

Item No.	Classification: Open	Date: 19 December 2011	Decision Taker: Cabinet Member for Finance, Resources and Community Safety
Report title:		Report to approve the business case for the re provision of Camberwell library	
Ward(s) or groups affected:		Camberwell Green, South Camberwell, Brunswick	
From:		Deputy Chief Executive	

RECOMMENDATIONS

That the Cabinet Member for Finance, Resources and Community Safety

1. Approves the business case for the re provision of the Camberwell library as set out in this report
2. Agrees to proceed on the design and construction of a new 700m² building on the site in front of the Magistrates Court.
3. Approves the revised capital allocation for this project, from within the programme allocation agreed by council assembly in July 2011.

BACKGROUND INFORMATION

4. On 21 June Cabinet approved the re-provision of premises for the Camberwell library, to include a new resource centre, on the site in front of the Magistrates' Court in Camberwell. Officers were asked to carry out further feasibility to confirm the project brief including site investigations and also compare the costs and benefits of delivering a new structure with those of the relocation of the One Stop Shop Building from Spa Road. The most cost effective option would then be progressed.
5. The allocation of a capital budget to fund the project was agreed as part of the Modernise 2 programme and noted by cabinet on 21 June 2011.
6. The project team have since undertaken a feasibility study, site surveys, public consultation, and requirements survey. The options both of reusing a structure from a site in Bermondsey and of constructing a new building were considered. The new build option has been taken forward and designs have been developed for both a new 470m² and 700m² building on the site, both structures covering the same footprint.
7. This report recommends proceeding on the basis of constructing the larger building as the council has ambitions to use this site to offer services from across the council rather than just for library users. While the floor plan for the smaller building demonstrates that council requirements can be met, the demand for space in terms of projected footfall and an increased customer offer means that the building runs the risk of not meeting capacity in the future. Experience has shown that improving

the facilities available in libraries increases usage. The larger building will have a mezzanine level and provide a total 700m² space, which could be utilised to accommodate additional and some larger meeting rooms, generous library space and with the additional flexibility to accommodate requirements from other council services.

8. By providing access to a number of council services this is a more productive and flexible use of the site and will help to maintain council presence in the centre of Camberwell.

KEY ISSUES FOR CONSIDERATION

9. In their Fairer Future statement the cabinet has committed to providing new library premises for Camberwell. This item is in the council plan as a key priority.
10. The current library is located in a building which is no longer considered fit for purpose. These premises do not provide a welcoming environment for library users, it is not fully accessible and has unsuitable staff accommodation. The premises are rented from three different landlords and all of these leases are due to run out by 2015.
11. The overall reasons for investing in a new library for Camberwell are set out below:
 - To improve the environment for library users in Camberwell
 - To improve accommodation for staff
 - To maintain council presence in the centre of the borough and extend the customer offer of services in Camberwell
 - To contribute to improving the community facilities in Camberwell
 - To improve building efficiency and sustainability
 - To avoid paying commercial rents and other leasehold obligations such as repairs and reinstatement on premises in the future
 - To improve the public realm and accessibility of the Magistrate's Court from the Green
 - To enable residents and visitors to increase their educational and economical potential
12. This is also in line with the council's revised office accommodation strategy, approved by Cabinet in November 2010 which set out to ensure that all accommodation is fit for purpose.
13. The option to relocate to the new specifically designed building means that there will be several benefits for visitors to the area, the users and staff.
14. This building will provide a welcoming and accessible environment. The quality of the environment is an improvement with natural light throughout. There will be improved accommodation for staff and a safer environment for handling money.
15. Reading clubs and mother and toddler groups are popular. There is no disabled or buggy access to the children's' section in the current library, while the new building provides an open plan level access children's area that is fully accessible. There will more room for these sessions and plenty of space provision for buggy parking.

16. Moving the library to new premises will enable the service to operate more efficiently and work with other council services to offer an integrated customer access point. The proposed building will provide space for additional public computers, housing enquiries and other council services.
17. The scheme also links with proposals for the wider regeneration of Camberwell and other projects planned in the area to develop Camberwell town centre. The council has submitted an Outer London bid which seeks funding for improvements to the retail environment and public realm focusing on the Green. If the council was successful this would mean that there would be further funding available for the area around the Green to become a welcoming and dynamic public space.
18. The library supports learning and promotes the opportunity to help people realise their potential. Camberwell library is already a well used local resource and the new building can accommodate more public access computers and study space and has generous provision of space to sit and read in comfort. The projected footfall for the new library is estimated at 200,000 visits per year and the introduction of new technology will enable the service to increase capacity to deal with demand.
19. The scheme is playing a leading role in the development in the heart of Camberwell and contributes to the enhancement of the town centre. The Magistrates' Court square is part of an important pedestrian route to the centre of Camberwell from housing estates to the north and east of the town centre including Elmington and D'Eynsford. The project will improve a poor quality area of public realm and link with development proposals including improvements for public realm and transport. A small number of trees will need to be cleared to allow space for the building and to improve access, openness and safety. The project will work with community groups to plant trees and shrubs around the building to enhance landscaping and to address concerns over the safety of the site.
20. The overall benefits of the scheme are:

Current	New library and resource centre
Poor environment for library users	More pleasant environment for library users. All sections of the library are fully accessible and all on one level. Natural light, improved environment
Unsuitable and unsafe accommodation for staff	Improved workspace and welfare facilities, which is a safer environment for handling money.
Under used site in prime part of Camberwell	Enhances the town centre and will bring the area back in to use
No self service technology installed	Potential to increase the usage capacity without increasing staff resources needed.
Upper floors not fully utilised, no suitable space to hire out	Potential to generate income and improve local facilities through sessional use by external organisations and LBS.
The site is limited to library service only	The ability to offer a range of services

Current	New library and resource centre
	across the council including a well located housing offer which is in line with the developing customer access strategy
The site is currently not well used and perceived as being unsafe by residents	Improved public realm, green space and pedestrian access

Policy implications

21. It is proposed that there is an integrated customer experience across all services offered from the site in line with the emerging customer service strategy. This will be an important point of access for the council in the area, which in future could offer a range of services and community space. Therefore the overall amount of customer visits to the building may be up to three times more than at the current library premises.
22. It is expected that the building will reach a BREEAM very good rating as a minimum in line with the council's policies on sustainability. Full consideration will be given to issues of environment sustainability and designing to demonstrate best practice. Environmentally friendly materials will be specified where possible to maximise the use of renewable, recycled or recyclable resources. All wood products will come from recognised certified sustainable sources.
23. The site is on the boundary of the Camberwell conservation area. The design proposals have been presented to planners and their comments indicated that the design was broadly acceptable. Pre planning consultation is on going.

Community Impact Statement

24. The council is mindful of its Public Sector Equality Duty and has attempted to mitigate the impact upon those individuals and groups whose protected characteristics, as defined by the Equalities Act 2010 fall within one or more categories described as 'protected groups':
 - age
 - disability
 - gender reassignment
 - marriage and civil partnerships
 - pregnancy and maternity
 - race
 - religion or belief
 - sex
 - sexual orientation
25. This project has positive implications for all sections of the community and many of the benefits have been set out above. The location is centre of the borough and is easily accessed from the public transport hub of the town centre. The site in front of the Magistrates court is in close proximity to residential estates.
26. Access will be improved for people of all ages but especially for families and children. In the current library the children's area is in the basement and parents and

carers have to leave their buggies in the main library before carrying the children downstairs.

27. The building will have fully accessible public toilets and baby changing facilities.
28. The building will be all on one floor and will provide full access for all users including wheelchair users. The open plan design can accommodate wide aisles and plenty of space to manoeuvre. The meeting room facilities are on both levels, the mezzanine level will be accessible by lift. There will be flat paving pedestrian access from all sides of the site.
29. The building will offer increased capacity of library shelf space, study area and public computers. The facilities will be free to use likely to be popular with people on a low income, school children and students. The library review agreed by the cabinet in October 2011 noted that library facilities were particularly well used by those searching for work.
30. All equality groups will be better serviced through this new facility in comparison to the current environment.

Resource Implications

Capital

31. The initial capital budget for the reprovision of a library has been set at £1.4m from within the capital allocation for the Revised Office Accommodation Strategy, agreed in November 2010 and subsequently incorporated into the capital programme.
32. This report recommends proceeding on the basis of providing a larger building than originally envisaged for which designs need to be further developed. The quantity surveyor has carried out a costing exercise and the total scheme costs from initial feasibility designs are estimated at £1.75m, representing an increase of capital budget of 25%. This estimate covers building construction at around £1.1m, fixtures and fittings at £160k and minimal external works around the building at around £60k.
33. Further financial investigation has indicated that there is a risk of an increase in costs on items outside the construction such as ICT cabling and loose fixtures and fittings the desire to do additional landscaping which the resident consultation has indicated as necessary.
34. The implementation of radio frequency identification (RFID) which will enable the service to increase capacity, provide a self service facility and reduce unit costs requires a further £80,000 from the capital budget that has not been included in the cost estimate above.
35. In the light of this and as a result the recommendation to opt for the larger building, based on a best estimate and to allow some flexibility the total capital budget required to deliver this project is £1.9m. The increase to £1.9m can be contained within the existing allocated budget of £10.7m for the office accommodation programme.

Revenue

36. To give an indication of the necessary revenue spend, the operational costs for this building have been calculated by using the Building Services Research and Information Association (BSRIA) national facilities management benchmarking model to calculate facilities management costs for a library of this size.
37. The business case model allows for a sustainable spend on all items that the current library budget allows including repairs and maintenance, utilities and soft FM services. This ensures that the new facility is maintained in a good state for the long term. ICT revenue charges and a realistic rate of NNDR have also been included in the running cost calculations. There is no provision for physical security presence on site, and this may need to be reviewed.
38. For the purposes of calculating running costs library staffing resources are expected to stay at the current levels. This budget assumes the implementation of RFID, which would allow for a small increase in opening hours from the current 5 days. The library currently achieves a small income through charges for media loans and late returns but is not able benefit from any other income streams.
39. This new building offers the council the opportunity to gain increased income through hiring the rooms and facilities. Based on estimated asset rents and the libraries fees and charges the rooms could be rented out for rates of up to £45 per hour. It is worth noting however maximum usage would also impact on the ability for the service to open during the evening hours to make the rooms available. The pro rata rate for 40m² space could generate around £10k per year, although this is a modest estimate of what may be achieved.
40. Some consideration has been given to gaining income through renting space to a commercial supplier, such as a cafe to operate from the premises. Prior experience within the library service has shown that this arrangement in smaller and medium sized libraries is not always a viable option. This site is close to amenities in the town centre and new the cafe at the leisure centre. In addition, some residents have indicated concern over the impact of deliveries and waste management on D'Eynsford Rd and runs the risk of receiving objections to the planning application. Further investigation will be carried out as to whether this is a viable income, therefore the potential income achieved through this has not been included in the calculations.
41. The council intends to relinquish the leases on the current premises by 2015 and to avoid paying other leasehold obligations such as repairs and reinstatement on premises in the future. The relocation enables the council to bring the current premises on Camberwell Church St back into the commercial market and the intention is for the shop fronts to return to retail units.
42. The bench marking cost exercise shows that the council should expect to spend a similar amount on the new property as the existing library. While lease costs will be saved, significantly increased NNDR (which is derived from rateable value, much higher in the new building) and a responsible programme of planned maintenance will absorb much of this saving. However, overall the library offer will be significantly improved for similar expenditure.

43. With all the above considered and excluding the potential income from renting out space for a cafe or other use to external parties, the overall running costs for a library of this size are estimated at £321,550 per year. The table below sets out the anticipated running costs for this building based on the library budget once the leases on the old premises have been relinquished.

Item	Estimated running costs
Libraries staffing	£178,200
FM/Premises costs	£73,200
Rent	£0
NNDR	£55,000
ICT	£38,886
Equipment repair	£2,000
Newspapers and periodicals	£1,044
Fees and charges	£-16,200
Room hire income (estimated)	£-10,000
Total	£321,550

44. While it is envisaged that the building will be primarily managed by the library services initially, the council has the benefit of this centrally located flexible public space, which needs to be maximised. The expectation is that the site will provide an extended customer offer (including housing enquiries and tenant support), which significantly increase the visitor footfall of the building. Where the building is used for other purposes then charges will need to be made to the relevant council department. Additional running costs may be met through receiving revenue from other services as a contribution towards their share of the use of the space, ICT equipment and FM services. In turn a wider use of the building will allow for other savings to be derived from running costs and the closure of buildings.
45. The confirmed budget requirement set against the existing budget and potential income will need to be incorporated within the 2013/14 budget setting process taking into account library and corporate savings commitments and the wider rationalisation of office accommodation brought about by the reduction of operational sites. It is recognised that the Libraries, Learning and Culture division have committed to savings on the movement of the library of £50k per year. This will also need to be reviewed as part of the 2013/14 budget setting process especially in the context of the increased potential for generating income from the bigger space and facilities available.
46. The new library will be a council wide resource that is being developed as part of the revised office accommodation strategy agreed by the cabinet in 2010. Overall the implementation of the strategy will generate revenue savings through cost effective ways of working that at least cover any additional costs occupying improved accommodation.
47. All estimated costs are derived from professional sources and these are realistic and prudent estimates of construction and maintenance and have been set to guard against the risk of overspending. The scheme will be subject to professional review by qualified surveyors and there is an opportunity to value engineer in order to bring the costs in line with the budget for construction.

Consultation

48. A full public consultation on the proposals was held spring 2011 and the feedback indicated that local residents and library users supported the proposals. These conclusions were incorporated into the recommendations to Cabinet in June 2011. At a second stage during the autumn a stall was held at the well attended Camberwell Information Day as well as a display of the designs in the in the current library for a month. The design proposal will be subject to the usual consultation and decision making arrangements of the council's planning process.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Finance Director

49. This report seeks approval from the cabinet member for finance, resources and community safety of the business case for the re provision of the Camberwell library, and to proceed on the design and construction of a new 700m2 building on the site in front of the Magistrates Court. Approval is also sought for the revised capital allocation for this project, within the allocation approved by council assembly for the overall revised office accommodation programme.
50. The finance director supports the request to increase the capital budget for the new library by £300k within the approved allocation for which approval is required from both the cabinet member for finance, resources and community safety and the finance director. This will be reflected within the 2011/12 quarter 3 capital monitoring report and the project will be shown separately from the rest of the revised office accommodation programme.
51. The finance director notes the revenue implications outlined in paragraphs 36 to 47 and advises that officer time to effect the recommendations will be contained within existing budgeted resources.
52. It should be noted that the capital receipt targets associated with the accommodation programme are being met and in the case of the proposed disposal of Southwark town hall are expected to be considerably exceeded.

Strategic Director of Communities, Law & Governance

53. The strategic director of communities, law & governance (acting through the contracts section) notes the contents of this report.
54. The decision on the approval of this report can be taken by the Individual Cabinet Member in accordance with Part 3D of the council constitution which provides for matters reserved for decision of an individual cabinet member including, amongst others proposing revenue and capital budget allocations to the cabinet, in relation to their areas of responsibility. Paragraph 35 confirms that adequate budgetary provision has been made available to cover the cost of the project.
55. The Equality Act 2010 introduced a single public sector equality duty (PSED). This duty requires the council to have due regard in its decision making processes to the need to:

- Eliminate discrimination, harassment, victimisation or other prohibited conduct
 - Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not
 - Foster good relations between those who share a relevant characteristic and those that do not share it.
56. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The PSED also applies to marriage and civil partnership, but only in relation to the first bullet point above.
57. There has been compliance with the council's Equalities and Human Rights Scheme 2008-2011 as well as the public sector equality duty as contained within section 149 of the Equality Act 2010. All six equality strands have been duly considered and assessed. This is evidenced at paragraph 24 above.
58. Paragraph 49 of this report states that a full public consultation was held. The courts have provided guidance on what constitutes effective consultation and, where consultation is undertaken, the courts will want to ensure that this has been done fairly. The extent and method of consultation will depend upon the circumstances.
59. For effective consultation to take place there are four requirements:-
- Consultation must be conducted when proposals are at a formative stage;
 - The decision maker must give sufficient reasons for its proposals to permit intelligent consideration and response;
 - Adequate time must be given for consideration and response; and
 - The product of consultation must be conscientiously taken into account before making the relevant decision.
60. Each of these elements must be considered separately, evidenced and documented.
61. There is no legal definition of what constitutes 'adequate time' to consult; each case will need to be determined on its own facts. Government guidance and good practice recommends a 12 week consultation period. However, if there is good reason to deviate on this, the courts are unlikely to conclude that the consultation period was inadequate, but the reasons for reducing the time for consultation must be clearly explained and reasonable.
62. In connection with the design and construction of the new building, the strategic director of communities, law and governance will advise on the legal implications relating to the procurement of the building contract in due course.

Library services

63. The re provision of Camberwell library is the next key milestone in the Libraries Modernisation Programme, following on from the major refurbishment of John Harvard library in 2009 and the opening of the new Canada Water library in 2011. The new building will enable the community to access a wider range of council and

community services in a modern, accessible and welcoming space. Libraries will be able to deliver an improved range of services, particularly to children and young people and to work in partnership to develop the customer services strategy and other initiatives to support key priorities including learning and achievement, health and active citizenship. The library will make best use of ICT to provide easy access to services online and self service technology will enable the public to complete routine transactions quickly and efficiently.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
CFM Benchmark Costs	160 Tooley St, London SE1	Jessica Caruth 0207 525 2297
Franklin and Andrews Cost Estimate	160 Tooley St, London SE1	Jessica Caruth 020 7525 2297
Re provision of library including resource centre for Camberwell	www.southwark.gov.uk	Jane Seymour 020 7525 4907
Library Service Review report to Cabinet	www.southwark.gov.uk	Adrian Whittle 0207525 1577

APPENDICES

No.	Title
Appendix	None

AUDIT TRAIL

Lead Officer	Eleanor Kelly, Deputy Chief Executive		
Report Author	Jessica Caruth, Department Programme Manager		
Version	Final		
Dated	19 December 2011		
Key Decision?	Yes	If yes, date appeared on forward plan	December 2011
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER			
Officer Title	Comments Sought	Comments included	
Strategic Director of Communities, Law & Governance	Yes	Yes	
Finance Director	Yes	Yes	
Head of Culture, Libraries and Learning	Yes	Yes	
Cabinet Member	Yes	No	
Date final report sent to Constitutional Team			19 December 2011