

## 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.