

Report of the East North East Area Leader

Report to Outer North East Area Committee

Date: 3 July 2012

Subject: Open House (79/81 Lingfield Drive)

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Alwoodley	<input checked="" type="checkbox"/> Yes	<input 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

This report provides an update on the current position regarding Open House Community Centre, 79/81 Lingfield Drive. Since Moor Allerton Community Centre folded, the centre has been directly managed by the Council so that a long term solution could be found for the premises.

The report provides a background history together with details of the current position.

Recommendations

The Area Committee is asked to note the report.

1 Purpose of this report

- 1.1 The purpose of this report is to provide the Area Committee with an update on the work undertaken in regard to premises at 79/81 Lingfield Drive, which has operated as a Community Centre since 2004. .

2 Background information

- 2.2 Open House is not part of the Area Committee's portfolio of community centres, it is a commercial property with a market rent of £7000 per annum. From July 2004 to August 2011 it was leased on a peppercorn rent to Moor Allerton Community Association on the basis of it being operated as a community centre. The peppercorn lease arrangement was approved by the Director of Environment and Neighbourhoods.
- 2.3 In addition to the peppercorn lease Moor Allerton Community Association has also received grant aid from the Area Committee wellbeing fund - 2005/6 - £19,500; 2007/8 - £22,000; 2008/9 - £15,000; 2009/10 – £15,000.
- 2.4 When the Moor Allerton Community Association folded the council stepped in. With effect from 1 September 2011, the council's Area Support Team took over management of Open House to give some breathing space to find a long term solution. This arrangement was originally put in place until 31 March 2012 and was agreed by the Council's Executive Board. Subsequently this arrangement has been extended to give further time for discussions to reach a conclusion.
- 2.5 When the Council took over the management of Open House, the regular activities running from the centre were an IT class, an over 50s group, Citizens Advice Bureau, Youth Services, and Currently Open House is used by the Council's Youth Service and MAECare's creative writing group. Lingfield Tenants and Residents Association have also used Open House to hold meetings.
- 2.6 Due to the uncertainties over the future of Open House, the IT class has since relocated to Northcall, the over 50s group to Moortown Baptist Church, and CAB to Alwoodley Children's Centre. MAECare creative writing class is taking a break and will recommence in August. The Youth Service are still holding sessions in the building on Wednesday and Friday evenings. Both MAECare and the Youth Service can be accommodated elsewhere if Open House were to close.
- 2.7 In accordance with the report agreed by the Council's Executive Board in September 2011, all the organisations who have been using Open House whilst it has been under the direct management of the council have had a free let. No other organisations have come forward asking to use Open House.

3 Main issues

- 3.1 For the premises to continue operating as a community facility requires an organisation to come forward with a business plan and proposal which the Council considers robust enough to warrant granting a peppercorn rent.

- 3.2 A public consultation session took place on 23 January, 3pm – 6pm to seek the views of local people on what the priorities are for their community, including an opportunity for them to give their views about Open House. Flyers were produced and distributed widely around the area to promote the event, including sending them out with Allerton C of E Primary pupils. However there was little interest from local residents. Only one parent came from Allerton C of E Primary School, and the other residents in attendance were four committee members from the Lingfield Tenants and Residents Association who claim to represent all tenants and residents in the Lingfield and Firtrees area.
- 3.3 The only group to forward with proposals to take over the running of Open House are the four members of Lingfield & Firtrees Tenants and Residents Association. They have submitted a business plan and a wellbeing application to cover the running costs for the first twelve months. An offer of support from Moor Allerton and Shadwell Team Ministry has been declined by this Tenants and Residents Association.
- 3.4 The Council has reservations about the legitimacy, robustness, and transparency of this Tenants and Residents Association for the following reasons:
- The business plan the Tenants and Residents Association has submitted relies heavily on grant aid for year 1 and offers no financial modeling to demonstrate how it would operate in subsequent years.
 - The Council has asked for further clarification on the proposals, particularly concerning the income and expenditure projections for a community café and how any shortfall in grant funding would be mitigated against. The Tenants and Residents Association have provided further information but their case is still weak.
 - The Tenants and Residents Association have been asked for supporting information to strengthen their case for being offered a peppercorn lease, and a wellbeing grant. The information required includes minutes of their latest AGM, a copy of their audited accounts for the previous financial year, a children protection policy, and public liability insurance. They have also been asked to provide evidence to support their claim that they have the support of a large number of local residents. At the time of writing this report, none of this information has been provided to the Council.
- 3.5 The wellbeing application was deferred at the March area committee on the basis that no decision can be made until a decision is made on the lease. This application is included in the wellbeing report for this area committee. The decision for granting a peppercorn lease lies with the Director of Environment and Neighbourhoods.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Consultation with local residents has been carried out as detailed in paragraph 3.2 of this report.

4.1.2 The four residents representing Lingfield Tenants and Residents Association claim to have widespread support for their proposal to continue running 79/81 Lingfield Drive as a community facility, however they have failed to provide evidence of this.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 79/81 Lingfield Drive has been operated as a facility for the local community. Any new organisation granted a peppercorn rent will be required to present an equal opportunities statement which demonstrates that they will ensure that Open House is open to all.

4.3 Council policies and City Priorities

4.3.1 The Council's policy on rental of commercial property allows for the granting of a peppercorn rent on premises which are to be used as community facilities providing the relevant organisation can provide a robust business plan to demonstrate how they will manage the premises.

4.4 Resources and value for money

4.4.1 79/81 Lingfield Drive is a commercial property with a market rent of £7000 pa. This sum is lost to the authority if the property is offered on a peppercorn rent to a community association. Running costs for the property are estimated at £10,000 per annum in addition to the rent. Any organisation taking on the property is required to provide a robust business case demonstrating that they can accommodate these costs.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The decision regarding the future of this property lies with Environment and Neighbourhoods Strategic landlord.

4.6 Risk Management

4.6.1 A risk assessment of the current position has been undertaken. The main risk to consider is a backlash from the local community should Open House close. To mitigate this, all existing organisations currently using Open House would be relocated to alternative local venues.

5 Conclusions

5.1 Open House has been directly managed by the Council following the folding of Moor Allerton Community Association for a temporary period whilst a decision is made about the future of Open House. During this period, some of the organisations using Open House have relocated elsewhere due to the uncertainties over what is going to happen.

5.2 Four committee members from Lingfield Tenants and Residents Association have submitted a business plan outlining their proposals for running Open House, together with a wellbeing application for £10,000 to cover the first year's running costs. Members have previously deferred a decision on this wellbeing application

pending a decision on the lease. The decision for granting a peppercorn lease lies with the Director of Environment and Neighbourhoods.

6 Recommendations

6.1 The Area Committee is asked to note this report.

7 Background documents¹

7.1 Report to the Council's Executive Board, 7 September 2011.

¹ The background documents listed in this section are available for inspection on request for a period of four years following the date of the relevant meeting. Accordingly this list does not include documents containing exempt or confidential information, or any published works. Requests to inspect any background documents should be submitted to the report author.