

Report of the Director of Environment and Neighbourhoods

North West (Outer) Area Committee

Date: 22nd September 2008

Subject: Pricing and Lettings Policy for Community Centres

Not for publication: Appendix 1 of this report is exempt under the Access to Information Procedure Rule 10.4(3).

Electoral Wards Affected:

All

Ward Members consulted
(referred to in 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

A report was submitted to the Outer North West Area Committee at its June 2008 meeting which sought approval to undertake consultation on a proposed new pricing policy. The Committee requested that ahead of consultation being undertaken a further report be brought back giving the rationale behind the proposals and the income and expenditure details for each Community Centre.

A meeting was held on the 1st September to give Members an opportunity to review the proposed pricing and lettings policy and put forward suggestions for any amendments to the charges and discounts.

This report outlines the proposals for a new pricing and lettings policy for Leeds City Council managed Community Centres. It summaries the proposals and provides income and expenditure information on the four directly managed Centres which are; Stanhope Drive Youth Centre (Otley & Yeadon), Weston Lane Community Centre (Otley & Yeadon) and Yeadon Town Hall (Otley & Yeadon).

The Area Committee is asked to agree to a common pricing structure, to be applied across the city, and to approve further consultation be undertaken with user groups at each of the affected centres.

1.0 Background

- 1.1 In October 2004, The Council's Executive Board was presented with a report on community centre pricing structures. As a result the Board requested that initial citywide consultation be undertaken with user groups with a view to producing a common pricing framework.
- 1.2 In October 2005 the Regenerations Partnership Team undertook a review of community centre pricing structures for Council managed community centres vested with both Learning & Leisure and Environment & Neighbourhoods Departments.
- 1.3 Under present arrangements there is a wide ranging variation in charges levied for room bookings within community centres across the city. Some groups have free use, whereas others are charged the full cost. No transparent or equitable policy is in place to provide a rationale for who gets charged and who doesn't. For example a camera club in one centre pays nothing at present however a writers' group at another centre is being charged full.
- 1.4 In March 2006 Executive Board further considered the draft pricing policy and agreed to give Area Committees the responsibility for setting consistent charges across the city, and discretionary discount structures for users within each area. It also instructed the Area Management teams to undertake local consultation on proposed revisions to the pricing policy and discount structure.

2.0 A Proposed pricing structure

- 2.1 A benchmarking exercise was undertaken by officers to look at other non Council facilities to ensure any schedule of charges put together are reasonable and comparable to other building available for hire. Following on from this exercise, a draft pricing schedule has been created on a banding structure based upon 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 LCC directly managed buildings across the city	Proposed Standard Charge for LCC directly managed buildings across the city
Band A – Large, typically up to 40ft (1600 sq ft)	£17.00 - £30.00	£25.00
Band B – Medium, typically up to 30ft x 30ft (900 sq ft)	£10.00 - £17.00	£18.00
Band C Small – typically upto 20ft x 20ft (400 sq ft)	£5.00 - £10.00	£12.00
Band D – kitchens	Variable	£5.00
Band E – store rooms	Some centres apply charges	Subject to negotiation

- 2.2 The above proposed charges are exclusive of any discount structure that may apply. All other Area Committees across the city are adopting these standard charges and are currently looking at developing their own discount structures based on the

discount schedule attached at appendix 1. As this item relates to financial and business affairs of the organisations, the appendix is exempt under the Access to Information Procedure Rule 10.4(3). The public interest in maintaining the exemption in relation to this appendix outweighs the public interest in disclosing the information by reason of the fact that by disclosing these details, information relating to the financial affairs of the named groups would become public knowledge, which could have a detrimental impact on the organisations.

- 2.3 It is proposed that a standard charge of £650 is levied for weddings. If venues are to be used for parties, the hire rates will be the proposed standard lettings charge for any users, plus the costs for caretaking, cleaning and security provided for the function.
- 2.4 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 organisation who wants to use a community centre 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 facilities for the provision of community use if a business requests to use one of the facilities for a base.

3.0 Charges for Further Education Colleges/Adult Learning

- 3.1 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 charge will be calculated and the charge will be 25% of this cost.

4.0 A proposed Discount structure

- 4.1 It is important to stress that any charging policy would be accompanied by a discount structure. 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. Attached at appendix 1 is a schedule of discounts which were agreed by Members who attended the meeting on the 1st September. With the implementation of this revised policy, it will effect some groups more than others. This is detailed at appendix 2.
- 4.2 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. 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 parameters. 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,

5.0 Income and Expenditure

- 5.1 Attached at appendix 3 are income and expenditure details for the 4 effected community centres which are Cross Green, Stanhope Drive, Weston Lane and Yeadon Town Hall. An analysis of the actual budgets for these centres indicates that the current letting situation can continue as the gross budget is enough to meet annual running costs. However, this does not allow for any additional expenditure for improvements.
- 5.2 The main aim of the revised lettings policy is to create a standardised charging system for all council community facilities in the city 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 of the facilities.

6.0 Next steps and the way forward

- 6.1 The proposed draft policy is the basis for further consultation. The schedule of discounts is untested and may require some revision. 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. In addition to this, a disputes resolution is being developed for the lettings process.
- 6.2 It is suggested that a 3 month consultation period is undertaken between October and December 2008 to ensure that current users are well informed and have a clear understanding of the policy. A further report outlining the outcome of this consultation and the final Lettings and Pricing Policy to be implemented will be presented to the February 2009 Area Committee meeting with a view to implementation from Autumn 2009.

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 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

10.1 Members of the Outer North West Area Committee are requested to:

- Note the proposed pricing structure
- Agree to a planned programme of consultation with the user groups at each of the affected centres.
- Receive a further report in February to agree on the new pricing structure.

List of background papers:

Pricing and Lettings Policy Executive Board Report October 2004

Pricing and Lettings Policy Executive board Report March 2006