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.

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.

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

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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.