

MUNICIPAL YEAR 2013/2014 REPORT NO. 96A

MEETING TITLE AND DATE:

Cabinet 16th October 2013
Council 27th November
2013

REPORT OF:

Director of Finance, Resources and
Customer Services & Director of
Regeneration, Leisure & Culture

Contact officers and telephone numbers:
Anne Crowne 020 8379 3019
Email: anne.crowne@enfield.gov.uk
Julie Gibson 020 8379 3749
Email: julie.gibson@enfield.gov.uk

Agenda – Part: 1	Item: 9
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Subject: Refurbishment of Palmers Green Library
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Ward: Palmers Green

Key Decision No: 3791

Cabinet Members consulted: Cllr. Taylor, Cllr. Stafford, Cllr. Charalambous, and Cllr. Goddard

1. EXECUTIVE SUMMARY

- 1.1 Following the decision to dispose of the Southgate Town Hall site, this report seeks approval to refurbish the adjacent Palmers Green Library.
- 1.2 The purpose of the report is to inform Members and obtain approval of the Capital investment within the Capital Programme required to the refurbishment of the existing Palmers Green Library.
- 1.3 Members are asked to note that the Cabinet decision (16 October 13) was subject to a call-in considered by Overview & Scrutiny Committee on 5 November 2013. As a result of the call-in, an outline of the options considered and further detail on the associated financial implications have also been included as supplementary detail within this report, for Council's information.

2. RECOMMENDATIONS

- 2.1. Council is asked to approve the addition of this scheme to the Capital Programme 2014 – 2015 budget.
- 2.2. Council is asked to note that Cabinet, in referring the item to Council:
 - (a) Approved the overall financial proposals for expenditure and funding as set out in this report, including all Professional, Technical, and associated costs. (Paragraph 6)
 - (b) Delegated authority to the Cabinet Member for Finance and Property Services, and the Director of Finance, Resources and Customer Services to accept a subsequent tender for construction works.

3. BACKGROUND

- 3.1 Palmers Green Library is a significant civic building attached to the redundant Southgate Town Hall site.
- 3.2 On the 12th October 2011 Cabinet formally adopted a Planning Brief as a supplementary planning document within the Local Development Framework which set out the context for redevelopment of the Southgate Town Hall and Palmers Green Library site. At the same meeting Cabinet also authorised the disposal of Southgate Town Hall for conversion by others to residential use with new residential development to the rear, subject to planning consent.
- 3.3 Following marketing and tenders, on 6th June 2013 the Cabinet Member for Finance and Property and the Director for Finance, Resources and Customer Services approved the terms for the disposal of Southgate Town Hall and also authorised segregation works to facilitate the sale, including the demolition of the annexe building of the Palmers Green Library. Planning Approval for the demolition of the annexe was obtained on 20th August 2013 and works are due to commence November 2013.
- 3.4 Options for the extent of refurbishment works to Palmers Green Library were considered and these are recorded in an Options Report produced by Property Services and Architectural Services on 25th June 2013 (Appendix 1 provides a summary of scope of works).
- 3.5. Authority is being sought for 'Option 4' as the recommended scope for the works, being a complete refurbishment comprising remodelling, improvements, replacing existing mechanical and electrical services, and the creation of a new public space/entrance from Green Lanes, N13, that shall provide an attractive setting for the building from the Green Lanes entrance.
- 3.6 In deriving this preferred option, Portfolio Cabinets Members and Ward Councillors were consulted on several occasions, 25th June and 5th August 2013 providing Member's Briefings. Member's agreed to recommend to officers to progress with Option 4.
- 3.7 In support of the proposals for Palmers Green Library, and for the efficiency of the service, secondary 'back office' functions previously located on the lower floor and in the basement have been successfully relocated to other Council sites. This has now created space for the possibility of a tenant taking a lease at a later date, for which 'Shell & Core' provision of the areas only shall be provided within the refurbishment works project.
- 3.7 On-going negotiations are being conducted with a primary care provider.

4. CAPITAL PROGRAMME

- 4.1 This scheme is not currently included in the Council's planned capital expenditure programme for 2013/14. This report recommends that the scheme is included in the 2014/2015 Capital Programme.

5. PROJECT APPROACH

- 5.1 The Council's Architectural Services Team has been formally commissioned to provide the multi-disciplinary professional services for the construction project.
- 5.2 Architectural Services has also been commissioned to manage separation works of the Palmers Green Library from the adjacent Southgate Town Hall.
- 5.3 The procurement of the works and purchase of any goods required at the library shall be in accordance with the Councils Contract Procedure Rules (CPR's).

6. ESTIMATED PROJECT COSTS

The table below sets out the estimated project costs:

	£
Estimated Works Contract Value – Option 4	3,485,000
Professional & Technical Costs – Architectural Services In house Team	408,000
Furniture & Equipment/CORP IT	350,000
Project Contingency (@ 5% of sum of above) to be held outside of all contracts for other associated works i.e decanting and library storage, publication and consultation, surveys, feasibilities studies, asbestos etc.	212,150
TOTAL	£4,455,150

Appendix 1 provides details of the scope of works.

7. FUTURE SAVINGS

- 7.1 The refurbishment of the existing library building with new services and building elements (windows, new roof covering, mechanical and electrical, heating system etc.) will improve the building's energy efficiency, which will realise significant long-term savings in maintenance and energy costs. This can only be quantified once the Detailed Design has been agreed.

- 7.2 This will also contribute to the Council's targets for carbon reduction.
- 7.3 If the part of the building which is not needed for the library is leased to others this will create an on-going revenue stream to the Council. Alternatively, should the Council decide to locate an appropriate function of its own in that part of the building, this will potentially save the costs associated with wherever that function is currently located.

8. PROPOSED PROJECT TIMETABLE

Key target milestone dates are proposed as follows:

Cabinet Approval	October 2013
Full Council	November 2013
Obtain Planning Approval for refurbishment works	February 2014
Tender Approval of works	May 2014
Enter into Works Contract	May 2014
Library Closure	June 2014
Construction works commence	July 2014
Reopen Library	August 2015

9. LIBRARY SERVICE IMPLICATIONS

- 9.1 The Library and Museum Service has and will consult widely throughout the lifetime of the proposed development for both the interim arrangement and permanent refurbishment of the library. Residents, businesses, local community groups / organisations and interested stakeholders will be kept informed, and invited to express their views, where appropriate, on such things as the resources they wish to see in the library in the short and longer term.
- 9.2 A comprehensive consultation and engagement programme is being developed to enable residents from all sections of the community to express their views. The consultation and engagement process will ensure access is as broad as possible and will take place via various means including the Council website, social media, online and hard copy surveys, focus groups and meetings at a variety of community settings, local venues and at local area forums. Members of the project team will be on hand throughout to answer questions.
- 9.3 A comprehensive list of FAQs will be regularly updated on the Council website for easy reference along with details of plans as they develop.
- 9.4 Palmers Green Library will need to close for the duration of the refurbishment works. During the closure of the existing library, users

will be given access to other library facilities, including the Mobile Library which will be sited nearby at advertised times.

- 9.5 Customers can already access any library within the borough to use these services, borrow and return items. They can also access services online. However, there are four other libraries in the local area (Bowes Road, Winchmore Hill, Ridge Avenue and Southgate Circus) which can also be accessed during the closure and consideration is being given to increasing their opening hours during this period of time. Use could also be made of the Homebound Library Service if necessary.
- 9.6 The refurbished library will offer an improved service and customer experience. Although the current library does have disabled access, the entrance to the lift is poorly located. Main vehicle entry is through the car park from Shapland Way, N13, and there are no walkways to the main entrances, making it both difficult and dangerous for customer users. Improvements to this area will offer a much more welcome approach to visitors.
- 9.7 The layout of the space in the existing library, particularly those in the backroom areas, are not effective and a fresh approach to the layout will enable us to reflect current service priorities in the design, including a room for hire by the local community as well as a space for library activities such as a homework club and reading groups. We are also looking to reduce the size of counters to maximise public space.
- 9.8 The refurbished library will offer a wide range of books and periodicals for both adults and children, bookable PCs for internet access, Wi-Fi access for customers using their own laptop or mobile devices and a range of reader development/library based activities for adults & children. As with other library developments we will offer a customer self-service facility and there will also be an access point for council information and the potential for digital access to museum exhibits.

10. ALTERNATIVE OPTIONS CONSIDERED

- 10.1 The recent decision to demolish the Library Annexe as part of works to enable the disposal of the adjacent redundant Southgate Town Hall site necessitates some works to the main building to ensure that Palmers Green Library remains fit for purpose.
- 10.2 A range of options for the nature and extent of the works have been considered which have taken into account; the adopted Planning Brief for regeneration of the Town Hall & Library site, the Council's desire to improve the service offering to the public, the condition of the various elements of the building fabric, the opportunity to improve the environmental performance of the building and the potential to facilitate and co-locate with other community orientated facilities, particularly

health care. **As the result of a call-in on this item, considered by Overview & Scrutiny Committee on 5 November 2013, an outline of the options considered has been set out as supplementary information in Appendix 2 of this report, for Council's information.**

- 10.3 The possibility of providing a temporary building to deliver a library service during the closure of the library for refurbishment has been investigated. It has been discounted as not being value for money for the potential benefits it might deliver and more economic ways of maintaining a service will be put in place as set out above.

11. REASONS FOR RECOMMENDATIONS

- 11.1 The proposed refurbishment;
- develops the library within the context of the Adopted Planning Brief,
 - replaces worn out elements of the existing building,
 - improves environmental performance and reduces running costs,
 - provides a modern fit for purpose library with improved access and superior facilities, community space
 - creates an opportunity for co-location with local health providers, and other services
 - addresses the requirement of the Planning Brief in relation to the redevelopment of the adjacent Southgate Town Hall

12. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

12.1 Financial Implications

12.1.1 Architectural Services have been commissioned to design and procure works associated with enabling the disposal of Southgate Town Hall and together with Property Services carried out an Options Appraisal for the refurbishment of Palmers Green Library. Options for the refurbishment works are recorded in an Options Report.

12.1.2 Estimated capital costs for the complete refurbishment comprising remodelling, improvements, replacing existing mechanical and electrical services, and creation of a new public space/entrance for the proposed option (option 4) is £4.46m, (see section 6 above). **As the result of a call-in on this item, considered by Overview & Scrutiny Committee on 5 November 2013, the costs of the other options not selected have also been set out as supplemental information within Appendix 2 of this report, for Council's information.**

12.1.3 The project will be met by unsupported borrowing financed through the Public Works Loan Board (PWLB). The cost of the unsupported borrowing to the council for this project (£4.46m) is estimated to be £339k pa.

As a result of the call-in on this item, considered by Overview & Scrutiny Committee on 5 November 13, the following additional financial implications have been included for Council's information:

12.1.4 It should be noted that the net receipt from the disposal of the former Southgate Town Hall is expected to be of the order of £1.9m. The conditions of disposal were set out in a portfolio report in June and included an estimated £715k cost of enabling works.

12.1.5 Capital receipts are used on a Corporate basis to contribute to the funding of the overall capital programme. If the remaining £1.185m receipt were applied to this project then the ongoing revenue borrowing requirement would reduce to £245k pa.

12.1.6 In addition there is an anticipated revenue stream from the vacant space which could be let for a variety of uses. Depending on use the annual net rental value will be of the order of £110,000 - £120,000 per annum exclusive of rates and other outgoings. There will be a fitting cost to this area which will depend on the use of the facility before the rental inflow can be secured. There is also expected to be additional income from the aerial relocation which is in the order of £7,500 per annum exclusive. If these income flows were applied against the borrowing figure in 12.1.5 this would reduce the net borrowing cost to approximately £120k per annum.

12.1.7 The revenue costs of supporting the provision of council services during the construction phase, in particular, temporary arrangements for the existing library service and storage costs is included in the 5% contingency.

12.1.8 The on-going revenue cost of operating the building is not likely to be more than what is available in the current budget.

12.2 Legal Implications

12.2.1 Under the Public Libraries and Museums Act 1964, the Council is under a duty to provide a comprehensive and efficient library service for all persons whose residence or place of work is within the library area of the authority or who are undergoing full time education within that area. Section 111 of the Local Government Act 1972 further gives the Council the power to do anything ancillary to, incidental to or conducive to the discharge of its statutory functions and may enter into a contract with a

provider for the works pursuant to section 1 of the Local Government (Contracts) Act 1997.

12.2.2 The procurement of any works goods or services must be conducted in accordance with the Councils Constitution, in particular Contract Procedure Rules.

12.2.3 Any resulting contracts must be in a form approved by the Assistant Director for Legal Services.

12.2.4 The terms of any heads of terms/tenancy agreements for use of parts of the building not occupied by the library will be in accordance with the Councils Constitution, in particular Contract Procedure Rules in a form approved by the Assistant Director of Legal Services

12.3 Property Implications

12.3.1 The proposed refurbishment works will address a number of outstanding maintenance and sustainability issues, bringing the library building up to date and making it fit for purpose.

12.3.2 The terms of any tenancy agreement with others to use a part of the building not occupied by the library service will be in accordance with the Council's Property Procedure Rules.

13 KEY RISKS

13.1 Working in partnership with third party developers designing external elements of the main entrance and public realm access from Green Lanes, N13, may have an impact on the planning approval timeline. On-going negotiations and Design and Planning meetings with third parties are now in place.

13.2 The cost of the refurbishment could potentially exceed the current estimates. In the present economic climate, it is hoped that tender prices will be reasonable. However, the construction market is volatile and tender prices have been coming in low. Property Services will manage and mitigate the risks through a detailed procurement process and will value engineer the proposals that are received if required.

13.3 When construction works are completed, the Library Services shall re occupy the new refurbished areas. At a later date the basement and ground floor areas may be occupied by third parties (Health Services), for which further construction works, and fit out shall take place, which may be a disruption to the Library Services. This may also have a cost impact as two phases of works shall be required.

- 13.3 Subject to approval to proceed, a detailed risk register will be created and maintained for this project, to consider the likelihood of identified risks and mitigating actions that can be taken. This risk register will be monitored on a regular basis by the Project Manager.

14. IMPACT ON COUNCIL PRIORITIES

14.1 Fairness for All

This scheme represents another example of the Council's commitment to provide a borough-wide library service which is fit for purpose.

14.2 Growth and Sustainability

Refurbishment of Palmers Green Library should facilitate increased local usage of the library service.

The proposed works to the library building will improve its environmental performance.

The combined redevelopment of the Southgate Town Hall and Palmers Green Library buildings is intended to enhance the Palmers Green built environment and so attract further local inward investment by others.

14.3 Strong Communities

Palmers Green Library provides a significant local civic amenity and a range of community services. The proposed improvements will enhance and future-proof this role.

15 EQUALITIES IMPACT IMPLICATIONS

- 15.1 An Equality Impact Assessment has been completed, highlighted below the main outcomes: -

'Upgraded library facilities will improve access to all Council wide services to all groups in the community as libraries have been shown to be a key route for local information and access to all services. As a universal service, library customers represent a wide cross section of the population in Enfield. Closer partnership with Customer Services is ensuring the library service contributes to all Council agendas'.

16 PERFORMANCE MANAGEMENT IMPLICATIONS

- 16.1 This capital works project will be performance managed in accordance with the Council's project management methodology and monitored using the Council's electronic corporate reporting systems. An

experienced project manager has been allocated from the Council's Strategic Property Services Team.

17 HEALTH AND SAFETY IMPLICATIONS

- 17.1 The works proposed to the library building are too extensive for staff and users to be able to safely occupy the building while they are being carried out. The library will therefore be closed for the period of the works.

18 HR IMPLICATIONS

The existing staff shall be relocated to other libraries during the period of the works due to extended opening hours of surrounding libraries, and mobile services being provided.

19 PUBLIC HEALTH IMPLICATIONS

- 19.1 Subject to agreement, there is an opportunity for a healthcare provider to locate within the lower parts of the building not allocated to library use.
- 19.2 The newly refurbished library shall be inviting and enhance the current environment space, to encourage more usage, and social cohesion within the community.

Background Papers

None