

Report to the Cabinet

Meeting to be held on Thursday, 14 September 2017

Report of the Head of Asset Management

Part I

Electoral Divisions affected:
Chorley Rural East, and
Cleveleys East

Proposals relating to Library Buildings

(Appendices 'A' and 'B' refer)

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Executive Summary

This report outlines proposals in relation to the provision of library facilities and also considers options in relation to premises where Community Asset Transfer requests have been received.

This is deemed to be a Key Decision and the provisions of Standing Order No. 26 have been complied with.

Recommendation

The Cabinet is recommended to agree:

- (i) To operate a full library service from Adlington Library.
- (ii) To rescind the decision to declare surplus the Adlington Library and Children's Centre building.
- (iii) To approve in principle the community asset transfer of Cleveleys Library and Children's Centre, subject to successfully meeting the criteria set out in the Community Asset Transfer Policy including among other items VAT implications and clawback provisions subject to final approval of the Cabinet.
- (iv) To approve in principle the establishment of an independent community library at Cleveleys Library and Children's Centre subject to successfully meeting the criteria set out in the Community Asset Transfer policy.

- (v) That the cost of capital works estimated at £0.849m in order to re-open 11 libraries that were previously closed, as agreed by Cabinet to date, be funded from the Libraries Re-instatement Capital Allocation of £1.571m as set out at Appendix 'B'.

Background and Advice

At the meeting held on 13 July 2017 Cabinet approved a report setting out proposals for the re-opening of Libraries across Lancashire. This report clarifies proposals in relation to a further two library buildings which are both subject to live proposals for Community Asset Transfer (CAT).

The community group, Friends of Adlington Library (FoAL) has submitted a detailed application relating to Adlington Library and Children's Centre which has been accepted in principle. FoAL has subsequently indicated that, notwithstanding their application, they would prefer the County Council to operate a Library Service rather than progress a CAT.

The community organisation, UR Potential, has submitted a detailed application for the community asset transfer of Cleveleys Library and Children's Centre where the group proposes to establish an independent community library. This proposal has not yet received approval. Detail relating to the proposal is set out at Appendix 'A' for consideration.

If the proposals set out in this report are agreed, the library service will deliver through one additional building (Adlington Library) bringing the total to 57, each of which will be a staffed facility with appropriate opening hours. Should the application for asset transfer progress (Cleveleys Library and Children's Centre) this will bring the number of independent community libraries in development to six.

Proposals relating to Buildings

Library service delivery from Adlington Library and Children's Centre has not yet ceased as it remains open with financial support from Chorley Borough Council, the agreement for which is due to end on 31 March 2018. If agreed, this proposal will see the County Council retain Adlington Library and Children's Centre building and the library service will continue to be provided from that location beyond the term of the agreement with Chorley Council.

Community Asset Transfer and provision of Independent Community Libraries

This report sets out details of an application to establish an Independent Community Library in Cleveleys Library and Children's Centre received from UR Potential. As set out in Appendix 'A', the application is considered to be acceptable for agreement in principle, subject to successfully meeting the criteria set out in the Community Asset Transfer Policy.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Financial

The estimated cost of continuing to provide a library service at the Adlington Library and Children's Centre building when the current financial support from Chorley Borough Council ceases on 31st March 2018 is £0.062m per annum for staffing and running costs and £0.004m for non-recurrent costs (one-off costs such as ICT).

The Government introduced flexibility for capital receipts to be used to fund revenue expenditure that meets certain criteria. As part of the County Council's budget for 2017/18 a value of £12.500m income from capital receipts is budgeted for with a further £5.000m built into the Medium Term Financial Strategy for 2018/19. It is important to note that the decision to retain and approve in principle the community asset transfer of the libraries within this report may impact on the achievement of the required value of capital receipts and consequently any associated revenue expenditure that was/is dependent upon the same. This will be monitored closely throughout this financial year.

A number of the library buildings that are to be retained require some repairs and maintenance and capital works due to their condition. Surveys have been carried out to ascertain the value of these works which will be predominantly capital works. An estimated value of £1.571m was included within the "Revisions to the 2017/18 Budget" paper approved by Full Council in July 2017.

It was agreed that a further report would be submitted to Cabinet detailing the estimated capital allocations required for works. A breakdown of the estimated capital allocations required in relation to the re-opening of 11 library buildings agreed by Cabinet to date is set out at Appendix 'B' for approval. These will be continuously reviewed as part of the Capital monitoring process.

Appendix B estimates capital costs to be £0.849m for those library buildings that it has been agreed will reopen. This includes expenditure relating to furniture, IT and other one-off costs, which upon review has been agreed to be recognised as capital expenditure (provision had been made within the Transitional Reserve to support this expenditure and therefore will no longer be required). However, there is a risk that due to additional items being included as capital expenditure that there will be a shortfall in the capital programme, as estimates are still being collated and decisions to be taken around some libraries at this stage a risk is highlighted and will be addressed as future reports are presented to Cabinet that outline estimated costs.

Human Resources

Following the transformation process in 2016, the library service currently carries approx. 20 actual vacancies and is stretched over an additional number of libraries some of which are currently open as an interim measure. Adding the current vacancies to the additional vacancies as a consequence of reopening libraries, could equate to approx. 100 actual vacancies in total which include both part-time and full-time posts across a range of grades. As such there will need to be additional recruitment in order to effectively deliver the service across a greater number of premises. The lead in time for recruitment can take upwards of eight weeks to complete following which the induction and training of new employees will also be required prior to operational delivery.

Property Asset Management

In order to facilitate the delivery of library services as set out above, the Cabinet is asked to rescind the decision to declare surplus Adlington Library and Children's Centre.

As a result of the community asset transfer in relation to Cleveleys' Library and Children's Centre noted above, it is possible that this could have a negative impact on the capital receipts which are built into the revenue budget from 2016/17 – 2018/19. This will continue to be monitored as part of the regular reviews of the County Council's Medium Term Financial Strategy.

Procurement

The selection of contractors to undertake the capital works will be carried out in full compliance with the Public Contract Regulations 2015, either through the use of an established framework such as the rotational list for building works, the Partnering Framework, or through undertaking a compliant procurement exercise where appropriate.

List of Background Papers

Paper	Date	Contact/Tel
The Property Strategy (Neighbourhood Centres) Response to Consultation	8&26/9/2016	Steve Browne/01772 534121
Community Asset Transfer and Independent Community Libraries	7/12/2016	Mel Ormesher/01772 536966
Community Asset Transfer and Independent Community Libraries	23/1/2017	Mel Ormesher/01772 536966
Community Asset Transfer and Independent Community Libraries	9/3/2017	Mel Ormesher/01772 536966

Property Strategy (Neighbourhood Centres) - Community Asset Transfer and Independent Community Libraries	6/4/2017	Mel Ormesher/01772 536966
Property Strategy - Community Asset Transfer, Independent Community Libraries and vacated Children's Centres on school sites	27/4/2017	Mel Ormesher/01772 536966
Rescinding of the Deputy Leader's Approval to dispose of Fulwood and Barrowford Library and withdraw Fulwood Library, Barrowford Library, Earby Library, Freckleton Library, Whalley Library & Spring Wood Children's Centre & Lostock Hall Library & Children's Centre from the market for Sale	24/5/2017	Gary Pearse/01772 533903
Proposals relating to Library Buildings which were closed/proposed for closure as part of the Property Strategy (Neighbourhood Centres)	13/7/2017	Mike Kirby/01772 533285
Proposals relating to Library Buildings	10/8/2017	Mel Ormesher/01772 536966
Community Asset Transfer (Part II)	10/8/2017	Mel Ormesher/01772 536966

Reason for inclusion in Part II, if appropriate

N/A