

Libraries NI

Annual Report And Accounts 2016/17

Libraries NI

The Northern Ireland Library Authority

Annual Report and Accounts For the year ended 31 March 2017

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Foreword

I am pleased to present this Annual Report and Accounts for the year 2016/17. 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 to deliver services 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 £27,757,000 was £1,678,000 less than the initial allocation in 2015/16.

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 set a target of delivering at least two activities that targeted a local area or a group at risk of social exclusion. Overall, there were 5,417 such activities in libraries, with 58,964 participants. Action plans were developed and implemented in relation to specific customer groups at risk of social exclusion, including refugees, people affected by dementia, the homeless, and people affected by autism.

In 2016/17 a total of 413,076 participants (173,064 adults and 240,012 children) engaged in 29,196 core and regular activity sessions during the year. This represents a **21% increase in participation and a 29% increase in the number of activity sessions** since 2015/16. These included activities for children such as class visits and Rhythm and Rhyme sessions, and activities for adults such as Reading Groups, GOT IT, Creative Writing, Knit and Natter, and Tea and Newspapers.

Libraries NI signed a new partnership with BBC NI that created opportunities to reach new audiences. BookweekNI was the first collaborative event, in November 2016. During the week there were more than 30 radio and television features focusing on reading and libraries, many of them based around library events. During the week, Libraries NI and the BBC launched the Stephen Nolan 'Biggest Book Club in the Country', featuring a promoted read each month, which is discussed on-air by Stephen and a guest at the end of the month. This has proved to be a very successful initiative, with many of the featured books appearing high in Libraries NI's lists of most borrowed item in both book and eBook formats.

Libraries NI continued to play a key role in the Decade of Commemorations. Significant anniversaries that featured prominently in our Heritage programming included women's suffrage, the Easter Rising, and the First World War centenaries of the Battle of the Somme and the Battle of Jutland, all of which were marked with talks and exhibitions. Together with a range of events celebrating Irish and

Ulster Scots, this programming contributed to the activities in Libraries NI that recognised and reflected our cultural diversity and shared history.

'The Library Men of World War One', a digitised collection of letters to the Chief Librarians written by the staff of Belfast Public Libraries involved in World War One, was officially launched in June 2016 by the Minister for Communities.

Libraries NI began the year with a partnership with Dublin City Libraries, 'Two Cities One Book', a reading initiative aimed at encouraging readers in both Dublin and Belfast to read the same book. This was 'Fallen' by Irish writer Lia Mills, which offered an opportunity to explore the cultural, political and social history of Ireland at the time of the Easter Rising and the Battle of the Somme.

Aside from these standout achievements, it is important to recognise also the tremendous work that is carried out by staff across the service on a daily basis, and against a backdrop of pervasive uncertainty, which is set out in some more detail in the 'Performance Report: Analysis' section. All staff are to be commended for their continued commitment, professionalism and consistently high levels of achievement.

I am ever conscious that the success of our service to our communities depends also on the continued support and co-operation of our many partner organisations within the public, community, voluntary and trade union sectors. In particular, I wish to thank the Minister (when we had one) and Departmental officials, as well as the recognised Trade Unions, whose co-operation was vital in enabling the Authority to operate so successfully, in such a difficult environment, during the year under review.

The principal staffing issue of the year under review was the retirement at the end of February 2017 of Irene Knox, who had led the organisation with great distinction since its inception. The Library Authority was blest to have Irene at the helm through a period of development, diversification, and consolidation, and her wonderful combination of lively imagination and calm authority will be sorely missed. Earlier in the year, the estimable Terry Heron retired from his post of Director of Business Support.

Finally, I would once more like to record my gratitude to my fellow Board Members for their continued support and their dedication to the public library service. One Board Member, Jenny Palmer, resigned during the year, following her election as an MLA, and I wish her every success in the future.



Professor Bernard Cullen
Chairperson

Date: 12 October 2017

Performance Report: Overview

Chief Executive's Statement

The financial year 2016/17 was challenging, not least because of the continuing reduction in budgets. The initial budget allocation for the year of £27,757,000 was £1,678,000 less than the initial allocation in 2015/16. Savings Delivery Plans were developed in relation to reduced expenditure on stock, reduced planned and response maintenance, miscellaneous savings and a reduction in opening hours in the 14 largest libraries from October 2016.

In August 2016 an additional funding allocation of £225,000 was received to avoid the planned reduction in opening hours; the consultation on this issue attracted more than 9,000 responses, indicating the importance that individuals and communities attach to access to local library services. The financial situation eased further later part in the year, with successful bids for additional funding for stock.

In 2016/17 recurrent net expenditure was £29,385,000 after subtracting non-cash expenditure and other expenditure not scoring against budget from net expenditure after interest of £37,298,000. The allocated budget was £29,500,000. Capital expenditure was £1,558,000 within an allocated budget of £1,602,000.

The limited capital allocation allowed restoration and maintenance work on the historic Castlewellan Library to be completed and work to commence on the redevelopment and extension of Lisburn Road Library, together with a small number of other minor works projects. The absence of longer term capital funding makes planning difficult, but work has continued during the year to develop and gain approval for business cases for a number of projects.

The implementation of 14 voluntary redundancies in-year contributed to the required savings in 2016/17 and will deliver full year salary savings in 2017/18 and subsequent years. Because of budget pressures, Libraries NI has implemented a voluntary redundancy programme each year since it was established in 2009, leading to a significant loss of staff knowledge and expertise and resulting in lean staffing levels in parts of the organization. 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 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 2016/17 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 five key service priorities (Children and Young People's Services, Culture and Creative Development, Heritage, Information and Learning and Reading and Reader Development) and, in doing so, contribute also to the delivery of wider government priorities, including education and learning, health and wellbeing, employability and community cohesion.

As part of Libraries NI's work to address social exclusion all branch libraries were set a target of delivering at least two activities which targeted a local area or group at risk of social exclusion. Many libraries exceeded this target. Overall there were 5,417 activities in libraries with 58,964 participants. Action plans were developed and implemented in relation to customer groups at risk of social exclusion including refugees, people affected by dementia, the homeless and people affected by autism.

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 the most popular programme, 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 developed further. Class visits aimed at pupils in Year 4 and Year 6 complement the Northern Ireland Curriculum. Storytimes, reading groups and the annual Summer Reading Challenge which attracted 15,092 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 new Councils on identifying the long term objectives for their respective areas and on developing plans 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 2016/17 we spent £3.149 million on stock in a variety of formats across a range of genres and in many different languages, reflecting the multi-cultural background of library users. eBooks continue to grow in popularity as did the use of eMagazines.

This Annual Report has been prepared 12 months after the transfer of responsibility for Libraries NI from the former Department for Culture, Arts and Leisure (DCAL), which was dissolved as a result of the reduction in the number of government departments, to the new Department for Communities (DfC). Increasingly, opportunities are emerging for the public library service to make a significant contribution to the new Department as a local access point to many of the services being delivered both by it and other Departments, thus helping to facilitate joined-up

approaches to service delivery in all communities, particularly in the context of the draft Programme for Government. 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:

- secure 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 2016/17 was focused on five 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’s Services**

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 and Creative Development**

Libraries, as a recognised shared spaces and focal points in the community, are ideally placed to offer a comprehensive range of events and activities designed to broaden intellectual and emotional experiences and enhance the constructive use of leisure. Libraries provide inspiration and encouragement for new and aspiring writers, poets, artists and musicians and are places where all cultural traditions can be celebrated in welcoming environments.

- **Heritage and Digitisation**

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.

- **Information and Learning Services**

Libraries have a critical role to play in helping to promote greater equality of access to, and capability in using information, both in printed format and online.

Library staff have the skills to understand customer needs and help them to navigate through, and make sense of, the myriad of resources that are available, and the development of people's information literacy skills remains a key priority for the service.

Public libraries can complement formal education with an emphasis on reading for pleasure and developing information literacy skills. They provide a learning network that runs parallel with formal education but also extends far beyond it. They reinforce formal learning, but also offer an unthreatening environment where people with poor experiences of formal education can receive encouragement, advice and support to get back on the ladder of learning, raise their aspirations and improve their life chances.

- **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. Research also shows that reading and taking part in social reading activities such as reading groups has a beneficial effect on health and wellbeing.

Key Issues and Risks

The major risk to the achievement of objectives and targets during 2016/17 related to the level of and uncertainty about funding, as detailed below:

The financial year, 2016/17 was challenging, not least because of the continuing reduction in budgets. The initial budget allocation for the year of £27,757,000 was £1,678,000 less than the initial allocation in 2015/16. Savings Delivery Plans were developed in relation to reduced expenditure on stock, reduced planned and response maintenance, miscellaneous savings and a reduction in opening hours in the 14 largest libraries from October 2016.

In August 2016 an additional funding allocation of £225,000 was received in order to avoid the planned reduction in opening hours. The financial situation eased further to some extent in the latter part of the year, with successful bids for additional funding for stock.

A further risk related to the impact of successive rounds of voluntary severance, compounded by staffing changes at a Senior Management level.

Going Concern

Libraries NI was established by statute under the Libraries Act (NI) 2008, as an Executive Non-Departmental Public Body, sponsored by the then Department of Culture, Arts and Leisure (DCAL). As a result of a reduction in the number of government departments, the former DCAL ceased to exist with effect from 9 May 2016, and responsibility for Libraries NI transferred to the Department for Communities (DfC). Libraries NI received its core resource and capital funding from the former DCAL and DfC during 2016/17. 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

Target	Outcome
<p>Contribute to social and community wellbeing</p> <p>Maintain overall participation at 2015/16 levels.</p>	<p>Issues/renewals/eBooks (1.40 %)</p> <p>Active members 2.33%</p> <p>PAT use/WiFi (9.68%)</p> <p>Core programmes 11%</p> <p>Regular programmes 8%</p>
<p>Support literacy and promote a love of reading</p> <p>Rhythm and Rhyme in 90% of libraries.</p> <p>Class visits in 70% of libraries.</p> <p>900 adult reader group sessions.</p>	<p>Achieved</p> <p>97%</p> <p>92%</p> <p>1,368</p>
<p>Promote economic wellbeing</p> <p>All branch libraries will deliver one to one assistance/and or organised events to support digital inclusion.</p>	<p>Achieved</p> <p>100%</p> <p>6,142 instances of participation</p>
<p>Deliver high quality services</p> <p>Meet financial targets for resource and capital spend and minimise underspend.</p>	<p>Achieved</p> <p>Resource budget: £29,500,000</p> <p>Spend: £29,385,000 (0.4% underspend)</p> <p>Capital budget: £1,602,000</p> <p>Spend: £1,558,000 (2.7%.underspend)</p>

All Priority One Internal Audit recommendations implemented within four months of the agreed date.	Achieved.
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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 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 fourth Libraries NI Official Statistics publication, entitled *Participation in Core and Regular Library Activities in Northern Ireland 2015/16*, was released on 25 August 2016, showing a total of 342,092 participants (125,750 adults and 216,342 children) engaged in 22,622 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 10% increase in participation and an 11% increase in the number of activity sessions since 2014/15.

Official statistics relating to 2016/17 were published on 31 August 2017 and relevant information from these statistics is reflected in the Key Performance Indicators shown below. The statistics show that a total of 413,076 participants (173,064 adults and 240,012 children) engaged in 29,196 core and regular activity sessions during the year. This is a 21% increase in participation and a 29% increase in the number of activity sessions since 2015/16.

Further information is available in the Statistical Bulletin *Participation in Core and Regular Library Activities in Northern Ireland 2016/17* available on the Libraries NI website at [Participation in Core & Regular Library Activities in Northern Ireland 2016/17](#).

The statistics reported in the publication are produced from the Libraries NI Activity Database which is maintained by the statistician. Management information produced from the database is used to monitor progress against corporate objectives and

targets.

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 Maintain overall participation rates across the service at 2015/16 levels</p> <ul style="list-style-type: none"> • Issues/renewals/ebooks • Active members • PAT use/WIFI • Core Programmes i.e. Rhythm and Rhyme, Class Visits, Got IT Reading Groups, Storytimes 	<p style="text-align: right;">% change</p> <p style="text-align: right;">(1.40 %)</p> <p style="text-align: right;">2.33%</p> <p style="text-align: right;">(9.68%)</p> <p style="text-align: right;">11%</p>
<ul style="list-style-type: none"> • Regular Programmes i.e. Genealogy, Go On, Knit and Natter, Job Clubs, 	8%
<p>Mobile Library Services Maintain mobile library usage (as measured by loans/renewals) at 2015/16 levels:</p> <ul style="list-style-type: none"> • Issues/renewals 	<p>Achieved Percentage increase</p> <p style="text-align: right;">8.39%</p>
<p>Participation in Programmes <u>Rhythm and Rhyme</u></p> <ul style="list-style-type: none"> • 90% of libraries will deliver regular Rhythm and Rhyme sessions for pre-school children (at least 12 sessions per year) 	<p>Achieved</p> <p>Number of libraries: 93 (97%) Instances of participation 154,713</p>
<p><u>Class visits</u></p> <ul style="list-style-type: none"> • 70% of libraries will deliver a class visits programme for primary age children 	<p>Achieved</p> <p>Number of libraries: 88(92%) Instances of participation 34,524</p>

<u>Adult Reading</u> <ul style="list-style-type: none"> 900 adult reader group sessions delivered by March 2017 	Achieved Number of sessions: 1,368 Instances of participation: 10,751
<u>Got IT and Go On</u> <ul style="list-style-type: none"> All branch libraries will deliver one to one assistance and/or organised events to support digital inclusion (i.e. Got IT, Go On, Silver Surfers) 	Achieved Number of libraries: 96 (100%) Instances of participation: 6,142
<u>Health and wellbeing</u> <ul style="list-style-type: none"> 100 events that support health and wellbeing 	Achieved Number of events: 151 Instances of participation: 3,191
<u>Heritage</u> <ul style="list-style-type: none"> 300 events 	Number of events/activities: 824 Instances of participation: 11,766
Social media <ul style="list-style-type: none"> Increase social media presence by 10% 	Achieved Increase: 37.8%
Sickness Absence <ul style="list-style-type: none"> Reduce sickness absence by 4% compared to the 2015 calendar year 	Not achieved Composite average FTE days lost 9.82 (against target of 8.73 days)
Capital and Minor Works Programme <ul style="list-style-type: none"> Capital and minor works programmes will be implemented in accordance with agreed timetable and budget 	Achieved
e2 <ul style="list-style-type: none"> All e2 contract standards for 2016/17 met 	Not achieved. Performance generally good but some minor monthly credits did accrue (value £8,575)
Finance <ul style="list-style-type: none"> Annual net spend (resource and capital) within budget. Minimise underspend 	Resource budget: £29,500,000 Spend: £29,385,000 (0.4% underspend) Capital budget: £1,602,000 Spend: £1,558,000 (2.7% underspend)

<p>Audit Recommendations</p> <ul style="list-style-type: none"> • All Priority One Internal Audit recommendations addressed within four months of agreed implementation date 	<p>Achieved</p>
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Development and Performance

Social Inclusion

Libraries NI is committed to an inclusive approach to service delivery and improving access to services for all.

Libraries NI formally signed up to the Equality Commission Northern Ireland (ECNI)'s 'Every Customer Counts' initiative in February 2017. This aims to improve access to services for people with a disability across Northern Ireland, and encourages all service providers to make their services available to all customers on a fair and equitable basis.

This commitment followed a well-received presentation at an ECNI seminar at which Libraries NI showcased the range of activities that libraries offer, with a particular focus on services for people with disabilities. It gave a flavour of activities and services such as storytelling for children with autism, dementia-friendly libraries, assistive technology, partnership activities with the Royal National Institute for the Blind (RNIB) and the Macular Society, Visually Impaired Reading Groups and Reminiscence sessions.

As part of Libraries NI's work to address social exclusion all branch libraries were set a target of delivering at least two activities which targeted a local area or group at risk of social exclusion. Many libraries exceeded this target. Overall there were 5,417 activities in libraries with 58,964 participants.

Action plans were developed and implemented in relation to four customer groups at risk of social exclusion namely refugees, people affected by dementia, the homeless and people affected by autism.

Library Services in Rural Areas

The network of libraries, 29 of which are located in rural communities (i.e. settlements of less than 5,000 people) and the 16 mobile libraries continued to provide services to rural areas.

Libraries NI continued to work in partnership with DAERA to deliver an action plan arising from the agreed Memorandum of Understanding. This has led to major promotions of library services in rural areas and closer relationships with the Local

Rural Support Networks. Working with DAERA, initial steps were taken towards a pilot of the Out Of Hours Libraries approach in six rural libraries with a view to increasing access to broadband in rural areas. This project will be progressed in 2017/18. The Rural Needs Act (Northern Ireland) 2016 included Libraries NI in the schedule of bodies which must 'have due regard to rural needs'. Libraries NI was part of a working group which was consulted on training materials in relation to the Act.

Creativity Month March 2017

Libraries NI celebrated the seventh Creativity Month during March 2017 with a number of Creative Residencies and events for all ages including storytelling, creative writing and for the first time animation. The programme which was supported by funding from DfC aimed to stimulate creativity and celebrate cultural diversity.

Programming included photography, drama and animation workshops as well as local authors sharing their knowledge and experience with reading groups, creative writing groups and audiences. A range of free events in many libraries offered opportunities to access and explore the digital world using library resources.

BookWeekNI

Libraries NI signed a partnership with BBC NI which created opportunities to reach new audiences. BookweekNI in November 2016 was the first collaborative event. During the week there was over 30 radio and television features focusing on reading and libraries, many of which were based around library events. There were interviews with local and internationally acclaimed authors including Stuart Neville, Wilbur Smith, Martina Devlin and Jilly Cooper as well as feature items with Sheila Flanagan and Terence Blacker at library events. BBC reporters went along to a reading group in Donaghadee Library and to a school visit in Banbridge Library. The resulting reports demonstrated the role of libraries in giving every child the best possible start in life, helping to prevent social isolation and supporting community development. Towards the end of the week there were key features on eBooks and a discussion of Libraries NI's Go On programme supporting people with limited IT skills and helping to promote digital inclusion. The programmes were supported by regular customer voxpops on the radio. These highlighted the importance of libraries in the lives of individuals and local communities.

During the week Libraries NI and the BBC launched the Stephen Nolan 'Biggest Book Club in the Country', featuring a promoted read each month which is discussed by Stephen Nolan and a guest at the end of the month. This has proved to be a very successful initiative with many of the featured books appearing high in Libraries NI's lists of most borrowed book in both book and eBook formats.

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 and regular activities. Staff also gave talks to outside organisations 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 continued to be 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 once again worked in partnership with BookTrust to celebrate National Bookstart Week in June 2016. The theme was 'Under the Sea' and a launch event was held at the Belfast Harbour Commissioner's Office with an invited pre-school audience. Themed Rhythm and Rhyme sessions were held in 80 libraries during National Bookstart Week.

The Rub-a-Dub Hub website, which sits within the Libraries NI website, was regularly updated with tools, tips and fun activities to give parents and carers increased confidence as they support pre-school children with the early stages of reading and emotional development.

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 story times and children's reading groups and one off initiatives such as:

- 'Awesome Authors' when Libraries NI partnered with CBBC and BBC Learning for two action-packed days of events and live broadcasts in Finaghy Library
- celebrations such as the third Harry Potter Book Night and Roald Dahl's 100th birthday
- the 'Two Counties One Book' project which involved author Terence Blacker, Libraries NI, Kildare County Library and Arts Service and children, libraries and schools in the two areas
- the 'Pawesome Reading Challenge'. During July and August 2016, 15,092 children and adults participated in the annual Big Summer Read, which aims to keep children reading over the holidays to redress the reading 'dip' which can occur during the long summer break, as well as promoting reading as an enjoyable activity.

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. This consists of either a one-off or a set of three visits to the library, during which children are introduced to the range of stock available

including digital resources and are helped to develop information literacy skills. Book exchange and storytelling visits are available to other school classes.

Two new 'health' collections were purchased:

- a 'cancer collection' of books, available in six libraries, aims to provide information to young patients with a cancer diagnosis and support for their families and friends
- a 'Reading Well: Shelf Help' Collection of 35 titles was purchased for every branch and mobile library. This is an expert-endorsed reading list for teenagers and young people facing mental health concerns.

Culture and Creative Development

In 2016/17 Libraries NI continued to deliver and host activities and events that provided access to arts and culture for a wide range of audiences. These included storytelling performances, creative writing classes, music clubs, 'Lift the Lid' piano sessions, 'Open Mic' evenings and 'Open Jam' poetry events. Libraries NI worked in partnership with other organisations and professional actors, storytellers and musicians to raise the profile of these activities and to enhance the skills and abilities of participants.

In February 2016 Libraries NI announced its first Storyteller in Residence, Liz Weir, and this initiative, which is funded by Roger Armstrong through 'Tullycarnet Storytelling - the Peg and Jim Armstrong Bursary', was extended for a further year. Its aim is to promote the verbal arts tradition and to help develop a new generation of storytellers. In its first year, as well as supporting the monthly Tullycarnet Yarnspinnings performances, Liz and the developing storytellers delivered over 150 events and training sessions in libraries and community locations throughout Northern Ireland.

In the autumn of 2016, The John Hewitt Society extended its 'Once Alien Here' creative writing workshops, which were held in four libraries, into a second year. This provided an excellent opportunity for previous participants to develop their skills while encouraging involvement from others.

Library gallery spaces and display cases were widely used to showcase the work of individual artists and organisations. Libraries NI continued to work in partnership with National Museums Northern Ireland (NMNI) to increase community access to their collections. Three photographic exhibitions toured library venues while museum curators facilitated object handling sessions as part of the 'Out and About' programme.

New working relationships were developed to promote social awareness of important issues through the medium of visual arts:

- The Royal College of Speech and Language Therapists toured its award winning, multimedia 'My Journey My Voice' exhibition to highlight communication difficulties
- in November 2016 the Outburst Queer Arts Festival installed an information point with moving images in Belfast Central Music Library as part of their walking tour
- The Fostering Network displayed its 'Not so Broken' exhibition of art created by children they work with to promote 'Care Day' in February 2017
- Community Relations and Cultural Awareness Week took place in September when Libraries NI hosted a range of exhibitions and events in over twenty libraries during the course of the week. In the same month Libraries NI supported Culture Night when five libraries hosted a diverse programme of events, including a Makaton choir and a Ugandan dance performance.

Heritage and Digitisation

Libraries NI's main heritage collections are located in Armagh, Ballymena Central, Belfast, 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). 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.

The collections were accessed by a wide range of customers including historians, researchers, school children, students, community groups and anyone with an interest in Irish history, literature and genealogy. Heritage staff based in these locations guided users through the wealth of resources to meet their information requirements, and offered advice about how to continue their research in other collections.

Significant anniversaries relating to the Decade of Commemorations, which featured in Heritage programming, included women's suffrage, the Easter Rising and the First World War centenaries of the Battle of the Somme and the Battle of Jutland which were marked with talks and exhibitions.

Together with events celebrating Irish and Ulster Scots, this programming contributed to activities in Libraries NI which recognised and reflected cultural diversity and shared history.

'The Library Men of World War One', a digitised collection of letters written by the staff of Belfast Public Libraries involved in World War One to the Chief Librarians, was officially launched in June 2016 by the Minister for Communities.

Libraries NI continued to work effectively with partners. Examples include events and activities delivered with PRONI, Northern Ireland Screen, the Federation of Ulster and Local Studies, History Hub Ulster, Ulster Scots Agency and, at a more local level, with councils.

Social media featured in the marking of significant events and anniversaries, with tweets and Facebook posts highlighting the unique historical resources of Libraries NI including newspapers and journals of the day.

Information and Learning Services

Access to, and the delivery of, information and learning are key aspects of the services and activities provided by Libraries NI. Events were held in libraries throughout 2016/17 to provide people with information relevant to their needs with a particular focus on job-seeking, business, health and digital inclusion. Where possible, learning experiences were incorporated into these activities, many of which involved working with partners such as RNIB, The Consumer Council, Pension Wise and The Information Commissioners Office.

Job seeking activities

Libraries continued to play a key role in supporting people who are unemployed. Many used free internet access and Wi-Fi to look for jobs, prepare CVs or make online applications. Young people and adults continued to attend Job Club sessions in libraries. Others attended events to obtain information or participate in programmes designed to develop knowledge and skills. Omagh and Falls Road libraries hosted a *Get Set!* Road Show, providing people with access to a range of employment-related information and specialist advice and help from local and regional organisations.

In 2016/17 Libraries NI participated in major Job Fairs organised by DfC in Ballymena, Newry, and Belfast. These were large events which saw employers recruiting staff and other agencies promoting employability. The Libraries NI stand showcased services that can help those seeking employment.

Business information

Libraries NI Business Information Service provides online and print versions of a range of business resources, including market research reports, company information, business start-up advice, intellectual property information and standards, business and financial newspapers, periodicals and specialist book stock. Skilled and knowledgeable staff supported users in accessing and using this information. During the year Belfast Central Library hosted 12 business information visits for Key Stage 3 and 4 students to view and use these resources.

Information sessions also took place with the Prince's Trust to support unemployed young people aged 18-30 years. Participants in the programme were informed of the range of resources within Libraries NI to help them to develop business ideas and assess whether self-employment was right for them.

Belfast Central Library remained a recognised Patent Information Centre, one of a

network of Patent Libraries (PATLIBs) in the UK, all of which have qualified and experienced staff available to offer practical assistance on a variety of matters associated with Intellectual Property Rights. During 2016/17 there were 98 patent enquiries.

Health activities

The Information and Learning team organised health workshops and events in 14 libraries during the year. These included Personal Resilience, Laughter Yoga, 'SafeTalk', Mindfulness and 'Nifty Nosh for less Dosh'. There was great demand for these workshops with various professionals delivering sessions that complimented the core and regular activities that happened routinely in libraries to support the health and wellbeing needs of customers.

Your Health is Your Wealth Road Shows were held in Lisburn and Ormeau Road Libraries where a wide variety of participating organisations shared their skills and knowledge to help people become more aware of the importance of health and wellbeing. Many regional organisations were involved along with locally based groups providing information specific to the local area. Other events saw the Information and Learning Team support both teenage and adult health days in branch libraries, provide information stands at various events being run by other organisations and coordinate the dissemination of health resources across all libraries.

Libraries NI continued to work with Macmillan Cancer Support to provide information to support people affected by cancer and their families, with Macmillan information available in all branches. A new pilot began in two libraries, facilitating the provision of information through a volunteer to build on the service and relationship that already exists and to add value to the service to customers.

Digital inclusion activities

Got IT sessions continued 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.

The Go On programme enabled participants to build on the skills already gained through the Got IT programme. The sessions facilitate digital inclusion by helping people carry out day to day tasks online, including using the nidirect website. Courses also include help for those wishing to use the Libraries NI website resources more effectively, bank online, edit digital photographs, explore social networking, find information on health issues and shop online. A thematic modular approach is used to promote areas of interest.

Partnership with the Department of Finance enabled Libraries NI to pilot a piece of innovative software on the public access computers in nine libraries. Browsealoud addresses digital exclusion for people with reading difficulties and for people whose

first language is not English by enabling websites to be translated into 99 languages in written form and 40 in oral form.

Silver Surfers' Day took place on 14 and 28 April 2016 in partnership with the Department of Finance (DoF) 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. The official launch in Bangor Carnegie Library was well attended and enhanced by information stands from RNIB and Go On NI. In total 27 libraries provided facilities and resources for 288 Silver Surfers to receive one to one help with getting online.

Various promotional events took place to raise awareness of the services available in libraries to assist with digital inclusion. These included participation in the Go On UK and Young at Heart events and Go On Spring Online at Belfast City Hall.

The Virtual Library provides free and accurate information, available 24/7 and accessible from home or the library. Resources were promoted through the introduction of a Word, Quote and Fact of the Week posted on Facebook and Twitter as well as at all Information and Learning events and training sessions. eMagazines continued to be very popular; 4,158 new users joined the service and the total issues for the year reached 190,044.

The Festival of Learning, which replaced Adult Learners Week, was hosted by Libraries NI throughout May and June 2016. The programme of 157 events was extensive and varied and included guitar lessons, French classes and Zumba.

Reading and Reader Development

Libraries NI began the year with a partnership with Dublin City Libraries, 'Two Cities One Book'. This was the first time that the two cities had worked together on a reading initiative aimed at encouraging readers in both Dublin and Belfast to read the same book. The novel selected was 'Fallen' by Irish writer Lia Mills. Set against the backdrop of events in Dublin and France in 1916 it offered an opportunity to explore the cultural, political and social history of the period.

In partnership with Dublin City Libraries, Belfast City Council, National Museums Northern Ireland and Linen Hall Library, Libraries NI delivered a programme which brought events to all parts of the city and challenged and invigorated readers. In April 2016, 'Fallen' was the most borrowed book in Northern Ireland.

Building on the work started in 2015/16 Libraries NI developed a programme of 'Writers in Residence' for reading groups. David Park, Anthony J Quinn and Tony McCauley, visited 39 reading groups including reading groups based in Magilligan Prison and Hydebank Wood College and Women's Prison. They discussed the inspiration behind their novels, the development of plot lines and characters and the

creative writing process.

Libraries NI continued to promote and foster the work of other local novelists including emerging authors Angeline King, Helen Nicholl and Lesley Allen who toured libraries reading extracts from their novels. The 'Big Armagh Read' featured new author Orla McAlinden. This one book campaign encouraged as many people as possible within the county to read Orla's debut collection of short stories, 'The Accidental Wife'. The combined loans from the nine County Armagh libraries ensured that this was the second most borrowed item of adult fiction in March 2017.

The growth in popularity of eBooks continued in 2016/17, with a 48.7% increase in loans compared to the previous twelve months. Staff continued to use social media to promote the collection by featuring 'Our book of the week', 'eBook of the week' and 'audiobook of the week'.

In 2016/17 £3,149,316 was spent on stock equating to £1.69 per capita, based on NISRA 2016 mid-year population estimates.

Marketing and Communications

During 2016/17, the Marketing Team engaged positively with customers and stakeholders, continuing to focus on building a communication network through multiple channels: website, Google+, social media channels, Trip Advisor, newspapers, email, direct communication and other media including television and radio.

Several sections of the website were developed including new pages to promote reading. Work was also carried out with key phrases and search engine optimization to ensure that the relevant pages could be found by users. This was supported by further work to enhance the library branch page presence on Google+. The final figure of 1,707,195 sessions for the website was a notable achievement against the backdrop of more customers accessing website services directly through apps.

Social media grew considerably with a 37.85% increase in total likes and follows against the agreed baseline levels. This increase was achieved through regular content planning and implementation and supported by a small digital campaign. The campaign focused on promotion of the eBook and eMagazine services with website landing pages developed for users. During the period of the campaign there was a 31% increase in eMagazine borrowing and a 44% increase in eBook borrowing.

Two key promotional successes for the year were the Two Cities One Book campaign, which was shortlisted in the Chartered Institute of Marketing (CIM) awards 2016 (public sector category) and #BookWeekNI that arose from the partnership with BBC Northern Ireland.

Libraries NI's relationship with the local press and other media outlets continues to be of key importance for the organisation and these were strengthened throughout 2016/17 with the generation of a total of 2,659 press clippings.

Assets

Although funding was limited throughout the year a range of projects aimed at enhancing the public library estate was undertaken, including the following:

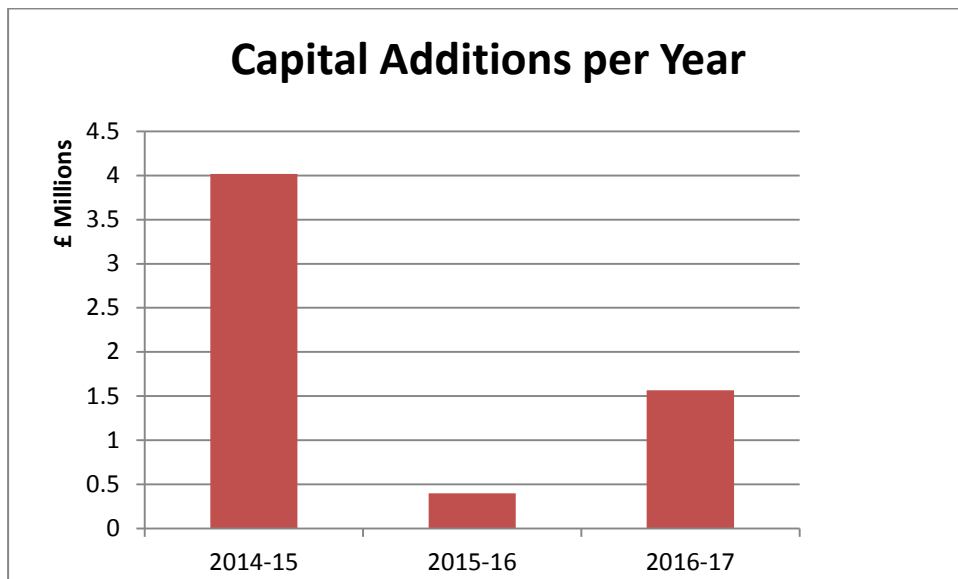
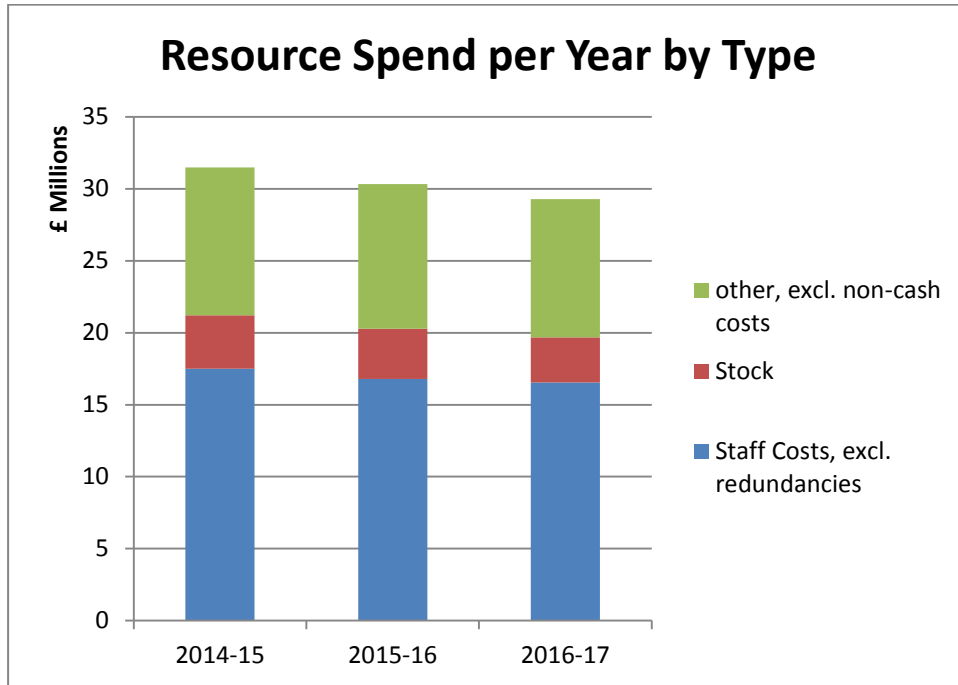
- work was completed on the restoration and maintenance of the historic Castlewellan Library building
- energy efficient lighting was installed at Derry Central Library
- rationalisation of the Libraries NI estate was further progressed through the sale of surplus assets at the former Braniel library
- potential future projects were progressed with business cases being submitted for the redevelopment of Fivemiletown and Enniskillen libraries. Approval for the Fivemiletown Library business case was received from the Department in January 2017
- the major refurbishment and extension of Lisburn Road Library commenced on site in October 2016.

Finance, Payroll and Procurement

Libraries NI is a designated body for the purposes of the Whole of Government Accounts. Finance submit unaudited data so that 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 2016/17 was the achievement of a balanced budget on both capital and resource budgets. After negotiation with 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. The profile in relation to resource spend reflects the reducing baseline budgets available year on year. The capital additions depict the variability of in-year project-specific allocations.



The 2015/16 Annual Accounts were audited by the Northern Ireland Audit Office (NIAO) and were certified in October 2016. The Accounts retained the audit qualification in respect of part of the Stock Assets valuation, and the Finance Team has continued to work with the Heritage Team and the Senior Management Team to progress the action plan to resolve the uncertainties with this figure.

The performance on prompt payment of suppliers remained strong with 98% paid within 30 days and 81% paid within 10 working days.

The Payroll Team continued to provide a high quality service to Libraries NI staff and

engaged with the Armagh Observatory and Planetarium (AOP) to prepare to deliver payroll services to AOP staff from April 2017, thus contributing to the shared services agenda. The team successfully delivered the auto re-enrolment of staff to pension in October 2016, and worked with systems providers to put in place arrangements for the Apprenticeship Levy applicable from April 2017.

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

As in previous years, the Finance and Payroll Teams took part in the National Fraud Initiative, which cross-matches data from a number of organisations to assist government in identifying potential fraud. Results from the cross-matching exercise for 2016/17 were made available in January 2017, and the investigation of results is ongoing. No frauds have been identified to date.

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

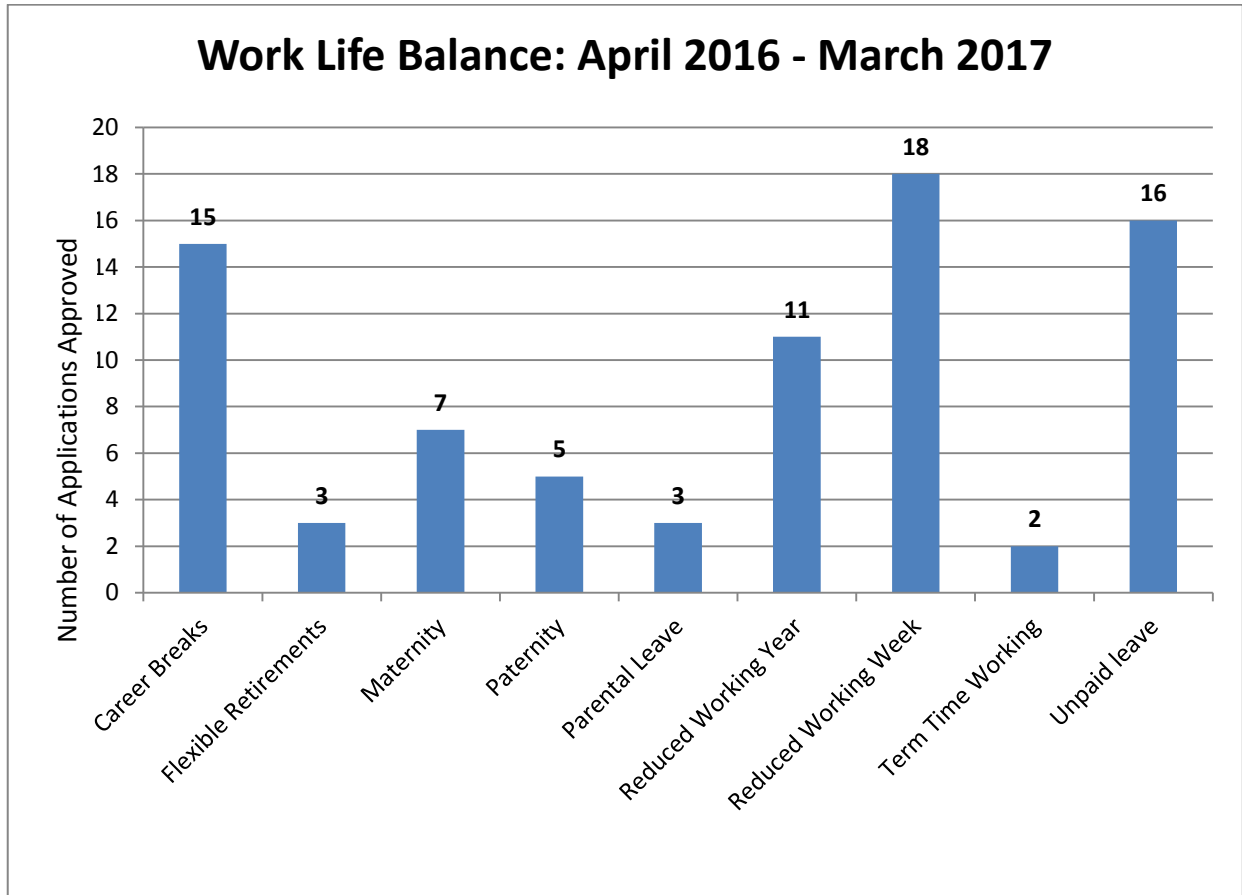
During 2016/17 there were 103 recruitment exercises carried out with a total of 1,165 application forms received. This compared to 82 recruitment exercises carried out in the previous year when a total of 358 applications were received. All appointments were made according to the Libraries NI Code of Procedures on Recruitment and Selection.

Agency Support

In 2016/17 Human Resources processed a total of 584 requests for agency workers, equating to 66 full-time posts for the year. Agency workers were used to support short term business needs, for example, 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 2016/17 there were 80 Work Life Balance applications approved. Approved applications by type are shown in the graph below.

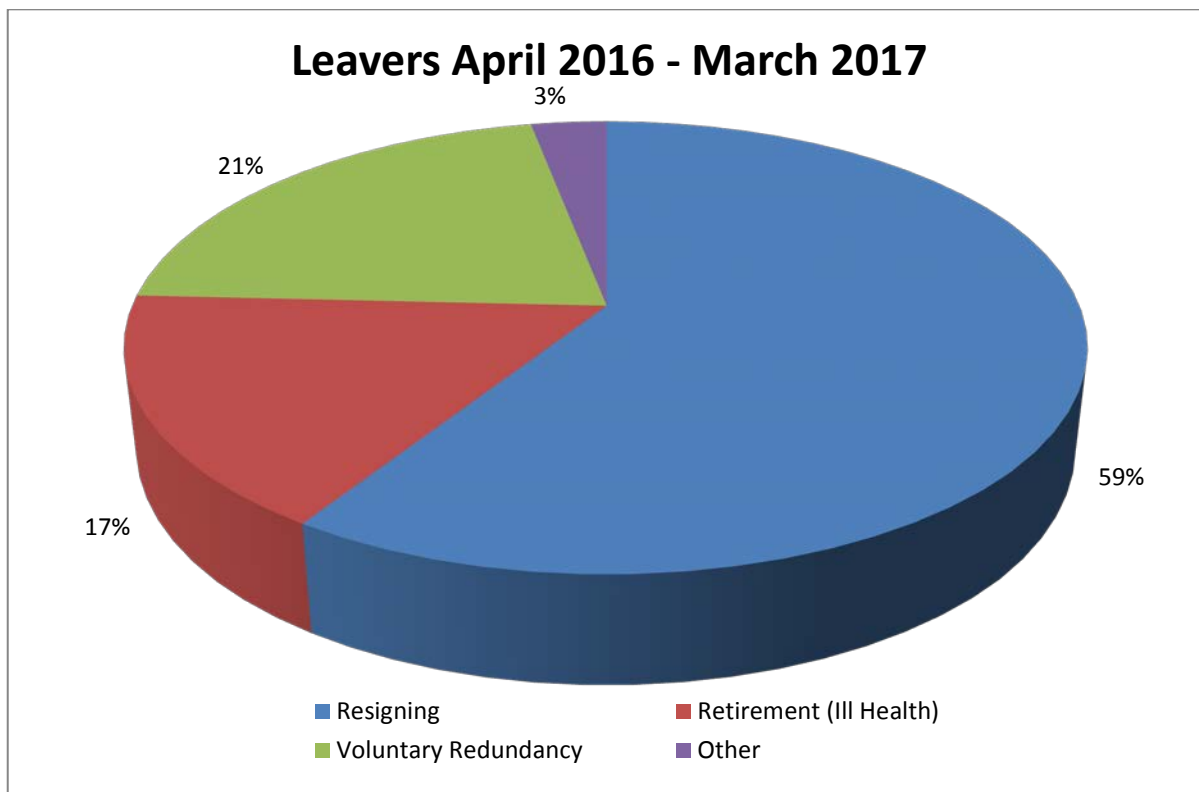


Employee Involvement

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

Leavers

During the year 66 staff left the employment of Libraries NI. This was an increase of 11.9% from 2015/16 when 59 employees left employment with Libraries NI. The reasons are shown in the chart below.



Pension

During April 2016 HR reassessed pension contribution bandings for all staff who were members of the Local Government Pension Scheme (LGPS). In line with the LGPS Regulations (NI) 2015 Human Resources wrote to all members advising them of their specific pension contribution banding rate. This resulted in 65 pension banding changes being processed.

In addition Human Resources wrote to 28 employees following a period of authorised unpaid leave or child related absence regarding their eligibility to apply for Additional Pension Contributions (APC) to cover any lost pension. 25% of employees took up this opportunity. All applications submitted were processed by Human Resources to NILGOSC.

Auto Re-enrolment

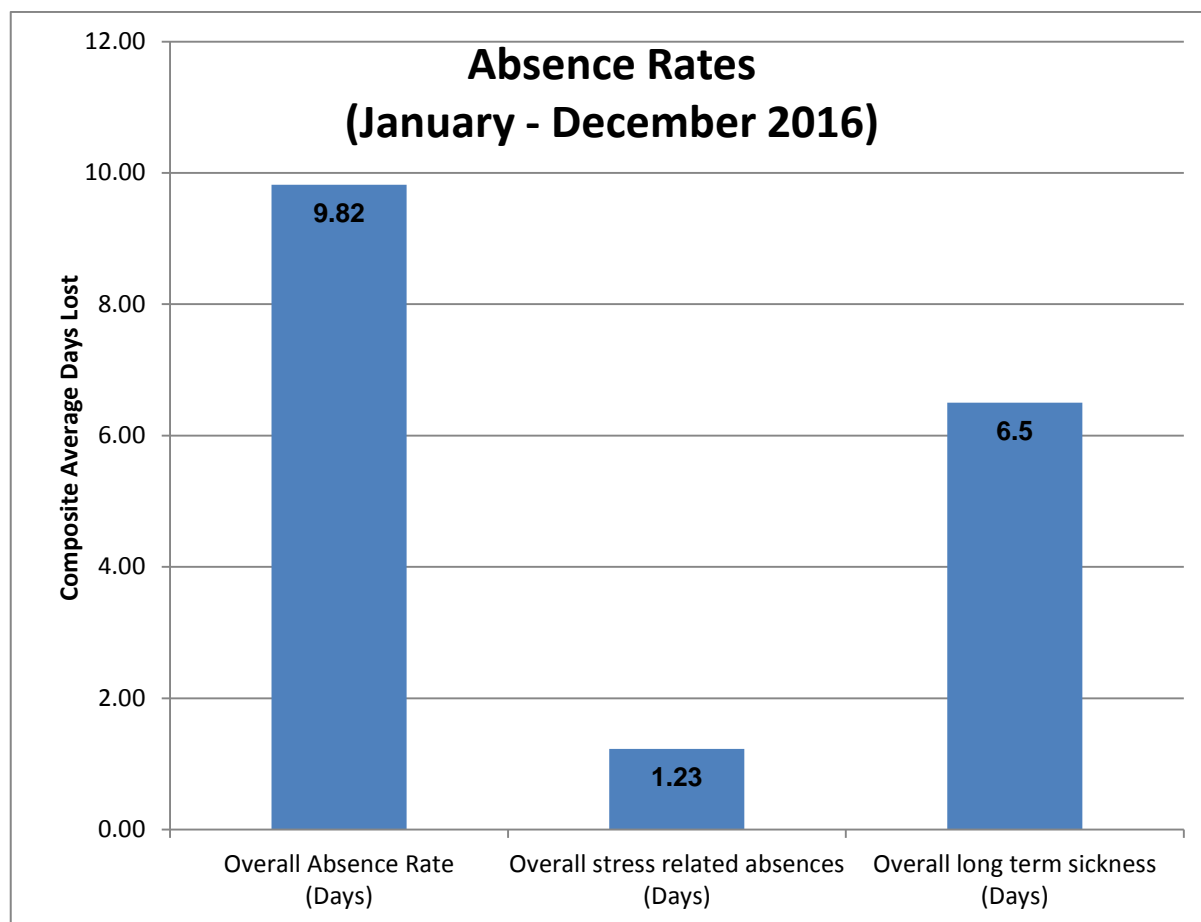
In line with the Pensions Order (NI) 2008, HR assessed all employees not currently in a work place pension scheme as at 1 October 2016, the date set for automatic re-enrolment for Libraries NI. As a result of this assessment 16 employees were automatically re-enrolled with effect from that date.

Health and Wellbeing

During 2016/17 the Health and Wellbeing Team continued its efforts to ensure that all staff are provided with an environment and opportunities that encourage and

enable them to lead healthy lives and make choices that support their overall wellbeing. Information on a range of health and wellbeing information is accessible on the staff Intranet. This includes information about employee assistance programmes and other support agencies and initiatives, including material to promote a healthy lifestyle and healthy eating. In 2016/17 the Cycle2Work scheme continued to grow with three more employees engaging in the scheme.

In 2016/17 the Chief Executive hosted a total of 12 events to celebrate and recognise employees with 25 years' service or more. A total of 132 employees attended the various events, sharing stories and memorable moments.



In October 2016 the revised Managing Attendance at Work policy and procedures were approved by the Board and implemented. The revised procedures provide detailed guidance for managers about how to deal with absence, introduced contact meetings and revised absence trigger points for follow up action. Following approval all managers at Branch Library Manager level and above were provided with training on the revised policy and procedures.

In 2016 the confidential counselling service provided by Inspire Workplaces (formerly Carecall) was accessed by staff on 102 occasions. HR facilitated 15 eye tests and, in

line with the Managing Attendance at Work policy and procedures, initiated 178 medical referrals. Following these referrals 46 members of staff returned to work, of whom 20 required workplace adjustments (eight temporary and 12 on a permanent basis); 22 members of staff were supported through a phased return to work programme. 76 were kept under review by the Occupational Health Service or dealt with under other management processes e.g. ill health retirement or redeployment. Of the remaining 56 referrals a further 17 required workplace adjustments, (11 temporary and six on a permanent basis).

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 2016/17. These included the on-going delivery of a number of year-on-year training programmes such as: Corporate Induction; Safeguarding Children and Vulnerable Adults; Fire Safety Awareness; Driver Certificate of Professional Competence; Powered Pallet Truck; Forklift Driver; Infection Control; CPR and AED; and First Aid at Work.

In addition, a variety of off-the-shelf, bespoke, in-house and external programmes were facilitated. These included attendance by: 41 managers at Outcomes Based Accountability training; 32 managers at Delivering Professional Investigations training; 34 managers at Equality Screening training; plus a number of individuals or small groups at PRINCE II Practitioner training; a Managing a Data Breach workshop; a EU Data Protection Regulations workshop; Adobe Acrobat training, InDesign Intro training, a Digital Making workshop, Photoshop Intro training and AutoCAD training. Governance and Accountability training was facilitated through a trainer-led training day for 12 senior managers; 16 middle managers also attended workshops and follow-on cascaded training was provided to all staff.

A total of 91 frontline staff attended Storytelling workshops and training. In addition, 121 frontline staff attended Target Group Awareness training and 28 staff attended Irish Traveller and Romany Gypsy Awareness training.

In 2016/17 a number of staff were funded to attend regional and or national conferences, seminars or events. These included: Chartered Institute of Marketing (CIM) Digital master-class; Records Management seminar; CIM Change, Leadership and Effectiveness in Communication seminar; Outcomes and Impact conference; CIPFA conference; Annual Review of Employment Law; Evidencing Impact - CILIP Ireland Open Day; Leading through Engagement seminar; EDGE 2017. A number of Equality Commission seminars and workshops, which were free of charge, were also attended.

The Manage First management development programme was delivered to 11 newly appointed first-line managers and the Emerging Leader programme (Leadership Institute, Queens University) was completed by one senior manager. The Part Time

Study Scheme was used to support two staff through the Post Graduate Certificate in Library and Information Management. The Scheme was also used to support the newly appointed Trainee Internal Auditor on the route to a professional qualification.

In March 2017 a Service Level Agreement was established with The Centre for Applied Learning (Northern Ireland Civil Service Centralised Training Unit) for the provision of e-learning facilities to Libraries NI staff via a managed website. Access to agreed e-learning programmes and modules will be rolled-out to all staff in early 2017/18.

Information Systems

Following the major business changes delivered through the e2 Project in earlier years, 2016/17 was a year of consolidation and steady state, ensuring that all information systems continued to meet business needs. A full Post Project Evaluation (PPE) of the e2 Project, submitted to then Department for Culture, Arts and Leisure (DCAL) in February 2016, had demonstrated that all strategic objectives for the project had been met and of 23 Critical Success Factors, 19 were achieved, one was achieved with some delay and three were not achieved. The PPE concluded that the project delivered on time and within budget and represented value for money and this was endorsed by a very positive independent Gateway 5 Review completed in May 2016. The e2 Project was formally closed in June 2016.

The major information systems in Libraries NI are:

- 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 2016/17 overall performance was good against the e2 service model and all major service levels were met with only very minor exceptions.

Given the successful implementation of RFID enabled kiosks in earlier years, further work was carried out during 2016/17 extending the self service capability to an additional nine libraries and further enhancing existing installations in two other locations. Other improvements introduced during the year included a pilot project on self-service printing, further upgrading of the Library Management System, additional hardware and services in support of Heritage, and significant additions to the use of mobile devices in libraries across Northern Ireland.

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, Libraries NI has, where possible, improved energy efficiency measures in its estate in 2016/17. Information on Libraries NI's approach and achievements in relation to sustainability is shown below:

- CO₂ emissions in 2016/17 remained comparatively static compared to 2015/16. Since management of the estate transferred to Libraries NI in 2009 an overall reduction in carbon output of 6.3% has been achieved. However the on-going constraints in resourcing the estate have limited 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 general and emergency lighting was replaced with energy efficient LED lighting at Derry Central Library
- drivers have been provided with Certificate of Professional Competence (CPC) and on-going training 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 PEFC (Programme for the Endorsement of Forest Certification) or 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.

Helen Osborn

Helen Osborn
Acting Chief Executive

Date: 12 October 2017

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. In May 2016 one Member of the Board resigned, having been elected as a Member of the Legislative Assembly (MLA).

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

Professor Bernard Cullen	Chairperson
Alderman Tom Campbell	Vice-Chairperson (until December 2016)
Alderman Thomas Burns	
Councillor Dr Janet Gray	
Councillor Garath Keating	Vice-Chairperson (appointed 23 February 2017)
Mrs Deirdre Kenny	
Alderman William Leathem	Appointed 1 March 2017
Councillor Donal Lyons	Appointed 1 March 2017
Councillor Cathal Mallaghan	
Alderman Stephen Martin	
Ms Angela Matthews	
Mr Alastair McDowell	
Councillor Séan McGuigan	
Councillor Stephen McIlveen	
Councillor Jenny Palmer	Resigned 9 May 2016
Mr Harry Reid	
Alderman Marion Smith	
Dr Margaret Ward	
Councillor Billy Webb	Appointed 1 March 2017
Ms Jane Williams	

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 below.

Chief Executive's Department

Chief Executive: Irene Knox (to 28 February 2017), Helen Osborn (from 1 March 2017).

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 (to 28 February 2017)

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:
 - providing people with access to current and relevant information in printed and online formats and developing information literacy skills
 - developing cultural provision in the public library service and facilitating greater community participation and access to cultural activities
 - preserving, promoting and improving the accessibility of important material related to our heritage
 - providing and supporting formal and informal learning experiences and opportunities for children and adults
 - 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
- 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, developing the Libraries NI brand and market research.

Business Support Directorate

Director: Desi Miskelly (from 1 October 2016) Terry Heron (to 30 September 2016)

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 office.

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

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

An anti-fraud policy, fraud response plan, fraud risk analysis, anti-bribery policy and whistleblowing policy are in place. All suspected and proven frauds were notified to the sponsor Department and other parties in accordance with agreed procedures and there are no suspected frauds that have not yet been notified.

DfC and all its ALBs have a Service Level Agreement 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 ALBs it is classified as a 'Low User'. The Department has advised that Libraries NI Internal Audit should continue to conduct any investigations of suspected fraud. If additional resources are required they should request support from the DfC Central Investigations Unit. This support was not required during 2016/17.

A Service Level Agreement (SLA) is in place with the Internal Audit providers from the Education Authority (EA) to provide additional resources if or when required. This resource was also not required in-year.

Throughout the year, performance was monitored in terms of both business objectives and the effectiveness of internal control arrangements. At 31 March 2017, 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.

Five Audit and Risk Assurance Committee meetings were held during the year. The meetings were attended by the Accounting Officer, the Director of Business Support and the Head of Internal Audit. Representatives of the Northern Ireland Audit Office (NIAO) attended four of the five meetings and representatives from the sponsor Department also attended four of the five meetings.

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 2016/17 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	19	5%
Support Services	26	7%
Operational	82	21%
Mandatory	0	0%
Location Audits *	92	24%
Consultancy	38	10%
Training **	61	15%
Administration***	69	18%
Total	387	100%

- * includes audits of three Mobile Libraries
- ** includes receipt of training by Internal Audit staff and provision of training by Internal Audit for other Libraries NI staff
- *** includes support for the Audit and Risk Assurance Committee

Essential Contractual Arrangements

Contracts for the supply of goods and services, and estates-related services are procured either through an appropriately certified Centre of Procurement Excellence (CoPE) or in line with procurement advice provided by a CoPE. All contracts are evaluated on a value for money basis, which in some cases will be at the lowest cost. Larger scale construction related contracts are evaluated on a quality/cost basis with awards being made on an overall best value basis.

For the period under review, Libraries NI was involved in a number of alternative contractual arrangements including the Public Private Partnership (PPP) which provides Lisburn City Library, and the Strategic Partnership approach (Belfast Strategic Partnership) to deliver works in the Belfast area. All contracts awarded by Libraries NI are a matter of public record.

Customer Feedback

Libraries NI welcomes feedback from its customers, including comments, complaints and compliments. Feedback provides the opportunity to identify and repeat what is good and address any problems with the service provided, thereby helping to bring about improvement.

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 and is responded to at a senior level in the organisation. Measures are in place to ensure that responses are issued promptly. 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 the Senior Management Team and the Services and Business Support Committees on a twice-yearly basis. A summary of feedback received during 2016/17 is shown in the table overleaf:

Items of feedback received	562
Nature of feedback:	
complimentary	227
complaint	167
comment	168
Category of feedback:	
staff	152
library services	293
facilities and buildings	40
online services	54
stock	23
Average number of days taken to issue a response	5.5

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 1998, 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 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, 12 requests were received under the Freedom of Information Act 2000 and 19 requests were received under the Data Protection Act 1998.

Preparation of the Accounts

The Accounts are prepared in accordance with a departmental Accounts Direction, and comply with the Government Financial Reporting Manual (FRoM) 2016/17. They are prepared on an accruals basis and, other than the matter giving rise to the qualification, 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 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 2016/17.

Based on invoice date	2016/17		2015/16	
	Invoices Paid	Paid within target	Invoices Paid	Paid within target
Total invoices paid	21,447	-	16,723	-
Paid within 30 days	20,925	98%	16,415	98%
Paid within 10 days	17,430	81%	13,557	81%

Charitable Donations

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

Statement of Accounting Officer's Responsibilities

Under the Libraries Act (Northern Ireland) 2008 (paragraph 16), the Department with the consent of the Department of Finance 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 Government Financial Reporting Manual 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 Government Financial Reporting Manual, have been followed and disclose and explain any material departures in the financial statements

- prepare the financial statements on the going concern basis.

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 former Department of Finance and Personnel.



Helen Osborn
Accounting Officer

Date: 12 October 2017

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 assumed these responsibilities part way through 2016/17 on 1 March 2017.

The 'Corporate Governance in Central Government Departments: Code of Good Practice' was written specifically with government departments in mind. Libraries NI complies with this code to the extent to which it is relevant and meaningful to do so as a Non-Departmental Public Body. Libraries NI routinely departs from the specifics of the Code in relation to matters pertaining to the Board as, unlike Departments, the Libraries NI Board is made up of non-executive Members.

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 Ministerial priorities, identified through meetings with the Minister and Departmental officials.

The Corporate and Business Plans are approved by the Department and progress in relation to agreed Key Performance Indicators 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 2016/17 the Libraries NI Board commenced 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 has been implemented.

During 2016/17 Internal Audit also undertook reviews of compliance with corporate governance best practice guidance. A review of compliance with guidance on Conflicts of Interest and Gifts and Hospitality and a review of the effectiveness of controls in place to manage the risk of fraud were completed. 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 she 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) 2014). The Chairperson and Board Members are appointed by the Minister of the sponsoring Department. One Member of the Board who was a councillor resigned with effect from 9 May 2016, having been elected as a Member of the Legislative Assembly (MLA). A process was implemented to fill the three vacancies created by this resignation and that of two councillors who resigned in 2015. The new appointments took effect on 1 March 2017. These new Board Members underwent induction but did not have an opportunity to attend any meetings.

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. This was revised in 2016/17. The Board has corporate responsibility for ensuring that Libraries NI fulfils the aims and objectives set by the Department and approved by the Minister and for promoting the efficient, economic and effective use of staff and other resources by the organisation.

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 seven occasions during 2016/17. One meeting took the form of a workshop at which consideration was given to longer term planning issues. The membership of the Board during 2016/17 was as follows:

Name	Attendance	
	Possible	Actual
Professor Bernard Cullen (Chairperson)	7	7
Alderman Tom Campbell (Vice Chairperson until December 2016)	7	5
Alderman Thomas Burns	7	5
Councillor Dr Janet Gray	7	7
Councillor Garath Keating	7	5
Mrs Deirdre Kenny	7	6
Alderman William Leathem (appointed 1 March 2017)	0	0
Councillor Donal Lyons (appointed 1 March 2017)	0	0
Councillor Cathal Mallaghan	7	5
Alderman Stephen Martin	7	6
Ms Angela Matthews	7	5
Mr Alastair McDowell	7	7
Councillor Séan McGuigan	7	7
Councillor Stephen Mcllveen	7	4
Councillor Jenny Palmer (resigned 9 May 2016)	1	1
Mr Harry Reid	7	6
Alderman Marion Smith	7	4
Dr Margaret Ward	7	5
Councillor Billy Webb (appointed 1 March 2017)	0	0
Ms Jane Williams	7	7

Key issues considered by the Board during 2016/17 included the following:

- a report on the outcome of public consultation on reduced opening hours in order to implement the Savings Delivery Plan
- the Annual Report and Accounts 2015/16
- Key Performance Indicators
- the draft Corporate Plan 2016-2020
- the draft Business Plans for 2016/17 and 2017/18
- the draft budgets for 2016/17 and 2017/18
- Board effectiveness and compliance review
- draft Programme for Government
- Public Library Standards
- Community Planning
- The Northern Ireland Events Company: Department For Communities Presentation on Public Accounts Committee Findings

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
- the external audit strategy
- internal and external audit reports and management’s response to audit recommendations
- relevant policies, processes and procedures including those relating to the Audit and Risk Assurance Committee Scheme of Delegation, the Risk Management Strategy and the Internal Audit Charter.

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

Membership of the Committee during 2016/17 was as follows:

Name	Attendance	
	Possible	Actual
Mrs Deirdre Kenny (Chairperson)	5	5
Councillor Séan McGuigan (Vice-Chairperson)	5	5
Professor Bernard Cullen	5	3
Ms Nuala McAuley	5	4
Alderman Stephen Martin	5	4
Councillor Stephen McIlveen (joined Committee September 2016)	3	2

The Chief Executive, Director of Business Support¹ and 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.

During 2016/17 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

¹ The former Director of Business Support (Terry Heron) retired from service on 30 September 2016 and the position was taken up by Desi Miskelly as of 1 October 2016.

- 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 2015/16
- the Annual Report and Accounts and the Comptroller & Auditor General's Report to those Charged with Governance for 2015/16
- the NIAO Audit Strategy for their audit of the Annual Report and Accounts for 2016/17
- revisions and updates to various corporate governance policies and documents, including the Internal Audit Charter, the Board Operating Framework, the Fraud Response Plan, the Anti-Fraud Policy and the Risk Management Strategy.

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 effective 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 2016/17 was as follows:

Name	Attendance	
	Possible	Actual
Ms Angela Matthews (Chairperson until 24 November 2016)	5	4
Alderman Marion Smith (Vice Chairperson until 24 November 2016, Chairperson from 24 November 2016)	5	4
Alderman Thomas Burns	5	5
Alderman Tom Campbell	5	3

Name	Attendance	
	Professor Bernard Cullen	5
Councillor Garath Keating	5	4
Mr Alastair McDowell (Vice Chairperson from 24 November 2016)	5	5

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 2016/17
- the Savings Delivery Plans 2015/16 and 2016/17
- the voluntary exit funding bids
- the Annual Report and Accounts 2015/16
- the NIAO Report to Those Charged with Governance 2015/16
- prompt payment targets and performance
- procurement and Single Tender Actions
- Changes to Bank and Credit Card Signatory
- budget planning 2016/17 and 2017/18
- fees and charges 2017/18
- public and employer liability claims.

Human Resources

- absence management monitoring reports
- Pay award for 2016/17 and 2017/18
- the Annual Progress Report on Equality
- the impact of the National Living Wage
- policies on Sponsorship, Managing Attendance at Work, Procurement, and a Smoke free Workplace.
- Code of Conduct for Staff.

Assets

- capital works 2016/17
- Belfast Central Library Redevelopment Project
- the estate maintenance programme 2016/17
- business cases for the redevelopment of Enniskillen and Fivemiletown Libraries

- tender reports for the appointment of design teams for the refurbishment of Irvinestown and Tandragee Libraries and contractors for the refurbishment of Coleraine and Lisburn Road Libraries
- policies and procedures in relation to Health and Safety, Environment, Vehicle Management and Privately Owned Vehicles for Business Purposes
- the disposal of surplus properties
- the Health and Safety Annual Report
- Post Project Evaluations Lessons Learned Report
- a report on litigations
- use of the Libraries NI seal.

ICU/ICT

- the Post Project Evaluation and Gateway 5 review of the e2 project
- policies and procedures in relation to Data Protection and Freedom of Information
- policies on Library Computers Conditions of Use
- procedures on the use of Closed Circuit Television.

The Committee reviewed and monitored the Service Plans relating to the work of the Business Support Directorate (i.e. Assets, Finance, Human Resources and ICT/ICU) and reviewed the related Risk Registers. 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 library services
- 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 2016/17 was as follows:

Name	Attendance	
	Possible	Actual
Mr Harry Reid	5	5
Councillor Jenny Palmer (Vice-Chairperson resigned May 2016)	0	0
Professor Bernard Cullen	5	3
Councillor Dr Janet Gray (Vice-Chairperson from September 2016)	5	5
Councillor Cathal Mallaghan	5	2
Ms Angela Matthews	5	0
Councillor Stephen McIlveen	5	2
Dr Margaret Ward	5	4
Ms Jane Williams	5	3

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

- policies for Partnership, Room Hire, Stock, Heritage, Reading and Reader Development, Engaging with Culture and Creativity, Children and Young People's Services, Safeguarding
- Public Library Standards
- how services contribute to the draft Programme for Government
- customer feedback
- opening hours
- customer survey
- domestic violence
- extending access to library facilities
- the Effectiveness and Compliance Review
- a response to DCAL's Consultation on Strategy for Culture and Arts 2016-2026.

The Committee received presentations on a number of topics including:

- libraries serving rural communities
- services for refugees, people who are homeless and people affected by dementia.

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 three libraries – Banbridge, Lisburn and Holywood.

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 (DoF) and approved by the sponsor Department.

The membership of the Remuneration Committee during 2016/17 was as follows:

Name	Attendance	
	Possible	Actual
Professor Bernard Cullen (Chairperson)	2	2
Alderman Tom Campbell (Vice Chairperson)	1	0
Ms Angela Matthews (Chairperson, Business Support Committee until November 2016)	1	1
Mrs Deirdre Kenny (Chairperson, Audit and Risk Assurance Committee)	2	2
Mr Harry Reid (Chairperson, Services Committee)	2	2
Alderman Marion Smith (Chairperson, Business Support Committee from November 2016)	1	1

During 2016/17 the Committee considered the following matters:

- the Joint Negotiating Committee for Chief Executives Pay Agreement 2016 – 2018: revalorisation of pay scales and DfC and DoF Pay Remit approval process
- a report from the Chairperson on the performance of the Chief Executive in 2015/16 and the performance targets established for 2016/17
- a report from the Chief Executive on the performance of Directors in 2015/16
- the proposed new Performance Related Pay and Remuneration for First and Second Tier Officers
- Senior Management Team – appointment of the new Director of Business Support
- Chief Executive Replacement

The **Belfast Central Library Committee** was established in July 2016 with delegated Board powers in relation to the redevelopment of Belfast Central Library including:

- monitoring and approving the plans for the redevelopment of Belfast Central Library to ensure the project meets the stated objectives
- monitoring and approving the plans and actions necessary to ensure the project is delivered within defined cost, time and quality parameters
- monitoring and approving the budget for the Project and monitoring spend against the budget

- reviewing the Project Risk Register and considering the adequacy of controls in place.
- monitoring the resourcing of the Project
- considering all other matters which it regards as relevant.

The membership of the Committee was as follows:

Name	Attendance	
	Possible	Actual
Professor Bernard Cullen	1	1
Alderman Tom Campbell	1	0
Mrs Deirdre Kenny	1	1
Ms Angela Matthews	1	1
Mr Alastair McDowell	1	1
Mr Harry Reid	1	1
Dr Margaret Ward	1	1
Ms Jane Williams	1	1

During 2016/17 the Committee considered and reported to the Board on a number of matters within its remit including:

- the Scheme specifying the duties and responsibilities of the Committee
- Project Management Structure
- Project Risk Register (Development Phase)
- the current status of the Project.

The **Senior Management Team** normally comprises the Chief Executive, the Director of Business Support and the Director of Library Services. As of 1 March 2017 the Senior Management Team comprises the Acting Chief Executive, the Director of Business Support and an Assistant Director representing the Services Directorate.

Other elements of the corporate governance structure include:

- an agreed Organisational 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 and Assurance

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 Programme for Government, 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 Key Performance Indicators, identifying areas where further work might be undertaken

- Board consideration of reports on performance against the previous year's Business Plan and Key Performance Indicators
- 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 Ministerial 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 them 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 rather than 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. A Risk Management Group, comprising the Chief Executive and officers at Director level, 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. As of March 2017 the Risk Management Group comprises the Acting Chief Executive, the Director of Business Support and an Assistant Director representing the Services Directorate.

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.

At the start of 2016/17, a fundamental review was undertaken of the Corporate Risk Register to ensure a more strategic focus on key risks to the achievement of agreed objectives. During the year 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 below:

- at the start of the year the Department confirmed that the total recurrent budget for 2016/17 was £27.757 million, a reduction in cash terms of 5.7% (£1.678 million) on the 2015/16 opening baseline (£29.435 million). Five Savings Delivery Plans were approved for implementation as follows:
 - reducing the stock budget by £350,000
 - reducing library opening hours, thereby saving £165,000 largely on staff costs but also on premises running costs and programming
 - reducing planned and response maintenance and other associated premises related investment spend by £214,000
 - reductions in miscellaneous budgets including marketing, travel, computer costs and vehicle costs thereby saving £236,000.
 - reductions in staff costs arising from Voluntary Exit schemes and flow through of reduced opening hours from 2015/16 saving some £713,000.

Actions were taken to implement the five 2016/17 Savings Delivery Plans. The planned reduction in opening hours was mitigated against mid-year by the release of an additional £225,000 resource funding from the Department. Funding was received to meet the costs associated with voluntary severance and 14 staff left the service during this period.

Capital funding was received to commence the planned redevelopment projects at Coleraine and Lisburn Road libraries and to undertake a range of minor works schemes. Funding was also provide to allow the procurement of two replacement mobile library vehicles to progress and for a number of delivery and Homecall vehicles to be replaced.

Training on corporate governance and risk management has been provided for staff and Board Members to assist them in understanding the governance framework. The Risk Management Strategy and associated documentation is available to all staff on the

Intranet. Internal Audit provides a consultancy service to managers concerning the evaluation of risks and the completion of the required documentation. Staff are held accountable for risk management through the performance management (staff appraisal) system.

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 Corporate Risk Register.

In 2013/14, having undertaken a Sponsorship Risk Assessment, the former DCAL confirmed that the risk rating for Libraries NI was 'Low'. There has been no change to this rating.

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
- Guidance on Offers and Acceptance of Gifts and Hospitality
- Guidance on the Provision of Gifts and Hospitality
- Gifts and Hospitality: Guidance for Board Members
- 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 and Procurement procedures
- Travel and Subsistence Reimbursement Claim procedures
- Declaration of Interests (Board Members, relevant staff and suppliers)
- Fraud Response Plan.

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 2016/17.

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.

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

Revised records disposal and retention schedules were developed in 2016/17 and the Information Security Manager continued to provide guidance and support to managers at all levels throughout the organisation.

There were no incidents of personal data loss which required to be notified 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 Key Performance Indicators and financial information, as well as the Corporate Risk Register. The Board also receives and discusses the Chief Executive's Assurance Statements. The Board questions the Chief Executive and senior officers on the information provided, exercising 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 Key Performance Indicators and Stewardship Reporting is also included in the internal audit strategy.

During 2016/17 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.

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 2016/17, 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: Public Sector Internal Audit Standards (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 2016/17 Internal Audit completed:

- audits of 11 branch libraries. A 'satisfactory' level of assurance was provided on each occasion
- audits of three mobile libraries. A 'substantial' level of assurance was provided on one occasion and a 'satisfactory' level of assurance in the remaining two occasions
- eight strategic, operational, systems and review audits, providing a satisfactory level of assurance on six occasions. The remaining audits related to the review of the contracted hours of staff working in locations where their contracted hours were outside the normal opening hours of the location. A 'limited' level of assurance was provided and a supplementary audit requested and completed
- three investigations, one was a preliminary investigation relating to a minor cash loss; two investigations (in separate locations) related to controls in place over the security of keys. In each location, weaknesses in control had led to unauthorised access to keys and suspected minor cash losses. Controls were enhanced in both locations. In one instance a referral to social services with regard to safeguarding was required. In the other case an agency worker's placement in Libraries NI was terminated.
- one consultancy audit, i.e. completion of a self-assessment of the internal audit quality assurance framework.

11 Priority One recommendations were made in the 26 assignments completed during 2016/17. The Audit and Risk Assurance Committee received a report at each meeting on the actions being taken to implement audit recommendations.

In the Internal Audit Annual Report for 2016/17, the Head of Internal Audit provided an overall 'satisfactory' level of assurance as to the risk, control and governance framework within Libraries NI. Additional detail was also provided on each of the Priority One recommendations.

Northern Ireland Audit Office

The Comptroller and Auditor General (C&AG) to the Northern Ireland Assembly certifies Libraries NI's Annual Report and Accounts.

The Certificate and Report are included in this Annual Report and Accounts. In its Report to those Charged with Governance, the NIAO did not identify any significant regularity issues or internal weaknesses.

The C&AG certified the 2016/17 financial statements 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 Director, 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 continually 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
- handover Assurance Statement provided by the previous Accounting Officer who retired on 28 February 2017
- 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

Transfer of Functions

With the dissolution of DCAL and the transfer of functions, responsibility for sponsorship of Libraries NI transferred to the new DfC with effect from May 2016. It was expected

that there would be a period of uncertainty as new structures and arrangements were put in place and a new Departmental Business Plan that sets out the aims and objectives of the new Department and its priorities was agreed. Many processes are still on-going, however material risks with regard to the transfer of functions were either addressed or did not materialise.

Heritage Assets

Each year since Libraries was established in 2009, the NIAO has qualified its opinion on the Annual Accounts as a result of the limitation on scope of its audit of the valuation of Heritage Assets.

On the establishment of Libraries NI in April 2009, each Education and Library Board (ELB) transferred its Special Book Collections to Libraries NI at the value in their Accounts at 31 March 2009 (total value £12.9 million). These assets had been valued by professional valuers in 2006 and accounted for with a corresponding specific revaluation reserve. Libraries NI subsequently became aware that different policies and capitalisation limits had applied across the ELBs. A project was established to develop coherent policies and procedures to underpin these Assets. A valuation threshold was agreed by the Board for Heritage Assets, to include those items valued individually, or in a group, at over £1,000.

Items meeting the above definition, drawn from ELB listings, were revalued in March 2012. Following a review of other potential Heritage Assets, some additional potentially valuable items were identified which were valued in March 2013 and July 2013. As a result of these valuation exercises, assets with a 2006 valuation of £4.3 million were revalued to £6.2 million at 31 March 2013. During 2013/14 Libraries NI investigated those assets described in the 2006 valuations as 'rest of shelf' (valued in 2006 at £3.7million) and concluded that these could not be identified, and, if identified, would not meet the definition of Heritage Assets and, as such, were derecognised. The Comptroller and Auditor General continued to qualify his opinion in relation to the remaining £4.9 million of Heritage Assets.

During 2014/15 further valuation work was carried out which resulted in items in the original ELB lists valued at £0.7 million being revalued to £0.6 million; items previously valued by the ELBs at £0.6 million, which could not be identified, being derecognised; and microfilm and newspaper collections, previously valued at £1.6 million, but which did not meet the definition of Heritage Assets, since the items were considered to be a method of storage and preservation, rather than an asset, also being derecognised.

Following this work, the Comptroller and Auditor General continued to qualify his opinion of the remaining Heritage Assets, valued at £1.7 million in the 2014/15 Accounts.

During 2015/16 further valuation work was carried out and the Heritage Team identified that some items on the original ELB lists, previously valued at £0.655 million, could not

be identified or did not meet the definition of Heritage Assets and these were de-recognised. The C&AG qualified his opinion in respect of this matter because he was unable to obtain sufficient appropriate audit evidence to support the derecognition of these assets.

Work has begun to revalue the Assets with a tranche of valuations undertaken in March 2017. The qualification in relation to Heritage Assets was removed from the NIAO commentary on the 2016/17 Accounts

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 now been introduced to minimise these, including limiting 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 on-going stock inventory process has been agreed. This is based on the fact that frontline stock is constantly being borrowed, requested, and transferred between locations. It is therefore possible to conclude that any item of stock that has not been 'seen' on the system for a specified period of time is no longer available to borrowers and should be removed from the catalogue. The process to update the catalogue stock records has begun.

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 a few instances of misuse may occur which could damage the reputation of Libraries NI. Libraries NI has implemented filtering arrangements on public access computers and on Wi-Fi to mitigate the risk.

Impact of change and budget cuts on staff morale and motivation

In the eight years since Libraries NI was established, the amount and pace of change has been unrelenting, occasioned by the work required to harmonise policies, procedures and practices inherited from the former Education and Library Boards, new

organisational structures, strategic reviews of provision leading to library closures and new mobile library arrangements, reduced opening hours and associated changes to staff working patterns, as well as eight tranches of voluntary redundancy, resulting in many experienced staff leaving the service. A range of processes and channels is in place to seek to ensure effective engagement and communication with staff as to the purpose and progress of the change and to seek to mitigate the impact of the budget reductions. However, it is recognised that change of the magnitude that has taken place, and will continue to take place, and the changes in staff working patterns occasioned by the need to reduce opening hours and effect budget cuts can lead to low staff morale, with a corresponding impact on motivation and increased levels of stress.

Strategic Planning

During 2016/17 a Business Plan for 2017/18 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. Uncertainty about the status of the draft Programme for Government and uncertainty regarding the developing priorities of the new Department for Communities which became the sponsoring body for Libraries NI in May 2016 makes longer term strategic planning difficult.

Capital Funding

No capital funding was notified originally for 2016/17 but, subsequently, funding was received to take forward Lisburn Road Library and Coleraine Library refurbishments. The lack of timely and appropriate capital allocations, reliance on mid-year monitoring rounds and the general uncertainty of outcomes from monitoring rounds impedes effective planning and delivery of capital investment, both in the short and longer term.

Recurrent Funding

There was considerable uncertainty about recurrent funding available for 2016/17 and a prudent approach to spend was initially implemented, leading to delays in spending plans and programmes of work. A bid for funding to release a number of staff on voluntary redundancy was submitted as part of the Voluntary Exit Scheme agreed as part of the Stormont House Agreement. Funding of £996,000 was allocated, and offers of voluntary severance were accepted by 14 staff, at a cost of £980,906. Additional funding of £225,000 was received in August 2016 to offset a planned reduction in library opening hours and further funding of £400,000 and £100,000 was received in January and February 2017 respectively for stock.

This cycle of cuts and additional allocations has led to great uncertainty which has carried forward into 2017/18. The absence of an Executive, Departmental Ministers and suspension of the normal budget setting processes in March 2017 impacted significantly on planning and control of spend in 2017/18. The initial lack of a clearly defined budget allocation required planning to be based on an assumed cash savings of 5% against the 2016/17 opening baseline (a maximum cash allocation of up to 95% of the 2016/17 baseline). In late May an indicative resource budget allocation of 96% of the 2016/17 baseline budget was made available with an additional £1.495 million being released in August. Unavoidable pressures, including inflation, introduction of the Apprenticeship Levy, a 1% cost of living increase in pay and increased utilities costs added to the demands on funding meaning that when compared to the 2016/17 final budget settlement the real shortfall in funding equated to some £1.327 million. Realising the efficiencies required by the proposed cash allocation in 2017/18, whilst at the same time, continuing to deliver effective services presents significant challenges. Work will continue during 2017/18 to ensure that the other savings necessary as a result of the reduced resources are achieved.

Capacity

14 staff were released in 2016/17 through voluntary severance in order to live within budget. As with previous tranches of voluntary severance, protection was given to frontline service delivery staff and staff were released from the teams responsible for the planning and development of services. The cumulative effect of releasing 128 staff in the course of eight rounds of voluntary severance has been a serious diminution in the skills, knowledge and experience available in Libraries NI. Capacity has also diminished to an extent that curtails Libraries NI's ability to develop its services to meet customer and stakeholder needs, and its flexibility to respond to changed priorities as well as opportunities that arise for partnership work, or to avail of funding opportunities. In many areas of business, staffing levels are now very lean, which has the potential to undermine good employee relations and presents risks in respect of business continuity. Given the savings required in 2017/18, it is anticipated that a further round of voluntary severance may be required, which, inevitably, will impact detrimentally on front-line service provision.

Belfast Central Library

Based on the formal approval of the Outline Business Case (OBC) for Belfast Central Library provided in April 2015 it had been anticipated that work to take forward the next phase of the development programme, i.e. the preparation and submission of the Full Business Case (FBC) would have commenced in 2016. However this work has been curtailed because no funding has been made available to support the development of the FBC. Discussions are on-going with DfC regarding the way forward.

New Issues 2016/17

Contracted Hours

A review of the working practices across 18 branch libraries of staff who worked all or some of their contracted hours outside of the normal opening hours of the branch, found three staff working less than their contracted hours. A supplementary review was undertaken and a further six staff were found to have materially underworked the hours for which they were contracted and paid. Disciplinary action was initiated against seven of these employees the exceptions being one employee who resigned before completion of the review and another who is the employee of another organisation employed on a Direct Service Contract. The Fraud Response Plan was initiated and all relevant authorities informed. Legal advice was sought and each employee has been contacted with a view to arranging reimbursement of salary overpayments. Internal Audit made a number of recommendations to enhance controls in this area.

Internal Audit completed a review of this issue in August 2017 and confirmed that all recommendations from the previous audit reports had been implemented. No material issues were identified. The audit report concluded that there was satisfactory assurance that the enhanced control framework was operating effectively.

Business Continuity

The on-going reductions in baseline budgets and uncertain future resourcing models have and continue to constrain effective business continuity planning. While the mechanisms are in place to secure and if necessary respond to issues arising from the operation of our core Information Technology systems 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. As a result of eight consecutive years of reductions, resourcing and staffing levels are now very lean, which presents risks in respect of the organisations' ability to respond to business continuity threats.

In addition to the increased infrastructure risks, lean staffing and resourcing has led to a reduction in the skills, knowledge and experience available in Libraries NI. Capacity has diminished to an extent that curtails Libraries NI's ability to develop its services to meet customers and stakeholder needs and its flexibility to respond to changed priorities as well as opportunities that arise for partnership work and to avail of funding opportunities.

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, 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 performance based. The Remuneration Committee of Libraries NI determines the performance of the Chief Executive in accordance with the agreed performance related pay scheme. The Chief Executive determines the performance of the second tier officers in accordance with the agreed performance related pay scheme and reports to the Remuneration Committee. The Department considers the recommendations of the Remuneration Committee and takes cognisance of DoF pay policy and determines the overall maximum percentage uplift to be applied.

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)

	2016/17		2015/16	
	Salary £'000	Benefits in Kind (to the nearest £100)	Salary £'000	Benefits in Kind (to the nearest £100)
Professor Bernard Cullen	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 Claire Hanna (1 April 2015 – 30 June 2015)	-	-	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	-
Councillor Stephen Martin	0 - 5	-	0 - 5	-
Ms Angela Matthews	0 - 5	-	0 - 5	-
Councillor Jenny Palmer (resigned 9 May 2016)	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	-
Alderman Adrian Watson (1 April 2015 – 30 June 2015)	-	-	0 - 5	-
Ms Jane Williams	0 - 5	-	0 - 5	-
Councillor Donal Lyons (appointed 1 March 2017)	0 - 5	-	-	-
Alderman William Leathem (appointed 1 March 2017)	0 - 5	-	-	-
Councillor Billy Webb (appointed 1 March 2017)	-	-	-	-

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

Salary includes gross salary and taxable travel allowance.

	2016/17					2015/16				
	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
Ms Irene Knox Chief Executive (retired 28 February 2017)	90-95 (100- 105 full year equivalent)	0	0	27	115 - 120 (125 – 130 full year equivalent)	100 - 105	0	0	59	160-165
Mr Terry Heron Director of Business Support (retired 30 September 2016)	40-45 (80- 85 full year equivalent)	0	0	10	50 – 55 (90 – 95 full year equivalent)	80-85	0	0	36	115-120
Mr Desmond Miskelly Director of Business Support (appointed 1 September 2016)	35-40 (65-70 full year equivalent)	0	0	55	90 – 95 (120 – 125 full year equivalent)	0	0	0	0	0
Ms Helen Osborn Director of Library Services (Acting Chief Executive, 1 March 2017)	80-85	0	0	30	110 - 115	80-85	0	0	33	110-115

* Performance Related Pay (PRP) is considered to be a bonus by DoF. It is DoF policy that bonuses should not be paid.

** 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.

Band of Highest Paid Senior Post Holder (Audited Information)

	2016/17	2015/16
Total Remuneration (£'000)	100 - 105	100 – 105
Median Total Remuneration (£'000)	17,547	17,372
Ratio	5.84	5.90

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid post holder in the organisation and the median remuneration of the organisation's workforce. The banded remuneration of the highest paid post holder in the financial year 2016/17 was £100,000 - £105,000 (2015/16: £100,000 - £105,000). This was 5.84 times the median remuneration of the workforce, which was £17,547 (2015/16: £17,372).

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 31/03/17 £'000	Real increase in pension and lump sum at 65 £'000	CETV at 31/03/17 £'000	CETV at 31/03/16 £'000	Real increase in CETV £'000
Ms Irene Knox Chief Executive (retired 28 February 2017 – CETV as at 28 February 2017)	45 - 50 105 - 110	0 – 2.5 0 – 2.5	1,089	1,020	59
Mr Terry Heron Director of Business Support (retired 30 September 2016 – CETV as at 30 September 2016)	25 - 30 45 - 50	0 – 2.5 -2.5 - 0	521	508	10
Mr Desmond Miskelly Director of Business Support (from 1 September 2016 – opening CETV is value at 31 August 2016)	20 – 25 35 - 40	2.5 – 5.0 2.5 – 5.0	361	313	46
Ms Helen Osborn Director of Library Services	20- 25 25 - 30	0 – 2.5 0 – 2.5	321	285	27

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 2016-17 as follows:

Band	Range	Contribution Rate
1	£0 - £14,000	5.5%
2	£14,001 - £21,300	5.8%
3	£21,301 - £35,600	6.5%
5	£35,601 - £43,000	6.8%
6	£43,001 - £85,000	8.5%
7	More than £85,000	10.5%

For 2016/17 the Employer contribution rate was 20%. Libraries NI's contribution to the fund 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 2017/18, the employer contribution rate will change to 18% plus a fixed sum Deficit Recovery Contribution of £204,000. The contribution rates are set to meet the cost of benefits accruing during 2016/17 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 $1/80^{\text{th}}$ of the employee's final year pensionable pay, with an automatic tax-free lump sum of three times their annual pension. For all membership accrued from 1 April 2009, benefits accrue at a rate of $1/60^{\text{th}}$ of final pensionable pay for each year of service but with no automatic lump sum (members can choose to give up some of their pension to provide a lump sum).

Since 1 April 2015, members accrue benefits normally at a rate of $1/49^{\text{th}}$ 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 2016-17	Temporary employees 2016-17	Others 2016-17	Total 2016-17	Total 2015-16
Wages and salaries	11,660	186	1,500	13,346	13,586
Social Security costs	863	7	-	870	687
Pension costs	2,258	24	-	2,282	2,358
Other staff costs	981	-	163	1,144	1,334
Total	15,762	217	1,663	17,642	17,965

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

	Permanent employees 2016-17 FTE	Temporary employees 2016-17 FTE	Agency/ Seconded 2016-17 FTE	Total 2016-17 FTE	Total 2015-16 FTE
Directly Employed	524	9	-	533	560
Other	-	-	67	67	54
Total	524	9	67	600	614

These costs and numbers include Senior Post Holders.

Other staff costs include redundancy costs £0.981 million (2015-16: £1.133 million), premature/flexible retirements £NIL (2015-16: £38,000), and unfunded pension payments under legacy arrangements £163,498 (2015-16: £163,000).

No staff costs have been capitalised (2015-16: £NIL). Wages and salaries include Agency staff costs of £1.443 million (2015-16: £1.038 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 2016/17 FTE	Males 2016/17 FTE	Total 2016/17 FTE	Females 2015/16 FTE	Males 2015/16 FTE	Total 2015/16 FTE
394	139	533	419	141	560

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

	At 31 March 2017		
	Female	Male	Total
Board	7	10	17
Senior Managers	1	1	2
Employees	542	156	698

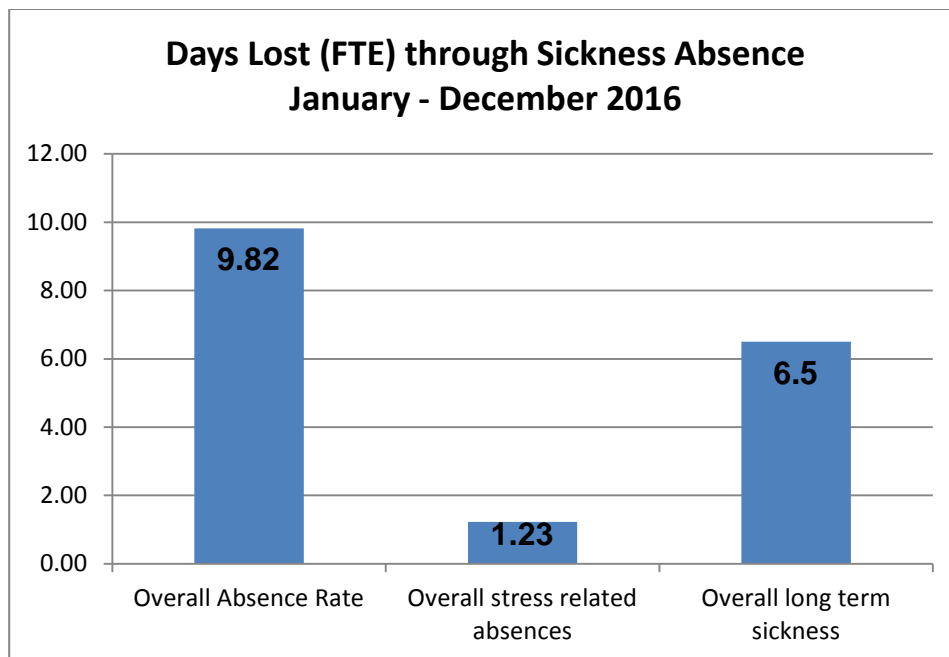
In carrying out its functions, Libraries NI has a statutory responsibility to have due regard to the need to promote equality of opportunity:

- 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 2016 the composite average full time equivalent (FTE) days lost through sickness absence was 9.82 days (2015: 9.09 days). 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 (2015/16 £NIL).

Off-payroll Engagements (Audited Information)

There were no "off-payroll" engagements in place as at 31 March 2016, nor were any arrangements entered into between 1 April 2016 and 31 March 2017.

Exit Packages (Audited Information)

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Total number of exit packages by cost band
	2016-17	2016-17	2016-17	2015-16
<£10,000	-	2	2	6
£10,001 - £25,000	-	-	-	2
£25,001 - £50,000	-	1	1	3
£50,001 - £100,000	-	9	9	15
£100,001 - £150,000	-	1	1	-
£150,001 - £200,000	-	1	1	-
Total number of exit packages	-	14	14	26
Total resource cost £	-	-	980,906	1,170,666

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.

14 exit packages were funded by the Public Sector Transformation Fund (PSTF). (2015/16: 19 exit packages were funded by the PSTF. 7 others related to flexible retirements, fixed term contracts ending and a voluntary redundancy funded by Libraries NI).

11 people (2015/16: 10 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.

Parliamentary Accountability and Audit Report

Statement of Losses and Special Payments (Audited information)

	2016-17	2016-17	2015-16	2015-16
	No of Cases	£'000	No of Cases	£'000
Claims abandoned	10,656	41	10,433	36
Stores losses	59,681	128	54,455	159
Total	70,336	168	64,888	195

Stores Losses include: £127,000 in relation to 59,680 items of stock which were due for return between October 2015 and September 2016, but had not been returned by year end; and £850 in relation to 1 item of stock assets.

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

Special Payments (Audited Information)

	2016-17	2016-17	2015-16	2015-16
	No of Cases	£'000	No of Cases	£'000
Compensation Payments	9	28	5	37

Remote Contingent Liabilities

There are no remote contingency liabilities for disclosure.

Helen Osborn

Helen Osborn
Acting Chief Executive

Date: 12 October 2017

NORTHERN IRELAND LIBRARY AUTHORITY

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

I certify that I have audited the financial statements of the Northern Ireland Library Authority for the year ended 31 March 2017 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. 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.

Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Libraries Act (Northern Ireland) 2008. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining 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. This includes an assessment of: whether the accounting policies are appropriate to the Northern Ireland Library Authority's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Northern Ireland Library Authority; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

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.

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.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of Northern Ireland Library Authority's affairs as at 31 March 2017 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Libraries Act (Northern Ireland) 2008 and Department for Communities directions issued thereunder.

Opinion on other matters

In my opinion:

- the parts of the Remuneration and Staff Report and the Assembly Accountability disclosures 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 Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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 Remuneration and Staff report and Accountability Report 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 Department of Finance's guidance.

Report

I have no observations to make on these financial statements.



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

Date 13/10/17

Libraries NI

Statement of Comprehensive Net Expenditure for the year ended 31 March 2017

	Note	2016-17 £'000	2015-16 £'000
Income			
Income from Activities	4	(892)	(874)
Other Income		(39)	(234)
Total Operating Income		<u>(931)</u>	<u>(1,108)</u>
Expenditure			
Staff Costs	3	17,642	17,965
Depreciation/Amortisation	3	5,565	5,415
Other Operating Expenditure	3	14,863	16,199
Total Operating Expenditure		<u>38,070</u>	<u>39,579</u>
Net Operating Expenditure		<u>37,139</u>	<u>38,471</u>
Finance Expense	5	159	162
Net Expenditure for the year		<u>37,298</u>	<u>38,633</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	(6,658)	(6,157)
Net (gain) on revaluation of intangible assets	9.2	(7)	(7)
Net loss on revaluation of heritage assets	9.4	180	603
Net actuarial loss/(gain) on pension	19.3	17,749	(6,680)
Total Comprehensive Net Expenditure for the year		<u>48,562</u>	<u>26,392</u>

All amounts above relate to continuing activities.

The notes on pages 86 to 116 form part of these accounts.

Libraries NI

Statement of Financial Position as at 31 March 2017

	Note	2017 £'000	2016 £'000
Non-current assets			
Property, plant and equipment	6	99,782	96,645
Intangible assets	7	224	376
Heritage assets	10	8,947	9,127
Non-current trade and other receivables	11	1,410	1,470
Total non-current assets		<u>110,363</u>	<u>107,618</u>
Current assets			
Assets classified as held for sale		-	113
Trade and other receivables	11	939	802
Cash and cash equivalents	12	356	540
Total current assets		<u>1,295</u>	<u>1,455</u>
Total assets		<u>111,658</u>	<u>109,073</u>
Current Liabilities			
Trade and other payables	13	(3,546)	(3,680)
Provisions	14	(36)	(74)
Total current liabilities		<u>(3,582)</u>	<u>(3,754)</u>
Total assets less current liabilities		<u>108,076</u>	<u>105,319</u>
Non-current liabilities			
Provisions	14	(111)	(90)
Pension liabilities	19	(75,908)	(55,532)
Other payables	13	(3,570)	(3,682)
Total non-current liabilities		<u>(79,589)</u>	<u>(59,304)</u>
Total assets less total liabilities		<u>28,487</u>	<u>46,015</u>
Taxpayers' equity and other reserves			
SoCNE		52,468	54,551
Pension reserve		(75,908)	(55,532)
Revaluation reserve		42,980	37,869
Heritage assets reserve		8,947	9,127
Total Equity		<u>28,487</u>	<u>46,015</u>

The Financial Statements on pages 82 to 116 were approved by the Board on 12 October 2017 and were signed on its behalf by:

Accounting Officer:

Melen Oskam

Date: 12 October 2017

The notes on pages 86 to 116 form part of these accounts.

Libraries NI

Statement of Cash Flows for the year ended 31 March 2017

	Note	2016-17 £'000	2015-16 £'000
Cash flows from operating activities			
Net operating cost		(37,298)	(38,633)
Adjustments for non-cash transactions	3	2,349	2,827
Finance expense	5	159	162
Depreciation/Amortisation	6/7	5,565	5,415
(Increase)/Decrease in trade and other receivables	11	(77)	184
(Decrease)/Increase in trade and other payables	13	(144)	589
Use of Provisions	14	(28)	(37)
		(29,474)	(29,493)
Cash flows from investing activities			
Purchase of property, plant and equipment		(1,556)	(668)
Purchase of intangible assets	7	(9)	-
Interest on PFI	5	(81)	(84)
Proceeds of disposal of property, plant and equipment		123	214
		(1,523)	(538)
Cash flows from financing activities			
Grants from sponsoring department		30,986	30,513
Capital element of payments in respect of finance leases and on-SoFP PFI contracts	16/17	(95)	(88)
Interest on finance leases	5	(78)	(78)
		30,813	30,347
Net financing			
Net decrease in cash and cash equivalents in the period		(184)	316
Cash and cash equivalents at the beginning of the period	12	540	224
Cash and cash equivalents at the end of the period	12	356	540

The notes on pages 86 to 116 form part of these accounts.

Libraries NI

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2017

	Note	SoCNE Reserve £'000	Pension Reserve £'000	Revaluation Reserve £'000	Heritage Assets Reserve £'000	Total Reserves £'000
Balance at 1 April 2015		55,990	(59,445)	35,564	9,730	41,839
Changes in taxpayers' equity 2015-16						
Grants from Sponsoring Department		30,513	-	-	-	30,513
Comprehensive Net Expenditure for the year		(38,633)	6,680	6,164	(603)	(26,392)
Movement on pension deficit	19.2/19.5	2,767	(2,767)	-	-	-
Realised element of revaluation reserve		3,859	-	(3,859)	-	-
Auditors Remuneration – notional	3	55	-	-	-	55
Balance at 31 March 2016		<u>54,551</u>	<u>(55,532)</u>	<u>37,869</u>	<u>9,127</u>	<u>46,015</u>
Opening balance at 1 April 2016		54,551	(55,532)	37,869	9,127	46,015
Changes in taxpayers' equity 2016-17						
Grants from Sponsoring Department		30,986	-	-	-	30,986
Comprehensive expenditure for the year		(37,298)	(17,749)	6,665	(180)	(48,562)
Movement on pension deficit	19.2/19.5	2,627	(2,627)	-	-	-
Realised element of revaluation reserve		1,554	-	(1,554)	-	-
Auditors Remuneration – notional	3	48	-	-	-	48
Balance at 31 March 2017		<u>52,468</u>	<u>(75,908)</u>	<u>42,980</u>	<u>8,947</u>	<u>28,487</u>

The notes on pages 86 to 116 form part of these accounts.

Notes to the Accounts

1. Statement of Accounting Policies

These financial statements are prepared in accordance with the 2016/17 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 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 other 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 re-classified and shown separately as part of current assets.

1.5.2 Other Assets

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

1.5.3 Assets in the Course of Construction

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

1.5.4 Depreciation

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

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

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

Useful economic lives are generally set as follows, for each class and sub-class of asset. The estimated useful lives of buildings are revised as part of the five year revaluation exercise by LPS.

<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
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 5 years by professionally qualified valuers on the basis of a rolling programme of valuation. The legacy items valued at under £1,000 are valued on the basis of a random sample. They 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 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 element 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 are 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.

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

The 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 Education and Library Boards, additional costs are paid for by paying the required amounts 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 2017

Libraries NI has reviewed the standards, interpretations and amendments to published standards that became effective during 2016/17 and which are relevant to its operations. Adoption of these standards has not had a significant impact on the financial position or results of Libraries NI.

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 2017, nor adopted early for these accounts. Libraries NI considers that these are not relevant to its operations.

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	2016-17 £'000	2015-16 £'000
Staff Costs:			
Wages and salaries		13,346	13,586
Social Security Costs		870	687
Pension Costs		2,282	2,358
Other Staff Costs		1,144	1,334
Premises, fixed plant and grounds		4,316	4,642
Library lending stock		3,149	3,478
Supplies and Services		4,289	4,416
Other employee expenses		336	381
Transport		192	206
Rentals under operating leases: Buildings		232	249
Non-cash items:			
Depreciation/Amortisation		5,565	5,415
Loss on disposal of property, plant and equipment		12	11
Pension fund costs		2,627	2,767
(Reversal of impairment) of property, plant and equipment	9	(349)	(59)
(Reversal of impairment) of assets held for sale	9	-	(7)
Provisions provided for in year	14	11	60
Notional Costs:			
Audit fee		48	55
		<u>38,070</u>	<u>39,579</u>

Libraries NI purchased no non-audit services from its external auditor (the Northern Ireland Audit Office). Further analysis of staff costs is available in the Remuneration and Staff Report.

4. Income from Activities

	2016-17 £'000	2015-16 £'000
Fees and charges	426	415
Sale of goods and services	433	451
Other income	33	8
	<u>892</u>	<u>874</u>

5. Finance Expenses

	2016-17 £'000	2015-16 £'000
Finance leases	78	78
On PFI	81	84
	<u>159</u>	<u>162</u>

6. Property, Plant and Equipment 2016/17

	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 2016	12,860	89,141	1,790	8,453	2,852	59	115,155
Additions	-	107	82	312	67	981	1,549
Disposals	-	-	(27)	-	(31)	-	(58)
Net (Impairment)/ Reversal	178	(324)	32	78	-	-	(36)
Revaluations	319	(8,220)	(53)	184	82	-	(7,688)
At 31 March 2017	13,357	80,704	1,824	9,027	2,970	1,040	108,922
Depreciation							
At 1 April 2016	-	11,902	637	4,423	1,548	-	18,510
Charged in year	-	3,010	246	1,883	258	-	5,397
Disposals	-	-	(22)	-	(14)	-	(36)
Net Impairment/ (Reversal)	-	(450)	8	57	-	-	(385)
Revaluations	-	(14,462)	(57)	135	38	-	(14,346)
At 31 March 2017	-	-	812	6,498	1,830	-	9,140
Carrying amount at 31 March 2017	13,357	80,704	1,012	2,529	1,140	1,040	99,782
Carrying amount at 31 March 2016	12,860	77,239	1,153	4,030	1,304	59	96,645

6. Property, Plant and Equipment (continued)

Asset Financing:

	Land	Buildings	Vehicles	Computers	Plant & Equipment	Assets in Course of Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Owned	12,510	77,323	1,012	2,529	1,140	1,040	95,554
Finance Leased	497	-	-	-	-	-	497
On- SoFP PFI contracts	350	3,381	-	-	-	-	3,731
Carrying amount at 31 March 2017	13,357	80,704	1,012	2,529	1,140	1,040	99,782

A full valuation of land and buildings was carried out as at 31st March 2017 by Land and Property Services (LPS) on the basis of depreciated replacement cost, as a best available estimate of fair value. The valuers are qualified to meet the 'Member of Royal Institution of Chartered Surveyors' (MRICS) standard.

Seventeen properties have intrinsic links to adjoining Health Trust facilities either through the sharing of common mechanical systems, access routes or building elements. The carrying amount includes £6,495k (2015/16: £6,422k) in respect of such properties, valued on the basis of depreciated replacement cost.

One property is identified as surplus (2015/16: 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. The carrying amount is £30k as at the 31st March 2017 (2015/16: £40k), valued at Existing Use value, as a best available estimation of fair value

6. Property, Plant and Equipment (continued) 2015-16

	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 2015	13,038	81,875	3,248	8,240	3,216	258	109,875
Additions	-	162	-	97	78	59	396
Disposals	(19)	(161)	(204)	(6)	(53)	-	(443)
Net (Impairment)/ Reversal	(135)	228	(160)	94	(28)	-	(1)
Revaluations	-	6,869	(1,094)	28	(361)	-	5,442
Reclassifications	(24)	168	-	-	-	(258)	(114)
At 31 March 2016	12,860	89,141	1,790	8,453	2,852	59	115,155
Depreciation at 1 April 2015	-	8,247	1,723	2,475	1,845	-	14,290
Charged in year	-	2,807	288	1,905	242	-	5,242
Disposals	-	-	(194)	(6)	(47)	-	(247)
Net Impairment/ (Reversal)	-	(23)	(62)	48	(23)	-	(60)
Revaluations	-	871	(1,118)	1	(469)	-	(715)
At 31 March 2016	-	11,902	637	4,423	1,548	-	18,510
Carrying amount at 31 March 2016	12,860	77,239	1,153	4,030	1,304	59	96,645
Carrying amount at 31 March 2015	13,038	73,628	1,525	5,765	1,371	258	95,585

6. Property, Plant and Equipment (continued)

Asset Financing:

	Land	Buildings	Vehicles	Computers	Plant & Equipment	Assets in course of construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Owned	12,098	73,719	1,153	4,030	1,304	59	92,363
Finance Leased	447	-	-	-	-	-	447
On-SoFP PFI contracts	315	3,520	-	-	-	-	3,835
Carrying amount at 31 March 2016	12,860	77,239	1,153	4,030	1,304	59	96,645

7. Intangible Assets

Software Licences

£'000

Cost or valuation at 1 April 2016	796
Additions	9
Disposals	-
Impairments	-
Revaluations	25
At 31 March 2017	830
Amortisation at 1 April 2016	420
Charged in year	168
Disposals	-
Revaluations	18
At 31 March 2017	606
Carrying amount at 31 March 2017	224
Carrying amount at 31 March 2016	376
Asset Financing:	
Owned	224
Carrying amount at 31 March 2017	224
Cost or valuation at 1 April 2015	783
Additions	-
Revaluations	13
At 31 March 2016	796
Amortisation at 1 April 2015	241
Charged in year	173
Revaluations	6
At 31 March 2016	420
Carrying amount at 31 March 2016	376
Carrying amount at 31 March 2015	542
Asset Financing:	
Owned	376
Carrying amount at 31 March 2016	376

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

	2016-17 £'000	2015-16 £'000
Charged/(Credited) to the SoCNE	(349)	(59)
(Credited) to Revaluation Reserve	(6,658)	(6,157)
	<u>(7,007)</u>	<u>(6,216)</u>

9.2 Intangible Assets

	2016-17 £'000	2015-16 £'000
(Credited) to Revaluation Reserve	(7)	(7)
	<u>(7)</u>	<u>(7)</u>

9.3 Assets Held for Sale

	2016-17 £'000	2015-16 £'000
(Credited) to the SoCNE	-	(7)
	<u>-</u>	<u>(7)</u>

9.4 Heritage Assets

	2016-17 £'000	2015-16 £'000
Charged to the Heritage Assets Reserve	180	603
	<u>180</u>	<u>603</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 2016	9,092	35	9,127
Additions	2	-	2
Derecognition	-	-	-
Losses	(1)	-	(1)
Revaluations	(181)	-	(181)
Closing balance at 31 March 2017	8,912	35	8,947

	Stock Assets	Other Non-Operational Assets	Total
	£'000	£'000	£'000
Cost or valuation			
Opening balance at 1 April 2015	9,695	35	9,730
De-recognition	(709)	-	(709)
Losses	(23)	-	(23)
Revaluations	129	-	129
Closing balance at 31 March 2016	9,092	35	9,127

In 2006/07, prior to the inception of Libraries NI, a category of asset referred to as "Special Books" was valued and included in the accounts of the five Education and Library Boards (ELBs), with various capitalisation limits ranging up to £3,000. There was no stated policy in respect of these assets, and they were included with Miscellaneous Plant and Equipment, at a value of £12.9 million. Many items were not valued individually but as a collection, without identifying the contents of the collection. The valuations included some pieces of art. The accounts of Libraries NI were qualified from financial year 2009/10 to 2015/16 in respect of these assets, since Libraries NI could not satisfy the Comptroller and Auditor General as to the completeness or accuracy of the figures.

In response, Libraries NI has put in place an accounting policy in respect of its valuable books and collections, (termed Stock Heritage assets) and art (termed Other Non-Operational Heritage assets), and applied a capitalisation threshold, as set out in Note 1.7. Balances include assets inherited from the ELBs which were of value less than the new capitalisation threshold.

Libraries NI has completed a number of annual valuations, which were carried out by experienced valuers in this field - Eamon deBurca, ABA, PBFA and P&B Rowan, ABA, PBFA, ILAB, CINOA, on the basis of Net Realisable Market Value. In September 2013, the valuation of art was carried out by John Ross & Co. MIAVI. For items under the capitalisation limit, a random sample was valued, and the result applied to all items in that category. By the end of the financial year 2015/16, all recognised Heritage Assets had been valued by Libraries NI on a rolling program. In March 2017, collections in Newry, Armagh and Downpatrick were revalued by P&B Rowan, ABA, PBFA, ILAB, CINOA on the basis of Net Realisable Value.

Heritage Stock Assets are covered by the Libraries NI Heritage Strategy 2014-2017 setting out the approach to the collection preservation and exploitation of Heritage material and by the Heritage and Digitalisation policy. 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

	2016-17 £'000	2015-16 £'000
Amounts falling due within one year:		
VAT	591	598
Trade receivables	150	73
Other debtors	65	15
Prepayments and accrued income	43	26
Current part of PFI prepayment	90	90
	<u>939</u>	<u>802</u>
Amounts falling after more than one year:		
PFI Prepayment	1,410	1,470
Total	<u><u>2,349</u></u>	<u><u>2,272</u></u>

12. Cash and Cash Equivalents

	2016-17 £'000	2015-16 £'000
Balance at 1 April	540	224
Net change in cash and cash equivalent balances	<u>(184)</u>	<u>316</u>
Balance at 31 March	<u>356</u>	<u>540</u>
Balances held in commercial banks and cash in hand	<u>356</u>	<u>540</u>

This balance includes £10,636 which relates to third party monies held in a trust fund administered by Libraries NI.

13. Trade Payables and Other Current Liabilities

	2016-17 £'000	2015-16 £'000
Amounts falling due within one year:		
Other taxation and social security	336	189
Trade payables	1,458	1,981
Other payables	11	67
Accruals and deferred income	1,636	1,355
Current part of finance leases	(38)	(38)
Current part of imputed finance lease element of on-SoFP PFI Contracts	143	126
	<u>3,546</u>	<u>3,680</u>
Amounts falling due after more than one year:		
Finance leases	974	936
Imputed finance lease element of on-SoFP PFI Contracts	2,596	2,746
	<u>3,570</u>	<u>3,682</u>
Total	<u><u>7,116</u></u>	<u><u>7,362</u></u>

14. Provisions for Liabilities and Charges

	Employer & Public Liability Claims £'000
At 1 April 2016	164
Provided in the year	91
Provisions not required written back	(80)
Provisions utilised in the year	(28)
At 31 March 2017	<u>147</u>
Analysis of expected timing of cash flows	
Not later than one year	36
Later than one year and not later than five years	111
Later than five years	-
At 31 March 2017	<u>147</u>
At 1 April 2015	141
Provided in the year	93
Provisions not required written back	(33)
Provisions utilised in the year	(37)
At 31 March 2016	<u>164</u>

Analysis of expected timing of cash flows

Not later than one year	74
Later than one year and not later than five years	90
Later than five years	-
At 31 March 2016	<u>164</u>

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 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 reference to analysis of previous claims of a similar type, the previous history of successful settlements and professional judgement.

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

15. Capital Commitments

	2016-17	2015-16
	£'000	£'000
Contracted capital commitments at 31 March 2017 not otherwise included in these financial statements		
Buildings	602	-
Vehicles	166	-
	<u>768</u>	<u>-</u>

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:

	2016-17 £'000	2015-16 £'000
Obligations under operating leases comprise:		
Buildings		
Not later than one year	219	208
Later than one year and not later than five years	636	655
Later than five years	464	587
	<u>1,319</u>	<u>1,450</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. The present values of 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:

	2016-17 £'000	2015-16 £'000 Re-stated
Other - Land		
Not later than one year	40	40
Later than one year and not later than five years	160	160
Later than five years	38,280	38,320
	<u>38,480</u>	<u>38,520</u>
Less interest element	<u>(37,813)</u>	<u>(37,853)</u>
Present Value of obligations	<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.

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

	2016-17 £'000	2015-16 £'000
Rentals due within one year	220	214
Rentals due later than one year and not later than five years	769	758
Rentals due later than five years	<u>1,810</u>	<u>1,993</u>
	2,799	2,965
Less interest element	<u>(575)</u>	<u>(648)</u>
Present value of obligations	<u>2,224</u>	<u>2,317</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 £3,669,000 (2015-16: £3,586,000) and the payments to which Libraries NI is committed is as follows:

	2016-17 £'000	2015-16 £'000
Not later than one year	3,670	3,564
Later than one year and not later than five years	1,300	4,565
Later than five years	<u>3,169</u>	<u>2,351</u>
	<u>8,139</u>	<u>10,480</u>

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

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 has been produced for the three year period from 1 April 2017.

The Funding Administering Authority, Northern Ireland Local Government Officers' Superannuation 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 Administering Authority 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.

For 2016/17 the employer's contribution rate to the Fund was 20%.

During 2016/17 Libraries NI made pension employer contributions totalling £2,282k to the fund, £163k in respect of unfunded pensions and £250k in actuarial costs for early release of pension under exit arrangements.

The latest formal valuation of the fund for the purpose of setting employer's actual 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 2017	At 31 March 2016
Rate of increase in salaries	3.5%	3.3%
Rate of increase in pensions	2.0%	1.8%
Discount rate	2.5%	3.4%
Inflation assumption RPI	3.1%	2.9%
Inflation assumption CPI	2.0%	1.8%

The market values of assets in the scheme were:

	31 March 2017 Quoted £'000	31 March 2017 Unquoted £'000	31 March 2017 Total £'000	31 March 2016 £'000
Equities	84,176	227	84,403	69,414
Government Bonds	6,118	-	6,118	5,503
Corporate Bonds	6,911	-	6,911	6,179
Property	11,896	-	11,896	12,744
Cash	2,946	-	2,946	2,220
Other	-	1,020	1,020	483
Total	<u>112,047</u>	<u>1,247</u>	<u>113,294</u>	<u>96,543</u>
Present value of funded liabilities			(186,363)	(149,589)
Present value of unfunded liabilities			(2,839)	(2,486)
Net pension asset/(liability)			<u>(75,908)</u>	<u>(55,532)</u>

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). Employer contribution rates were held at 20% from 2013/14 to 2016/17. 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 will 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 has been set at £204k for each of the three years, and the future service rate will be 18% for 2017/18, 19% for 2018/19 and 20% for 2019/20.

19.2 Amount charged to Comprehensive Net Expenditure

	2016-17 £'000	2015-16 £'000
Current Service cost*	3,218	3,453
Past Service cost	-	240
Losses/(gains) on curtailment and settlement	-	-
Total operating cost	<u>3,218</u>	<u>3,693</u>
Financing Cost		
Interest on net defined benefit liability	1,848	1,858
Expense recognised in SoCNE	<u>5,066</u>	<u>5,551</u>

19.3 Remeasurements in Other Comprehensive Expenditure (OCE)

	2016-17 £'000	2015-16 £'000
Return on plan assets (in excess of)/below that recognised in net interest	(13,007)	340
Actuarial losses/(gains) due to changes in financial assumptions	33,553	(5,738)
Actuarial (gains) due to changes in demographic assumptions	120	-
Actuarial (gains) due to changes in liability experience	(2,917)	(1,282)
Expense recognised in OCE	<u>17,749</u>	<u>(6,680)</u>
Total amount recognised in SOCNE and OCE	<u>22,815</u>	<u>(1,129)</u>

* the Current Service cost includes an allowance for the administration expenses of £0.047m for 2016/17 (£0.036m for 2015/16).

19.4 Reconciliation of Defined Benefit Obligation

	2016-17 £'000	2015-16 £'000
Opening Defined Benefit Obligation	152,075	154,809
Current Service Cost	3,218	3,453
Interest on pension scheme liabilities	5,139	4,886
Contributions by members	710	748
Actuarial losses/(gains) on financial assumptions	33,553	(5,738)
Actuarial losses/(gains) on demographic assumptions	120	-
Actuarial (gains) on experience	(2,917)	(1,282)
Past Service Costs/(incl. curtailments)	-	240
Estimated unfunded benefit paid	(144)	(144)
Estimated benefit paid	(2,552)	(4,897)
Closing Defined Benefit Obligation	<u>189,202</u>	<u>152,075</u>

19.5 Reconciliation of fair value of employer assets

	2016-17	2015-16
	£'000	£'000
Opening fair value of employer assets	96,543	95,364
Interest income on assets	3,291	3,028
Re-measurement gains/(losses) on assets	13,007	(340)
Contribution by members	710	748
Contribution by the employer	2,439	2,784
Unfunded benefits paid	(144)	(144)
Benefits Paid	(2,552)	(4,897)
Closing fair value of employer assets	<u>113,294</u>	<u>96,543</u>
Net Deficit at year end	<u>(75,908)</u>	<u>(55,532)</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 2017 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 1.4% Decrease by 1.4%	Increase by 2.1% Decrease by 2%
Pension Increase	Decrease by 0.1% pa Increase by 0.1%	Decrease by 1.1% Increase by 1.1%	Decrease by 2% Increase by 2.1%
Rate of salaries growth	Decrease by 0.1% pa Increase by 0.1% pa	Decrease by 0.3% Increase by 0.3%	No impact No impact
Post retirement mortality	Decrease in life expectancy of 1 year Increase life expectancy of 1 year	Increase by 3% Decrease by 3%	Increase by 3.5% Decrease by 3.5%

In each case, only the assumption note 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)	23.2	25.8
Future lifetime from age 65 (aged 45 at accounting date)	25.4	28.1

20. Contingent Liabilities

On 6 April 2016 the Government introduced the new State Pension. A consequence of the legislation was that the mechanism which previously provided fully indexed pension payments to public servants ceased to apply in relation to the Guaranteed Minimum Pension (GMP) element of pension. On 1 March 2016 HM Treasury have introduced an interim solution to the indexation of GMPs in public service pension schemes, including the Local Government Pension Scheme. The implications of this are that the Fund became responsible for paying full pension increases on the GMP for members who reach their State Pension Age between 6 April 2016 and 5 December 2018 inclusive. The results of the 2016 valuation allow for this change.

On 28 November 2016 HM Treasury commenced a consultation process on the indexation and equalization of GMP in public sector pension schemes. The outcome of this consultation is unknown and so the valuation used in these accounts does not allow for any funding of full indexation or equalization of GMPs beyond those already announced.

Inflation measure: The Consumer Prices Index (CPI) is currently used to index pensions in payment and deferment, and to revalue members' CARE accounts for service after 31 March 2015. In November 2016 the Office for National Statistics announced that a different index "CPIH" which also makes allowance for owner-occupier housing costs, is to be its preferred inflation measure in future. The Government has not yet announced whether CPIH will replace CPI as the measure for indexing public service pensions. The valuation used in these accounts continues to make allowance for indexation and revaluation based on CPI.

21. Related Party Transactions

Libraries NI is a Non-Departmental Public Body (NDPB) which was sponsored by the former Department of Culture Arts and Leisure (DCAL). On May 9 2016, DCAL was dissolved and sponsorship of Libraries NI transferred to the Department for Communities (DfC).

DCAL and DfC are regarded as related parties, and during 2016/17 Libraries NI had material transactions with both departments.

DCAL was also the sponsoring body for The Arts Council NI, National Museums NI, The NI Museums Council, The Sports Council for NI, The North/South Language Body, Waterways Ireland, The Armagh Observatory and Planetarium, and Northern Ireland Screen Commission. DfC is also the sponsoring body for The Armagh Observatory and Planetarium, The Arts Council NI, National Museums NI, The NI Central Investment Fund for Charities, Sport NI, The Ulster Scots Agency, The NI Commission for Children and Young people, The Commissioner for Older People NI, The Local Government Staff Commission for NI, The NI Local Government Officers Superannuation Committee, The Charity Commission NI, The Northern Ireland

Housing Executive, The NI Museums Council, Vaughan's Charitable Trust, Foras na Gaeilge, Ulster Supported Employment Limited, and the office of the Discretionary Support Commissioner. During the year Libraries NI had no material transactions with these bodies.

Libraries NI has had a number of material transactions with other government bodies during 2016/17. Most of these transactions have been with the Education Authority, Land and Property Services and the Health and Social Care Trusts.

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

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

22. Events after the Reporting Period

There were no events between the end of the reporting period and the date the Financial Statements were authorised for issue which would impact on these accounts.

Date of authorisation for issue

The Accounting Officer authorised these financial statements for issue on 13 October 2017