

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**  
**EXECUTIVE MANAGEMENT TEAM'S REPORT TO THE**  
**CABINET COMMITTEE**

**10 December 2014**

1. **REPORT TITLE** Implementation of the Community Centre Review
- Submitted by:** Executive Director of Operations, Dave Adams
- Portfolio:** Planning and Assets
- Ward(s) affected:** All

**Purpose of the Report**

To update members on progress in implementing the Community Centre Review and seek direction for future options in relation to specific Community Centre premises.

**Recommendations**

**That Cabinet:**

- a) **Establish a Cabinet Panel with delegated decision making powers to progress the review and specifically the options identified in this report.**
- b) **Receive a further report on the implementation of the review, within 6 months.**

**Reasons**

There is a need for the Council to take a strategic approach to the management of its built assets and have a clear plan for reducing the financial liabilities associated with maintaining the buildings that it provides for community use.

The Council's Medium Term Financial Strategy (MTFS) requires efficiency savings of approximately £4.7m through to 2020. Savings targets for Community Centres are set at £70,000 over this period, to be delivered at approximately £14,000pa from 2015/16.

The proposals outlined in this report focus on moving forward improved delivery models for community centres that will ensure that the centres which are provided are sustainable, able to meet local need and contribute to the health and wellbeing of the Borough.

1. **Background**

- 1.1 The review was undertaken to address a number of issues in relation to the management and provision of community centres, in order to protect them as community assets, improve their viability/ sustainability, make them more attractive places to visit and at the same time less reliant on financial support from the Council.
- 1.2 Proposals for the future of the Council's 15 community centres have been developed within the context of best practice, national policy and guidance obtained from Community Matters. These have been developed through a joint working party of Members and Officers and in consultation with the individual chairs of a number of community centres

- 1.3 The principal outcomes of the review have been:
- The development of a management hand book to assist in the day to day management of community centres,
  - The introduction of a single point of contact at the Council for community centres,
  - A review of utility charges and suppliers,
  - A review of each centres audited accounts,
  - Networking opportunities between community centre management committees,
  - The delivery of training for community centre management committees.
- 1.4 In addition a programme of works has been prepared and work has being undertaken at certain community centres, within available resources, to both address health and safety concerns and reduce future maintenance liabilities. The above work programme was developed to prepare all management committees to be in a position to give serious consideration to taking on a lease on their respective community centre. This lease initially being an internal repairing lease but moving to a full repairing lease in time.
- 1.5 Draft Heads of Terms have recently been sent to six community centre committees for their consideration and a model lease is being prepared.

## 2. Issues

- 2.1 Clearly the move to leasing a community centre is a big step for most of the management committees, who have concerns over their potential financial and legal responsibilities. The Council needs to be sensitive about these issues and remain supportive of management committees through this process.
- 2.2 The Review outlined the position of each of the 15 community centres, and raises options for both our immediate and future support which can now be considered on a centre by centre basis.
- 2.3 In summary six community centres are considering working towards leases (Audley, Bradwell Lodge, Harriet Higgins, Ramsey Road, Red Street and Wye Road), of which some are in partnership with other organisations. Of the remaining, five do not feel in a position to commit yet (Butt Lane, Clayton, Knutton, Marsh Hall and Whitfield).
- 2.4 The others either do not have sufficient volunteers to constitute a full management committee, or are not well supported by the community. Officers will continue to support these community centre management committees, and in line with the recommendations reported to Cabinet in January 2014 will explore how improved community centre facilities may be provided more sustainably in the future by entering into discussions with local strategic partners
- 2.5 The review has highlighted a number of other arrangements that require action, so that all community centres are treated equally. As they were at some point in their recent history handed back to the Council on dissolution of their management committees, the Council became responsible for the NNDR at the Holly Road and Butt Lane Community Centres.
- 2.6 The responsibility for NNDR should now pass back to the community centres with discretionary rate relief applied. Similarly where trade waste contracts are in place but paid by the Council, this responsibility should pass to the respective management committee.

- 2.7 The review has also highlighted a number of employment issues in community centres and some potentially commercial operations taking place now or planned in the future. The former will be addressed through the new governance arrangements specified in the hand book. The latter are being discussed on an individual basis with the centres concerned, so that a view can be reached over, amongst other things, procurement and the implications for discretionary rate relief
- 2.8 It should be noted that one of the community centres has recently developed structural issues, which has limited access to some of their facilities.

3. **Options Considered**

- 3.1 To take forward discussions with the six community centres that have expressed an interest in entering into an appropriate short, medium or long-term lease, reducing the Council's liability as appropriate.
- 3.2 To support the five community centres not yet able to commit to a lease, to get them to that point, or to allow them to continue but with a reducing level of support.
- 3.3 To reduce financial support or seek to relocate the activities in two of the three community centres who do not have properly constituted committees. In the case of Chesterton Community Centre, obtain further clarification, from property services, on the nature of the use of the building.
- 3.4 To make safe the structure at Silverdale Community Centre by demolishing the annex on the grounds of health and safety.
- 3.5 To transfer the NNDR and trade waste responsibility where this remains with the Council to the respective community centres. These arrangements were previously agreed as short term support to get new management committees up and running in cases where the previous management committee had dissolved and the community centres returned to the Council.
- 3.6 To investigate further employment issues and potentially commercial activity within identified community centres.

4. **Proposal**

- 4.1 That the options highlighted above be implemented, through the establishment of a Cabinet Panel. In particular to continue discussions with those community centres who have expressed their interest in leasing their buildings to achieve in the first instance an internal repairing lease and that these arrangements are monitored by the Head of Leisure and Cultural Services and progress made towards full repairing leases as appropriate.
- 4.2 Members of the Cabinet Panel to work with officers and with the five community centres that are not yet ready to commit, with a view to preparing them to take on an internal repairing lease.
- 4.3 For the community centres that do not have properly constituted committees, support is continued to be provided by officers, or that alternative venues are sought for their community activities. Where there are business activities in community centres that these are formalised on a commercial basis
- 4.4 The future of these community centres be considered under the Council's Asset Management Plan if they become vacant. In the meantime, however, if members of the

community come forward and progress can be made in forming a properly constituted management committee, the Cabinet Panel and officers will work with them to get them into a position of taking on an internal repairing lease.

- 4.5 That in relation to Silverdale Community Centre, subject to the affordability of the works, part of the structure be demolished to make it safe. This would enable the venue to continue for dance but limit other community activities, as the centre is used primarily for dance rather than other community use.
- 4.6 That the Council relinquishes responsibility for NNDR and trade waste where these costs are being borne by the Council.
- 4.7 To refresh the stock condition surveys for all community centres and assess the implication for the Council's Capital Programme and Repairs and Renewal Fund in view of the fact that, since the review commenced the following improvements have been undertaken
  - Red Street has undergone a refurbishment at a cost of £75,000;
  - Clayton has had a new heating system and windows installed at a cost of £12,013
  - Wye Road has had new windows installed at a cost of £7,395

#### **Cabinet Panel**

- 4.8 The Council Leader may arrange for a Cabinet Function to be discharged by a Cabinet Committee consisting of members of the Cabinet or a single member or an officer by way of joint or local arrangement. Appendix 8 of the Council's Constitution sets out the procedure and rules for the establishment of Cabinet Panels.
- 4.9 In this case the Cabinet Panel has already been established but it does not have the required delegated powers to enable it to make the decisions listed in the recommendations. It is recommended that authority be delegated to the Deputy Leader and Portfolio Holder for Finance and Resources to make decisions in relation to the following areas:
  - To develop and agree the detail of the leases to be offered.
  - The programme of support to community centre management committees
  - To review the stock condition surveys, asset values, and use of community centres
  - As appropriate to make local area assessments and recommendations to place the right activities in the right venues for the right people
  - To oversee other issues that arise throughout the implementation of the review
- 4.10 The Deputy Leader and Portfolio Holder for Finance and Resources will be the Chair of the Cabinet Panel and the rules of political proportionality will apply
- 4.11 The following rules will also apply to the Panel:
  - The quorum for the meeting will be one quarter of the members, with a minimum of three.
  - An agenda and reports will be sent to members at least 5 clear days in advance of each meeting.
  - Minutes of each meeting will be produced and published as per other formal Council meetings.
  - Decisions will be formally recorded and subject to the same call-in procedure as other committees.

- The Panel will report to Cabinet and may refer matters to the relevant scrutiny committee for comment
- Panels will be time limited and terminated upon reporting unless their brief is extended by Cabinet.

4.12 The Constitution will be updated at Part 3 (Scheme of Delegation) to reflect the above arrangements.

#### 5. **Reasons for Preferred Solution**

5.1 The Council's MTFs requires efficiency savings of approximately £4.7m through to 2020. Savings targets for Community Centres are set at £70,000 over this period to be delivered at approximately at £14,000pa from 2015/16.

#### 6. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

6.1 The proposals outlined in this report focus on moving forward improved delivery models for community centres that will ensure that the centres which continue to be provided are sustainable, able to meet local need and contribute to the health and wellbeing of the Borough.

#### 7. **Legal and Statutory Implications**

7.1 None directly. The proposals are aimed at improving quality and introducing best practice.

#### 8. **Equality Impact Assessment**

8.1 The implications of the Equalities Act 2010 are covered in the Community Centres Handbook and associated training.

#### 9. **Financial and Resource Implications**

9.1 In terms of the revenue programme, £70,000 will be saved over the next five years by moving to part and/or full repair leases with the management committees, using the staggered approach outlined in the report. The saving has been profiled around £14,000 per annum.

The approach of reducing the grant payment, passing over NNDR responsibility in the case of Holly Road and Butt Lane and trade waste where this is paid by the Council, will achieve the 2015/16 saving.

In terms of the capital programme, the Cabinet Panel will need to consider the cost pressures that will arise from building repairs over the next 5 years. These figures have been brought up to date to reflect work carried out over the last few months and other known changes to the condition of the building stock. Currently it is estimated that repairs and maintenance expenditure pressures amount to £744,000.

#### 10. **Major Risks**

10.1 The major risks are around maintaining a suitable and sustainable community centre infrastructure in the face of public sector funding challenges. This is managed by planning resource allocation through the MTFs.

- 10.2 Failure to get the agreement of community centre management committees to take on part and/or full repair leases.
- 10.3 In some cases the condition of certain community centres could deteriorate to the point of uneconomic repair.
- 10.4 If in the longer term some of the management committees cannot meet their obligations and repudiate the lease, these centres would then close if no alternative occupant could be found

11. **Sustainability and Climate Change Implications**

- 11.1 Environmental management issues are considered in the Handbook.

12. **Key Decision Information**

- 12.1 A key decision on the basis that the review affects more than one ward.

13. **Previous Cabinet Decisions**

- 13.1 15 January 2014, 19 September 2012 and 20 June 2012

14. **List of Appendices**

- 14.1 None

15. **Background Papers**

- 15.1 None

14. **Management Sign-Off**

*Each of the designated boxes need to be signed off and dated before going to Executive Director/Corporate Service Manager for sign off.*

|   | Signed | Dated |
|---|--------|-------|
| <b>Financial Implications Discussed and Agreed</b>  |        |       |
| <b>Risk Implications Discussed and Agreed</b>       |        |       |
| <b>Legal Implications Discussed and Agreed</b>      |        |       |
| <b>Equalities Implications Discussed and Agreed</b> |        |       |
| <b>H.R. Implications Discussed and Agreed</b>       |        |       |
| <b>ICT Implications Discussed</b>                   |        |       |

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| <b>and Agreed</b>  |  |  |
| <b>Report Agreed by:<br/>Executive Director/<br/>Head of Service</b> |  |  |