

09 November 2015

Agenda Item: 10b

## **REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY & ENVIRONMENT**

### **PROPOSED LEASES FOR LIBRARIES, ARCHIVES, INFORMATION & COMMUNITY LEARNING SERVICES**

#### **Purpose of the Report**

1. To seek approval to the granting of leases for various Libraries, Arts, Archives, Information and Community Learning properties on terms outlined within the report.

#### **Information and Advice**

2. The business case for establishing an arm's length operating model for Libraries, Arts, Archives, Information and Community Learning services was agreed at Full Council on 27 February 2014 (outline Business case B13) (Resolution Number 2014/012). This is part of the Libraries, Archives, Information and Learning's response to the budget reductions and it falls within the *Strategy for Nottinghamshire Libraries*.
3. A report which outlined the full business case for the development of an operating model was further presented and approved at Culture Committee on 3 June 2014.
4. The business case aims to enable a sustainable network of libraries and enable the County Council to fulfil its statutory and legal duties in relation to public libraries and archives. The Libraries and Archives Service provides a comprehensive service from 68 properties.
5. It was agreed at Culture Committee on 13 January 2015 (Resolution Number 2015/004) that the legal form for the new arm's length operating organisation for Libraries, Arts, Archives, Information and Community Learning Services be a Community Benefit Society.
6. In order to facilitate the delivery of services through an arm's length management organisation it is necessary for the County Council to grant leases to the organisation.
7. It is proposed that these would be on standard lease terms for all Properties the main terms are outlined below: -

**Lessor**                      Nottinghamshire County Council

**Lessee**                      Culture Learning and Libraries (Midlands)

<b>Term</b>	5 years – lease to be contracted out of S24-28 of the Landlord and Tenant Act 1954 and the lease shall run concurrently with the Contract.
<b>Property</b>	Various – see schedule below
<b>Rent</b>	£1 per annum (if demanded)
<b>Demise</b>	The properties are outlined approximately on the plans (for lease only), the extent of the areas to be transferred will be subject to further agreement between the parties.
<b>Use</b>	The Lessee shall use the demised area only for the services of Culture, Learning and Libraries and other supporting uses including the provision of community based functions providing these are ancillary to the main use. Any other use as per the contract shall also be permitted.
<b>Business Rates</b>	The Lessee shall pay their own business rates, if the area occupied by the Lessee is not separately assessed for the purposes of rating; the Lessee shall pay to the Lessor business rates which will be calculated on the basis of floor area.
<b>Utilities</b>	The Lessor would be responsible for utilities.
<b>Shared use</b>	<p>Where the demised area forms part of a larger building the Lessor and Lessee shall have rights to access rooms within the building used by them. The Lessor and Lessee shall also have rights of access to the common areas within the building.</p> <p>Where there are shared areas the Lessee shall pay a contribution towards running costs based on the floor area occupied.</p>
<b>Equipment</b>	The Lessee shall be responsible for providing all the necessary furniture, equipment and stock required for the use of the demised area as per the contract.
<b>Repairs and maintenance</b>	The Lessee will keep the whole of the demised premises (except the roof, main walls and main beams) in good and substantial repair, order and condition and decoration to the satisfaction of the Lessor. The repairing responsibilities for the Lessor should align with the County Council's corporate repairs and maintenance strategy. The Lessor shall use their best endeavours to undertake planned maintenance in accordance with the planned maintenance schedule and in accordance with the responsibilities set out in the SLA. For the avoidance of doubt, all repairs and maintenance works that may be undertaken by the Lessor will be prioritised against other needs for the remainder of the corporate property portfolio in accordance with the principles outlined in the strategy (for lease

only). The repairs and maintenance strategy will take precedence over any planned maintenance schedule.

The Lessee shall not keep the premises in any worse state of repair, condition and decoration than as evidenced in the Schedule of Condition and/or most recent condition survey (to be provided). At the expiry of the lease (howsoever determined) where floor coverings are worn or stained the Lessee shall replace these or shall clean where coverings are not worn, in any case such works are to be advised by the Lessor at lease expiry.

The Lessee shall also be responsible for keeping the area in a clean and tidy condition and shall not cause any damage to the demised area or building in any way.

For the leasehold properties the Lessee shall reimburse the Lessor for any service charge that may be payable. However, if the service charge includes planned major expenditure the costs of this shall be met by the Lessee as determined by the SLA.

**Alterations**

The Lessee shall not undertake any structural alterations to the premises. Any non-structural alterations are to be notified to the Lessor for consideration and any approval given in respect to alterations will be subject to the necessary permissions. Any permission given for such alterations may be conditional upon the Lessee returning the demised premises to their original arrangements and facilities at its own expense upon vacation of the demised premises at the end of the period of occupation.

**Signage**

The Lessee shall also comply with conditions relating to signage as set out within the contract

**Alienation**

The Lessee shall not be permitted to assign or sub-let their rights conveyed in the Lease to any other party. The Lessee shall be permitted to hire part of the premises subject to prior written consent of the Lessor (such consent not to be unreasonably withheld). Where the property is not Freehold, consent of the superior landlord shall also be required. The Lessee shall be permitted to surrender this lease for nil cost if the service is to be run by a local organisation and/or a community group.

**Fees**

Where any of the above actions (under alienation) have been actioned by the Lessor any costs shall be met by the Lessor. If any of the above actions have been triggered by the Lessee all costs shall be met by the Lessee. Should there be any future consents required the Lessee however should pay all costs associated with obtaining such consent.

Each party shall bear their own costs in connection with the preparation of this lease.

**Insurance**

The Lessor is to insure the main building. The Lessee will

reimburse the Lessor by way of additional rent during the said term on demand an amount equal to any premium paid by the Lessor for the purpose of fire insurance and other risks that the Lessor deem necessary on the building, such insurance to include the provision for costs of demolition, supervision and loss of rent.

**Statutes**

The Lessee shall obtain any necessary planning permissions under The Town & Country Planning Acts and obtaining and complying with any necessary statutory or bye-law approvals affecting the services of Culture, Learning and Libraries.

**Health & Safety**

The Lessee will be responsible for ensuring that they comply with all relevant Health & Safety legislation together with ensuring compliance with that set out in the SLA and any other advised by the Lessor.

The Lessee shall also provide to the Lessor all relevant Health and Safety performance data, monitoring data and any other information as requested by the Lessor.

**Reinstatement**

Following the determination of the lease, the Lessee shall, at its own expense, reinstate and make good the demised area to the satisfaction of the Lessor. The Lessee shall also remove all of their possessions as requested by the Lessor. The Lessee shall hand back the property to the Lessor with vacant possession and shall also return to the Lessor the items of furniture as referred to in the contract.

**Alternative premises**

The Lessor shall be permitted to require the Lessee to relocate to suitable alternative accommodation in line with provisions set out within the contract. In the event that this option is exercised this lease shall be terminated in accordance with the Notice provisions and conditions set out in the contract.

**Forfeiture:**

The Lessor will be permitted to forfeit the Lease if the Lessee ceases to be the provider of the services or if the premises cease to be used for such use as outlined within the contract.

**Other**

There are to be no political rallies from the premises.

Where the Lessor holds the property on a leasehold basis, consent of the superior Landlord may be required, the Lessor shall apply for consent.

For the leasehold properties, in order to mirror the County Council's lease, the above terms may be subject to minor amendments which shall be agreed between the parties.

Such other terms as deemed necessary in order to be in-line with the contract and as agreed through the SLA.

8. It should be noted that there are some properties within the attached schedule that are potential Community Partnership Libraries (CPL's). As it is unlikely that these would become a CPL before 1 April 2016 these properties would also be granted a lease on the terms attached within the report. This arrangement would be until such time as they become a CPL in the future. Any properties that do become a CPL would be subject to a separate report.

### **Other Options Considered**

9. None – the granting of leases is essential in order to enable the delivery of the business case and new operating model ensuring that the new organisation has a formal occupancy permitting the right to occupy the various properties.

### **Reason/s for Recommendation/s**

10. The granting of leases is to ensure the new organisation have a legal right to occupy the various properties.
11. To support the new operating model for delivery of services as approved at Full Council on 24 February 2014.

### **Statutory and Policy Implications**

12. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

### **RECOMMENDATION/S**

- 1) That approval be given to the granting of leases for various properties in the schedule attached and on terms detailed in the report.

**Jas Hundal**

**Service Director – Transport, Property & Environment**

**For any enquiries about this report please contact: Luke Smith 0115 9772082**

### **Constitutional Comments (SOM 13.10.2015)**

13. The recommendation falls within the remit of the Finance and Property Committee under its terms of reference.

### **Financial Comments (TR 9.10.15)**

14. The financial implications are set out in the body of the report.

## Background Papers and Published Documents

15. Report to Finance and Property Committee 19 May 2014 - Repairs & Maintenance.

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

## Electoral Division(s) and Member(s) Affected

16. Ward(s): Other

Member(s): n/a Outside Nottinghamshire

File ref.: /LS/SB/

SP: 2903

Properties affected: 09998 - Various NCC Properties/non-property item  
20151020 ls/eas

## Schedule of Freehold Properties

Property	UPRN
Arnold Library	03145
Balderton Library	03015
Beeston Library	03035
Bingham Library	03065
Bircotes Library	03000
Calverton Library	03058
Carlton Library	03059
Cotgrave Library	03066
Dukeries	01698
Eastbourne Centre	01724
Eastwood Library	03038
Eastwood Resource Centre	03322
Edwinstowe Library	03020
Forest Town Library & Children's Centre	03010
Hucknall Library	03028
Keyworth Library	03069
Kimberley Library	03039
Kirkby In Ashfield Library	03031
Mansfield Woodhouse Library	03012
Mapperley Library	03061
Notts Archives	03179
Ollerton Library	03024
Radcliffe On Trent	03070
Ravenshead Library	03063
Ruddington Library	03071
Southwell Library - Bramley Centre	03197
Stapleford Library	03135
Sutton In Ashfield Library	03034
2 Trent Court, Boughton	07737

West Bridgford Library	03073
Worksop Library	03364

<b>Potential CPL properties</b>	
Balmoral Library, Worksop	03006
Bilsthorpe Library	03016
Blidworth Library	03017
Burton Joyce Library	03057
Carlton Hill Library	03060
Carlton In Lindrick Library	03001
Clipstone Library	03018
Edgewood Library	01241
Gedling Library	03062
Huthwaite Library	03029
Ladybrook Library	03011
Langold Library	03002
Misterton Library	03003
Selston Library	03032
Skegby & Stanton Hill Library	03033
Toton Library	03042
Warsop Library	03013
Woodthorpe Library	03056

### **Schedule of Leasehold Properties**

<b>Property</b>	<b>UPRN</b>
Collingham Library	03385
East Leake Library	03067
Glaisdale Parkway - Library HQ	03167
Glaisdale Parkway - Records Centre	03167
Mansfield Library	03009
Newark Library	03155
Ollerton Records Office, Ollerton House	00761
Old Mansfield Library	03125
Retford Library	03004
Tuxford Library	03005

<b>Potential CPL Properties</b>	
Annesley Woodhouse Library	03117
Farnsfield Library	03129
Gotham Library	03068
Inham Nook Library	03036
Jacksdale Library	03030
Lowdham Library	03021
Rainworth Library & Health Centre	03163
Sutton Bonington Library	03072
Sutton On Trent Library	03026