



Cabinet 26 May 2010

Community Centre Transfer (June 10/08)

1. Summary and Reasons for Recommendations

- 1.1 In November 2009 the Policy Development Committee made a number of recommendations to the Cabinet for areas in which budget savings could be made in future. One of these areas was investigating the transfer of community centre assets to local community groups. The desire to see communities move away from dependence on the Council had been expressed when a review of community centres was carried out in 2007, and again when an update was provided in 2009. It also reflects national guidelines on helping local communities to own and control their own local assets.
- 1.2 Following those recommendations officers started the process of liaising with the Community Associations, where they exist, which currently run the centres which the Council supports financially. The centres considered are the Chalkstone and Leiston Community Centres in Haverhill and the Newbury, Southgate and Westbury Community Centres in Bury St Edmunds.
- 1.3 Other community groups have also been consulted and a leaflet outlining what a transfer would involve was circulated extensively within the wider voluntary and community sector and to churches, local head teachers and chairs of governors in the areas where the centres are located. The Council has listened to the reactions of each community and recognised that there are a range of perspectives with some communities being very clear that they do not want to look at a transfer at present, through to one group in Southgate which has formally indicated it wishes to take on its local centre.
- 1.4 It is encouraging that the Southgate group, comprising the Southgate Community Association with the Southgate Church, wishes to secure its local centre as a community asset owned by the community in perpetuity and to develop the range of services offered from the centre. However, the Council also wishes to continue to work with the associations at the other centres and, where requested, provide advice and training to assist them develop their skills and expertise.

2. Recommendations

- 2.1 The Cabinet commit in principle to the transfer of the Southgate Community Centre to the group formed by Southgate Community Association with the Southgate Church.
- 2.2 The working principles listed at section 4.7 of this report be adopted as the initial basis for discussions with groups interested in the transfer of a community centre, subject to consideration of the detail in relation to each individual centre as proposals are developed.
- 2.3 Officers undertake detailed work with the Southgate steering group and the Development Trust Association and report back at the earliest opportunity with a worked up proposal for a community asset transfer with a view to transfer the centre by April 2011.

- 2.4 Officers maintain contact with the Community Associations at Leiston in Haverhill and Newbury and Westbury in Bury St Edmunds and provide advice and training, where requested, to support those associations in developing their skills.
- 2.5 In relation to the remaining four centres, that officers pursue any other opportunities for joint work with public sector, voluntary or community groups partners which is consistent with maintaining a community facility on those sites and report back to the Cabinet on any proposals which emerge.

3. Corporate Objectives

3.1 The recommendations meet the following, as contained within the Corporate Plan:-

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| (a) | Corporate Priority: | <i>'Improving the safety and well-being of the community'; and</i> |
| (b) | Cabinet Commitments: | <i>Provide a strong voice for West Suffolk, specifically the community cohesion element'.</i> |
| (c) | Vision 2025: St Edmundsbury will be a place: | <i>Leisure and Culture - where all residents live within walking distance of recreational and countryside activities.</i> |

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4. Key Issues

- 4.1 At a time when major cuts in public expenditure are anticipated it is right that all areas of service provision should be considered to see if there are alternative methods of delivery. In the area of community centres an extensive review of the provision was carried out in 2007. At the conclusion of that review one of the recommendations was that *'the long-term aim of the Council is for all of the Community Centres to have a greater degree of community involvement in their management and to become more financially independent'*. The offer to the centres to consider taking full ownership of the asset is in line with that previous recommendation.
- 4.2 The Council remains keen to work with all Community Associations, whether or not they currently wish to take on their centre. In exploring interest from communities in the transfer of their local centre the Council intent is very much to ensure these community assets are maintained and provide local communities with the flexibility to enhance them. It is based on the belief that local communities know best how to run and develop their local centres. The process is not about selling the sites off or closing down centres. On the contrary, community groups can access a wide range of external funding which is not open to a local authority, as has been demonstrated by the successful development of the Anselm Community Centre which attracted a range of external funding.
- 4.3 The Council is not forcing the ownership of centres onto unwilling communities. Officers have attended many local meetings to discuss what a transfer would involve. The Portfolio Holder, Councillor Mrs Mildmay-White, has received regular updates on the responses of communities and also attended a public meeting at the Newbury Centre and heard first-hand the concerns of the community there. At the conclusion of that meeting the Portfolio Holder committed the Council to continue working with the Association to help them develop their skills but recognised that they did not currently wish to consider an asset transfer.
- 4.4 Meetings with the Westbury Community Association revealed that they were concerned at the prospect of taking on the asset because of the wooden construction of the building, although at the same time they indicated that funds from the social club are already invested in the building in areas such as air conditioning. The Leiston Community Association has only existed in its current form for 18 months and, although some members appreciated that an asset transfer provided a great opportunity for the local community, they felt that more younger people needed to be involved if this work were to be taken forward and concluded that the group was not at a stage where it could consider actively going for a transfer.
- 4.5 The Council have also spoken with other interested parties, such as the Havebury Housing Partnership (Havebury) and Bury St Edmunds and Haverhill Town Councils. Havebury have indicated that they do not feel either the ownership or management of community centres is part of their core business. They are open to discussions about possible wider redevelopment of areas containing some of the community centres. However, it should be stressed that the Council would only consider a redevelopment which involves retaining community facilities on the sites. Basic figures about the running costs of the centres have been provided to the Town Councils for information but no firm proposals have been forthcoming.
- 4.6 In relation to the Chalkstone Community Centre, which is run directly by the Council as there has been no community association, officers and the Portfolio Holder are aware of other potential developments in the area as a result of the Chalkstone Middle School becoming redundant under the County Council's School Reorganisation programme. Officers will keep in touch with developments to see if there are implications and opportunities for the Chalkstone Centre.

4.7 In carrying out discussions with local communities a number of queries were raised with officers about the practicalities of transferring centres. The set of working principles outlined at 4.7.1 to 4.7.5 below is put forward for consideration as the starting point for local negotiation in relation to any individual centre. The final decision in relation to any centre will be the subject of a detailed report to the Cabinet when the individual transfer is debated.

Working principles

4.7.1 That a letter of intent and heads of terms be provided to any organisation with which the Council is progressing serious negotiations at the earliest opportunity. This is consistent with the Council acting in an open and transparent way and ensuring that the necessary steps have been taken to gain assurance that any group seeking to take on an asset is appropriately constituted and has a sound business case founded on serving the interests of the local community.

4.7.2 That, subject to the Council not foreseeing a need to retain grass/land immediately surrounding community centres, the initial assumption be that such land can be considered for a potential transfer as amenity land. Final decisions will need to be examined on a case by case basis.

4.7.3 Any land transferred to be subject to legal safeguards to ensure that the interests of the community and the Council are protected.

4.7.4 That the Council's initial approach is that the community asset transfer would be in the form of a sale at a nominal fee, provided that the community interest case had been made. However, with the input of the Development Trust Association¹, other options will be considered if appropriate.

4.7.5 That the Council provide tapering soft support to community-based organisations taking on an asset in areas such as health and safety, finance and building maintenance.

5. Other Options considered

5.1 Not to transfer the centres is clearly an option and one that the Council is taking in relation to the centres where there is not currently community support for a transfer.

5.2 As indicated above, both the Town Councils have been contacted and the Havebury Housing Partnership to establish if any of those bodies wish to be involved in the transfer but this has not led to any firm proposals at the current time.

5.3 The leaflet circulated about the transfer, attached as Appendix 1, invited any interested groups to come forward. One social club based in Bury St Edmunds, which is looking for new premises, has contacted the Council. The group have been advised that the Council is not looking for groups to take over from the local community at a local centre, but rather to work with the local community. On this basis the group have been advised to contact the community association for the local centre involved and discuss with them whether they might be able to work together to the mutual benefit of both the association and the social club.

¹ The Development Trust Association is the leading network for community enterprise practitioners and is dedicated to helping people set up development trusts and share good practice in the area of community ownership, social enterprise the development of community assets and the transformation of communities. More details can be found at <http://www.dta.org.uk/> The Trust has been funded by government to support the asset transfer via the Advancing Assets programme.

6.	Community impact <i>(including Section 17 of the Crime and Disorder Act 1998 and diversity issues)</i>
6.1	<u>General</u>
6.1.1	As the rationale for looking at the transfer of the centres is to maintain them and give local people the flexibility to develop them in new and different ways as a minimum there should be no adverse community impact. Experience elsewhere, both at the Anselm Community Centre in Bury St Edmunds and at other community owned facilities around the country, is that a successful transfer results in much stronger community involvement in the centres and provides local people with a variety of new opportunities to develop skills which they can transfer to other aspects of their lives.
6.2	<u>Diversity and Equality Impact</u> <i>(including the findings of the Equality Impact Assessment)</i>
6.2.1	It is a prerequisite of any transfer that the body taking on the asset should have a strong commitment to equality and diversity. This was made clear in the leaflet which outlined the transfer process (see Appendix 1) and will be part of the detailed work carried out with the Southgate Steering group.
7.	Sustainability Impact <i>(including environmental or social impact on the local area or beyond the Borough)</i>
7.1	As outlined at 6.1.1 it is anticipated that a successful transfer will have a beneficial impact on the local community. The aims, objectives and constitution of any organisation taking on a centre will be thoroughly scrutinised to ensure that the interests of the local community are at the heart of the new organisation. As part of the transfer work will be undertaken with the local community in the area of any centre being transferred to check that the aims and objectives of the group taking on the centre meet the needs of the community.
7.2	It is anticipated that as part of the transfer process advice will be available to the group taking on the asset about the energy efficiency of the building.
8.	Consultation
8.1	Officers have written to all the community associations, initially to inform them that transfer was being investigated, and subsequently to inform them about some external resource which is being brought to the work via the Advancing Assets Programme. Officers have attended all the local meetings to which they have been invited to respond in person to questions about the process. In addition, the leaflet at Appendix 1 was circulated directly to over 70 organisations and to the West Suffolk Consortium of Voluntary Organisations for forwarding to its extensive database of voluntary and community groups. The leaflet was circulated in January 2010 and a 12 week period allowed for any responses.
9.	Resource implications <i>(including asset management implications)</i>
9.1	In total the five community centres cost the Council £90,000 a year to run. The contribution to individual centres varies from year to year depending on the maintenance work scheduled for each building. Thus, although there will be some budget saving in transferring centres it is relatively modest. The greater impetus for the transfer of centres is not financial but the desire to see centres secured as assets for their local communities by putting them in to local ownership and allowing communities to develop the centres free from Council constraints.
9.2	To assist with the transfer, bring in some more resource and help the Council develop best practice in the transfer of community centres the Council applied for and successfully gained a place on the final round of the national Advancing Assets programme. This provides the Council and the community involved in the transfer, in

this case the steering group comprising the Southgate Community Association with the Southgate Church, support in kind for the transfer process from the Development Trust Association. The Trust is the national association which represents community groups which have taken on buildings through asset transfer. They have a wealth of experience and will provide advice about the legal constitution of the new group, assistance with business planning, agreeing the condition of the building and in planning consultation with the wider community to test that the aspirations of the new group meet local community needs. An invitation has been extended to other Community Associations to have an involvement in the work, although to date none have taken up that offer.

9.3 Whilst recognising that each community is different is it intended that the work with the Development Trust Association should provide a template for a successful community centre transfer which could be used again in future.

10. Risk Assessment *(potential hazards or opportunities affecting corporate, service or project objectives)*
10.1

Risk area	Inherent level of Risk (before controls)	Controls	Residual Risk (after controls)
Potential alienation of sections of the community as a result of the proposal to look at transfer.	Medium	Early and wide consultation. Holding face to face meetings. Provision of a myth-buster sheet to tackle unfounded rumours. Long term commitment to work with community associations. Progressing a transfer with the group which have volunteered to take on a centre, not coercing other communities to take on their centres. Using the Advancing Assets programme place to develop a template for a successful transfer.	Low
That any transfers are unsuccessful.	Medium	Progress transfer with a group which is committed to the process. Use the Development Trust Association expertise to avoid potential pitfalls/learn from previous experience.	Low

11. Legal or policy implications

11.1 The decision to investigate a community asset transfer is in line with the outcomes of the Quirk Report and in line with the policy of the main political parties nationally that communities should be given the opportunity to own and run local community assets.

11.2 The Council's legal staff will be fully involved in the detail of the any individual transfer which will be the subject of its own report to Cabinet. For the Southgate Centre, the Council and the steering group will also have the benefit of the involvement of the Development Trust Association which has a wealth of experience in the legal issues to be addressed during a transfer.

Wards affected	St Olaves, Minden, Southgate, Haverhill East and Haverhill South	Portfolio Holder	Community
Background Papers	Letters to community associations, leaflet circulated to all interested parties and voluntary and community groups.	Subject Area	Property Management

Transfer of council-owned community centres to community ownership

Guidance notes for prospective management organisations

Background

Four years ago a report, which became known as the Quirk Review, looked at the transfer of public assets to community management organisations. The rationale behind the report is that people should have a greater say over local services, giving them a bigger stake in the future of their area.

The proposal

St Edmundsbury Borough Council proposes transferring the ownership of the five community centres we currently own (Chalkstone and Leiston in Haverhill; Westbury, Newbury and Southgate in Bury St Edmunds), to organisations that share the same ethos; that is, to provide community buildings for local people and local activities at reasonable cost.

This transfer of assets will require the organisation to undertake to keep the buildings in good repair and to ensure they are open and accessible to all sections of the community. To ensure that community centres meet these broad community objectives, the transfer documents will include covenants which will fulfil these objectives. Further information on how this can be achieved is set out below.

The benefits of community management and ownership

The benefits of community ownership are varied. It is well known that local authorities are not able to financially support community centres to the

degree they once did; budgets are being squeezed and councils are unable to apply for funding from outside bodies for capital costs to repair the fabric of the buildings.

There are a number of reasons why local people running their own local centres makes sense.

- Community-based organisations have a vested interest in the upkeep of their centres;
- They can access sources of funding not available to councils;
- By improving the building through re-investing any profits made from hiring, the centres become more attractive, increasing bookings and therefore creating a cycle of higher numbers of bookings and greater investment;
- By raising income, community based organisations are able to work with partners to support more varied community activities which meet local identified needs, such as providing a room at a reduced cost to enable a toy library to operate, for example;
- People from different backgrounds can come together, developing trust and understanding;
- People involved in the running of such an asset often experience increased levels of

self-confidence. They may also gain valuable skills which can result in enhanced employment and education opportunities;

- Surpluses generated stay in the local community and can be used to support grant applications;
- New partnerships and networks can be developed, opening up fresh opportunities.

Who can take on community centres?

A wide variety of organisations could effectively run community centres, but we would expect them to be based within the locality. They could include parish and town councils, community associations, registered social landlords (housing associations) or local charities and they could apply to take on the ownership of any number of the centres, providing they have the relevant skills and capacity to do so. New organisations formed for the purpose of running community centres could be set up as social enterprises, which would run the centre(s) as a business, with any profit generated going back into the community through the provision of enhanced activities/events.

What the council would expect

To ensure the community centres remain viable and sustainable assets for the local community, the council would expect any management organisation interested in running the centres to meet these criteria.

- **Have a strong commitment to equality and diversity.**
This means that your organisation would not restrict access to the centre on grounds of gender, age, disability, race, religion, sexual preference or sexuality, or background. You would be expected to have a statement

or policy in place to demonstrate this.

- **Produce a business plan.**
A business plan sets out what you will do, when you will do it and how you will achieve it. For example: you may want to decorate one of the rooms in the building each year. How will this be funded? How many activities will happen in the centre each week? Who will you work with to encourage a diverse programme of activities? What skills do you need and how will they be secured?
- **Show a commitment to providing local people with an accessible venue for a variety of activities.**
We need to ensure the centre will be used for the correct purpose in the years to come. For example, the building cannot be taken over by one interest group. You will need to tell us how you will do this.
- **Be willing to work in partnership with other organisations, whether statutory, voluntary or commercial.**
A great deal can be achieved through working with other organisations. A statement within your constitution should be included which sets out this aim.
- **Have a committee/board of trustees which is open to local people to join**
It is important that your committee includes representatives of the community in which the centre is located. People have a greater commitment to a

project when they feel they are fully involved.

- **Have a constitution which is adopted by the committee/trustees and is acted upon.**

The constitution is your set of rules. It is important that everyone who is involved is familiar with the contents and agrees to abide by them.

- **Keep the centre in good repair and conform to relevant health and safety legislation.**

A well-run community centre is essential for its future viability. People will not return if the building is not kept in a good state of repair. You will also have a legal responsibility for the health and safety of all users and visitors.

- **Access to some funding to cover legal costs.**

This can be raised either from existing budgets in the case of an established organisation, through one of the various grants set up to assist with the transfer (although as with all grants, this cannot be guaranteed) or through a loan. It is also worth noting that some professionals may help a charitable organisation 'pro bono' (without charge).

What you would expect

The council does not expect local people to take on the responsibility of running a community centre without significant input from staff and its partners. We would, therefore, offer the following:

- guidance on writing a constitution;
- support with writing a business plan;

- in-house training;
- funding for training on issues such as health and safety, finance, and so on;
- access to professional training organisations (this would taper off over a number of years);
- tapering access to property advice;
- on-going support from the Community Development unit including a dedicated contact person at the council;
- assistance with funding applications.

Next steps

The Borough Council is looking to complete the transfer of ownership by April 2011, although this date has some flexibility to ensure that both parties are fully prepared.

If you would like to explore either

- the prospect of taking on one or more of the community centres in St Edmundsbury, or
- of working with any of the groups exploring taking on a centre, perhaps to deliver a service from the centre or hire accommodation in a centre,

please contact

Cathy Manning,
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on **01284 757002** or email
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further details.

Please make any response by 14 May 2010 at the latest, however responses before that date would be welcomed.