



REPORT TO EXECUTIVE

PORTFOLIO AREA: LEISURE, CULTURE AND HERITAGE

Date of Meeting: 12TH JUNE 2006

Public

Key Decision: No

Recorded in Forward Plan:

No

Inside Policy Framework

Title: DOWNAGATE COMMUNITY CENTRE
Report of: DIRECTOR OF COMMUNITY SERVICES
Report reference: CS23/06

Summary:

To respond to a motion from a full Council meeting on 3rd May 2005, requesting the Executive Committee to consider future funding for Downagate Community Centre

Recommendations:

Members are requested to consider the details in the report before making a decision on whether or not to agree to provide revenue funding towards the running costs of Downagate Community Centre, based either on the following options or any other appropriate action;

- a) Approve a grant and a supplementary estimate for the appropriate amount
- b) Do not approve any future revenue funding
- c) Approve a reduced grant for this year, taking the money from the Grants for Leisure budget and a further grant for future years to be accommodated by reducing the grants available to other Centre, bearing in mind the subsequent impact and implications that may have on those Centres' financial position as outlined in 3.5

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Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

1. BACKGROUND INFORMATION AND OPTIONS

- 1.1 At a meeting on 3rd May 2005, the Council agreed to a motion requesting the Executive Committee to 'allocate funding to Downagate Centre at Warwick Bridge on the same basis as money is made available to urban Community Centres in Carlisle'. (Min Ref C.66/05)
- 1.2 Subsequently, a grant of £10,000 was approved for the Centre (Exec Cttee 30.08.05, Min Ref EX.185/05), to enable the Trustees to appoint a temporary Development Worker with a brief to draw up proposals, after consultation with local residents, which outlined the potential for the future use and development of the centre.
- 1.3 Copies of the Development Plan, which includes some of the key points arising from the questionnaire and an estimated financial profile for the next 3 years, are attached for members interest, as Appendix A.
- 1.4 It is evident from the results of the survey, that there is potential to develop use of the Centre, particularly as the refurbishment work necessitated by the January 2005 floods, has resulted in a significant upgrading of the building which will make it more attractive and accessible to a wider range of users.

2. FINANCES

- 2.1 The limited use that the Centre has had in recent years has meant that they have relied heavily on football related activities in order to maintain an income stream to support the maintenance and upkeep of the building.
- 2.2. The Trustees understand that if the Centre is to develop further as a wider community resource which provide can provide the services and amenities required by local people, they must raise the level income.
- 2.3 This will only be partially achieved by increased use and there is a commitment to pursue other sources of income through grants etc.
- 2.4 The resolution approved by the Council on 3rd May 2005 requested that the Council should look at funding Downagate Community Centre in the same way that other Community Centres are funded.

- 2.5 The community centres are supported by way of an annual grant and the amount varies from centre to centre.
- 2.6 Members will be aware that the levels of funding for Centres are largely historic and based loosely on the requirement for paid staff input into the operational management and cleaning and a contribution to the running costs of the buildings. This was calculated on the size of the building and the amount of activity taking place in it.
- 2.7 The level of grant assistance was reviewed between 2002 –2004, during the process of the transfer of the Centres to Charitable Status and a system of grant aided funding rather than direct management and the levels of grant for each centre are considered to be appropriate to the levels of service they provide and their potential to develop those services using other 'external' income.
- 2.8 In addition to the grant, the Council holds a separate budget for repair and maintenance which is spent as appropriate on the essential maintenance of the buildings as Council assets.
- 2.9 Downagate has never been on the Council's asset register. The original Lease of Downagate Field was granted in March 1978. It was for a term of 30 years and during the term the residents or Trustees built the Downagate Community Centre. In 2001 the Trustees wished to obtain external funding and asked the Head of Property Services if the Lease could be surrendered and a new 30 year Lease be granted. On the surrender, the building became the property of the Council and the new Lease, which was completed in March 2002, was of Downagate Field and included the building. Under the term of the Lease the rent is £1 per annum and the tenants are responsible for all repairs and insurance.
- 2.10 The fact that the building is now included in the lease and technically in the ownership of the City Council is what makes the situation at Downagate different from other village/parish community buildings.
- 2.11 On average, the Council's contribution to the annual income of Community Centres, excluding maintenance, is around 45% of the total cost of running them. This can be evidenced from the Centres' annual accounts.
- 2.12 This often allows a small % to be put into a 'development fund' which enables the Centres to plan ahead for future improvements either to the renewal and maintenance of equipment and buildings or promoting new activities.

3. OPTIONS FOR FUNDING

- 3.1 If the Council was to support Downagate Community Centre at the same average level as the other Centres' (45% of running costs), based on the projected income and expenditure presented in Appendix A, that contribution would be around £10,500 per annum.
- 3.2 No accommodation has been made for this expenditure in this year's budget, so any decision to approve a grant would either require a supplementary estimate or authorisation to find the money from an existing source and this would clearly have an impact on whichever service or project the money was taken from.
- 3.3 As we are now well into this current financial year and some of the grant which we provided last year is still available to cover the Development Worker's post, if members do wish to approve a further grant, it would be possible to give a reduced sum this year of £5,000 taking the money from the Grants for Leisure Budget.
- 3.4 For future years, we could seek to adjust other Community Centre's budgets to accommodate a grant for Downagate.
- 3.5 This course of action may of course have implications for other Centres' finances, particularly in view of the recent hikes in gas prices which have significantly added to the running costs for community buildings, to an extent which could in fact jeopardise the financial stability of them.

4. CONSULTATION

- 4.1 Consultation to Date. Consultation carried out with Warwick Bridge residents
- 4.2 Consultation proposed. No further consultation anticipated

5. RECOMMENDATIONS

- 5.1 Members are requested to consider the details in the report before making a decision on whether or not to agree to provide revenue funding towards the running costs of Downagate Community Centre, based either on the following options or any other appropriate action;
 - a) Approve a grant and a supplementary estimate for the appropriate amount

- b) Do not approve any future revenue funding
- c) Approve a reduced grant for this year, taking the money from the Grants for Leisure budget and a further grant for future years to be accommodated by reducing the grants available to other Centre, bearing in mind the subsequent impact and implications that may have on those Centres' financial position as outlined in 3.5

6. REASONS FOR RECOMMENDATIONS

7. IMPLICATIONS

- Staffing/Resources – limited Council staff resources in supporting Centres trustees and staff
- Financial – the approval of a further recurring grant would require the approval of a supplementary estimate or the reallocation of existing resources. The approval to utilise resources in this way needs to be accompanied by an understanding of how this would link to the priorities set out in the Corporate Plan.
- Legal – details of the Lease arrangement relating to the Downagat Community Centre are specified in paragraph 2.8 of the report.
- Corporate – n/a
- Risk Management – an Annual Agreement will be completed, similar to the Council's Agreement with other centres, clearly outlining the division of responsibilities
- Equality Issues – additional financial support would undoubtedly enable the Centre to offer a wider base of activity to all sections of the community
- Environmental – n/a
- Crime and Disorder – the refurbishment of the centre should enable more flexible usage arrangements which will include providing more access to young people and consequently help reduce the level of nuisance around the building which is currently a major issue for residents.

RB/VH – updated 26th May 2006
Director of Community Services

Downagat Community Centre
Projected Income & Expenditure - 2006 - 2009

CS23/06 Appendix A

Expenditure	2006/7	2007/8	2008/9
Development Worker	£ 9,900.00	£ 7,410.00	£ 7,410.00
Cleaner	£ 3,750.00	£ 3,750.00	£ 3,750.00
Youth Provision	£ 2,500.00	£ 2,500.00	£ 2,500.00
Equipment Maintenance	£ 500.00	£ 500.00	£ 500.00
Building repair and maintenance	£ 2,000.00	£ 2,000.00	£ 2,000.00
Utility Costs	£ 3,700.00	£ 3,700.00	£ 3,700.00
Insurance	£ 1,200.00	£ 1,200.00	£ 1,200.00
Total	£ 23,550.00	£ 22,060.00	£ 23,560.00
Income			
Room/facility hire/functions	£ 6,000.00	£ 7,000.00	£ 7,500.00
Football and Income	£ 2,300.00	£ 2,300.00	£ 2,300.00
Grants and other income	£ 6,000.00	£ 5,000.00	£ 5,500.00
Total	£ 14,300.00	£ 14,300.00	£ 15,300.00
Shortfall	£ 9,250.00	£ 7,760.00	£ 8,260.00

