



Report of the Director Environment and Neighbourhoods

Inner North West Area Committee

Date: 13th November 2008

Subject: Pricing and Lettings Policy for Community Centres

Electoral Wards Affected:
 Headingley
 Hyde Park & Woodhouse
 Kirkstall
 Weetwood

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

A report was submitted to the Inner North West Area Committee in December 2007 seeking approval to undertake consultation on a proposed revised pricing policy. It was agreed that further work be undertaken through a Member working group. This group met once in February, however capacity issues have since delayed progress.

This report is intended to recall proposals 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 pricing policy and includes details of a draft discount schedule. The proposed policy will impact only on directly managed Council facilities and not those leased to community organisations.

The report also seeks the support of the Area Committee for a three month consultation period to commence from 1st December 2008 in order for all centre users and the wider community to gain a clear understanding of these proposals.

Purpose of this report

1. This report outlines a draft new Pricing and Lettings Policy to be implemented across Inner North West Leeds on behalf of the Area Committee. The policy details how much groups would be charged for the use of the community facilities to be managed by the Area Committee to ensure they become financially viable and stable. The report also seeks the support of the Area Committee for a three month consultation period to commence from 1st December 2008 in order to ensure that all centre users and the wider community are well informed and have a clear understanding of the proposals.
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. Five directly managed centres have been transferred, details of which are covered in this report. The Area Committee now have responsibilities for this portfolio of centres, formally covered by the Area Function Schedule agreed by Executive Board in July 2008.
4. In line with this new responsibility, the Area Committee is asked to introduce a consistent charging policy for all centres under its portfolio to be complemented by a discount policy which ensures that community groups and organisations are able to use the facilities at a free or discounted rate depending on the activities being held and their benefit to the community.
5. As outlined in the report to the Area Committee in December 2007, a number of responsibilities have also been 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. To drive forward the responsibilities 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.

Community Centres in Inner North West Leeds

7. The following centres have been delegated to the Inner North West Area Committee.
 - Woodsley Road
 - Headingley
 - Meanwood
 - Little London
 - Woodhouse
8. The Area Committee will recall that they agreed the sale of the freehold of the Woodsley Road centre to the Leeds Muslim Council acting on behalf of the Woodsley Road Multi-Cultural Community Centre Management Committee. City Development has provided a valuation which has been accepted as reasonable by the management committee. The Director of Environment & Neighbourhoods has instructed City Development to commence negotiations. This centre therefore is not covered by the revised lettings policy.
9. Current charging arrangements vary across the centres with some groups having free use and free accommodation while others are paying a contribution for their use. It is proposed that the revised policy will ensure that prices charged are transparent and consistently applied across all centres. Appendix 1 highlights current regular users and how they may be affected by the proposed pricing policy. It does not include details of one-off bookings for private parties, in all these cases the full standard charge has been levied. The Area Committee is asked to note that 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.
10. An analysis of the actual budgets for the centres indicates that the current lettings 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. As indicated in previous reports to the Area Committee, the budget for operating community centres has been under pressure for a number of years.
11. The overall revenue budget as detailed in the Area Function Schedule for 2008/09 necessary to cover the running of each centre is as follows:

Centre	Rates	Premises – covers utilities, cleaning materials, security, fixtures and fittings	Supplies & services – covers furniture and equipment	Caretaking	Management fee – paid to Corporate Property Management	Income from hire charges	Budget 08/09
Headingley	2.490	13.000	0	44.590	6.910	-3.600	63.390
Little London	3.320	14.210	0	37.400	4.660	-33.240	26.350
Meanwood	4.150	14.570	0	32.150	4.110	-31.330	23.650
Woodhouse	4.100	18.050	160	28.330	4.110	-13.930	41.360

12. 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.
13. It is important to stress that any charging policy would be 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.

Charging for events, activities and meetings

14. The following draft pricing structure has been developed based upon existing costs to use council community centres as outlined in the draft pricing policy. A benchmarking exercise has been undertaken which looks at other non council facilities in the area to ensure any schedule of charges put together are reasonable and comparable to other buildings available for hire across Inner North West Leeds. Costs have been altered since they were first presented to the area committee in December 2007 to reflect inflation costs and the rising costs of utilities. Following corporate level discussions and with other area management teams, it has been agreed that these standard charges are implemented across the city to ensure an efficient and consistent lettings management of the facilities by the Lettings Unit. These charges are based on the size of rooms within the centres. The table details the current and proposed base charges per hour, excluding any discount.

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 Inner North West Leeds
Band A – large, up to 40ft x 40ft (1600sq ft)	£25.00	£25.00
Band B – Medium, up to 30ft x 30ft (900 sq ft)	£17.50	£18.00
Band C – Small, up to 20ft x 20 ft (400 sq ft)	£10.00	£12.00
Band D Kitchens	Variable	£5.00
Band E Store rooms	Some centres apply charges	None

15. It is important to note that these proposed charges are exclusive of any discount scheme that the Area Committee would want to introduce.
16. 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. At present community centre hire for weddings is £450 which does not cover the cost to the council of caretaking, security, cleaning and other overheads. It is proposed that this standard charge is increased to £650 based on the amount required to cover these costs. 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

17. Since 1992, colleges have been granted user rights to some centres in order to secure further education provision in areas of need. Corporate level discussions have been undertaken with colleges and adult learning institutions and 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 19 of this report. The charge will be 25% of this cost.

Discount Structure

18. To complement the pricing structure outlined above, it is proposed there will be a series of discounts applied to various groups. Different levels of support will be given to groups depending on their relevance in providing a service which reflects corporate priorities and addresses the priorities identified in the Area Delivery Plan. Quite simply, the greater compatibility with key outcomes, the greater level of support. The schedule of discounts is detailed in Appendix 2. Recognising that some groups will be unable to pay the lettings fees, it is proposed that they can apply for a subsidy from the Area Committee. Criteria for the lettings subsidy would be based on the relevance of the group's activity to the Area Delivery Plan. It is proposed that the Area Committee considers covering the cost of the subsidy through the operational budget for the facility taking into account its 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.

Charging for office space

19. There are some organisations using space in community centres as an office base. These range from council departments to voluntary or community groups. It is proposed 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. Current office space arrangements within community centres in the Inner North West are as follows;

Centre	Organisation
Meanwood	Meanwood Valley Baptist Church and Youth Service
Little London	Youth Service
Woodhouse	Youth Service

Currently there are no commercial organisations using inner North West 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 Leeds City Council Youth Services allowing them free use of community centres for existing activities for young people. Negotiations have taken place between the Neighbourhood Services Team and the Youth Services 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 in the centres, as outlined above.

20. 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 proposal would be for a lease agreement to be then entered into with all relevant organisations, with discounts linked to clear community benefits that would be delivered as a result of the activities undertaken.

Consultation and Implementation

21. The proposed draft policy is the basis for further consultation. The schedule of discounts is as yet untested and may require some revision following further discussions corporately with the Lettings Unit and the Neighbourhood Services Team, also with current centre users. 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 there is no additional administrative burden for the Area Management Teams. In addition to this, a disputes resolution policy is also being developed for the lettings process.
22. To 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. It is suggested that the Area Management Team liaise with ward members to develop the discount schedule further and consider how decisions are made about discounts, subsidies, the scope for one-off exemptions and the possible use of Well-Being funds to assist groups.
23. It is further suggested that a 3 month consultation period is undertaken to ensure that current users and the wider community are well informed and have a clear understanding of the policy. A further report outlining the outcome of this consultation and the final Pricing and Lettings Policy will be presented to Area Committee in April 2009 with a view to implementation from October 2009.

Implications for Council Policy and Governance

24. 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

25. There are no legal implications arising from the contents of this report.
26. 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.
27. 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.
28. Caretaking, cleaning and facilities management services will continue to be provided by Corporate Property Management.

Recommendations

27. The Area Committee is asked to:

- Approve the development of the proposed Pricing and Lettings Policy based on the principles outlined in this report.
- Agree to a 3-month community and user consultation period following approval of the draft policy.

Background reports

Executive Board March 2006

Inner North West Area Committee June 2007

Inner North West Area Committee December 2007

Report to Asset Management Group January 2008

Executive Board July 2008