



Report of : Director of Environment & Neighbourhoods

Report to : Inner West Area Committee

Date: 7th February 2008

Subject: Pricing and Lettings Policy for Community Centres

Electoral Wards Affected:		Specific Implications For:	
Armley Bramley and Stanningley		Equality and Diversity	<input checked="" type="checkbox"/>
<input type="checkbox"/> Ward Members consulted (referred to in report)		Community Cohesion	<input checked="" type="checkbox"/>
		Narrowing the Gap	<input checked="" type="checkbox"/>
Council Function	<input type="checkbox"/>	Delegated Executive Function available for Call In	<input checked="" type="checkbox"/>
		Delegated Executive Function not available for Call In Details set out in the report	<input type="checkbox"/>

Executive Summary

This report provides details of a revised Pricing and Lettings Policy which the Area Committee is asked to endorse. It outlines the centres which would be affected by the implementation of the revised policy and also provides examples of what the new terms and conditions would mean to community organisations using the facilities. The suggested lettings policy will only impact on directly managed Leeds City Council facilities and not those leased to community organisations. In inner west Leeds there will be only one directly managed centre, Strawberry Lane/St. Bartholomew's Centre when it is transferred from Learning and Leisure in the near future.

This report does not cover the future of any community facilities in the area, any efficiency saving measures that may need to be put in place or the transfer of further facilities to the Area Committee community centre portfolio.

1.0 Purpose Of This Report

1.1 This report outlines a draft new Pricing and Lettings Policy which West Area Management Team would like to implement across inner west Leeds on behalf of the Area Committee. The policy details how much groups would be charged for the use of community facilities already or soon to be managed by Area Committees, which is required to ensure the portfolio of centres becomes financially stable and viable. These proposals are based on consultation work that has been under taken for community centres in south Leeds.

2.0 Background information

- 2.1 In July 2006, as part of the annual Area Function Schedule, the Area Committees became responsible for a portfolio of community buildings across west Leeds. There were a number of responsibilities that also transferred for the Area Management Team to carry out on behalf of the Area Committee, these responsibilities were:-
- 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.
- 2.2 To drive forward the key responsibilities asked to be carried out in terms of the management of Area Committee facilities, Area Management Teams across the city have been asked to re-visit previous work carried out on the development of a revised community centres letting policy to ensure that it is appropriate to each area. Information is detailed in this report about the previous draft lettings policy and how the suggested new policy would affect LCC managed centres in west Leeds.

3.0 Previous work done on a city-wide lettings policy

- 3.1 In October 2004, Executive Board considered a draft revised lettings and pricing policy and agreed that there should be a city-wide consultation exercise undertaken. The widespread consultation took place up to spring 2005. Over 110 responses were received - 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. A summary of key points raised in the previous consultation exercise in 2005 are summarised in Appendix 1.
- 3.2 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.
- 3.3 Taking all the above information into account, officers carried out 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.

- 3.4 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 In view of the issues highlighted above and the delegated responsibilities given to the Area Committees, it is suggested that Area Committees are cognizant of local issues, budgetary implications and priorities of the Committee in setting its local pricing policy.

4.0 A draft Lettings policy for west Leeds Community Centres.

- 4.1 Based on the work undertaken in south Leeds a benchmarking exercise was undertaken to look at other non Council facilities to ensure any schedule of charges put together are reasonable and comparable to other buildings available for hire. Following on from this exercise, a draft pricing schedule has been created on a banding structure based upon the size of a room within community centres. The table below details the current and proposed charges per hour for community facilities:-

Room Band	Current Standard Charge in Leeds City Council Directly Managed Buildings across the city	Proposed Standard Charge for Leeds City Council Directly Managed Buildings in west Leeds
Band A - Large, typically up to 40ft X 40ft (1600 sq ft)	£17.00 - £30.00	£25.00
Band B - Medium, typically up to 30ft x 30 ft (900 sq ft)	£10.00 - £17.00	£18.00
Band C - Small, typically up to 20ft x 20ft (400sq ft)	£5.00 - £10.00	£12.00
Band D - Kitchens	Variable	£5.00
Band E – Store rooms	Some centres apply charges	Subject to negotiation

- 4.2 Minimal use of a kitchen (e.g. to make refreshments for a meeting) will be included in the standard charge. More extensive use will be covered by booking a kitchen under the Band D charge rate. Some groups use storage facilities on a permanent basis and it is felt that a charge could be implemented for the use of this service to any commercial or profit making organisations using the centres.
- 4.5 The main aim of the revised lettings policy is not to have an immense budgetary impact; it is about creating a standardised charging system for all LCC community facilities in the area, as the current policy hasn't been reviewed for over 10 years. At present, the directly managed community facilities which are the responsibility of the Area Committee, are operating within their budget parameters. Even with the possibility of increased income being generated through this policy, there is still high levels of backlog maintenance costs that need to be addressed. The income will assist with the running costs associated with the buildings in the area, and if, where possible, go towards some enhancements to the facilities we have to offer.

- 4.6 Within the pricing structure outlined above, there will be a series of discounts applied for various groups. The groups which would receive discounts will be organisations who provide a service which helps achieve Area Delivery Plan themes and demonstrates that they were meeting local community needs. The schedule of discounts is detailed in Appendix 2. With the implementation of this revised policy, it will impact and affect some groups more than others. This is also detailed in Appendix 2. It is also suggested that if groups are unable to pay any of the lettings fees outlined, they can request for a subsidy from the Area Committee. A lettings subsidy would only be granted in exceptional circumstances. Area Committee would not be asked to cover the subsidy through its Area Well Being Budget but through the operational budgets for each facility.
- 4.7 In terms of commercial businesses wanting to use the facility, this will be reviewed on a case by case basis – it may be felt that if a business, large company or profit-making organisations who want to use community centres for activities, should be charged a higher rate than a regular community user due to their financial status and revenue generating ability. It is suggested that office space within community centres could be promoted to businesses. Any revenue generated through this would be used to subsidise community lettings or used to improve the buildings further. It will be ensured that there will be sufficient space within the facilities for the provision of community use if a business requests to use one of the facilities for a base.

5.0 Key holding and lease agreements

- 5.1 In addition to the new pricings and lettings policy, there will be further work to ensure organisations that use LCC community centres as office bases or for more than 20 hours per week, to become designated key holders. The suitability of an organisation to become a designated key holder will be assessed against the following criteria;
- That the organisation / group has had an operational base in the community centre for over a year or can provide a reference from a Council Department to evidence a positive working relationship with the Council
 - The organisation / group have a management committee that meets regularly.
 - The organisation / group have a Constitution/Memorandum & Articles of Association.
 - Where appropriate, the organisation / group keeps accounts and can provide a copy of their latest audited annual accounts.
 - They have a signed lease, licence agreement or regular letting agreement in place.
- 5.2 This would entail the selected organisation signing up to various terms and conditions and paying a service charge in relation to the area of space that they occupy rather than incurring a lettings fee relating to the number of hours which they use the building.

6.0 Next steps and the way forward

- 6.1 Following consultation a report will come back to Area Committee for final endorsement and for the final details of the policy to be sent to all affected community facilities and processes and procedures for managing the lettings under the revised policy to be discussed with the Lettings Unit.

6.2 The timetable for implementation will ensure that there will be a smooth transitional period for organisations switching over to the new lettings and pricing policy from existing arrangements that are in place.

7.0 Implications For Council Policy and Governance

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

8.0 Legal and Resource Implications

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

9.0 Resources

9.1 There could be some budgetary impact in terms of increased or even reduced income for community facilities. Any increased income will be re-invested into the buildings to make them of a higher standard for all users. If the income levels were to fall, efficiency saving measures would have to be explored to see how these costs could be recovered.

9.2 In terms of staffing resources, an officer from the Area Management Team will oversee the implementation of the new policy with the City Services Lettings Unit, who will still be responsible for the management of lettings for all directly managed community facilities across the city.

10.0 Recommendations

The recommendations for this report are as follows;

- For the Area Committee to note the report
- Agreement for a report to be presented April Area Committee outlining the final policy to be put in place for the LCC directly managed community centres.
- For an indicative implementation date of 1st June 2008 to be agreed.