



## Report to Leader (Communities and Public Health portfolio)

**Decision Date:** 23 June 2020

**Reference number:** CP01.20

**Title:** Marlow Library: Capitalisation of Revenue Contribution

**Relevant councillor(s):**  
A Collingwood  
N Marshall  
R Wilson  
S Brown  
R Scott

**Ward(s) affected:** Marlow

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### Recommendations:

The Cabinet Member is recommended to,

**agree Option 3 for Marlow library refurbishment and the capitalisation of £160k 2019/20 library service revenue budget to fund the replacement of fixture and fittings at Marlow library as part of the wider capital scheme.**

### Reason for decision:

Option 3 is recommended because it offers a comprehensive transformation of the library building within existing resources and will deliver a scheme where all of the

key stakeholders (Library Customers, Marlow Town Council and Council Access Point) can be satisfied with the final outcome.

## 1 Summary

Capital funding of £179k was agreed in 2017 to deliver a modest scheme to refurbish Marlow Library including letting out a room to the Town Council.

Considerable work has since taken place to develop a number of options and a more ambitious scheme is now recommended (Option 3)

The recommended scheme will provide additional space for Marlow Town Council, a completely transformed library interior with state of the art equipment and furniture. Additional rental income from the Town Council will enable the library to increase opening hours and offer a service on Sunday 10am – 4pm.

The recommended scheme requires additional investment. Efficiencies in the library service during 2019/20 have generated a one-off saving of £160k which, if capitalised and added to the agreed capital funding, will provide the additional investment necessary to deliver recommended scheme.

## 2 Content of report

A net capital expenditure budget of £179k for Marlow Library was agreed as part of the Council's 2017+ budget. This was based on a business case to co-locate WDC Tourist Information Services, let out a room to Marlow Town Council, introduce self - service technology and create a ground floor meeting room space. The scheme would cost £179k and generate an annual revenue of £10k through rental income.

### 2.1 Work to progress this scheme has been delayed for a number of reasons:

{i} Surveys (floor loadings) had to be undertaken to ensure that the first floor of the building could be let out to a third party. These surveys confirmed that the first floor can be let out.

{ii} The Town Council expressed a desire to occupy all of the first floor rather than one room. Extensive negotiation and design work has now taken place with the Town Council and a draft lease and rent has been agreed 'in principle'.

{iii} Marlow library was badged as a pilot council access point for the new unitary council in the autumn of 2018, therefore it was important that local members and stakeholders be involved in the design for the 'hub'. Community engagement took place during December 2018 / January 2019 and work also took place to assess the feasibility of co-locating Marlow Museum. This work established that there is insufficient space available in the library to accommodate the requirements of the Museum.

(iv) At the request of the Cabinet Member and Local Member, work then took place to develop and cost a number of re-modelling options including an option to increase the size of the library by creating a ground floor extension and / or first floor mezzanine.

These options were shared with the Cabinet Member for Community Engagement and Public Health and the Local Member for Marlow. The Member steer is that the scheme be progressed based on the original business plan submitted in 2016 with the caveat that the design allow Marlow Town Council to occupy all of the first floor of the building and that additional investment of £160k be secured in order to completely refurbish and transform the interior of the library.

2.2 Condition surveys, including an asbestos survey, have been undertaken, and an Energy Performance Certificate obtained. The requirements of the Town Council have been clarified and the scheme has been designed and costed.

An updated business case to proceed with the £179k Marlow Library scheme was agreed at Property Board on 3<sup>rd</sup> March 2020.

The preferred scheme (Option 3) requires an additional investment of £160,000 in order to fund the replacement of all furniture, fixtures, shelving and reception points. The over-achievement of library service efficiency savings during 2019/20 means that the additional funding can be found from within the library service budget.

If the Cabinet Member for Communities and Public Health agrees the capitalisation of the £160k revenue budget then this sum will be transferred to the Council's Revenue Contribution to Capital Reserve (RCCR) and the 2020/21 capital budget for Marlow Library increased by £160k.

### 3 Other options considered

A number of design and costs were worked up with the main options as follows:



## **Option 1**

The agreed capital bid of £179k is sufficient to deliver on the original scheme i.e. the introduction of self service, the creation of a meeting room, re-decoration and the letting out of a first floor room to the Town Council.

### Benefits

- Scheme can be completed quickly and at no additional cost.

### Dis-benefits

- Marlow Town Council would like more space than offered in this option and if the Town Council were to withdraw then there will be a loss of rental income.
- Library customer expectations will not be satisfied. This scheme will deliver only modest design / cosmetic improvement to the library.
- There is a missed opportunity to develop a strategic partnership with Marlow Town Council, develop Marlow Library as a Council Access Point and transform a county library in line with new and modern vision for Buckinghamshire Libraries.

## **Option 2**

This includes all of Option 1 and the additional works necessary to grant exclusive use of all of the 1<sup>st</sup> floor to Marlow Town Council. This will mean relocating library staff areas from the first floor to the ground floor and the reconfiguration of the car park area in order to let three parking spaces to the Town Council.

### Benefits

- The presence of Marlow Town Council will support the development of a strategic partnership and enhance Marlow as a Council Access Point.
- This option will increase rental income from £10k in Option 1 to £23k in Option 2
- The additional income could be reinvested to increase opening hours e.g. Sunday service.
- The additional investment required (£40K) could be found from within the library service budget.

### Dis-benefits



- The creation of a ground floor staff area means that public library space will be slightly reduced.
- Library customer expectations will not be satisfied – this scheme will deliver only modest design / cosmetic improvement.
- Missed opportunity to transform a county library in line with a new and aspirational vision for service.

### **Option 3 – recommended option**

As Option 2 but includes a comprehensive re-modelling and transformation of the ground floor library space including the replacement of all furniture, shelving and reception points, the commissioning of a local artist to create an art installation and introduction of new services e.g loanable tablets, maker-space area, sensory wall / children's area.

#### Benefits

- This option has all of the benefits of Option 2 but will deliver a comprehensive transformation of library space and ensure that all key stakeholders (Library Customers, Marlow Town Council, Council Access Point) are satisfied with the final outcome.
- This enhanced option will cost an additional £160k but this investment can be found from the 2019/20 library service budget.

#### Dis-benefits

- This option will require an additional £160k to be added to the existing capital scheme.

### **Option 4 - Mezzanine Option**

As Option 3 but including some additional space by creating a Mezzanine level

#### Benefits



- This option includes all of the benefits of Option 3 and will provide additional space that could future proof against increased demand for meeting spaces in the Council Access Point.

Dis-benefits

- The Mezzanine will offer additional space but the new space will be narrow, relatively small and possibly require additional staff cover.
- Significant additional investment is required. This cannot be found from within the revenue budget. Bids for additional funding through the capital programme could result in a lengthy delay to scheme.

4 Legal implications

Legal advice has been sought in relation to the title register for the building given the additional use by the town council and appropriate indemnity insurance has been put in place as a result.

5 Financial implications

5.1 The original 2016 Business Case had a capital expenditure budget of £189k and required a revenue contribution from the service of £10k, giving a net budget of £179k. At that time the estimated income from letting out a room to the Town Council was £10k per annum.

The financial benefit for the revised and recommended scheme (Option 3) has improved because the rental income from the lease with Marlow Town Council will generate an annual revenue of £22,825 and this could be re-invested to increase library opening hours.

	£
Annual Rent	18,000
Annual Service Charge	1,826
3 x car park spaces @ £1,000 pa	3,000
	<hr/>
	22,826
	<hr/>



## 5.2 Additional revenue contribution of £160k from library service budget 2019/20

The library service undertook an operational review in 2019 in order to generate savings to meet an MTP target of £252k for 2020/21. Throughout 2019/20 the service froze vacancies and limited expenditure to essential items in order to manage risk in anticipation of significant in – year pension strain costs generated by redundancies.

The library service has succeeded in generating savings in order to meet the MTP target of £252k in 2020/21 and also over-achieved in terms of in-year savings generating an under-spend of £160k

The Capital Programme Manager has advised that it is entirely appropriate that the £160k revenue expenditure on fixture and fittings for Marlow is capitalised in this case because;

- The council will use the assets for a number of years
- The expenditure is well above the threshold of £10k
- The expenditure is part of a refurbishment project where we would normally capitalise the cost of fixture and fittings

## 6 Corporate implications

### 6.1 Council Access Point

Marlow Library will be one of eleven library based Council Access Points. (CAPs)

At the Scrutiny Committee and Shadow Executive meetings in October 2019, members agreed a paper on plans for council access points across the county. This is about how the new council will continue to provide local access to the new council for residents right across the county through a network of 17 physical locations.

The council access points will:

- Be open to all (drop-in access via advertised opening hours)
- Help people use computers to self-service when accessing council services
- Have staff or volunteers available to answer common enquiries face to face

- Be a local base for individual support/special drop-in sessions (e.g. planning, housing advice, councillor surgeries)

The re-modelling of Marlow Library will incorporate the new council branding

## **6.2 Strategic relationship with Town Councils**

The council's business case for a single unitary council for Buckinghamshire stated that Parish and Town Councils would have the opportunity to take on more services and community assets if they choose to, from public toilets and parks to support for the isolated and footpath repairs. Marlow Town Council has an ambition to take on more devolved services and the move to a larger space in Marlow Library is in anticipation of an expanded role and the recruitment of additional staff.

## **6.3 Property**

One potential conflict of interest identified related to the potential property / income implications to the new unitary authority of the Town Council relocating to the Library. The existing Town Council premises, in Court Garden / Pound Lane, are leased from Wycombe District Council and a concern was raised that this space, when vacated / might prove difficult to let and/or the rental income due to the new council from the Town Council occupying the library might be less than the rent currently paid in Court Garden.

In terms of rental income it has also been established that the new unitary authority will benefit from an increased rental income from the Town Council.

## **7 Consultation and communication**

7.1 A community engagement exercise was undertaken during December 2018 and January 2019 to canvass customer ideas around the re-modelling of the library.

A total of 285 survey forms and 13 emailed comments were received with many respondents providing a range of comments on a single form.

The key findings from the engagement have been taken in to account and specifically,

- the new library layout will include a flexible meeting space, informal reception area with low comfy seating and an enlarged children's library.
- the book fund expenditure for 2020/21 has been re-profiled in order to deliver a substantial injection of new books for the library.
- the rental income from the Town Council will be reinvested in order to fund increased opening hours with Sunday service (12pm – 4pm) introduced when the library re-launches October -

## 7.2 Comments from local councillors

Local Ward Councillors have been invited to offer comment on the content of this report and two responses were received,

Cllr. Neil B Marshall declared an interest, as a member of Marlow Town Council and confirmed support for recommendation 3.

Cllr Richard Scott declared an interest, as a member of Marlow Town Council and confirmed support for recommendation 3.

## 8 Next steps and review

Once the Cabinet Member decision has been made it will be possible to progress the scheme based on the options set out in this report.

A tendering process has already been undertaken based on the basic capital scheme as set out in Option 1 but a contract has not been awarded.

An estimated schedule for completion of the scheme is set out as follows,

The works will take between 12 and 14 weeks to complete

### **Background papers**

None

## Your questions and views (for key decisions)

If you have any questions about the matters contained in this report please get in touch with the author of this report. If you have any views that you would like the cabinet member to consider please inform the democratic services team. This can be done by telephone 01296 382343 or email [democracy@buckinghamshire.gov.uk](mailto:democracy@buckinghamshire.gov.uk)

