

SURREY COUNTY COUNCIL**CABINET****DATE: 30 NOVEMBER 2021****REPORT OF CABINET MEMBER: MARK NUTI, CABINET MEMBER FOR COMMUNITIES****LEAD OFFICER: MARIE SNELLING EXECUTIVE DIRECTOR FOR CUSTOMERS AND COMMUNITIES****SUBJECT: LIBRARIES TRANSFORMATION UPDATE AND THE NEXT PHASE, MODERNISING OUR LIBRARY ESTATE****ORGANISATION STRATEGY PRIORITY AREA: GROWING A SUSTAINABLE ECONOMY SO EVERYONE CAN BENEFIT/ ENABLING A GREENER FUTURE/ EMPOWERING COMMUNITIES****Purpose of the Report:**

The Library and Cultural Services Transformation Programme was established following the Cabinet's approval of the [Library and Cultural Service Strategy 2020-2025](#) in [November 2019](#). The Library Service has been through a significant period of change over the last two years, responding to the challenges presented by COVID-19 and delivering improvements to meet the needs of Surrey residents and provide greater value for money.

To build on these achievements - and ensure the next phase of the programme effectively supports the council's ambitions and recovery from COVID-19 - the report sets out the strategic intent and principles that will underpin a five-year programme of work to modernise library settings across Surrey. This will mean libraries can meet the needs of communities, support wider strategic priorities, and are fit and sustainable for the future.

Recommendations:

It is recommended that Cabinet:

1. Agree the overall strategic intent and key principles that will underpin the development of a five-year modernisation plan for libraries across the county.
2. Note that once this overall approach has been agreed, individual detailed business cases will subsequently be developed and brought forward for agreement as the programme is progressed. These will be based upon service analysis and prioritise key locations based on need and opportunity.

Reason for Recommendations

The Cabinet's agreement of these principles and an overall countywide framework for the modernisation of library properties will pave the way for specific individual library business cases to then be developed and formally brought forward for approval as required. It is essential these principles and parameters are agreed first, in order to ensure the overall countywide programme can meet the agreed vision for libraries, is affordable, and can be successfully delivered.

Executive Summary:

Background

1. The Libraries Transformation programme forms a key part of Surrey County Council's (SCC) wider, ambitious programme of transformation across many of its services to meet the needs of Surrey residents and provide greater value for money.
2. In November 2019, [Cabinet approved the Library and Cultural Services Strategy 2020–2025 and future model for service delivery](#) as part of its duty to deliver a comprehensive and efficient statutory service. This included a commitment to maintaining 52 libraries and taking a local co-design approach that actively involves key stakeholders, residents, and other services to shape individual library offers.
3. Responding to both the Library and Cultural Services Strategy 2020–2025 and [DCMS Libraries Deliver: Ambition for Public Libraries in England 2016 to 2021 report](#) the transformation programme will enhance the valuable role libraries play in changing lives for the better, actively responding to local needs and issues, supporting COVID-recovery, and contributing directly to the County Council's strategic priorities.
4. The programme consists of a number of interconnected projects and workstreams, with a focus on Technology, Workforce, Property and Co-design.

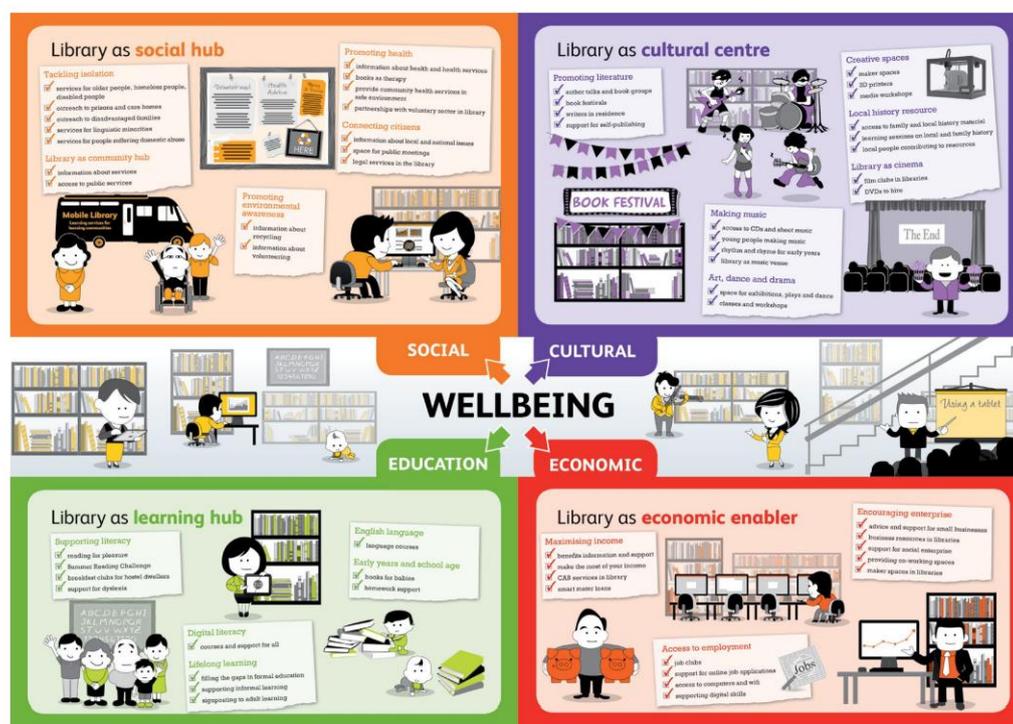
Library Transformation Programme update

5. Despite the challenges of COVID-19, there has been significant progress to date across the libraries transformation programme. Key achievements include:
 - Developing an extensive digital offer, including access to an increased range of free online resources and events.
 - Completing a comprehensive workforce programme including a staff restructure to empower frontline staff and enable leadership at every level, and introducing library apprenticeships.
 - Joining the Libraries Consortium to enable our residents to use their Surrey library card to access libraries in Essex and 18 London boroughs, giving them access to more than 9 million resources.
 - Establishing a co-design methodology that included training for staff at all levels in the service, and work with key partners including District and Borough Councils.
 - Achieving significant savings to date and on track to have achieved £2.9m efficiencies by the end of March 2022 whilst maintaining frontline services.

The next phase of library transformation and modernisation

6. Learning from the [Covid-19 response and insights](#) on needs and opportunities in the county's local communities, all underline the vital role that modernised library services and buildings can play in people's lives.
7. The council is committed to developing modern libraries that are bright, inviting, flexible spaces which provide access to a range of valuable information and resources and are a

gateway to events, activities and other public services through co-location and digital access. [The Carnegie Trust in their Shining a Light Report](#) defines a modern library as having four interconnected offers: Libraries as Social Hubs, Cultural Centres, Learning Hubs and Economic Enablers. This is illustrated in the diagram below:



8. Modernised libraries that meet this ambition will make a significant and direct contribution to the council's strategic priorities by, for example:

- supporting people's **health and wellbeing** by providing services that support prevention, combat social isolation, and allow access to information and activities in safe, trusted, and well-designed spaces.
- maximising opportunities for an **inclusive economy** by contributing to town centre regeneration efforts where appropriate, opening up a wider range of cultural experiences for communities to help boost high streets (as recognised by the [Arts Council](#)), and creating flexible spaces for businesses and skills development.
- contributing to **reduced carbon emissions** through improved energy efficiency standards and practices of library buildings.
- **empowering local communities** by improving access to support and resources and creating spaces communities can use themselves for events and local activities.
- providing a range of working spaces in a variety of libraries for other council staff to work locally in the communities they serve, a key part of the **Agile Workforce** programme

9. A baseline review of the current library estate has confirmed that a significant programme of modernisation is required to ensure the library service can deliver these benefits for communities. This baseline review, completed by the Libraries and Land and

Property teams, drew together large amounts of data on factors such as current running costs, maintenance required, whether they are leasehold or freehold and outline work needed to provide space to deliver all service outcomes. Further details on this are set out in Annex A.

10. The exercise also identified that in the years since many library buildings were acquired, the populations they serve have evolved - county wide and local needs have changed with new developments and regeneration of local infrastructure sometimes taking place in different parts of the community from where the library was originally located.

Key principles

11. It is clear that a strategic, longer term approach is required to transform the library estate. This will be a significant and complex programme of change for the county and based on the findings of the initial baseline review will take at least five years to complete, with detailed case-by-case options to be developed for each library.
12. The Libraries and Land and Property services have worked together to develop a set of principles that will underpin this programme:
- All proposals will align with both The Libraries and Cultural Services strategy 2020-2025 and the [Surrey County Council Asset and Place strategy 2019-2030](#) which sets out SCC's strategic approach to reviewing its estate, whilst supporting service delivery and Surrey's Community Vision to 2030.
 - All proposals will follow the relevant Department of Culture Media and Sport legislation, guidelines and advice in relation to Libraries being a statutory service: <https://www.legislation.gov.uk/ukpga/1964/75>
 - All changes to libraries will be designed to deliver the outcomes and benefits of a modern library service as detailed in the library services strategy.
 - All new and refurbished properties will be multi-use spaces to offer a range of council services and shared with partners wherever possible.
 - All proposed changes will ensure that local need is at the heart of the service offer.
 - All proposed changes will follow the programme's agreed approach for co-design and engagement as outlined in the 26 November 2019 cabinet paper, [07 - Libraries Cabinet report v1.5 Final.pdf \(surreycc.gov.uk\)](#). This will include further engagement with Districts and Boroughs, local members, and other key stakeholders to inform the services in each location.
 - All proposals will support delivery of the council's organisational priorities, whilst supporting delivery of MTFS requirements and ensuring that the overall programme is feasible and affordable.

Determining future options for libraries: A phased programme

13. Building on the baseline work a phased programme is being built based on the current condition of the building, level of need in the local community and the opportunity to connect to other transformation initiatives in the area (e.g. co-location with other complimentary services e.g. SCC Adult Learning). See Annex A for further details on criteria being used to inform this.

14. There are four key opportunity categories, and these will be explored for each library building:
- Refurbishment
 - Re-location
 - Re-development
 - No changes required.
15. Work is already underway in a number of priority locations, most notably in Redhill and Staines. In both cases options for the library are being considered alongside other significant initiatives in the area, enabling a holistic view on how the library can support the local community as part of a connected set of local services and settings.
16. The criteria and data – especially those that relate to other connected transformation opportunities – are not fixed. Therefore, the programme will be re-assessed periodically based on new data or opportunities that provide a clear strategic case to alter the phasing.
17. The four categories set out in section 14 provide a guide to inform the capital pipeline. Balancing the best opportunities and the correct scheme at the right time in each location is challenging so detailed business cases will be developed to support each phase of projects as the programme progresses. These cases will provide detailed costings and options appraisals that will be shaped by feasibility studies.
18. The following will also be assessed in each location on a case-by-case basis:
- **Types of library:** Fundamental to developing plans for individual locations are the three types of library outlined in [The Libraries and Cultural Services strategy](#) (page 14): Library Plus, Library and Community Library. The type of library will impact the scale of change needed in each location and will be drawn out through the engagement process as opportunities are explored to work with partners and residents in each community.
 - **Opportunities to connect to wider initiatives in localities:** The council has begun to test this approach by working with partners including Districts and Boroughs, in a number of initial locations to look holistically at how library services fit into the overall locality alongside other key initiatives underway or planned. This work is about creating community anchors and connecting libraries more fundamentally in localities to help create great places to live, work and study across the county. This includes maximising the opportunities for libraries to be a connected part of initiatives to regenerate high streets and town centres for the benefit of residents.
 - **Sustainable funding:** Capital requirements will be built into the capital pipeline as part of the MTFs process. Refurbishment projects will require a level of investment to deliver the transformation outcomes. The ambition is that redevelopment schemes should at least be self-funding business cases wherever possible, generating income streams or running cost reductions to off-set the cost of borrowing to fund the capital investment required. Opportunities and plans in different locations will also seek funding from alternative sources to support the business case for individual schemes. This includes applications for Community Infrastructure Levy (CIL) funds in districts and boroughs where redevelopment or relocation is linked to community growth and wider local place shaping infrastructure funds. It will also look at other sources of funding such as the Arts Council to provide aspects of projects to reduce the overall capital requirements.

- **Latest data and insight:** As this planning process moves forward, SCC will continue to use data including from community profiles, [The Surrey County Council Developer Contribution Guide \(published in 2018\)](#) and population growth data to shape the recommended outcome for each library. This evidence based decision making process aligns with [Government guidance](#) on reviewing library services.

Other implications and considerations

19. As individual library assessments are completed, and the programme moves into delivery there are likely to be some key implications to be worked through – for example:
- As the right opportunity is defined, it may be necessary to change the location of a library. This will not be to close a library but to change a location to better meet local need and to improve overall accessibility as was the case in Merstham in 2017. The details of any proposed moves will be outlined in an individual business case.
 - Proposals could result in the Council releasing some existing libraries properties or other County Council assets. Each full business case for a relocation scheme will need to include a disposal plan (or alternative) for any asset that is vacated.
 - As set out above, it is essential the programme is delivered in keeping with the requirements and parameters of the council's MTFS, balancing transformation opportunities and impact with affordability. This financial position is dynamic, and the programme will need to adapt accordingly should the current forecast financial position change significantly.

Consultation:

20. The County Council has been discussing with district and borough local authorities' key local opportunities and the proposed way forward for a modernised library service. These discussions have explored opportunities to align library service provision with need, accessibility, and local ambitions to improve facilities and services appropriate to the local community. Officers will continue to engage with district and borough partners as the programme moves forward to ensure that opportunities continue to match up with wider opportunities in localities.
21. The Libraries Transformation programme reported to [The Children, Families, Lifelong Learning and Culture Select Committee](#) in March 2021 and Leader's Transformation Board on the programmes progress to date. These meetings have helped to shape thinking and inform this paper.
22. This plan and its principles have been devised jointly between Surrey Libraries and SCC Property.
23. As each part of the 5-year plan is brought forward, staff and organisational representatives will be consulted on individual schemes, as appropriate, and have input into designs and layouts at key stages during each project's development.
24. SCC Land and Property and libraries have been engaging with districts and boroughs and talking to a range of local partners and services such as Registration, Adult Learning about future opportunities and making the best use of potential space in any new schemes.

25. A co-design methodology has been developed for resident engagement and this will be rolled out as work on individual schemes progresses.

Risk Management and Implications:

26. There are risks associated with the project and a project risk register has been compiled and is regularly updated. The significant risks associated with this project are set out below.
27. There is a risk that the finances and flexibilities available to progress the programme of work are impacted as a result of Covid-19 restrictions, leading to delays in the ability to progress to the planned timeline. The impact of this would be mitigated by working within Government guidance to adapt plans, delivery modes and timescales, to ensure continued delivery of high quality, value for money services for residents, and to ensure good communications with residents and stakeholders about the rationale and any changes in plans.
28. There is a possibility that by co-designing proposals for local provision or pursuing individual place based opportunities, the overarching statutory duty to provide a comprehensive and efficient library services for the whole county may be reduced, and any consultation process may not recognise the county-wide implications. To mitigate this, while the co-design and place shaping process will take place at a local level, the high-level cumulative impact will be assessed, and where appropriate, action taken to ensure any emerging proposals do not put at risk compliance with the Council's statutory duty.
29. As individual property plans are put forward there is a risk of individual cases not funding themselves financially. This will be mitigated by developing robust business cases with feasibility studies to determine as best as possible exact costings to inform decisions about whether projects and opportunities should be pursued.

Financial and Value for Money Implications:

30. Capital investment is being factored into the capital pipeline as part of the current MTFS budget setting process, based on a number of assumptions and the classification of existing assets into a number of categories. Detailed business cases will be developed to support each phase of projects as the programme progresses. Redevelopments and relocations are expected to be self-funding business cases, generating additional income streams, or reducing existing running costs to off-set the revenue cost of borrowing to fund the capital investment requirements. Refurbishments projects will require a level of capital investment to deliver the transformation programme outcomes, which will not be self-financing, and these are being flagged as such as part of the capital programme proposals. As part of this process the financial impacts of the specific proposals developed as part of the 5-year plan will be assessed and factored into revenue budgets as they emerge.
31. Indicative capital investment requirements will include the cost of the greener futures agenda and decarbonisation of library properties, as part of the work required to achieve the transformation ambitions, where possible.
32. Resources to progress a process of co-design with local people and key stakeholders, to undertake consultation where necessary on a district and borough basis over the next 12

– 18 months and to carry out feasibility studies as required, will be contained within existing agreed revenue budget allocations.

Section 151 Officer Commentary:

33. Although significant progress has been made over the last twelve months to improve the Council's financial position, the medium-term financial outlook beyond 2021/22 remains uncertain. The public health crisis has resulted in increased costs which may not be fully funded. With uncertainty about the ongoing impact of this and no clarity on the extent to which both central and local funding sources might be affected in the medium term, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium term.
34. The Section 151 Officer supports the overall strategic intent and key principles that will underpin the development of a five-year modernisation plan for libraries across the county. Indicative capital investment requirements are being included in the capital pipeline as part of the current MTFs and capital programme budget setting process. Individual business cases will be developed to support the progression of proposals at individual locations and the financial impact of these business cases will be factored into the Medium-Term Financial Strategy going forward.

Legal Implications – Monitoring Officer:

35. Each existing library will be part of a phased programme and will be subject to a detailed review to enable the production of a detailed business case for its future. Any proposals for change which constitute a significant departure from the way in which the existing library service is delivered will need to be the subject of equality impact assessments and public consultation after which the proposals will be returned to Cabinet for final decisions to be taken.
36. The Public Libraries and Museum Act 1964 requires the Council “to provide a comprehensive and efficient library service for all persons” who want to make use of it. The Cabinet will need to be assured that what is proposed will enable the Council to continue to do that.

Equalities and Diversity:

37. An EIA has been undertaken for the Libraries and Cultural Services Programme and this has been signed off by the Portfolio holder. This is published here: [Libraries and Cultural Services Transformation - Equality Impact Assessment \(EIA\) – Surrey-i \(surreyi.gov.uk\)](#)

Other Implications:

38. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

Area assessed:

COMPLIANCE AGAINST NET-ZERO EMISSIONS TARGET AND FUTURE CLIMATE COMPATIBILITY/RESILIENCE

39. Emissions from Surrey County Council corporate estate contribute 10,302 tonnes of Carbon equivalent which is 55% of the baseline emissions to be reduced to NetZero by 2030. Libraries contribute 12 % of the baseline emissions if not addressed by 2030 and will cost the Council about £65,294 to offset, hence measures to refurbish the libraries are urgently needed to support the 2030 NetZero emissions reduction ambition.

Site	Current Emissions from electricity use (tCO2e)	% of total SCC estate emissions	Annual Carbon cost/ from 2030
Libraries emissions	1,286	12%	£65,294

Case for Intervention

40. Refurbishment of the buildings to improve achieve efficiency in electricity use and heating use through insulation, will achieve 15%-32% emissions reduction. Switching heating to heat pumps will achieve 94% emissions reductions from heating. All measures will reduce 87% of Library annual greenhouse gas emissions reducing the projected carbon cost per year at 2030 to £8,170 per year. This cost could be further reduced through generating renewable energy from solar to supply the energy requirements of the buildings as shown below.

Site	Energy efficiency emissions reduction from gas, oil and electricity	Heat pump installation emissions saving from heating	Emissions remaining from electricity use by 2030 tonnes CO2e	Annual Cost of Carbon/per tone
Libraries	32%	94%	86	£8,170

What Happens Next:

41. The next steps are that:
- a. Feasibility studies are completed to progress schemes in priority locations. This will determine the specific phase one proposals to be brought forward over the next 12 – 18 months. The development of business cases to support these proposals at will follow to request funding from the capital pipeline.
 - b. The Executive Director and Cabinet Member for Customer and Communities will agree the proposals to move forward.
 - c. Detailed proposals related to the implementation of business cases that request funding from the capital pipeline will be presented to Cabinet for consideration.
 - d. Decisions will be communicated to residents and stakeholders.

Report Author: Marie Snelling, Executive Director Customer and Communities, 07971664631

Consulted:

- Council Cabinet members and portfolio holders
- Children, Families, Lifelong Learning and Culture Select Committee members
- Corporate Leadership Team and other staff

Surrey County Council Property Panel

Annexes:

Annex A- Further Details on The Baseline Estate Review And Phasing Of The Modernisation Programme

Sources/background papers:

[The Children, Families, Lifelong Learning and Culture Select Committee](#) update on Libraries Transformation report. March 2021

[The Children, Families, Lifelong Learning and Culture Select Committee](#) update on Cultural Services

[LIBRARIES AND CULTURAL SERVICES: OUR NEXT PHASE, Cabinet Report 2019](#)

[Libraries and Cultural Services Strategy 2020-2025](#). November 2019.

[Strategic planning of library services: longer-term, evidence-based sustainable planning toolkit - GOV.UK \(www.gov.uk\)](#)

[Libraries Deliver: Ambition for Public Libraries in England 2016 to 2021 - GOV.UK \(www.gov.uk\)](#)

[Shining a light The future of public libraries across the UK and Ireland](#)

[Surrey County Council Asset and Place strategy 2019-2030](#)

[Surrey Covid-19 Community Impact Assessment](#)

ANNEX A

FURTHER DETAILS ON THE BASELINE ESTATE REVIEW AND PHASING OF THE MODERNISATION PROGRAMME

Key findings from the library estate baseline review

- The library estate is a mix of 28 freehold and 24 leasehold properties with varying lease lengths. Of the leaseholds, 8 are occupied on long leases with over 30 years unexpired on a small ground rent or low rents making them effective freeholds.
- While there are a small number of newer refurbished buildings, it is a largely deteriorating portfolio of properties that has a substantial maintenance backlog due to their age and condition.
- As a result, the current portfolio of libraries is expensive to run and increasing over time due to the conditions of many of the buildings. Between 2017-2020 it cost on average £3.2 million and in 2020/21 the net revenue spend on the library estate was £3.9 million.
- Based upon recent surveys, to bring the library buildings back to an acceptable standard would cost approximately £7.5 million. However, this work would not improve buildings to a standard to meet all the aims and outcomes of the Library Strategy.
- The tenure, size, and average cost of the library estate from 2017-2020 is detailed in the table below:

Library	Borough District	Original Tenure	Total library (sq m)	Sum of Total Average Annual Costs (£/year) (2017-2020)
Addlestone Library	Runnymede	Leasehold	191	£ 52,624
Ash Library	Guildford	Freehold	466	£ 53,215
Ashford Library	Spelthorne	Freehold	859	£ 42,368
Ashtead Library	Mole Valley	Minor User Rights	531	£ 21,967
Bagshot Library	Surrey Heath	Leasehold	89	£ 20,594
Banstead Library	Reigate & Banstead	Freehold	556	£ 58,417
Bookham Library	Mole Valley	Freehold	452	£ 18,479
Bramley Library	Waverley	Freehold	288	£ 24,368
Byfleet Library	Woking	Freehold	263	£ 22,270
Camberley Library	Surrey Heath	Freehold	1,250	£ 59,323
Caterham Hill Library	Tandridge	Freehold	259	£ 21,216
Caterham Valley Library	Tandridge	Freehold	428	£ 57,097
Chertsey Library	Runnymede	Freehold	500	£ 29,900
Cobham Library	Elmbridge	Freehold	186	£ 36,176
Cranleigh Library	Waverley	Freehold	268	£ 26,333
Dittons Library	Elmbridge	Freehold	515	£ 45,329
Dorking Library	Mole Valley	Leasehold	768	£ 191,562
Egham Library	Runnymede	Leasehold	444	£ 41,889
Epsom Library - The Ebbisham Centre	Epsom & Ewell	Leasehold	1,211	£ 256,016
Esher Library	Elmbridge	Leasehold	338	£ 42,072
Ewell Court Library	Epsom & Ewell	Minor User Rights	213	£ 11,681
Ewell Library (Bourne Hall)	Epsom & Ewell	Minor User Rights	1,000	£ 90,739
Farnham Library	Waverley	Freehold	850	£ 173,568
Frimley Green Library	Surrey Heath	Freehold	125	£ 23,945
Godalming Library	Waverley	Freehold	813	£ 80,778
Guildford Library	Guildford	Freehold	1,850	£ 129,427
Haslemere Library	Waverley	Leasehold	421	£ 62,105
Hersham Library	Elmbridge	Freehold	465	£ 24,005
Horley Library - New Site	Reigate & Banstead	Leasehold	500	£ 16,584
Horsley Library	Guildford	Leasehold	150	£ 36,647
Knaphill Library	Woking	Leasehold	307	£ 83,390
Leatherhead Library, The Mansion	Mole Valley	Freehold	424	£ 140,693
Lightwater Library	Surrey Heath	Licence/Hire	155	£ 5,200
Lingfield Library	Tandridge	Leasehold	165	£ 16,793
Merstham Community Hub	Reigate & Banstead	Freehold	300	£ 68,958
Molesey Library	Elmbridge	Minor User Rights	719	£ 27,536
New Haw Community Library	Runnymede	Freehold	258	£ 22,855
Oxted Library	Tandridge	Freehold	500	£ 75,029
Redhill Library	Reigate & Banstead	Leasehold	1,125	£ 122,015
Reigate Library	Reigate & Banstead	Freehold	938	£ 47,813
Shepperton Library	Spelthorne	Freehold	206	£ 17,887
Staines Library	Spelthorne	Leasehold	944	£ 91,875
Stanwell Library	Spelthorne	Leasehold	0	£ 13,703
Stoneleigh Library	Epsom & Ewell	Leasehold	228	£ 65,479
Sunbury Library	Spelthorne	Freehold	875	£ 39,878
Tattenhams Library	Reigate & Banstead	Freehold	212	£ 18,762
Virginia Water Library	Runnymede	Freehold	176	£ 20,347
Walton Library	Elmbridge	Leasehold	1,084	£ 281,432
Warlingham Library	Tandridge	Leasehold	175	£ 26,988
West Byfleet Library	Woking	Leasehold	213	£ 44,430
Weybridge Library	Elmbridge	Freehold	938	£ 98,454
Woking Library	Woking	Leasehold	1,858	£ 185,805
Grand Total			28,045	£ 3,286,012

Criteria to determine phasing of the library estate programme

- Levels of need and reach: A community profile analysis based on the catchment area for each library which includes indicators of Need (Health, Economic skills in Adults, Children's need indicator, Under 18s, Over 75s), population size and Library usage (issues per hour and visits per hour). Figures were indexed to create a rank for each library.
- The condition of each library building, with a poor state of building increasing the need to evaluate options and undertake work.
- The potential for co-location, making better use of underutilised space or opportunities for redevelopment.
- Opportunities to connect to wider initiatives in localities including local funding or relocation.

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