

Property Sub-Committee - Wednesday 07 June 2023

Approval of sub-letting of premises at 7 Eccleshall Road, Loggerheads, Market Drayton TF9 to Loggerheads Parish Council for use as a community managed library facility.

Property PID 3796

Local Member:

CLlr Paul Northcott – Newcastle Rural ED

Recommendation(s) by Councillor Mark Deaville – Cabinet Member for Commercial Matters

To approve the sub letting of premises at 7 Eccleshall Road, Loggerheads, Market Drayton TF9 4NX to Loggerheads Parish Council for a term of 5 years from 1st July 2023 at a peppercorn rent for the express purpose of running a community managed library from the premises in line with other operating agreements for community managed libraries in Staffordshire, the final details of the sub-letting being delegated to the Assistant Director for Commercial and Assets to approve.

Transaction Summary

To permit the sub letting of these premises for a term of five years from 1st July 2023 at a peppercorn rent to Loggerheads Parish Council on the condition that they run and maintain a community managed library facility on the premises in line with a community managed library operating agreement to be completed between the County and Parish Councils.

1. Current Arrangements

The property is held under a lease from a private landlord and was previously operated as a community managed library by Loggerheads Community Information Shop.

2. Proposals

The proposal is to permit a sub letting of the premises to Loggerheads Parish Council for a term of 5 years from 1st July 2023 at a peppercorn rent on the basis that they will run and maintain a community managed library here under a services agreement with the County Council.

3. Undervalue Transaction

The proposal is to sub-lease these premises to the Loggerheads Parish Council at a nominal peppercorn rent in line with the operating model for other community managed library agreements throughout the county.

Supporting Details

4. Background Information

- 4.1. The County Council leases this retail unit from a private landlord and has operated a public library from it for many years. The last lease was for a term of 5 years from 23rd August 2017 and contractually expired on 22nd August 2022. We are currently holding over under this agreement.
- 4.2. The property was previously operating as a community managed library by a partner organisation, Loggerheads Community Information Shop. This organisation decided in 2022 that they no longer wished to continue to operate the library here and therefore did not want to extend their sub lease on the property.
- 4.3. The Libraries Team were then left in a position of having to investigate the possible options with this provision. The library could have potentially been closed permanently which would have deprived the local residents of this facility. Secondly, the County Council could run it themselves which would have led to a significant increase in running costs, or thirdly we could seek a new partner to continue its operation as a community managed library.
- 4.4. Loggerheads Parish Council was identified as a potential partner organisation to operate a CML and in 2022 they voted to investigate the opportunity to manage Loggerheads Library. Since then, the Parish Council have engaged with the County Council and met regularly with Libraries and Arts Service Officers and the existing Library volunteers to understand the commitment and legal requirements of managing a CML. In December 2022 Loggerheads Parish Council voted unanimously to manage Loggerheads Library, and it is proposed that they should be granted a 5 year agreement in line with other community managed libraries, to take effect from 1st July 2023.
- 4.5. The Estates and Valuation Manager has successfully negotiated a new five year head-lease with the County Council's private landlord here which we have agreed will commence on 1st July 2023 and hence we would intend to sub-let the space to Loggerheads Parish Council for the same period. Unlike other community managed

libraries where there is a renewal option included in their operating agreements for generally two further five year periods, we are of course unable to grant that option here as our landlord has stated that he does not wish to grant the County Council a lease of more than five years at a time. We clearly cannot grant to a sub-tenant rights which we do not have ourselves.

- 4.6. As we are paying a market rent for the head lease and will be sub-letting the property at a peppercorn rent, it will be at an undervalue. However, the community managed library model has been operating on a similar basis at 27 locations throughout the county on the basis that these facilities are benefitting the local community and saving the County Council money in reduced running costs if it was to run the service using its own staff and resources.

5. Alternative Options

Discussed above.

6. Implications of Transaction for County Council (Risks)

Strategic – see risks below.

Financial – if the parish council did not run the library service here under a new sub lease, the County Council would probably have to run the service directly which would be more costly.

Operational – if the sub lease is not granted there could be a significant risk to the provision of library services in this area.

Legal – no significant risks identified

7. Community Impact*

This proposal will facilitate continuation of the library service in the area which will hopefully help to satisfy all three priority outcomes set out below for the Staffordshire residents living in the local area.

8. Comments from Local Member

To be reported to committee although we understand the local councillor, Paul Northcott, has previously been briefed by the Libraries and Arts service on these proposals in January 2023.

9. Support/Approval of the Proposal

Proposal supported by Assistant Director for Commercial and Assets

Signed: 

Name: Ian Turner

Date: 25 May 2023

10. Author/Valuer/Officer(s) Advising on this Transaction

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List of Background Documents/Appendices:

Appendix 1. Site and location plans of the subject property.

- *3 priority Outcomes for the people of Staffordshire are:
- To be able to access more good jobs and feel the benefits of economic growth
 - To be healthier and more independent
 - To feel safer, happier and more supported in their community.
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