



Report of the Director of Neighbourhoods and Housing

To: Inner North West Area Committee

Date: 29th June 2006

Subject: Community Centres

Electoral Wards Affected:

All

Specific Implications For:

Ethnic minorities

Women

Disabled people

Narrowing the Gap

Council
Function

Delegated Executive
Function available
for Call In

Delegated Executive
Function not available for
Call In Details set out in the
report

Executive Summary

The report outlines the community centres function which is being delegated to the Area Committees in stages.

From 1st July 2006 the Area Committees will be responsible for the centres vested with the Neighbourhoods and Housing Department. This gives the Area Committees responsibility for, overseeing revenue budgets, operational arrangements and the use of centres, agreeing and implementing a revised schedule of charges and discounts for directly managed centres and making asset management and investment proposals to ensure the portfolio is sustainable and meets local needs.

Area Committees will receive a further report later in the year with details of the remaining centres being delegated to them.

1.0 Purpose Of This Report

- 1.1 The report outlines the community centres function which is being delegated to the Area Committees in stages. From 1st July 2006 the Area Committees will be responsible for the centres currently vested with Neighbourhoods and Housing.

2.0 Background Information

- 2.1 Recent reports to the Council's Executive Board and Scrutiny have covered the community centres review and the agreement of proposals to transfer responsibilities for community centres to the Area Committees.

- 2.2 A planned rationalisation programme is in the process of being implemented. This has led to the demolition and disposal of a number of under utilised centres in poor condition and improvements to nearby facilities. In addition, a considerable amount of work has been undertaken to improve the operational management of the facilities. As a consequence of this activity, officers concluded that the portfolio was in a more sustainable position than it had been for some time and it was appropriate to start delegating the management of the community centre function to Area Committees.

- 2.3 This is a relatively complex service area. The responsibility for the facilities is currently split between Learning and Leisure and Neighbourhoods and Housing. In addition, City Services undertake a facilities management function for some of the centres and the Development Department's Asset Management Unit has assisted in the review to date. Added to this, there are a large number of centres which have individual characteristics and relate to particular localities and communities. For this reason a staged approach was agreed for the future management and transfer of responsibilities for this service to Area Committees. This is starting with the transfer of responsibilities for the current Neighbourhoods and Housing portfolio to the Area Committees.

3.0 Main Issues

3.1 Assets

- 3.1.1 The centres currently vested with Neighbourhoods and Housing will become the responsibility of the Area Committees from 1st July 2006. Day to day management will be provided by the staff in the area teams.
- 3.1.2 An initial Area Function Schedule was prepared for these centres and was presented to Executive Board at its June meeting alongside updated function schedules for other Area Committee responsibilities. A copy of the Function Schedule is included in a report elsewhere on the Committee's agenda.
- 3.1.3 The community centres currently vested with Learning and Leisure are due to be transferred to Neighbourhoods and Housing later in the year. A further report will be taken to Executive Board to add these to the Area Function Schedule and formally delegate them to Area Committees.
- 3.1.4 The table below shows a list of the community centres portfolio for the inner north west area. It shows which centres are currently vested with Neighbourhoods and Housing, those currently vested with Learning and Leisure which will transfer and those which will be retained by Learning and Leisure for office use or the delivery of youth and training programmes.

Centre	Ward	Directly Managed or Leased	Current Vesting Department
Beckett Park Centre	Kirkstall	Leased	NHD
Burley Lodge Centre	Hyde Park & Woodhouse	Leased	NHD
Headingley CC	Headingley	Directly Managed	NHD
Little London CC	Hyde Park & Woodhouse	Directly Managed	LLD
Meanwood CC	Weetwood	Directly Managed	LLD
Woodhouse CC	Hyde Park & Woodhouse	Directly Managed	LLD
Woodsley Road CC	Hyde Park & Woodhouse	Directly Managed	NHD

3.2 Facilities at each centre, condition of centres and backlog maintenance

3.2.1 Previous reports to Executive Board and Scrutiny have indicated that in general there are high levels of backlog maintenance for some of the centres. The overall position has improved a little over the last few years through the programme of disposals and closures agreed previously by Executive Board and resources agreed by Area Committees through Wellbeing Budgets.

3.2.2 Attached at Appendix 1 are data sheets for each centre within the inner north west area. These include details of the centre, its facilities and known backlog maintenance requirements. These will help to inform decisions about future use and investment in the centres.

3.2.3 With regard to future capital investment needs, Area Committees will be able to make investment decisions from their own Wellbeing budgets. In addition, Area Management will be able to make applications for capital from the Council's Major Maintenance Fund in the normal way (as referred to below).

3.3 Service Level Agreement with City Services for cleaning, caretaking and facilities management

3.3.1 At present City Services provide cleaning, caretaking and facilities management services for the Neighbourhoods & Housing centres managed by the Council and just a cleaning and caretaking service for Learning and Leisure centres. The services are provided under a service level agreement and this covers:

Cleaning and Caretaking

- The provision of caretaking and cleaning staff and relief cover for leave and sickness
- The provision of equipment and materials for cleaning and ensuring they are safely stored when not in use
- Assisting the control and co-ordination of routine repairs and maintenance
- Assisting with safety, health and welfare and emergency procedures e.g. carrying out and recording alarm testing
- The management and supervision of premises related staff

Facilities Management

Covers the above services plus:

- Undertaking routine repairs and maintenance

- Controlling and co-ordinating major repairs and refurbishments once financial resources have been made available
- The management and control of energy use within buildings
- The security of buildings including the co-ordination of emergency call out arrangements
- Preparation and control of budgets and payments of accounts in respect of facilities management functions

3.2.2 City Services provide this service alongside the one provided in other civic buildings across the City. This, along with changes in operating arrangements previously reported to Executive Board and scrutiny, has helped to improve the service provided and efficiencies. Flexibilities in the service are possible e.g. moving caretakers to different community centres to cover leave or additional usage and the use of agency staff when required. The Executive Board agreed that:

- a) City Services continue to provide both a caretaking and cleaning service and facilities management service for the centres currently vested with Neighbourhoods and Housing; and
- b) City Services provide both services for the centres to be transferred from Learning and Leisure later in the year.

3.2.3 In relation to leased centres, City Services now provide annual health and safety checks (e.g. for boilers) and the costs for these have been included in the budgets delegated to Area Committees.

3.3 **Arrangements for leased centres**

3.3.1 The framework for management arrangements being introduced in leased centres was covered in previous reports to Executive Board and Scrutiny. It was recognised at Executive Board that there may be occasions when organisations may find it difficult to adhere to all the standard terms. Where this is the case, officers will work through the various options to ensure that appropriate arrangements are put in place which enable community organisations to operate centres on terms which are acceptable to both parties. In summary the standard terms cover:

- Standard terms for leases for community centres managed by community organisations –
 - Six years duration, three year break/review clause
 - Market rent assessment made before lease put in place
 - Organisations to be responsible for internal and external repairs
- A 'rental support agreement' will be put in place with each organisation to subsidise the rent at up to 90% of the market rate (100% support in exceptional cases)
- Longer leases to be considered on a case by case basis and subject to any necessary approvals

3.3.2 In addition to the original list of leased/to be leased centres vested with Neighbourhoods and Housing there are a small number of additional council buildings which have been leased to organisations with support from Area Management Teams and Area Committees e.g. Burley Lodge Centre. To give clarity Executive Board agreed that the list of leased centres vested with Neighbourhoods and Housing and under the responsibility of Area Committees

includes ones where leases are currently being progressed and other council buildings which have recently had support from Area Management Teams and Area Committees.

3.4 Licences/leases for services using centres as operational bases

3.4.1 There are a number of users in centres who are using the space as an operational base. A number of these users have exclusive use over particular spaces but no formal agreement is in place and / or charge levied for that use. Whilst this needs standardising across the portfolio of centres it is recognised that it will take some time to address and that some users may be providing an important local service but not have the resources to pay a full market rent for the space being used. To standardise the situation across the portfolio Executive Board agreed that:

- a) Leases or licences (as appropriate to the situation) are put in place for all users occupying a space in a centre as an operational base
- b) All other use is covered by the lettings and pricing policy for hiring space in centres
- c) Market rent assessments are made and service charges are assessed for each use of this nature
- d) Rental support agreements are put in place along the same lines as the ones introduced for leased centres for users which are providing community services which meet local priorities

3.5 Lettings and pricing policy for hiring space in centres

3.5.1 At the present time all lettings for Neighbourhoods and Housing and Learning and Leisure Community Centres are handled by the Lettings Team in the Learning and Leisure Department.

3.5.2 In October 2004 Executive Board considered a draft revised lettings and pricing policy and agreed that there should be consultation on it. In addition, the proposal to charge colleges using centres was approved and the Director of Learning and Leisure was tasked with leading negotiations with the colleges about the implementation of this proposal.

3.5.3 In relation to the draft lettings and pricing policy, widespread consultation took place up to Spring 2005. Over 110 responses were received and they reflected the variations in existing policy across the different centres with some groups having had free use and free accommodation for some time whilst others were paying a contribution for their use of a centre. Understandably, the main comments arising from the consultation were about charges and discounts rather than the principles of the policy. Key points raised in the consultation are summarised in the table below:

Summary of key points from consultation on new lettings and pricing policy for council managed community centres
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| <ul style="list-style-type: none">◆ Concern that attendance might go down if high charges have to be paid.◆ Concern that groups won't be able to pay to use centres.◆ Charges would require the collection of money from members, setting up of accounts and payments of small sums of money for those groups currently |
|---|

having free use.

- ◆ Some groups contribute to the upkeep of their local centre, do not receive funding and rely on free room hire to sustain activities.
- ◆ Community service providers working for no financial reward should be recognised.
- ◆ High charges for groups on Friday evenings and weekends are seen as unfair and there were some examples of groups who can't meet at weekends anymore.
- ◆ Some users have had free use for many years and feel it should continue.
- ◆ Many users are on low incomes.
- ◆ Community Centres should be seen as an essential resource in the regeneration of Leeds.
- ◆ Concessions should be the same across the city.
- ◆ Some commented that existing charges are unfair.
- ◆ If Groups have to move to different centres because they can't afford council centres it will discourage engagement as familiar surroundings support involvement particularly with elderly and disabled groups.
- ◆ Concerns about the possible introduction of increased charges for facilities that are of poor quality.
- ◆ If higher charges are imposed support for fundraising is required.
- ◆ Some groups said they were experiencing difficulties in booking rooms in centres and there was a need for a better system than at present.
- ◆ Some people thought there was a lack of clarity in the draft policy about proposed charges and concessions (although the consultation did explain that information about charges and discounts would follow later after the consultation on the policy).

- 3.5.4 Alongside the consultation responses, information was collated on the costs of running centres, caretaking costs, the facilities in each area, usage patterns, charging regimes and discounts.
- 3.5.5 At present there is a complex pricing structure for the centres which has been in operation for some time. A large number of centres have two basic prices for rooms with a relatively generous range of discounted rates. For other centres the structure of prices is different for each building and room. These tend to have lower standard charging rates and more restricted discount regimes. The result of this is that a user in one centre using a large space may have free use, whereas a similar user elsewhere may be charged for a small space.
- 3.5.6 Taking all the above information into account, officers did some work on a proposed schedule of charges and discounts for community centres and some minor revisions to the draft pricing policy. Initial consideration was made to the practical consequences of revised charges on individual organisations prior to finalising these proposals. This included an assessment of the likely impact on known existing users in a sample of community centres and considerations of the impact on any change in charging to different types of organisations, some of which are informally organised groups with very modest resources. Information was also collated on the charges to use a variety of non-council owned community centres across the city.
- 3.5.7 Assessing the full implications of these proposals to the Authority, to individual Area Committees and to service users is difficult to do as there are many variables and influencing factors (e.g. the range of existing charges and discounts, the number of users, centres and types of organisation using them). There have been significant usage and income variations in centres from year to year under current

arrangements. Whilst clear and fair charging with increased promotion may increase usage and potentially income (if those new users have to make a contribution), it is also possible that a number of users may be unhappy with the proposed arrangements and may seek alternative arrangements or cease activities.

3.5.8 In view of the issues highlighted above and the responsibilities being given to the Area Committees it was suggested that staff in each of the area teams use the proposals as a model for their area and do further work on it and local consultation. This will allow each Area Committee to take account of local issues and the budgetary parameters and priorities of the Committee in setting its local pricing policy.

3.5.9 The Executive Board agreed that:

- a) The draft pricing policy previously considered is amended to give Area Committees the responsibility for setting charges and discounts for centres in their area within a common framework
- b) Area management teams further develop proposals for a schedule of charges and discounts for the centres in their area and undertake local consultation on it
- c) Area Committees agree a schedule of charges and discounts for implementation in their area by April 2007

3.6 College Use

3.6.1 Whilst consultation regarding the principles of a new letting and pricing policy was undertaken, negotiations with the colleges progressed. Two collective meetings established the basis of the review, the principles of a charging policy and the pressures facing all parties. The second phase of the consultation involved meeting with colleges individually to consider their circumstances and the use of centres being made by each of them, including where they had user rights. A new charging policy for college use was then introduced from September 2005 to tie into their academic year.

4.0 Implications For Council Policy And Governance

4.1 The range of community centre issues detailed in this report fit with agreed Council policy and governance arrangements.

5.0 Legal And Resource Implications

5.1 Legal

5.1.1 There are no new legal implications arising from the contents of this report.

5.2 Resources

5.2.1 Capital funding to maintain and develop centres

As noted above, there are high levels of backlog maintenance for some of the centres in the portfolio. Whilst there are some resources available to the Area Committees through Wellbeing Budgets and the budgets for premises maintenance, it was agreed at Executive Board that a dedicated capital programme for the centres should be developed to support capital improvements over the

medium term. Criteria for this are now being developed and the release of funding will be managed through the Asset Management Group. Due to existing commitments in the council's capital programme in the short term it is anticipated that spending on schemes could commence from April 2007. Further information will be supplied to area teams to allow proposals to be put forward later in the year.

5.2.2 **Capital receipts arising from the future disposal of any centres**

In addition to the facilities agreed for disposal at previous Executive Board meetings, Area Committees may wish to take up opportunities to re-shape their local portfolio of facilities and this may include the disposal of further centres. Executive Board agreed that a ringfencing arrangement for capital receipts arising from the disposal of community centre assets should be developed to allow a proportion of the receipts to be retained by Area Committees for investment in other local community facilities. This will be incorporated into the updated Capital Strategy which is due to be considered by the Executive Board later in the year.

Any disposals would be managed and undertaken by the Council's Development Department and the issues of best consideration will continue to apply.

5.2.3 **Revenue budgets for operating the centres**

For the Neighbourhoods and Housing centre portfolio estimates for 2006/07 were done at an individual community centre level. This took into account the actual budgets for 2005/06 along with updated estimates for costs in 2006/07. This has enabled budgets to be put together for each of the Area Committees as part of the Area Function Schedule elsewhere on the Committee's agenda. Similar work will also be done with the Learning and Leisure facilities before they are transferred to Neighbourhoods and Housing later in the year.

The budget information is broken down into the following areas:

Expenditure Type

Rates

Rental Support

Supplies and Services

Caretaking

Premises

Management and Supervision charges

Gross Expenditure

Income from Centre Rentals

Income

Net Budget

As indicated in previous reports to Executive Board and Scrutiny the budget for operating community centres has been under pressure for a number of years. Whilst efficiencies and disposals have assisted the budget situation (for example at the end of 2005/06 there was no outstanding budget pressure for the Neighbourhoods and Housing centres), at an area level there may be ongoing pressures due to variations in caretaking and energy costs reflecting inflationary pressures and varying levels of income. At the same time there are opportunities for further efficiencies to be made and Area Committees would be able to utilise any revenue savings or increased income to use in other centres or on other area priorities under their control.

5.2.4 **Staff resources to manage and develop the centres**

The combined portfolio of centres managed by Neighbourhoods and Housing will total around 70 facilities, of which over 20 will be leased with little day to day involvement from the City Council. For the directly managed centres in the North West the additional workload will be absorbed within the area management team.

All the caretaking, cleaning and facilities management services will be provided by City Services. On behalf of the Area Committees, this means the Area Teams will have responsibility for:

- Liaising with users, user groups, local members and management committees on issues related to centres in their area
- Developing proposals for re-shaping the portfolio in the area
- Developing capital schemes and funding packages
- Monitoring the service level agreement with City Services for centres in their area and monitoring capital and revenue budgets
- Ensuring that leases and licences are in place and reviewed periodically
- Developing, implementing and overseeing the administration of a new schedule of pricing and discounts for centre usage

There is some central support in the Regeneration Service to provide guidance on these issues (e.g. how to arrange and review leases) and maintain an overview of budgets and developments in the community centres portfolio.

6.0 Conclusions

- 6.1 The Council's Community Centres Function is relatively complex and involves a number of different council services at present. The service is being delegated to Area Committees in stages with Area Teams becoming responsible for day to day management of the centres.
- 6.2 The current Neighbourhoods and Housing community centre portfolio is being delegated to the Area Committees from 1st July 2006. Revenue budgets associated with this portfolio are covered in the Area Function Schedule which went to the Executive Board in June 2006 and are in a report elsewhere on the Committee's agenda.
- 6.3 For the Neighbourhoods and Housing centres, this gives the Area Committees responsibility for: overseeing revenue budgets, operational arrangements and the use of the centres, agreeing and implementing a schedule of charges and discounts for directly managed centres and making asset management and investment proposals to ensure the portfolio is sustainable and meets local needs.
- 6.4 Caretaking, cleaning and facilities management services will continue to be provided by City Services for these centres. All lettings at these centres are currently handled by the Lettings Team in Learning and Leisure.
- 6.5 The community centres currently vested with Learning and Leisure are due to be transferred to Neighbourhoods and Housing later in the year. A further report will be taken to Executive Board to add these to the Area Function Schedule and formally delegate them to the Area Committees. A further report will be prepared for the Area Committees when this takes place.

7.0 Recommendations

7.1 Members are asked to:

- a) Note the arrangements for the delegation of the community centres to the Area Committee, and
- b) Receive a further report later in the year with details of the remaining centres being delegated