

**Report of the Assistant Chief Executive (Citizens and Communities)**

**Report to Scrutiny Board (Resources and Council Services)**

**Date: 27 April 2015**

**Subject: Community Centres Pricing and Lettings Policy**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

1. The new three point pricing policy for community centres within the citizens and communities portfolio, that was agreed by Executive Board in July 2014, will be implemented for new bookings on 1<sup>st</sup> May 2015. There has been a delay in implementing the new arrangements following complexities arising with the lettings database and difficulties with it being able to accommodate the new pricing arrangements. These issues have now been resolved allowing implementation in May.
2. Community Committees will agree a process to authorise free lettings that will keep delays to a minimum.
3. Discussions will also take place with Community Committees to scope potential improvements to the current community centre delegation, to improve local influence and accountability over the management of community centres.

**1 Purpose of this report**

- 1.1 This report provides an update on the introduction of the new pricing policy for community centres within the citizens and communities portfolio.
- 1.2 The report also outlines the next phase towards increased local accountability through Community Committees, including the potential for further delegation and increased influence over management decisions.

## 2 Background information

- 2.1 Executive board agreed in July 2014 to introduce a new simplified three point pricing policy for community centre lettings comprising of a commercial rate, a community rate and free lettings to be agreed by community committees based on local priorities.
- 2.2 The aim of this pricing policy is to simplify the process and encourage greater usage of the community centre facilities by communities.
- 2.3 There has been a delay in implementing the new arrangements, largely due to the age and inflexibility of a bespoke database used to manage lettings and payments. This had been designed to operate the complicated pricing policy that was introduced previously and the database was found to be unadaptable to the new pricing arrangements.
- 2.4 An interim fix has been found which involves using an older database which will manage the booking of rooms, but will need prices to be entered manually by officers in the lettings team. An agreement has been reached with ICT to keep this database operational until a longer term and more sustainable solution is found.
- 2.5 This interim solution will allow the new pricing policy to be implemented, but will not allow for detailed management reporting of financial and usage issues. These issues will be addressed as a long term system is developed to upgrade the lettings system and move towards online transactions.
- 2.6 The new pricing charges that were agreed by executive board are as follows:

	Commercial Rates	Community Rate
Large Rooms generally Halls	£25.00 per hour	£10 per hour
'Delivery space'- all other rooms	£12.50 per hour	£5 per hour
Kitchens for food preparation	£5.00 per hour	£1 per hour

- 2.7 The old pricing policy included a number of discount calculations based on the nature of the activities taking place and the status of the group making the letting. The old policy also included three different rates for rooms based on their size, as well as a price band for kitchens.
- 2.8 The full commercial rate for the use of a main hall has remained the same as in the old policy at £25 per hour. The majority of reductions for community use in the old policy were set at 50% of the commercial rate. The new policy has a lower community organisation rate set at 40% of the commercial rate. The new community rate of £10 per hour for main halls shows a reduction for the majority of groups that have made these bookings in the past.
- 2.9 The new policy has moved to having only one room category for delivery space. The old policy had two categories of room, based on size. Previous commercial rates for band B and band C rooms in the old pricing policy were £18 and £12 per

hour respectively. The new pricing arrangements have a commercial price of £12.50 per hour for all delivery space, other than main halls. Again the new price for community groups is 40% of the commercial charge, which will mean a reduction for the majority of community groups that have paid for these rooms under the previous policy.

- 2.10 The hourly price for the use of kitchens for food preparation has remained at £5 per hour for commercial organisations. The community rate is 20% of the commercial rate, which again will mean a reduction for the majority of community groups that have paid for these rooms under the previous policy.

### **3 Main issues**

#### **3.1 Lettings Rates**

- 3.2 The new pricing arrangements will be applied for new bookings as of 1<sup>st</sup> May 2015. All existing bookings will be honoured under the current arrangements including those that currently receive free lettings.

- 3.3 The next major phase for renewals of regular bookings will take place in September 2015. All regular users will be contacted in advance with full details of the new pricing arrangements to allow the process for renewals and applications for free lettings to be managed appropriately.

#### **3.4 Free Lettings**

- 3.5 The decision made by Executive Board in July 2014 allowed for Community Committees to agree free lettings based on the priorities for their area. This is a major change to how the current pricing policy operates in that each individual booking will need Community Committee approval to qualify for a free letting. The intention is for the process for paid lettings to be improved and streamlined to avoid delays in organising lettings. This will also mean that there is improved accountability for decisions made to forego council income.
- 3.6 Under the old pricing policy, decisions to allow free use of community centres have been made through the lettings team using a complicated set of criteria, agreed by Area Committees, which has led to delays in confirming bookings. It has also meant that there is a lack of clarity of how much it costs to hire rooms in community centres. The new policy will allow the Council to publicise the cost of using our centres, both online and at each centre, and will introduce a process for Community Committees to agree free lets in their area.
- 3.7 Under the new process individuals making bookings will be told the cost of their booking at the point that they make the enquiry. If they are willing and able to pay the fee then their letting will be processed as quickly as possible. If they are requesting a free letting then they will need to complete an application and this will be forwarded to the appropriate contact for the Community Committee where the decision will be made.

- 3.8 This means that there will be a delay in confirming any booking if the hirer is requesting a free letting. No free lettings will be agreed without at least 2 weeks notice before the date of the booking.
- 3.9 To avoid extensive delays in Community Committees being able to consider and agree free lettings, Community Committees will need to agree their own delegated decision arrangements. These decisions may be made through a sub-committee, a nominated elected member or delegated to the Area Leader.
- 3.10 Each Community Committee will be able to agree the process that best suits their needs. It is however imperative that the process devised does not lead to undue delays in processing free lettings.
- 3.11 Community Committees will need to be provided with regular performance and financial information on each community centre in order for the impact of free lettings on the viability of each centre to be understood.
- 3.12 Details of free lettings across the portfolio have been circulated to scrutiny board members. Due to issues of confidentiality this has not been appended to the report. This list can be used as an indication of the scale of free lets across the portfolio, but due to the limited management information capabilities of the lettings database, a health warning needs to be noted against this information. Cross referencing has been carried out with local information as far as possible to improve data quality, however, there are still likely to be some inaccuracies in the data. As an indication from the data provided, approximately 75% of the 300 plus current regular lettings across the portfolio are free lets. Decisions will need to be made by each Community Committee whether to continue these arrangements as these regular bookings come up for renewal.
- 3.13 Online Booking Systems**
- 3.14 While work clearly needs to be carried out to improve systems and management information in the short term, the community centres lettings process needs to be considered in the wider context of the councils Customer Access Programme and particularly the online Customer Contact Platform (CCP). The community centre lettings process has already been flagged up for inclusion in this work. Progressing the database development in this way would provide the ability for customers and users to book space directly over the internet.
- 3.15 Other options are also being explored around the suitability of other bespoke systems that have already been commissioned in other parts of the council. A system is being developed for online booking of bulky waste removal, and another system has been introduced for school lettings. These are being looked at as other possible solutions to improve back office and customer facing systems.
- 3.16 Phase 1 of the CCP is about to go live shortly, however the wider capabilities of the system are still in production. The focus of development of this system is on the high volume services such as council tax and benefits and there will be delays in developing a full CCP solution for community centres.

- 3.17 An interim approach is to develop an online form that customers can complete and which generates an email to the lettings staff. This is the most straightforward solution, and will take the shortest time to develop. This would simplify the process for customers but would still require manual working in the background. It is proposed to use this as a short term working solution whilst the full CCP is better developed and embedded in the organisation.

#### **4 Lettings Process Staff**

- 4.1 All lettings for Citizens and Communities community centres are handled by staff in the Facilities Management team in Civic Enterprise Leeds. The two members of staff dealing with the day to day booking process have been included in the recent business administration review and therefore management arrangements are under review.
- 4.2 Lettings teams operate in other parts of the council including in Education and Libraries and there is potential to collocate or merge these teams under the business administration review. There may also be benefit in examining lettings systems across the council in order to standardise and simplify processes and share staff resources and technology. This piece of work has not been commissioned yet but has already been identified as a strand within the business administration review.

#### **5 Next Steps**

##### **5.1 Second Stage review**

- 5.2 Currently Community Centres are a delegated function to Community Committees. Through this delegation ward members have an influence over the development of activities and improvements at community centres in their area, as well as close links with users and management groups at these centres. Currently there is very little information provided to Community Committees on the performance of each centre in relation to usage, income and running costs. There has also been little accountability for the free lettings arranged through the previous pricing policy.
- 5.3 The second stage review will look at developing the community centre delegation arrangements to increase accountability at a local level. Initial discussions will take place with Community Committee Chairs to scope this work including the possibility of greater budget delegation.
- 5.4 The implementation of the pricing review has uncovered a number of deficiencies in the availability of management information and the robustness of financial processes. These issues will be addressed as the long term solution for the lettings database is developed during the move to online transactions.
- 5.5 A major review is under way of the service level agreement between Citizens and Communities and Civic Enterprise Leeds covering caretaking, cleaning, repairs, programmed maintenance and building management. Community Committees will have a major role in this process.

- 5.6 A discussion will take place with Community Committee Chairs at their meeting on 5<sup>th</sup> June on the development of the community centre delegation. Timescales will then be set based on the scope of the work. At the same meeting the service level agreement for building management and maintenance will be discussed. Background work on this has already started and it is hoped that agreed changes can be implemented before the end of the year.

## **6 Recommendations**

- 6.1 Members are invited to comment on the contents of the report.