

Report to: **Lead Member for Resources**

Date: **15 October 2019**

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 Library Group 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 Library Group (OCLG) 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. Community Libraries have since opened in Ringmer, Langney, and Willingdon, and ESCC has sub-let the former Pevensey Bay Library to a community group for it to be run as a Community Library. A decision has also been taken to grant permission for a group to run a community library in Polegate.

1.3 In June 2018, the decision was made by the Lead Member for Resources to approve a proposal from Ore Community Association (OCA) to lease the library building, stock, fixtures and fittings for three years. ESCC worked with OCA since that decision to bring the proposal to fruition. However, in June 2019 we reluctantly came to the view that we would not be able to progress with the proposal any further and OCA were informed of this decision.

1.4 ESCC invited further applications from the local community during the summer of 2019 and an application was received from Ore Community Library Group (OCLG), who wish to operate a volunteer-run community library independently of ESCC with a fully-repairing and insuring three year peppercorn lease arrangement for the building (owned by ESCC), a selection of stock, and the fixtures and fittings currently in the library.

2. Supporting information

2.1 OCLG intend to work towards charitable status. They are working closely with Hastings Voluntary Action (HVA). The proposal is to create a volunteer-led Community Library in the former Ore Library building in Old London Road, Ore, Hastings, East Sussex 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 freehold of the former Ore Library building is owned by the County Council. A location and site plan are provided as Appendix 1.

2.2 ESCC spent approx. £4,500 on running the library in 2017/18 (excluding staff costs, repairs and maintenance). OCLG's estimated running costs for the proposal are £8,879 for Year 1, £7,074 for Year 2 and £7,074 for Year 3. Setup costs for a library management system and IT are built into the Year 1 budget. Costs are expected to be met mainly by a grant from Big Local in Years 1 – 3 (£6,000 in Year 1, £5,000 in Year 2 and £4,000 in Year 3) whilst other grants and funding are applied for, as well as income from events and fund-raising. OCLG has funding of £2,072 from donations already received. The group intends to apply for business rate relief but, on a precautionary basis, has built the cost of rates into its budget for Years 1-3.

2.3 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 £6,000. 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. In line with the decisions for other Community Libraries, it is not proposed that ESCC charges a rent for the building for the duration of the initially agreed lease period.

2.4 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.

3. Conclusions and reasons for recommendations

3.1 Granting a three year peppercorn lease to OCLG to operate a Community Library in the former Ore Library building would represent a potential loss of rental income to the County Council of £18,000 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. 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 or fund the same and to be able to deal with its asset without compromise or call on funds.

3.2 The Ore Community Library 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 the Lead Member for Resources approves the granting of a full repairing and insuring lease to OCLG on a peppercorn rent for a three year period, in order to operate a Community Library in the former Ore Library building, and agrees to enter into an arrangement for a selection of stock, fixtures and fittings to be loaned to OCLG free of charge for the duration of the peppercorn lease. It is further recommended

that the Lead Member for Resources delegates 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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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.