

Subject:	Woodingdean Library and GP Surgery Development		
Date of Meeting:	10 November 2011		
Report of:	Strategic Director, Communities		
Lead Member:	Cabinet Member for Culture, Recreation & Tourism		
Contact Officers: Name:	Sally McMahon	Tel:	29-6963
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Key Decision:	Yes	Forward Plan No:	CAB24922
Wards Affected:	Woodingdean		

FOR GENERAL RELEASE**1. SUMMARY AND POLICY CONTEXT:**

- 1.1 The purpose of this report is to seek agreement from Cabinet for the development of a new library and GP surgery in Woodingdean on the site of the current library and marching band hut, as shown on the attached plan (appendix 6).
- 1.2 The report informs members of the progress with design development so far and outlines the processes that will be undertaken going forward, including the making of a planning application and the entering into of a Development Agreement.
- 1.3 The report is also seeking authorisation for the project to be added to the Capital Programme, to cover the cost of the library share of the development.
- 1.4 There is a further report in Part 2 of the agenda for this meeting.

2. RECOMMENDATIONS:

- 2.1 That Cabinet authorises further public consultation together with the PCT and GPs regarding the proposed development of a new library and GP surgery in Woodingdean.
- 2.2 That Cabinet authorises the project to be added to the Capital Programme at a cost of £500,000 in 2012/13.
- 2.3 That a waiver of Contract Standing Order 12 be sought once funding has been confirmed.
- 2.4 That, subject to the waiver referred to in 2.3, Cabinet authorises the entering into of appropriate project documentation, including a Development Agreement relating to the land shown on the annexed plan, in a form satisfactory to the Strategic Director, Resources in consultation with the Strategic Director, Communities, Head of Law, the Head of Property and Design, Head of Capital Strategy, and the Cabinet Member for Culture, Recreation & Tourism.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The council has been approached by a developer, Med Centres plc, with a proposal to develop a combined Medical Centre and Library on the pre-existing community site in Woodingdean. The project would replace the current Library and Marching Band store with a new building which would also house a medical centre. The new medical centre would replace the current practice building which located in a residential area in Woodingdean. (*Information on Medcentres can be found in appendix 5*)
- 3.2 **History of the site:** The site has been the subject of several schemes, all of which ultimately proved unviable. One scheme focused on the redevelopment of the wider community site, but failed due to lack of funding. Another focused on the development of a new library and community facilities on the current library site, but the application for Big Lottery funding was rejected.
- 3.3 **Need for new premises for a local GP surgery:** The current proposal has arisen due to the local GP practice being in desperate need of new premises. The community site would be an ideal location for a new medical centre and it is the subject of a specific planning policy which encourages this type of land use in any redevelopment. The co-location of medical and community facilities, including the proximity of the site to the district nurses would mesh perfectly with the Department of Health's current strategy and drive for integrated care. It would also provide an enviable opportunity for both the Local Authority and PCT to work together, as well as delivering new services at an established community location, which are in clear need of re-provision. (*See appendix 1 for the case for relocation of the GP surgery*)
- 3.4 **Identification of need for new library facilities:** The library is a single storey flat roof structure with concrete panel walls which first opened in 1959. The building contains a large amount of asbestos paneling, which has been encapsulated to make it safe, however still constrains working. Public floor space is only 111m², which is less than half the recommended size for a population of the size of Woodingdean. There is a severe lack of space for customers and staff facilities are poor. This also severely limits the facilities available in the building and any community use. (*See appendix 2 for the identification of local community needs.*)
- 3.5 Woodingdean Library is a well used community library, with visits steadily increasing over the last three years from 14,000 visits in 2008/9 to nearly 23,000 in 2010/11, and around 26,000 items are borrowed every year. Local community events at the library attracted over 4,000 visits last year, despite the cramped conditions. The library holds regular community and children's events including Baby Boogie, Homework Club, class visits, a reading group, and local exhibitions and has even hosted plays. The library also hosts an adult education class, under-fives craft sessions, and advice sessions from the Youth Employment Service.
- 3.6 **Options appraisal:** An options appraisal has been completed to assess ways of meeting the following objectives:
- To meet the needs of the local communities

- To deliver a community hub, enabling access to learning, information and other council services
 - To provide accessible modern community library delivering services to a range of identified target beneficiaries
 - To deliver sustainable, eco-friendly library building and services, promoting the green agenda
 - To deliver a partnership model for community library development
- 3.7 The appraisal considered six different options measured against five different criteria, and concluded that the building of a new joint facility with a suitable partner on the current site, would best meet the needs of the local community, and deliver a sustainable, value for money development. *(See appendix 3 for the options appraisal.)*
- 3.8 **Details of the proposals:** The proposals would deliver a new library of 269m² and a GP surgery of 610m² in a shared building with a common entrance and opportunities for collaborative activities related to health information and education. The new library would be more than twice the size of the current one, with a good size main service area delivering integrated library, learning and information services. The library and medical centre would be accessed from the street and all of the library accommodation is on the ground floor. There would be a separate community and ICT meeting room, and a small counselling room for the delivery of confidential advice and information or for holding surgeries. These facilities would be accessible outside library opening hours. *(Full details of the proposals and the full business case have been placed in the members' room.)*
- 3.9 The council will retain the freehold and grant a 125 year lease to a MedCentres Special Purpose Vehicle ("SPV") of the whole site. The SPV will grant a sublease of 125 years (less a few days) to the council of the library site at nil rent. The SPV will also grant a shorter lease (maximum term of 25 years) to either the PCT or the Doctor's practice. This will be at a market rent to be agreed between MedCentres and the PCT/Doctors and provides the value to fund the whole development. A Development Agreement will set out the obligations and responsibilities of the parties including the procurement of planning, employment of the design and construction team and project management of the development by MedCentres. Payment of the contribution by the council of circa £319,000 (or such other sum as may be agreed) will be covered by staged payments during the construction period and BHCC will have a representative to attend site meetings, inspect progress of work, have information on costings and check drawings, any variations and the quality of work on site. An agreed detailed specification of the Library will be appended to the Development Agreement to ensure that a satisfactory building is delivered on practical completion. Further details of the Heads of Terms are set out in the Part 2 Report.
- 3.10 The agreement would work as follows:
- The Development Agreement is the initial key document from which everything flows and has to be agreed and signed by both Medcentres and BHCC.
 - A copy of the draft 125 year lease and the specification for the construction works is attached to the Development Agreement
 - Once signed Medcentres can proceed at their cost with making the planning application with confidence.

- When planning consent has been obtained Medcentres can proceed with construction at their cost in accordance with the specification.
- During construction BHCC have the right to monitor progress and quality using our own consultants.
- The capital contribution of up to a maximum of £319,000 would be paid by BHCC to Medcentres by agreed staged payments.
- When the construction works have been completed and the Architect's certificate of Practical Completion has been issued the long lease of 125 years can be granted from BHCC to Medcentres.
- At the same time Medcentres grant back to BHCC a long sub lease for 125 years of the library at a peppercorn.
- Medcentres also grant a 25 year sublease of the Doctor's surgery at an open market rent and they will have a separate Development Agreement.

This process is subject to agreement between the parties and Cabinet approval.

- 3.11 Although the estimated cost of the works is below the EU threshold, a waiver from Contract Standing Orders will be required, as explained in the Legal Implications, at part 6 of this report, to enable the SPV to let a standard JCT Design & Build Contract to Healthcare & Community Construction Ltd, a company owned by the developer.
- 3.12 **PCT Support:** GP surgery rents are reimbursed by the PCT and it has been agreed and signed off within the Estates Strategy that several surgery premises need to be replaced and the resultant increase of rents approved in advance. This surgery is one of those identified and revenue money has been set aside. The PCT and the GPs need reassurance that the development has the Council's support before the final signing off of the allocation to this project. There is a time pressure for the GPs to move forward with a new surgery as the old one is due to close as the Doctor who owns it has retired.
- 3.13 **Project timetable:** Current draft timetable:
- | | |
|-------------------------------------|-----------------------------|
| PCT funding approval: | October 2011 |
| Council funding approval: | November 2011 |
| Consultation with key stakeholders: | November 2011– January 2012 |
| Completion of design development: | November 2011 |
| Planning application decision: | February 2012 |
| Financial close: | March 2012 |
- The project aims to start on site in April 2012 and complete construction in one year.
- 3.14 **Issues to address:**
- Further work needs to be done on reviewing the parking issues on and around the site.
 - Alternative library provision will need to be found for the duration of the project build. The best options would be to identify a space within one of the other community buildings locally, and officers are confident that this can be easily achieved. The cost of alternative accommodation can be covered within the existing revenue budget.

4. COMMUNITY & ENGAGEMENT CONSULTATION

- 4.1 Consultation took place with the local community during previous development proposals, so a great deal is known about local community needs and views in relation to a new library facility in Woodingdean. Some of this is captured in the needs assessment in appendix 2.
- 4.2 Consultation has taken place with ward members and the former Cabinet Member for Culture, Recreation and Tourism, with a meeting taking place in December 2010. Following comments and issues raised at that meeting, further design development has taken place to address these issues. The latest proposals have addressed some of the main issues raised in the member consultation meeting in December, reducing the height of the building, giving it a better profile from the other side of Warren Road. The library is larger and on the ground floor, and there are good opportunities for joint service delivery.
- 4.3 Full public consultation will begin as soon as possible, and will help inform further design development.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The estimated direct costs to the council to support the project are £0.5m. This includes a contribution to the development and the fit out and supporting ICT for the new library. In addition the council will be providing the land on a long lease to the development with an estimated value of £0.2m and this land value has been taken into account in agreeing the council's relative share of the development costs.
- 5.2 The £0.5m for this project will be treated as a corporate commitment in the capital programme for 2012/13 and funded from capital receipts, unringfenced capital grants or council borrowing depending on the council's overall capital resources position when finalising the 2012/13 capital programme for Budget Council.
- 5.3 The total revenue costs for the library are approximately £65,000 per annum of which £25,000 relates to staffing, £13,000 is for new books and other resources, £8,000 for central support services and £19,000 for other running costs. It is anticipated that the ongoing revenue costs of the new library will be in the region of £75,000 per annum, assuming the same staffing levels, books and central support costs but allowing for a potential increase in business rates. These costs would be funded from the existing budget plus estimated income of £7,000 – £10,000 from renting out the community rooms based on experience at other community libraries. Plans are in place to ensure that there would not be any additional costs incurred for the temporary arrangements during the build. A new books collection will also be acquired during this period for the opening of the new library using existing book funds.

Finance Officer Consulted: Michelle Herrington

Date: 26/10/11

Legal Implications:

- 5.4 The estimated value of the works contract is below the EU threshold. Contract Standing Orders (“CSOs”) provide, at CSO18, that a waiver may be given to the usual requirements set out in CSO 12 relating to contracts exceeding £75,000, including the seeking of 5 tenders. CSO 18.3 requires that (a) the waiver report is compiled after consulting with the Procurement Strategy Manager, (b) gives reasons for the waiver, (c) includes legal and financial comments and highlights as necessary any future commitment and (d) justifies the method of contractor selection so that value for money and compliance with EU and domestic law can be demonstrated.
- 5.5 Subject to this waiver being granted it is proposed to proceed as indicated in the Part II report in respect of the Development Agreement referred to in recommendation 2.4.

Lawyer Consulted:

Bob Bruce

Date: 06/10/11

Equalities Implications:

- 5.6 The development of a new library in Woodingdean would help address some of the community needs identified in the assessment (see appendix 2). This includes the provision of targeted services to equalities groups in the area, helping to build a more cohesive community.

Sustainability Implications:

- 5.7 Provision of good quality services within the local communities supports the sustainable community’s goal, as well as reducing climate change and energy use. The new building will benefit from appropriate sustainable features, such as an air source heat pump and rain water harvesting. The Council will require a BREEAM assessment at an early stage which will ensure good practice in environmental design and management is followed.

Crime & Disorder Implications:

- 5.8 The new facilities will provide additional library services that will help to improve the life chances of the young people in the community. The buildings will be designed will be designed to enhance the area and reduce the opportunity for vandalism etc.

Risk and Opportunity Management Implications:

- 5.9 There is a risk that PCT funding will be lost if there are significant delays in achieving support for the project from the council. The developers are talking to the Planning department to mitigate any delays or objections to planning permission being granted. There is a risk that there will be objections from local people. This will be mitigated by rigorous consultation and community engagement activity by the library service. The previous support from the community for a new library in Woodingdean is a positive indicator of likely support.

Corporate / Citywide Implications:

- 5.10 A new library would provide a focus for community cohesion and development; providing a safe place to meet, learn and enjoy cultural resources and activities. It would support children and family learning, bringing together young and old. Free access to library based ICT has been shown in a recent survey to bring financial, social and educational benefits to users. The co-location with a medical centre would enhance the provision of health information and education in the area, helping to deliver the health and wellbeing Community Strategy outcome. The project would seek to be a model of best practice in delivering co-location projects.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 A full development of the larger site were considered and rejected for economic reasons (see business case for details). There are no alternative options that could provide a new library of this nature or size at the present time. Alternative options for the location of the GP surgery would not be as good as the library location as other sites would be further away from the shops and other community facilities. *(See options appraisal in appendix 3.)*

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 To seek agreement to proceed with the development of a new library and GP surgery in Woodingdean.

SUPPORTING DOCUMENTATION

Appendices:

1. Case for Relocation of the GP's Surgery
2. Assessment of community need for a new library in Woodingdean
3. Options appraisal for the development of a new library in Woodingdean
4. Benefits realisation assessment for the development
5. Developer summary and track record
6. Plan of the site, draft elevations and layout

Documents in Members' Rooms

1. Business case and plans for the proposed development

Background Documents

None

