

MIDDLESBROUGH COUNCIL

EXECUTIVE REPORT

Community Services Review | Langdon Square Community Centre

Deputy Mayor and Executive Member for Resources

Executive Director of Children, Families and Learning

9 July 2012

PURPOSE OF THE REPORT

1. This report seeks approval to progress the asset transfer of Langdon Square Community Centre to the Centre's existing management committee.

SUMMARY OF RECOMMENDATIONS

2. That the 2012/13 Budget decision to withdraw subsidy from the Langdon Square Community Centre is formalised using the asset transfer process.

IF THIS IS A KEY DECISION WHICH KEY DECISION TEST APPLIES?

It is over the financial threshold (£150,000)
It has a significant impact on 2 or more wards
Non Key

X

DECISION IMPLEMENTATION DEADLINE

For the purposes of the scrutiny call in procedure this report is:

Non-urgent
Urgent report

X

BACKGROUND AND EXTERNAL CONSULTATION

Background

3. The Mayor's budget proposals for 2012/13 included withdrawing the subsidy to Langdon Square Community Centre. The management committee are keen to take over the running of the Centre and a plan for withdrawal of the subsidy over a three-year period has been drawn up in agreement with them.
4. As the withdrawal of subsidy will result in a Council building being run separately from the Council, the legal position requires clarification. It is therefore proposed to utilise the Community Asset Transfer process in this instance.
5. This would result in a long-term lease, based on a sustainable business case, and would bring the centre in line with other similar centres that are already in this position, e.g. Breckon Hill Community Centre.
6. As the existing management committee have already proposed to take over the running of the centre, it is not proposed that it is listed for Expressions of Interest for CAT from other parties.

Next steps and timescales

7. If approval to proceed were received, the business case would be prepared in July and presented to the Committee in August 2012.

IMPACT ASSESSMENT

8. The Community Asset Transfer process has been subject to a Stage 1 Impact Assessment. No negative differential impact on diverse groups and communities is anticipated from the implementation of the process.

OPTION APPRAISAL/RISK ASSESSMENT

9. Do nothing – the withdrawal of funding from Langdon Square was announced by the Mayor as part of last year's budget so this is not an option.
10. Offer the building for asset transfer – this option was rejected as the existing management committee are keen to take on the running of the centre and have been working with officers on a plan for withdrawal of subsidy since the Mayor's announcement.

FINANCIAL, LEGAL AND WARD IMPLICATIONS

Financial implications

11. The business case will detail the Council's three year tapering subsidy to assist the centre in becoming self-sustaining.

Legal implications

12. None at this stage. If the business case proves to be sustainable, approval would be sought for the Council to sign a 25-year lease with the management committee, should the recommendation to proceed be approved.

13. In addition, a funding agreement would be put in place to cover the initial three-year subsidy, plus the notional rent for the term of the lease. This agreement would make provision for the Council to review terms on an annual basis, if required.

Ward Implications

14. This Centre within Coulby Newham Ward. Its transfer would secure a valuable community facility within this ward for the medium to long-term.

RECOMMENDATIONS

15. That Executive Sub-Committee for Property approves the formalisation of the withdrawal of subsidy at Langdon Square Community Centre using the Community Asset Transfer process.

REASONS

16. To contribute to a robust VCSE sector and to maximise savings in relation to the Council's withdrawal of services from Langdon Square Community Centre.

BACKGROUND PAPERS

- None

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