

## **Report to the Cabinet**

Meeting to be held on Thursday, 14 June 2018

### **Report of the Head of Service – Asset Management**

#### **Part I**

Electoral Division affected:  
Lytham

#### **Proposals Relating to Libraries**

(Appendices 'A', 'B', 'C' and 'D' refer)

Contact for further information:

Mel Ormesher, 01772 536966, [mel.ormesher@lancashire.gov.uk](mailto:mel.ormesher@lancashire.gov.uk)

#### **Executive Summary**

This report outlines proposals in relation to the provision of library facilities in Lytham, Fylde.

This is deemed to be a Key Decision and the provisions of Standing Order C19 have been complied with.

#### **Recommendations**

Cabinet is asked to approve:

- (i) The establishment of a full library service at Lytham Assembly Rooms
- (ii) An allocation to fund capital works as set out in Appendix C to establish a library service in Lytham to be funded from the Libraries Re-instatement Capital Allocation of £1.571m
- (iii) The entering into an Agreement for the establishment of the library in the Lytham Assembly Rooms
- (iv) The surrender of the county council's interest in the Lytham Institute.

#### **Background and Advice**

In November 2017 Cabinet agreed to a review to determine the costs and implications for the provision of a library service within Lytham. The service was originally delivered from Lytham Library and Registration offices, which occupied part of the Lytham Institute building, and closed on 30 September 2016.

The review has included an assessment of the suitability of three premises in line with the revised Library Strategy which was approved by Cabinet in September 2017 and the model opening hours approved in March 2018:

- The Estates Office at Hastings Place (owned by Lancashire County Council)
- Lytham Institute (owned by Fylde Borough Council)
- The Assembly Rooms (operated by Lytham Town Trust and owned by Fylde Borough Council).

A range of service information has been considered in a review of each of the potential settings. The Friends of Lytham Library and Institute, and Lytham Town Trust, were each invited to submit a business case setting out how each site might include a library service and any other options for developing a sustainable use of the premises. The business cases have been considered in detail alongside a matrix rating each of the properties against key criteria which is included at Appendix D.

### **Service requirements**

The Library service has confirmed that a Band C Library would be appropriate to serve a community of the size and demographics of Lytham. This includes the capability to accommodate approximately 7000 books on mobile and fixed shelving; 5 or 6 public network computers; a self-service machine for loans of stock; a public counter; storage and staff welfare facilities. Ideally the library would be contained within a single room to enable staff to supervise the entire space and be fitted with movable shelving that will afford flexibility for wider community use.

### **Options:**

#### **1. The Estate Offices, Hastings Place, Lytham FY8 5LZ**

- The building currently houses the Adult Social Care Service and provides temporary accommodation for the Registration Service pending completion of essential maintenance work to St Anne's Library. The reception is open to the public for 12 hours per week.
- The building is well located in the centre of Lytham with disabled access via a ramp to the front. Disabled access is limited to the ground floor meaning that the upper floors are unsuitable for public access.
- The building is made up of several small rooms which would require significant remodelling and has insufficient ground floor space to house a Band C library.
- Two of the options proposed by The Friends of Lytham Library and Institute suggest relocating the Adult Social Care service from Hastings Place to the first floor of Lytham Institute and a cost estimate for these works has been produced. However, the move is not appropriate as there is no lift access to the first floor of the Institute and significant capital monies would be required to convert the space into modern office accommodation (Appendix C).

#### **2. Lytham Institute, Clifton Street, Lytham, FY8 5EP**

- This is a Grade II listed building owned by Fylde Borough Council. Prior to the cessation of the library service in 2016 the building was occupied in part by the county council under a User Right Agreement for the delivery of Library and Registration Services. The remainder of the building was utilised by Fylde

Borough Council for the local civic society and heritage group with a further room hired out on a sessional basis for private use.

- The building is well located in the centre of Lytham and is currently accessed via steps to the front with disabled access to the side.
- In 1982 following local government reorganisation the county council inherited user rights over 41% of the property and have made a contribution towards the running costs in accordance with this percentage. Over time the county council's exclusive occupation increased to 61% of the total floor area (to accommodate Blackpool and Fylde College and Day Service) and the User Right has been amended to reflect this fact.
- Unless the User Right Agreement could be varied to reflect the reduced level of occupancy the county council would remain liable for 61% of all premises related costs.
- The county council does not currently deliver any services from the Institute. The terms of the agreement require the county council to provide 12 months' notice should a decision be taken to rescind its right to occupy the building. During this period the county council will retain responsibility for 61% of all premises related costs.
- The 61% of the building under the county council's control is significantly larger than the space that is required for the library service provision. The library service was previously split across two floors and a number of rooms requiring an increased number of staff to adequately supervise the different areas. Such a layout makes it difficult to meet the service requirements. The Design and Construction Service have developed and costed a proposal to re-instate a Band C library within a single space requiring 20% of the total floor area of the building, retaining use of the prime accommodation at the front of the building. A copy of the drawing setting out the preferred layout within the Institute is attached at Appendix A.
- At the time of closure the library accommodation was not considered to be a suitable space for the delivery of a modern library service, with a particular challenge being the number of individual rooms requiring supervision by staff. Since the closure many of the fixtures & fittings including ICT equipment have been removed from site and the condition of the building has deteriorated due to it being largely vacant.
- A visual condition survey has been undertaken jointly by the borough and county council to identify the scale of potential maintenance works. It should be noted that this is not a specialist conservation survey. A significant maintenance requirement has been identified of which the county council would be liable for 61%.
- Fylde Borough Council remain responsible for 39% of the premises related costs.

### **Friends of Lytham Library and Institute**

- The Friends of Lytham Library and Institute is a community group which formed with the aim of supporting the library service and the future use of the Institute.
- The business case submitted by the Friends group sets out four different options for the future use of the building, each of which is contingent on the county council re-instating a library service in the building along with varying levels of

community and commercial use and in two options proposes additional use by county council services:

- **Plan A** retains the library to the front of the building in the two rooms used previously. The rooms to the rear on the ground floor, and the small former classroom on the first floor are earmarked for community use. The remaining first floor would be utilised as commercial space.
- **Plan B** moves the library to the central area of the ground floor, accessible through the side doors which also have a disability access ramp. The Hewitt Lecture Room and small former classroom on the first floor would be retained for community use. The entire front of the building, the former library rooms and those on the first floor for commercial lettings.
- **Plan C** is similar to B, and suggests the county council utilise the first floor for the Adult Social Care service. While this would mean a larger proportion of rent from the county council it would enable the authority to dispose of Hastings Place.
- **Plan D** suggests the return of the library to its former two rooms to the front of the property, the county council's Adult Social Care service to move in to the first floor. The Hewitt Lecture Room and the former classroom on the first floor would be retained as community use, and the middle section of the ground floor available for commercial lettings.

Each of the four options has been considered against a set of criteria including service requirements, cost and suitability.

Whilst each option demonstrates merit, their viability is dependent on securing community and commercial use over a three year period which does not address the residual financial liabilities of the county council and Fylde Borough Council under the terms of occupation. Whilst each option considers the revenue implications in some detail there is no reference to obtaining the capital funding that would be necessary to address the maintenance requirements and develop the interior of the building into commercially desirable spaces. Each option assumes a level of both commercial and community use of the building which has not been secured.

The amount of space allocated for the delivery of library services in each of the options is greater than that required by the service for a Band C library and would therefore require additional capital. The proposals also present problems in terms of providing an adequate number of staff to supervise a service split across different rooms.

A fifth option has been developed by officers which takes into account the library service requirements were it to operate from Lytham Institute in the future. This utilises some of the ground floor rooms to the front of the building as set out in Appendix A. The capital costs of this option are set out at Appendix C however it should be noted that the viability of this fifth option would still be dependent on the community and commercial use being secured.

### **3. Lytham Assembly Rooms, Dicconson Terrace, Lytham FY8 5YJ**

- The Assembly Rooms are operated by Lytham Town Trust under a lease from Fylde Borough Council. Any sub-letting of the building to the county council would require a variation to the lease agreement to which the borough council have indicated their consent.
- The building is well located in the centre of Lytham and is currently accessed via steps to the front with disabled access to the rear.
- The Design and Construction service have developed and costed a proposal to deliver a Band C library from the Dicconson room, which meets service requirements. A copy of the proposed layout is attached at Appendix B.
- The remainder of the ground floor would be retained by the Town Trust for community use with the upper floors let to third party commercial organisations. The financial accounts submitted to the charity commission suggest that the organisation is financially viable.
- A visual condition survey has been undertaken to identify the scale of potential maintenance works. Whilst a number of issues need addressing the estimated maintenance requirement is significantly less than that for the Institute.
- In line with the terms of the lease with the borough council the Town Trust would retain responsibility for external maintenance. The county council would be responsible for the internal maintenance of the areas under its sole usage along with a proportionate contribution for shared areas.

#### **Lytham Town Trust**

- Lytham Town Trust is a registered charity established in 1990 with the aim of preserving and protecting buildings of architectural or historic interest and the provision of facilities for the community. The Trust manages the Assembly Rooms and Lytham Hall. As stated on their website ([www.lythamtowntrust.org](http://www.lythamtowntrust.org)), Lytham Town Trust's main focus now is to support the refurbishment and restoration of Lytham Hall and Parkland.
- The business case submitted by the Town Trust offers the county council the dedicated use of the Dicconson Room within the Assembly Rooms, at a cost of £14,500 per annum plus a contribution towards utilities etc, estimated to be £8,000 per annum which is approximately £22,500 in total each year.
- It is proposed that the location of a county council library within the Assembly Rooms would support the wider community use of the remaining accommodation which is not let to other tenants.

On the basis of the issues set out above and information set out at Appendices C and D the Assembly Rooms are considered to be the most appropriate location for the delivery of a Band C library service in Lytham.

#### **Consultations**

Discussions have taken place with Fylde Borough Council. Lytham Town Trust and the Friends of Lytham Library and Institute have each been asked to submit a business case setting out how each site might include a library service and any other options for developing a sustainable use of the premises.

## Implications:

This item has the following implications, as indicated:

### Risk management

Failure to approve the proposals would result in further delays to the re-provision of library services in Lytham.

### Financial

The financial implications of this proposal are set out fully at Appendix C.

Taking the preferred option to install a Band C library at Lytham Assembly Rooms as the base line (100%), the estimate costs of works to Lytham Institute and Hastings Place are shown as a percentage increase to the base line. The estimate premises costs are also shown as a percentage increase against the base line, as follows:

	<b>Hastings Place (£)</b>	<b>Lytham Institute (£)</b>	<b>Lytham Assembly Rooms (£)</b>
<b>Library installation: including construction and condition costs, fees and disbursements (capital)</b>	+20%	+125%	100%
<b>Including cost of works to relocate Hasting Place to Lytham Institute:</b> - light remodelling - medium remodelling - heavy remodelling		+201% +350% +526%	
<b>Premises costs (revenue)</b>	+46%	+100%	100%

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 a value of £18.525m income from capital receipts is built into the Medium Term Financial Strategy for 2018/19. It is important to note that the decision to retain the Estates Offices, Hastings Place 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.

Due to the nature of building works, the full extent of repairs required may not be apparent until the building infrastructure is exposed where this is appropriate, which may result in the need to undertake additional work and therefore increased project costs.

The annual staffing and premises running costs of a library at Lytham Assembly Rooms are £63,000 which will need to be added into the Medium Term Financial Strategy from 2019/20. The purchase of books and resources will be met from the Libraries Resource fund budget.

There is potential for the county council to be liable for property related costs at both the Institute and the Assembly Rooms which is dependent on the timing of surrendering the user right at the Institute with Fylde Borough Council and entering into a new lease arrangement to occupy the future accommodation at Assembly Rooms.

If approval is given to this proposal, there will be a residual allocation of £0.019m within the £1.571m Re-instatement of Libraries capital programme. Any further projects brought forward to re-instate libraries at the remaining locations of Rosegrove, Northfleet, Chatburn, Read and Briercliffe will require the repurposing of money within the existing capital programme or additional borrowing to fund them.

## **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
Proposals relating to Libraries		9 November 2017	Mel Ormesher 536966
Proposals relating to Libraries		13 July 2017	Mel Ormesher 536966

Reason for inclusion in Part II, if appropriate

Exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972. Appendix 'C' contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It is considered that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.