

DRAFT REPORT TO CABINET

15th January 2014

DRAFT REPORT OF THE EXECUTIVE MANAGEMENT TEAM

Report Title: Community Centres Review
Submitted by: Executive Director – Operational Services
Portfolio: Stronger and Active Neighbourhoods
Ward(s) affected: All

Purpose of the Report

To seek authority to implement the joint Officer and Member Task and Finish Group recommendations made as a result of the Community Centres review.

Recommendations

- a. That Cabinet approve the joint Officer and Member Task and Finish Group proposals set out in this report.
- b. That the proposals are communicated to each community centre management committee jointly by officers and members of the Task and Finish Group in January 2014.
- c. That a further report be submitted to Cabinet by the autumn of 2014 providing a progress update in relation to the proposals set out in this report.

Reasons:

To achieve the Council's vision for Community Centre provision of delivering effective community based activities that are provided through the community centres, providing services people want and that are managed and well resourced.

1. Background

1.1 The role of a community centre from the perspective of the council is defined as 'a place where people from a particular neighbourhood can meet for social events, education classes, recreational activities, social support, public information, and other services'.

1.2 The Council currently owns fifteen community centres within the confines of the Boroughs Boundary. These vary in the degree of the activities provided, their facility mix, stock condition, locality, the level of competition from the immediate market place; however they are all operated by volunteers, supported by your Officers, under an informal management agreement which has a range of issues that need to be addressed as part of the review of the Community Centres.

- ◇ Audley Community Centre
- ◇ Bradwell Lodge Community Centre
- ◇ Butt Lane Community Centre

- ◇ Chesterton Community Centre
- ◇ Clayton Community Centre
- ◇ Harriet Higgins Community Centre
- ◇ Holly Road Community Centre
- ◇ Knutton Community Centre
- ◇ Marsh Hall Community Centre
- ◇ Ramsey Road Community Centre
- ◇ Red Street Community Centre.
- ◇ Silverdale Community Centre.
- ◇ Silverdale Social Centre.
- ◇ Whitfield Community Centre
- ◇ Wye Road Community

Wood Lane Community Centre has not been included within the scope of this review as the Council does not incur any financial expenditure in relation to this centre given the existing lease arrangements in place that have been in place for some time.

The location of each of the above community centres is identified on the attached map at Appendix 1.

1.2 The Council recognised that there was a strategic need to undertake a review of the community centres and as a result, on the 20th June and the 19th September 2012 Officers submitted reports to Cabinet highlighting the strategic need to undertake the review. As a result of these reports Cabinet made the following decisions:

- ◇ To approve the scope and the timeframe of the review and the establishment of a project working group.
- ◇ That the Scrutiny Co-ordinating Committee establish a task and finish group to shadow the work of the project working group, and as part of its work visit each site, speak with committees, users and make recommendations to the Cabinet in terms of the future use of centres.
- ◇ That an interim report be submitted to Cabinet with a detailed plan of how the review will be conducted, including engagement with management committees and stakeholders having obtained the views of the Task and Finish group.
- ◇ That Officer's submit regular updates and progress reports to the Task and Finish Group during the review period.
- ◇ That a further report is submitted to Cabinet in the future in relation to the modernisation of community centre provision within the Borough.
- ◇ To approve the Community Centre Review Brief
- ◇ To approve the Consultation Programme.

2. Issues

- 2.1** Local government plays a crucial role in the life of the communities it serves. It is directly responsible for vital public services, from street lighting, housing, waste collection and community facilities which often act as the focal point of an area.

Central Government is committed to passing on new powers and freedoms to local councils who have the direct responsibility for delivering local services, and as a result the Localism Act 2011 will have the following implications for the services it delivers such as the provision of community centres:

- ◇ Makes it easier for local people to bid to take over the amenities they feel strongly about and retain them as part of their local life.
- ◇ Ensures that local social enterprises, volunteers or community groups with a bright idea for improving local services get a chance to say how things are done.
- ◇ Enables local residents to call to account local authorities for the careful management of tax payer's money.

2.2 The Community Centre review was designed to assess the value of the portfolio of local community centres which the Borough Council owns and operates and to make recommendations on how they could be used more effectively and efficiently. The review has considered how the centres are managed, how they are staffed, how local resident input is supported, and how each individual centre might be better organised to deliver value for money. The review is particularly timely given the wider financial pressure the Council will face over the next five years.

2.3 It should be noted that the review was due to be completed by July 2013. However due to difficulties engaging with some community centres the Officer working group and Member Task and Finish group decided to work collaboratively to engage with those centres and as a result the review concluded in September 2013, and the recommendations in this report are jointly made between your Officers and Members of the task and finish group.

2.4 A public consultation exercise was undertaken between February and June 2013. The questionnaire targeted users, non users and hirers of the Community Centres and was accessible online and at all the community centres, libraries, Guildhall and Kidsgrove Customer Contact Centre. Overall there were 716 responses received of which 80.73% of respondents' were users of the centres, 9.4% were hirers of the centres and 9.9% were non users of the centres. The key findings of the consultation were as follows:

- ◇ 82% of respondents felt that it was important to have a community centre.
- ◇ They key reasons for those not using the centres were that they were not aware of what was on (42%) or activities were not at a time they wished to use them (26%).
- ◇ The main activities taking place in community centres were physical activity (38.8%), leisure and socialising (23.5%), celebratory events (8.2%) and learning and education (7.4%).
- ◇ The key messages concerning the strengths and weaknesses of the community centres were as follows:
 1. 87% rated the cleanliness of the centres as good or excellent
 2. 85.1% rated the opening hours of the centres as good or excellent
 3. 77.1% rated the price of activities as good or excellent
 4. 74% rated the maintenance of the centres as good or excellent
 5. 72.9% rated the ease of booking the centres as good or excellent
 6. 70.4% rated the range of activities on offer as good or excellent
 7. 68.2% rated the standard of equipment at the centres as good or excellent
 8. 54.4% rated the changing facilities as good or excellent.

2.5 In addition to the questionnaire the following consultation events were held with your officers and members of the Task and Finish Group.

- ◇ A tour of all fifteen community centres was undertaken on the 7th and 8th February 2013. The focus of the tour was to meet with the management committees and identify their concerns, understand the usage patterns of the community centres, review the building condition of the community centres, determine areas of concern which were unknown to Officers or Members and to identify potential opportunities for the development of community centres.
- ◇ On the 25th April 2013 a Community Centre Chairpersons meeting was held to update management committees on the outcome and findings of the public consultation. This meeting also proved useful in identifying the next step of the review, a committee self assessment by the centres focusing on health and safety, operational issues, financial management and governance arrangements. The self assessment forms can be found at appendix 3.
- ◇ On the 18th July the Task and Finish Group held a Chairpersons meeting due to the limited number of self assessment forms returned. Despite the offer of officer support to complete the forms it was identified that there was a general concern from the management committees that the forms were over complicated and where these were not completed this could have a detrimental impact of the centre.
- ◇ During the last two weeks of August 2013 officers and members of the task and finish group arranged to meet with those committees who had not submitted the self assessment forms in order to assess what support, if any, the committees required in order to ensure they become more sustainable and enable them to complete the self assessment process.
- ◇ Over the period of the community centre review officers and members of the task and finish group have met on 12 separate occasions.

2.6 During the community centre review a number of concerns were identified:

- ◇ In some cases it is apparent that businesses are operating from community centre premises potentially on a commercial footing. This gave rise to concerns over potential liabilities for business rates, rental arrangements, business registration, tax arrangements etc.
- ◇ In some instances, community centres are not operating all or parts of the building in accordance with the definition of community centres identified in section 1.1 of this report.
- ◇ In some cases there are delays in the rectification of maintenance issues resulting in a lack of continuity of services being provided to the community
- ◇ There is a lack of generic operational procedures at the community centres raising concerns over issues such as employment and insurance liabilities
- ◇ Most management committees find difficulties in attracting new members to their committees, particularly for key roles such as Chairperson, Treasurer, and Secretary etc.
- ◇ It appears that in some cases the hire charges made at some community centres are insufficient to cover their fixed costs, thereby reducing the long term sustainability of the centre.

- ◇ Up to date information on the financial situation of management committees is not submitted in all cases on a regular basis.
- ◇ In some instances there is a lack of communication between officers, nominated Councillors and the community centre management committees.
- ◇ In most cases there is significant current and future building repair costs liabilities for the Council in order to maintain centres in an appropriate condition for community use.
- ◇ There are a range of other premises available for community use which may either duplicate the type of facilities on offer or in some cases compete for the same community use.
- ◇ In some cases there is a lack of adherence to constitutional requirements given that some committees did not formally meet or had less than four members.
- ◇ There is a lack of clear instructions as to how residual assets should be dealt with upon the dissolution of a management committee.
- ◇ In some instances community centres are being used for a single purpose in all or parts of the building which does not agree with the definition of community centres in section 1.1.
- ◇ Some community centre management committees appear to be directly employing staff without necessarily having all the adequate controls in place.

3. **Proposals.**

3.1 A number of proposals are made in relation to the issues identified in section 2.5. These include generic proposals that should be applied to and adopted by all management committees and some specific proposals to be addressed with committees on a centre by centre basis as follows.

3.2 Operational, Health and Safety Management

Finding 1: Over a period of time management committees have adopted their own approaches in relation to the day to day management of the centres including operational areas, business planning, governance arrangements, health and safety and management of the community centres. In some cases these do not comply with best practice.

- **Proposal: 1.** Produce and implement a comprehensive community centre guide along with relevant training, in conjunction with strategic partners i.e. Vast, for all centres by July 2014.
- **Proposal 2:** Review community centres compliance with the guide and report the findings to Cabinet by the Autumn of 2014.

Finding 2: Community centres require advice from a number of departments and sections within the Council and some management committees are unclear on the best point of contact within the Council. This results in delays for support and advice being given.

- **Proposal 1:** That the Leisure and Cultural Services team becomes the gatekeeper for all points of contact for the community centres via a dedicated email and telephone number by January 2014.
- **Proposal 2:** An officer working group be established that meets on a quarterly basis to discuss key issues in relation to the community centres.

3.3 Financial Management

Finding 1: Community centres procure their gas, water and electricity independently of the Council and each other, often resulting in poor economies of scale and placing an increased burden on the management committee's resources.

- **Proposal 1:** Identify the most cost effective solution for the procurement of utilities for the community centres by the spring of 2014 and offer joint purchasing opportunities to management committees.
- **Proposal 2:** That the outcome of the above is reported back to Cabinet by the autumn of 2014 to include the uptake by community centres and the likely savings they will collectively make.

Finding 2: Management committees are not fully aware of what external funding may be available to them. This may be limited as most management committees do not currently have security of tenure thus reducing some funding opportunities available to them.

- **Proposal 1:** Working in conjunction with strategic partners hold a funding event identifying potential funding opportunities for the community centre committees in the spring of 2014.
- **Proposal 2:** Officers and management committees work collaboratively on an ongoing basis to identify and share potential external funding opportunities.

Finding 3: Up to date information on the financial situation of management committees is not submitted in all cases on a regular basis. In some cases there is outstanding financial information.

- **Proposal 1:** Full disclosure of annual accounts will be required of each management committee by the end of May each year for examination by the Councils Director of Resources and Support Services.
- **Proposal 2:** All outstanding financial information should be supplied to the Council by May 2014.

3.4 Community Centre Governance Arrangements.

Finding 1: The current model constitution in place for community centres is out of date and should be replaced with a new fit for purpose agreement between the Council as the owner of the asset and the community centre management committees.

- **Proposal 1:** A Community Centre Handbook is produced for the purpose of setting out how the facilities should be managed and that Community Centre Management Committees be requested to adopt these at a formal meeting no later than July 2014.

- **Proposal 2:** A tour of community centres is undertaken each year by the Portfolio Holder, the relevant Ward Members and Officers to review discuss any relevant issues with the management committees.

Finding 2: The recruitment of committee members can be difficult and may have an impact on the long term sustainability of the management committees in years to come.

- **Proposal 1:** In consultation with local strategic partners develop a promotional strategy for the recruitment of committee members for community centres and other similar facilities/services as required by the Summer of 2014:

Finding 3: The role of the Councils nominated representatives for each management committee is not always understood, resulting in some cases to ward members not being given the opportunity to attend meetings and support the work of the centre and represent the Councils interests.

- **Proposal 1:** The role of the council's nominated representatives, and the requirement for those representatives to be notified of meetings be clarified within the new Community Centre Handbook.
- **Proposal 2:** That Ward Members automatically become the Councils nominated representatives for community centres situated within their ward for the period of their office, negating the need to make specific nominations each year.

Finding 4: There was a lack of clear instructions as to how residual assets should be dealt with upon the dissolution of a management committee.

- **Proposal 1:** That management committees be informed that upon dissolution of the committee, any physical or financial assets remaining after the satisfaction of any proper debts and liabilities shall be passed to the Council and that this is included within the new Community Centre Handbook.

3.5 **Asset Management**

Finding 1: There are significant financial liabilities for the Council in respect of repairs and maintenance of community centres. The stock condition survey has identified repairs in the region of £870,000 over the next 5 years. The Councils ability to fund all of this work will be unlikely due to the current and future predicted availability of capital funding.

- **Proposal 1:** To explore means for reducing the Councils asset liabilities for community centres through offering full repairing leases and assisting community centre management committees to seek funding for ongoing repairs and maintenance.
- **Proposal 2:** To utilise Council funded expenditure on repairs and maintenance to essential works only, to ensure buildings are protected from wind and weather and are safe for use by the community.

Finding 2: In some cases, centres have established arrangements involving sub-letting parts of the building for uses which do not fit with in the role of community centres as defined in section 1.1. Some of these activities are deemed as commercial ventures and subsequently have an effect on the rateable value of the

building. This could create an unfair advantage over other similar business if a market rent and business rates and other business liabilities are not being met.

- **Proposal 1:** Authorise officers to enter into negotiations with those management committees and organisations/individuals concerned to gain a full understating of their activities and explore other tenancy arrangements where deemed appropriate for each situation by the Spring of 2014. As part of this, minimum standards of accessible usage for the community should be secured
- **Proposal 2:** Liaise with the Portfolio Holder as negotiations progress and report back to Cabinet with the outcome in the Autumn of 2014. In the meantime continue to support the community centre management committee in accordance with the general recommendations of this report.

Finding 3: In at least 3 cases, management committees have stated that in conjunction with partner groups they wish to explore a formal lease arrangement with the council to provide security of tenure and assist with securing external funding to improve their community centres or adjacent facilities.

- **Proposal 1:** Authorise officers to enter into the negotiations with the management committees to establish the best way of providing security of tenure for those community centres, including leasehold arrangements by the Spring 2014. In the meantime continue to support the community centre management committee in accordance with the general recommendations of this report
- **Proposal 2:** To report back to Cabinet the outcome of negotiations in the Autumn of 2014.

Finding 4: It has been identified that in some cases community regeneration opportunities may exist within the local area. This may present an opportunity to provide improved community facilities in partnership with other relevant organisations, particularly where the stock condition surveys identify that significant capital expenditure would be required to maintain the facility over the next five years.

- **Proposal 1:** Explore how improved community centre facilities can be provided more sustainably in the future and in conjunction with the Portfolio Holder to authorise Officers to enter in to discussions with partners to consider the options for community facilities in these areas. In the meantime continue to support the community centre management committee in accordance with the general recommendations of this report.
- **Proposal 2:** To undertake an audit of other publicly available community facilities in the vicinity of community centres to identify any duplication or under-utilisation and report the outcome of the study to Cabinet by Autumn 2014.

4. Reasons for the Preferred Solution

- 4.1** To achieve the Council's vision for community centre provision of delivering effective community based activities that are provided through the community centres, providing services people want and that are managed and well resourced.

5. Financial and Resource Implications

5.1 The current approved 2013/14 General Fund Revenue budget for the provision of community centres is £290,370. The main expenditure items are as follows:

- ❖ Premises costs (repairs, maintenance): £90,810
- ❖ Supplies and Services (waste removal): £2,900
- ❖ Grants: £6,000
- ❖ Support Service Recharges: £101,270 (mainly leisure management, public buildings, assets/property, and accountancy recharges)
- ❖ Capital Financing: £89,400. (relates to depreciation in accordance with the CIPFA Accounting Code to comply with proper accounting practices)

It is proposed to undertake the proposals identified in section 3 of the report within existing revenue resources as these are predominantly officer time. Current work plans will be revised to allow for this.

5.2 It is expected that the councils expenditure on community centres will be reduced over the next 5 years if the proposals within this report are implemented, however it is not possible to quantify the level at this stage.

5.3 In respect of the General Fund Capital Programme, through the council's stock condition survey a minimum sum of £870,000 has been identified as being required to be spent over the next five years on repairs and maintenance to maintain the existing conditions of the community centres. However given the other pressures on the Councils capital programme and the availability of capital funding it is unlikely that all of these works will be undertaken, potentially increasing the longer risk to the Council in the longer term.

6. Outcomes Linked to Corporate Priorities

6.1 The provision of accessible community facilities contributes to the delivery of the Council's cooperative objectives, through retaining community assets in public sector ownership, retaining democratic accountability over their management whilst addressing concerns by reshaping the relationship of the community centre management committees and the Council resulting in a greater degree of local control over how the centres are operated.

7. Legal and Statutory Implications

7.1 The Council has powers, under the Local Government Act 2000, to improve the social, economic and environmental well-being of the Borough's residents.

8. Equality Impact Assessment (EIA)

8.1 As part of the Community Centre review and the implementation of any recommendations, an equalities impact assessment will be undertaken. Overall any changes will be made in accordance with the Council's equal opportunities policy and procedures to enhance community cohesion.

9. Major Risks

9.1 A full risk assessment/log has been developed in conjunction with the Council's Corporate Risk Manager and will be subject to regular review.

10. Key Decision Information

10.1 It is proposed that in order to achieve the aim of the Council for Community Centre provision across the Borough, that the following outcomes will be achieved as a result of the Community Centre review:

- ◇ Transparency and equity in resourcing Community Centres in order to provide effective services to local people.
- ◇ To ensure that the Community Centres continuously improve, and meet the aspirations of local neighbourhoods.
- ◇ To develop capacity and maximise resources through increased support through the Community Centre Working group. This should help the existing management committees access external funding.
- ◇ A more robust management structure for community centres.
- ◇ Increased capacity and competencies with in local communities, enabling the Council to explore transferring Council assets to community groups where it is appropriate to do so.

11. Previous Cabinet Decisions

20th June 2012
19th September 2012

12. List of Appendices

Appendix 1 Community Centre Map

13. 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
Financial Implications Discussed and Agreed		
Risk Implications Discussed and Agreed		
Legal Implications Discussed and Agreed		
H.R. Implications Discussed and Agreed		

ICT Implications Discussed and Agreed		
Report Agreed by: Executive Director/ Head of Service		