

Report of the Assistant Director of Customer and Communities
Portfolio of the Executive Member for Culture, Leisure & Communities

Future Libraries Investment Programme (FLIP)

Executive Summary

1. This report provides an update to Members on the Future Libraries Investment Programme (“Programme”), including -
 - Haxby and Wigginton (“H&W”) Library’s proposed move to Oaken Grove Community Centre;
 - Clifton Library’s proposed move to Clifton Without Old Junior School Site (“CWJS”);
 - Investment proposals for Acomb Explore;
 - the public consultations held for H&W and Clifton libraries;
 - the current affordability of the Programme, based on revised outline feasibility studies completed through 2021;
 - the future delivery timetable of the Programme.

Report Recommendations

2. The Executive is asked to approve the following officer recommendations -

In relation to the project finances, the details of which are set out in table 1 of this report;

- a. Approve the new overall Programme Capital Budget of £7.701m, including -
 - I. Approve the additional borrowing of £1m is undertaken to fund the Programme. Such additional borrowing subject to onward Full Council approval in February 2022.
 - II. Approve £0.3m be allocated from the Council Climate Change budget into the Programme’s revised total Capital Budget.

- III. Approve £0.88m be allocated from the Education (Basic Needs & SEND programmes) into the Programme's revised total Capital Budget.
- IV. Approve that all future land sale income from the disposal of the existing Clifton Library site and housing land disposal as part of the CWJS development are ring fenced and reinvested into the Programme's revised total Capital budget. As per table 1 of this report and at the date of this report assumed to be £400k for the existing Clifton Library site and £375k for the CWJS development housing land disposal.

In relation to Property matters;

- b. To approve the disposal (by freehold sale or long lease) of the existing Clifton Library site, as shown edged red on the plan appended at Annex E, by an open market disposal. Such land not to be disposed of until CWJS development is complete.
- c. To approve with effect from/on 1st August 2022 the appropriation of the former Clifton Without Junior School (CWJS) site (as shown red on the plan attached at Annex G from holding for the purpose of school/education to:
 - I. Library and ancillary social/community purposes in respect of that part of the CWJS site shown edged green on the plan attached at Annex G;
 - II. Housing purposes that part of the CWJS site shown edged blue on the plan attached at Annex G;

(the 8 year restriction period imposed by Paragraphs 4 and 6 of Schedule 1 of the Academies Act 2010 ("AA 2010") requiring that the consent of the Secretary of State for Education is obtained for the disposal or appropriation/change in use of land which was used wholly or mainly for the purposes of a school/academy will expire by the end of July 2022 as any use for education purposes (non-sport/non playing-field use) ceased by 18th July 2014 according to confirmation received from Hope Sentamu Learning Trust).

- d. To approve the principle of disposal (by freehold sale or long lease) of that part of the former CWJS site shown edged red on the boundary plan attached at Annex I for the purpose of an affordable housing provision, including to negotiate the terms of and enter into any necessary legal documentation.

- e. To approve the disposal (by freehold sale or long lease) of the vacant former Haxby Library site as shown edged red on the plan appended at Annex D by an open market sale, including to negotiate the terms of and enter into any necessary legal documentation. Capital income from such sale returning to be classed as a corporate capital receipt.
- f. To approve the entry into of a Settlement Agreement with Hope Sentamu Learning Trust (“HSLT”) regarding the former CWJS site on the proposed terms set out at paragraphs 38-40.
- g. To approve the entry into an Agreement for Surrender and Leases with both Haxby & Wigginton Youth & Community Association (“HWYCA”) and Explore regarding proposed new co-located library and community centre at Oaken Grove in Haxby whereby:
 - I. the Council will agree to apply for planning permission for the proposed development
 - II. if and when planning permission is granted on satisfactory terms:
 - i) HWYCA will Surrender its current lease of the site back to the Council,
 - ii) the Council’s chosen contractor will carry out the necessary construction works, on completion of which:
 - iii) the Council will grant HWYCA a replacement Head Lease of the redeveloped site on similar terms to HWYCA’s existing lease (at nil Premium and peppercorn rent for a Term expiring on 31st December 2102)
 - iv) HWYCA will grant the Council a long sublease of the ‘library exclusive areas’ (with a communal right to use the ‘shared used areas’) for a Term expiring circa 25th December 2102 at nil Premium and peppercorn rent until the 34th anniversary of the lease date (“the Rent Commencement Date”) (after the Rent Commencement Date the rent payable by the Council to HWYCA would increase to open market rent, which would after that point be subject to upwards only review every 5 years but the Council can terminate the lease at any point after the Rent Commencement Date by giving at least 6 months’ prior written notice to HWYCA).
 - v) the Council will in turn grant Explore a sublease of the ‘library exclusive areas’ (with a communal right to use

the 'shared used areas') at nil Premium and at peppercorn rent for a Term/period expiring on 31st March 2034 (with option for grant of further lease if the libraries service contract between the Council and Explore is extended)

- h. To delegate to the Director of Housing Economy and Regeneration, in consultation with the Director of Governance and the Executive Member for Culture, Leisure & Communities, authority to negotiate the terms of and enter into any and all legal agreements necessary to implement the property transactions referred to above including, but not limited to, the leases with HWYCA and Explore relating to the site at Oaken Grove in Haxby consequent upon the proposed Agreement for Surrender and Leases.

In relation to all other matters in respect of the Programme;

- i. Approve the principle of future development at the current Explore Centre at Acomb and associated public consultation.
- j. With regards the CWJS Development, that approval be granted for the Council to undertake works within the adjoining site of Vale of York Academy (which is leased by the Council to HSLT) to create a new access path for students, safe vehicle access to the school parking with safe delivery and drop off point, relocation of a school garage that sits across the land boundary.
- k. That the Director of Customer and Communities, in conjunction with the Director of Governance and in consultation with Executive Member for Culture, Leisure & Communities, be delegated authority to develop and submit planning applications in 2022 for both H&W and Clifton library developments.
- l. Following successful planning approvals, that the Director of Customer and Communities, in consultation with the Director of Governance and Chief Finance Officer, be delegated authority to procure the building contractors to deliver the construction of H&W and Clifton library developments and enter into the relevant necessary contracts.
- m. That the current anticipated Programme timetables for delivery in the report are acknowledged, as set out at tables 3-5.

Reason for all recommendations:

To progress with the Programme, entering into all necessary legal agreements, to deliver new libraries for Haxby & Wigginton and

Clifton. Start the public conversation with regard to planned future development at the current Explore Centre in Acomb.

Programme Background

3. A £4m capital allocation was made by the Council in February 2019 for investment in Acomb and Clifton libraries.
4. Libraries are a key priority for the current administration – there are 15 libraries and a mobile library all serving the key communities of York, providing access to information, playing an active role in bringing communities together and working with other key partners to deliver wider activity, advice and information. They are hubs within local communities, as demonstrated in the recent pandemic when they pivoted to provide support for local residents shielding during lockdown. For more information on what libraries deliver and achieve please see www.exploreyork.org.uk.
5. In April 2019, Explore were awarded a new 15 year service contract (with associated leases of library premises) to operate the Council's library estate ("the Service Contract"). The specification for this Service Contract reflects the Comprehensive Assessment of Need, approved by the Executive on 21 June 2018, which was drawn up following extensive public consultation. It also reflects the Council's commitment that there will be no reduction in the number of staffed libraries across the city. The Council vision established in 2019 is at the heart of the Service Contract attached at Annex A. It suggests a move away from stand-alone buildings and through appropriate partnerships, the creation of improved services co-located with other community amenities.
6. Key findings of the library vision consultation were:
 - Residents expressed clear aspiration to enhance the role of libraries as community hubs through improvements to buildings and facilities. The role as a community hub will vary depending on local needs, but residents recognise the key role that the local library can play in social inclusion, providing a neutral place where people can meet and engage in activities.
 - Co-location: There was support for a vision of moving away from stand-alone buildings and recognition of the need for partnerships to create services co-located with other community amenities.

- Future priorities for services: Users' top priorities for services are the same for all library types: Borrowing books, reading and studying space, local information, events, computers (together with archives and local history in the case of York Explore).
 - Non-users indicated that the top three things that would encourage them to come to a library in the future were: a reading café on site, better information about services, and more events and activities.
7. The contract between Explore and City of York Council clearly sets out the expectation of collaboration between the 2 parties to enable the delivery of the Council's key outcomes across the City and within local communities. This investment will facilitate and enable that Explore support and deliver this in the following key areas:
- **Learning and Skills** – partnering with York Learning in each Explore Centre to take formal and informal learning into the heart of local communities, delivering learning that meets the skills needs within that local community in a safe welcoming accessible comfortable learning environment.
 - **Literacy attainment**– partnering with Early Years and schools to work towards improving the literacy gap between the affluent and more deprived areas within the City. This includes supporting the rollout of NSPCC's Look, Say, Sing, Play (focussing on early child development skills), relationships with local schools mapped to local libraries and the delivery of the annual Summer Reading Challenge (focused on supporting children retaining literacy levels over the summer period through a love of reading for pleasure).
 - **Digital Inclusion** - leading on the 100% digital partnership for the City, working with partner organisations and City of York Council to help support and enable residents to gain digital skills to bridge the digital divide and supporting the Council's digital shift agenda to move more services online.
 - **Health and wellbeing** – working with City partners on the cultural commissioning group, delivering social prescribing activity to bring people together in community spaces to support loneliness and social isolation. The provision of a volunteer programme provides residents with a sense of belonging and a sense of place, enhancing quality of life and wellbeing. Highly skilled staff support health literacy and provide access to free, impartial information to help bridge health inequalities within local communities.

- **Culture and creativity** – Explore are central to the City’s Cultural Strategy. By having spaces on varying sizes that are fully flexible, bring the community together and encourage the co-production of activity, creative and cultural activity can be at the heart of local communities. Rhyme times in libraries often cited as being a child’s first cultural experience
8. In summary, the following has been achieved on the Programme since the last Executive report in October 2019:
 - ✓ H&W Library has come into the scope of the Programme.
 - ✓ Selection of the CWJS Site for a New Clifton Library Learning Centre.
 - ✓ Feasibility studies completed for H&W and Clifton Library sites to develop size of developments and estimated costs.
 - ✓ Explore revenue business model assessment completed to ensure capital investment will allow additional income opportunities to offset ever increasing costs e.g. utilities.
 - ✓ Co-location partners have been shortlisted and their needs fed into the feasibility design proposals.
 - ✓ Public consultations started for H&W and Clifton Libraries.
 9. The Programme is now ready to seek Executive approvals to move forward into the construction delivery phases for both H&W and Clifton Libraries, and for Acomb library into public consultation.

Haxby & Wigginton Library

10. The old library in Haxby closed on 16th July 2016 on the grounds of public safety and that building has since been demolished and the site is vacant. This site is proposed under this report to go forward for open market land disposal, as per the red line boundary plan shown at Annex D and recommendation E.
11. The Council has already approved a £0.8m budget towards a replacement library for Haxby and in March 2017, a decision was made by the Executive Member to invest in the development of a new library and a number of feasibility projects with community partners have been explored but not been successful.
12. Previously H&W Library had been treated as a separate project to the wider Future Investment in Libraries Programme. However, through the Capital Monitor 2021-22 Q2 Report it was deemed prudent to now bring all library projects together under the same

single programme. There is a clear imperative to deliver the H&W library as soon as is practically possible given that residents of this area have been without a permanent Library in their locality since 2016.

13. The original budget provision for H&W envisaged a scheme at the Memorial Hall. This scheme could not be delivered. A new scheme now at Oaken Grove Community Centre cannot be delivered within the original (2017) budget provision; furthermore, construction and building materials costs have risen sharply in the interim. All projects have been subject to continuous value engineering to minimise all possible cost.
14. As per the H&W cost report detailed at Annex C, the current estimated cost of delivering the H&W scheme is £975k (£690k construction costs + £285k other costs (fees, fit out, VAT, SDLT and contingency)), this compared to a remaining 2017 budget provision of £746k. By now combining the remaining budget provision into the overall FLIP programme, and funding it from this Programme it will allow this scheme to proceed without further delay.
15. Over the past 18 months the Council, Explore and HWYCA Trustees have worked in partnership to co-design a new integrated library that meets the Explore vision. Public consultation took place in October and November 2021. The public overwhelmingly supported the proposals with 91% of respondents in favour of the proposal. An agreement for lease between Haxby & Wigginton Youth & Community Association and the Council has been agreed in principle (subject to negotiation of detailed provisions). With regards latest design, legal position and timescales for delivery of H&W Library more detail is provided in Annex B.

Explore's H&W Operational Business Case

16. For H&W Library a business case has been developed by Explore which outlines the income and expenditure for the new building.
17. The business case for H&W library assumes a drop in overheads due to a free rent period as defined in the negotiated Agreement for Lease, however Explore would be paying a service charge which will cover the cost of heating, repairs, etc. The café will be staffed by Explore and is expected to make a small surplus. There may be an increase in staff costs if the opening hours increase following consultation but these will be included in Explore's annual budget.

18. CYC finance officers have reviewed Explore's business plan and at this feasibility stage agree with the findings.

Clifton Library CWJS development

19. Clifton's current Explore library provides services to residents across multiple communities, including but not limited to Clifton and Rawcliffe and Clifton Without Wards. The existing library building is requiring significant investment, is located on a small site, and does not represent the Council's or Explore's vision for resident's library services.
20. Therefore an options appraisal was conducted to short list the best possible development sites for the future of Clifton library. The outcome of such work being a new Library Learning Centre proposal as part of the redevelopment of the former CWJS site.
21. Outline feasibilities have now been completed on the proposed C.£5.3m Clifton Library CWJS Development (C.£4.3m construction cost + C.£1m other costs (fees, fit out, contingency). More details can be found at Annex H including the outline design plans and external construction cost report at Annex J.
22. The outline feasibility scope included -
 - The completion of conducting site surveys to highlight any significant site risks;
 - Consideration of the best site layout and stakeholder issues;
 - The identification of co-location partner options;
 - The investigation of land values for various sites;
 - Options for mixed use development;
 - The development of initial concept site plan and floor plans;
 - Cost estimate produced by an external quantity surveyor.

Community benefits of Clifton development

23. The proposed site plans (Annex H) are based on retaining the most functional and architectural elements of the existing CWJS buildings. For example it retains the large main hall as this space is easily adaptable and a modern part of the building, whilst demolishing the two wings of classrooms. A new two storey extension connects the two remaining parts and this was assessed as the most financially viable solution.

24. The designs at feasibility stage have looked to incorporate the Explore vision set out at Annex F, which in summary includes for:
- A library area of no less than 250m² (equivalent to Acomb) with access to over 15,000 books.
 - An identifiable, large, welcoming, safe, accessible, area for children which should be away from the main entrance.
 - The ability to transform the library area into a performance space, with a capacity of no less than 150 people, to bring providers of quality cultural activity into the heart of the local community
 - A reading café area that provides space for 30 covers with a variety of different seating options that can accommodate informal meetings.
 - Access to a number of quality meeting rooms for use by community partners, paid hirers, community anchor tenants.
 - Access to an ICT suite for up to 12 students to support learning provision as delivered by York Learning.
 - An outside space to enable internal activity to spill out – a space to sit, eat, drink, reflect, play.
 - Access for cycle users, car parking, including designated accessible parking spaces and space to park disabled buggies and pushchairs.
 - Environmental and sustainable energy options to future-proof the facility and lessen the impact on the immediate environment, with an aspiration to achieve BREEAM excellent rating. The additional climate change fund requested in this report enables the scheme to deliver higher environmental benefits than may otherwise be the case, during the detailed design phase.

Co-location Partners

25. The vision at Clifton is to deliver a real community hub, with the expanded library space allowing Explore to expand their offer and engaging activities to residents. To compliment this the CWJS proposal will look to bring co-location partner tenants into the development that complement the vision and offer joint working opportunities with Explore.
26. The proposed co-location partner tenants which Explore are looking to work with to provide joint working opportunities are:
- *City of York Council's Home Tuition service (HTS)* - providing opportunities for some group learning as a part of the City's statutory specialist education provision for children and young

people who are medically unfit to attend school due to ill health. This relates to the £500k investment of Education Basic Need capital funding noted in table 1, to create this critical community based learning space, which is a key step to re-engaging young people back into main stream school.

- *Snappy* – Snappy is a well-established local Charity who for over 30 years have been offering play, recreation and vocational opportunities to Children and Young People aged 5 to 25 with wide ranging disabilities. They provide out-of-school, weekend and evening projects as well as a support outreach for parents and carers. A contribution from the Special Educational Needs and Disability (SEND) capital programme of £200k to support the additional space being built to cater for the increasing demand for respite services for families. The vast majority of children and young people attending Snappy are referred directly by the Council, with Snappy a key part of their care plan. It is these services, offered by Snappy that help to enable the Council to deliver on its statutory obligations.
 - *Accessible Arts and Media* – a local charity running arts and creative media learning projects in York including provision to support disabled adults and young people, to older people with dementia and memory loss and people with mental ill-health.
 - *York Learning* – enabling York Learning to expand on their current provision to bring even more learning opportunities to Clifton residents, in partnership with Explore.
27. All co-location partners are selected to a) add value to the offer of the Library Learning Centre to the local community and b) add value to one another's offers, so will work in partnership across the Centre, with Explore, to enhance one another's service provision.
28. Explore will be the Landlord of the above co-location partner tenants and as such will enter into Agreement for Leases with each of the above partners before any construction works commence.

Explore's Clifton Operational Business Case

29. For Clifton a business case has been developed by Explore which outlines the income and expenditure for the existing and new buildings to ensure that sufficient additional income is generated to cover the increased running costs. Explore will seek to agree room hire licences for some of the additional space created but will market the remainder to achieve maximum additional income.

30. The business case for Clifton assumes that the community tenants will pay a rent or room hire licence fee along with a service charge which will cover the cost of heating, repairs, etc. The café will be staffed by Explore and is expected to make a surplus.
31. For Clifton at this feasibility stage the estimated increase in running costs for the new Clifton Library Learning Centre is C.£95k and the additional income generated through the creation of the new space (494 sqm²) creates an income of C.£127k.
32. CYC finance officers have reviewed Explore's business plan and at this feasibility stage agree with the findings.

CWJS Site – Housing Considerations

33. The entire CWJS site was previously approved as being within the scope of the council's Housing Delivery Programme. The housing team are working to deliver hundreds of homes over the next few years, with one project on site, two with planning permission and a further site pending a decision on a planning application. The team are also working on the early stages of two further sites. The housing team are supportive of the CWJS site being removed from the housing delivery programme given the opportunity the latest proposal provides of working in partnership with a housing association to deliver affordable housing on a parcel of approximately 2500sqm.
34. The full CWJS site is bigger than the Clifton Library Learning Centre needs and to help fund the Library Learning Centre further capital income is required. Therefore a partial housing residential scheme is proposed within the red line boundary plan shown at Annex I.
35. The Council do not propose to deliver the housing ourselves, but subject to recommendation D, will seek to dispose (either by freehold sale or long lease) of approximately 2500sqm surplus land, as per the red line boundary plan shown at Annex I, to a housing developer.
36. Through any sale/long lease entered with a housing provider the Council will seek to impose the following restrictions -
 - 100% Affordable housing to be delivered on the CWJS housing development land;
 - Houses shall be of a sustainable efficient build, I.e Low Carbon;
 - The purchaser of the site will be required to adhere to all statutory permissions governing the development of the site, including

planning considerations such as Tree Protection Orders, landscaping and character of the scheme.

37. An external housing land parcel valuation has been commissioned based on the above Clifton design and principles, detailed at Confidential Annex K.

CWJS Site – Education Use Considerations

38. Due to the CWJS site previously being used by:
- i. Clifton Without Junior School for education purposes until that school closed in summer 2011; and
 - ii. then by the adjoining Canon Lee School (now Vale of York Academy) for non-sport/non playing-field use until 18th July 2014 (when any school/education use ceased)

any disposal or change of use prior to 18th July 2022 would require consent from the Secretary of State for Education. After that point the Council can dispose of the land or use it for a different purpose without needing such consent.

39. Given the land's previous school use, HSLT were promised a Council financial settlement back in 2017 when the Council decided to include this site in the Council Housing's Delivery Programme.
40. This CWJS development has been agreed in principle with HSLT Trustees and they support the investment being proposed by the Council. In respect of their financial settlement, this has been agreed in principle (though detailed terms of Settlement Agreement are currently being negotiated between the Council and HSLT via respective legal advisors) as:
- A guaranteed minimum £150k payment from CYC to HSLT in recognition of the capital gain from the affordable housing development part of the site.
 - An overall 50% share of the capital gain/net sale proceeds (i.e. gross sale proceeds minus the Council's disposal costs) from the affordable housing development part of the site for which planning consent has yet to be obtained.
 - The programme will cover the cost of providing site alterations to ensure HSLT Vale of York Academy were not impacted negatively from the development by:
 - Creating a new access path for students;

- Safe vehicle access to the school parking with safe delivery and drop off point;
- Relocation of a school garage that sits across the land boundary.

Public Engagement

41. A 1st stage public engagement, led by Explore, was held 26th July – 3rd September 2021. The purpose of which was to announce CWJS as the preferred location for the new Explore Centre and a) seek residents views on the proposed relocation of the library and b) seek initial thoughts from residents and key stakeholders on what they would like to see from their local Library Learning Centre, tackling any key principles that will inform the detail design or site layout. The key headline from the 277 responses was that 90% of residents like the proposal.
42. A 2nd public engagement, led by Explore, was held throughout November and December 2021. Following stakeholder feedback on the design elements in stage 1, this 2nd stage shared the first detailed plans based on that feedback of the new Clifton Explore Library Learning Centre. The key findings from this consultation were:
 - 75 responses were received with a high percentage 84% supporting the overall design proposal, saying they liked or strongly liked the overall design.
 - The two most liked design elements were; 87% for the inclusion of a reading café and 75% for the library hall being flexible as an event space.
 - Parking was resident's key area of concern at 62%, which will be addressed at the planning stage and with further consultation and engagement to ensure the type of parking concerns are fully understood.
 - A summary of the free text responses focussed on comments regarding the housing development, the school access path from Fairway and the potential disturbance to natural habitats on the site. All these points will be looked into further during the pre-planning consultation phase.

Acomb Library

43. As part of an initial outline feasibility study the Project Team assessed alternative sites in and around the area for a new Acomb Library Learning Centre but concluded the current Library site was best placed to deliver the Vision and any future expansion.
44. Acomb was the very first Library Learning Centre, opened in 2007 after a £500k investment to include a café and create new flexible spaces, therefore it already has the core Explore vision at its heart. It has also recently benefited from over £110k investment on replacing a large part of the main roof.
45. There is now the potential to develop and improve the current building, further enhancing the offer to local residents. Explore will engage with local residents, seeking their views and ambitions for the Explore Centre to influence the next stages of its development.
46. A benefit of the existing Acomb site is the 1265m² of vacant land to the rear of the existing Acomb Library that previously was allocated for future development alongside Acomb Library. This additional land has most recently been used as a construction compound for a neighbouring residential development which has now been completed. Further feasibility work for this additional piece of land at Acomb is to be commissioned at the next stage and will look at options to develop an additional community garden on the site. The existing library community garden is well-loved and very well-used and this does provide the potential to further enhance the outside offer. This is subject to affordability and Explore agreeing to manage the outdoor space.

Community Benefits of Acomb investment

47. The investment will enable Explore to deliver more of its offer, working with more partners, artists, creatives and local residents to provide more for the local community.
48. Subject to affordability and public consultation feedback, the initial design aspirations include;
 - Ground floor Entrance / café improvements – bringing the Explore Centre entrance closer to Front Street, but also enabling an increase in covers for the café area, supporting an increasing demand in use and further increasing income opportunities for Explore.
 - An extended and improved library area, enabling a) improved access by residents to other service providers e.g. drop-ins held by IAG providers, housing services etc. and b) the delivery of

Explore's full programme of events and activities, delivered in partnership with cultural providers.

- Outdoor space improvements – Subject to Explore agreement, public engagement and feasibility results to enable Explore to take its events/activities programme outside in a larger space and to create an additional community garden/outdoor class room to the rear of the building. There will also be car parking improvements and additional space for more cycles and for the introduction of electric scooters/bikes.

Co-location Partners

49. Key to Explore's vision is the ability to connect communities – to enhance wellbeing, to support and encourage learning and to provide access to cultural and creative activity in communities. To compliment this Explore will look to bring co-location partners into the development that complement their vision and offer joint working opportunities, both with Explore and with one another.
50. Proposed co-location partners at Acomb which will provide joint working opportunities are summarised below:
 - York Learning – enabling York Learning to expand on their current provision to bring even more learning opportunities to Acomb residents, in partnership with Explore.
 - City of York Council Housing Team – touchdown office accommodation, as well as space to meet housing residents in an environment that's safe, welcoming, unthreatening and offers opportunity for other members of the household to engage in other library activities during their visit e.g. children could take part in a story time.
 - Other service's touch down – residents drop in's such as North Yorkshire Police, Citizens Advice, etc.

Programme Financials:

Capital

51. A £4m capital allocation was made by the Council in February 2019 for investment in Acomb and Clifton libraries in response to CYC's contractual commitment to two new Library Learning Centres. At this stage no sites or proposals were identified.
52. Through the development of the business case and feasibility studies for the chosen Acomb and Clifton library sites it has become

clear that the original £4m capital allocation made in February 2019 would not be sufficient to deliver the Vision at both sites and there is a budget deficit of C.£3m. Therefore the Project Team has come up with a number of options to fund the increase in the Capital Budget, as set out below in Table 1, and are seeking Executive approval under this report, including to earmark connected land sales to the Programme and ring fence such land receipt incomes to be reinvested solely into the FLIP Programme.

53. As noted within the individual Library update sections above, it is now also proposed that three Libraries come under this Programme and are delivered in the following order:

- Haxby and Wigginton Library
- Clifton Library
- Acomb Library

Table 1 below looks to summarise a latest Capital financial summary of both costs and funding on this basis:

Table 1: Capital financial summary

Capital Costs	£,000	Total £,000	Notes
Haxby Library cost estimate (construction + all fees remaining at Sept 2021)	975		£690k construction cost as per Aug'21 external cost report at Annex C. £285k separate professional fees and other costs (fees, fit out, VAT, SDLT and contingency).
Clifton Library cost estimate (Inc all Fee's + fit out costs)	5,308		Construction Cost element as per Clifton QS Cost report at Annex J. Plus separate professional fees, fit out, contingency, and other costs.
Acomb Library enhancements allowance	500		Allowance for Acomb Library enhancements
Programme Costs	418		Feasibility Studies, procurement, legal fees. Programme Manager staff cost (2 years). Public engagement + planning costs.
Programme risk allowance	500		Programme allowance above H&W + Clifton QS report construction allowances.
Total Capital Costs		7,701	
Funding	£,000	Total £,000	Notes
Approved Capital Funding	4,000		Approved February 2019
Additional Capital Funding	1,000		<i>Executive approval sought under this report at recommendation A I.</i> (Subject to Full Council approval February 2022)

Education Funding (from "Basic Need" and SEND capital programme)	880		<i>Executive approval sought under this report at recommendation A III.</i> Funding to cover £500k Home Tuition Service accommodation, £180k contribution to infrastructure enabling/demolition works at CWJS, £200k contribution to support out of school places for children with complex needs
Open market sale of existing Clifton library site	400		<i>Executive approval sought under this report at recommendation(s) A IV & B.</i> Value as per external land valuation report at Confidential Annex L. Actual land income received risk sits with the Programme.
Sale of land at CWJS for affordable housing	375		<i>Executive approval sought under this report at recommendation(s) A IV & D.</i> Value as per external land valuation report at Confidential Annex K. Actual land income received risk sits with the Programme.
Capital budget for Climate Change	300		<i>Executive approval sought under this report at recommendation A II.</i> To enable the scheme to deliver higher environmental benefits than may otherwise be achievable.
Haxby Capital Budget remaining at Sept 2021	746		Budget moved into Programme under Capital Monitor 2021-22 Monitor 2
Total Funding		7,701	

54. An indicative phasing of the Capital expenditure on the Programme is shown below in Table 2

Table 2: Phasing of Capital Expenditure

Financial Year	Indicative Capital Expenditure (£,000)
2021/22	325
2022/23	1,950
2023/24	4,700
2024/45	726
Total	7,701

Revenue

55. The running costs of the new Library at Clifton will increase the operational costs to Explore but it is anticipated that there will be additional revenue opportunities for Explore from room bookings,

external partner use and catering. It is anticipated that these will be contained within the overall Explore contract.

Financial Implications / Section 151 Officer comments

- 56. As expected at this stage of the Programme key financial risks remain on both the fixed future construction costs for H&W and Clifton being in line with the cost reports received to date / budget, and risk to design creep, inflation, tender prices. Also, land receipt income projections supporting the overall programme remain a risk, at the values assumed, until the land parcels are placed on the open market and sold.
- 57. The capital costs of the revised programme are included in Table 1 above. This is a significant investment in Library facilities across the city, however Members need to carefully consider whether this is affordable. The project requires a total of £5.3m prudential borrowing (c£370k per annum revenue cost) and also uses Education Funding and the diversion of capital receipts from a currently vacant land at Clifton Without Junior School. The new facilities do not currently provide any anticipated revenue savings for the contract with Explore.
- 58. The Council capital strategy determines that capital receipts are corporate resources rather than being used for specific schemes. As part of this project and associated funding package Executive are agreeing that the capital receipts identified above are being ring-fenced for this programme.

Programme Delivery Plan

- 59. Officer recommendation is that the focus for the Programme should be on delivery of a Gateway Library for Haxby and Wigginton and a new Library Learning Centre for Clifton first. Out of the three Libraries, Acomb already offers Explore’s library learning centre vision, including a reading café, it has also recently received £110k in renovations, focused on the roof area of the building. Together these three are the priority across the library estate.
- 60. On this basis, summary delivery timetables, from January 2022 forward, for each of Haxby, Clifton and Acomb Library are shown in the tables below.

Table 3: Haxby Library Timetable

Period	Haxby Library Milestones
Early 2022	Planning applications submitted / determined

Spring 2022	Construction works tendered, contractor appointed
Spring/Summer 2022	Construction works (estimated at 14 weeks)
Autumn 2022	Explore fit out and mobilisation
Autumn 2022	New Library opens

Table 4: Clifton Library Timetable

Period	Clifton Library Milestones
Spring - Summer 2022	Planning applications submitted / determined
Autumn – Winter 2022	Construction works tender, contractor appointed
Early 2023	Construction works start on site
Early 2024	Construction works complete
Early 2024	Explore fit out and mobilisation
Spring 2024	New Clifton library opens from CWJS site

Table 5: Acomb Library Timetable

Period	Acomb Library Milestones
Winter 2022	Public consultation engagement
Spring 2023	Investigate options / feasibility studies
Summer 2023	Gateway monitor – Seek approval on proposals

Council Plan

61. This report demonstrates the Council’s commitment against a number of the Council plan objectives:
- **A greener and cleaner city** – The replacement of the Clifton library provides the opportunity to reduce building emissions by installing green heating solutions. In addition electric charging bays for electric vehicles will be invested in.
 - **Good health and wellbeing** – Explore libraries will be able to enhance their programme of activities to promote this agenda working with relevant agencies.
 - **A better start for children and young people** – Libraries play a key role in providing activities for children and young people, working hand in hand with Children Services.

- **Creating homes** – This project prioritises the use of vacant land to develop new homes with a focus on affordable and low carbon homes.
- **Safe communities and culture for all** – Explore are one of the largest providers of volunteer opportunities in York in a safe and welcoming environment. Libraries are seen as safe and neutral places that provide quality information and advice. Part of Explores vision seeks to put learning and cultural activities at the heart of the service.

Public Engagement and Consultation

62. This report at each of H&W, Clifton, Acomb library sections has documented the public engagement undertaken to date. Further public engagement for Clifton will commence early in 2022 and Acomb will start towards the end of 2022.
63. A Programme level communication plan has been developed and is being delivered to which details the key messages in any communication with regards all the schemes.

Risk Management

64. In compliance with the Council's risk management strategy the main risks that have been identified associated with the proposals contained in this report are those which could lead to damage to the Council's reputation and failure to meet stakeholders' expectations.
65. The level of risk is assessed as "Medium".
66. There are a number of key financial risks that apply to the Programme at this stage, these include;
 - Design Risk – costs could increase once the design of the new facilities are further developed.
 - Delay and Cost Inflation – the construction sector is facing significant cost increases at this time. Whilst there are allowances in the cost plan this will need to be closely monitored particularly if there are delays to the programme.
 - Site Valuations – the proposed scheme is supported by capital receipts from the current Clifton Site as well as excess land at Clifton Without Junior school. The actual receipts will be dependent on the level of affordable housing agreed on the site as well as market conditions at the time of sale.

Report Implications

67. The following implications have been identified:

- **Financial** – Covered under the financial section of this report.
- **Human Resources (HR)** – Considered to be no impact.
- **Equalities** – The completed Equalities Impact Assessment can be found at Annex N. Overall this programme of investment into delivering changes to the library network has a neutral or positive impact. A strong focus on public engagement that listens to resident’s feedback and improves access to services is key.
- **Legal** – Before entering into any legally binding negotiations and or agreements and or contracts, Members must consider the advice of the Chief Finance Officer at paragraph 57 of this report which states *“This is a significant investment in Library facilities across the city and given other financial pressures across the council, Members need to carefully consider whether this is truly affordable. The project requires a total of £5.3m prudential borrowing (c£370k per annum revenue cost) and also uses Education Funding and the diversion of capital receipts from a currently vacant land at Clifton Without Junior School. The new facilities do not currently provide any anticipated revenue savings for the contract with Explore.”*

Clifton Library

The Council has statutory powers under Sections 120, 121 and 123 of the Local Government Act 1972 (“the LGA 1972”) to:

- I. acquire interests in land (including taking a lease of land) for the purposes of:
 - a) any of their functions under the LGA 1972 or any other legislation; or
 - b) the benefit, improvement or development of the Council’s area
- i. dispose (whether by sale or lease) of land owned by the Council (the consent of the Secretary of State for Housing, Communities and Local Government is required for disposal at less than open market value/best reasonably

obtainable but such consent is given by the General Consent Order 2012 provided that:

- a) the difference between the price obtained and open market value/best consideration is less than £2 Million; and
 - b) the Council (acting reasonably) considers that the purpose of the disposal will contribute to the improvement of the economic, environmental or social well-being of the Council's area)
- ii. (Where land owned by the Council is no longer needed for the particular purpose(s) for which it was acquired/is currently held), to 'appropriate' that land to other purpose(s) for which the Council are authorised to acquire land

Section 77 of the School Standards and Frameworks Act 1998 requires that the consent of the Secretary of State for Education is required for the disposal or change in use of any land used as school playing field/for school sport and recreation within the preceding 10 years. It is understood however that no part of the former CWJS site has been used as school playing field/for school sport and recreation since the former CWJS school closed in summer 2011. Accordingly, it is considered that the 10 year restriction period imposed by Section 77 expired in summer 2021 such that consent from the Secretary of State for Education under S.77 of the SSFA 1998 is no longer required for disposal of or change in use of any part of the former CWJS site.

Paragraphs 4 and 6 of Schedule 1 of the Academies Act 2010 ("AA 2010") require that the consent of the Secretary of State for Education is obtained for the disposal or appropriation/change in use of land which was used wholly or mainly for the purposes of a school/academy within the period of 8 years preceding the date of the sale or appropriation. It is understood that after closure of the former CWJS school in summer 2011, the adjoining Canon Lee School (now Vale of York Academy) used part(s) of the former CWJS site for non-sport/non playing-field use until 18th July 2014 (when it is understood that any school/education use ceased). Accordingly, it is considered that the 8 year restriction period imposed by paragraphs 4 and 6 of Schedule 1 of the AA 2010 will expire on 18th July 2022.

H&W Library

As the costs to be incurred by the Council in carrying out the proposed construction works on the Oaken Grove site will be treated as 'chargeable consideration' for the Surrender by HWYCA of their current lease and/or for the grant by HWYCA to the Council of a long sublease of part of the redeveloped building. The Council will due to the nature of the lease transactions involved be liable to pay Stamp Duty Land Tax (SDLT) to HM Revenue & Customs, the amount of which is terminable to the rates applicable at the time the transactions are entered into.

General

Any construction and related works/services contracts to be entered by the Council with third parties will need to be procured in accordance with the Council's own Contract Procedure Rules and any applicable procurement laws. (The Public Contracts Regulations 2014 oblige public authorities to procure any 'works contract' where the value of the 'works contract' exceeds the relevant threshold for such a contract specified in those Regulations (at present the threshold amount is £4,733,252).

The 15-year Library Contract sets out the requirement for Explore to co-locate all the Gateway libraries by 31 March 2027. The Council have reserved the right to change the location of Acomb and Clifton Library Learning Centres. It is the intention where possible that Explore will lease space in any co-located buildings directly from the owner (rather than the Council taking a lease and then granting a sublease to Explore).

- **Crime and Disorder** – considered to be no impact.

Contact Details

Author(s):	Chief Officer Responsible for report:
Andrew Laslett - Strategic Services Manager Mark Wilson - Programme Manager <u>Specialist Officers:</u> Debbie Mitchell – Chief Finance Officer Maxine Squires – Assistant Director for Education Nick Collins - Head of Asset & Property Management Gerard Allen - Legal Services	Charlie Croft Assistant Director, Customer & Communities Report Approved: 20.12.2021

Relevant Previous reports:

24 October 2019 – Future Libraries Investment Programme

Annexes

- Annex A – Council Libraries Vision
- Annex B – H&W Library Detail
- Annex C – CONFIDENTIAL - H&W Cost Report
- Annex D – Old Haxby Library Plan
- Annex E – Existing Clifton Library site plan
- Annex F – Clifton Vision
- Annex G – CWJS site appropriation plan
- Annex H – CWJS Plans
- Annex I – CWJS Housing Land Parcel Plan
- Annex J – CONFIDENTIAL - CWJS Clifton Library Cost Report
- Annex K – CONFIDENTIAL - CWJS Housing Valuation Report
- Annex L – CONFIDENTIAL - Clifton Library Valuation Report
- Annex M – Acomb Library Additional Rear Land Plan
- Annex N – EIA / One Planet Council Assessment

List of abbreviations used in this report

- AA – Academies Act
- CWJS – Clifton Without Junior School
- EXPLORE – Explore York Libraries and Archives Mutual Ltd
- FLIP – Future Library Investment Programme
- HSLT – Hope Sentamu Learning Trust
- H&W – Haxby & Wigginton

HWYCA – Haxby & Wigginton Youth & Community Association
IAG – Information Advice & Guidance
LGA – Local Government Association
PROGRAMME – The future library investment programme
SDLT – Stamp Duty Land Tax
SEND – Special Educational Needs and Disability
SSFE – Secretary of State for Education