

## 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).