

## **Council Meeting -11 July 2011**

### **Notice of Motion – the construction of a new library at Bentley**

#### **Introduction**

The following notice has been submitted from Councillor Madeley.

*“Following an assurance by the portfolio holder for Leisure and Culture at the April meeting of Council that he would explore this issue, this Council now calls upon the Cabinet to give a commitment to commence the building process of the proposed new library at Bentley by using the slippage of finance included within the Capital Programme for this scheme.”*

#### **Background Information**

Bentley Library was closed at the end of April 2006 following the identification of health and safety issues in the old building. At that time, there was the intention to replace the old library with a new building containing a library and the Bentley Beginnings Nursery using the capital receipt from the sale of a number of parcels of council land around the centre of Bentley.

Following significant consultation with local people, an architectural competition was held to create an iconic design for the building to house the new library and nursery. Bentley residents were closely involved with the specification and in choosing the winning design.

There is Cabinet approval to use any funding raised from the sale of the following sites to fund the development of the new library:

- King Charles Avenue
- Kent Rd/ Churchill Rd
- Berkley Close
- Wilkes Avenue
- Covenant Value of Former Clinic Site, Churchill Rd
- Covenant Value of the Former Old Hall PH, Churchill Rd

In 2006, a budget of £2 million for the building was agreed. The estimated value from land sales, at that time, exceeded this budget. Over the period of design development, the costs of the library increased to £2.6 million, but this was deemed acceptable at the time, as the value of land was still likely to cover these costs. However, at the stage the project was put on hold, land values had started to decrease in line with the national economic situation and housing market. This means that a substantial value engineering exercise would now need to be carried out to bring the project back to its original £2 million budget.

Until such time as the Bentley sites are successfully sold, it will not be known if, or how much, additional funding may be required to build the new library and indeed whether the project budget needs to change further. Three outline planning applications to support the marketing of Wilkes/ Kent/ Berkley are currently in with planning awaiting determination at the planning committee in August and it is hoped that the Council will be in a position to market these sites along with King Charles and the former Bentley Residential Care Home site, in the late summer/ early autumn.

## **Capital Programme**

The capital programme budget for 2010/11 was £109.882 million, of which £57.452 million was spent, resulting in unspent allocations of £52.430 million. Of this, £51.554 million is being reported to Cabinet on 27<sup>th</sup> July recommending that it be carried forward into 2011/12 for the completion of the specific schemes for which it was originally approved. This leaves an underspend in 2010/11 of £876,000 which has resulted in less borrowing to fund the capital programme and is fully re-allocated to complete schemes in 2011/12. The capital programme for 2011/12 has already been approved and funding identified. Existing funding could be reallocated based on council priority, but this would need to be approved as a variation to the capital programme by Cabinet.

Any capital carry forwards will be for the delivery of schemes approved in 2010/11 including any retention payments outstanding, schemes which cross the two financial years and/or are near to completion, but had not been completed by 31 March 2011.

Should capital carry forwards not be needed in full during the year, this would normally be monitored and reported to Cabinet for them to redirect resources based on council priorities as appropriate and/or to fund any in year emerging pressures.

## **Strategic Review of the Library Service**

The Library Service is currently developing strategic proposals for the future delivery of its services in the light of significant reductions in resources and the social and technological changes that are impacting on what and how the services are used. Walsall Libraries have been working to identify current and future demand for the service and the aim of the review is to redesign the service to better deliver local access to reading, information and learning at a very local level, but operate effectively and efficiently with a significantly reduced revenue budget. Any new library in Bentley would have additional revenue implications for the service, in terms of staff, premises costs and stock. A library of similar size currently costs around £77,000 to operate and resource.

## **Conclusion**

Current underspends from the Capital Programme have either been carried over to support the ongoing projects to which they were allocated or have been identified to fund agreed new projects on the Programme for 2011/12. If a new scheme is proposed in year, then either a new funding source must be identified or alternatively, existing schemes reviewed to allow funding to be re-allocated. Any changes will need to be approved as a variation to the capital programme by Cabinet.

Funding may be available from the capital receipt raised from the sale of parcels of land around Bentley, the first of which will be marketed in September. Until these sites are sold it is not possible to assess if the receipt would cover the cost of the new building.

A cheaper building could be constructed to house the library alone. This would reduce overall costs significantly, but would mean that the iconic design chosen by local people would not be used.

A handwritten signature in black ink, appearing to read 'Jamie Morris', with a stylized flourish at the end.

Jamie Morris  
Executive Director

29 June 2011