

Report of: Strategic Director, Housing, Health & Community

To: Executive Board

Date: 13th August 2007

Item No:

Title of Report: Cowley Community Centre proposed future management arrangements



Summary and Recommendations



Purpose of report: To inform Executive Board of the options available for the future management of the Cowley Community Centre. To provide comments made at the Cowley Area Committee on the proposals set out in this report (these are set out in Annex 1).

Key decision: Yes

Portfolio Holder: Councillor David Rundle



Deputy Responsibility: Community Scrutiny Committee

Ward(s) affected: Cowley

Report Approved by



Portfolio Holder: Cllr David Rundle, Portfolio Holder for Stronger Communities



Legal: Jeremy Thomas, Head of Legal and Democratic Services



Finance: Penny Gardner, Business Manager, Finance and Asset



Management



Strategic Director: Michael Lawrence, Strategic Director, Housing, Health



Communities



Policy Framework: To be an effective and responsive organisation, providing value for money services. The Oxford Plan 2007-10.



Recommendation(s):



It is recommended that:



A) Executive Board considers the comments made at Cowley Area Committee held on 1st August 2007 (set out in Annex 1).



- B) Executive Board endorses the actions set out in Paragraph 13 of this report.
- C) Executive Board recommends Council to allocate £20,000 from balances to cover the costs of carrying out an options site appraisal on the Cowley Community Centre site 2007-08 only. This funding will be returned to the base budget if the site is disposed of.
- D) Executive Board recommends to Council to allocate a maximum £36,407 from balances to cover management cost of the centre and the payment of the Community Association's Utility Bill.
- E) It be noted that the payment of the utility bill is made without admission of any liability for sums owed and is made in the particular circumstances surrounding the closure of this community centre. No precedent is intended and no reliance should be placed upon that one off payment by any other organisation or individual in similar circumstances.
- F) Executive Board request that officers investigate the development of a policy relating to the Council providing support for voluntary and community organisations in debt.

Introduction

1. Cowley Community Centre is a two-storey building located on Barns Road adjacent to the Temple Cowley Shopping Centre. The Centre consists of a large stage and ballroom, large bar and seating area (this takes up over $\frac{3}{4}$ of the available floor space on the ground floor). Also on the ground floor are the Mental Health Project ACORN and the Community Radio Station. On the first floor are offices and rooms for hire as well as the Credit Union service, the Youth Service also occupy space and provide a youth based service, which is poorly utilised.
2. The Cowley Community Association carries out the management of the Centre and, as with a number of Community Centres in Oxford; it had a trading arm that was the Cowley Community Centre Social Club. The Social Club was responsible for the operation of the bar, ballroom and associated rooms, bookings and functions. This was established to provide an income stream for the Community Association with which it would provide community activities and programmes.

3. Cowley Community Centre has been in decline now for some 5 years, its facilities are poor and the building itself is in poor repair. Over the past year the Social Club has encountered grave difficulties. Officers from Neighbourhood Renewal have spent the past 2 years working with them to assist in addressing the issues. Regrettably the Social Club ceased trading on Monday the 26th of March 2007 leaving debts of approximately £100,000. There are no liabilities for Oxford City Council.
4. Public responses to the closure of the Social Club was negligible no campaign was mounted to salvage the Club.

Current Situation.

5. The Community Association are continuing to manage the Centre, however they are increasingly suffering from lack of income and mounting debts. The Social Club had previously paid an income of £800 a week to the Association. During the period leading up to the closure of the Social Club no income was received. The Association now has outstanding bills for £10,307 due to lack of income whilst they tried to save the Social Club from closing. These bills are the responsibility of the Association and are not part of the Social Clubs debts. If this debt remains unpaid, then it is most likely that the Utilities Company will take legal action against individuals of the Community Association.
6. Accounts have been received for the 6th of July. These show that currently the Association has only £1,691. At the Associations Committee meeting of the 6th of July. They decided that they could no longer manage the Centre. The Association now wishes to hand over the management and responsibilities to Oxford City Council as from 31st August 2007. Their reasons are set out in a letter from the Chair of the Association to Craig Buckby the Community Development and Regeneration Manager.
7. Officers will work with the Association over a transition period up to the 31st of August 2007. It is then proposed that the Council will take on full responsibility and management of the Centre.
8. The Community Association have advised that they will be able to cover their costs up until 31st August but they will be unable to cover the £10,307 utilities bill. The Community Association have also requested that the Council consider retaining a member of their Administrative staff following the transfer of management responsibilities.

Options

9. To bring the building into any where near a decent standard it is estimated that an estimated £262,250 would need to be spent on existing maintenance. An additional estimated £200,000 would also be required to make improvements to the ballroom and bar area (figures supplied by Built Environment).
10. Given the poor usage of the Centre and its condition, it is hard to see how a community organisation could make a viable proposition out of the Centre. Cowley Area Committee has looked at the situation and Neighbourhood Renewal has been working closely with the Area Coordinator to develop possible options.
11. There have been some informal discussions with the Area Committee members on the amounts of and nature of community facilities in the area this has shown there to be an adequate supply and a good mixture of provision. This work will need to be further developed.
12. Given the information gathered to date the future of the Centre in its current guise is unviable and action is required by the City Council to remedy the situation.

Proposed Action

13. It is proposed that:
 - i. Neighbourhood Renewal to take on the running of the facility from 31 August 2007.
 - ii. Existing projects based on the site will be supported to find suitable alternative accommodation as soon as possible. Officers have been given a target date of 1st December 2007.
 - iii. Each project will be required to enter into a legal agreement with the Council regarding their occupation of the Centre.
 - iv. Neighbourhood Renewal and Asset Management will explore the options for the site (including refurbishment, social housing / sale options) and work with the Area Committee to ensure local needs are understood.
 - v. The Council will cover the costs of the outstanding utilities bill for the Community Association.

- vi. That the Council does not retain the member of Administrative staff as requested by the Association.
- vii. That a future report be submitted to Cowley Area Committee and the Executive Board setting out the findings of the options appraisal of the site.

Resource implications

- 14. There is currently no budget available within Neighbourhood Renewal to cover the costs of managing the Centre, or carrying out a full options appraisal of the site. These would be required from the Council's reserves.
- 15. The maximum cost of managing the centre until 1st April 2008 will be £36,407 in 2007/08. This will be required to cover rates, staffing and utility bills. This figure also covers the outstanding bar utility bill of the Community Association.
- 16. There is currently no clear policy in place regarding the Council paying community association debts. It is recommended that Officers investigate the development of a policy regarding the provision of support to voluntary and community organisations in debt. However, given the lack of clarity and the specific circumstances it is also recommended that the Council pay this debt on the Association behalf in order to facilitate a smooth transition.
- 17. It is considered that the introduction of the self assessment process VISIBLE will help community associations to avoid these types of circumstances in future.
- 18. These costs show a cost breakdown from 1st September 2007- 1st April 2008 and 1st September to 31st December 2007. Cost will substantially reduce if the Centre can be decanted in December 2007 and Officers will make every effort to do this and minimise expenditure. However Officers consider that as a contingency that adequate funding should be set aside to cover costs up until April 2008.

	7 months costs (1 September to 31 March 2008)	4 months cost (1 September to 31 December 2008)
Rates	£12,500	£7,000

Utilities (inc outstanding)	£11,600 £10,307 (currently owed by the Association)	£6,600 £10,307
Caretaker/officer	£12,100	£6,800
Sub total	£46,507	£30,707
Less income from rent	£10,100	£5,700
Total	£36,407	£25,007

19. Additional costs will be incurred to carry out a full and proper options appraisal of the site to ensure that the Council receives best value for money and that community needs continue to be met. Architects and surveyors fees have been estimated at £15,000 and professional fees have been estimated to be £5,000 to carry out this options appraisal.

Architect and Survey fees	£15,000
Professional fees	£5,000
Total	£20,000

20. This expenditure will enable the Council's capital asset to be more effectively used in the longer term and lead to improved value for money for the Council, or provide the Council with a capital receipt.

Recommendations

21. It is recommended that:

It is recommended that:

- A) Executive Board considers the comments made at Cowley Area Committee held on 1st August 2007 (set out in Annex 1).
- B) Executive Board endorses the actions set out in Paragraph 13 of this report.
- C) Executive Board recommends to Council to allocate £20,000 from balances to cover the costs of carrying out an options site appraisal on the Cowley Community Centre site 2007-08 only. This funding will be returned to the base budget if the site is disposed of.
- D) Executive Board recommends to Council to allocate a maximum £36,407 from balances to cover management cost of the centre and the payment of the Community Association's Utility Bill.

- E) It be noted that the payment of the utility bill is made without admission of any liability for sums owed and is made in the particular circumstances surrounding the closure of this community centre. No precedent is intended and no reliance should be placed upon that one off payment by any other organisation or individual in similar circumstances.
- F) Executive Board request that Officers investigate the development of a policy relating to the Council providing support for voluntary and community organisations in debt.

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Background papers: None.



COWLEY COMMUNITY CENTRE PROPOSED FUTURE MANAGEMENT ARRANGEMENTS

The Committee agreed having considered the report presented to it as urgent business which the Chair had approved as such:

(a) To recommend the Executive Board:

(1) To endorse the proposals and actions set out in paragraphs 14(a)-(f) of the report, subject to paragraph 14(c) being amended to include the establishment of a Steering Group which would include Members from the Cowley Area Committee, the Area Co-ordinator and other appropriate Officers, to work with Neighbourhood Renewal on exploring options for the site, which would include possible refurbishment, social housing, disposal of the site, provision of a City Council One-Stop-Shop, Community facilities etc.

[NOTE paragraph 14 of the report to Cowley Area Committee proposed that:

- a) Neighbourhood Renewal to take on the running of the facility from 31 August 2007.*
- b) Existing projects based on the site will be supported to find suitable alternative accommodation. It is anticipated that this will be completed by 1st April 2008. Each project will be required to enter into a legal agreement with the Council regarding their occupation of the Centre.*
- c) Neighbourhood Renewal will explore the options for the site (including refurbishment, social housing / sale options) and work with the Area Committee to ensure local needs are understood.*
- d) The Council will cover the costs of the outstanding utilities bill for the Community Association.*
- e) That the Council does not retain the member of Administrative staff as requested by the Association.*
- f) That a future report be submitted to Crowley Area Committee and the Executive Board setting out the findings of the options appraisal of the site.]*

- (2) *That it recommend Council to allocate a budget of up to £46,307 to cover the management cost of the centre for 2007/08 only.*
- (3) *That it recommend Council to allocate £20,000 to cover the costs of carrying out an Options Appraisal on the Cowley Community Centre site for 2007/08 only.*
- (4) *That it recommend Council that local community needs are identified and consulted on alongside a mapping exercise of current facilities which may be used by the community and that part of the Options Appraisal costs addressed this.*

b)

That it was not acceptable that Officers were directed to make statements, drafted by the Councils Strategic Management Board on a report that had already been approved by Senior Management Board Members for submission to the Committee, which substantially changed the recommendations contained in the report, which the Committee were being asked to consider, without the Committee being given sufficient notice of these proposed changes, prior to the statement being made at the Committee meeting.