



**Report of the North East Area Manager**

**North East (Inner) Area Committee**

**Date: 1<sup>st</sup> September 2008**

**Subject: Inner North East Leeds Community Centres Pricing and Lettings Policy**

**Electoral Wards Affected:**  
Chapel Allerton

Ward members consulted  
(referred to in this report)

**Specific Implications For:**

Equality and Diversity

Community Cohesion

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**

This report asks the Area Committee to endorse and implement a revised Pricing and Lettings Policy. A draft version of this policy was presented to the Area Committee in February 2008 and a three month consultation exercise undertaken.

This report also provides information of work underway to ensure the effective implementation of the revised policy by the Lettings Unit to ensure a smooth transition from the existing policy to the revised one.

This report does not cover the future of community facilities in the inner north east area or any efficiency measures that may need to be put in place.

## **Purpose of this report**

1. This report outlines a revised Pricing and Lettings Policy to be implemented across inner north east Leeds on behalf of the Area Committee. The policy details how much groups would be charged for use of the community facilities to be managed by the Inner NE Area Committee to ensure they become financially viable and stable. In addition the policy outlines a schedule of discounts which will be applied to various types of community organisations hiring community centre facilities.
2. Implementing this policy will ensure that the Area Committee is effectively managing these resources in line with departmental and City Council priorities and ensure a policy that is consistent.

## **Background information**

3. Previous reports to the Council's Executive Board and the Area Committee have covered the community centres review and the agreement of proposals to transfer responsibilities for community centres to the Area Committees. Two directly managed centres, the Mandela Centre and The Palace Youth Centre have been transferred. The Area Committee now have responsibilities for this portfolio of centres and this will be formally covered by the Area Function Schedule which is due to go to the next meeting of Executive Board.
4. In line with this new responsibility, the Area Committee is asked to agree to the introduction of a consistent charging policy for all centres under its portfolio to be complemented by a discount policy which ensures that local community groups and organisations are best served by the facilities and able to use them at a free or discounted rate depending on the activities being held and their benefit to the community.
5. As outlined in previous reports to the Area Committee, a number of responsibilities will also be transferred to the Area Management Team to carry out on behalf of the Area Committee, these are
  - Liaising with users, user groups, local members and management committees on issues relating 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 Corporate Property Management for centres in the area and monitoring capital and revenue budgets
  - Ensuring where relevant, the 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.

6. In February 2008, a draft Pricing and Lettings Policy was presented to the Area Committee. The Area Committee will recall that this draft policy was based on previous work which had been undertaken on the development of a city- wide pricing and lettings schedule. In addition, a bench-marking exercise was undertaken that looked at other non - council buildings available for hire in the inner north east to ensure that the hire charges are reasonable and comparable.
7. Following approval by the Area Committee for the development of the proposed Pricing and Lettings Policy a 3 month community and user consultation was undertaken by the Area Management Team.
8. Information was sent to all registered users on the Lettings Unit database, details were displayed in both centres, and at a specially convened “open – evening” at The Mandela Centre. In addition the draft policy was presented to local stakeholders identified in the review of community facilities in Chapeltown and the IMPaCT partnership for comments. Between March and May only 3 responses from users were received, details of which can be found in Appendix 1.

#### **A revised pricing structure for community centres in inner north east Leeds**

9. The Area Committee are asked to endorse the implementation of the following standard charges as outlined in the draft Pricing and Lettings Policy submitted to the Area Committee in February 2008:

Room Band	Standard Charge for Leeds City Council directly managed community centres in Inner North East Leeds
Band A – Large, typically up to 40ft x 40ft (1600 sq ft)	£25.00
Band B – Medium, typically up to 30ft x 30 ft (900 sq ft)	£18.00
Band C – Small, typically up to 20ft x 20ft (400 sq ft)	£12.00
Band D - Kitchens	£5.00
Band E – Store rooms	Subject to negotiation

10. 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. It is important to note that these proposed charges are exclusive of any discount scheme that the Area Committee would want to introduce.

11. As mentioned in the previous report submitted in February 2008, It is proposed that a standard charge of £650 is levied for weddings. Charges for security and cleaning will be additional to the £650 charge and will be apportioned on an event by event basis. Currently there is no demand for weddings at community centres managed by the Area Committee.
12. If venues are to be used for parties, the hire rates will be the proposed standard lettings charge for any user, plus the costs of caretaking, cleaning and security provided for the function.

### **Charges for FE Colleges/Adult Learning**

13. In relation to charges for FE colleges and Adult Learning, corporate level discussions have been undertaken with colleges and adult learning institutions. Charges have been agreed based on £2.50 per hour, Monday to Friday for small and medium rooms and £10.00 per hour for large rooms and weekend / council holiday use. For lettings that exceed 2000 hours per year an annual service charge will be calculated as described in paragraph 20 of this report. The charge will be 25% of this cost.
14. It has been agreed corporately that for a smooth transitional period and for the Lettings Unit to be able to manage the lettings process that these standard charges are applied across the city.
15. The main aim of the revised lettings policy is to create a standardised charging system for all council community facilities in the area and create opportunities to generate increased income for the centres to address a high level of backlog maintenance costs. This has arisen largely due to inadequacies in the current system underpinned by a policy that has not been reviewed for 10 years. The income will assist with the running costs associated with the buildings and where possible go towards enhancements to the facilities.

### **A revised discount policy for community centres in inner north east Leeds**

16. It is important to stress that the charging policy is accompanied by a discount policy. This will ensure that user groups who are providing community services that meet local priorities will benefit from free or subsidised lettings. A discount policy will also provide greater clarity for the rationale and "cost" to the Area Committee for allowing discounted or free use. The discount policy is outlined in appendix 2. Corporate discussions suggest that further work needs to be undertaken to make the criteria of the user group more specific and prescriptive to ensure that the discount policy is not open to abuse by groups who may have the ability to pay lettings charges.
17. One area that has been changed from the draft discount policy presented in February relates to where an organisation charges for an activity. A comment was raised by a fitness group who charge a fee for their activities. In this case the fees go towards funding the activity. Following further consultation with the Chapel Allerton ward members and The Mandela Centre steering group it is proposed that where a fee is charged to fund the activity and not for profit making purposes, and where the activity meets the priorities of the Area Committee, no charge is levied. The discount policy has been amended to reflect this.

18. It is also proposed that a caveat be included that if a group is found to be making a profit or receiving a high level of income from the activities that they are running, they will be charged accordingly. The lettings application form is being re- designed to take into account the additional information required to assess this.
19. The Area Committee will recall that they agreed at the February meeting that if groups are unable to pay the lettings charge, they can request a subsidy from the Area Committee. Criteria for the subsidy would be based on the relevance of the group's activity to the Area Delivery Plan. It is proposed that initially the Area Committee considers covering the cost of the subsidy through the operational budget for the facility taking into account its budget parameters. An analysis of the actual budgets for the centres indicates that they are operating within their budget parameter. In the event of ongoing pressures on the operational budget, due to variations in caretaking, energy costs and varying levels of income from lettings, it is further proposed that the Area Committee consider giving approval for expenditure through its well-being budget.

### **Charging for office space**

20. There are some organisations using space in community centres as an office base. These range from Council Departments to voluntary or community groups. It was agreed by Executive Board that that an annual service charge is calculated based on the total cost to operate each square metre of the facility. Currently, Corporate Property Management is in the process of confirming all room sizes and it is not possible to present the Area Committee with the exact values.
21. The organisations currently using the Mandela Centre and The Palace Youth Project as office bases are Leeds City Council Youth Services and three voluntary organisations under contract to provide a service. Currently there are no commercial organisations using inner north east community centres as offices. Prior to the transfer of community centres from the former Learning and Leisure Department, there was an agreement in place with the Youth Services allowing them free use of community centres for existing activities for young people. Negotiations have taken place between the Regeneration Partnerships Team and the former Learning and Leisure Department to agree a charge that reflects the running costs of the building and the Youth Service have paid a service charge for the office space they occupy at The Mandela Centre and The Palace Youth Project. The Youth Service have indicated however that they no longer require this office space and from October 2008 these offices will be vacant. Work is underway by the Area Management Team to secure a letting for these offices at both centres and negotiations are underway for the Behavioural Educational Support Team to take up a letting at The Mandela Centre and Shantona at The Palace Youth Centre.
22. The exact charges for each organisation using community centres as an office base will be calculated on a case by case basis following the receipt of information from Corporate Property Management. The Regeneration Partnerships Team are negotiating with Legal Services for lease agreements to be then entered into with all relevant organisations.

## **Implementation Process**

23. Work is underway to ensure the implementation of the revised Lettings and Pricing Policies across the city are efficient and effective. Area Management Teams are working with the Lettings Unit to develop a database which will automatically calculate the level of discount based upon the type of user group. This is to ensure that the policy is relatively simple to apply for the benefit of the customer and with no additional administrative burden for the Area Management Teams.
24. To further ensure that the policy is easy to understand and apply from a customer perspective it is suggested that posters outlining the charges are displayed in each facility so users are fully aware how much they would be expected to pay for room hire.
25. It is anticipated that the new system will go live for new community referrals from October 2008. Existing bookings will be transferred over to the revised policy at this time which coincides with the renewal of their lettings granted in April 2008.
26. If there any disputes arising from the revised policy, these will be dealt with through the Council's Complaints Procedure. It is anticipated that a disputes resolution policy will be developed for the lettings process over the next few months alongside the new database.

## **Implications for Council Policy and Governance**

27. There are no implications, as the range of community centre issues detailed in this report fit with agreed Council policy and governance arrangements.

## **Legal and resource implications**

28. There are no legal implications arising from the contents of this report.
29. There could be some budgetary impact in terms of increased or reduced income for community facilities. Any increased income should be re-invested into the facilities 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.
30. In terms of staffing resources, an officer from the Area Management Team will oversee the implementation of the new policy with the Lettings Unit, who will continue to be responsible for the management of lettings for all directly managed community facilities across the city.
31. Caretaking, cleaning and facilities management services will continue to be provided by Corporate Property Management.

## **Recommendations**

32. The Area Committee is asked to:
  - Note the content of this report

- Endorse the revised Pricing and Lettings Policy to be implemented in the inner north east community centres.
- Agree indicative implementation date of 1<sup>st</sup> October 2008. If this date cannot be achieved, the policy will be implemented as soon as operationally possible.

### **Background papers**

There are no background papers to this report