

174th Annual General Meeting

**Minutes of the meeting held in the Reading Room at 6pm on
Tuesday 3 November 2015**

The Chairman, Bill Emmott (presiding), opened the 174th Annual General Meeting with the natural but significant observation that next year would mark the 175th anniversary of the Library's foundation. On a more personal note, he would be stepping down as Chairman at the end of the present meeting.

Meanwhile the last year had been a busy one, with the introduction of *Catalyst* and a new work placement scheme for Camberwell College preservation students in addition to all the regular business. Members had also been active, with lifetime achievement awards to Jane Gardam, Catherine Aird, Bill Bryson, Edmund de Waal and Marina Warner while David Harsent had won the TS Eliot Prize for poetry. Members had also received a range of other awards in areas from scripted comedy to food writing, and at least another 25 had been long- or shortlisted.

The Development Office under the leadership of Philip Spedding had been working hard to ensure that the Library could not be described as one of London's best-kept secrets. An article on the Library by Clive Aslet had recently appeared in *Country Life* magazine while Susie Boyt had written about it in the *Financial Times*. A BBC *Artsnight* programme had featured an interview with Ben Okri in the Library's Art Room and Literature stacks, while the Library was also the location for an episode of *The Apprentice* to be screened on 4 November. Meanwhile a highly successful literary event had been held at Wilton's Music Hall on 23 October to commemorate the 50th anniversary of TS Eliot's death, and had raised £10,000 for the Library. Those present applauded this achievement.

The next major project would be the 175th anniversary initiatives, which would give a valuable boost to the Library's marketing and fundraising efforts during the course of exploring activities of an unfamiliar kind. The two most prominent initiatives would be a series of out of copyright "collectables" to be published by Pushkin Press and a literary celebration in the gardens of St James's Square in May 2016.

After concluding his introduction the Chairman invited the Treasurer, Mark Storey, to talk briefly about the Library's finances. Apologising for the small size of the numbers on the screen behind him, the Treasurer noted that the 2014-2015 financial year had seen a net fall of 301 in membership numbers. He explained that this number was artificially high as a result of a data cleansing exercise in respect of life members with whom contact had been lost and who in view of their age were presumed deceased.

Results for the current financial year to date showed a further drop of about 70 and the overall trend for the last five years was a small annual reduction. As a result total fee income had remained largely unchanged despite the increase in rates. Meanwhile costs, although tightly controlled, had continued to creep upward and the increase was due in

part to essential investment in the Development Office. The final salary pension scheme had been closed in 2011 and costs were contained in cash flow terms even though the reported actuarial deficit had risen due to market movements in recent years.

Whereas the costs of capital fundraising had previously been charged to the Development Appeal Fund, all fundraising expenditure was now charged to general funds which added some £200,000-300,000 to the cost budget. This led to an annual baseline deficit of around £1m, being the excess of total costs over fee income. This core deficit was partly or wholly made good by income from investments, revenue donations and legacies.

Investment income made a steady and useful contribution but would never be sufficient on its own given the relatively modest level of the Library's investable funds, comprising some £2m of endowments in the strict sense and another £4.8m of reserves, well below the level typical of similar US institutions. Increasing the Library's endowment in the broad sense was one of the key challenges for the Development Office. The 175th anniversary initiatives should help with this, as well as with raising the funds needed to complete the Building Project.

The Founders' Circle was the centrepiece of revenue fundraising and had been highly successful in the five years since its launch in 2010, but it needed to be reinvigorated. Members who could afford to do so were strongly encouraged to join. Legacies were budgeted at a modest level of around £50,000 per year but had in fact generated an average of nearly £350,000 per year over the last five years.

The 2015-2016 budget assumed a net increase of 174 members, but despite this it showed a net deficit of around £500,000. The Treasurer expected the actual result to be somewhat better than this as a result of good cost control and additional legacy income. A deficit on this scale did not put the Library in immediate jeopardy although there were some major challenges ahead.

The Treasurer concluded his presentation and the Chairman invited questions from the floor.

The first question was whether recent membership trends justified budgeting for an increase in the current financial year. The Librarian replied that increasing membership numbers was a key strategic objective and that measures were being put in place to achieve this, but might take time to bear fruit. Analysis showed that at 31 October 2015 the rate of decline had slowed although the Library was not yet on track to meet its target in the current year. However, experience with previous high profile events made her confident that the 175th anniversary initiatives would make a major contribution in 2016. The Chairman added that increasing efforts were being made to retain existing members as well as recruit new ones.

Another member asked for more detail on the membership joiners and leavers. He noted also that he was awaiting a response to a recent email question he had sent about the breakdown of membership by age and gender. He would, for example, be concerned if the Library was losing younger members. The Chairman replied that younger members were joining in significant numbers, although this caused a short term financial detriment to the Library in that they paid half the full fee. He added that in the past the Library had not been particularly demanding as to the personal details it requested from members, although this had changed somewhat in recent years.

Returning to the issue of joiners and leavers, the Librarian explained that progress was needed in both areas. In 1997-1998 724 members had joined compared to 585 who had

left. In 2014-2015 there had been 697 joiners as against nearly 1,000 leavers (although around 120 of the latter arose from life membership data cleansing). In 2010-2011 (when Phase 2 of the Building Project was completed) new members had totalled 984 and withdrawals 611. It was clear that reducing withdrawals was every bit as important as recruiting new members, and it was crucial to engage new members in their first year or two to prevent them lapsing through lack of interest. Strenuous efforts were being made in this regard. However, the collective behaviour of members was the result of thousands of individual decisions with no single common driver, so bulk statistics were not straightforward to interpret.

Another member commented that those like herself with a liberal conscience might feel a certain reticence about evangelising on the Library's behalf, because of concerns about elitism. She would feel reassured if she were confident that the Library paid its staff and cleaners appropriately. The Chairman replied that the Library's pay rates were tied to the universities' central scale. The Librarian believed sincerely that the Library was a good employer and looked after its staff well. She could not be certain whether the contract cleaners were all paid the Living Wage but promised to look into this.

A member noted that some subscriptions were paid by third parties (such as parents or employers) and asked whether any statistics were collected on this. The Chairman replied that there were distinct categories such as Gift and Institutional members but otherwise no statistics were kept.

A member asked whether those withdrawing from membership were asked why they were leaving. The Librarian confirmed that they were, but that answers were not always forthcoming. Common reasons were that members could not justify the fee, that they no longer needed the Library's facilities or that they were too old or infirm. It was rare for members to declare that they had resigned because of a specific objection.

A member who had joined in 1988 recognised that a balance had to be struck in the provision of the facilities offered by the Library, but asked whether more desk space could be made available in the stacks. The Chairman replied that additional spaces would be created during the final stage of the Building Project. In the meantime he pointed out that books could be loaned by post as well as in person.

The same member asked whether the ventilation in the Sackler Study could be improved. The Librarian replied that the windows there could be opened to provide fresh air and that in future the Support Team would be asked to open them on a regular basis. She cautioned however that not all members would welcome this, and a longer term solution would have to await Stage 2 of the Building Project. She noted also that some parts of the basement had no ventilation at all.

The final comment was from a member who observed that the Members' Room was a designated space for telephone calls but was not suitable for this purpose. The Chairman acknowledged this and noted that plans for Stage 2 of the Building Project included the provision of mobile phone booths. He then closed the questions and moved to the formal business of the meeting.

The members approved the minutes of the 173rd Annual General Meeting by a show of hands, with no dissenting votes.

The members approved the adoption of the 2014-2015 Annual Report and Accounts by a show of hands, with no dissenting votes.

The members approved the appointment of Sven Becker as a Trustee by a show of hands, with no dissenting votes.

The members approved the appointment of Will Harris as a Trustee by a show of hands, with no dissenting votes.

The members approved the reappointment of Philip Hook for his second consecutive term as a Trustee by a show of hands, with no dissenting votes.

The members approved the appointment of Giles Milton as a Trustee by a show of hands, with no dissenting votes.

The members approved the appointment of Rick Stroud as a Trustee by a show of hands, with no dissenting votes.

The members approved the appointment of MacIntyre Hudson to replace Moore Stephens LLP as the Library's auditors by a show of hands, with no dissenting votes.

The members approved the 2016 fee proposals by a show of hands, with one dissenting vote. The new annual fees represented an increase of 2.1% on the current levels, while the new table of life fees had been informed by a recent actuarial review.

With the formal business concluded, the Chairman introduced Sir Howard Davies who would succeed him with immediate effect. Sir Howard explained that both he and his wife had a long-standing affection for the Library but that his immediate duty was to welcome its President Sir Tom Stoppard. Sir Tom gave wholehearted thanks to the outgoing Chairman Bill Emmott, for his commitment to the Library and his assured leadership over the last six years.

The meeting closed at 7.15pm. Some 91 members had attended.