

# FAREHAM

## BOROUGH COUNCIL

### Report to the Executive for Decision 4 March 2013

<b>Portfolio:</b>	Leisure and Community
<b>Subject:</b>	<b>Lockwood Community Centre</b>
<b>Report of:</b>	Director of Community
<b>Strategy/Policy:</b>	Leisure Strategy
<b>Corporate Objective:</b>	Leisure for health and for fun.

**Purpose:**

To update the Executive on progress with the arrangements to enable a community association to take over the management of the Lockwood Community Centre.

**Executive summary:**

The Executive at its meeting in October 2012 made a commitment to support the running of the Lockwood Community Centre for the remainder of the 2012/13 financial year; to urgently and actively pursue the formation of a community association to take over the operation of the centre and that a further review of the situation be undertaken in six months.

This report updates the Executive on the progress with forming a community association and on recent developments in relation to maintaining the building and in promoting the centre under the current management arrangement.

**Recommendation:**

- (a) That the Executive approves the continued funding of the Lockwood Community Centre for a further 3 months, pending the transfer of management to the newly formed Lockwood Community & Sports Association.
- (b) That the Executive approves the progress on the formation of a community association.
- (c) That the Council appoint a trustee to sit on the management committee of the newly formed charity.

**Reason:**

To progress the transfer of the management of the Lockwood Community Centre to a new community association.

**Cost of proposals:**  
Detailed in the main report.

**Background papers:** Lockswood Community Centre - Executive - October 2012.

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## BOROUGH COUNCIL

### Executive Briefing Paper

**Date:** 4 March 2013

**Subject:** Lockwood Community Centre

**Briefing by:** Director of Community

**Portfolio:** Leisure and Community

#### INTRODUCTION

1. The Executive at its meeting in October 2012 made a commitment to support the running of the Lockwood Community Centre for the remainder of the 2012/13 financial year; to urgently and actively pursue the formation of a community association to take over the operation of the centre and requested a review of the situation in six months.
2. This report provides an update on the operation of the community centre, details progress in the formation of a community association and recommends a way forward.

#### UPDATE

3. Since the previous report, the Lockwood Community Centre has continued to operate under the Councils management and a number of actions have been implemented to improve the facility and to promote the community centre:
  - (a) In November the one remaining functioning boiler failed and was beyond repair. New boilers have therefore been installed at a cost of £20,000 to ensure an ongoing provision of heating and hot water to the community centre and library.
  - (b) The community centre has been publicised on all of the Councils notice boards and in the local free magazine "the Informer" which is distributed to nearly 30,000 households.
  - (c) An article has been prepared for the spring edition of Fareham Today.
  - (d) The internal and external signage has been replaced in the new corporate format.

- (e) New notice boards have been provided internally to further promote activities within the community centre.
4. Whilst the boilers have been replaced, further capital expenditure will be required in the near future to replace the control system and much of the pipework to provide an efficient longer term solution.

## **COMMUNITY ASSOCIATION**

5. Significant progress has been made in the formation of a community association to take over the management of the community centre. Six trustees have established a Charitable Incorporated Organisation (CIO), prepared and signed a constitution and are in the process of preparing a business plan for the future operation of the community centre.
6. It is recommended that a Fareham Borough Council appointed trustee sit on the charity management committee.
7. The new group name is the Lockwood Community and Sports Association and they would like to rename the building to "Lockwood Community and Sports Centre".
8. Subject to the Executive approving the business plan, the aim is to transfer the management of the community centre to the newly formed Lockwood Community & Sports Association from 1 June 2013.
9. The immediate financial savings that would accrue from the transfer of management are:
- The community group would obtain relief from National Non Domestic Rates (NNDR) resulting in a saving of £13,740pa.
  - Internal recharges will be reduced by approximately £10,000 as Lockwood Community Centre would be managed in the same manner as other community centres.

## **WAY FORWARD**

10. Having formed a constituted body to manage the Lockwood Community Centre, the prospective association are currently preparing a business plan with a view to demonstrating how the community centre can be run long term on a financially sustainable basis.
11. It is proposed to bring a further report to the May meeting of the Executive presenting the association's business plan with a view to giving approval to the community group taking over the management of the community centre from 1 June 2013.

## **FINANCIAL IMPLICATIONS**

12. For the current financial year the Lockwood Community Centre is forecast to have an operating deficit of £76,500. This is £20,000 greater than reported in October and entirely attributable to the cost of replacing the boilers.
13. The transfer of the management of the centre to the new association provides opportunities to reduce the current operational deficit for the centre. However, these savings still leave a significant budget deficit.
14. The current staffing structure inherited by the Council when the management of the centre was transferred from the County Council is not economically viable. It will be necessary to undertake a restructure of the current staffing arrangements and reduce the number of staff employed in order to achieve a sustainable operation. The staff and their union representative have been informed of the need to restructure the service and are currently being consulted.

## **RISK ASSESSMENT**

15. The newly formed Lockwood Community & Sports Association will require support and assistance in the early stages of any transfer to enable them to establish a financially viable operation.
16. This may require the Council to underwrite the maintenance liabilities in the short to medium term while the problems identified with the boiler controls and pipe work are resolved.

## **CONCLUSION**

17. Significant progress has been made in forming a community association to take over the management of the Lockwood Community Centre.
18. The business plan for the newly formed Lockwood Community & Sports Association will be presented to May meeting of the Executive.
19. Subject to the Executive approving the business plan the aim will be to commence transfer of the operation of the centre to the new association on 1 June 2013.

**Reference Papers:** None