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**Report of the East North East Area Manager**

**Inner East Area Committee**

**Date: 21 October 2010**

**Subject: Community Centres Options Appraisal**

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<b>Electoral Wards Affected:</b>  Gipton and Harehills	<b>Specific Implications For:</b> Ethnic minorities <input type="checkbox"/> Women <input type="checkbox"/> Disabled people <input type="checkbox"/> Narrowing the Gap <input type="checkbox"/>
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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"/>
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**Executive Summary**

This report outlines two strands of community centres work within Inner East Leeds which require consideration by the Area Committee. The report:

Updates the Area Committee on the current position with the closure of Harehills Place Community Centre on health & safety grounds. It looks at the future viability of the centre and considers options for provision of alternative community space within the locality and seek approval for the building to be declared surplus, in order to progress its disposal.

Updates the Area Committee on the current position with South Gipton Community Centre and looks at the future options for the site, given its poor condition and the withdrawal of proposals for its transfer to GIPSIL. It looks at the future viability of the centre and seeks approval for the building to be declared surplus, in order to progress its disposal.

## **Purpose Of This Report**

1. The purpose of this report is to consider the future viability of Harehills Place Community Centre and South Gipton Community Centre. It sets out a range of options for possible alternative provision of community space in these localities and seeks Area Committee approval to declare both of these centres surplus to its requirements, in order to progress their disposal.

## **Background Information**

### Harehills Place Community Centre

2. As reported to the Area Committee in February 2010, Harehills Place is in a very poor state of repair and is currently closed on Health and Safety grounds. It was suggested that the insurance money from the Pakistani Centre fire could be spent on bringing Harehills Place up to a decent standard. However, Corporate Property Management have advised that to upgrade the building in the current format would not be financially or operationally viable. It would cost in the region of £500,000 in order to address the outstanding maintenance issues, but this would be basic repairs to bring the building up to a safe standard. It would not provide for any remodeling of the centre which would be needed to make the building fit for purpose.
3. Since this assessment was made, a site visit was undertaken on 12 November 2009 by the Health & Safety Officer for Environment and Neighbourhoods. This visit raised grave concerns about ongoing use of the building and identified items such as fire risks; fire escape routes; electrical hazards; internal roof; internal walls; Legionella; flooring; DDA compliance. Given the serious nature of the concerns raised and the Council's duty of care to its users, a decision was made to cease use of this building with immediate effect. Users were informed of this and were offered assistance in identifying alternative venues for their delivery. The building was then closed until a decision on its future could be made. Since the closure of the centre, a number of potential buyers have come forward and expressed an interest in purchasing this centre.
4. As Harehills Place Community Centre falls under the delegation of the Inner East Area Committee, approval for permanent closure on health & safety grounds and agreement to dispose was sought. This was considered by the Area Committee in February 2010. Its view, given the building's current state, was that to upgrade the building in the current format would not be financially or operationally viable. However, it requested an options paper be worked up for providing alternative community provision in Harehills as, having recently passed both the Pakistani and Bangladeshi Centres to local groups, disposing of a third centre may appear as if Leeds City Council is withdrawing its community provision within the area.
5. The current position is that while the building remains closed, Leeds City Council is still incurring a cost for maintaining it. It is unlikely that sufficient funding can be found to bring the building back into use and there is outside interest for the purchase of the building.
6. The paper below sets out the possible options for Harehills Place Community Centre. It explores its future viability of the existing building and looks at alternative ways of providing accessible community space within the Harehills locality.

### South Gipton Community Centre

7. Like Harehills Place, South Gipton Community Centre is in a very poor state of repair. It is mainly used by the Youth Service, with some Children's Centre use. At the February 2010 Inner East Area Committee, it was agreed to declare the building surplus to requirements and support the asset transfer of South Gipton Community Centre to GIPSIL. The aim was to enable them to access the Community Builders Fund (CbF). Using this funding GIPSIL proposed to rebuild the centre to provide a multi-functional community centre from which they would deliver their support services and work in partnership with complimentary agencies such as Youth Service and to deliver appropriate additional support services to the local community. Unfortunately, due to the current economic climate, GIPSIL have decided to withdraw their CbF application to focus on their core business. This means that there is no future strategy for South Gipton Community Centre.
8. Given the poor state of the centre and that it is unlikely that sufficient funding can be found to bring the building back into a decent state, the Area Committee is asked to confirm that South Gipton Community Centre is still surplus to Area Committee requirements. The Community Centre Working Group would then be requested to work with users of the building to identify alternative provision for young people currently accessing this centre.
9. The paper below sets out the possible options for South Gipton Community Centre. It explores its future viability of the existing building and looks at alternative ways of providing accessible community space within the Harehills locality.

## **Options Appraisal**

### **Options for Harehills Place Community Centre**

10. **Option 1 – Retain the Centre in its Current Condition and Continue Current Delivery**  
As outlined above, Harehills Place Community Centre is in a very poor state of repair and is closed on Health & Safety Grounds. Additionally, the centre still incurred running costs of £22,077 for 2009/10 even though closed to the public. Given these considerations, the status quo is not seen as a viable option as it would not be possible to reopen in its existing state.
11. **Option 2 – Retain the Centre and Identify Funding to Undertake Improvements**  
The Area Committee could consider retaining the centre and identifying funding to undertake renovation and repair work to the centre. However, as mentioned above, conservative estimates for bringing Harehills Place up to a decent standard are in the region of £500,000. However, this would only address the outstanding maintenance issues and would not provide for any remodeling of the centre which would be needed to make the building fit for purpose. Given the relatively low usage and the current funding climate within the Authority, this is not seen as an economically viable option.
12. **Option 3 – Declare the Centre Surplus and Sell to 3<sup>rd</sup> Party**  
With Harehills Place requiring such a high level of investment and with the previous users successfully relocated to alternative venues, declaring the building surplus is seen as the most economic and viable alternative for the building itself. Also, given that there have been a number of enquiries from 3<sup>rd</sup> parties expressing interest in purchasing the building, this could provide an additional funding source that could help provide suitable alternative provision, as considered under **Option 6**.

#### **Option 4 – Declare the Centre Surplus and Transfer to Another Organisation**

13. As the Youth Service were one of the predominant users of the centre, the option of transferring it over to them has been considered. However, given the current economic climate and that there is no transferable budget that goes with the building, this is not seen as a viable option.
14. We have also tried to identify alternative organisations that may be willing to take on the centre but again given the lack of budget and the current funding climate, we have not been successful.

#### **Option 5 – Declare the Centre Surplus and Lease to Another Organisation**

15. The Area Committee could look to lease the building to a 3<sup>rd</sup> party provider. However to do this, the building would require significant investment to address the Health & Safety issues. Given the current financial position, this is not seen as a viable option.

#### **Option 6 – Declare the Centre Surplus and Identify Alternative Community Provision**

16. Given the current condition of Harehills Place Community Centre and its current closure on Health & Safety grounds, in conjunction with **Option 3**, this is seen as the preferred option. As outlined below, a ring-fencing arrangement for both Capital receipts and Revenue savings has been put in place and proposals for investment in the remaining community centre portfolio will be considered. In addition to this, there is a ring fenced amount of £438,600 which was received from the insurance claim after the Pakistani Centre fire. Although this is not sufficient to bring Harehills Place back into use, a business case can be made for providing alternative community provision.
17. A number of options for alternative provision have been considered. These are outlined below.

#### **Option 6a – Lease Space in SHINE and provide an Affordable Community Room**

18. Some of the available funding could be used to purchase a long term lease on space within the SHINE building, in order to provide a designated community venue at subsidised rates. This is seen as a viable option because of a number of factors: SHINE is almost adjacent to Harehills Place; it is a high quality venue; SHINE would take on responsibility for maintenance and upkeep; our investment would help provide SHINE with a sustainable income.

#### **Option 6b – Extend Community Portacabin Provision at Hovingham Primary School**

19. Some of the groups that previously used Harehills Place are now using the Portacabin Provision at Hovingham Primary School but have expressed concern at its lack of space. This Option could look to extend the portacabin to provide additional space but this would require the agreement of both the school and Education Leeds.

### **Options for South Gipton Community Centre**

#### **Option 1 – Retain the Centre in its Current Condition and Continue Current Delivery**

20. As outlined above, South Gipton Community Centre is in a very poor state of repair and has limited community usage. The Area Committee had previously considered this and agreed that the centre in its current condition is no longer suitable for community use. The running costs for the centre were £44,015 for 2009/10 but this does not allow for any maintenance or repair. Given these considerations, the status quo is not seen as a viable option.

**Option 2 – Retain the Centre and Identify Funding to Undertake Improvements**

21. The Area Committee could consider retaining the centre and finding funding to undertake renovation and repair work to the centre. However, given the relatively low usage and the current funding climate within the Authority, this is not seen as an economically viable option.

**Option 3 – Declare the Centre Surplus and Transfer to Another Organisation**

22. This was the preferred Option when the Area Committee previously considered the future of South Gipton Community Centre. It looked at the asset transfer to GIPSIL to enable them to access the Community Builders Fund (CbF). Unfortunately, due to the current economic climate, GIPSIL have decided to withdraw their CbF application to focus on their core business.
23. As the Youth Service are the predominant users of the centre, the option of transferring it over to them has been considered. However, given the current economic climate and that there is no transferable budget that goes with the building, this is not seen as a viable option.
24. We have also tried to identify alternative organisations that may be willing to take on the centre but again given the lack of budget and the current funding climate, we have not been successful.

**Option 4 – Declare the Centre Surplus and Identify Alternative Provision for Users**

25. Given the current condition of South Gipton Community Centre and the limited use by the local community, this is seen as the preferred option. As outlined below, a ring-fencing arrangement for both Capital receipts and Revenue savings has been put in place and proposals for investment in the remaining community centre portfolio will be considered.
26. A number of options for alternative provision have also been considered. These are outlined below.

**Option 4a – Extend Wykebeck Primary School to Provide Community Space**

27. The option of disposing of South Gipton Community Centre and extending Wykebeck Primary School to incorporate a community space has been considered. However, this is not seen as viable as the cost of building an extension to the school is likely to exceed any Capital receipt from the sale of the current site. It would also require major disruption to the school, and given the relatively low usage of the centre and the already existing possibility of hiring space in the school, this is not seen as a cost effective option.

**Option 4b – Identify Existing Alternative Space Available for Community Use**

28. Given the proximity of a number of local venues which are available for local use, including the adjacent Wykebeck Primary School and Wykebeck Valley Day Centre, this is seen as the most suitable approach to providing alternative community provision within the South Gipton area. If this was to be supported by the Area Committee, the proposal would be to declare South Gipton Community Centre surplus to requirement and the East North East Area Management Team would work with current users to identify other suitable venues for their provision.

**Capital Budgets**

29. A ring-fencing arrangement for capital receipts arising from the disposal of community centre assets was agreed by Executive Board in 2006 and was incorporated into the Capital Strategy and Asset Management Plan 2007-08. This allows for up to 100% of the receipt to be retained by Area Committees to address category 1 (immediate) and 2 (essential) backlog maintenance on other Community Centres within the same area.
30. Area Committee proposals need to be supported by an individual business case which should be compiled prior to finalising the sale of the asset, for consideration by the Asset Management Board (AMB). Proposals with a total value of less than £100K require AMB support and final approval by the Director of Resources. Proposals for more that £100k require Executive Board approval.

### **Revenue Budgets**

31. It has been agreed that Area Committees can retain net revenue savings from across their portfolios, to support investment priorities within local centres. However, it was identified that the net revenue balance for the Inner East area committee at the end of 2009/10 was in deficit to £103,586. This means that there are likely to be no net revenue savings to be retained from the disposal of any centres but they will help to reduce the current deficit.

### **Consideration by the Area Committee Community Centres Working Group**

32. At its meeting on the 6<sup>th</sup> October 2010, the Area Committee Community Centres Working Group considered all of the options laid out in this report for Harehills Place and South Gipton community centres. After much discussion, it concluded that any options to retain these centres would not be financially viable as the condition of both buildings would require intensive investment in order to bring them up to a decent standard.
33. The Working Group also concluded that access to alternative community space was required in both localities, but felt this could be provided through developing existing provision in the area.
34. It therefore felt the best way to progress would be to declare both existing buildings surplus to requirements and to request that Area Management work up in greater detail the options for developing alternative provision in the area. The group identified **Options 6a** and **6b** for Harehills Place Community Centre and **Option 4b** for South Gipton Community Centre as its preferred options. It also requested that Area Management work with any existing users to identify other suitable venues for their provision.
35. A further meeting of the working group is scheduled in to discuss in more detail the preferred options for developing alternative provision in the area. The recommendations of the working group will be submitted in a report to the December meeting of the Area Committee.

### **Equality Considerations**

36. There is a perception that some centres are only accessible to some sections of the community. All centres need to demonstrate that they comply with the Council's equality commitments. This applies to both directly managed centres and leased centres. Advice and guidance and appropriate monitoring procedures need to be developed and implemented to better address this issue.

## **Implications For Council Policy And Governance**

37. The community centre issues detailed in this report comply with agreed Council policy and governance arrangements.

## **Legal And Resource Implications**

38. The Community Centres delegated function allows the Area Committees to retain revenue savings which are made within the financial year, to enable them to deliver on their investment priorities, as identified within their local action plans or Area Delivery Plan.

## **Conclusions**

39. As can be seen from this report, there are a number of critical decisions that need to be made by the Area Committee in order to progress work on the community centres portfolio within Inner East Leeds. These have been considered by the Area Committee Community Centre Working Group and their findings have been set out in this report. A further report will be submitted to the December meeting of the area committee.

## **Recommendations**

The committee is requested to note the content of this report and support the recommendations set out below.

- Declare Harehills Place surplus, in order to progress its disposal.
- Declare South Gipton Community Centre surplus, in order to progress its disposal.
- Develop in greater detail **Options 6a** and **6b** for Harehills Place Community Centre.
- Develop in greater detail **Option 4b** for South Gipton Community Centre.