

Council

19 May 2015

Allocation of Capital Receipt from disposal of current Alcester Library property to fund consolidation of Library and Warwickshire Direct into Globe House

Recommendation from Cabinet:

That Council approves the allocation of the capital receipt from the disposal of the property known as Alcester Library, Priory Road Alcester to fund the consolidation of Alcester Library and Warwickshire Direct into Globe House, Alcester, as outlined in Appendices C and D of the report to Cabinet on 16 April 2015.

1.0 Background

- 1.0 Cabinet on 16 April gave approval to the consolidation of Alcester Library and Warwickshire Direct into Globe House, Alcester. The report considered by Cabinet is attached and explains the benefits of the project and the financial implications.
- 2.0 Cabinet has noted how the project proposals are to be funded. The funding of the running costs needed to operate from Globe House shall be met from the existing funding used to run the existing library, and any funding required to invest in remodelling Globe House shall be derived from the capital receipt from the sale of the current library.
- 3.0 Cabinet recognised that the funding proposal is not consistent with current County Council policy that all capital receipts are used to repay debt (unless the investment of the receipt will result in bigger reductions in debt or greater revenue savings than would be achieved by simply repaying debt). Cabinet is therefore seeking Council's approval to depart from the policy on this occasion, in view of the benefits of the proposal.
- 4.0 The recommendations agreed by Cabinet on 16 April are set out below:

Resolved

That Cabinet:

- 1) Subject to Council approving recommendation 2, approves that the property known as Alcester Library, Priory Road, Alcester (shown outlined in bold and comprising Area C in Appendix A of the report) be declared

surplus to requirements and disposed of on the open market on terms and conditions acceptable to the Strategic Director for Resources;

- 2) Recommends that Council approve the allocation of the capital receipt from the disposal in recommendation 1 to fund the consolidation of Alcester Library and Warwickshire Direct into Globe House, Alcester (as outlined in Appendices C and D of the report);
- 3) Subject to Council approving the use of the receipts, adds the remodelling of Globe House to the Physical Assets capital programme at a cost of £240,000;
- 4) Agrees that, should the capital receipt be insufficient to fund the scheme, the shortfall is funded by a virement from the existing Customer Services programme allocation for improving the Customer Experience; and
- 5) Gives its approval for the County Council to enter into a 99 year lease for the occupation of Globe House on terms and conditions acceptable to the Strategic Director for Resources.

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