



## LEAD MEMBER FOR RESOURCES

**DECISIONS** to be made by the Lead Member for Resources,  
Councillor David Elkin

**THURSDAY, 21 JUNE 2018 AT 2.00 PM**

**COMMITTEE ROOM - COUNTY HALL, LEWES**

### **AGENDA**

- 1 Decisions made by the Lead Cabinet Member on 24 May 2018 (*Pages 3 - 6*)
- 2 Disclosure of Interests  
Disclosure by all Members present of personal interests in matters on the agenda, the nature of any interest and whether the Members regard the interest as prejudicial under the terms of the Code of Conduct
- 3 Urgent items  
Notification of any items which the Lead Member considers urgent and proposes to take at the appropriate part of the agenda.
- 4 Ore Community Library (*Pages 7 - 12*)  
Report by the Director of Communities, Economy and Transport
- 5 Pevensey Bay Community Library (*Pages 13 - 22*)  
Report by the Director of Communities, Economy and Transport
- 6 Polegate Community Library (*Pages 23 - 30*)  
Report by the Director of Communities, Economy and Transport
- 7 Willingdon Community Library (*Pages 31 - 36*)  
Report by the Director of Communities, Economy and Transport
- 8 Any urgent items previously notified under agenda item 3

PHILIP BAKER  
Assistant Chief Executive  
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13 June 2018

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## LEAD MEMBER FOR RESOURCES

DECISIONS made by the Lead Member for Resources, Councillor David Elkin, on 24 May 2018 at County Hall, Lewes

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### 1 DECISIONS MADE BY THE LEAD CABINET MEMBER ON 23 MARCH 2018

1.1 The Lead Member approved as a correct record the minutes of the meeting held on 23 March 2018.

### 2 REPORTS

2.1 Reports referred to in the minutes below are contained in the minute book.

### 3 CHIPPINGS DEPOT, RYE

3.1 The Lead Member considered a report by the Chief Operating Officer.

#### DECISION

3.2 The Lead Member RESOLVED to (1) declare the property known as Chippings Depot, Rye as surplus to the County Council's operational requirements; and

(2) delegate authority to the Chief Operating Officer to agree the terms of the disposal of the property in accordance with section 123 of the Local Government Act 1972.

#### Reason

3.3 The property has no future operational use for the Council and whilst it is vacant the property will have ongoing costs for security and maintenance.

### 4 COUNCIL COTTAGE, BARNETTS HILL, PEASMARSH

4.1 The Lead Member considered a report by the Chief Operating Officer.

#### DECISION

4.2 The Lead Member RESOLVED to (1) declare the property known as Council Cottage, Barnetts Hill, Peasmarsh as surplus to the County Council's operational requirements; and

(2) delegate authority to the Chief Operating Officer to agree the terms of the disposal of the property in accordance with section 123 of the Local Government Act 1972.

#### Reason

4.3 The property has no future operational use for the County Council and whilst empty continues to incur costs for security and maintenance. The whole property requires complete refurbishment.

## 5 LAND AT HOLMARSH BRIDGE, HAILSHAM

5.1 The Lead Member considered a report by the Chief Operating Officer, together with written comments from the Local Member.

### DECISION

5.2 The Lead Member RESOLVED to (1) declare the property known as land at Holmarsh Bridge, Hailsham as surplus to the County Council's requirements; and

(2) delegate authority to the Chief Operating Officer to dispose of the property in line with the requirements of section 123 of the Local Government Act 1972.

### Reason

5.3 The land was originally acquired in 1938 by the County Council for highways purposes but the scheme has been rescinded. The land was previously let under a Farm Business Tenancy, which expired in February 2018.

## 6 EXCLUSION OF PUBLIC AND PRESS

6.1 The Lead Member RESOLVED to exclude the public and press for the remaining agenda items on the grounds that if the public and press were present there would be disclosure to them of exempt information as specified in paragraph 3 of Part 1 of the Local Government Act 1972 (as amended), namely information relating to the financial or business affairs of any particular person (including the authority holding that information).

## 7 SACKVILLE HOUSE, LEWES - GRANTING OF LEASE TO THE SUSSEX POLICE AUTHORITY

7.1 The Lead Member considered a report by the Chief Operating Officer, together with written comments from the Local Member.

### DECISION

7.2 The Lead Member RESOLVED to (1) approve the letting of part of Sackville House to Sussex Police Authority; and

(2) delegate authority to the Chief Operating Officer to finalise the terms.

### Reason

7.3 Lead Member approval is required as the values exceed delegated authority.

## 8 LEASE RENEWAL AT 211 ELPHINSTONE ROAD, HASTINGS

8.1 The Lead Member considered a report by the Chief Operating Officer.

### DECISION

8.2 The Lead Member RESOLVED to approve the lease on the terms set out in the report.

Reason

8.3 Lead Member approval is required as the value exceeds delegated authority.

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**Report to:** Lead Member for Resources

**Date:** 21 June 2018

**By:** Director of Communities, Economy and Transport

**Title of report:** Ore Community Library

**Purpose of report:** To seek Lead Member approval to grant a full repairing and insuring lease to Ore Community Association on a peppercorn rent for a three year period, in order to operate a Community Library in the former Ore Library building.

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**RECOMMENDATION:** The Lead Member is recommended to:

**(1) approve the granting of a full repairing and insuring lease to Ore Community Association on a peppercorn rent for a three year period, in order to operate a Community Library in the former Ore Library building; and**

**(2) delegate authority to the Chief Operating Officer in consultation with the Director of Communities, Economy and Transport to agree the terms for the lease.**

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## **1 Background Information**

1.1 At its meeting of 6 March 2018, Cabinet approved the revised Libraries Strategic Commissioning Strategy, following a 12 week period of public consultation. As part of the overall Strategy, Langney, Mayfield, Ore, Pevensey Bay, Polegate, Ringmer and Willingdon libraries and the Mobile Library closed on 5 May 2018.

1.2 Cabinet agreed to give delegated authority to the Director of Communities, Economy and Transport, in consultation with the Assistant Chief Executive, to consider any viable community proposals to take over the running of the seven closed libraries or the Mobile Library, and to enter into appropriate agreements on behalf of ESCC.

## **2. Supporting information**

2.1 Ore Community Association (OCA) is an established charitable organisation which runs the Ore Centre, a large community centre in Hastings. Its proposal is to create a volunteer-led community library and community hub in the former Ore Library building in Old London Road, Ore, Hastings TN35 5BP. As with all of the community libraries, this would not be part of ESCC's statutory library provision and would not be branded as an ESCC library. The aim is to incorporate the library into the Ore Centre, managing it under the same charitable incorporated organisation. The freehold of the former Ore Library building is owned by the County Council. A location plan is provided as Appendix 1.

2.2 OCA have proposed a fully-repairing and insuring peppercorn lease arrangement for the building and a selection of stock, and the fixtures and fittings currently in the library for 3-5 years. OCA would like the County Council to consider a community asset transfer towards the end of this period.

2.3 The panel set up to evaluate the Community Library proposals (comprising the Director of Communities, Economy and Transport and the Assistant Chief Executive) has reviewed the

proposal and its supporting business case, and assessed it to be viable. A copy of the panel's evaluation report is attached as Appendix 2.

2.4 It is estimated that the site of the former Ore Library has a freehold value with planning permission for residential use of approximately £130,000. The annual commercial rental value of the building is estimated to be in the order of £2,000-£3,000. This would also require planning permission for change of use, and the types of commercial uses for which planning permission would be granted may be limited, given the largely residential surroundings.

### **3. Conclusions and reasons for recommendations**

3.1 Granting a three year peppercorn lease to OCA to operate a Community Library in the former Ore Library building would represent a potential loss of rental income to the County Council of £6,000-£9,000 over the three year period. Granting the lease instead of an immediate sale of the site would also defer a capital receipt of around £130,000. However, the option would remain for the County Council at the end of the lease period to sell the freehold or to consider an alternative use of the site, including a community asset transfer.

3.2 The OCA proposal would provide social value to the community in Ore and is judged by the evaluation panel to be viable. Granting a short-term peppercorn lease is in line with the Cabinet decision of 6 March 2018.

3.3 It is therefore recommended that Lead Member for Resources approve the grant of a full repairing and insuring lease to OCA on a peppercorn rent for a three year period, in order to operate a Community Library in the former Ore Library building, and delegate authority to the Chief Operating Officer in consultation with the Director of Communities, Economy and Transport to agree the terms of the lease.

**RUPERT CLUBB**

Director of Communities, Economy and Transport

Contact Officer: Stephen Potter

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Email: [stephen.potter@eastsussex.gov.uk](mailto:stephen.potter@eastsussex.gov.uk)

#### LOCAL MEMBERS

Councillor Laurie Loe

#### BACKGROUND DOCUMENTS

Update on the Libraries Transformation Programme – revised Libraries Strategic Commissioning Strategy, 2018/19 to 2022/23, Report to Cabinet 6 March 2018.





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Map Title: Ore Library - Site Plan

Date: June 2018

Map No: OreLibrary120618

Scale: 1:250

Author: PHS



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## Community Library Proposals

### Evaluation Panel Report

Name of Library	Ore
Community Organisation	Ore Community Association
Type of Organisation	CIO
Summary of Proposal	<p>Ore Community Association (OCA) is an established charitable organisation which runs the Ore Centre, a large community centre in Hastings.</p> <p>The proposal is to create a volunteer-led community library and community hub in the library building, which ESCC owns, with a fully-repairing and insuring peppercorn lease arrangement for the building, a selection of stock, and the fixtures and fittings currently in the library. OCA would like a lease for 3-5 years, and then at the end of this lease for consideration to be given for a transfer of the asset to the Ore Centre as a Community Asset. The aim is to incorporate the library into the Ore Centre, managing it under the same CIO.</p> <p>OCA's business plan closely reflects the running costs (excluding staffing) that ESCC had for the library. OCA has secured £12,500 in grants for the library for 18/19, and with running costs of under £6,000, this would fund the library for years 1 and 2. Their business case includes a further £4,700 of grants and income in 18/19 (as yet not secured). They expect to generate a further £15,200 in grant funding and income in each of years 2 and 3. Although this further funding is as yet unsecured, they have funding in place for two years. The panel is of the view that, overall, the proposal is sufficiently financially viable.</p>

### Property Issues

This is an ESCC owned building. The site has a freehold value with planning permission for residential use of approximately £130,000. The annual commercial rental value of the building is estimated to be in the order of £2,000 - £3,000 per year. This would also require planning permission for change of use, and the types of commercial uses for which planning permission would be granted may be limited, given the largely residential surroundings.

It is recommended that ESCC grants OCA a three year full repairing and insuring peppercorn lease now, reviews how the project evolves over the three year period, and considers options for the building, including the possibility of entering into a Community Asset Transfer at the end of, or towards the end of, the three year period. This would be subject to appropriate Member approvals. The lease would be granted to exclude security of tenure, would be for the purposes of providing a Community Library only, and would exclude the possibility of further sub-letting or assignment of the lease to a third party.

A proposal at nil rental acknowledges the opportunity cost of delaying a sale/possible capital receipt.

Any specific fixtures and fittings within the library can be listed and noted in Schedules attached to the lease.

### Panel Recommendation

The Panel assesses the proposal as viable and recommends granting a full repairing and insuring lease to Ore Community Association on a peppercorn rent for a three year fixed period, to include building, stock/fixtures/fittings – List of assets to be agreed by the Head of Customer and Library Services and attached as a Schedule to the lease. The provisions noted in the 'Property issues' section above to be incorporated into the lease.

**Report to:** Lead Member for Resources

**Date:** 21 June 2018

**By:** Director of Communities, Economy and Transport

**Title of report:** Pevensey Bay Community Library

**Purpose of report:** To seek Lead Member approval to grant, subject to landlord approval, a full repairing and insuring sub-lease to Volunteers Network CIC in order to operate a Community Library in the former Pevensey Bay Library building.

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**RECOMMENDATION:** The Lead Member is recommended to:

**(1) approve, subject to landlord approval, the granting of a full repairing and insuring sub-lease to Volunteers Network CIC on a fixed annual rent of £26 for a five year period, in order to operate a Community Library in the former Pevensey Bay Library building; and**

**(2) delegate authority to the Chief Operating Officer in consultation with the Director of Communities, Economy and Transport to agree the terms for the sub-lease.**

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## **1 Background Information**

1.1 At its meeting of 6 March 2018, Cabinet approved the revised Libraries Strategic Commissioning Strategy, following a 12 week period of public consultation. As part of the overall Strategy, Langney, Mayfield, Ore, Pevensey Bay, Polegate, Ringmer and Willingdon libraries and the Mobile Library closed on 5 May 2018.

1.2 Cabinet agreed to give delegated authority to the Director of Communities, Economy and Transport, in consultation with the Assistant Chief Executive, to consider any viable community proposals to take over the running of the seven closed libraries or the Mobile Library, and to enter into appropriate agreements on behalf of ESCC.

## **2. Supporting information**

2.1 Volunteers Network CIC was established in 2016 and runs a community hub in Eastbourne town centre. Its proposal is to create a volunteer-led Community Library in the former Pevensey Bay Library at Wallsend House, Richmond Rd, Pevensey Bay, Pevensey BN24 6AU. As with all of the community libraries, this would not be part of ESCC's statutory library provision and would not be branded as an ESCC library. The property is held by ESCC under a 99 year lease from a private landlord at a fixed rent of £26 per annum. The lease commenced in 1965 and provides the ability to sub-let or assign and change use with the landlord's permission. A location plan is provided as Appendix 1.

2.2 Volunteers Network CIC have proposed that the current lease is either assigned or sub-let to them on a fully repairing and insuring basis, inclusive of a selection of stock, and the fixtures and fittings currently in the library. Their proposal is for a five year period.

2.3 The panel set up to evaluate the Community Library proposals (comprising the Director of Communities, Economy and Transport and the Assistant Chief Executive) has reviewed the

proposal and its supporting business case, and assessed it to be viable. A copy of the panel's evaluation report is attached as Appendix 2.

2.4 ESCC has several alternative options with regard to its lease (other than sub-letting or assigning the lease to a Community Library group), including a negotiating a surrender of the lease to the Landlord, (with the landlord paying a premium), sub-letting to an authorised user at a market rental and assignment of the lease to a third party.

2.5 Of these options, sub-letting to an authorised user at a market rental, suggested at £10,000 - £12,000 per annum, is likely to yield the greatest financial return over the longer term. This would be subject to planning permission and landlord permission, and it is acknowledged that market demand for this lower ground level site may be low.

### **3. Conclusions and reasons for recommendations**

3.1 Granting a five year sub-lease to Volunteers Network CIC to operate a Community Library in the former Pevensey Bay Library building would represent a potential loss of rental income to the County Council of £50,000 - £60,000 over the five year period. However, the option would remain for the County Council at the end of the lease period to consider alternative options with regard to its leasehold interest in the property. A sub-letting arrangement (as opposed to assigning the lease to Volunteers Network CIC) would mean that ESCC would retain the Head Lease and the occupant would not be able to realise any capital or commercial value in the property.

3.2 The Volunteers Network CIC's proposal would provide social value to the community in Pevensey Bay and is judged by the evaluation panel to be viable. Granting a short-term sub-lease at the current rent is in line with the Cabinet decision of 6 March 2018.

3.3 It is therefore recommended that Lead Member for Resources approve, subject to landlord approval, the granting of a full repairing and insuring sub-lease to Volunteers Network CIC on a fixed annual rent of £26 for a five year period, in order to operate a Community Library in the former Pevensey Bay Library building and delegate authority to the Chief Operating Officer in consultation with the Director of Communities, Economy and Transport to agree the terms for the sub-lease.

**RUPERT CLUBB**

Director of Communities, Economy and Transport

Contact Officer: Stephen Potter

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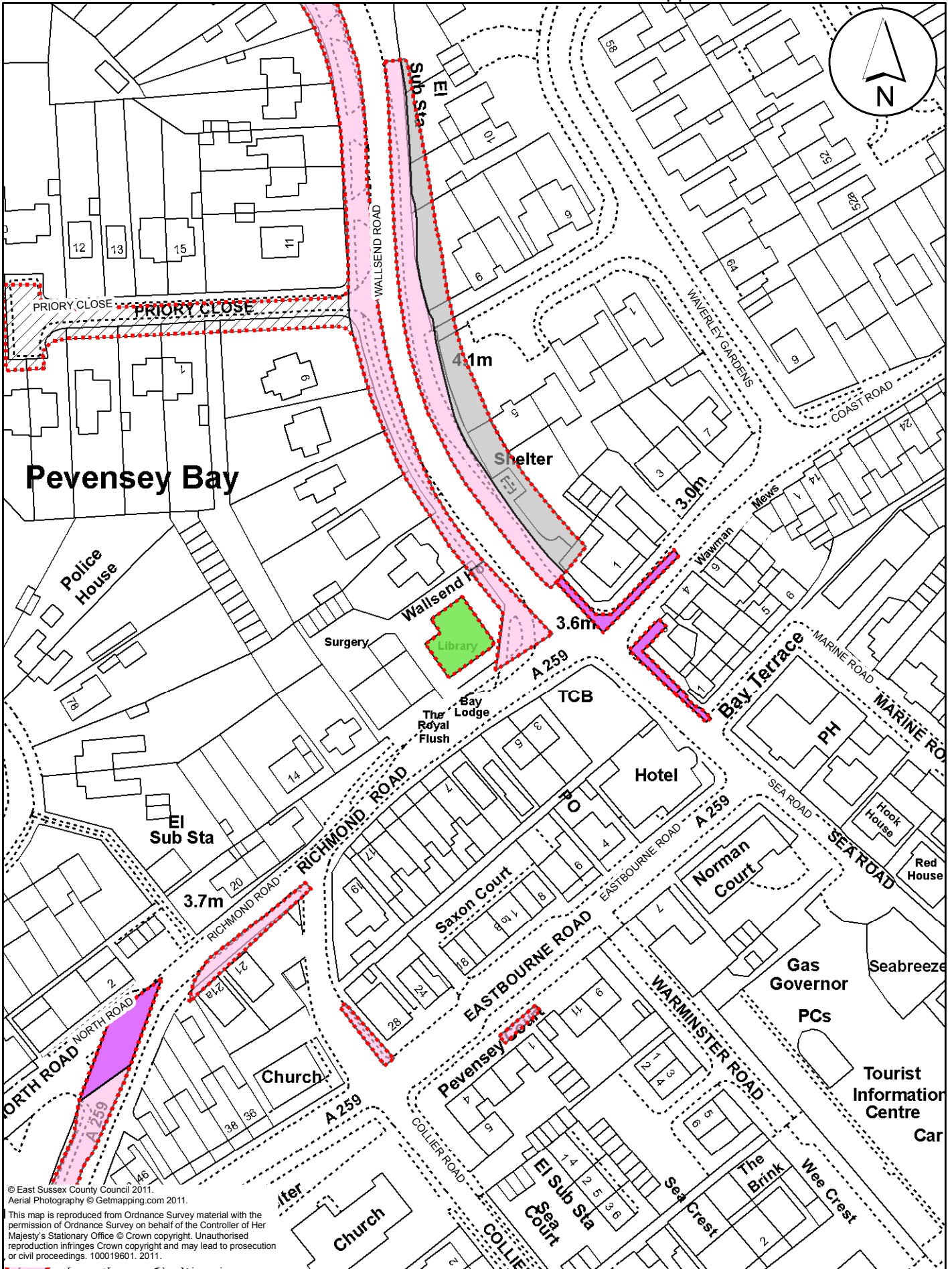
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#### LOCAL MEMBERS


Councillor Tom Liddiard

#### BACKGROUND DOCUMENTS

Update on the Libraries Transformation Programme – revised Libraries Strategic Commissioning Strategy, 2018/19 to 2022/23, Report to Cabinet 6 March 2018.



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Map Title: Pevensy Bay Library		East Sussex County Council County Hall St Annes Crescent Lewes	
Date: 21/3/13	Map No: TQ6504		
Scale: 1:1,250	Author: Page 15		

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## Community Library Proposals

### Evaluation Panel Report

Name of Library	Pevensey Bay
Community Organisation	Two proposals received: <ol style="list-style-type: none"><li>1. Friends of Pevensey Bay Library (FPBL)</li><li>2. Volunteers Network CIC</li></ol>
Type of Organisation	<ol style="list-style-type: none"><li>1. FPBL is a community organisation which has its own constitution. Proposing to set up a CIO.</li><li>2. Volunteers Network is a CIC</li></ol>

## Summary of Proposal

### **Proposal 1: FPBL**

FPBL established itself originally in 2015 to campaign against the temporary closure of the library due to flooding. Since the closure decision was taken by Cabinet FPBL has been actively developing a Community Library proposal. The group has people from a variety of backgrounds, including local government and the voluntary sector.

It wishes to operate a volunteer-run community library and community hub, independently of ESCC with a peppercorn lease arrangement for a selection of stock, fixtures and fittings currently in the library. FPBL proposes that the building would be sub-let to them. This would need to be on the basis of the group taking on all of the relevant responsibilities for the building which ESCC currently holds with the landlord.

ESCC currently spends around £16k on running the library (excluding staff costs) – the building is leased on an annual rent of £26 from a private landlord for a 99 year period from 1965. The estimated running costs for the FPBL proposal are approximately £14,000 per annum. The group's income projections are £15,600 in year one, £13,600 in year two and £14,000 in years three and four.

FPBL states that a £5,000 grant from Pevensey Parish Council and a £2,000 grant from Westham Parish Council have been promised. We have confirmation of this from both councils, who have kindly said they will provide these grants (both one off sums in year one only) to whichever proposal (if any) ESCC decides is best placed to run the Community Library.

Further funding sources are identified as coming from Pevensey Town Trust (the group states this is agreed in principle), a £5,000 bid to the Sussex Community Foundation and £2,700 in sales and hire fees and CIO membership charges, rising to £3,900 in year four.

### **Proposal 2: Volunteers Network CIC**

Volunteers Network CIC was established in 2016 and runs a community hub in Eastbourne town centre. Its vision is to create a community library and community hub in Pevensey Bay. It has set up a working group to develop the proposal.

The group's preferred option is for a community run library which purchases ESCC stock on an ongoing basis and retains the People's Network computers (Model 2). The library would be volunteer-led, but they aim to have a part-time member of staff at a future date if funding allowed. Its preference for this model is that it retains the closest type of service to that which was previously provided by ESCC in the library.

However, Volunteers Network CIC has also submitted a proposal for a community library which would not involve the purchase of ESCC stock, People's Network computers etc. (Model 3) if this was ESCC's preference. In this case, the group wishes to have a peppercorn lease arrangement for a selection of stock, fixtures and fittings currently in the library.

Volunteers Network CIC proposes to use the current manager's office in the library as a shop to sell bric-a-brac and for upselling, generating income.

In the case of both options, Volunteers Network CIC would like the lease of the building to be assigned to them, or sub-let if this is not possible. Either option would be on the basis of the group taking on all of the responsibilities for the building which ESCC currently holds with the landlord.

The estimated annual running costs for the proposal for Model 2 are approximately £13,500 and for Model 3 approximately £6,300. The difference is largely accounted for by the purchase of ESCC services in Model 2.

Volunteers Network CIC has identified funding of £20,600 in year one and has provided evidence

that it has around £7,000 of funding already – the grants from Pevensey Parish Council and Westham Parish Council noted for Proposal 1.

The remaining funding would come from a further £5,000 of grant funding (to be sought) and around £1,000 from sales, fees and charges etc. The working group which has developed these proposals consists of people with considerable experience in working in the voluntary sector and in fund-raising. The two key supporters of the proposal state that they are prepared to underwrite it themselves.

### Property Issues

As noted above, the property is held under a 99 year lease at a fixed rent of £26 per annum which commenced in 1965 with ability to sublet or assign, and change use with landlord's permission.

ESCC has several alternative options with regard to its lease (other than sub-letting or assigning the lease to a Community Library group), including a negotiated surrender of the lease to the landlord, a sale of ESCC's leasehold interest in the open market, sub-letting to an authorised user at a market rental and assignment of the lease to a party.

Of these options, sub-letting to an authorised user at a market rental, suggested at £10,000 - £12,000 per annum, is likely to yield the greatest financial return over the longer term. This would be subject to planning permission and landlord permission, and it is acknowledged that market demand for this lower ground level site may be low.

If the proposal is agreed, it is recommended that a sub-letting arrangement be granted for five years to support the use of the building as a Community Library and for no other purposes and with no shared occupancy. ESCC would retain the Head Lease and the occupant would not be able to realise any capital or commercial value in the property.

### Panel Recommendation

The Panel assesses the Model 3 proposal from the Volunteers Network CIC as viable as it has the lowest running costs of the three possible options from the two different proposers. This lower cost model reduces the risk of project failure, recognising that both projects initially rely on grants. The Panel noted that there is a stronger record of fundraising among the working group for Volunteer Network CIC, which places them in a potentially stronger position to secure the future funding on which the proposal is based. It also noted that the proposal is underwritten by two members of the group for £6,000 per year, and that at £3,000 each, this was a realistic guarantee.

The panel recommends granting a sub-lease to the Volunteer Network CIC for a five year period at the current rent of £26, to include stock/fixtures/fittings – List of assets to be agreed by the Head of Customer and Library Services and attached as a Schedule to the lease. The provisions noted in the ‘Property Issues’ section above to be incorporated into the lease.

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**Report to:** Lead Member for Resources

**Date:** 21 June 2018

**By:** Director of Communities, Economy and Transport

**Title of report:** Polegate Community Library

**Purpose of report:** To seek Lead Member approval to enter into a rent-free Service Level Agreement with Polegate Town Council, renewable annually for up to three years, in order to operate a Community Library in the former Polegate Library building.

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**RECOMMENDATION:** The Lead Member is recommended to:

**(1) agree to ESCC entering into a rent-free Service Level Agreement with Polegate Town Council, renewable annually for up to three years, in order to operate a Community Library in the former Polegate Library building.**

**(2) delegate authority to the Chief Operating Officer in consultation with the Director of Communities, Economy and Transport to agree the terms for the lease.**

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## **1 Background Information**

1.1 At its meeting of 6 March 2018, Cabinet approved the revised Libraries Strategic Commissioning Strategy, following a 12 week period of public consultation. As part of the overall Strategy, Langney, Mayfield, Ore, Pevensey Bay, Polegate, Ringmer and Willingdon libraries and the Mobile Library closed on 5 May 2018.

1.2 Cabinet agreed to give delegated authority to the Director of Communities, Economy and Transport, in consultation with the Assistant Chief Executive, to consider any viable community proposals to take over the running of the seven closed libraries or the Mobile Library, and to enter into appropriate agreements on behalf of ESCC.

## **2. Supporting information**

2.1 Polegate Town Council proposes to fund ESCC to operate the library as it functioned when run by ESCC, in the former Polegate Library building in Windsor Way, Polegate BN26 6QF. In the long-term the Town Council aims to operate a library run by volunteers and other interested parties, possibly involving setting up a Community Interest Company. The freehold of the former Polegate Library building is owned by the County Council. A location plan is provided as Appendix 1.

2.2 This proposal would effectively entail ESCC operating the Community Library under a Service Level Agreement (SLA) to Polegate Town Council. The SLA would be renewable annually for up to three years, and would provide all of the key elements of the previous service, including staffing, stock, People's Network computers etc. The charge for the SLA would also cover the provision of the building and its associated costs (including business rates, utilities, maintenance etc.). In line with the recommendations for other Community Libraries, it is not proposed that ESCC charges a rent for the building. As with all of the Community Libraries this would also not be part of ESCC's statutory library provision and would not be branded as an ESCC library.

2.3 The panel set up to evaluate the Community Library proposals (comprising the Director of Communities, Economy and Transport and the Assistant Chief Executive) has reviewed the proposal and its supporting business case, and assessed it to be viable. A copy of the panel's evaluation report is attached as Appendix 2.

2.4 It is estimated that the site of the former Polegate Library has a freehold value with planning permission for residential use of approximately £400,000. The annual commercial rental value of the building is estimated to be in the order of £15,000. This would also require planning permission for change of use.

### **3. Conclusions and reasons for recommendations**

3.1 Entering into a rent-free SLA with Polegate Town Council for up to three years, in order to operate a Community Library in the former Polegate Library Building would represent a potential loss of rental income to the County Council of £45,000 over the three year period. Entering into an SLA instead of an immediate sale of the site would also defer a capital receipt of around £400,000. However, the option would remain for the County Council at the end of the lease period to sell the freehold or to consider an alternative use of the site. Given that the Polegate Library site is a relatively large site which would (subject to planning permission) enable it to accommodate a range of future uses, it is recommended that both parties fully recognise that beyond three years alternate building provision may be required for the Community Library, with the County Council having no obligation to provide/fund same and able to deal with its asset without compromise or call on funds.

3.2 The Polegate Town Council proposal would provide social value to the community in Polegate and is judged by the evaluation panel to be viable. Entering into a short-term rent-free SLA is in line with the Cabinet decision of 6 March 2018.

3.3 It is therefore recommended that the Lead Member for Resources agree that ESCC should enter into a rent-free Service Level Agreement with Polegate Town Council, renewable annually for up to three years, in order to operate a Community Library in the former Polegate Library Building and delegate authority to the Chief Operating Officer in consultation with the Director of Communities, Economy and Transport to agree the terms for the Service Level Agreement.

**RUPERT CLUBB**  
Director of Communities, Economy and Transport

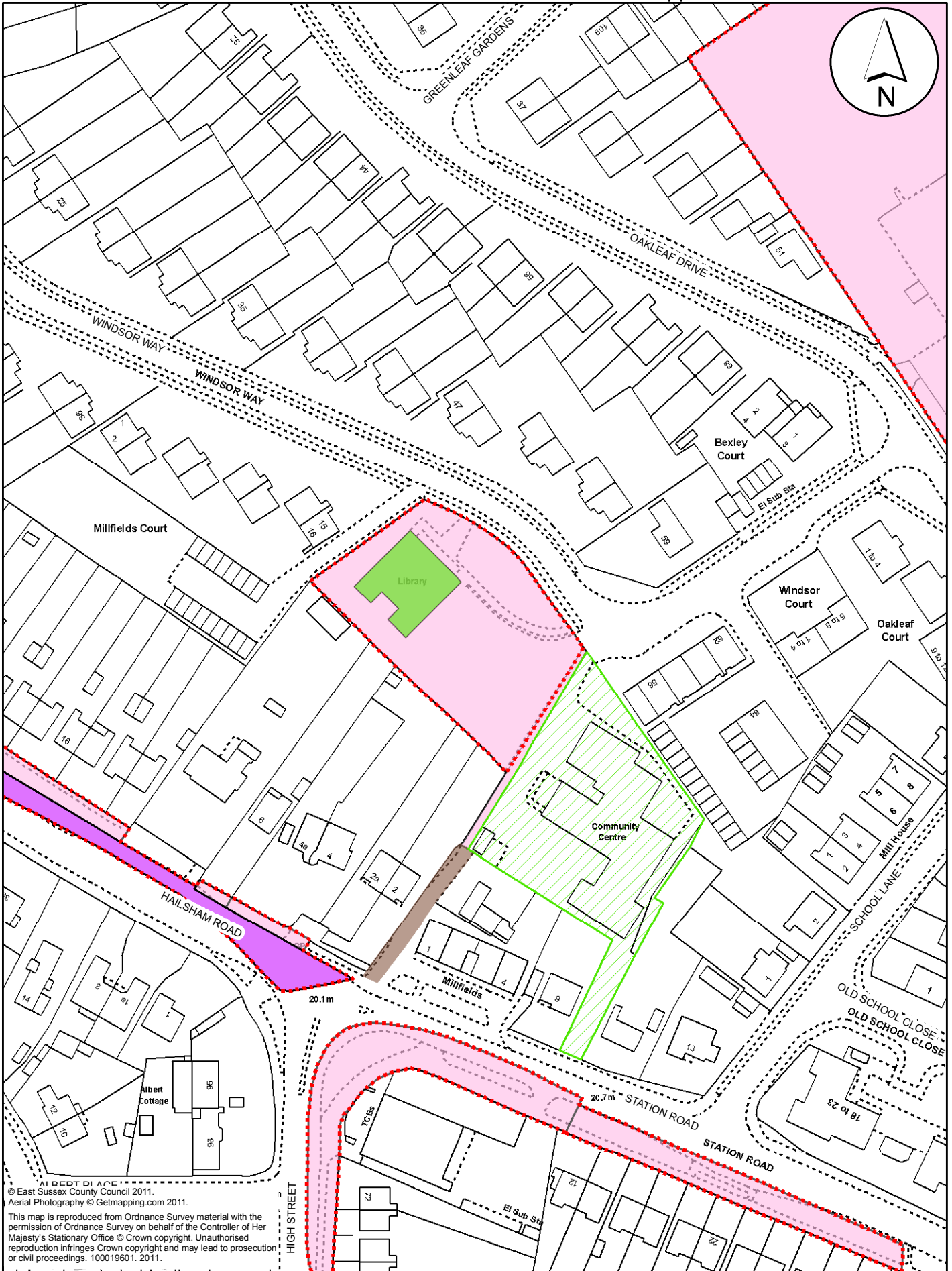
Contact Officer: Stephen Potter  
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Email: [stephen.potter@eastsussex.gov.uk](mailto:stephen.potter@eastsussex.gov.uk)

LOCAL MEMBERS  
Councillor Daniel Shing


### BACKGROUND DOCUMENTS

Update on the Libraries Transformation Programme – revised Libraries Strategic Commissioning Strategy, 2018/19 to 2022/23, Report to Cabinet 6 March 2018.





ALBERT PLACE  
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Map Title: Polegate Library		East Sussex County Council County Hall St Annes Crescent Lewes 
Date: 21 March 2013	Map No: TQ5805SW	
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## Community Library Proposals

### Evaluation Panel Report

Name of Library	Polegate
Community Organisation	Polegate Town Council
Type of Organisation	Town Council

**Summary of Proposal** Polegate Town Council proposes to fund ESCC to operate the library as it functioned when run by ESCC, whilst it works to implement a long-term solution, whereby the library would be run by volunteers and other interested parties, possibly involving setting up a CIC.

The annual cost of running the library on an 'as is' basis is approximately £72,000 (18/19 would be pro rata according to the start date, subject to approval) – this is ESCC's current full operating cost for Polegate Library, including staffing. However, as the building is owned by ESCC, this sum does not include any rent.

This proposal would effectively entail ESCC operating under an SLA to the Town Council, providing all of the key elements of the previous service, including staffing, stock, People's Network computers etc.

As with all of the community libraries, despite paying for a 'full-service' option, this would not be part of ESCC's statutory library provision and would not be branded as an ESCC library.

The costs for year one and year two would be met from the Town Council's reserves. The Town Council proposes to increase the precept by 22% in 2020/21, subject to consultation with local council tax payers, if the service is not already self-funding by then.

The Town Council has stated that it would wish to discuss with ESCC the possibility of using trained volunteers and looking at other ways to reduce the running costs of the library from 2019/20.

### Property Issues

This is an ESCC owned building. The site has a freehold value with planning permission for residential use of approximately £400,000. The annual commercial rental value of the building is estimated to be in the order of £15,000. This would also require planning permission for change of use.

In enabling a Community Library to occupy the site the County Council would in effect be deferring a capital receipt for its disposal or deferring any other future use of the site for up to 3 years.

ESCC has the option to deliver the library and building services under one SLA or to split the library and building services, entering into an SLA for the library services and granting a separate lease for the provision of the building and associated services/costs. There are no VAT implications of either approach as ESCC Finance advise that, although VAT would be charged on the provision of library services (and on the property charges if included one single SLA covering everything), the Town Council is VAT registered and can reclaim any VAT charged by ESCC.

It is recommended that one annually renewable SLA is entered into, covering the library service and building. This is the simpler and most cost-effective option, enabling the quickest and most straightforward implementation for both parties.

Given that the Polegate Library site is a relatively large site which would (subject to planning permission) enable it to accommodate a range of potential future uses, it is recommended that both parties fully recognise that beyond three years alternate building provision may be required (with the County Council having no obligation to provide/fund same and able to deal with its asset without compromise or call on funds).

It is recommended, therefore, to keep the building in ESCC's ownership and not grant a lease at this time. This gives ESCC full control over the future of site. The possibility would remain that ESCC could enter into a further SLA after the three year

period to deliver community library services from a different building.

### Panel Decision

The Panel assesses the proposal as viable and recommends entering into an SLA with Polegate Town Council, inclusive of the provision of library services and the building, subject to negotiation of mutually acceptable terms. The SLA would be renewable annually by mutual agreement, subject to a maximum of three years' total duration. It is recommended that the occupancy of the building will remain with ESCC (no lease or community asset transfer will be granted).

It is recommended that conclusion of the SLA be subject to both parties acknowledging that beyond three years alternate building provision may be required (with the County Council having no obligation to provide/fund same and able to deal with its asset without compromise or call on funds).

**Report to:** Lead Member for Resources

**Date:** 21 June 2018

**By:** Director of Communities, Economy and Transport

**Title of report:** Willingdon Community Library

**Purpose of report:** To seek Lead Member approval to grant a full repairing and insuring lease to Willingdon and Jevington Parish Council on a peppercorn rent for a five year period, in order to operate a Community Library in the former Willingdon Library building.

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**RECOMMENDATION:** The Lead Member is recommended to:

**(1) approve the granting of a full repairing and insuring lease to Willingdon and Jevington Parish Council on a peppercorn rent for a five year period, in order to operate a Community Library in the former Willingdon Library building; and**

**(2) delegate authority to the Chief Operating Officer in consultation with the Director of Communities, Economy and Transport to agree the terms for the lease.**

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## **1 Background Information**

1.1 At its meeting of 6 March 2018, Cabinet approved the revised Libraries Strategic Commissioning Strategy, following a 12 week period of public consultation. As part of the overall Strategy, Langney, Mayfield, Ore, Pevensey Bay, Polegate, Ringmer and Willingdon libraries and the Mobile Library closed on 5 May 2018.

1.2 Cabinet agreed to give delegated authority to the Director of Communities, Economy and Transport, in consultation with the Assistant Chief Executive, to consider any viable community proposals to take over the running of the seven closed libraries or the Mobile Library, and to enter into appropriate agreements on behalf of ESCC.

## **2. Supporting information**

2.1 Willingdon and Jevington Parish Council's (WJPC) proposal is to create a volunteer-led community library in the former Willingdon Library building in Coppice Avenue, Lower Willingdon, Eastbourne, East Sussex, BN20 9PN. The aim is to set up a charity to run the library, which would take over from WJPC. As with all of the community libraries, this would not be part of ESCC's statutory library provision and would not be branded as an ESCC library. The freehold of the former Willingdon Library building is owned by the County Council. A location plan is provided as Appendix 1.

2.2 WJPC have proposed a fully-repairing and insuring peppercorn lease arrangement for the building and a selection of stock, and the fixtures and fittings currently in the library for five years.

2.3 The panel set up to evaluate the Community Library proposals (comprising the Director of Communities, Economy and Transport and the Assistant Chief Executive) has reviewed the proposal and its supporting business case, and assessed it to be viable. A copy of the panel's evaluation report is attached as Appendix 2.

2.4 It is estimated that the site of the former Willingdon Library has a freehold value with planning permission for residential use of approximately £100,000 - £125,000. The annual commercial rental value of the building is estimated to be in the order of £8,000. This would also require planning permission for change of use, and the types of commercial uses for which planning permission would be granted may be limited, given the largely residential surroundings.

### **3. Conclusions and reasons for recommendations**

3.1 Granting a five year peppercorn lease to WJPC to operate a Community Library in the former Willingdon Library building would represent a potential loss of rental income to the County Council of £40,000 over the five year period. Granting the lease instead of an immediate sale of the site would also defer a capital receipt of around £100,000 - £125,000. However, the option would remain for the County Council at the end of the lease period to sell the freehold or to consider an alternative use of the site.

3.2 The WJPC proposal would provide social value to the community in Willingdon and is judged by the evaluation panel to be viable. Granting a short-term peppercorn lease is in line with the Cabinet decision of 6 March 2018.

3.3 It is therefore recommended that Lead Member for Resources approve the grant of a full repairing and insuring lease to WJPC on a peppercorn rent for a five year period, in order to operate a Community Library in the former Willingdon Library building, and delegate authority to the Chief Operating Officer in consultation with the Director of Communities, Economy and Transport to agree the terms for the lease.

RUPERT CLUBB

Director of Communities, Economy and Transport

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#### LOCAL MEMBERS

Councillor Stephen Shing

#### BACKGROUND DOCUMENTS

Update on the Libraries Transformation Programme – revised Libraries Strategic Commissioning Strategy, 2018/19 to 2022/23, Report to Cabinet 6 March 2018.





**Map Title:** Willingdon Library - Site Plan

**Date:** June 2018

**Scale:** 1:500

**Map No:** WillLibrary120618

**Author:** PHS



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## Community Library Proposals

### Evaluation Panel Report

Name of Library	Willingdon
Community Organisation	Willingdon and Jevington Parish Council
Type of Organisation	Parish Council
Summary of Proposal	<p>Willingdon and Jevington Parish Council (WJPC) wishes to operate a volunteer-run community library independently of ESCC with a fully-repairing and insuring five year peppercorn lease arrangement for the building (owned by ESCC), a selection of stock, and the fixtures and fittings currently in the library. It intends to set up a charity to run the library, which would take over from WJPC.</p> <p>ESCC currently spends around £11,000 on running the library (excluding staff costs). The estimated running costs for the proposal are approximately £9,000 per annum (WJPC anticipates reducing costs in a number of areas over time, including business rate relief with charity status and using volunteers for cleaning and minor repairs). WJPC would provide a grant to cover the full running costs of £9,000 in year one and expects running costs to decrease to around £6,500 for years two to five.</p> <p>Income projections are approximately £2,400 in year two, rising to around £6,000 in year five. This leaves a deficit of just under £4,000 in year two, falling to £700 in year five. WJPC would provide a grant to meet this deficit.</p> <p>An earmarked reserve of £15,000 has been set up to cover the first year of the project, which would provide a contingency towards any repair and maintenance costs for the building. An annual £1,000 contingency is also built into the running costs for the library.</p>

### Property Issues

This is an ESCC owned building. The site has a freehold value for planning permission for residential use of approximately £100,000 - £125,000. The annual commercial rental value of the building is estimated to be in the order of £8,000 per year. This would also require planning permission for change of use, and the types of commercial uses for which planning permission would be granted may be limited, given the largely residential surroundings.

It is recommended that ESCC grants WJPC a five year lease on a full repairing and insuring basis at a peppercorn rent for the purposes of library provision. The lease would be granted to exclude security of tenure, would be for the purposes of providing a Community Library only, and would exclude the possibility of further sub-letting or assignment of the lease to a third party. However it would permit WJPC to share legal occupation with a community interest group for the purposes of a library/community provision only.

Given the head lease would be granted at a peppercorn rent, the parties will not be allowed to charge a premium (or profit) from any subsequent transfer arrangement to a community interest group.

A proposal at nil rental acknowledges the opportunity cost of delaying a sale/possible capital receipt.

### Panel Recommendation

The Panel assesses the proposal as viable and recommends granting a full repairing and insuring lease to Willington and Jevington Parish Council on a peppercorn rent for a five year period, to include building, stock/fixtures/fittings – List of assets to be agreed by the Head of Customer and Library Services and attached as a Schedule to the lease. The provisions noted in the 'Property issues' section above to be incorporated into the lease.