



Havering
LONDON BOROUGH

CABINET

26 October 2011

Subject Heading:

Cabinet Member:

CMT Lead:

Report Author and contact details:

Policy context:

Financial summary:

Is this a Key Decision?

REPORT

Community Halls managed by Culture and Leisure Services

Cllr Roger Ramsey
Cllr Andrew Curtin

Andrew Blake-Herbert

Mark Butler, Head of Asset Management
01708 432947

Mark.Butler@havering.gov.uk

Simon Parkinson, Head of Culture and Leisure Services

01708 432199

Simon.Parkinson@havering.gov.uk

Corporate Asset Management Plan

The four community halls directly managed by Culture and Leisure Services require significant investment in the region to enhance their current condition and to bring the buildings up to a standard that will encourage usage and help the Council achieve the centres' income targets. There is also a need to demolish the Old Windmill Hall. There is currently no provision in the Council's capital programme and very little prospect that the Council could secure external funding to address these investment needs. This report recommends the disposal of Dukes Hall which will reduce the capital investment requirement in that specific site and a proportion of the receipt realised from the disposal could be used to invest in other community facilities.

The recommendations included in this report will also help Culture and Leisure services achieve the Medium Term Financial Savings for Community Halls, as agreed by Cabinet in July 2011.

Yes

Is this a Strategic Decision? Yes
When should this matter be reviewed? October 2012
Reviewing OSC: Towns and Communities

The subject matter of this report deals with the following Council Objectives

Ensuring a clean, safe and green borough	<input type="checkbox"/>
Championing education and learning for all	<input type="checkbox"/>
Providing economic, social and cultural activity in thriving towns and villages	<input checked="" type="checkbox"/>
Valuing and enhancing the lives of our residents	<input checked="" type="checkbox"/>
Delivering high customer satisfaction and a stable council tax	<input checked="" type="checkbox"/>

SUMMARY

The Council retains four community halls which are under the direct management of Culture and Leisure Services, with the majority of other community halls having been transferred to community associations under a leasehold arrangement.

This report reviews the current condition, usage and distribution of the remaining facilities in order to make recommendations about their future retention, transfer or closure.

RECOMMENDATIONS

Members are asked to agree:

1. To the closure of Dukes Hall, as from April 1st 2012 and to delegate to the Lead Members for Value and the Lead Member for Culture, Towns and Communities authority to agree terms for its disposal.
2. To agree to demolish Old Windmill Hall now, to be initially funded from Capital Contingency, which will be reimbursed from the Dukes Hall receipt
3. In principle to a proportion of the capital receipt arising from the disposal of Dukes Hall being utilised to deal with urgent repair and maintenance issues at the New Windmill Hall and Tweed Way Hall, assuming that these two halls transfer to a community organisation under a Lease Agreement. To delegate the decision on the level of capital spend from the Dukes Hall receipt on alternative community halls managed by Culture and Leisure Services, to the Lead Member for Value and the Lead Member for Culture, Towns and Communities.

4. In principle to the transfer of the management of the New Windmill Hall to a community group or, in the event of this not proving possible, bring a further report back to Cabinet for consideration of subsequent options.
5. In principle to the transfer of the management of the Tweed Way Hall to a community group or, in the event of this not proving possible, bring a further report back to Cabinet for consideration of subsequent options.
6. To delegate decisions on all property matters associated with the transfer of New Windmill Hall and / or Tweed Way Hall, including the criteria for selecting the preferred voluntary group if more than one group expresses an interest in managing one of the halls, the selection of the preferred community group (s) and finalising lease terms, to the Lead Member for Value and the Lead Member for Culture, Towns and Communities.
7. In principle to protecting existing bookings at those community halls that transfer to a community group, to be set out in relevant agreements;
8. To the demolition of the Old Windmill Hall building given the danger it poses to people who might try to enter the site, subject to the Dukes Hall site being disposed of and to be funded from the associated capital receipt
9. To receive a further report on the option of disposing of the Old Windmill Hall site and adjoining land, to secure further investment in the New Windmill Hall facility for the purposes of leasing the building to a community group and surrounding facilities, in the context of improving the local environment and taking account of the setting of nearby listed buildings.
10. In principle to Cottons Hall being reopened when a Lease can be agreed with a suitable community organisation or, if this does not prove possible, to receive a further report on the future of the site.

REPORT DETAIL

1. Background and strategic context

- 1.1 As part of the Council's Asset Management Plan, strategic reviews are periodically undertaken for individual asset groups to challenge whether the existing asset base should be retained, or alternatively whether the opportunity can be taken to rationalise and/or release assets where Council ownership is no longer optimal.
- 1.2 This approach aligns to current government policy to streamline the public sector estate as promoted in the publication 'Leaner and Greener – Delivering Effective Estate Management' launched by the Secretary of State for Communities and Local Government.
- 1.3 The Council completed a review of all of its community halls in 2009. A decision on the future of the halls managed by Culture and Leisure was deferred pending a review of the Council's capital programme and consideration of any Medium Term

Financial Strategy (MTFS) proposals that might impact on the future of the community halls.

- 1.4 The Council's MTFS Financial Strategy, agreed by Cabinet on 13th July 2011, outlined a variety of savings proposals, including a projected saving of £60k in 2012/13, rising to £107k in 2013/14, resulting from a review of management arrangements for the community halls operated by Culture and Leisure services. A Culture and Leisure Services restructure report which will help secure the identified savings is currently out to consultation with affected staff and their trade union representatives. The consultation period does not come to an end until mid December 2011 and any alternative proposals will need to be fully considered. This means that the proposals included in this report are subject to the outcome of the consultation exercise that is currently under way.
- 1.5 The most recent Condition Surveys for the community halls managed by Culture and Leisure Services were conducted in 2007. Since then a lack of capital resources has meant that little work has been carried out to the halls and, in addition to outstanding works, there are now additional works that need to be undertaken. The table in 2.5 below sets out the investment needs for the four halls considered in this report.
- 1.6 It is the Council's experience in recent years that transferring the management of community halls cannot easily be achieved unless outstanding urgent investment needs are addressed prior to transfer. Therefore to achieve a successful transfer, in a timescale that ensures the MTFS revenue savings are achieved, it is considered essential to have capital funds available to deal with such urgent works. However, there are currently no capital funds available and little likelihood that the Council could secure external funding for this purpose; so there seems to be no alternative but to dispose of one of the halls to realise a receipt and use a proportion of that receipt to invest in the halls that are to remain open. If this strategy is not progressed there is a danger that Culture and Leisure's MTFS savings may not be achieved and, worse, levels of income would reduce further as a result of the buildings deteriorating further.
- 1.7 The Old Windmill Hall was closed in August 2007 due the very poor state of the building. Since then the building has been kept secure and no use has been made of the site. There is now a need to urgently demolish the building as it is beyond repair and posing a danger to anyone breaking in to the site. The building also contains asbestos in the roof which needs to be removed. The total cost of demolishing the building and dealing with associated issues is estimated to be £80k. There is no current budget provision available to cover these costs.

2. Current management arrangements

- 2.1 Management arrangements for Culture and Leisure managed community halls currently fall into two categories:

Category 1 - Community/Social Halls that are managed and controlled by the Council (including Culture and Leisure Services managed Halls);

Category 2 – Community/Social Halls that are leased to community groups at equitable rents.

2.2 A summary of community halls within Category 1 is set out in Appendix A. Council policy in recent years has been to transfer the management of many of the halls to local management committees by way of a leasehold agreement. In addition to empowering community ownership of these facilities, local management committees are able to seek charitable status, offering financial benefits in the form of business rate relief, plus the scope to bid for external funding (e.g. Big Lottery, Future Builders Fund) which the Council itself would be unable to access.

2.3 By retaining the freehold interest, the Council is able to retain control over the type of activities that can be offered to the local community, whilst protecting Council assets for future strategic decisions.

2.4 Culture and Leisure Services retains the direct management of four community halls; namely:

- Tweed Way Hall
- Dukes Hall
- Cottons Hall (currently closed for general community use)
- New Windmill Hall

2.5 The table below highlights the income performance vs. budget (2010/11).

	2010/11 Income Budget (£000)	2010/11 Actual Income (£000)
Tweed Way Hall	32	28
Dukes Hall	57	45
New Windmill Hall	59	49
Demolish Old Windmill Hall	N/A	N/A
Total	148	122

(Please note that the income figures are gross; in fact, there is currently a net spend at each of the three halls presently open).

Enhancing the condition of the three remaining halls (i.e. excluding Old Windmill) to an optimal condition for use by community organisations is likely to require a total investment in the order of £0.4m, for which no financial provision exists.

2.6 The existing users of the halls can be split into two broad categories – regular hirers and one off hirers. Regular hirers include pre-school provision through nursery provision at Tweed Way Hall and Dukes Hall, a Montessori school setting at Dukes Hall, dance clubs, over 50's clubs, flower arranging clubs, martial arts clubs and social societies. One-off hirers predominantly include weddings, parties and performances. A full list of all the regular hirers at each hall is included in appendix B.

2.7 Given the significant financial pressures facing the Council it will become increasingly difficult to invest in Council owned assets, whether it be to deal with urgent repair and maintenance issues or keep buildings up to a certain standard so that people want to continue to use them. One of the reasons why income levels at community halls have reduced in recent years and income targets have not been achieved is as a result of the declining state of the buildings. At the same time the Council needs to generate a level of capital receipts to be able to invest in high priority capital projects, which will be of benefit to the local community.

3. Spatial provision of community facilities

3.1 As part of the 2009 community halls review, the geographical spread of all community facilities in Council ownership across the borough was mapped, to give a spatial view of provision in different communities. Appendix C maps the coverage of community halls (Council managed and those let to community associations). The map identifies a concentration in the central and northern area of the borough whilst facilities for the south of the borough are more limited, although these will be enhanced by the new Rainham Library scheme which includes community facilities. Whilst there is generally a good spread of community/social halls across the borough, a number of these facilities cover similar catchment areas.

3.2 Beyond community halls themselves, there are numerous other leisure and recreational facilities which provide hall space, including churches, schools, sport centres and halls owned by voluntary bodies (eg the scouts).

3.3 In the light of the spatial review and the financial constraints facing the Council (limited capital funding to invest in the community halls), it is proposed that an overall strategy is developed that retains the majority of the Culture and Leisure managed community halls and includes the disposal of the site that is least needed in terms of spatial provision (ie Dukes Hall), to reduce the requirements for investment and results in a capital receipt to the Council that can be partly utilised to address the investment needs at the remaining halls.

4. Proposals

4.1 The following measures are proposed for the halls managed by Culture and Leisure Services.

New Windmill Hall

The building requires significant capital investment. It is proposed that the management of the hall is transferred to a community organisation, to achieve efficiency savings, or if this is not achievable then the hall should close. Either way, if the hall remains open a further report should be produced on options to develop the Old Windmill hall site, incorporating a small area of adjacent land, in order to provide a viable development site.

Cottons Hall

This hall is in extremely poor condition and has already closed pending a refurbishment or redevelopment proposal. The building is adjacent to another Council owned building which is leased to the rugby club, who also have access to the ground floor changing facilities with other football clubs. Discussions are ongoing with the Rugby Club and the Friends of Cottons Park regarding them potentially taking over management of the Hall under a leasehold agreement, in order to raise sufficient funding for investment in the facility, whilst retaining scope for broader community use. Possible commercial uses of the site have been explored, including discussions with the Primary Care Trust, but no viable proposition has been put to the Council at this point.

Tweed Way Hall

The building requires significant capital investment. It is proposed that the management of the hall is transferred to a community organisation, to achieve efficiency savings, or if this is not achievable then the hall should close.

Dukes Hall

Given the evidence of potential overlap with other facilities, combined with the need to secure capital receipts to invest in other Council priorities (including other halls); it is proposed that Dukes Hall is closed and the asset released for disposal. The opportunity can be taken to rationalise the site boundary to provide a more viable development site, although the impact on the adjoining park needs to be taken fully in to account. The decommissioning of Dukes Hall needs to be carefully managed to ensure the meals on wheels service continues to operate and existing users are given help to find alternative premises. Although the Council will provide as much support to groups as possible, there is no guarantee that suitable alternative facilities will be found for the groups that will have to vacate Dukes Hall.

By way of background, the Council acquired Dukes Hall in the late 1980s when an opportunity to purchase the land at a reasonable cost occurred, linked to the adjoining development of a retail store.

Old Windmill Hall

The building could potentially pose a health and safety risk at some point and ideally should be demolished as soon as possible.

Langtons Hall

There are no proposals in this report that impact on the management or usage of Langtons Hall, so the current arrangements will be retained.

- 4.2 Assuming agreement to the recommendations in this report the Council will need to manage a process which seeks to transfer the management of one or more halls to a voluntary organisation. There will be a need to establish a selection process which will need to include consultation with existing hirers / users, the advertising of the opportunity to take over the management of the Hall(s), the evaluation

criteria for selecting the preferred partner and the transfer arrangement that needs to be put in place should a transfer proceed.

REASONS AND OPTIONS

Reasons for the decision:

To provide a sustainable community halls infrastructure, ensure retained assets receive adequate investment and ensure that Culture and Leisure Services achieves its MTFS savings targets.

Other options considered:

Options have been considered for each of the four community halls that currently remain in the direct management of Culture and Leisure Services. The decision to retain, close or transfer management has, in each case, been based on a number of factors including condition, investment needs and proximity to other community facilities.

Retention of all four facilities within the Council's direct management is not considered to be a sustainable option, resulting in the decision to rationalise these assets, recycling the receipt from the disposal of some for the benefit of investment in others.

IMPLICATIONS AND RISKS

Financial implications and risks:

The proposals contained in this report will address the indicative investment needs that have been identified for the three halls directly managed by Culture and Leisure Services (excluding Cottons Park) and will also ensure that the Old Windmill hall is demolished. There is currently no provision in the Council's capital programme to address these investment needs.

It is proposed to close Dukes Hall (after 1st April 2012) and dispose of the site. It is proposed to demolish Old Windmill Hall now, in advance of the Dukes Hall receipt; funding will be via Capital Contingency, which be subsequently "reimbursed" from the Dukes Hall receipt.

The proposed disposal of Dukes Hall will reduce the overall investment need, The aim is to achieve the transfer of management of Tweedway and new Windmill Halls, and to aid this, to invest to a level to be agreed by Lead Members Value, and Culture, Towns & Communities – funded again by the Dukes Hall receipt, which is estimated to be in excess of the assumed spend.

For information, it is not general policy to ring fence receipts for specific purposes. This is because this will not necessarily reflect the Council's overall spending priorities, and also there may well be timing issues. Any additions to the Capital Budget currently require the approval of Cabinet and full Council.

The recommendations included in this report will also help ensure that Culture and Leisure Services achieves its MTFS savings targets of £60k in 2012/13, rising to £107k in 2013/14, as agreed by Cabinet in July 2011.

The main financial risk relates to a decision on the future of the halls being deferred, which will result in Culture and Leisure Services not being able to achieve its MTFS savings targets.

Legal implications and risks:

The operation of community halls by the Council is a discretionary activity which the Council can cease, but it needs to take account of the impact that any closure will have on users, particularly those with protected characteristics under the Council's equality obligations, in reaching a final decision on closure if it does not prove possible to find community groups to run the halls.

Negotiation of leases with community groups tends to be a protracted matter, in part because the groups are understandably wary of taking on liabilities, particularly repairing obligations and partially because of the decision making processes of voluntary groups. Completion of such leases by the 1st April 2012 would be unusual given past experience. However allowing groups to commence management without the lease in place is likely to result in the lease negotiation being even more protracted or possibly it never being completed which leads to future problems with the site.

Human Resources implications and risks:

The Human Resource implications directly associated with this report have been covered separately in a Culture and Leisure Services Restructure report that is currently out to consultation with affected staff and their trade union representatives. T

Equalities implications and risks:

A number of local community groups will be affected by the proposals contained in this report. The Council will be seeking to protect usage by existing user groups where a transfer takes place and, where a closure results the Council will help the groups affected to find alternative premises. All affected groups will be dealt with as equitably as possible in this regard.

An Equality and Fairness Assessment has been completed for the restructure report that is linked to Culture and Leisure Services' MTFS proposals, which includes an assessment of the impact on transferring or closing the Culture and Leisure community halls on staff and the local community. A further Equality Impact Assessment will be produced to ensure that the impact on current Dukes Hall users is minimised as far as possible.

No consultation has taken place with the users of the Culture and Leisure managed community halls as this could not be progressed until the recommendations in this report had been considered and decided upon.

An Equality Assessment has been completed for the proposed closure of Dukes Hall. This Assessment shows that parents and carers with children and older people will be particularly affected by the proposal. These affected groups, as well as all other groups currently using Dukes Hall, will be supported in trying to find alternative accommodation.

BACKGROUND PAPERS

Equality Impact Assessment

Appendix A – Schedule of Community/Social Halls managed by Culture and Leisure, Customer Services and Housing (Category 1 Halls)

Plan Ref	Property_Name	Leaseholder	Existing Management Responsibility
1	Cottons Social Hall	Not Applicable	Culture and Leisure
2	Tweed Way Social Hall	Not Applicable	Culture and Leisure
3	Dukes Hall	Not Applicable	Culture and Leisure
4	New Windmill Hall	Not Applicable	Culture and Leisure
5	Langtons Gardens	Not Applicable	Customer Services
6	Betty Strathern Centre	Not Applicable	Housing
7	Betty Whiting Centre	Not Applicable	Housing
8	Haydock Close Social Hall	Not Applicable	Housing

Appendix B – Existing Use of the Culture and Leisure managed halls

<u>Dukes Hall</u>	
Weekly	Time
Parklane play group (Mon/Tues/Wed/Thurs/Fri)	09:15 – 12:15
Hylands Senior Citizens (Mon)	13:45 – 15:45
Upminster old time modern (Wed)	13:30 – 16:00
Tap Dancing club (Wed)	20:00 – 23:00
Emery school of dance (Thurs)	20:00 – 23:00
Funky Voices (Mon)	20:00 - 22:30
Kaizen Ryu Karate (Sat)	10:30 – 12:30
40 + club (Tues/Wed/Fri.)	various times
Slimming world (Mon)	18:30 – 20:30
Slimming World (Tues)	09:00 – 11:00
Montessori (Mon - Fri.)	09:00 – 16:00
Once a month	
Keyboard society (Thurs)	19:00 – 23:00
National blood service (Fri)	12:30 – 21:00

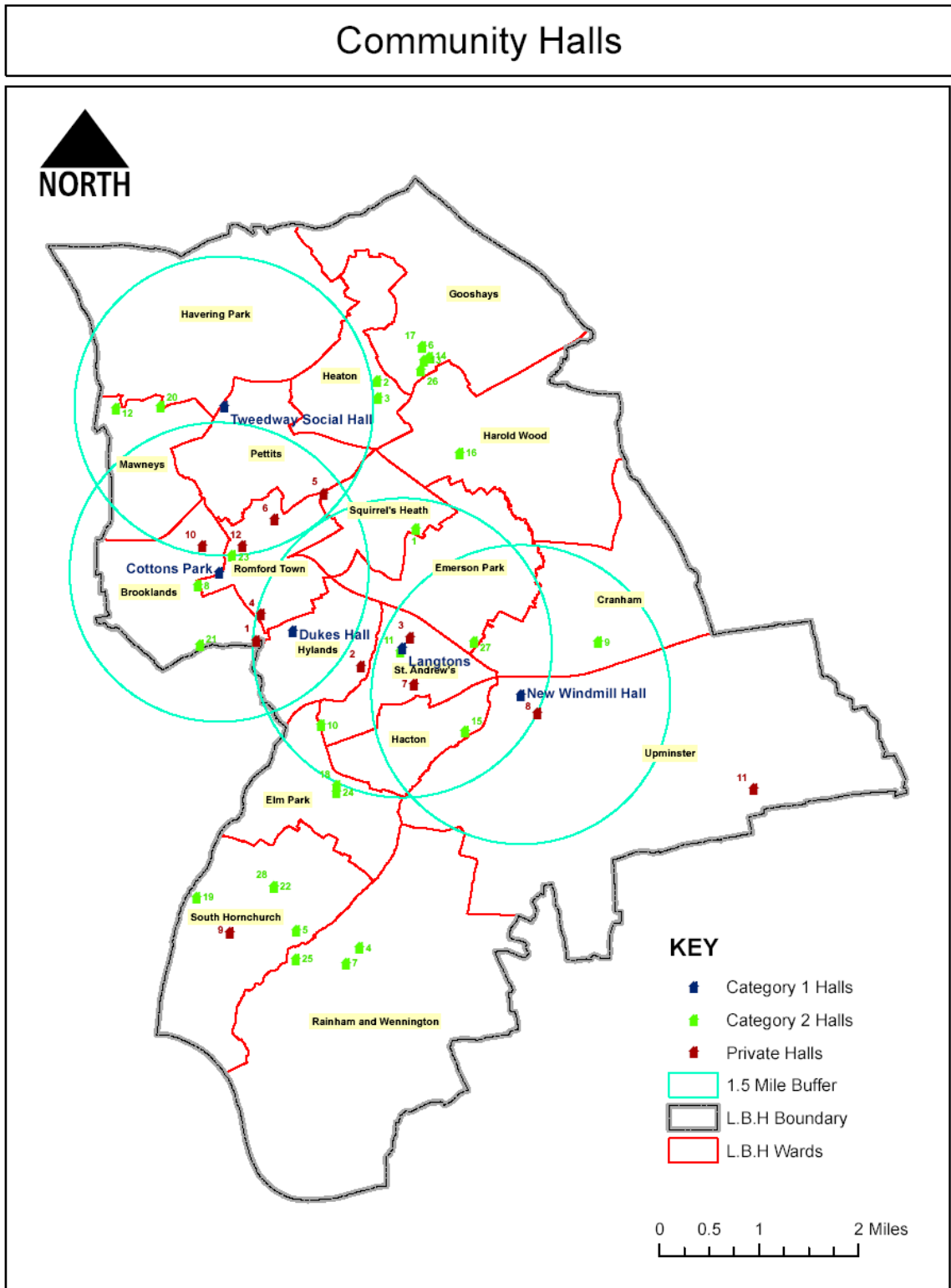
<u>New Windmill Hall</u>	
Weekly	Time
New Horizons (Mon)	19:30 – 23:00
Pilates (Wed/Thurs)	09:00 – 12:00
Tea Dance (Thurs)	13:00 – 15:30
Ballet (Thurs)	16:00 – 19:00
Upminster old time modern dance (Thurs)	19:30 - 22:30

Church of God (Sun)	10:00 – 11:00
Tumble Tots (Fri)	09:00 – 12:30
Once a month	
Scrabble Club (Tues)	19:00 – 22:30
Fine Arts (Tues)	09:30 – 12:30
Dance classes (term time)	13:00 – 15:00 and 19:30 – 22:30
Upminster Horticultural society (Tues)	19:15 – 22:15
Upminster Floral Art (Wed)	18:30 – 23:00
Bubbles (Sat)	20:00 – midnight
National Blood Service (Fri)	12:30 – 21:00
East Anglian Railway (Wed)	19:00 – 22:00
Three times per year	
Options (Sat)	19:00 – midnight

<u>Tweed Way</u>	
Weekly	
Pilates	09:15 – 10:45
Lisa Glead (Mon/Tues/Thurs/Sat)	Various
Per-school (daily)	09:00 – 15:00
Weight Watchers (Mon)	18:30 – 20:30
Weight Watchers (Tues)	09:00 – 11:00
Wynne School of Dance (Wed)	15:30 – 20:00
Towns Women Guild (Wed/Thurs/Fri)	Various
Modern Sequence (Thurs)	19:45 – 22:15
Royal Ambassadors Church (Sat)	11:00 – 13:30

Three times per month	
50+ sports club (Tues)	19:30 – 22:30

APPENDIX C – Distribution of Community Halls and other community facilities.



Appendix C Notes

In the map included as Appendix C, the circles are 3 miles in diameter. This means approximate travel times from the edge of the circle to the hall (1.5 miles) of approximately:

- 6 minutes by car travelling at an average speed of 15 mph.
- 30 minutes by foot at an average walking speed of 3 mph

The map shows that two halls fall individually within the 1.5 mile radius of two other category 1 halls. These are:

1. Dukes Hall (Langtons and Cottons Park Hall)
2. Langtons (Dukes Hall and New Windmill Hall)

Cottons Park Hall falls just outside of the “influence” of Tweed Way Social Hall and Langtons. However, it is within Dukes Hall’s area of “influence”.

The Category 1 Hall provision falls primarily in the west and north-west of the borough with southern and north-east areas particularly far from the current provision.