

SURREY COUNTY COUNCIL**CABINET****DATE: 24 MAY 2016****REPORT OF: MR RICHARD WALSH, CABINET MEMBER FOR LOCALITIES AND COMMUNITY WELLBEING****MS DENISE LE GAL, CABINET MEMBER FOR BUSINESS SERVICES AND RESIDENT EXPERIENCE****LEAD****OFFICER: JOHN STEBBINGS, CHIEF PROPERTY OFFICER****SUBJECT: PROPOSED NEW LIBRARY FOR HORLEY****SUMMARY OF ISSUE:**

To consider an opportunity to acquire new premises for Horley Library, providing a modern and flexible high profile environment in a town centre in a part of Surrey experiencing rapid population growth and ongoing regeneration.

RECOMMENDATIONS:

It is recommended that Cabinet:

1. approves the purchase of a retail unit in Russell Square, Horley for the purchase price stated in the Exempt 'Part 2' report (item 20) on a 998 year long lease (a 'virtual freehold') from Reigate and Banstead Borough Council (RBBC), as premises for a modern library for Horley.
2. delegates authority to the Chief Property Officer in consultation with the Director of Finance and Director of Legal and Democratic and Cultural Services to award a contract for the refurbishment and fit out of the new library, subject to formal tender, at a cost not to exceed that stated in the Exempt 'Part 2' report (item 20).

REASON FOR RECOMMENDATIONS:

To stimulate and maintain high levels of library use in Horley. The existing Horley library building is no longer in the centre of the town, does not provide a suitable environment for a modern library service and incurs high maintenance and running costs. Acquiring a recently constructed retail unit in Russell Square will provide premises fit for a modern library where a growing community will benefit from the more convenient location and a comprehensive range of services available to local residents.

DETAILS:

Background

1. During the last six years Surrey County Council (SCC) has completed refurbishments and self service at 30 libraries. The impact of this programme including extended opening hours via self service has been very positive for Surrey residents, demonstrated by evidenced increases in customer satisfaction rates. Despite UK library use trends declining this is not the picture in Surrey where libraries are issuing 5.89 million items a year with 3.8 million visits. In the last year book issues rose by 5.1%. Children's book borrowing exceeded two million issues.
2. Horley library is within the county's core network and the library strategy recommends that, for a community the size of Horley, the library should be located in a district shopping centre in order to benefit from town centre regeneration schemes and attract more customers. The existing library on Victoria Road in Horley was constructed in the 1950s and is located 0.3 miles from the town centre. The current location and condition of these premises is less than ideal.
3. Horley is experiencing significant growth and regeneration. The Horley Master Plan is set to facilitate 2,600 new homes and improved public facilities for local people.

Library Service Strategy – the case for change

4. The library refurbishment programme described in paragraph 1 above has been a key driver in the modernisation of Surrey Libraries and has enabled the service to create attractive and stimulating public spaces for the modern user that increase footfall and the overall satisfaction of residents in Surrey as evidenced by the new build projects at Dorking and Cobham and the redesign at Woking.
5. Recent relocations of other Surrey libraries into central retail areas, such as moving Walton Library into The Heart Shopping Centre, and relocating Dorking Library to St Martin's Square, have resulted in increased library usage and have brought benefits to surrounding businesses.
6. In their communities many libraries are the visible "front door" of the County Council and a place where people feel able to receive or be signposted to advice and guidance. The successful provision of bus pass and blue badge checking in libraries are examples of ways in which they are expanding their role. Local access to services and advice for residents in libraries for a wide range of additional services such as health and wellbeing and public health advice demonstrates the importance of libraries in delivering SCC priorities and the need for modern, highly visible and accessible locations.
7. Surrey libraries provide residents with a service that is highly valued. On average the service issues 5.89m items per year and received 3.8m visits. Despite overall UK library use trends declining, in Surrey during 2014/2015, book issues rose by 5.1% compared to a national drop of almost 5%. In Surrey children's borrowing continued to increase and over two million books were borrowed by children last year.

8. The Horley Master Plan anticipates a new library being developed in Horley town centre with excellent accessibility both into the building and to the building from all modes of travel. Funding to support that development is available through developer contributions linked to new housing provision.
9. A new library in Horley would attract an increase in public use and raise the profile of the library service in line with the other relocation/refurbishment programmes for library buildings. It would improve the service for residents, more closely matching the library service requirements in the strategic network. To meet the needs of increasingly diverse service provision the proposed fit out would include shelving and fittings designed for maximum flexibility. Zones within the library would include a children's area, leisure study and business wi fi area, guidance and information area with IT access and confidential "pod", creative/cultural space, income raising area and quick choice area.

Funding the new library

10. If Cabinet approve the relocation of the service to new premises this will free up the existing library building which has redevelopment opportunities. A potential capital receipt arising from its sale could offset the capital cost of the new premises.
11. It is also anticipated that up to £1.093m of s.106/Community Improvement Levy (CIL) funding will be available to fund the improved library provision. It is expected that this will be received in tranches between 2016/2017 and 2023/2024 upon completion of several residential developments in the area. The anticipated s.106/CIL receipts will be forward funded by funding from SCC, with the amount of funding required reducing as the receipts are received.
12. The existing library premises have significant backlog maintenance liabilities amounting to £225,000, which would be avoided if the building were vacated. The NHS occupy a proportion of the space, paying rent and contributing towards the running costs of the property and a rental income is received for parts of the building and elements of the car park. There is currently an amount of vacant space within the building with little demand for letting. The NHS has a three month rolling contract and they have indicated that they will vacate the building in the current financial year.

Proposed new premises

13. A more central location in Horley has been identified as a suitable site for the new library in a new build five storey development, known as Russell Square, situated on the corner of Victoria Road and Russell's Crescent. The building has ground floor retail units with 75 apartments above.
14. SCC has provisionally agreed Heads of Terms to enter into a 998 year 'virtual freehold' lease for a peppercorn rent for Unit 1, a ground floor retail unit with frontage onto both streets. Other surrounding occupiers include Costa Coffee and Waitrose.
15. The building is well connected with Horley Mainline Railway Station within a quarter of a mile to the south and two bus stops within one hundred yards of the building on the same side of the road with regular bus routes serving the location. Whilst there is only minimal car parking on site, there are two pay and display car parks within 0.2miles, a five minute walk away. There will be two car

parking spaces provided on site included with the purchase which could be converted to one disabled space, subject to completion of further analysis.

CONSULTATION:

16. The following have been consulted:

- Councillor Dorothy Ross-Tomlin

RISK MANAGEMENT AND IMPLICATIONS:

17. As the proposed library currently has planning consent for retail use only, it will be necessary to apply for planning permission to convert the unit from retail to library use. To this end, pre-application meetings have been held which indicate that this proposal is supported by the local planning authority. Completion of the lease will be subject to planning permission being granted.

18. It is anticipated that £1.093m of s.106 funding will be received in tranches between 2016/2017 and 2023/2024. This funding is dependent upon the completion of several residential property schemes in the area and there is therefore the risk that the timing of the completion of these schemes may be delayed or that the scheme would not go ahead, increasing the burden of cost borne by SCC.

Financial and Value for Money Implications

19. The full financial and value for money implications are set out in the Part 2 paper.

Section 151 Officer Commentary

20. The Section 151 Officer confirms that the impact on the MTFP is the cost of borrowing to fund the investment prior to realising the capital receipt and the s.106 funding.

Legal Implications – Monitoring Officer

21. Under the Public Libraries & Museums Act 1964, the provision of public library services is a statutory duty of this Council. Part of that duty is to provide an efficient library service. The acquisition of a building (on a very long lease), fit for purpose, supports this duty.

22. Furthermore, under Section 123 of the Local Government Act 1972, local authorities have the power to dispose of land in any manner they wish, subject to the disposal being for the best consideration reasonably obtainable. This enables the disposal of the existing building once it is surplus to requirements.

Equalities and Diversity

23. The Libraries Service undertook an Equality Impact Assessment on moving to the new premises, considering all potential users of the library and analysing information gathered from library users, local groups, other library service teams, other colleagues and evidence gathered from libraries on the specific manner in which libraries are used.

24. The main equality issues identified with the internal design of libraries are:
- Age – particularly teenagers, children and older people
 - Disabilities - people with disabilities being fully able to access the facility
 - Pregnancy and maternity
25. The current library has a staff car park behind it (open free to the public at weekends), as well as a pay and display car park with 22 spaces (two of which are for disabled) which is often used for people visiting the nearby doctor's surgeries. There is also a large car park (200 spaces of which three are for disabled) virtually opposite the library.
26. The proposed new library will have no staff parking. The public car park next to the library has two spaces marked as disabled though these are not compliant with modern standards.
27. The lease of the new site comes with two parking spaces to the rear of the building which could be converted into one compliant disabled space. Positive discussions have been held with SCC Highways regarding the conversion of some existing spaces in nearby Russell's Crescent to disabled spaces, therefore we are confident that we are able to provide adequate parking for disabled users.
28. There is a public car park virtually opposite the proposed site (0.1 mile away) with 163 spaces (four spaces for disabled with two nearest the library and the other two at the far end).
29. The proposed location is much closer to the railway station (less than 0.2 miles) and there is also a bus stop opposite and one nearby served by buses on various routes.

Carbon emissions implications

30. The provision of a new smaller modern library and the demolition of the existing larger 1950's library will improve energy efficiency and reduce the overall carbon footprint of Surrey County Council services.

WHAT HAPPENS NEXT:

- Property officers will finalise legal arrangements with RBBC
- Property and Libraries staff will work together to agree fit out design and look which optimise public value
- Preparation and submission of Planning
- Completion of acquisition subject to outcome of Planning application
- Preparation of tender package and tender works out July 2016
- Tender review August 2016
- Contract Award August/September 2016
- Projected completion of works December 2016
- Decommission existing library December 2016

Contact Officer: Alister Fawley, Asset Strategy Partner 020 8541 7930

Consulted:

The following Cabinet Members and staff have been briefed;

Tony Samuels: Cabinet Associate for the Built Environment

Mrs Dorothy Ross-Tomlin: County Councillor for Horley East and Chairman of Reigate & Banstead Local Committee

Peter Milton: Head of Cultural Services

Ann Charlton Director of Legal and Democratic and Cultural Services

Julie Fisher: Deputy Chief Executive

Annexes:

- Annex 1 – Proposed new site map
 - Annex 2 - Equality Impact Assessment – Surrey County Council Libraries
 - Part 2 report and annexes - item 20
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