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.

# **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.

# 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

Tel. No. 01273 336520

Email: 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.