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| COMMITTEE: | CABINET |
| DATE: | 5th SEPTEMBER 2002 |
| SUBJECT: | FORMER OLD TOWN LIBRARY |
| REPORT OF: | CHIEF EXECUTIVE |
| Ward(s): | OLD TOWN |
| Purpose: | To consider the request from the Friends of Old Town Library for the permanent use of the former library and for a grant of £10,000. |
| Contact: | Martin Ray, Chief Executive Telephone 01323 415002 or internally on extension 5002. |
| Recommendations: | That Cabinet consider the report and decide on the requests submitted. |

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| 1.0 | <u>Background</u> |
| 1.1 | At the meeting of Cabinet on 5 June 2002 the following resolutions were passed: |
| | (1) That progress on future use of the premises be noted. |

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| | (2) That the Friends of Old Town Library be allowed to have temporary occupation of the building for storage purposes and preparatory work for three months. |
| | (3) That the Cabinet would be minded to grant a permanent letting to the Friends provided a sustainable business plan was produced. |
| 1.2 | The Friends have been allowed temporary use of the premises to store books etc. and to prepare a business plan for the venture. |
| 2.0 | <u>Proposal</u> |
| 2.1 | The Friends have now presented a Business Plan. The main use of the facility is shown as: |
| | “The aims of the organisation will be to provide facilities in the Old Town area for the local community to borrow and enjoy books, as well as to provide other forms of communicating stories, information and knowledge; and to work with local schools and other organisations to ensure the provision of such services, which shall be available to all.” |
| 2.2 | The initial plan is to open the facility for four days a week including Saturday, from 10.00 a.m. to 5.00 p.m.. This is intended for the residents in the Old Town area. The Friends are supported by some 70 volunteers. |
| 2.3 | The County Youth Service intend to use the facility for two evenings a week from November. |
| 2.4 | Otherwise it will be available for letting at a fee of £4 an hour. The Old Town Community Association are intending to work closely with the Friends and pass on lettings as necessary. |
| 3.0 | <u>Funding</u> |
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| 3.1 | The business plan contains an outline budget. Ongoing expenditure is limited to £3000 a year. This could be reduced if the Friends obtain charitable status and as a consequence obtain mandatory business rate exemption. This could reduce expenditure by almost £1000 a year. There is no provision for salary costs. All services are to be provided by volunteers. There is no provision for a rent to be paid to the Council for the period covered by the Business Plan. |
| 3.2 | There are expected to be significant start up costs approaching £15,000. |
| 3.3 | Ongoing income is dependent on continued fundraising and grants. The source of the grants is not identified. Income from membership fees and lettings is estimated to achieve £1,300. |
| 3.4 | The largest sum for fundraising is related to the start up costs. The Friends have raised £8,000. They plan to raise another £1,000 in the first year. |
| 3.5 | The Friends are seeking a grant from the Council for £10,000 in the first year. |
| 3.6 | If the budget is achieved, then the Friends will have a modest surplus to carry on in the following year. |
| 4.0 | <u>Comments</u> |
| 4.1 | The Friends have attracted in a short time practical help from local business, £8,000 in funds, books and jig-saws. The future is dependent on more ongoing fundraising. |
| 4.2 | The opening of the facility is dependent on a team of volunteers. Further ventures in the facility seem dependent on attracting new volunteers. |
| 4.3 | The venture is dependent on a grant from the Council. There is no specific budgetary provision for any grant. All grants to voluntary organisations have been allocated in this year. |

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| 4.4 | While there are a number of community facilities in the town, supported to a greater or lesser extent by the Council, there is no comparable facility whose principle activity is book lending and reading. |
| 4.5 | The Cabinet has at its meeting on 5th June expressed support for this project. In particular, the Cabinet is mindful of the public support for the project and have given a commitment to provide Council support if a viable Business Plan is produced. The project seeks to support the Corporate objectives of “Maintaining quality spaces for relaxation and play” within A Place to Enjoy and “promoting social inclusion and community participation” within A Place for Everyone. |
| 5.0 | <u>Requests to the Council</u> |
| 5.1 | The Friends are seeking a long term use of the facility. No rental is mentioned in the time covered by the Business Plan. The Friends mention that in earlier reports a letting could be supported by a nominal rent, but that a rental would become payable later. In addition, the Friends seek a grant from the Council of up to £10,000. |
| 5.2 | Since the Friends have occupied the building on a short term basis since it was handed over to this Council, the Council has not incurred any costs in running the building. No attempt has been made to maximise its commercial value. However, it is probable that if it is let at a minimal rent, the Council will be giving up a potential income source. |
| 5.3 | There is no budget for this grant request. It would have to be sourced from the contingency fund. This is examined in more detail in the report of the Director of Finance and Corporate Services in another part of the agenda. |
| 6.0 | <u>Conclusion</u> |
| 6.1 | The Cabinet have already indicated an intention to support a long term letting. |

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| 6.2 | If a minimal rental is allowed even for an initial period, this should be expressed as a grant aid to the Friends. |
| 6.3 | The Cabinet should have regard to its priorities and overall financial position in considering the £10,000 grant requested. |
| MARTIN H. RAY CHIEF EXECUTIVE | |
| Background Papers: The Background Papers used in compiling this report were as follows: Business Plan of the Friends of Old Town Library Constitution of the Friends of the Old Town Library To inspect or obtain copies of background papers please refer to the contact officer listed above. | |
| Mhr/ag/docs/reports/cabinet/sept0502oldtownlibrary | |