

HIGHWAYS AND COMMUNITY INFRASTRUCTURE COMMITTEE: MINUTES

Date: Tuesday 2nd June 2015

Time: 9:30am-1.20pm

Present: Councillors Ashcroft, Ashwood, Butcher, Connor, Criswell, Gillick, Hickford (Chairman), Hunt, Mason, Reeve (Vice-Chairman), Rouse, Scutt and Taylor

In attendance: Councillor Bullen, Harty, Hipkin, Jenkins, Nethsingha, Walsh and Williams

Apologies: None

106. NOTIFICATION OF CHAIRMAN AND VICE-CHAIRMAN

It was noted that the Council had appointed Councillor Roger Hickford as the Chairman and Councillor Peter Reeve as the Vice-Chairman for the municipal year 2015-16.

107. DECLARATIONS OF INTEREST

Councillors Scutt and Taylor declared interests as frequent users of Cambridge Central Library in relation to item 112.

108. MINUTES – 28th APRIL 2015

The minutes of the meeting held on 28th April 2015 were confirmed as a correct record and signed by the Chairman.

109. PETITION

There were no petitions.

110. OBJECTIONS TO TRAFFIC REGULATION ORDER: BOATS (BYWAYS OPEN TO ALL ACCESS) EAST CAMBRIDGESHIRE

The Committee received a report on proposals to prevent vehicles with four wheels or more from using specific Byways Open to All Traffic (BOATs) between 1st October until 30th April or 'when barrier is locked closed'. The background to the proposed scheme, and the outcome of the statutory consultation process were noted. The scheme had the support of the Local Member, Councillor Read. It was noted that one objection had been received, and that the Police support the scheme. One of the supporting comments included a further seven statements of support. Members

noted that a review of the network of Rights of Ways (RoW) had been conducted by the Council's RoW Team in 2012.

Ms Finn, a landowner whose property accesses the Byway in question, spoke in objection to the proposed Traffic Regulation Order. She explained that the current Traffic Regulation Order prohibited driving from 1st October to 31st May, and this should be retained in preference to the proposed scheme, with the signage corrected. Opening the Byway in May would damage it, contradicting the supposed aims of the TRO. Furthermore, she felt that the application had been incorrectly notified, publicised and consulted on, specifically that the local landowners directly affected by the proposal had not been consulted. She explained that she and a group of volunteers ran a conservation site at this location, which had the support of varied agencies including the Parish Council and Natural England, and she had grave concerns that the proposed TRO would cause tremendous environmental damage. She also raised the issue of involvement in the BOATS policy of a specific officer who she had had a dispute with previously, and suggested that the involvement of that officer prejudiced the whole process.

In response to Member questions, Ms Finn:

- suggested that there was no need to revoke the current Traffic Regulation Order;
- outlined the current access arrangements and problems with the locked gate and enforcement;
- confirmed that the byway was owned jointly by the landowners whose land abutted the Byway i.e. they all owned a percentage of the byway.

In response to Member questions, officers:

- advised that the officer involved in the earlier dispute with Ms Finn had not been involved with this specific Traffic Regulation Order, but had, more generally, been involved in developing the standardised approach to all Byways across the county. The process was managed by a team, and the policy had been developed to provide a consistent but flexible approach across the county, which would prevent damage to the byways. The key element in the process would be the Management Plan;
- confirmed that weather conditions were reviewed, and if there was poor weather in the summer months, the byway would be closed to prevent damage;
- confirmed that the restriction only applied to four wheel vehicles, because it was unenforceable for two wheeled vehicles, i.e. motorcycles could get through.

It was resolved, by a majority, to:

- a) approve and make the Order as advertised;
- b) inform the objectors accordingly.

111. LIBRARY SERVICE TRANSFORMATION: RESULTS OF INITIAL CONSULTATION

The Committee considered a report which presented the results of initial public and stakeholder consultation on the draft strategy 'Library Services in Cambridgeshire: developing our approach to the future'. Attention was drawn to an error in section

2.4 of the report in relation to age distribution (see information included at Appendix 1). It was further noted that a transcript of all the comments received in the consultation had been added to the Libraries page on the County Council website.

The vast majority (98%) of respondents were library users, and there was strong support for traditional library services, e.g. an emphasis on books, trained staff, children's services and services being free at point of access.

Arising from the report, Members:

- asked whether there was a geographic breakdown of the responses. Officers advised that this information was available;
- with regard to age groups, noted that this information was only collected for those that had responded online, i.e. not for those who responded in writing;
- discussed how the Cambridge Library Enterprise Centre may have skewed the consultation i.e. there was a Cambridge bias in the responses received due to the big issues in Cambridge city. Officers confirmed that this was the case, and advised that the full comments to the consultation were available online. It was confirmed that the draft strategy had referred in general terms to the developments at Cambridge central library, but that was the subject of a more detailed consultation as part of the Library Transformation consultation, which had been extended accordingly and was reported as part of the report on the Central Library Enterprise Centre.
- a Member observed that a number of respondents strongly disagreed with the direction of travel, and that the move over to digital made many users uncomfortable. There was also an opposition to reliance on volunteers. The Member stressed the need for Committee Members to listen carefully to those messages.

It was resolved unanimously to:

Note the results of the consultation.

112. CAMBRIDGE LIBRARY ENTERPRISE CENTRE

The Committee considered a report which responded to questions and concerns in relation to the proposal to create an Enterprise Centre in Cambridge Central Library, further to the decision of the General Purposes Committee on 14th April to refer the proposal back to the Highways & Community Infrastructure Committee for further consideration. The report also reported on the results of the public consultation on the proposals in response to the comments raised by some Members.

Summarising the report findings, officers advised that whilst there was clearly a lot of resistance to the proposal, they still believed that the Kora proposal was the most financially advantageous for the Council, and the original recommendation still stood. The alternative would be further cuts to library services across the county.

There were three public speakers, all speaking in opposition, on this item:

Dr Alison Powell acknowledged the major challenges facing the County Council in terms of severe cuts from central government, and the need to raise income. However, she felt that Members were being pushed into making an important decision with insufficient time or information, or for a full consultation with library users. Specifically, she felt that three key pieces of information were needed (i) more evidence from Kora on market testing; (ii) scoping the needs of local people of Cambridgeshire, to ensure that the proposed scheme met their needs and (iii) consideration of alternative options e.g. in-house options or proposals from other organisations. She suggested that the decision be deferred until this information was available, so that the Committee could make a truly informed decision.

In response to Member questions, Dr Powell acknowledged the Council needs to make savings in the library service, but suggested that the Enterprise Centre was not the best way forward: she pointed out that the Central Library already earned £38,000 per annum from meeting room hire, and suggested that more works could be undertaken to fully maximise this income. Additionally, the proposed Enterprise Centre would require the Council to undertake costly capital works, which needed to be considered in the evaluation of the scheme.

Miss Kaur spoke in opposition to the proposals, and supported the points made by Dr Powell about income generation, maximising assets, and the capital costs to the Council of the Enterprise Centre proposal. She pointed out that the Council would lose the income from meeting room hire, as well as the capacity for over 60 people using the third floor. It was clear that the Kora proposal relied on profit generation, but the public was yet to see evidence that this profit could be achieved, further noting that Regus (Kora's parent company) would be retaining a management fee from gross turnover, and that research showed considerable dissatisfaction by Regus customers elsewhere.

Dr Boulhosa acknowledged the Council's difficult financial position, but expressed strong concerns that the Committee was making a decision on the Kora proposal when the alternatives had not been fully explored or costed in detail, and alternative providers of these type of facilities had not been researched. Whilst noting the assertion that an in-house operation would not benefit from the international business experience of Kora/Regus, she observed that there was strong evidence that Kora/Regus may not be as accomplished as suggested e.g. low following on Twitter feed. She also felt that information that had not been made available due to "commercial confidentiality" should be made publically available.

Members noted written comments relating to the proposal from Councillor Cearns, the Local Member, and another member of the public who had objected (the latter is attached at appendix 2 to the minutes, at the request of the objector, Mr Rainbird).

County Councillor David Jenkins spoke in opposition to the Kora proposal. He observed that the latest financial figures for Option 1 had been revised downward since the original report (March 2015). He noted that Option 2A, whilst not as good as Option 1, did provide a good return, and he suggested that this could be further developed, and other options explored. He queried why the baseline room hire was shown as a credit in Options 1 and 2a, when it should more accurately be shown as a debit. He felt that it was not possible to state that the Kora option (Option 1) was

the best alternative, as the work had not been done to develop alternative options to any level of detail, on what was a commercially valuable site. For that reason, he suggested that Option 1 was put on hold until the alternatives had been fully explored, possibly with other organisations in Cambridge e.g. the City Council, University or St John's Innovation Centre, and that this work could be undertaken over the summer, with the information being presented to the Committee later in the year.

A Member suggested that recommendation (d), relating to the Cambridgeshire Collection, should be agreed separately by the Committee, and it was confirmed by officers that this was wholly unrelated and separate to the Cambridge Library Enterprise Centre item i.e. regardless of the decision about those proposals, the situation for the Cambridgeshire Collection would be the same.

It was resolved unanimously to:

d) approve a specific consultation on the proposal to move the Cambridgeshire Collection to the Council's new hub building in Ely; and

Following the presentations from the officers and speakers, individual Members made the following contributions to the debate:

- noted that alternatives to the Kora option had not been undertaken as it was seen as unnecessary, as Kora was such a perfect option. Officers advised that some investigations had been carried out, but there was a limit to what could be done, e.g. discussions with other authorities where similar schemes had been developed. They outlined how the estimates had been developed and confirmed that finance colleagues confirmed that Option 1 remained the most financially advantageous by far.
- queried the alleged tax position of Regus, the parent company, noting that the company was not UK based and what due diligence had been carried out by the County Council on Kora/Regus. Officers advised that due diligence had been undertaken, and that they had worked closely throughout the project with legal and financial colleagues, and been reassured that checks had been made on Regus and Kora through Dun & Bradstreet and Companies House. Kora was an international company based in Luxembourg. With regard to the ethics of the tax situation of the company, officers commented that that was a moral question for Members, not officers.
- queried the early stages of the process, specifically (i) the informal consultation with Cabinet in 2013, when it had been agreed that negotiations could continue with Kora, and whether there was any record of that agreement, and (ii) who signed the confidentiality agreement with Kora early in the negotiation phase. Officers advised that the principle of the Library Enterprise Centre had been included in the Business Plan for a number of years. Officers had sought a steer from Cabinet informally at an early stage to explore the possibility of a proposal with Kora – however, this was not a decision per se, as any agreement to proceed with a proposal would need to be approved through the usual democratic processes. The discussion on the proposals could not take place

without the Confidentiality Agreement being set up, which had been signed by the Head of Community & Cultural Services, with the permission of her Director, on behalf of the County Council.

- queried the total running costs of the Central Library, given that the apportionment quoted in the report was £80,730 for a percentage of the third floor. The Head of Community & Cultural Services agreed to provide that information to the Member. **ACTION: Christine May.**
- raised the issue of the financial cost against social cost, and asked what the experience had been at other sites in Europe where Enterprise Centres had been established, i.e. is there any evidence of disbenefits to library users. Officers advised that the experience of other officers at other Kora locations in Europe that they had met was that the partnership with Kora had been beneficial: however, none of these were based in libraries, and it was acknowledged that each situation was different, and it was not easy to make direct comparisons.
- expressed dissatisfaction with the degree of secrecy and confidentiality that he felt had surrounded the process, given that this was a public facility owned by the public, and the only benefit of the confidentiality appeared to be for Kora, not the County Council. He also queried the liability implication if Kora became insolvent. Officers confirmed that the management agreement that had been drafted allowed for an exit management strategy, and this would be included in the contract, assuming Committee approval of the proposal.
- commented that there had been a very clear directive from Members that they did not want any library closures, and officers had been tasked with finding income earning opportunities. Officers confirmed that this was a pilot project and all efforts were being undertaken to retain library services throughout the county. Kora have opened at least five other Enterprise Centres around Europe, so there was the reassurance of those experiences and occupancy figures.
- expressed support for the proposals if they helped to keep libraries open across the whole county, especially in rural and less prosperous areas. He also supported a number of the suggestions from members of the public, and suggested further opportunities to increase income were investigated.
- commented that she felt that she had insufficient information, particularly regarding the company and their knowledge of Cambridge, to support the proposal. She suggested that the information being unavailable was surprising given that there had been 37 meetings with Kora. The results of the consultation also highlighted the lack of support for the proposal, with only 1 in 5 of respondents being in favour of the Enterprise Centre. The public valued books and space, and resented a private firm taking a profit from public facilities, especially if it was unclear whether the company was paying tax in the UK. Given the sacrifices that needed to be made compared to the revenue to be achieved, she did not think the proposal was worthwhile. Officers stressed that no facilities would be lost, with the exception of the current café (which would be replaced with a smaller facility) and that 95% of book stock would still be available.

- spoke in support of officers, commending them for their professionalism and the efforts that they took to support and continue library services in all areas of the county. He was reassured that the due diligence had been carried out, and there would be a break clause in the contract after five years.
- commented that whilst she appreciated the hard work of the Council officers on this issue, she did not support the proposal. She observed that the report stated that “around 30% of the third floor would be used for new income generating services” whilst the Cambridge News had quoted a figure of 60%. Officers confirmed that whilst 60% of the third floor would be used, only 30% would be for new *chargeable* services.
- queried the assertion that no services would be lost, as the Member was aware that the Adult Career Service would need to move out for eight weeks whilst the capital works were being undertaken, and she queried whether staff working in the library had been consulted. It was confirmed that the Adult Career Service and all staff based at Cambridge Central Library had been consulted.
- asked how officers had retained confidence in Kora/Regus despite evidence in the minutes made available under the FOI request that they had either not provided information, or had been very late providing information requested. Officers advised that the delays in providing information had been on both sides, but the main delay related to the landlord.
- commented that this a very important decision, which had not been put to Members in the usual way, with no Committee involvement until the final stages, and a lot of information not being shared widely due to confidentiality restrictions: he felt that it was extremely regrettable that it had taken a Freedom of Information request for some details to be shared publically. He felt that earlier involvement by the Committee would have been enormously helpful. Along with the rest of the Committee, he had received a wide range of representations from library users, all of whom had raised interesting and cogent points as to why the agreement with Kora should be rejected. Whilst respecting the work done by officers, he felt that information had been shared too late to enable the Committee to make a fully informed decision, and he would not be supporting the report recommendations.
- commented that her concerns related to her professional experience as a librarian over nearly fifty years. Although there had been reassurances that no services would be lost, it was clear that public access areas would be condensed, and these concerns were reinforced by the information in the minutes of meetings which had been revealed following the Freedom of Information request. Such reduction in library space would be exacerbated by the disruption of the extensive capital works, and implementing these would be costly to the Council, especially given the significant expenditure on the new central library only six years previously. She felt that other options needed to be considered. She also pointed out that the discussions with Kora had taken place over two years, but the Committee had only recently been involved in the process, and were effectively being given a *fait accompli* this issue.

- asked whether a small donation could be sought from library visitors, given the very high footfall of the Library. He also suggested using the library space for complementary activities e.g. as a gallery. The Chairman pointed out that the lease on the building was very restrictive in what services could be provided.
- stressed the value of education and the role of libraries in education, and this was especially relevant in Cambridge, which was known globally for education. However, he felt that the Committee should think about the whole county when they were making this decision, and that the loss of half a floor in a three floor library should be considered alongside the potential loss of libraries and other services to vulnerable people and communities elsewhere in the Council. From this perspective, he felt that the Committee should agree to the proposal.
- welcomed the opportunity for debate at this meeting and to reconsider the decision taken in March 2015, and valued the ideas put forward by members of the public. His main concern with the Break Clause, and whether projected income levels would be achieved. He suggested that the loss of amenity was not as bad as had been suggested, noting that the meeting rooms would still be available. He believed in the value of libraries and ensuring that they were protected, especially in rural and disadvantaged areas, noting that there was a very real threat of communities losing libraries altogether. He was also keen for the Council to promote business innovation and business gain, and to this end saw this pilot as a key ingredient, which could be replicated elsewhere in the county if successful.

Officers confirmed that there was a five year break clause in the management agreement, and that no contract had been signed to date. In terms of income and revenues, the estimates were based on Regus and Kora outlets elsewhere, and it was acknowledged that these could not be guaranteed. However, the Council was guaranteed £80K and a share of profits and repayment of capital investment over time.

It was resolved, by a majority, to:

- a) the development of an Enterprise Centre within Cambridge Central Library;
- b) entering into an agreement with Kora (part of the Regus Group) to create and run the Cambridge Library Enterprise Centre (CLEC);
- c) further detailed consultation on changes to the Central Library, including the layout of the Enterprise Centre; and
- e) delegate to the Executive Director - Economy, Transport and Environment in consultation with the Chair and Vice Chair of the Highways & Community Infrastructure Committee authority to approve the final negotiations required to complete this project

113. FINANCE AND PERFORMANCE REPORT

The Committee received a report setting out financial and performance information for Economy, Transport and Environment as at the end of March 2015. It was stressed that the information presented was not the year end position. Attention was drawn to significant forecast outturn variances on revenue budgets, and that ETE was forecasting a year end underspend on capital of over £39M.

A Member queried the appendix referring to Street Lighting: *“the anticipated financial deductions expected to be incurred by the PFI Contractor will not now be realised. However, lower energy costs will result in a savings of £350K, which will more than cover this amount”*. Officers outlined the reasons behind this.

It was resolved to:

review and comment upon the report.

114. SERVICE COMMITTEE AGENDA PLAN AND APPOINTMENTS

The Committee was asked to review its agenda plan. The Committee noted the addition of Highway Services Contract to the 1st September meeting.

It was resolved unanimously to note the agenda plan, including the updates reported orally at the meeting.

115. EXCLUSION OF PRESS AND PUBLIC

It was resolved unanimously to exclude the press and public on the grounds that it is likely to involve the disclosure of exempt information under paragraph 3 of Part 1 Schedule 12 A of the Local Government Act 1972 and that it would not be in the public interest for the information to be disclosed (information relating to the financial or business affairs of any particular person (including the authority holding that information))

APPENDIX 1

Correction to Library Service Transformation report: Amendment to Section 2.4 of the report (Age distribution - number of respondents and percentage)

This is the correct table

0 (0.0%)	Under 16
12 (2.7%)	16-24
41 (9.1%)	25-34
80 (17.7%)	35-44
93 (20.6%)	45-54
93 (20.6%)	55-64
94 (20.8%)	65-74
28 (6.2%)	75 or over
10 (2.2%)	Prefer not to say