

WIRRAL COUNCIL

CABINET

3 FEBRUARY 2011

SUBJECT:	COMMUNITY ASSET TRANSFER – GREASBY COMMUNITY CENTRE
WARD/S AFFECTED:	<i>GREASBY, FRANKBY, IRBY</i>
REPORT OF:	<i>DIRECTOR OF LAW, HR AND ASSET MANAGEMENT</i>
RESPONSIBLE PORTFOLIO HOLDER:	<i>COUNCILLOR HOLBROOK</i>
KEY DECISION?	<i>NO</i>

1.0 EXECUTIVE SUMMARY

- 1.1 This report seeks approval for a transfer by lease of Greasby Community Centre, Greasby, in accordance with the Council's Community Asset Transfer Policy.
- 1.2 The transfer will promote a number of the Council's Corporate Policies including: Increase enterprise and promote greater independence and choice.
- 1.3 There will be a small saving in the Council's budget as a consequence of this transfer.
- 1.4 The transfer is not a Statutory duty.

2.0 RECOMMENDATIONS

- 2.1 That a transfer by lease of the Greasby Community Centre be approved and the Director of Law, HR and Asset Management be authorised to complete the necessary legal documentation, on the terms set out in this report.
- 2.2 That the repair works, including the works to separate the two halls, and the transitional costs for the first two years of the business plan, be funded from the Community Fund.

3.0 REASON FOR RECOMMENDATIONS

- 3.1 Transfer of this building to its Joint Management Committee has previously been approved in principle by Cabinet, subject to detailed evaluation of its proposals.
- 3.2 The proposals for transfer submitted by the Greasby Community Centre Joint Management Committee are considered to show viability and sustainability following initial revenue support from the Council.
- 3.3 Greasby Community Centre is operated by a dedicated team of volunteers who take a very active role in the running of the centre, without direct staffing or

significant revenue from the Council. Consequently the financial savings to the Council as a result of a transfer in terms of annual running costs are low. Without this level of support from the team of volunteers, the running costs for the centre, whilst under Council control, would have been significantly higher. Additionally, following transfer, the Council will no longer have the responsibility for future repairs.

- 3.4 Whilst annual savings to be achieved by the transfer are low in pure financial terms, transfer will secure the viability and sustainability of this facility by a local group which has clear ambitions to develop the community benefits. A transfer is therefore recommended.

4.0 BACKGROUND AND KEY ISSUES

- 4.1 Cabinet, at its meeting on 15th January 2009, identified a number of facilities, including Greasby Community Centre, that should be transferred to community management, where the community expressed an interest.

- 4.2 Cabinet, at its meeting on 19th March 2009, approved the Community Asset Transfer policy. The policy sets out the mechanism to pass over the ownership and control of assets to community based groups and explains in detail the key principles and basis for transfer. The minute also resolved that Community Centres first be offered to the established and viable Joint Management Committees.

4.3 GREASBY COMMUNITY CENTRE

- 4.4 Greasby Community Centre is located in Greasby Village Centre, close to the Library, and is shown edged black on the attached plan.

- 4.5 The Centre is a purpose-built single storey community centre, and has been operated by the community for the last 25 years. The Joint Management Committee (JMC) has developed a range of services at the centre including:

Horticultural Society

Exercise Group

Ballet / Tap / Disco

Weight Watchers

Over 60s

Karate

Line Dancing

Sport Project

Rock Project

Greasby Outdoor Activities & Leisure

Youth Service

Private Hire – for functions, i.e. children's parties, birthdays etc.

4.6 TRANSFER PROPOSAL

- 4.7 The JMC of Greasby Community Centre wish to take a transfer of the community centre building from the Council and propose to establish the Greasby Community Centre (GCC), a Company Limited by Guarantee, to secure the transfer.
- 4.8 In order to satisfy the Community Asset Transfer process, the JMC has produced a five year business plan which has been assessed and is considered to be sustainable. However, in order to achieve a sustainable position, the business plan identifies the need for support in the first two years of operation, post transfer, to cover the operating deficit for the period. The business plan then shows that the Centre would produce a small profit in Year 3, rising again in Years 4 and 5.
- 4.9 An independent property condition survey of the Centre has been undertaken and identifies a number of items requiring repair. The most significant repairs relate to the external fabric, including roof and wall cladding, gutters and roof lights. It is proposed to address these main items by over cladding the existing cladding which will support the sustainability of the centre. In addition to the repairs, the JMC has requested that alterations be undertaken to enable separate access to the two halls of the building. These include alteration to the corridor, access to the kitchen area and additional storage. These works would enable the centre to manage the letting of the two halls in more productive manner and would assist greatly in its viability.
- 4.10 The Community Asset Transfer policy advises that the Council will not normally seek payment of rent under a lease from community based groups, unless substantial commercial use of buildings generates large profits in excess of the running costs of the property. However, the Council will normally expect community based groups to be responsible for the running costs of the building, including repairs, maintenance and all insurance. In light of the business plan and the community benefits described later in this report, the main terms of the proposed lease are as follows:
- Term: 99 years
 - Rent: Peppercorn
 - Liabilities: The lessee to be responsible for all outgoing and maintenance.
 - User clause: Community Activities
- 4.11 Members will be aware of the Council's obligation to obtain the best price reasonably obtainable on the disposal of its land and property. However, under the General Consent, the Council does have the power to restrict the value of land by imposing restrictions as to its use on the grounds that to do so is in the interest of the economic and / or environmental and / or social well being of the inhabitants of the Borough and provided also that any such restriction in value does not exceed two million pounds, per transaction.
- 4.12 COMMUNITY BENEFITS
- 4.13 The JMC has identified the following benefits which will arise after transfer:

The transfer:

- Will retain a locally managed facility, that will further build capacity and the empowerment of community members
- Will promote and increase the accessibility of local and mainstream services
- Will meet the needs and demands of the local community
- Will promote social inclusion
- Will improve a key community facility and services
- Will develop the capacity of local community groups and service providers to work in partnership to create an environment of positive engagement
- Will raise and meet local aspirations
- Will identify and address gaps in current service provision
- Will demonstrate best practice by providing accessible good quality services or activities that meet the needs of local people
- Will contribute to maximising the opportunity to positively change the 'neighbourhood' for the benefit of local people
- Will promote employability by creating a new post
- Will develop and maintain networks and links
- Will increase income

4.14 The members of the JMC have previously run the Greasby Community Centre for many years. It is the view of officers who have worked with the Committee that their proposals are very focused and dedicated to the local community.

5.0 RELEVANT RISKS

5.1 The business plan has been assessed and, with financial support in the first two years, is considered to show viability and sustainability. However, should the centre not achieve the income needed to produce the profits predicted from year three onwards, the centre would have difficulty operating. Under these circumstances the Council's Community Asset Transfer Policy advises that the Council will normally be willing to accept a transfer back of a building, without any payment or penalty, if the community based group no longer wishes to manage the facility. In these circumstances the building would then normally be sold on the open market, unless another community based group expressed an interest in its management.

6.0 OTHER OPTIONS CONSIDERED

6.1 The proposed transfer is in accordance with the resolution of Cabinet of 15 January 2009 which resolved that the facility should be transferred to community management, where the community expressed an interest. As the JMC is willing to proceed with a transfer, no other options have been considered.

7.0 CONSULTATION

7.1 The Joint Management Committee has received support from the Council in developing its proposals for transfer. As part of its business planning process the JMC has consulted with users and the community.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 8.1 The Joint Management Committee is a voluntary group. To satisfy the transfer process, it will form the Greasby Community Centre, a company limited by guarantee, which will employ part time staff to run the facility. The facility will however, still be reliant on voluntary support to continue to provide this community facility.

9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

9.1 FINANCIAL IMPLICATIONS

- 9.2 The Council will support use of Community Fund monies for a grant for the following items:

The repairs identified in the report, together with the additional works described, have an estimated cost of £42,000 (ex VAT) plus fees and contingencies.

The deficit in year one in the sum of £14,272 and the deficit in year two in the sum of £4,736 totalling £19,008 over two years.

- 9.3 The transfer of this asset on the terms described will result in revenue savings to the Council in running costs of approximately £200 per annum.
- 9.4 If the Council retained Greasby Community Centre it would have to address the Backlog maintenance estimated at £18,000 from its own resources. Future life cycle maintenance costs are estimated at £33,000 over the next 10 years, which the Council will no longer be responsible for after transfer.

9.5 STAFFING IMPLICATIONS

- 9.6 The JMC currently makes its own arrangements for cleaning and janitorial services. There are therefore no staffing implications arising directly from this report.

9.7 ASSET IMPLICATIONS

- 9.8 If the Council were to sell the property with vacant possession it could achieve a capital receipt. The actual amount would be determined by a marketing exercise, but would be expected to be in the region of £130,000.

10.0 LEGAL IMPLICATIONS

- 10.1 Approval of the recommendations will require the Council to prepare appropriate legal documentation to enable the transfer to proceed.

11.0 EQUALITIES IMPLICATIONS

- 11.1 The transfer lease will require the group to adhere to current legislation including equal opportunities.

11.2 Equality Impact Assessment (EIA)

- (a) Is an EIA required? Yes

(b) If 'yes', has one been completed? An assessment has been undertaken in respect of the wider Community Asset Transfer process. An assessment in respect of this transfer is currently being undertaken.

12.0 CARBON REDUCTION IMPLICATIONS

12.1 The works which will be funded by the Council as part of the transfer process will improve the energy efficiency of the building and reduce its carbon footprint. Post transfer, the company will need to operate the facility in a cost effective manner and will need ensure that energy bills are kept to a minimum.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 The site is part of the Primarily Residential Area annotated on the Unitary Development Plan Proposals Map. Any future use or development at the premises requiring planning permission would be assessed for compliance Policy RE10, which contains criteria to protect local amenity.

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APPENDICES

A location plan is attached identifying the building.

REFERENCE MATERIAL

Reference has been made to the Council's Community asset Transfer Policy which can be viewed through the Council's website.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet – Transforming Wirral	15 January 2009
Cabinet – Asset Management Update	19 March 2009