

Annual Report and Accounts 2018/19



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Libraries NI

The Northern Ireland Library Authority

**Annual Report and Accounts
For the year ended 31 March 2019**

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 14 November 2019

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This publication is also available on our website at www.librariesni.org.uk.

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Foreword

I am pleased to present this Annual Report and Accounts for the year 2018/19. The Report includes an overview of another successful programme of work to fulfil the Authority's terms of reference, deliver its ambitious Business Plan, and continue to be responsive to the environment in which it operates, at the very heart of Northern Ireland's communities.

It has been yet another challenging financial year, in which uncertainty regarding the amount of money made available by Government was the greatest challenge to our capacity to plan and deliver services. To give a sense of the force of that challenge, the initial budget allocation for the year of £25,581,000 was £1,066,000 less than the initial allocation in 2017/18.

Highlights of an eventful year include the following:

As part of Libraries NI's commitment to address social exclusion across our communities, all branch libraries were tasked with delivering activities that targeted groups or areas at risk. Action plans were developed and implemented in relation to a range of user groups, including ethnic groups, people affected by dementia, the homeless, rural dwellers, the elderly and people affected by autism. The work with Belfast City of Sanctuary on the 'Part of Belfast Now' exhibition that toured 12 libraries was an excellent example of Libraries NI working in partnership to promote inclusivity.

In 2018/19, Libraries NI continued to deliver a full programme of core and regular activity sessions across the whole of the library network, including the ever popular Rhythm and Rhyme sessions, which continued to attract substantial numbers of children, parents and carers. Other activities for children included class visits and the 'Big Summer Read', while activities for adults comprised Reading Groups, GOT IT, Creative Writing, Knit and Natter, and Tea and Newspapers.

Libraries NI's successful partnership with the BBC continued and a highlight during the year was Book Week NI, which took place from 19 – 25 November 2018. As part of the week of activities, the BBC ran lunchtime events featuring poets and authors, while library staff and customers featured on Good Morning Ulster, the Arts Show, Blás and Sunday Sequence among other programmes. This was a thoroughly enjoyable week of activities and events that culminated in a concert in the Ulster Hall called 'A Box of Delights' that celebrated books, libraries and reading and featured music by the Ulster Orchestra, along with readings by local BBC personalities. The concert was broadcast live on Radio Ulster and broadcast again on Christmas Day and was available on the BBC iPlayer Radio.

The partnership with the Stephen Nolan Show continued to deliver 'The Biggest Book Club in the Country'. The book club features a mix of novels and non-fiction highlighting specific themes, with the books selected appearing high in Libraries NI's lists of most borrowed items in both book and eBook formats.

Libraries continued to promote health and wellbeing by providing access to health information, and we worked with our partners to deliver a wide range of health events and activities in libraries, including Mindfulness and Healthy Eating sessions, health fairs and the use of tools such as Brain Training to promote better mental health.

Other well used resources contributing to improved health and wellbeing included Take Five Steps to Wellbeing, Read Yourself Well and Shelf Help Books. All libraries continue to provide a large number of social activities that can help combat loneliness and social isolation, which in turn can have many positive impacts on health and wellbeing.

Recognising the increasing role of digital technologies in today's society, Libraries NI delivered a range of programmes aimed at facilitating digital inclusion and helping people to carry out more day-to-day tasks online, access resources effectively and engage with government departments and bodies through official websites such as nidirect. During 2018/19, Libraries NI staff helped to deliver the Digital Citizen Project, providing more than 2,400 learning opportunities and playing our role in tackling the digital skills deficit in Northern Ireland.

Following the extensive refurbishment of Coleraine Library, we were delighted that HRH The Princess Royal joined us for the official re-opening on 7 February 2019. This proved a splendid occasion for staff and library users alike, and the newly redeveloped, much larger and modernised premises is a great example of the kind of library building, facilities and services Libraries NI is aiming to provide.

Libraries NI was pleased to participate in the Boardroom Apprentice programme again in 2018/19. 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.

Aside from these standout activities and achievements, it is important to recognise also the tremendous work carried out by staff across the service on a daily basis, and against a backdrop of pervasive uncertainty, work which is set out in some more detail in the 'Performance Report: Analysis' section. All staff, ably led by the Senior Management Team, are to be commended for their continued commitment, professionalism and consistently high levels of achievement in delivering a high-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 Departmental officials, whose co-operation was vital in enabling the Authority to operate so successfully, in such a difficult environment, during the year under review.

Finally, I would once more 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 particular, I wish to thank Jane Williams and Alastair McDowell, whose tenure on the Libraries NI Board ended during 2018/19, for their valued contribution over many years and to wish them every success in the future.



Professor Bernard Cullen
Chairperson

Date: 17 October 2019

Performance Report

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 2018/19 was challenging, not least because of the continuing reduction in budgets. The initial budget allocation for the year of £25,581,000 was £1,066,000 less than the initial allocation in 2017/18. Savings Delivery Plans were developed in relation to reduced expenditure on stock, reduced planned and response maintenance, miscellaneous savings and a reduction in summer opening hours. Uncertainty with regard to both the quantum and timing of funding has impinged on the effectiveness of spending plans and impacted adversely on the service provided. The financial situation eased in the later part of the year, with additional funding for stock and property maintenance being made available. This resulted in a total spend on library stock of £2.4 million in 2018/19, compared to £3.9 million in 2017/18.

In 2018/19 reported net expenditure for the year was £40,701,000. After subtracting non-cash expenditure and other expenditure not scoring against budget, recurrent net expenditure was £28,249,000 against an allocated budget of £28,447,000. Capital expenditure was £3,910,000 within an allocated budget of £4,263,000.

The capital allocation for 2018/19 was £4,263,400, an increase on the previous year. This allowed for the completion of the Coleraine and Irvinestown Library projects. In addition work was completed in respect of a number of minor works projects while a further number of smaller projects were commenced. The absence of longer term capital funding continues to make planning difficult, but work persisted during the year to prepare for investment in the library network and to develop and gain approval for business cases for a number of projects.

The implementation of one voluntary redundancy in 2018/19 will contribute to future savings plans. However, the cumulative effect of having implemented a voluntary redundancy programme each year since Libraries NI was established is a significant loss of staff knowledge and expertise resulting in lean staffing levels in parts of the organisation. This makes it more difficult to undertake development work, to respond quickly and flexibly to initiatives and to maintain the standard and extent of service provision.

Despite the difficulties and pressures created by the challenging funding situation, staff across the organisation have continued to work hard to maintain a high standard of service to customers. The fact that the majority of Key Performance Indicators (KPIs) were achieved, and in many cases exceeded, is testimony to the professionalism and commitment of staff. 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 2018/19 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 development which have taken place during the year to support our corporate objectives and six key service priorities (Children and Young People, Cultural Heritage, Digital Inclusion, Support for Health and Wellbeing, Community Relations and Cultural Diversity, and Reading and Reader Development).

As part of Libraries NI's work to address social exclusion 80% of branch libraries were set a target of delivering at least one activity which targeted a local area or group at risk of social exclusion. Many libraries exceeded this target. In addition, Libraries NI continued to allocate additional resource to support the libraries which directly serve the 10% most deprived Super Output Areas based on the Northern Ireland Multiple Deprivation Measures (NIMDM) 2017. This enabled additional outreach activities to be undertaken and partnerships to be developed.

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. Rhythm and Rhyme sessions designed to help develop pre-literacy and early learning skills continued to be popular, attracting substantial numbers of children and their parents and carers. Rub-a-Dub-Hub, an online resource providing tools, tips and fun learning activities to give parents and carers increased confidence to support their young children with the early stages of reading and emotional development was also a well used resource. Class visits aimed at pupils in Year 4 and Year 6 complement the Northern Ireland Curriculum. Storytimes, reading groups and the annual Big Summer Read, which attracted 39,317 children, encourage reading for pleasure, which, research shows, is linked to improved educational outcomes.

Work continued during the year to build on existing partnerships with other organisations. As a statutory partner in the Community Planning process, Libraries NI engaged actively with each of the Councils on delivering the long term objectives for their respective areas and on taking forward actions to tackle cross-cutting issues that require a collaborative approach for the benefit of citizens.

Supporting literacy and promoting a love of reading remains at the core of our work. In 2018/19 we spent £2.397 million on stock in a variety of formats across a range of genres with some in different languages, reflecting the multi-cultural background of library users. eBooks continued to grow in popularity as did the use of eMagazines.

Libraries NI operates under the Department for Communities (DfC). Increasingly, opportunities are emerging for the public library service to make a significant contribution to the Department as a local access point to many of the services being delivered both by it and other government departments, thus helping to facilitate joined-up approaches to service delivery in all communities, particularly in the context of the draft Programme for Government and Outcomes Delivery Plan. A key focus of our Corporate Plan 2016-2020 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.

I am grateful to the Chairperson and 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 with projected reductions in public sector funding, and like all public bodies, Libraries NI needs to continue to change, improve and become more efficient in what we do. I am confident that we are well-placed to meet the challenges that are ahead.

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 for the period 2016–2020 are as follows:

- support literacy and promote a love of reading
- contribute to social and community wellbeing
- promote economic wellbeing
- support and develop our people
- deliver high quality services.

In order to help achieve these corporate goals our work in 2018/19 was focused on six key service priorities, delivered through the network of 96 branch libraries, two

heritage libraries and 16 mobile libraries as well as through outreach and online services. The key service priorities were as follows:

- **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. Libraries NI also provides support and guidance for parents of young children through dedicated family learning programmes.

- **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, enriches society by nurturing creativity, imagination, a sense of place and a sense of pride. 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 Inclusion**

Libraries have a critical role to play in helping to promote greater equality of access to the skills, confidence, technology and connectivity necessary to operate in an increasingly online world. Libraries provide free local access to broadband, Wi-Fi and information technology hardware. More importantly, library staff can 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 development of people's digital and information literacy skills remains a key priority for the service.

- **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 such as Libraries NI's Knit and Natter sessions 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'.

- **Community Relations and Cultural Diversity**

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

within them, lend themselves to the provision of inclusive activities to promote respect and increase understanding. In addition, as a statutory partner, we have engaged with local councils across Northern Ireland as part of the Community Planning process.

- **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.

Key Issues and Risks

The level of uncertainty about longer term planning and funding along with the impact of ongoing industrial action represented the main risks to the achievement of objectives and targets during 2018/19. The financial year 2018/19 was challenging, not least because of the continuing reduction in budgets. The initial budget allocation for the year of £25,581,000 was £1,066,000 less than the initial allocation in 2017/18. Savings Delivery Plans were developed in relation to reduced expenditure on stock, reduced planned and response maintenance, miscellaneous savings and a reduction in summer opening hours. The financial situation eased in the latter part of the year, with additional funding for stock and property maintenance being made available.

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 2018/19. 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

Goals	Outcome
<p>Contribute to social and community wellbeing Achieve the following levels of participation in branch libraries</p> <ul style="list-style-type: none"> • 4,950,000 Issues/renewals (including eBooks and eMagazines) • 290,000 active members • 1,000,000 PAT/Wi-Fi sessions • 380,000 instances of participation in core and regular programmes. 	<p>Achieved</p> <p>Issues/renewals/eBooks 109.42% of target Active members 100.04% of target PAT use/Wi-Fi 96.46% of target Core and Regular Programmes N/A¹</p>
<p>Support literacy and promote a love of reading Rhythm and Rhyme in 90% of libraries. Class visits in 70% of libraries. 900 adult reader group sessions.</p>	<p>Achieved</p> <p>95% of branch libraries 100% of branch libraries 987 sessions</p>
<p>Deliver high quality services Meet financial targets for resource and capital spend and minimise underspend.</p>	<p>Achieved</p> <p>Resource budget: £28,447,000 Spend: £28,249,000 (0.7% underspend)</p> <p>Capital budget: £4,263,000 Spend: £3,910,000 (8% underspend)</p>
<p>All Priority One Internal Audit recommendations implemented within four months of the agreed date.</p>	<p>Achieved</p>

¹ A full programme of core and regular activities was delivered across the library network, however, information on instances of participation was not available in-year due to on-going industrial action.

Performance Report

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.

During the year, a statistician, seconded from the Northern Ireland Statistics and Research Agency (NISRA), worked closely with senior management to fulfil the obligations placed on the organisation as a result of being listed as a producer of Official Statistics. The fifth Libraries NI Official Statistics publication, entitled *Participation in Core and Regular Library Activities in Northern Ireland 2017/18*, was released on 27 September 2018, showing a total of 402,483 participants (175,854 adults and 226,629 children) engaged in 29,286 core and regular activity sessions (i.e. Class visits, Genealogy, Got IT, Go On, Job Clubs, Knit and Natter Groups, Reading Groups, Rhythm and Rhyme and Storytime). This was a 3% decrease in participation and no percentage change in the number of activity sessions since 2016/17.

The statistics reported in the publication are produced from the Libraries NI Activity Database. Due to incomplete data returns to the Libraries NI activity database, it was not possible to produce the Participation in Core Library Activities in Northern Ireland publication for 2018/19.

Financial information is taken from the audited Financial Statements. Other management information is extracted from information systems which are subject to regular internal audit.

Key Performance Indicators

Target	Outcome								
<p>Overall Participation Levels Achieve the following levels of participation in branch libraries</p> <ul style="list-style-type: none"> • 4,950,000 Issues/renewals (including eBooks and eMagazines) • 290,000 active members • 1,000,000 PAT/Wi-Fi sessions • 380,000 instances of participation in core and regular programmes 	<p>Achieved</p> <table> <tr> <td>Issues/renewals/eBooks</td> <td>109.42%</td> </tr> <tr> <td>Active members</td> <td>100.04%</td> </tr> <tr> <td>PAT use/Wi-Fi</td> <td>96.46%</td> </tr> <tr> <td>Core and regular programmes</td> <td>N/A ¹</td> </tr> </table>	Issues/renewals/eBooks	109.42%	Active members	100.04%	PAT use/Wi-Fi	96.46%	Core and regular programmes	N/A ¹
Issues/renewals/eBooks	109.42%								
Active members	100.04%								
PAT use/Wi-Fi	96.46%								
Core and regular programmes	N/A ¹								
<p>Mobile Library Services Achieve mobile library usage of 370,000 loans/renewals</p>	<p>Achieved</p> <table> <tr> <td>Target exceeded by</td> <td>119.22%</td> </tr> </table>	Target exceeded by	119.22%						
Target exceeded by	119.22%								
<p>Participation in Programmes <u>Rhythm and Rhyme</u></p> <ul style="list-style-type: none"> • 90% of libraries will deliver regular public Rhythm and Rhyme sessions for pre-school children 	<p>Achieved</p> <p>Number of branch libraries: 91 (95%)</p> <p>91 libraries held Rhythm and Rhyme sessions every month with some exceptions in July and August.</p>								
<p><u>Class visits</u></p> <ul style="list-style-type: none"> • 70% of libraries will deliver a structured class visits programme for primary-age children 	<p>Achieved</p> <p>Number of branch libraries: 96 (100%)</p> <p>All libraries were involved in delivering class visit activities during 2018/19.</p>								
<p><u>Adult Reading</u></p> <ul style="list-style-type: none"> • Deliver 900 adult reader group sessions by March 2019 	<p>Achieved</p> <table> <tr> <td>Number of sessions</td> <td>987</td> </tr> </table>	Number of sessions	987						
Number of sessions	987								
<p><u>Digital Inclusion</u></p> <ul style="list-style-type: none"> • 90% of libraries will deliver/facilitate one to one assistance and/or organised events to support digital inclusion 	<p>Achieved</p> <p>96 (100%) offered Got IT sessions. 86 libraries (90%) delivered Go On sessions – 447 sessions and 2,165 instances of participation</p> <p>The Digital Citizen Project delivered 2,491 learning opportunities</p>								

<p><u>Health and Wellbeing</u></p> <ul style="list-style-type: none"> All libraries to deliver Health and Wellbeing activities and provide health information 	<p>Achieved</p> <p>All libraries provided social activities that promote positive mental health. Many libraries also hosted specific health related activities</p>
<p><u>Heritage</u></p> <ul style="list-style-type: none"> Deliver or host 200 cultural heritage events 	<p>Achieved</p> <p>Number of Events 591 Instances of participation 5,839</p>
<p>Website Traffic</p> <ul style="list-style-type: none"> Increase social media likes and follows by 5% 	<p>Achieved</p> <p>Increase in likes and followers on Facebook and Twitter in 2018/19 16.7%</p>
<p>Sickness Absence</p> <ul style="list-style-type: none"> Reduce overall sickness absence by 3% compared to the 2016 calendar year 	<p>Achieved</p> <p>Composite average FTE days lost 9.22 (at March 2019 which exceeded the target of 9.53 days)</p>
<p>e2</p> <ul style="list-style-type: none"> Meet 95% of e2 contract standards for 2018/19 	<p>Achieved</p>
<p>Deliver high quality services Meet financial targets for resource and capital spend and minimise underspend</p>	<p>Achieved</p> <p>Resource budget: £28,447,000 Spend: £28,249,000 (0.7% underspend)</p> <p>Capital budget: £4,263,000 Spend: £3,910,000 (8% underspend)</p>
<p>All Priority One Internal Audit recommendations implemented within four months of the agreed date</p>	<p>Achieved</p>

¹ A full programme of core and regular activities was delivered across the library network, however, information on instances of participation was not available in-year due to on-going industrial action.

Development and Performance

Tackling Poverty and Social Exclusion

Libraries NI designates libraries that directly serve several of the 10% most deprived super output areas based on the Northern Ireland Multiple Deprivation Measures (NIMDM) as 'Targeting Social Exclusion (TSE) libraries' and deploys additional resources in these libraries and areas to deliver programmes, undertake outreach and to develop partnerships in order to address inequalities and barriers to library use. The new NIMDM (NIMDM 2017) resulted in a change of focus in 2018/19 with, for the first time, a library outside of the Greater Belfast and Derry areas i.e. Lurgan Library being designated as a TSE library. In addition to this targeted 'TSE library' approach, all libraries delivered programmes for groups at risk of social exclusion.

Libraries NI worked with Belfast City of Sanctuary on the 'Part of Belfast Now' exhibition that toured 12 libraries. During Refugee Week a number of libraries hosted exhibitions and events to raise awareness of the global refugee situation. 'Museum Without a Home', an exhibition curated by Oxfam and Amnesty International, celebrated the solidarity of the Greek people, who welcomed into their country those who had to flee theirs.

In response to the Northern Ireland Executive Active Ageing Strategy, Libraries NI focused on research, training, networking and dedicated programming designed to engage, inform and help educate Northern Ireland's growing population of older people. This included submitting programming into the Positive Ageing Month initiative, participating for the first time in #AllAgeApril, funded by Linking Generations and the Digital Citizen Project.

Good Relations and Cultural Diversity

Good Relations focused on planning and delivering a range of inclusive activities to promote respect, improve access to opportunities, celebrate diversity and create a greater understanding of our shared history and communities. Libraries as neutral trusted venues are ideally placed within communities, providing a shared social place where individuals and communities can meet together to interact and learn about different cultural traditions and backgrounds.

Good Relations Week in September 2018 examined the theme of 'Then, Now ...Next'. Libraries featured strongly in the programming, contributing 35 events and exhibitions in 20 libraries. The week was officially launched in Ormeau Road Library by the Chief Executive, Jim O'Hagan and the Chair of the Community Relations Council, Peter Osborne.

The 2018 Human Rights Festival marked a series of important anniversaries including 70 years since the signing of the Universal Declaration of Human Rights. A drama performance of 'Shrieking Sisters' marked 100 years since partial suffrage for women. These milestones and 50 years from the emergence of the Civil Rights movement in Northern Ireland were the inspiration for creative writing and discussion groups that met in libraries during the week.

To improve understanding and delivery opportunities the Good Relations team completed Diversity Training which created the foundation for a new working relationship developed with TIDES Training as part of the PEACE IV Dare to Lead Change initiative, providing the opportunity for libraries to host diversity workshops. 'Stepping into Diversity' challenged what participants know and think about the mix of society in Northern Ireland by introducing multifaceted conversations about cultural, racial and ethnic interdependence. A further opportunity to promote diversity was provided by embRACE week, hosted in the Mid and East Antrim Borough Council area.

Library Services in Rural Areas

The network of branch and mobile libraries continued to provide services to rural dwellers. Libraries NI has 29 libraries based in villages with a population of 5,000 or less. In addition, 18 libraries based in larger villages or towns have a customer base including at least 40% rural dwellers. Libraries NI continued to work in partnership with the Department of Agriculture, Environment and Rural Affairs (DAERA) to deliver actions arising from the agreed Memorandum of Understanding. In 2018/19 this led to a pilot of the Out of Hours Libraries approach in six rural libraries as well as some health programming in rural libraries.

From June 2018 The Rural Needs Act (Northern Ireland) 2016 applied to Libraries NI requiring the organisation to 'have due regard to rural needs'. Arrangements were put in place to ensure compliance. Libraries NI reviewed or developed 24 policies in 2018/19. 17 relate to governance, IT security and other internal matters. No specific rural needs were identified. Other policies (Community Information, Digital Inclusion, Filming, Partnership, Promoting Positive Health and Well-being, Safeguarding and Social Media policies) related to customers and services. A Rural Needs Impact Assessment was completed for each policy.

Children and Young People's Services

The Children and Young People's Services Team continued to provide support to enable frontline staff to deliver core activities. Staff also gave talks to outside groups on various aspects of books and reading including storytelling techniques and making and using story sacks as a means of supporting parents to develop a lifelong love of reading within their families.

Rhythm and Rhyme sessions were once again a popular event in all libraries and attracted substantial numbers of children, accompanied by their parents and carers. These sessions help to develop pre-literacy skills in 0-4 year olds as well as providing an opportunity for parents and carers to build a strong and loving bond with their children.

Libraries NI worked in partnership with Book Trust during National Bookstart Week. The theme was Bookstart Bird Boogie and a launch event was held at an RSPB Centre with an invited pre-school audience. Themed Rhythm and Rhyme sessions were held in libraries during National Bookstart Week.

Libraries NI also supported Year Three of the 'Getting Ready to Learn' strand of the Early Intervention Transformation Programme (EITP).

The promotion of reading for pleasure is a vital element of the work of Libraries NI. This is delivered in a number of ways including regular programmes in libraries such as Storytimes and children's reading groups and one-off initiatives such as the Big Summer Read.

The Big Summer Read with a theme of Sea to Shore was offered in all libraries throughout July and August 2018. The Big Summer Read aims to keep children reading over the holidays to avoid the reading 'slide' which can occur during the long summer break. Very successful partnerships with many groups contributed to the success of the Big Summer Read. A major partner, Great Lighthouses of Ireland, generously offered a family weekend break at St John's Point Lighthouse as the prize for a colouring competition. In addition, children who were successful as part of the National Museums Northern Ireland (NMNI) draw received a family ticket to enjoy either the Ulster Folk and Transport Museum or the Ulster American Folk Park on a date of their choosing.

Class visits are an important means of introducing children to the range of resources available in their local library and encouraging library use. Of particular note is the Class Visits' programme aimed at pupils in Year 4 and Year 6 which complements the Northern Ireland Curriculum. Book exchange and storytelling visits also took place across the network of branch libraries.

For the second year Libraries NI held a series of events in partnership with the Northern Ireland Science Festival from 14 - 24 February, thus contributing to the STEM agenda. These included storytelling sessions, Science Starz workshops and events with wildlife photographer and author Dr Michael Leach.

Digital activities included 24 eBook creator and micro:bit workshops in the second half of the year.

All of these activities and events contribute greatly to the learning and development of children and young people in Northern Ireland.

Support for Health and Wellbeing

Libraries continued to promote health and wellbeing by providing access to health information in creative and innovative ways.

During the year 36 health events were held in libraries. These events included Mindfulness, Tai Chi and Yoga sessions. The health offer was also developed to include five blogging workshops designed to promote health literacy and positive mental, physical and emotional wellbeing using digital platforms.

To ensure people in rural areas were kept informed about health matters, Libraries NI expanded the rural health offer with funding from the Department of Agriculture, Environment and Rural Affairs (DAERA). This included 24 Yoga sessions and three blogging events held in rural libraries. The additional funding also facilitated the

purchase of 22 SAD lamps for rural locations to support wellbeing by helping to combat seasonal affective disorder during winter months. This brings the total of SAD lamps available in libraries across Northern Ireland to 38.

All libraries continued to provide a range of social activities aimed at tackling social isolation which can impact on health and wellbeing. These range from Knit and Natter and Tea and Newspapers to chess clubs.

Libraries NI continued to work in partnership with other organisations to provide health information and to signpost support. This included working with Macmillan Cancer Support to provide information for people affected by cancer. Libraries NI also worked with the Samaritans to support Brew Monday, encouraging people to come to libraries for a cup of tea and a chat to connect and help beat loneliness. Health information from health bodies such as the Public Health Agency has been distributed to libraries on a variety of topics including the 'Flu Vaccine' and 'Staying Warm in Winter'.

A Memorandum of Understanding was signed with the Northern Health and Social Care Trust in November 2018. This partnership promotes access to health information through the Read Yourself Well collection of books on wellness. Read Yourself Well is located in eight libraries and can be requested by anyone in any location. In 2018/19 the collection was expanded to include eBooks.

Culture and Creative Development

Libraries NI made and maintained connections with a range of partners and statutory bodies to provide cultural and creative engagement. A number of commemorative and celebration events such as Culture Night, Burns Night, Holocaust Memorial Day and Chinese New Year were marked.

Our welcoming gallery spaces continued to provide the opportunity for individuals and organisations to exhibit their paintings, photography and crafts. 'Voices of 68', a multimedia exhibition curated by staff from Nottingham Trent University and National Museums NI, was a wonderful example of facilitating people through the library network to express their creativity as well as promoting an awareness of culture. This project used the 50th anniversary of the Civil Rights Movement as a catalyst to re-examine the events of 1968 by gathering contemporary collections and filmed testimonies to help create the exhibition which was displayed in four libraries. The Belfast Art Map, produced by Belfast Visual Arts Forum, featuring four library galleries - Belfast Central, Falls Road, Shankill Road and Ormeau libraries - is a positive creative development that helps promote libraries to a wider audience.

Other creative development opportunities, established through collaborative working, included a pilot live streaming event as part of the British Library Living Knowledge Network, the UK-wide partnership of national and public libraries. The streaming event was held in Bangor Carnegie Library with Mary Portas and entitled 'Work Like a Woman (A manifesto for change)'.

The Armstrong Storytelling Bursary also continued to grow, with replication of the 'Tullycarnet Yarnspinnners' monthly storytelling model into three other libraries – Bangor Carnegie, Lisburn City and Strabane libraries. During the year there were 116

storytelling events in libraries with 5,635 people - children and adults, participating. The Storyteller in Residence, Liz Weir MBE, delivered 101 events with a further 95 events provided by emerging storytellers.

There were also music events in Belfast Central Library utilising the baby grand piano. On Culture Night in September 2018 the vocal group Hive created new music on the grand staircase. Their songs explored new ideas using vocal improvisation, experimentation and games and they created a performance that drew links between the interesting people who use the building, the curious texts they discover within the bookshelves, and the amazing sounds that echo through the entrance foyer.

During the Human Rights festival in December 2018 Alma Harrak a 14 year old Syrian girl played 'The Music of Dreams' concert also in Belfast Central Library. Alma arrived in Ireland in 2016 never having had a piano lesson. Within two years she had taught herself to play piano at a professional level going on to perform with the National Concert Orchestra in Dublin.

Cultural Heritage

Libraries NI's main Cultural Heritage collections are located in Armagh, Ballymena Central, Belfast Central, Derry Central, Downpatrick, Enniskillen, Newry City and Omagh libraries as well as the Mellon Centre for Migration Studies (located at the Ulster American Folk Park, Omagh). Cultural Heritage staff are responsible for developing and exploiting the collections, delivering talks, workshops and other events and working with partner organisations on projects and initiatives.

A range of visitors including researchers, writers, media companies, school children, students, community groups and anyone with an interest in Irish history, literature and genealogy accessed the Heritage collections in 2018/19. Heritage staff employed their knowledge and experience to guide visitors through a range of resources including newspapers, maps, journals and archives, as well as the book stock, to satisfy enquiries, and to enhance the experience for the visitor by providing advice about how to continue their research in other collections.

Significant anniversaries relating to the Decade of Commemorations, which featured in Heritage programming, included the Armistice, the ending of World War One, and the Spanish Flu epidemic in Ireland. These events were marked by a series of talks and exhibitions.

Derry Central Library hosted a seminar in November as part of the 50th anniversary of the Civil Rights Movement in Northern Ireland entitled 'Women and Civil Rights', chaired by the renowned writer and broadcaster Susan McKay. This was part of a series of events in Derry to mark this significant historical period.

On 15 August 2018 forty people toured the Omagh Bomb Archive located in Omagh Library to mark the twenty-year anniversary of the Omagh bomb. During February 2019 an exhibition about the archive was on display in Omagh Leisure Centre and local schools visited and took part in cross community workshops.

2019 was the 400th anniversary of the completion of the Derry Walls, and activities to

mark this have included creative writing workshops in Derry Central Library using the walls as the theme.

The re-opening of Coleraine Library offered an opportunity for the showcasing of Heritage resources relating to the local area, and an enhanced service is now available in the library with the addition of digital scanners to providing access to newspaper resources on microfilm.

Events celebrating Irish and Ulster Scots contributed to activities delivered in Libraries NI. These events recognised and reflected cultural diversity and shared history, and included celebrations on Burns' Night in Omagh and Derry Central libraries, and a talk on Irish dancing in Bangor Carnegie Library.

An initiative to make more Heritage book stock accessible by making it available for loan is being progressed, and will add to the experience for customers visiting Heritage collections.

Libraries NI continued to work effectively with partners and stakeholders. Examples include events and activities delivered with PRONI, Northern Ireland Screen, the Federation of Ulster and Local Studies, the Community Relations Council, and with local Councils.

Information and Learning Services

Access to, and delivery of, information and learning are key priorities of the services and activities provided by Libraries NI. Events held in libraries throughout 2018/19 provided people with information relevant to their needs with a particular focus on digital inclusion, health, employability and business. Learning opportunities were delivered in partnership with other organisations, including The Consumer Council, the Department of Finance (DoF) and Department for Communities (DfC).

Employability

During the year libraries continued to play a role in supporting people seeking employment to find jobs, prepare curriculum vitae and make online applications through free Internet access and Wi-Fi. In partnership with colleagues from DfC, young people and adults continued to attend Job Club sessions in libraries. Libraries NI hosted a Job Fair in Belfast Central Library in partnership with the local Jobs and Benefits Office and contributed to five other Job Fairs. In addition, Libraries NI offered 'Start Your Own Business' and 'Get That Job' through its Go On support programme.

Business Information Service

Libraries NI Business Information Service provides a wide range of online and print resources: market research reports; company information; business start-up advice; Intellectual Property information and standards; business and financial newspapers; periodicals; and book stock. The specialist collection including print resources and books is held in Belfast Central Library where staff can provide assistance.

Belfast Central Library was a recognised Patent Information Centre during 2018/19. There were also displays of historical patent displays in libraries and bound volumes circulated for the public to browse. The Information and Business Department hosted a session for the Healthy Cities conference with over 80 delegates from numerous countries who viewed some of the unique collections including the Andrade Collection.

Digital Inclusion Activities

Got IT sessions continue to be an important support for people who want to achieve a basic level of competence in using computers and the Internet. People lacking essential IT skills were supported by library staff to begin to use a computer, browse the Internet and send emails.

Libraries NI staff delivered GOT IT sessions which supported people who lacked essential IT skills to achieve a basic level of competence in using a computer, browse the Internet and use email.

Libraries NI contributed to the Go On NI programme which enables participants to build on the skills already gained through the GOT IT programme. Libraries NI delivered 460 Go On sessions which facilitated digital inclusion by helping people carry out day-to-day tasks on-line including online banking, editing digital photographs, exploring social networking, finding information on health issues, online shopping, scam awareness, using Libraries NI's digital resources effectively and using nidirect – the official government website. Modules on using the iPad accounted for almost all of the sessions delivered during the year. A total of 23 libraries delivered sessions relating specifically to the skills required to make an application for Universal Credit.

Digital inclusion was promoted at a number of key events during the year. Digital Learners Day took over from Silver Surfers Day and was part of Spring Online Week in partnership with the Department of Finance and Business in the Community Northern Ireland. Free IT taster events were delivered by volunteers from Business in the Community to help people take their first steps in using computers and the Internet. In total 14 libraries provided facilities and resources for 259 learners to receive one to one help with getting online on the day with a total of 21 events running over the week.

During Get Online Week in October, 23 events provided digital learning opportunities to 132 attendees. Libraries NI also supported four Young at Heart events during 2018/19.

Libraries NI delivered a number of events to celebrate a Festival of Learning in 2018/19. The programme of 182 events took place in 89 branches and these libraries hosted events offering a diverse range of activities such as Yoga sessions, creative dance and flower arranging workshops.

During 2018/19 a six-week blogging course was developed and this inspired users to get online and use their digital skills in a creative way. The inspirational sessions included advice from ten local bloggers and attracted a new audience into libraries and to our social media.

The Digital Citizen Project was a new digital skills project aimed at tackling the serious digital skills deficit in Northern Ireland by delivering, from September 2018 onwards, 2,000 learning opportunities across the public library network and through outreach. Funding from the Department for Communities allowed a new team to be established to target specific groups – adults living in poverty (Neighbourhood Renewal Areas) adults living in rural areas, older adults and adults with disabilities. It was identified in the Government’s Outcomes Delivery Plan 2018 as contributing to improving life skills, employment prospects and enhancing self-efficacy.

The main differences between the Digital Citizen Project and ‘core’ digital inclusion delivery were the targeted nature of the work and the drive to deliver in communities through outreach. The project was used as an opportunity to pilot new delivery methodologies, specifically e-Clinics which were an opportunity to bring your own device to a library and ask an expert. Courses were very popular, offering sessions of six to eight learning opportunities delivered over a number of weeks. They gave an opportunity to develop a relationship with learners which allowed trainers to tailor the sessions to the needs of the individual or group.

By the end of March 2019, trainers had delivered 2,427 learning opportunities, 40% of which were to people in rural areas and the remainder in areas of significant deprivation. Evaluation took the form of pre and post evaluation questionnaires, follow up questionnaires and independent focus groups. The focus groups illustrated that *‘the level of experience and lack of confidence of those involved would indicate that Libraries NI have engaged people from the community who are in most need of support’* and *‘the overall feedback on the course experience is positive’*. Findings noted additional benefits including the positive impact on isolation, ability to communicate and on wellbeing.

The impact is exemplified by comments such as:

‘Having been through a lot of health problems and feeling isolated, going along to these digital help sessions has really given me a new lease of life. I am now able to go on YouTube and watch ‘how to’ videos which help me around the house...all through a 45 minute e-Clinic session.’

Reading and Reader Development

A major reader development initiative in 2018/19 was the Libraries NI ‘One Book’ campaign. This promotion sought to encourage as many people as possible to read the chosen novel which was ‘Turning for Home’ by the author and playwright Barney Norris. The story centres on a birthday party which has been the focus of a family gathering for a number of years. This year is different because Hattie who had always organised the event has recently died leaving her husband Robert to carry on the tradition. Also their granddaughter Kate will be coming to the party for the first time since a personal tragedy caused a breakdown and led to estrangement with her mother. The novel explored a number of themes e.g. anorexia, depression, isolation, bereavement and family dynamics.

The author, Barney Norris, visited Northern Ireland in October 2018 undertaking a number of media engagements, a whistle stop tour of Northern Ireland, speaking to

borrowers, visiting libraries and meeting reading groups. Barney also produced a blog which featured on the Libraries NI 'One Book' mini site.

The campaign was a success with 'Turning for Home' becoming the most borrowed novel of 2018. The campaign also enabled Libraries NI to demonstrate the ability of a novel to introduce new viewpoints to a reader, to stimulate readers to learn more about a topic and challenge a reader to reassess their perception of a subject. Libraries NI surveyed a sample of borrowers who had read the novel and found that:

- 84% of respondents agreed that novels can enable us to understand our shared history better
- 96% of respondents agreed that reading can increase awareness of social issues and themes.

Turning for Home was also available in eBook and downloadable audio book format. 2018/19 saw continued growth in the uptake of this service. Usage has increased by more than 2,000% since the service was introduced in 2011.

Similarly use of eMagazines has continued to grow at significant levels – growing by over 60% in 2018/19.

In November 2018 the Libraries NI partnership with BBC NI delivered the third BookWeek NI. There were features across Radio Ulster and BBC online showcasing the work of libraries and allowing readers to share their love of reading and libraries. A central element for this year was the social media promotion #readrightnow, which encouraged the public to highlight their current book choice. During BookWeek NI, the social media reach of this campaign was 436,574 compared to 42,000 in a standard week.

In 2018/19 Libraries NI spent £2,397,000 on stock which equates to £1.27 per capita, based on NISRA 2018 mid-year population estimates.

Belfast Central Library

2018/19 saw an important anniversary for Libraries NI's oldest library with Belfast Central Library celebrating its 130th anniversary. The library officially opened on 13 October 1888 the same day that Belfast was granted city status. Designed by W H Lynn, who also designed the Bank Buildings, it is one of the few historic buildings in Belfast still used for its original purpose.

Libraries NI marked the anniversary with a series of events and celebrations with regular and new customers, including a behind the scenes tour of the building and a peek at some of its treasures, poetry readings and Lift the Lid lunchtime musical sessions. A highlight was the presentation to the library of a wonderful embroidery depiction of Belfast Central by the members of the weekly Knit and Natter group.

Belfast Central Library's 130th anniversary celebrations presented a unique opportunity to remind the public of the building's intrinsic value and its unique heritage connecting the library to the timeline of the city whilst also emphasising how a redevelopment of the library offers opportunities for Belfast's future. Using historical images of the

building, social media posts and connections with stakeholders, Libraries NI was able to promote these messages and connect with a much greater audience and reach. The campaign resulted in 19 video clips with total social media views of 10,389. The video clips came from authors (local and further afield) as well as sports personalities, radio/TV personalities and the Lord Mayor of Belfast. There were two pieces of positive radio content (U105 and Q) and two supporting online news articles (Belfast Live and Good Morning Ulster).

Marketing and Communications

Throughout the year there were several large projects that required full integration of the marketing team into the planning, organising and promotion of the event. The initiatives included Big Summer Read, One Book NI, BookWeek NI, the 130th anniversary celebrations for Belfast Central Library and the visit of the Princess Royal to Coleraine Library. This was alongside the communication requirements arising from the difficult budgetary situation and the changes to service including reduced summer opening hours and Christmas opening hours.

Social media remains a growing communications channel for Libraries NI and the multiple platforms continued to provide opportunities to connect with existing and potential customers. In order to connect with a younger customer demographic Libraries NI started a new Instagram page and there was an encouraging level of interest from customers. This interest has been mirrored across our social media channels with an increase of 16.7% in social media likes and follows during the year. These increases, along with the changing environment of the social media platforms, presented new challenges with both increased customer communication demands and potential changes to our social media infrastructure.

Libraries NI's relationship with the local press and other media outlets continues to be of key importance for the organisation and these were maintained throughout 2018/19 resulting in the generation of 1,978 press clippings. The local newspaper remains an important information source for a key demographic of customers and Libraries NI is grateful for the support received.

Assets

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

- work to refurbish and extend the listed building at Coleraine Library was completed in November 2018
- refurbishment projects at Irvinestown and Broughshane libraries were completed
- heating plant upgrades at Antrim, Ballyclare, Belfast Central, Creggan and Richhill libraries were completed
- the roof at Tandragee Library was replaced and works commenced to upgrade the roofs at Omagh and Shantallow libraries
- emergency lighting systems were replaced in Greystone and Richhill libraries

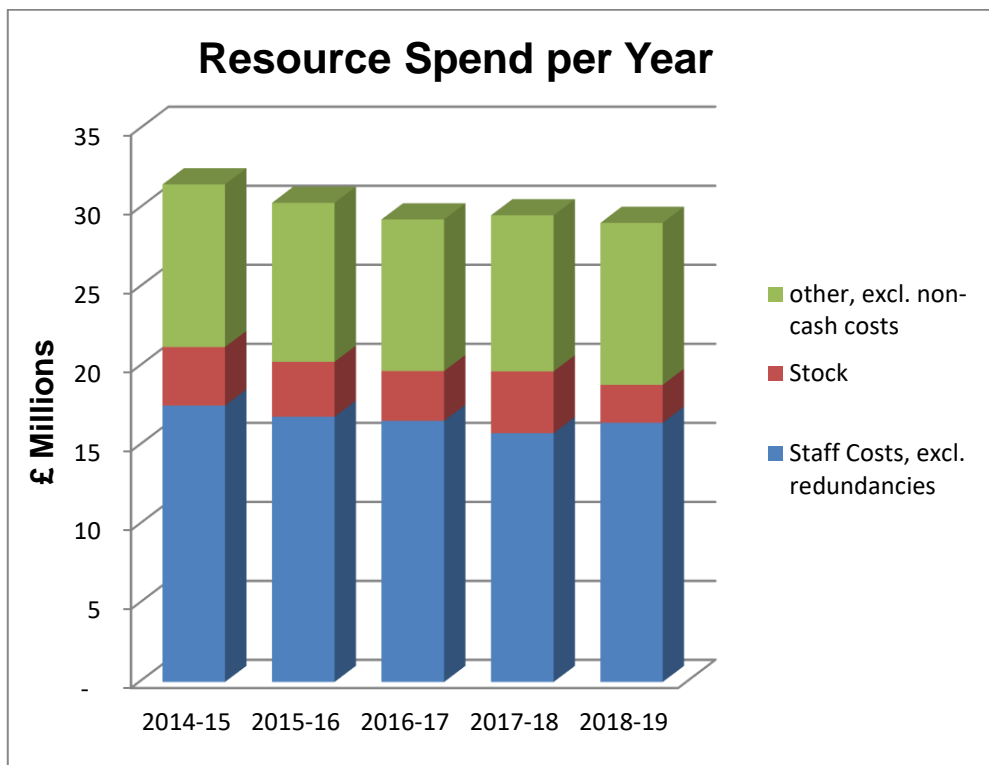
- two new mobile library vehicles were brought into service with a further two being commissioned for delivery in 2019/20 and ten stock delivery or Homecall service vehicles were replaced.

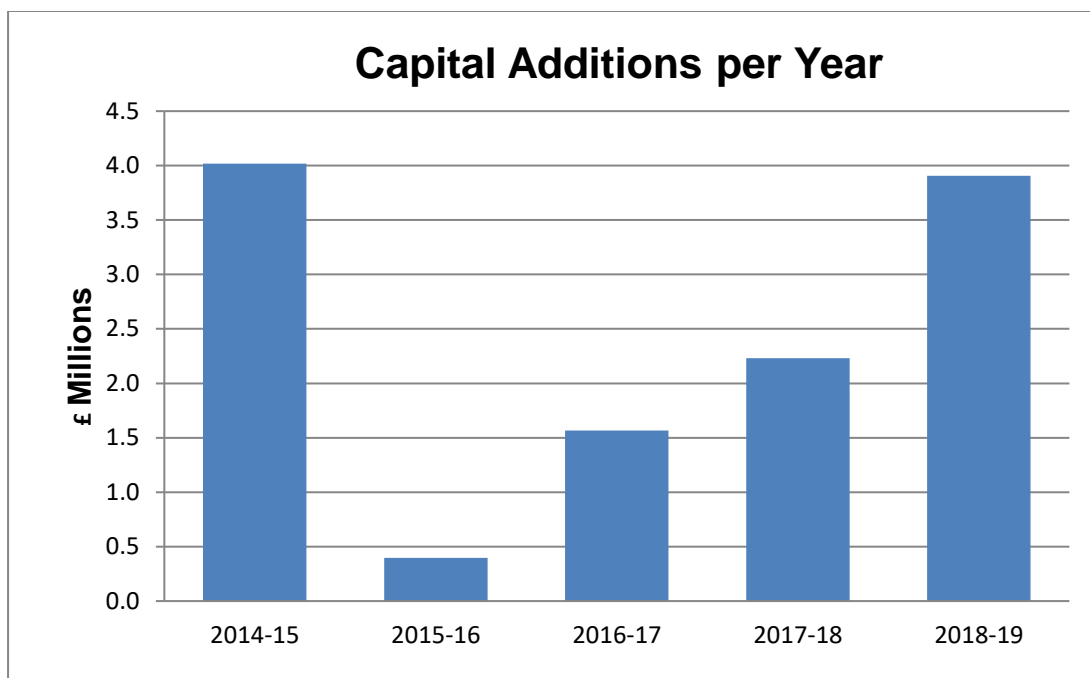
Finance, Payroll and Procurement

Libraries NI is a designated body for the purposes of the Whole of Government Accounts. Results from Libraries NI’s draft accounts are consolidated within a single account for Northern Ireland and ultimately for the UK public sector.

One of the major challenges facing Libraries NI in 2018/19 was the achievement of a balanced budget on both capital and resource budgets. After submission of successful bids to the Department, Libraries NI secured additional funding which assisted in meeting key pressures, and the Finance team worked closely with budget managers to ensure financial targets were achieved.

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.





The performance on prompt payment of suppliers remained strong with 98% paid within 30 days and 93% paid within 10 working days.

The Payroll Team continued to provide a high quality service to Libraries NI staff and to the Armagh Observatory and Planetarium (AOP), thus contributing to the shared services agenda.

The Procurement Team continued to work closely with management and Centres of Procurement Excellence (COPE) in the Education Authority and Construction and Procurement Delivery, to deliver value for money and propriety in the procurement of goods and services.

The Finance and Payroll teams took part in the National Fraud Initiative, to assist government in identifying potential fraud. Results from the exercise for 2018/19 were investigated during 2018/19. No frauds have been identified.

Human Resources (HR)

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

Recruitment and Selection

During 2018/19 there were 102 recruitment exercises carried out with a total of 299 application forms received. This compared to 82 recruitment exercises carried out in the previous year when a total of 332 applications were received. All appointments were made according to the Libraries NI Code of Procedures on Recruitment and Selection.

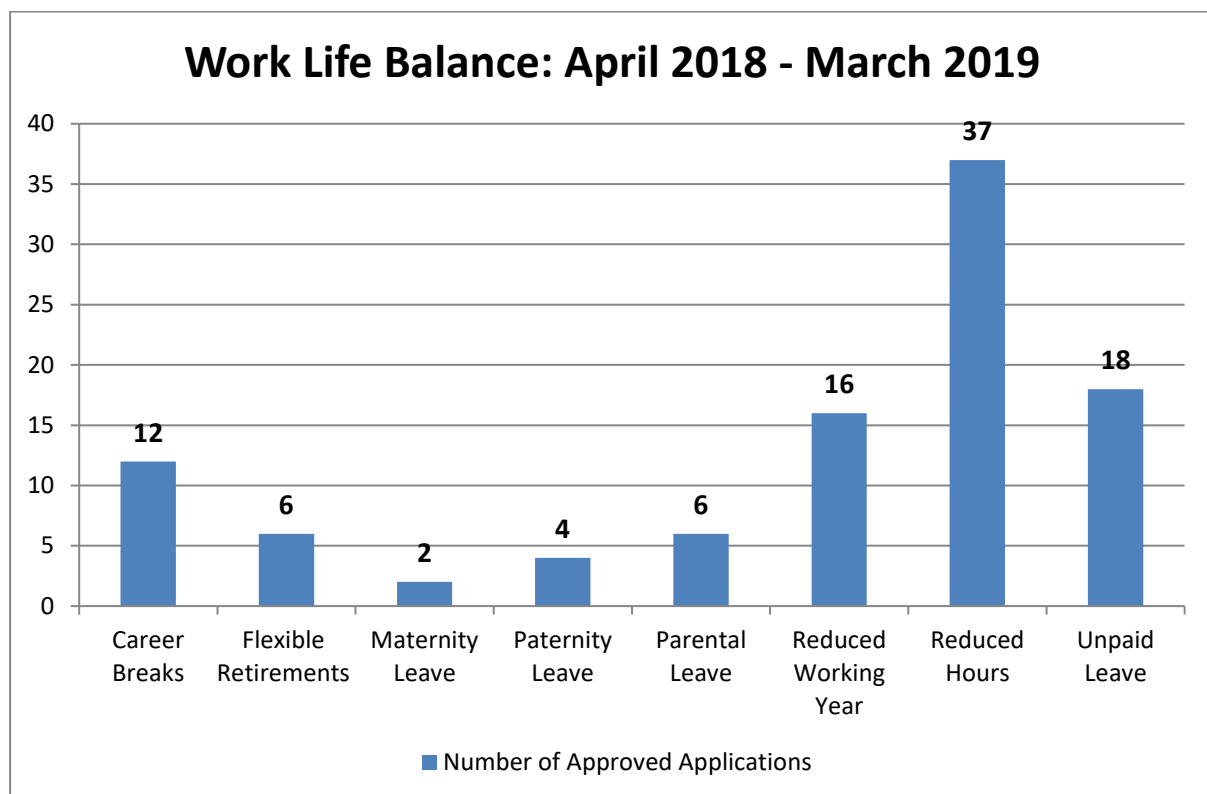
Agency Support

Libraries NI continue to use the Northern Ireland Civil Service (NICS) Temporary Workers contract for the supply of agency workers.

In 2018/19 HR processed a total of 297 requests for agency workers, equating to 61 full-time posts for the year. Agency workers were used to support short term business needs including sickness cover, project backfill and vacancies. The majority of requests were for frontline posts at basic recruitment grade.

Employee Relations

Libraries NI is committed to providing staff with work life balance opportunities. During 2018/19 there were 101 applications for Work Life Balance adjustments approved. Approved applications by type are shown in the following graph.



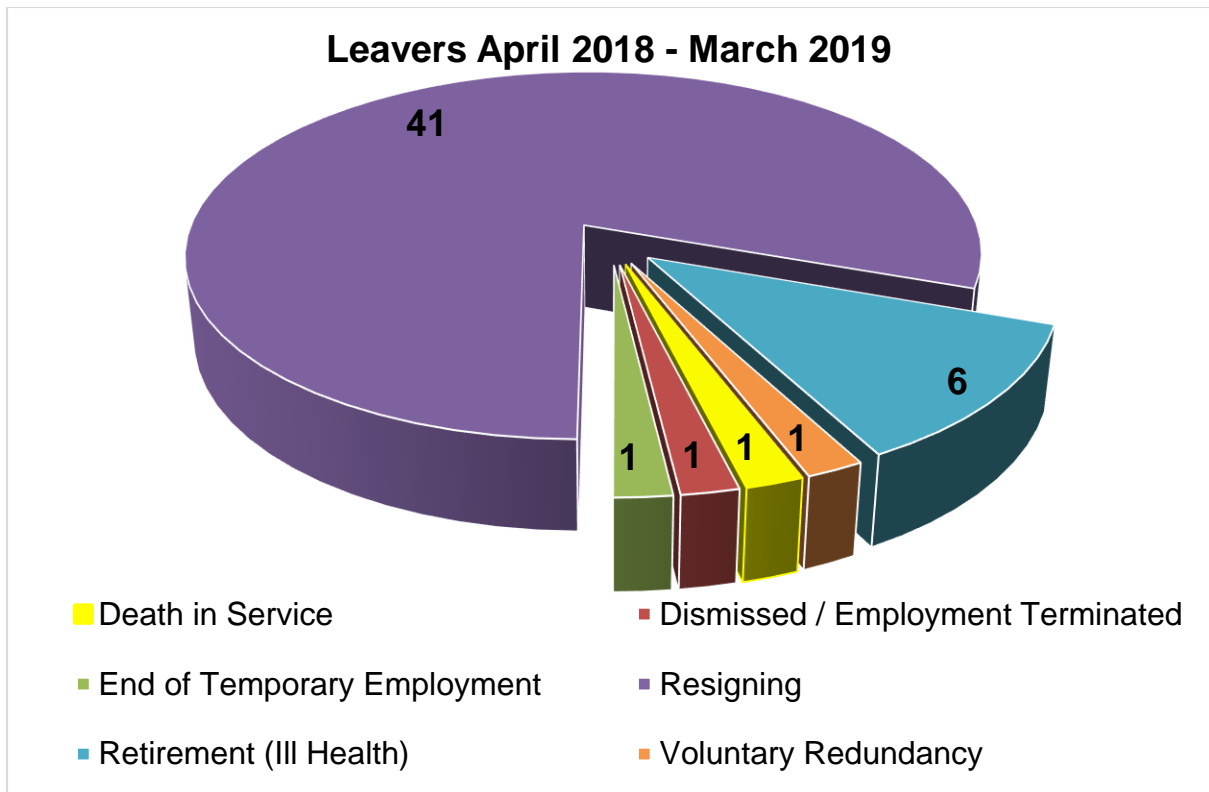
Employee Consultation and Trade Union Relationships

During the year the policy of providing employees with information has continued through the regular distribution of a monthly update from the Senior Management Team and other internal communications such as SMT blogs and staff alerts. Regular meetings are held between staff at different levels to allow a free flow of information and ideas. In addition, the Negotiating Committee for Libraries NI (NCLNI), with representation from the recognised trades unions, meets formally each quarter, with working group meetings on specific issues being held more frequently.

In 2018/19 time off with pay equating to FTE 1.04 was granted to elected trade union representatives to attend industrial relations duties.

Leavers

During 2018/19 51 staff left the employment of Libraries NI. The reasons are shown in the chart overleaf. In this year there was a decrease of 15% from 2017/18 when 60 employees left employment with Libraries NI.



Pension

During 2018/19 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.

In addition, 32 members returning from authorised absences were notified of their eligibility to apply to pay Additional Pension Contributions (APC) to cover lost pension. 35% of these took up this opportunity.

Health and Wellbeing

During 2018/19 the Health and Wellbeing Team continued its efforts to ensure that all staff were provided with an environment and opportunities that encouraged and enabled them to lead healthy lives and make choices that support their overall wellbeing. A wide range of health and wellbeing information and support material is available to staff on the Intranet. This includes information about employee assistance programmes, support agencies and various health and wellbeing initiatives, including material to promote a healthy lifestyle and healthy eating. In 2018/19 the Cycle2Work Scheme continued with 12 employees engaging in the scheme.

HR continues to work collaboratively with managers and trade unions to manage sickness absence effectively and ensure support is available to employees. Sickness absence data is available on page 71.

In 2018 the confidential counselling service provided by Inspire Workplaces was accessed by employees on 73 occasions. HR facilitated 15 eye tests. Occupational Health Service (OHS) is accessed under the Education Authority CoPE, and provided by Birmingham Hospital Saturday Fund (BHSF). During the year 110 medical referrals were attended by 77 employees. Some employees attended more than one medical assessment. In 2018/19 medical referrals reduced by 35.29% when compared to 2017/18.

Of the 110 referrals, 78 related to employees who were absent from work through illness; 32 were for various other reasons.

Following medical assessment workplace adjustments were facilitated for 42 employees, 27 on a temporary basis and 16 permanent (note: one employee had more than one adjustment); of the 42, 22 employees were also supported through a phased return to work programme. All remaining cases were kept under review by the OHS, returned to work or dealt with under some other management process such as ill health retirement or redeployment.

Staff Training and Development

A wide range of training and development opportunities were provided to staff in line with the approved Staff Training Plan and budget for 2018/19. These included the on-going delivery of a number of year-on-year training programmes such as Corporate Induction; Designated Officer (Safeguarding); Safeguarding Awareness; Fire Safety Awareness; Driver Certificate of Professional Competence; Building Cleaning (Infection Control); Cardio Pulmonary Resuscitation and Automated External Defibrillator; and First Aid at Work.

In 2018/19 funding was provided to enable staff attendance at externally provided courses as well as a number of regional and/or national conferences, seminars and workshops. These included: the Library Association of Ireland / CILIP Ireland Joint Conference, and EDGE 2019. Staff also attended a number of subject specific training programmes required to support their continuous professional development needs including, the Legal Island Annual Employment Review; GDPR Practitioner Accreditation; PRINCE2; and Certified Information Security Manager training. Some funding from the 2018/19 training budget was also used to facilitate the Chief Executive's Briefing events, attended by 510 members of staff.

The Manage First management development programme, which included Appraiser training was delivered to 14 newly appointed first-line managers.

The Part Time Study Scheme was used to support the Trainee Internal Auditor towards achieving a professional qualification.

A number of Board Members attended Governance and Accountability training delivered by the Chief Executives' Forum.

In 2018/19 the Service Level Agreement with The Centre for Applied Learning (Northern Ireland Civil Service Centralised Training Unit) was renewed providing e-learning facilities to all Libraries NI staff via a managed website. This facility was used

to enable all newly appointed staff to complete a number of Health and Safety related modules including, Health and Safety Awareness for All Staff, Basic Manual Handling Awareness, and Display Screen Equipment Awareness. All staff were required to complete the Fire Safety Awareness module, and by 31 March 2019 650 staff (95%) had done so. All training is monitored regularly and arrangements are in place to ensure that staff who are on authorised absence or unpaid leave are given access to the training on their return to work.

Information Systems

The major information systems maintained and supported during 2018/19 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 2018/19 overall performance was good against the contractual service model and all major service levels were met with only very minor exceptions. Following approval of a two-year contract extension a series of system upgrades were planned and Phase 1 of that work was successfully completed in 2018/19. This included a limited hardware refresh and the design and initial

implementation of a Windows 10 upgrade. The remaining phases of the upgrade work will be carried out during 2019/20.

Given the success of RFID enabled kiosks and self service facilities developed in earlier years, a project to implement an “Out of Hours” service in six rural libraries was successfully implemented. The “Out of Hours” service is available in Whitehead; Saintfield; Maghera; Dungiven; Lisnaskea and Irvinestown. Other significant upgrade work during the year included upgrades to the Library Management System and significant updates to Corporate HR and management information systems. Following detailed planning and preparation the organisation successfully introduced revised policies, procedures and systems to reflect the new General Data Protection Regulations (GDPR) in May 2018.

Further work was carried out in 2018/19 to deliver replacement arrangements for the current e2 managed service contract. The replacement project (the “e3 Project”) is planned to deliver 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. Libraries NI adopted an Environmental Policy statement in May 2009 which has been regularly reviewed. This policy has supported the work undertaken to manage energy consumption and CO₂ emissions and to comply with best practice and statutory requirements as well as seeking to address ‘Everyone’s Involved’ (2010), the Northern Ireland Executive’s Sustainable Development Strategy.

Despite economic pressures and further reductions to recurrent funding, Libraries NI has, where possible, improved energy efficiency measures in its estate in 2018/19. Information on Libraries NI’s approach and achievements in relation to sustainability is shown below:

- CO₂ emissions in 2018/19 decreased by 0.3% when compared to 2017/18 reflecting an overall long term trend in reducing our carbon output. The on-going constraints in resourcing the operation of the estate continue to limit the extent to which further reductions can be achieved
- 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
- existing emergency lighting was replaced with energy efficient LED lighting at Greystone and Richhill libraries

- the electrical heating system in Richhill Library was replaced with a more sustainable and economic natural gas fired system
- heating boilers in Antrim, Ballyclare, Belfast Central and Creggan libraries were replaced with modern efficient condensing boilers
- work commenced at Whiterock Library to separate the library from an inefficient 'district' heating scheme and to provide the building with its own dedicated natural gas fired heating system
- mobile library and delivery fleet drivers have undergone training to attain a Certificate of Professional Competence (CPC) including efficient driving techniques
- energy assessments were undertaken and Display Energy Certificates, Energy Performance Certificates and Air Conditioning Inspection Certificates were supplied to all appropriate sites with 100% of all applicable properties receiving a non-default rating
- staff are encouraged to make maximum use of IT and electronic media for in-house circulars, minutes of meetings etc. to reduce paper consumption. Where documents require to be printed, staff are encouraged, where possible, to make use of double-sided printing
- paper is sourced from recycled sources where possible
- printed material withdrawn from stock, e.g. because of its physical condition or currency, is recycled where possible
- multifunction printing/scanning equipment has been provided, allowing for greater flexibility in electronic communications and software upgrades have been introduced to facilitate increased electronic communications and seek to reduce the need to travel
- all new vehicles commissioned in 2018/19 were fitted with EURO6 compliant engines and AdBlue exhaust additive systems, increasing fuel efficiency and significantly reducing our nitrogen dioxide and diesel particulate emissions.



Jim O'Hagan
Chief Executive

Date: 17 October 2019

Accountability Report

Corporate Governance Report

Report of the Board

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
Alderman Tom Campbell	
Alderman Thomas Burns	
Councillor Dr Janet Gray	
Councillor Garath Keating	Vice-Chairperson
Mrs Deirdre Kenny	
Alderman William Leathem	
Councillor Donal Lyons	
Councillor Cathal Mallaghan	
Alderman Stephen Martin	
Ms Angela Matthews	
Mr Alastair McDowell ¹	
Councillor Séan McGuigan	
Councillor Stephen McIlveen	
Mr Harry Reid	
Alderman Marion Smith	
Dr Margaret Ward	
Councillor Billy Webb	
Ms Jane Williams ²	

¹ Mr McDowell's term as a Board Member ended on 28 February 2019

² Ms Williams' term as a Board Member ended on 31 March 2019

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: Helen Osborn

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: Desi 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 and staff learning and development issues, with the aim of achieving a skilled, motivated, flexible and diverse workforce
- Information Systems comprising:
 - 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 has 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) and can be inspected also on application to the Chief Executive's Department.

Personal Data

There were no incidents of data loss which required to be notified 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 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 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 was one suspected fraud reported during 2018/19 relating to the acceptance of a counterfeit banknote. There are no suspected frauds that have not yet been notified.

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'. The Department has advised that the Libraries NI Internal Audit should continue to conduct any investigations of suspected fraud. If additional resources are required they can request support from the DfC Central Investigations Unit. This support was not required during 2018/19.

An SLA is in place with the Education Authority Internal Audit to provide additional resources if required. This resource was also not required in-year. This SLA was revised during 2018/19.

Throughout the year, performance was monitored in terms of both business objectives and the effectiveness of internal control arrangements. At 31 March 2019, 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 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 2018/19 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.

Category of Audit/ Allocation of Resource	No. of Days	% of Days
Strategic	35	8%
Support Services	74	17%
Operational	40	9%
Mandatory	15	4%
Location Audits *	97	22%
Consultancy	28	6%
Training **	80	18%
Administration***	71	16%
Total	440	100%

* includes audits of 15 Branch Libraries, four Mobile Libraries and four Homecall Vehicles

** 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 common goods and services. Procurements for the supply of goods, services, and estates-related services are either facilitated by 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.

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, and a managed services contract for the provision of IT services to all library locations. All contracts awarded by Libraries NI are a matter of public record.

Customer Feedback

Libraries NI welcomes feedback, including comments, from our customers about their experiences of library services. Feedback allows identification of good practice and also highlights issues which can be addressed to help improve service delivery.

All staff are encouraged to engage with customers and to acknowledge and respond to verbal feedback. All formal feedback is dealt with in accordance with the Customer Feedback Policy and Procedures. Revised Procedures were introduced with effect from 1 June 2018. As a result all complaints are responded to promptly by the appropriate senior level. During 2018/19 there were no instances of any response exceeding the response target of 15 days. Compliments and comments are acknowledged where a contact email address has been provided. Where service delivery has not been satisfactory, action is taken, where possible, to enhance the customer experience for the future.

Feedback statistics are provided to Middle and Senior Managers on a monthly basis and to the Senior Management Team and Board Members on an annual basis. A summary of feedback received during 2018/19 is shown in the table below:

Items of feedback received:	682
Nature of feedback:	
complimentary	344
complaint	267
comment	71
Category of feedback:	
Staff	136
Library Services	446
Online Services	4
Facilities and Buildings	87
Stock	9
Average number of days taken to respond:	5

Whilst items of feedback received continues to cover a wide range of topics (up 22% on the previous year), some of the more significant increases can be accounted for by the quantity of complimentary feedback about staff and the Big Summer Read, and complaints about the reduced Summer Opening Hours.

Further information on the customer feedback process is available on the Libraries NI website (www.librariesni.org.uk).

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). 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, 17 requests were received under the Freedom of Information Act 2000 and 23 requests were received under the Data Protection Act 2018 during 2018/19.

During 2018/19 the organisation further considered the impacts of the General Data Protection Regulations and put in place policy, procedures and systems to ensure compliance with the revised legislation enacted in May 2018.

Preparation of the Accounts

The Accounts are prepared in accordance with a Departmental Accounts Direction, and comply with the Government Financial Reporting Manual (FRoM) 2018/19. They are prepared on an accruals basis and give a true and fair view of the Libraries NI 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 10 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 2018/19.

Based on invoice date	2018/19		2017/18	
	Invoices Paid	Paid within Target %	Invoices Paid	Paid within Target %
Total invoices paid	15,252	-	14,888	-
Paid within 30 days	15,006	98%	14,641	98%
Paid within 10 days	14,187	93%	13,389	90%

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: 17 October 2019

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 Accountability Meetings with Departmental officials.

Compliance with Corporate Governance Best Practice

During 2018/19 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 2018/19 Internal Audit also undertook reviews of compliance with corporate governance including the Board Operating Framework, a review of compliance with guidance on Safeguarding and a review of the effectiveness of controls in place for the Management of Risk. 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 body corporate 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 the absence of Ministers and a formal Programme for Government (PfG), strategic direction is informed by the Draft PfG and the NICS Outcomes Delivery Plan developed in 2018/19.

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. There were no conflicts of interest declared during the year.

The Board met on six occasions during 2018/19. One meeting took the form of a workshop at which consideration was given to longer term planning issues. The membership of the Board during 2018/19 was as follows:

- Professor Bernard Cullen (Chairperson)
- Councillor Garath Keating (Vice Chairperson)
- Alderman Thomas Burns
- Alderman Tom Campbell
- Councillor Dr Janet Gray
- Mrs Deirdre Kenny
- Alderman William Leathern
- Councillor Donal Lyons
- Councillor Cathal Mallaghan
- Alderman Stephen Martin
- Ms Angela Matthews
- Mr Alastair McDowell¹
- Councillor Séan McGuigan
- Councillor Stephen McIlveen
- Mr Harry Reid
- Alderman Marion Smith
- Dr Margaret Ward
- Councillor Billy Webb
- Ms Jane Williams²

Key issues considered by the Board during 2018/19 included the following:

- the Annual Report and Accounts 2017/18
- Key Performance Indicators
- the draft Business Plan 2018/19
- spending plan 2018/19
- Board effectiveness review and action plan
- savings delivery measures for 2019/20
- Organisation and Structures: Review
- e3 Programme
- community planning
- commencement of the Rural Needs Act

¹ Mr McDowell's term as a Board Member ended on 28 February 2019

² Ms Williams' term as a Board Member ended on 31 March 2019

- Delivering Tomorrow's Libraries: Public Library Standards 2016/17 Performance Report

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 Accountability Meetings
- the Corporate Risk Register
- the Internal Audit Strategy and Annual Plan
- 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 2018/19 was as follows:

- Councillor Séan McGuigan (Chairperson)
- Mrs Deirdre Kenny (Vice-Chairperson)
- Professor Bernard Cullen
- Ms Nuala McAuley (Co-opted Member)
- Alderman Stephen Martin
- Councillor Stephen McIlveen¹

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) 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.

¹ It should be noted that as well as being a member of the Board and the Audit and Risk Assurance Committee Councillor McIlveen is also a member of the Services Committee.

During 2018/19 the Audit and Risk Assurance Committee considered and reported to the Board on the following:

- 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
- the Accounting Officer's Governance Statement for 2017/18
- the Annual Report and Accounts and the Comptroller & Auditor General's Report to those Charged with Governance for 2017/18
- revisions and updates to various corporate governance policies and documents, including the Anti-Fraud Policy, the Fraud Response Plan and the Internal Audit Charter.

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 Single Tender Actions
- 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 2018/19 was as follows:

- Alderman Marion Smith (Chairperson to November 2018)
- Mr Alastair McDowell (Vice Chairperson, then Chairperson from November 2018 to February 2019)
- Alderman Thomas Burns
- Alderman Tom Campbell

- Councillor Garath Keating
- Ms Angela Matthews
- Councillor Billy Webb (Vice Chairperson from November 2018)
- Professor Bernard Cullen

During the year the Committee considered and reported to the Board on a range of matters within its remit including the following:

Finance

- capital and recurrent budget plans and monitoring reports 2018/19
- Budget planning and savings delivery plans 2018/19
- the Annual Report and Accounts 2017/18
- the NIAO Report to Those Charged with Governance 2017/18
- prompt payment targets and performance
- procurement and Single Tender Actions
- Budget planning 2019/20
- public and employer liability claims
- Procurement Policy Review

Human Resources

- absence management monitoring reports
- the Annual Progress Report on Equality, revised Equality Scheme and Article 55 Fair Employment report
- policies and reviews on Lone Working, Maternity Leave, Staff Appraisal and Adoption Leave
- Code of Conduct for Staff

Assets

- capital works 2018/19
- Belfast Central Library Redevelopment Project
- the estate maintenance programme 2018/19
- tender reports for the appointment of contractors for various remedial works at Broughshane, Omagh, Shantallow, Falls Road and Shankill Road libraries.
- policy and procedure in relation to a Smokefree Workplace
- the Health and Safety Annual Report
- Post Project Evaluations Lessons Learned Report
- a report on litigations
- use of the Libraries NI seal

ICU/ICT

- delivery of the e2 managed services contract
- the draft Outline Business Case for e3
- policies and procedures in relation to Freedom of Information, Staff Acceptable Use and a range of Information Technology security applications.
- Revised Disposal and Retention of Records Schedule

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 2018/19 was as follows:

- Councillor Dr Janet Gray (Chairperson)
- Dr Margaret Ward (Vice-Chairperson)
- Professor Bernard Cullen
- Alderman William Leathem
- Councillor Donal Lyons
- Councillor Cathal Mallaghan
- Councillor Stephen McIlveen
- Mr Harry Reid
- Ms Jane Williams

During the year the Committee considered and reported to the Board on a range of matters within its remit including the following:

- policies for Community Information, Digital Inclusion, Filming in Libraries, Partnership, Promoting Positive Health and Wellbeing, Safeguarding, Social Media, reading groups
- customer feedback
- overdue charges

- evaluation of activities
- outcome based accountability
- out of hours libraries
- the Rural Needs Act
- libraries and health and wellbeing
- the CILIP/LAI Joint Conference
- public library standards
- the new public library strategy in the Republic of Ireland
- the effectiveness and compliance review

The Committee received presentations on a number of topics including:

- Library Services in the Fermanagh and Omagh area
- Library Services in the Lisburn and Castlereagh area
- The Digital Citizen Project
- Reader Development

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

The Committee met in four libraries, Holywood, Lisburn City, Omagh and Rathcoole.

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 2018/19 was as follows:

- Professor Bernard Cullen (Chairperson)
- Councillor Garath Keating (Vice Chairperson)
- Alderman Marion Smith (Chairperson, Business Support Committee)
- Mr Alastair McDowell* (Chairperson, Business Support Committee)
- Councillor Sean McGuigan** (Chairperson, Audit and Risk Assurance Committee)
- Councillor Dr Janet Gray (Chairperson, Services Committee)

* *New member in 2018 to replace Alderman Marion Smith*

** *Absence covered by Vice Chairperson of the relevant Committee.*

During 2018/19 the Committee considered the following matters:

- A Proposal related to Pay and Remuneration for First and Second Tier Officers and engagement with DfC on related issues
- 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 2017/18 and targets set for 2018/19
- A report from the Chief Executive on the performance assessment of Directors in 2017/18
- The National Employers – JNC Chief Executives Pay Agreement 2018-2020, a two year pay deal awarding a 2% increase from 1 April 2018 and another 2% increase from 1 April 2019, and matters relating to the pay remit approval process
- DAO (DOF) 05/17 letter dated 19 December 2017 – Appointment /Designation of Accounting Officers documentation setting out DoF's recommended practice of working with Sponsor Departments when appointing a Chief Executive
- Agreed schedule of meetings in 2019/20 and options for additional meetings if required.

The **Belfast Central Library Committee** was established in July 2016 with delegated Board powers in relation to the redevelopment of Belfast Central Library. Committee activity has been suspended pending the release of funding to progress the project and the reconstitution of Board/Committee membership, as a result the Committee did not meet in 2018/19.

Attendance at Board and Committee Meetings

	Board	Audit and Risk Assurance Committee	Services Committee	Business Support Committee	Remuneration Committee
Number of Meetings Held	6	4	5	5	2
Professor Bernard Cullen (Chairperson)	6	2	4	3	2
Councillor Garath Keating (Vice Chairperson)	4	-	-	3	2
Alderman Thomas Burns	3	-	-	4	-
Alderman Tom Campbell	-	-	-	4	-
Councillor Dr Janet Gray	5	-	4	-	1
Mrs Deirdre Kenny	4	3	-	-	1***
Alderman William Leathern	4	-	2	-	-
Councillor Donal Lyons	2	-	3	-	-
Councillor Cathal Mallaghan	4	-	4	-	-
Alderman Stephen Martin	5	3	-	-	-
Ms Angela Matthews	3	-	-	4	-
Mr Alastair McDowell*	6	-	-	4*	1**
Councillor Séan McGuigan**	6	4	-	-	1***
Councillor Stephen McIlveen	2	2	4	-	-
Mr Harry Reid	5	-	4	-	-
Alderman Marion Smith	5	-	-	2	1**
Dr Margaret Ward	4	-	3	-	-
Councillor Billy Webb	5	-	-	3	-
Ms Jane Williams	6	-	4	-	-
Ms Nuala McAuley Co-opted Member	-	4	-	-	-

* Mr Alastair McDowell's term of office ended on 28 February 2019 meaning he was no longer a Member of the Business Support Committee for its final meeting of the year in March 2019.

** Mr Alastair McDowell replaced Alderman Marion Smith as the Business Support Committee representative on the Remuneration Committee

*** Councillor Séan McGuigan attends the Remuneration Committee in his role as Chairperson of the Audit and Risk Assurance Committee (ARAC). One meeting of the Remuneration Committee was attended on his behalf by the Vice-Chairperson of the ARAC, Mrs Deirdre Kenny.

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 2016-2020
- 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, 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

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 2018/19, 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 a first draft of the Business Plan for consideration and approval by the Board
- submission of the draft Business Plan for consideration by the Department
- Board consideration of comments from the Department and submission of the final draft Business Plan for Departmental approval
- 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.

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:

- a Risk Management Strategy
- a Risk Management Policy
- a Risk Appetite
- a Corporate Risk Register.

The Risk Management framework is designed to manage risk to a reasonable level and recognises 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 2018/19 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 the Chief Executive's Accountability Meetings. The relevant Committees consider risk registers relating to Service Plans.

During 2018/19 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.

Actions were commenced to implement the 2018/19 Savings Delivery Plans. The planned reduction in opening hours over the summer months and reduced service over the Christmas period contributed to the overall savings in staff costs however the vast majority of savings requirements were mitigated by the release of additional resource funding from the Department at various points throughout the year. This included an additional £1,530,000 for Stock, £477,000 for e2/e3 operations and development and £632,000 for staffing, equipment and property maintenance. Funding was received to meet the costs associated with voluntary severance and one member of staff left the service during this period under the Voluntary Exit Scheme (VES).

Capital funding was received to complete the planned refurbishment project at Coleraine Library and to undertake a range of minor works schemes. Funding was also provided to allow the commencement of procurement of two replacement mobile library vehicles and for a number of delivery and Homecall vehicles to be replaced.

Training on corporate governance and risk management is provided for staff and Board Members to assist them in understanding the governance framework. The Chief Executive has attended Accounting Officer training. 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 Accountability 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.

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 from the Department to investigate suspected frauds should this be required. This assistance was not required during 2018/19. There was one suspected minor fraud notified during 2018/19.

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 a Data

Protection Officer was appointed during 2018/19 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.

Preparation for the introduction of GDPR was completed, to ensure the organisation was compliant with the requirements of the new legislation on its introduction in May 2018.

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 2018/19 the Chief Executive met on three occasions with Departmental officials for accountability 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 the Summer of 2016 (Report issued October 2016), the service was externally assessed by internal auditors from DfC and found to be in compliance with Public Sector Internal Audit Standards. 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.

Internal Audit work completed was based on the Internal Audit Strategy and the Internal Audit Plan for 2018/19, which was approved by the Audit and Risk Assurance Committee. The format and content of these documents is based on guidance provided in HM Treasury: PSIAS. 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 annual 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 2018/19 Internal Audit completed:

- audits of 15 branch libraries. A 'satisfactory' level of assurance was provided on each occasion
- audits of four mobile libraries. A 'satisfactory' level of assurance was provided on each occasion
- audits of four Homecall vehicles. A 'satisfactory' level of assurance was provided on each occasion
- 11 strategic, operational, systems and review audits, providing a 'satisfactory' level of assurance on each occasion
- two consultancy audits undertaken at the request of management
- one self-assessment using the audit tool provided by HM Treasury the 'Internal Audit Quality Assessment Framework'

One Priority One recommendation was made in audit reports issued during the year. Management have confirmed that the recommendation (made with regard to the Asset Management Service Level Agreement) has been partially implemented with full implementation in progress. The Audit and Risk Assurance Committee received a report at each meeting on the actions being taken to implement 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 2018/19, 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. In its Report to those Charged with Governance, the NIAO identified no issues.

The C&AG certified the 2018/19 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, Assistant Directors 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, Assistant Directors 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

Public Access Computers

Libraries NI facilitates approximately 1 million computer sessions for the public each year. This includes the use of public Wi-Fi in all libraries. However, with this volume of use, the technology available and the facility for library members to utilise the Wi-Fi with their own devices, there is a risk that instances of misuse may occur which could damage the reputation of Libraries NI. In addition to the visibility of branch library staff, Libraries NI has implemented filtering arrangements on public access computers and on Wi-Fi to mitigate the risk.

While this risk can never be completely mitigated, sufficient controls are in place to manage the risk and in future it will be considered in the risk management and information risk sections of this Statement.

Capital and Recurrent Funding Allocations

While the lack of timely and appropriate capital and recurrent funding allocations, reliance on mid-year additional funding, and the general uncertainty of outcomes from monitoring rounds continues to impact on planning and delivery of services, actions taken to manage this risk are currently recorded and in future will be considered in the risk management section of this statement.

Prior Year Issues which remain relevant

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. With over 12 million transactions each year discrepancies do occur in stock records. Controls have been introduced to minimise these, including limits on the number of staff who are permitted to withdraw stock, training for all staff in the use of the Library Management System, Radio Frequency Identification (RFID) tags attached to all frontline lending stock and RFID security gates installed in all branch libraries. In addition, an approach to the stock inventory management process has been agreed. The process to update the catalogue stock records is on-going.

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 reduced 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 2018/19 a Business Plan for 2019/20 was drafted. Planning took place during a period of uncertainty in relation to 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 continues to inform planning priorities, however the 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 Belfast Central Library refurbishment and redevelopment remains a strategic priority for Libraries NI and discussions are on-going with DfC regarding the way forward.

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. One member of staff was released in 2018/19 through voluntary severance in order to contribute to current and future saving plans. The cumulative effect of releasing staff in the course of consecutive rounds of voluntary severance is that staffing levels are now very lean, which presents risks in respect of the organisation's ability to respond to business continuity threats.

Branch Library Managers

In May 2018 Branch Library Managers commenced industrial action in a dispute about job evaluation. Work is continuing with Trade Union representatives during 2019/20 to seek to find a resolution to this issue.

New Issues 2019/20

Due to Local Government Elections and the expiry of terms of office of Board Members there will be a number of appointments and reappointments to the Libraries NI Board during 2019/20. This has resulted in a loss of experienced Board members and presents a risk that will be managed through the training and induction process.

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. The Department considers the recommendations of the Remuneration Committee and approves the overall maximum percentage uplift to be applied. Any award of pay shall be within limits set by DoF.

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.

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)

	2018/19		2017/18	
	Salary £'000	Benefits in Kind (to the nearest £100)	Salary £'000	Benefits in Kind (to the nearest £100)
Professor Bernard Cullen Chairperson	10 – 15	-	10 – 15	-
Alderman Thomas Burns	0 - 5	-	0 - 5	-
Alderman Tom Campbell	0 - 5	-	0 - 5	-
Councillor Janet Gray	0 - 5	-	0 - 5	-
Councillor Garath Keating	0 - 5	-	0 - 5	-
Mrs Deirdre Kenny	0 - 5	-	0 - 5	-
Mr Alastair McDowell*	0 - 5	-	0 - 5	-
Councillor Séan McGuigan	0 - 5	-	0 - 5	-
Councillor Stephen McIlveen	0 - 5	-	0 - 5	-
Councillor Cathal Mallaghan	0 - 5	-	0 - 5	-
Alderman Stephen Martin	0 - 5	-	0 - 5	-
Ms Angela Matthews	0 - 5	-	0 - 5	-
Mr Harry Reid	0 - 5	-	0 - 5	-
Alderman Marion Smith	0 - 5	-	0 - 5	-
Dr Margaret Ward	0 - 5	-	0 - 5	-
Ms Jane Williams	0 - 5	-	0 - 5	-
Councillor Donal Lyons	0 - 5	-	0 - 5	-
Alderman William Leathem	0 - 5	-	0 - 5	-
Councillor Billy Webb	0 - 5	-	0 - 5	-

* Mr McDowell's term of office ended on 28 February 2019

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

Salary includes gross salary and taxable travel allowance.

	2018/19					2017/18				
	Salary £'000	PRP* £'000	Benefits in kind £'000	Pension Benefits** £'000	Total £'000	Salary £'000	Benefits in kind £'000	PRP* £'000	Pension Benefits** £'000	Total £'000
Mr Jim O'Hagan Chief Executive (appointed 11 January 2018)	95-100	0	0	30	125 – 130	20-25 (90- 95 full year equivalent)	0	0	6	25 – 30 (95 – 100 full year equivalent)
Mr Desmond Miskelly Director of Business Support	70-75****	0	0	(5)	65 - 70	65-70***	0	0	70	135 - 140
Ms Helen Osborn Director of Library Services (Acting Chief Executive 1 March 2017 to 10 January 2018)	80-85	0	0	(47)	35 - 40	90-95	0	0	59	145 - 150

* Performance Related Pay (PRP) is not applicable.

** 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.

*** Includes a one-off payment of £3,706 in 2017/18 for additional duties and responsibilities undertaken during the period of the temporary Chief Executive cover March 2017 – January 2018.

**** Includes a one-off payment of £7,581 in 2018/19 in lieu of annual leave carried forward.

Band of Highest Paid Senior Post Holder (Audited Information)

	2018/19	2017/18
Total Remuneration (£'000)	95 - 100	90 – 95
Median Total Remuneration (£'000)	19	18
Ratio	5.22	5.20

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid post holder and the median remuneration. The banded remuneration of the highest paid post holder in the financial year 2018/19 was £95,000 - £100,000 (2017/18: £90,000 - £95,000). This was 5.22 times the median, which was £18,672 (2017/18: £17,772). The banded remuneration of lowest paid staff was £15,000 - £20,000.

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 a Board Member.

Pension Benefits - Senior Post Holders (Audited Information)

	Total value of accrued pension and lump sum at 65 at 31/03/19 £'000	Real increase in pension and lump sum at 65 £'000	CETV at 31/03/19** £'000	CETV at 31/03/18** £'000	Real increase in CETV £'000
Mr Jim O'Hagan Chief Executive (appointed 11 January 2018)	15 – 20 0 - 5	0 – 2.5 0 – 2.5	233	197	21
Mr Desmond Miskelly Director of Business Support	25 – 30 40 - 45	0 – 2.5 (2.5) – 0	498	484	(3)
Ms Helen Osborn Director of Library Services	20- 25 25 - 30	(2.5) – 0 (5.0) – (2.5)	397	415	(30)

** New transfer factors applied by NILGOSC and effective from 7 January 2019 have resulted in recalculation of the 2017/18 and 2018/19 CETV amounts.

Pension Arrangements

Libraries NI 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 2018/19 as follows

Band	Range	Contribution Rate
1	£0 - £14,500	5.5%
2	£14,501 - £22,100	5.8%
3	£22,101 - £36,900	6.5%
5	£36,901 - £44,700	6.8%
6	£44,701 - £88,300	8.5%
7	More than £88,300	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 2016, at which date the funding ratio was 96%. This valuation was used to determine employer contribution rates from April 2017. For 2018/19, the employer contribution rate was 19% plus a fixed sum Deficit Recovery Contribution (DRC) of £204,000. This rate will increase to 20% plus DRC of £204,000 in 2019/20. The contribution rates are set to meet the cost of benefits accruing during 2018/19 to be paid when members retire, and to redress the funding deficit related to past service liabilities, over a recovery period of 20 years from 1 April 2017.

For any membership accrued before 1 April 2009, benefits accrue at a rate of 1/80th 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 1/60th 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 1/49th 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 www.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 within the guidelines and framework prescribed by the Institute and Faculty of Actuaries 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 drawn.

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.

Staff Report

Staff Numbers and Costs

Average Numbers Employed (Audited Information)

Staff Costs (Audited Information)

	Permanent employees 2018/19 £'000	Temporary employees 2018/19 £'000	Others 2018/19 £'000	Total 2018/19 £'000	Total 2017/18 £'000
Wages and salaries	11,504	202	1,439	13,145	12,724
Social Security costs	906	8	-	914	884
Pension costs	2,332	26	-	2,358	2,176
Other staff costs	17	-	167	184	558
Total	14,759	236	1,606	16,601	16,342

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

	Permanent employees 2018/19 FTE	Temporary employees 2018/19 FTE	Agency/ Seconded 2018/19 FTE	Total 2018/19 FTE	Total 2017/18 FTE
Directly Employed	497	9	-	506	513
Other	-	-	62	62	59
Total	497	9	62	568	572

These costs and numbers include Senior Post Holders.

Other staff costs include redundancy costs £0.017 million (2017/18: £0.385 million), premature/flexible retirements £NIL (2017/18: £0.01 million), and unfunded pension payments under legacy arrangements £0.167 million (2017/18: £0.163 million). No staff costs have been capitalised (2017/18: £NIL). Wages and salaries include Agency staff costs of £1.383 million (2017/18: £1.241 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)

Females 2018/19 FTE	Males 2018/19 FTE	Total 2018/19 FTE	Females 2017/18 FTE	Males 2017/18 FTE	Total 2017/18 FTE
370	136	506	377	136	513

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

	At 31 March 2019		
	Female	Male	Total
Board	6	12	18
Senior Managers	1	2	3
Employees	518	158	676

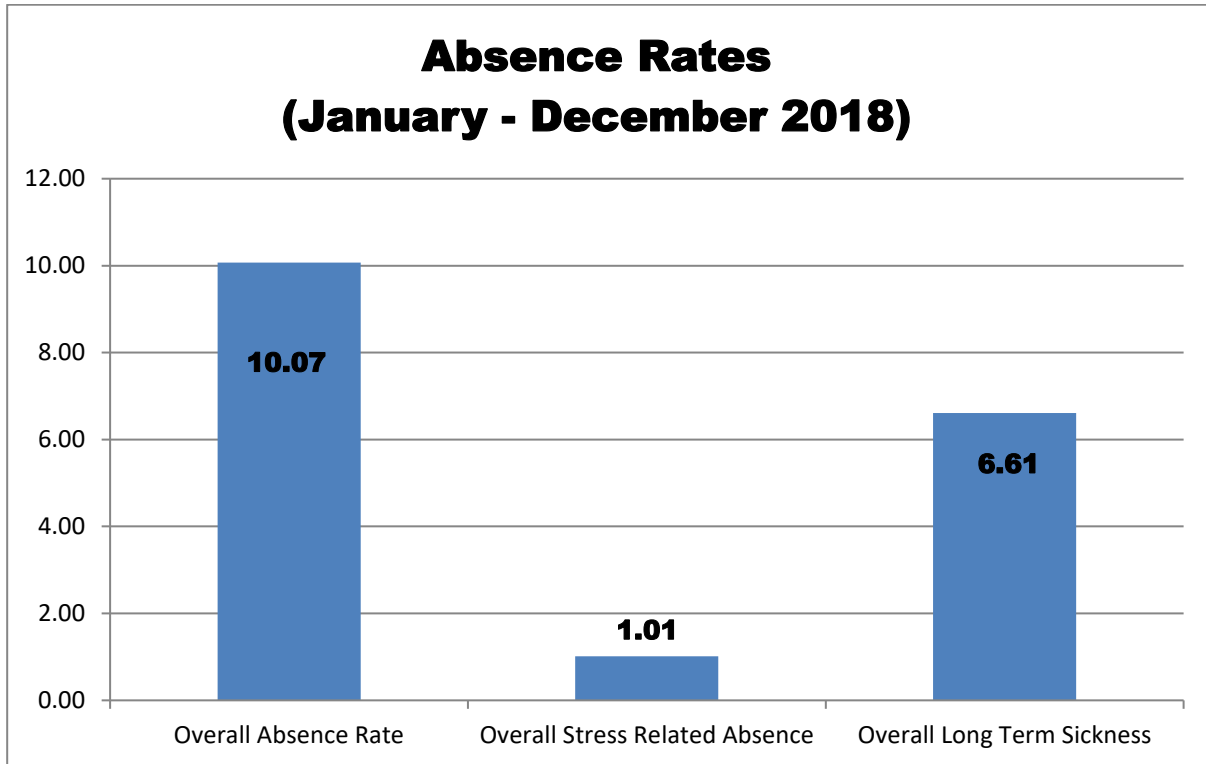
In carrying out its functions, Libraries NI has a statutory responsibility to have due regard to the need to promote equality of opportunity:

- 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.

Sickness Absence Data

Sickness absence is collated on a calendar year basis. In December 2018 the composite average Full Time Equivalent (FTE) days lost through sickness absence was 10.07 days (December 2017: 11.32 days), reducing to 9.22 days by March 2019. Long term sickness accounted for the majority of days lost.



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 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 (Audited Information)

Expenditure on consultancy during the year was £NIL (2017/18 £NIL).

Off-payroll Engagements (Audited Information)

No "off-payroll" engagements were entered into between 1 April 2018 and 31 March 2019.

Exit Packages (Audited Information)

	Number of compulsory redundancies 2018/19	Number of other departures agreed 2018/19	Total number of exit packages by cost band 2018/19	Total number of exit packages by cost band 2017/18
<£10,000	-	-	-	1
£10,001 - £25,000	-	1	1	3
£25,001 – £50,000	-	-	-	4
£50,001 - £100,000	-	-	-	1
£100,001 - £150,000	-	-	-	1
£150,001 - £200,000	-	-	-	-
Total number	-	1	1	10
Total resource cost £	-	17,333	17,333	384,790

Redundancy and other departure costs have been paid in accordance with the provisions of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations (NI) 2007, and the NILGOSC Compensation Scheme. Exit costs are accounted for in full in the year of departure.

One exit package was funded by the Public Sector Transformation Fund (PSTF). (2017/18: 10 exit packages were funded by the PSTF).

Flexible Retirements (Audited Information)

There were six flexible retirements supported during 2018/19, none of which incurred costs for early release of pension.

During 2018/19 six people (2017/18: five 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 above.

Assembly Accountability and Audit Report

Statement of Losses and Special Payments (Audited information)

	2018/19	2018/19	2017/18	2017/18
	No of Cases	£'000	No of Cases	£'000
Claims abandoned	9,186	35	9,569	35
Stores losses	81,411	134	123,583	248
Total	90,597	169	133,152	283

Stores losses relate to 66,512 items of stock which were borrowed and due for return between October 2017 and September 2018, but had not been returned by year end (£113,683), and 14,899 items which were identified as being lost or missing during catalogue tidy exercises across all branches (£20,283).

Claims abandoned relate to unpaid borrower charges which are abandoned after two years.

Special Payments (Audited Information)

	2018/19	2018/19	2017/18	2017/18
	No of Cases	£'000	No of Cases	£'000
Compensation Payments	3	94	4	89

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 remains under review.

Court of Appeal judgment on backdated PSNI Holiday Pay: On 17th June 2019 the Court of Appeal ruled in respect of Northern Ireland Industrial Tribunal's November 2018 decision on cases taken against the PSNI on backdated Holiday Pay. It is recognised that the final detail remains to be determined by the Industrial Tribunal who will be guided by the Court of Appeal's Judgement. This is an extremely rare and complex case with a significant number of issues that still need to be resolved, including further legal advice with regards to the Judgement; the scope; timescales; process of appeals and engagement with Trade Unions. The legal issues arising from this judgement and the implications for the Northern Ireland Civil Service (NICS) and wider public sector will need further consideration. The Department of Finance (DoF) is leading a piece of work across the NICS, reviewing the implications for each of the major staffing groups across the public sector. Until there is further clarity when this work has concluded, and based on the inherent uncertainties in the final decision that

will be made, a reliable estimate cannot be provided at this stage.

Compliance with Regularity of Expenditure Guidance (Audited)

Libraries NI's Business Plan targets for 2018/19 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, which sets out, inter-alia, appropriate delegations of authority on spend and also takes cognizance of other relevant guidance.

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.

Procurement in Libraries NI is conducted within a framework of legislation and guidance from Europe, the UK and the NI Executive. All procurement activity is supported by a Centre of Procurement Expertise (CoPE) and all significant procurement activity is facilitated by a CoPE. Procurement activity is subject to regular review, and is reported to the Board.

I am not aware of any irregularities or variances in relation to expenditure guidance.



Jim O'Hagan
Chief Executive

Date: 17 October 2019

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 2019 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. These financial statements have been prepared under the accounting policies set out within them. 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 2019 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) 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 2016, 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.

Other Information

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

In connection with my audit of the financial statements, 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, 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:

- 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.

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 and for being satisfied that they give a true and fair view.

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 evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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.

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. 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.

Matters on which I report by exception

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 Report⁵ to be audited are not in agreement with the accounting records; 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.

Report

I have no observations to make on these financial statements.

A handwritten signature in black ink that reads "K J Donnelly". The signature is written in a cursive style with a long, sweeping underline.

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

29th October 2019

Statement of Comprehensive Net Expenditure for the year ended 31 March 2019

	Note	2018/19 £'000	2017/18 £'000
Income			
Revenue from Contracts with Customers		(5)	(4)
Other Operating Income	4	<u>(816)</u>	<u>(857)</u>
Total Operating Income		<u>(821)</u>	<u>(861)</u>
Expenditure			
Staff Costs		16,602	16,342
Purchase of Goods and Services		12,279	13,392
Depreciation/Amortisation/Impairment		5,259	4,456
Provision expense		181	34
Other Operating Costs		<u>7,050</u>	<u>3,590</u>
Total Operating Expenditure	3	<u>41,371</u>	<u>37,814</u>
Net Operating Expenditure		<u>40,550</u>	<u>36,953</u>
Finance Expense	5	151	155
Net Expenditure for the year		<u>40,701</u>	<u>37,108</u>
Other Comprehensive Net Expenditure			
Items that will not be reclassified to net operating costs:			
Net (gain) on revaluation of property, plant and equipment	9.1	(2,328)	(6,285)
Net (gain) on revaluation of intangible assets	9.2	(9)	(4)
Net (gain) on revaluation of Heritage Assets	9.3	(114)	(997)
Net actuarial (gain) on pension scheme assets and liabilities	19.3	<u>(3,004)</u>	<u>(2,219)</u>
Comprehensive Net Expenditure for the year		<u>35,246</u>	<u>27,603</u>

All amounts above relate to continuing activities.

The notes on pages 83 to 110 form part of these accounts.

Statement of Financial Position as at 31 March 2019

	Note	2019 £'000	2018 £'000
Non-current assets			
Property, plant and equipment	6	104,648	103,911
Intangible assets	7	370	140
Heritage assets	10	10,058	9,944
Financial Assets	11	1,290	1,350
Total non-current assets		116,366	115,345
Current assets			
Trade and other receivables	11	1,018	799
Cash and cash equivalents	12	1,447	631
Total current assets		2,465	1,430
Total assets		118,831	116,775
Current Liabilities			
Trade and other payables	13	(4,204)	(3,236)
Provisions	14	(80)	(21)
Total current liabilities		(4,284)	(3,257)
Total assets less current liabilities		114,547	113,518
Non-current liabilities			
Provisions	14	(77)	(71)
Pension liabilities	19	(81,318)	(77,262)
Other liabilities	13	(3,381)	(3,476)
Total non-current liabilities		(84,776)	(80,809)
Total assets less total liabilities		29,771	32,709
Taxpayers' equity and other reserves			
General reserve		52,807	52,330
Pension reserve		(81,318)	(77,262)
Revaluation reserve		48,224	47,697
Heritage assets reserve		10,058	9,944
		29,771	32,709

The Financial Statements on pages 79 to 110 were approved by the Board on 17 October 2019 and were signed on its behalf by:



Accounting Officer:

Date: 17 October 2019

The notes on pages 83 to 110 form part of these accounts.

Statement of Cash Flows for the year ended 31 March 2019

	Note	2019/20 £'000	2018/19 £'000
Cash flows from operating activities			
Net operating cost		(40,701)	(37,108)
Adjustments for non-cash transactions	3	7,733	3,733
Finance expense	5	151	155
Depreciation/Amortisation	6/7	4,757	4,347
Decrease / (Increase) in trade and other receivables	11	(159)	200
Increase (Decrease) in trade and other payables	13	372	(419)
Use of Provisions	14	(116)	(89)
Net cash outflow from operating activities		<u>(27,963)</u>	<u>(29,181)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(3,005)	(2,110)
Purchase of intangible assets	7	(311)	-
Interest on PFI	5	(73)	(77)
Proceeds of disposal of property, plant and equipment		61	31
Net cash outflow from investing activities		<u>(3,328)</u>	<u>(2,156)</u>
Cash flows from financing activities			
Grants from sponsoring department		32,278	31,795
Capital element of payments in respect of finance leases and on-SoFP PFI contracts	16/17	(93)	(105)
Interest on finance leases	5	(78)	(78)
Net financing		<u>32,107</u>	<u>31,612</u>
Net increase / (decrease) in cash and cash equivalents in the period		<u>816</u>	<u>275</u>
Cash and cash equivalents at the beginning of the period	12	<u>631</u>	<u>356</u>
Cash and cash equivalents at the end of the period	12	<u>1,447</u>	<u>631</u>

The notes on pages 83 to 110 form part of these accounts.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2019

	Note	General Reserve	Pension Reserve	Revaluation Reserve	Heritage Assets Reserve	Total Reserves
		£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2017						
Changes in taxpayers' equity 2017/18		52,468	(75,908)	42,980	8,947	28,487
Grants from Sponsoring Department		31,795				31,795
Comprehensive Net Expenditure for the year		(37,108)	2,219	-	-	(34,889)
Transfers between reserves	19.2/19.5	3,573	(3,573)	-	-	-
Revaluation gains		-		6,289	997	7,286
Realised element of revaluation reserve		1,572	-	(1,572)	-	-
Auditors Remuneration – notional	3	30	-	-	-	30
Balance at 31 March 2018		52,330	(77,262)	47,697	9,944	32,709
Opening balance at 1 April 2018		52,330	(77,262)	47,697	9,944	32,709
Changes in taxpayers' equity 2018/19						
Grants from Sponsoring Department		32,278				32,278
Comprehensive Net Expenditure for the year		(40,701)	3,004			(37,697)
Transfers between reserves	19.2/19.5	7,060	(7,060)			-
Revaluation gains				2,337	114	2,451
Realised element of revaluation reserve		1,810		(1,810)		-
Auditors Remuneration – notional	3	30				
Balance at 31 March 2019		52,807	(81,318)	48,224	10,058	29,771

The notes on pages 83 to 110 form part of these accounts.

Notes to the Accounts

1. Statement of Accounting Policies

These financial statements are prepared in accordance with the 2018/19 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 and fines 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 entity or 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 reclassified 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 revalued and the asset is reclassified at valuation. 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.

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

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.

<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	10 Years
	Vans/Cars	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 the Retail Price 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. Useful economic lives are generally set as follows:

<u>Asset Class</u>	<u>Asset Sub-Class</u>	<u>Asset Life</u>
Intangible Assets	Software Licences	5 years

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 5 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, additional costs 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 2019

Libraries NI has reviewed the standards, interpretations and amendments to published standards that became effective during 2018/19 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 2019, and which Libraries NI has not adopted early for these accounts.

IFRS 16 Leases will become effective from April 2020. 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.

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 Costs

	Note	2018/19 £'000	2017/18 £'000
Staff Costs:			
Wages and salaries		13,145	12,724
Social Security Costs		914	884
Pension Costs		2,358	2,176
Other Staff Costs		185	558
Premises, fixed plant and grounds		4,475	4,149
PFI Service charges		309	316
Library lending stock		2,397	3,905
Supplies and Services		4,422	4,315
Other employee expenses		253	264
Transport		189	198
Rentals under operating leases: Buildings		234	245
Non-cash items:			
Depreciation		4,667	4,259
Amortisation		90	88
Loss on disposal of property, plant and equipment		(40)	(13)
Pension fund costs		7,060	3,573
Impairment / (Reversal of impairment) of property, plant and equipment	9	502	109
Provisions provided for in year	14	181	34
Auditors' remuneration – notional		30	30
		41,371	37,814

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.

4. Other Operating Income

	2018/19 £'000	2017/18 £'000
Fees and charges	390	395
Sale of goods and services	372	401
Grant Income	50	55
Other income	4	6
	<u>816</u>	<u>857</u>

5. Finance Expense

	2018/19 £'000	2017/18 £'000
Finance leases	78	78
PFI	73	77
	<u>151</u>	<u>155</u>

6. Property, Plant and Equipment 2018/19

	Land	Buildings	Vehicles	Computers	Plant & Equipment	Assets in Course of Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation							
At 1 April 2018	14,120	87,980	2,054	9,591	2,987	763	117,495
Additions	-	3,025	199	207	8	160	3,599
Disposals	-	-	(61)	-	(7)	-	(68)
Net (Impairment)/ Reversal	-	(506)	28	-	-	-	(478)
Revaluations	(6)	2,444	22	229	31	-	2,720
Reclassifications	-	757	-	-	-	(757)	-
At 31 March 2019	14,114	93,700	2,242	10,027	3,019	166	123,268
Depreciation							
At 1 April 2018	-	3,051	877	7,570	2,086	-	13,584
Charged in year	-	3,222	322	859	264	-	4,667
Disposals	-	-	(40)	-	(7)	-	(47)
Net Impairment/ (Reversal)	-	8	16	-	-	-	24
Revaluations	-	164	8	198	22	-	392
Reclassifications	-	-	-	-	-	-	-
At 31 March 2019	-	6,445	1,183	8,627	2,365	-	18,620
Carrying amount at 31 March 2019	14,114	87,225	1,059	1,400	654	166	104,648
Carrying amount at 31 March 2018	14,120	84,929	1,177	2,021	901	763	103,911

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	13,225	83,678	1,059	1,400	654	166	100,182
Finance Leased	522	-	-	-	-	-	522
On- SoFP PFI contracts	367	3,577	-	-	-	-	3,944
Carrying amount at 31 March 2019	14,114	87,255	1,059	1,400	654	166	104,648

Valuations of land and buildings in use were indexed using indices supplied by Land and Property Services (LPS), with the exception of one property. This property had been fully refurbished during the year and was revalued by LPS on completion.

17 properties have intrinsic links to adjoining facilities either through the sharing of common mechanical systems, access routes or building elements. The carrying amount includes £6,927k (2017/18: £6,778k) in respect of such properties.

One property is identified as surplus (2017/18: 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 2019 by LPS, at fair value. The carrying amount is £30k (2017/18: £30k).

6. Property, Plant and Equipment (continued) 2017/18

	Land	Buildings	Vehicles	Computers	Plant & Equipment	Assets in course of construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation at 1 April 2017	13,357	80,704	1,824	9,027	2,971	1,040	108,923
Additions	-	492	239	265	-	1,234	2,230
Disposals	-	-	(20)	-	(11)	-	(31)
Net (Impairment)/ Reversal	306	(530)	24	-	(9)	-	(209)
Revaluations	457	5,883	(93)	299	36	-	6,582
Reclassifications	-	1,431	80	-	-	(1,511)	-
At 31 March 2018	14,120	87,980	2,054	9,591	2,987	763	117,495
Depreciation at 1 April 2017	-	-	812	6,498	1,831	-	9,141
Charged in year	-	2,944	239	832	244	-	4,259
Disposals	-	-	(9)	-	(4)	-	(13)
Net Impairment/ (Reversal)	-	(84)	(8)	-	(8)	-	(100)
Revaluations	-	191	(157)	240	23	-	297
Reclassifications	-	-	-	-	-	-	-
At 31 March 2018	-	3,051	877	7,570	2,086	-	13,584
Carrying amount at 31 March 2018	14,120	84,929	1,177	2,021	901	763	103,911
Carrying amount at 31 March 2017	13,357	80,704	1,012	2,529	1,140	1,040	99,782

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	13,231	81,371	1,177	2,021	901	763	99,464
Finance Leased	522	-	-	-	-	-	522
On-SoFP PFI contracts	367	3,558	-	-	-	-	3,925
Carrying amount at 31 March 2018	14,120	84,929	1,177	2,021	901	763	103,911

7. Intangible Assets

Software Licences

	£'000
Cost or valuation at 1 April 2018	857
Additions	311
Disposals	-
Impairments	-
Revaluations	28
Reclassifications	-
At 31 March 2019	<u>1,196</u>
Amortisation at 1 April 2018	717
Charged in year	90
Disposals	-
Revaluations	19
At 31 March 2019	<u>826</u>
Carrying amount at 31 March 2019	<u>370</u>
Carrying amount at 31 March 2018	<u>140</u>
Asset Financing:	
Owned	<u>370</u>
Carrying amount at 31 March 2019	<u>370</u>
Cost or valuation at 1 April 2017	830
Additions	-
Disposals	-
Impairments	-
Revaluations	27
Reclassifications	-
At 31 March 2018	<u>857</u>
Amortisation at 1 April 2017	606
Charged in year	88
Disposals	-
Revaluations	23
At 31 March 2018	<u>717</u>
Carrying amount at 31 March 2018	<u>140</u>
Carrying amount at 31 March 2017	<u>224</u>
Asset Financing:	
Owned	<u>140</u>
Carrying amount at 31 March 2018	<u>140</u>

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

	2018/19 £'000	2017/18 £'000
Charged/(Credited) to the SoCNE	502	109
(Credited) to Revaluation Reserve	<u>(2,328)</u>	<u>(6,285)</u>
	<u>(1,826)</u>	<u>(6,176)</u>

9.2 Intangible Assets

	2018/19 £'000	2017/18 £'000
(Credited) to Revaluation Reserve	<u>(9)</u>	<u>(4)</u>
	<u>(9)</u>	<u>(4)</u>

9.3 Heritage Assets

	2018/19 £'000	2017/18 £'000
(Credited) to the Heritage Assets Reserve	<u>(114)</u>	<u>(997)</u>
	<u>(114)</u>	<u>(997)</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

	Stock Assets	Other Non-Operational Assets	Total
	£'000	£'000	£'000
Cost or valuation			
Opening balance at 1 April 2018	9,899	45	9,944
Additions	-	-	-
Losses	-	-	-
Revaluations	114	-	114
Closing balance at 31 March 2019	<u>10,013</u>	<u>45</u>	<u>10,058</u>

	Stock Assets	Other Non-Operational Assets	Total
	£'000	£'000	£'000
Cost or valuation			
Opening balance at 1 April 2017	8,912	35	8,947
Additions	-	9	9
Losses	(5)	-	(5)
Revaluations	992	1	993
Closing balance at 31 March 2018	<u>9,899</u>	<u>45</u>	<u>9,944</u>

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 2019 the Bigger Collection held in Belfast Central Library and collections in Omagh and Enniskillen were valued by Éamon de Búrca, ABA ILAB PBFA FABS IADA FSRAI.

Heritage Stock Assets are covered by the Libraries NI Heritage Policy 2017-2020 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

	2018/19 £'000	2017/18 £'000
Amounts falling due within one year:		
VAT	650	539
Trade receivables	220	139
Other receivables	14	1
Prepayments and accrued income	44	30
Current part of PFI prepayment	90	90
	<u>1,018</u>	<u>799</u>
Amounts falling after more than one year:		
PFI Prepayment	1,290	1,350
Total	<u>2,308</u>	<u>2,149</u>

12. Cash and Cash Equivalents

	2018/19 £'000	2017/18 £'000
Balance at 1 April	631	356
Net change in cash and cash equivalent balances	816	275
Balance at 31 March	<u>1,447</u>	<u>631</u>
Balances held in commercial banks and cash in hand	<u>1,447</u>	<u>631</u>

This balance includes £12,030 which relates to third party monies held in a trust fund administered by Libraries NI. An equivalent liability is included within Deferred Income.

13. Trade Payables and Other Current Liabilities

	2018/19 £'000	2017/18 £'000
Amounts falling due within one year:		
Other taxation and social security	215	216
Trade payables	1,532	1,351
Other payables	63	9
Accruals and deferred income	2,299	1,567
Current part of finance leases	(38)	(38)
Current part of imputed finance lease element of on-SoFP PFI Contracts	133	131
	<u>4,204</u>	<u>3,236</u>
Amounts falling due after more than one year:		
Finance leases	1,050	1,012
Imputed finance lease element of on-SoFP PFI Contracts	2,331	2,464
	<u>3,381</u>	<u>3,476</u>
Total	<u><u>7,585</u></u>	<u><u>6,712</u></u>

14. Provisions for Liabilities and Charges

	Employer & Public Liability Claims £'000
At 1 April 2018	92
Provided in the year	195
Provisions not required written back	(14)
Provisions utilised in the year	<u>(116)</u>
At 31 March 2019	<u><u>157</u></u>

Analysis of expected timing of cash flows

Not later than one year	80
Later than one year and not later than five years	77
Later than five years	<u>-</u>
At 31 March 2019	<u><u>157</u></u>
At 1 April 2017	147
Provided in the year	72
Provisions not required written back	(38)
Provisions utilised in the year	<u>(89)</u>
At 31 March 2018	<u><u>92</u></u>

Analysis of expected timing of cash flows

Not later than one year	21
Later than one year and not later than five years	71
Later than five years	-
At 31 March 2018	92

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

	2018/19 £'000	2017/18 £'000
Contracted capital commitments at 31 March 2019 not otherwise included in these financial statements		
Buildings	424	1,666
Vehicles	99	-
Computers	-	2
	523	1,668

16. Commitments Under Leases

16.1 Operating Leases

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

	2018/19 £'000	2017/18 £'000
Obligations under operating leases comprise:		
Land		
Not later than one year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-
	<u>-</u>	<u>-</u>
Buildings		
Not later than one year	204	217
Later than one year and not later than five years	419	570
Later than five years	230	340
	<u>853</u>	<u>1,127</u>
Other		
Not later than one year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-
	<u>-</u>	<u>-</u>
	<u>853</u>	<u>1,127</u>

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:

	2018/19 £'000	2017/18 £'000
Land		
Not later than one year	40	40
Later than one year and not later than five years	160	160
Later than five years	38,200	38,240
	<u>38,400</u>	<u>38,440</u>
Less interest element	<u>(37,733)</u>	<u>(37,773)</u>
	<u>667</u>	<u>667</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 5 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.

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

	2018/19 £'000	2017/18 £'000
Rentals due within one year	202	204
Rentals due later than one year and not later than five years	979	927
Rentals due later than five years	1,768	2,022
	<u>2,949</u>	<u>3,153</u>
Less interest element	(453)	(432)
Present value of obligations	<u><u>2,496</u></u>	<u><u>2,721</u></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 £3,929,000 (2017/18: £3,835,000) and the payments to which Libraries NI is committed is as follows:

	2018/19 £'000	2017/18 £'000
Not later than one year	4,010	3,842
Later than one year and not later than five years	1,275	4,733
Later than five years	<u>2,167</u>	<u>2,999</u>
	<u>7,452</u>	<u>11,574</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 2016 and as part of the valuation a new Rates and Adjustment Certificate was produced for the three-year period from 1 April 2017.

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.

The valuation of the fund for the purpose of setting employer’s 18/19 contributions was at 31 March 2016. 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. The principal assumptions used by the actuary in updating the latest valuation of the Fund for IAS19 purposes were:

19.1 Assumptions

	At 31 March 2019	At 31 March 2018
Rate of increase in salaries	3.7%	3.6%
Rate of increase in pensions	2.2%	2.1%
Discount rate	2.4%	2.6%
Inflation assumption RPI	3.3%	3.2%
Inflation assumption CPI	2.2%	2.1%

The market values of assets in the scheme were:

	31 March 2019	31 March 2018
	£'000	£'000
Equities	76,657	85,517
Government Bonds	21,258	6,228
Corporate Bonds	9,019	8,624
Property	14,430	11,977
Cash	3,479	5,390
Other	3,994	2,036
Total	128,837	119,772
Present value of funded liabilities	(207,483)	(194,271)
Present value of unfunded liabilities	(2,672)	(2,763)
Net pension asset/(liability)	(81,318)	(77,262)

The Fund’s objective of holding sufficient assets to meet the estimated current cost of providing members’ past service benefits was not met at the last valuation date. The funding level was 96% at March 2016 (91% in March 2013). Following consultation on the Funding Strategy in 2016, the scheme trustees decided that the Employers’ contributions for the three years 2017/18 to 2019/20 would be composed of two elements - a future service rate, and Deficit Recovery Contributions (DRC) payable over a 20 year period. For Libraries NI the DRC was set at £204k for each of the three years, and the future service rate at 18% for 2017/18, 19% for 2018/19 and 20% for 2019/20.

During 2018/19 Libraries NI paid employer pension contributions of £2,358k and £167k in respect of unfunded pensions.

19.2 Amount charged to Comprehensive Net Expenditure

	2018/19	2017/18
	£'000	£'000
Current Service cost*	4,158	4,021
Past Service cost**	<u>3,544</u>	<u>259</u>
Total operating cost	<u>7,702</u>	<u>4,280</u>
Financing Cost		
Interest on net defined benefit liability	<u>1,975</u>	<u>1,865</u>
Expense recognised in SoCNE	<u>9,677</u>	<u>6,145</u>

19.3 Remeasurements in Other Comprehensive Expenditure (OCE)

	2018/19	2017/18
	£'000	£'000
Actuarial (gain) on plan assets	(5,427)	(3,098)
Actuarial losses on liabilities during the period	<u>2,423</u>	<u>879</u>
Net (gain)/loss recognised in OCE	<u>(3,004)</u>	<u>(2,219)</u>
Total amount recognised in SOCNE and OCE	<u>6,673</u>	<u>3,926</u>

* The Current Service cost includes an allowance for the administration expenses of £0.045m for 2018/19 (£0.044m for 2017/18).

** The Past Service Cost in 2018/19 includes a provision to recognise two factors – the potential uplift in benefits for members who may have been discriminated against on the grounds of age, following the decision in the Court of Appeal in the McCloud Sergeant case, and the impact of recent decisions on Guaranteed Minimum Pension (GMP) indexation and equalisation. The provision has been calculated by the scheme actuary on a worst case scenario assumption. The judgement may also impact on Current Service costs from 1 April 2019 but this has not been estimated and is not reflected in these accounts.

19.4 Reconciliation of Defined Benefit Obligation

	2018/19	2017/18
	£'000	£'000
Opening Defined Benefit Obligation	197,034	189,202
Current Service Cost	4,158	4,021
Interest on pension scheme liabilities	5,096	4,705
Contributions by members	697	684
Actuarial losses on liabilities	2,423	879
Past Service Costs (incl. curtailments)	3,544	259
Unfunded benefit paid	(146)	(143)
Benefit paid	<u>(2,651)</u>	<u>(2,573)</u>
Closing Defined Benefit Obligation	<u>210,155</u>	<u>197,034</u>

19.5 Reconciliation of fair value of employer assets

	2018/19 £'000	2017/18 £'000
Opening fair value of employer assets	119,772	113,294
Interest income on assets	3,121	2,840
Re-measurement gains/(losses) on assets	5,427	3,098
Contributions by members	697	684
Contributions by the employer	2,617	2,572
Unfunded benefits paid	(146)	(143)
Benefits Paid	<u>(2,651)</u>	<u>(2,573)</u>
Closing fair value of employer assets	<u>128,837</u>	<u>119,772</u>
Net Deficit at year end	<u>(81,318)</u>	<u>(77,262)</u>

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 2019 are set out below.

	Change in assumption	Impact on Employer Liabilities	Impact on Projected Service Cost
Discount rate	Decrease by 0.1% pa Increase by 0.1%	Increase by 1.8% Decrease by 1.8%	Increase by 2.7% Decrease by 2.6%
Pension Increase	Decrease by 0.1% pa Increase by 0.1%	Decrease by 1.4% Increase by 1.4%	Decrease by 2.6% Increase by 2.7%
Rate of salaries growth	Decrease by 0.1% pa Increase by 0.1% pa	Decrease by 0.4% Increase by 0.4%	Decrease by 0.0% Increase by 0.0%
Post retirement mortality	Decrease in life expectancy of 1 year Increase life expectancy of 1 year	Increase by 3.2% Decrease by 3.2%	Increase by 3.7% Decrease by 3.7%

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

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 below:

	Males	Females
Future lifetime from age 65 (aged 65 at accounting date)	22.6	24.9
Future lifetime from age 65 (aged 45 at accounting date)	24.3	26.7

20. Contingent Liabilities

Potential age discrimination: In December 2018 the Courts found that the transition protection arrangements put in place for firefighters' and judges' pension schemes were age discriminatory. The ruling has potential implications for all public sector schemes which were reformed at the same time, and could lead to members who were discriminated against being compensated. The impact on Libraries NI's accounts will depend on the remedy chosen to compensate members, Libraries NI's membership profile and the assumptions used to report pension costs. These accounts include a provision for past service costs, but not for current service costs.

It is not yet known what impact this will have on future employer contributions to the Fund. Employer contributions are set based on the result of regular local valuations, and the valuation as at 31 March 2019 will become available during 2019/20 which may result in an increase or decrease to the Fund. Where an additional liability arises in the Fund in relation to past service this may result in increased employer contribution rates in future. Employer contributions may also be impacted by the outcome of the Cost Management process currently being undertaken by Treasury.

Guaranteed Minimum Pension (GMP): On 6 April 2016 the Government introduced the new State Pension. As a consequence the mechanism which previously provided fully indexed pensions to public servants ceased to apply in relation to the Guaranteed Minimum Pension (GMP) element. On 1 March 2016 HM Treasury introduced an interim solution to the indexation of GMPs in public service pension schemes, including the Local Government Pension Scheme. The results of the 2016 valuation allowed for the implications of this interim arrangement. These accounts include a further provision for GMP Indexation and Equalisation, taking into account interim arrangements put in place to cover individuals reaching State Pension Age on or before 5 April 2021.

Court of Appeal judgement on holiday pay: On 17 June 2019 the Court of Appeal ruled in respect of the Northern Ireland Industrial Tribunal's decision on cases taken against the PSNI in relation to backdated holiday pay. It is recognized that the final detail remains to be determined by the Industrial Tribunal who will be guided by the Court of Appeal's judgement. This is a complex case and the implications for the wider public sector will need further consideration. Until there is further clarity around the issues, a reliable estimate cannot be provided at this stage.

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 2018/19 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, 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, for which it charged a fee.

Libraries NI has had a number of material transactions with other government bodies during 2018/19. 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

Date of authorisation for issue

The Accounting Officer authorised these financial statements for issue on 29 October 2019.