	88	173
	<u>655</u>	<u>789</u>
<b>Other</b>		
Not later than one year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-
	<u>691</u>	<u>861</u>

The 2021/22 figures do not reflect the implementation of IFRS 16, under which only leases under one year or of immaterial value will be accounted for as operating leases. After implementation of IFRS 16 from 1 April 2022, Libraries NI will have a commitment to operating leases for buildings of £14,000.

## 16.2 Finance Leases

Libraries NI has one finance lease in place, in respect of land which is held on a 999 year lease. Total future minimum lease payments under the lease are given in the table below.

**Obligations under finance leases for each of the following periods comprise:**

	2021/22	2020/21
	£'000	£'000
<b>Land</b>		
Not later than one year	40	40
Later than one year and not later than five years	160	160
Later than five years	38,080	38,120
	<u>38,280</u>	<u>38,320</u>
<b>Less interest element</b>	<u>(37,613)</u>	<u>(37,653)</u>
	<u><b>667</b></u>	<u><b>667</b></u>

## 17. Commitments Under PFI Contracts and other service concession arrangements contracts

Libraries NI had one PFI contract in operation during the period under review, which was on-SoFP under IFRIC 12.

This contract relates to the Lisburn City library. The contract is for the provision of a serviced building, delivered under a 25 year contract, starting in December 2005. The Unitary Payment is increased annually in line with the RPI. The building will become the property of Libraries NI at the end of the contract period when Libraries NI will acquire a 999 year leasehold on the premises for a payment of £1. Under IFRIC 12, the property is treated as if it was owned by Libraries NI.

The substance of the contract is that Libraries NI has a finance lease and that payments comprise two elements - finance lease charges and service charges. Details of the imputed finance lease charges are in the table below.

On 29 March 2013, Libraries NI entered into a service concession contract for the supply of a managed ICT service for an initial period of five years commencing 1 May 2013, with option to extend for two years to 30 April 2020. On 26 February 2018, Libraries NI exercised this option to extend. On 7 February 2020 a contract modification notice was published in the OJEU, extending the contract to 30 September 2022.

On 11 November 2021, Libraries NI entered into a contract to become users of the Public Sector Shared Network Contract (PSSN). The PSSN is a contract between DoF NI and BT for the provision of network services to the public sector in Northern Ireland. The contract will provide Libraries NI with network and related services until 30 September 2026.

### 17.1 Present value of obligations under on-SoFP PFI contracts for the following periods comprise:

	<b>2021/22</b>	<b>2020/21</b>
	<b>£'000</b>	<b>£'000</b>
Rentals due within one year	247	243
Rentals due later than one year and not later than five years	755	882
Rentals due later than five years	890	1,229
	<u>1,892</u>	<u>2,354</u>
Less interest element	(246)	(334)
Present value of obligations	<u><b>1,646</b></u>	<u><b>2,020</b></u>

These figures represent the value of future minimum lease payments, discounted at HM Treasury's discount rate.

## 17.2 Charge to the Statement of Comprehensive Net Expenditure and Future Commitments

The total amount charged in the Statement of Comprehensive Net Expenditure in respect of the service element of on-SoFP PFI and other service concession arrangements transactions was £4,268,000 (2020/21: £4,197,000) and the payments to which Libraries NI is committed is as follows:

	<b>2021/22</b>	<b>2020/21</b>
	<b>£'000</b>	<b>£'000</b>
Not later than one year	2,896	4,168
Later than one year and not later than five years	3,756	3,103
Later than five years	<u>2,821</u>	<u>1,547</u>
	<u><b>9,473</b></u>	<u><b>8,818</b></u>

## 18. Other Financial Commitments

Libraries NI has entered into no other non-cancellable financial commitments which are not leases or PFI arrangements, or other service concession arrangements as disclosed above.

## 19. Pension and Similar Obligations

### Introduction

The disclosures in Note 19 below relate to the funded and unfunded liabilities within the Northern Ireland Local Government Officers' Pension Fund (The Fund) which is part of the Local Government Pension Scheme (Northern Ireland) (The LGPS) and certain related unfunded liabilities which are separately disclosed.

The LGPS is a funded defined benefit plan with benefits earned up to 31 March 2015 being linked to final salary. Benefits after 31 March 2015 are based on Career Average Revalued Earnings. Details of the benefits earned over the period covered by this disclosure are set out in The Local Government Pension Scheme Regulations (Northern Ireland) 2014 and The Local Government Pension Scheme (Amendment and Transitional Provisions) Regulations (Northern Ireland) 2014.

The unfunded pension arrangements relate to termination benefits made on a discretionary basis upon early retirement in respect of members of the Local Government Pension Scheme (Northern Ireland) under the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations (Northern Ireland) 2007.

### Funding /Governance Arrangements of the LGPS

The funded nature of the LGPS requires participating employers and its employees to pay contributions into the fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating

contributions to be paid is set out in LGPS Regulations (Northern Ireland) 2014 and the Fund's Funding Strategy Statement. An actuarial valuation of the Fund was carried out as at 31 March 2019 and as part of the valuation a new Rates and Adjustment Certificate was produced for the three-year period from 1 April 2020 to 31 March 2023.

The Northern Ireland Local Government Officers' Superannuation Committee (The Committee) is responsible for the governance of The Fund.

## **Assets**

The assets allocated to the employers in The Fund are notional and are assumed to be invested in line with the investments of The Fund for the purposes of calculating the return to be applied to those notional assets over the accounting period. The Fund is large and holds a significant proportion of its assets in liquid investments. As a consequence, there will be no significant restriction on realising assets if a large payment is required to be paid from The Fund in relation to an Employer's liabilities. The assets are invested in a diversified spread of investments and the approximate split of assets for The Fund as a whole (based on data supplied by The Committee) is shown in the disclosures, split by quoted and unquoted investments.

The Committee may invest a small proportion of The Fund's investments in the assets of some of the employers participating in The Fund if it forms part of their balanced investment strategy.

## **Risk associated with the Fund in relation to accounting**

### **Asset Volatility**

The liabilities used for accounting purposes are calculated using a discount rate set with reference to corporate bond yields. If assets underperform this yield it will create a deficit in the accounts. The Fund holds a significant proportion of growth assets which while expected to outperform corporate bonds in the long term creates volatility and risk in the short term in relation to the accounting figures.

### **Changes in Bond Yield**

A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes although this will be marginally offset by the increase in the assets as a result.

### **Inflation Risk**

The majority of the pension liabilities are linked to either pay or price inflation. Higher inflation expectations will lead to a higher liability value. The assets are either unaffected or loosely correlated with inflation meaning that an increase in inflation will increase the deficit.

### **Life Expectancy**

The majority of The Fund's obligations are to provide benefits for the life of the member

following retirement, so increases in life expectancy will result in an increase in the liabilities.

## Exiting Employers

Employers who leave The Fund (or their guarantor) may have to make an exit payment to meet any shortfall in assets against their pension liabilities. If the employer (or guarantor) is not able to meet this exit payment the liability may in certain circumstances fall on other employers in The Fund. The assets at exit in respect of “orphan liabilities” may, in retrospect, not be sufficient to meet the liabilities. This risk may fall on other employers. “Orphan liabilities” are currently a small proportion of the overall liabilities in The Fund.

A triennial valuation of the fund was conducted as at 31 March 2019. The exercise was carried out by a qualified independent actuary, using the projected unit credit method, for the purposes of meeting the requirements of IAS 19.

For the 2019 valuation the Committee decided to adjust the approach used to notionally allocate assets to individual employers within the Main Employer Group, and instead of tracking the position of each employer, it would track the position of the Main Employer Group as a whole, and the assets notionally allocated to each employer would be based on their liabilities and the funding level of the group as a whole. As a result of this change, the assets used for accounting purposes for employers within the Main Employer Group have been re-balanced, and potentially could be materially different than if they were rolled forward from last year’s accounting figures. This difference is included in the experience gains/losses item in the employer’s accounting figures as at 31 March 2020.

As in 2020/21, the assets have been notionally allocated to each employer based on their liabilities and the funding level of the group as a whole.

The principal assumptions used by the actuary in updating the latest valuation of the Fund for IAS19 purposes were:

### 19.1 Assumptions

	2021/22	2020/21
Rate of increase in salaries	4.6%	4.2%
Rate of increase in pensions	3.1%	2.7%
Discount rate	2.8%	2.1%
Inflation assumption RPI	-	-
Inflation assumption CPI	3.1%	2.7%
Pension Accounts Revaluation Rate	3.1%	2.7%

**The market values of assets in the scheme were:**

	<b>2021/22</b>	<b>2020/21</b>
	<b>£'000</b>	<b>£'000</b>
Equities	65,641	67,430
Government Bonds	37,793	34,370
Multi Asset Credit	20,044	-
Corporate Bonds	3,366	17,622
Property	15,301	12,962
Cash	6,120	6,845
Other	4,745	6,408
<b>Total</b>	<b>153,010</b>	<b>145,637</b>
Present value of funded liabilities	(174,826)	(180,090)
Present value of unfunded liabilities	(1,941)	(2,532)
<b>Net pension (liability)/asset</b>	<b>(23,757)</b>	<b>(36,985)</b>

The latest formal valuation of the fund for the purpose of setting employer's actual contributions was at 31 March 2019. The exercise was carried out by a qualified independent actuary, using the projected unit method. The valuation resulted in a surplus in the Fund for past service. Based on past service results and future service projections, the employer contribution rate has been set at 19.5% for the three years 20/21, 21/22 and 22/23.

During 2021/22, Libraries NI paid employer pension contributions of £2,253,000 to the Fund, £161,000 in respect of unfunded pensions and £Nil in actuarial costs for early release of pension under exit arrangements.

**19.2 Amount charged to Comprehensive Net Expenditure**

	<b>2021/22</b>	<b>2020/21</b>
	<b>£'000</b>	<b>£'000</b>
Current Service cost*	5,577	4,367
Past Service cost**	-	29
<b>Total operating cost</b>	<b>5,577</b>	<b>4,396</b>
<b>Financing Cost</b>		
Interest on net defined benefit liability	752	738
<b>Loss/(Gain) recognised in SoCNE</b>	<b>6,329</b>	<b>5,134</b>

\* The Current Service cost includes an allowance for an accruing McCloud underpin liability for the full accounting period, and an allowance for administration expenses of £0.057m for 2021/22 (£0.058m for 2020/21). It also allows for full indexation on all Guaranteed Minimum Pension (GMP) for members whose State Pension Age is on or after 1 April 2016.

\*\* Past service costs relate to early retirement strain on fund payments.



### 19.3 Remeasurements in Other Comprehensive Expenditure (OCE)

	<b>2021/22</b>	<b>2020/21</b>
	<b>£'000</b>	<b>£'000</b>
Actuarial (gain)/loss on plan assets	(4,709)	(25,924)
Actuarial (gain)/loss due to changes in financial assumptions	(10,672)	28,215
Actuarial (gain) due to changes in demographic assumptions	(1,794)	-
Actuarial (gain) due to liability experience	<u>(23)</u>	<u>(1,296)</u>
<b>Net (gain)/loss recognised in OCE</b>	<b><u>(17,198)</u></b>	<b><u>995</u></b>
<b>Total amount recognised in SOCNE and OCE</b>	<b><u>(10,869)</u></b>	<b><u>6,129</u></b>

### 19.4 Reconciliation of Defined Benefit Obligation

	<b>2021/22</b>	<b>2020/21</b>
	<b>£'000</b>	<b>£'000</b>
Opening Defined Benefit Obligation	182,622	150,626
Current Service Cost	5,577	4,367
Interest on pension scheme liabilities	3,807	3,434
Contributions by members	714	716
Actuarial (gain)/loss due to changes in financial assumptions	(10,672)	28,215
Actuarial (gain) due to changes in demographic assumptions	(1,794)	-
Actuarial (gain)/loss due to liability experience	(23)	(1,296)
Past Service Costs (incl. curtailments)	-	29
Unfunded benefit paid	(123)	(143)
Benefit paid	<u>(3,341)</u>	<u>(3,326)</u>
Closing Defined Benefit Obligation	<b><u>176,767</u></b>	<b><u>182,622</u></b>

### 19.5 Reconciliation of fair value of employer assets

	<b>2021/22</b>	<b>2020/21</b>
	<b>£'000</b>	<b>£'000</b>
Opening fair value of employer assets	145,637	117,346
Interest income on assets	3,055	2,696
Re-measurement gains/(losses) on assets	4,709	25,924
Contributions by members	714	716
Contributions by the employer	2,359	2,424
Unfunded benefits paid	(123)	(143)
Benefits Paid	<u>(3,341)</u>	<u>(3,326)</u>
Closing fair value of employer assets	<b><u>153,010</u></b>	<b><u>145,637</u></b>
<b>Net Deficit at year end</b>	<b><u>(23,757)</u></b>	<b><u>(36,985)</u></b>

## 19.6 Sensitivity Analysis

IAS 19 valuation results depend critically on the principal assumptions used in the calculations.

The sensitivity of the principal assumptions used to measure the liabilities is discussed below.

The discount rate used to value the pension liabilities is prescribed under IAS 19 and the results are particularly sensitive to the discount rate. A lower discount rate increases the present value of future cashflows, increasing the liabilities. The results are also sensitive to unexpected changes in the rate of future mortality improvements. If longevity improves at a faster rate than allowed for in the assumptions then, again, a higher value would be placed on the employer's liabilities. In addition, if pensionable pay increases more than allowed for in the assumptions, the liabilities will increase. Similarly, if inflation (and therefore pension increases) is higher than assumed, the liabilities will increase.

The sensitivities regarding the principal assumptions used as at 31 March 2022 were:

	<b>Change in assumption</b>	<b>Impact on Employer Liabilities</b>	<b>Impact on Projected Service Cost</b>
<b>Discount rate</b>	Decrease by 0.1% pa Increase by 0.1%	Increase by 1.7% Decrease by 1.7%	Increase by 2.8% Decrease by 2.7%
<b>Pension Increase</b>	Decrease by 0.1% pa Increase by 0.1%	Decrease by 1.4% Increase by 1.4%	Decrease by 2.7% Increase by 2.8%
<b>Rate of salaries growth</b>	Decrease by 0.1% pa Increase by 0.1% pa	Decrease by 0.3% Increase by 0.3%	Decrease by 0.0% Increase by 0.0%
<b>Post retirement mortality</b>	Decrease in life expectancy of 1 year Increase life expectancy of 1 year	Increase by 3.5%  Decrease by 3.5%	Increase by 4.0%  Decrease by 3.9%

In each case, only the assumption noted is altered; all other assumptions remain the same.

The impact on the present value of total obligations and projected service costs of these assumptions are as follows:

### Discount Rate Assumption

<b>Adjustment to discount rate</b>	<b>Base figure</b>	<b>+0.1%</b>	<b>-0.1%</b>
Present Value of Total Obligation (£M)	174.826	171.854	177.798
% Change in Present Value of Total Obligation		-1.70%	1.70%
Projected Service Cost (£M)	5.316	5.172	5.465
Approx % change in Projected Service Cost		-2.70%	2.80%

### Rate of Increase to Pensions and Rate of Revaluation of Pension Accounts

<b>Adjustment to pensions increase rate</b>	<b>Base figure</b>	<b>+0.1%</b>	<b>-0.1%</b>
Present Value of Total Obligation (£M)	174.826	177.274	172.378
% Change in Present Value of Total Obligation		+1.4%	-1.4%
Projected Service Cost (£M)	5.316	5,465	5.172
Approx % change in Projected Service Cost		+2.8%	-2.7%

### Rate of Salaries Growth Assumption

<b>Adjustment to salaries growth rate</b>	<b>Base figure</b>	<b>+0.1%</b>	<b>-0.1%</b>
Present Value of Total Obligation (£M)	174.826	175.350	174.302
% Change in Present Value of Total Obligation		+0.3%	-0.3%
Projected Service Cost (£M)	5.316	5.316	5.316
Approx % change in Projected Service Cost		+0.0%	-0.0%

### Post Retirement Mortality Assumption\*

<b>Adjustment to mortality age rate assumption</b>	<b>Base figure</b>	<b>-1 year</b>	<b>+1 year</b>
Present Value of Total Obligation (£M)	174.826	180.945	168.707
% Change in Present Value of Total Obligation		+3.5%	-3.5%
Projected Service Cost (£M)	5.316	5.529	5.109
Approx % change in Projected Service Cost		+4.0%	-3.9%

\* a rating of +1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is 1 year older than them.

### Comment on Mortality Assumptions

The mortality assumptions reflect the length of time the benefits would be expected to be paid for. Mortality assumptions for unfunded benefits are based on the recent actual mortality experience of members within the Fund, and allow for expected future mortality improvements. Mortality assumptions for funded benefits are based on Standard SAPS S2P tables, and allow for expected future mortality improvements.

Based on these assumptions, the assumed life expectancies after retirement at age 65 are set out as follows:

	<b>Males</b>	<b>Females</b>
Future lifetime from age 65 (aged 65 at accounting date)	21.8	25
Future lifetime from age 65 (aged 45 at accounting date)	23.2	26.4

## **20. Contingent Liabilities**

### **Pension liability - Goodwin judgement**

As detailed in Note 19, Libraries NI has recognised a Pension liability of £23.76m (2021: £36.99m) for the NILGOSC defined benefit scheme. In June 2020, an Employment Tribunal ruled that the Teachers' Pension Regulations 2010, (as amended), directly discriminated on grounds of sexual orientation in relation to the provision of adult survivor pensions and thereby result in a breach of the non-discrimination rule in section 61(1) to the Equality Act 2010. The ruling found that survivor's benefits for a female member in an opposite sex marriage are less favourable than for a female in a same sex marriage or civil partnership, and that such treatment amounts to direct discrimination on grounds of sexual orientation. Although there is a similar differential in treatment under the regulations governing the LGPS (NI), it is more limited in scope. The differential applies only where the marriage or civil partnership is entered into after the member has left the scheme (either as a pensioner or becoming a deferred member). As a result any future remedy, regardless of its retrospective scope, is therefore considered likely to be immaterial. The actuary for the scheme currently estimates the Goodwin judgement could add around 0.2% to the defined benefit obligation for a typical employer (and no higher than 0.5%), however the impact will vary depending on the membership profile. NILA's defined benefit obligation disclosed in Note 19 at 31 March 2022 is £176.77m.

Libraries NI had no other known contingent liabilities as at 31 March 2022.

## **21. Related Party Transactions**

Libraries NI is a Non-Departmental Public Body (NDPB) which is sponsored by the Department for Communities (DfC).

DfC is regarded as a related party, and during 2021/22 Libraries NI had material transactions with the department. DfC is also the sponsoring body for The Armagh Observatory and Planetarium, The Arts Council NI, National Museums NI, The NI Central Investment Fund for Charities, Sport NI, The Ulster Scots Agency, The NI Commission for Children and Young People, The Commissioner for Older People NI, The Local Government Staff Commission for NI, The NI Local Government Officers Superannuation Committee, The Charity Commission NI, The Northern Ireland Housing Executive, The NI Museums Council, Vaughan's Charitable Trust, Foras na Gaeilge, Ulster Supported Employment Limited, and the office of the Discretionary Support Commissioner. During the year Libraries NI provided services to The Armagh Observatory and Planetarium and the NI Museums Council for which it charged a fee.

Libraries NI has had a number of material transactions with other government bodies during 2021/22. Most of these transactions have been with the Education Authority, Land and Property Services and the Health and Social Care Trusts.

During the year no board member, key manager, or other related party has undertaken any material transactions with Libraries NI.

A register of Board members' interests is available and may be inspected on application to the Chief Executive's Office.

## **22. Events after the Reporting Period**

There were no events after the reporting period impacting on these Financial Statements.

### **Date of authorisation for issue**

The Accounting Officer authorised these financial statements for issue on 24 October 2022.