

# NORTH YORKSHIRE COUNTY COUNCIL

## EXECUTIVE

25 October 2022

### Grant of New Leases to Community Libraries

Report of the Corporate Director, Strategic Resources

#### **1.0 Purpose of Report**

- 1.1 To seek approval for the granting of new leases to a number of Community Libraries.

#### **2.0 Background**

- 2.1 At a meeting on 7<sup>th</sup> July 2015, the Executive agreed to a new delivery model for the library service with a total of 31 libraries becoming community run providing a saving of £1.4m as of April 2017. Working in partnership with communities alongside volunteers in all libraries allowed the service to remain local to meet local needs, rather than being only available in the district centres.
- 2.2 The library service continues to be managed county-wide by the authority who provide the infrastructure and professional support to community libraries as agreed in a Service Level Agreement (SLA). This full partnership model ensures both quality and consistency of delivery for all communities.
- 2.3 Community libraries have a lease or licence to operate depending on whether the property is an NYCC owned or leased building. The Community libraries have the responsibility for the buildings if leased and ownership stays with NYCC. In others, a licence to operate retains the tenant as NYCC but gives the community library responsibility within the parameters agreed with the owner. In all cases this includes responsibility for operational costs such as utilities, rates and insurance.
- 2.4 In 2017 both the SLAs and majority of leases were for a five-year period as this new model was unique and unproven. Five years on, ten for some, there is a confidence and pride in the model with the service being in the top 10% of performance nationally. The provision of the new SLAs and leases for a ten-year period will demonstrate confidence in and ensure continuity of delivery for our community libraries supporting forward planning for future development of the library service.
- 2.5 The 'new' model of service delivery, working in partnership with communities and volunteers has now been operational for five years – ten years for nine libraries. There continues to be interest from other Local Authorities and Central Government as a model proven to retain service delivery – keeping libraries open - whilst delivering savings. Members should be proud of their communities and library service for the managing to retain this service as one delivered at a local level to meet local needs.
- 2.6 The community libraries account for just under 40% of active library users and deliver on average 50% of the total business for both the more traditional book lending

service and the provision of supported digital access via the public computers. This includes support for Bus Passes, Blue Badges and other council services and benefits as well as job applications. Over 1,000 individuals visited them to claim their Household Support Fund vouchers this summer; 3,500 children to participate in the Summer Reading Challenge.

- 2.7 During the pandemic many of the community libraries became the base for Community Support Organisations supporting the delivery of food, prescriptions alongside books. Currently all are intending to provide warm spaces for their communities, providing a range of activities alongside hot drinks.
- 2.8 Of the 33 libraries, 19 required a lease, granted in 2017. 11 expired on 31 March 2022 and 3 (Catterick, Colburn, Settle) expire on 31 March 2023. All need to be renewed. The leases were tied to Service Level Agreements (SLA's) which ran for five years from 1 April 2017. The new SLA's and leases will be for a period of 10 years.
- 2.9 Four leases expire in 2027 or later, and do not yet need to be renewed. One (Thirsk) cannot yet be renewed because NYCC's own lease (in) has not completed. All five are outside the scope of this report.
- 2.10 The Libraries requiring new leases are listed below:

Site	Library	Last Rent	Proposed Rent	Undervalue
B0697	Colburn Library	Peppercorn	Peppercorn	£11,750
B0698	Easingwold Library	Peppercorn	Peppercorn	£15,250
B0717	Scalby Community Library	Peppercorn	Peppercorn	£15,750
B0725	Crosshills Community Library	Peppercorn	Peppercorn	£6,400
B0751	Sherburn in Elmet Community Lib	£3,200 UC	UC	£23,500
B0754	Tadcaster Community Library	Peppercorn	Peppercorn	£16,750
B0824	Starbeck Community Library	£3,000 UC	UC	£18,150
B1909	Hawes Community Library	Peppercorn	Peppercorn	£8,100
B2009	<b>Stokesley Community Library</b>	Peppercorn	Peppercorn	<b>£32,600</b>
B2230	<b>Eastfield Community Library</b>	Peppercorn	Peppercorn	<b>£36,750</b>
B2311	Kirkbymoorside Community Library	£9,000*	£9,000*	Nil
B2327	<b>Catterick Garrison Community Library</b>	Peppercorn	Peppercorn	<b>£34,750</b>
B6015	Settle Community Library	Peppercorn	Peppercorn	£17,500
B5191	Bilton Community Library	Peppercorn	Peppercorn	£13,000

\* This site is leased in by NYCC, with the rent passed on to the Tenant.

UC = Utility Contribution. A 'rent' was/will be charged to cover utilities, as they are not separately metered (new contributions can't be calculated until new NYCC charges are fixed).

### 3.0 Financial Implications

- 3.1 All but one of the proposed leases will be granted at rents which are at less than market value (in most cases a peppercorn). The amount of undervalue is shown within the table at paragraph 2.10. The rental values are based upon Rateable Value, or on floor area with a rate per square metre applied where these are not available.

- 3.2 Any lease at a rental undervalue of over £25,000 pa must be approved by the Executive. This applies to the three Libraries shown in bold within paragraph 2.10 though the Executive May approve all of the leases.
- 3.3 The provision of leases for a ten-year period rather than five years will provide future savings against the cost of future renewals.
- 3.4 North Yorkshire is recognised as a low cost, relatively high performing authority in the latest CIPFA comparative report. The service has increased opening hours above 2012 levels and business levels are currently above the post-pandemic national average meaning a lower cost per visit. The current model allows for the delivery through 42 locations, retaining equality of access for the cost of 6 fully authority provided.

#### **4.0 Legal Implications**

- 4.1 This property will be disposed of at less than best consideration, but the disposal falls under the Local Government Act 1972 General Disposal Consent (England) 2003 – in particular the promotion or improvement of the social well-being of the area. As a result, consent is not needed from the Secretary of State for Communities & Local Government for the proposed transactions.
- 4.2 North Yorkshire did not face a legal challenge under the 1964 Public Libraries Act primarily as County still oversees the management of the service, provides the infrastructure (books, library management system and public IT) as well as paid staff support to ensure quality and consistency. In considering the future of its library services, the County Council must be mindful of its statutory duty under the Act and consider that the proposals will enable it to continue to run a comprehensive and efficient service which takes account of the needs of local communities, within the budget available.

#### **5.0 Climate Change implications**

- 5.1 There are no specific climate change implications in this report.

#### **6.0 Equalities implications**

- 6.1 There are no specific equality implications in this report.

### **7.0 Recommendations**

- 7.1 The Executive are asked to confirm that NYCC should proceed with the proposed leases, on terms to be approved by the Corporate Director, Strategic Resources.

Presenter of report: Gary Fielding, Corporate Director, Strategic Resources

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Background documents: None