

Community Initiatives
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Report

Subject : Capital and revenue implications for the use of 58 Pinewood Way, Bemerton Heath, as a community centre/youth club

Report to : Cabinet

Date : Wednesday 26 March 2008

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Cabinet Member for Community Initiatives: Councillor B E Dalton

1. Report Summary:

Cabinet is asked to approve the use of 58 Pinewood Way, Bemerton Heath, as a community centre and youth club having considered the full capital and revenue financial implications.

2. Background:

- 2.1 It is proposed that the building at 58 Pinewood Way, Bemerton Heath (known as 'The Lighthouse'), be refurbished to provide premises for a community centre/youth club for use by the community of Bemerton Ward and other interested parties.
- 2.2 The project would include the total refurbishment of the building, both ground level and first floor, and would include modifying the premises to make it compliant with the Disability Discrimination Act 1995 (DDA), Health and Safety regulations and enhancement of the security of the building.
- 2.3 The use of the refurbished premises would be available to the Bemerton Heath Residents Association (BHRA). Further usage of the community centre will be at the disposal of any other interested party or group.

3. Decisions already taken:

- 3.1 The Cabinet resolved on 17th January 2008 that it agreed in principle the use by the Bemerton Heath Residents' Association of 58 Pinewood Way, subject to a report providing the full capital and revenue financial implications and the management of the project being brought to a future Cabinet meeting.



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- 3.2** The City Area Committee (Planning) agreed on 21st February 2008 to allocate £37,800 from developers' funds (s106 agreement) to Community Initiatives for the refurbishment of 58 Pinewood Way.
- 4. Capital Financial implications:**
- 4.1** There are no further capital implications for this project. The proposal is to refurbish the existing building at a cost of £37,800, the sum allocated to the project from developers' funds.
- 4.2** There may be opportunities in the future to extend and expand the existing building.
- 5. Revenue Financial implications:**
- 5.1** The proposal has revenue financial implications. The estimated costs of running the community centre are at annex A. The costs have been based on the budget allocated to the Bemerton Heath Neighbourhood Centre (BHNC), adjusted where appropriate, and total £13,880 per annum.
- 5.2** In addition to the running cost there is a loss to the Housing Revenue Account of £8,500 per annum which is the current estimated lease for the former shop and flat.
- 6. Management implications:**
- 6.1** It is proposed that the Council remains the owner of the building and has responsibility for the maintenance of the fabric of the building subject to a formal legal agreement with the BHRA. This is based on the management arrangements already in place at the BHNC.
- 6.2** The BHRA will be responsible, subject to a formal legal agreement with the Council, for delivering activities and services from the community centre.
- 6.3** It will not be the responsibility of the management staff of the BHNC to deliver the services and activities planned for the community centre/youth club therefore there will not be a requirement for additional SDC staff.
- 7. Consultation Undertaken**
- 7.1** One of the overriding views that came out of the large scale consultation with the community of Bemerton during the compilation of the Ward Plan for Bemerton 2007-2010 was the lack of provision for young people in the ward and the absence of a central community centre in which to hold a youth club. Over one quarter of the community (25.8%) are under the age of 16 years yet facilities for this group are lacking in Bemerton ward.
- 7.2** The establishment of a community centre/youth club is featured prominently in both the Culture and Leisure and the Young People action plans which are incorporated in the Ward Plan. This action was prioritised by the community to take place 'soon', i.e. within the next 2 years.
- 7.3** For several years the BHRA has striven to identify and establish a community centre/youth club within the ward but numerous proposals have been unsuccessful. On 29th November 2007 the BHRA voted to request of SDC that it lends its support to the project by offering the use of 58 Pinewood Way as a venue for a community centre/youth club.
- 8. Recommendation:**
- 8.1** It is recommended that Cabinet having considered the full capital and revenue financial implications approve the use of 58 Pinewood Way, Bemerton Heath, as a community centre and youth club.

9. Background Papers:

9.1 Bemerton Ward Plan 2007-2010. www.salisbury.gov.uk/bemerton-ward-plan.pdf

9.2 Minutes of the SDC Cabinet meeting held on 17th January 2008. (minute 129).
www.salisbury.gov.uk/council/committees/cabinet/meeting.htm?date=2008-01-17

9.3 Minutes of the SDC City Area Committee (Planning) meeting held on 21 February 2008. (Not yet available as at 26 Feb 08)

9.4 Bemerton Heath Residents Association Development Plan 2007/2010 dated Dec 2007. (Document available at BHNC)

10. Implications:

Financial : The revenue costs associated with this project can be financed through existing budgets in the Housing Revenue Account and General Fund

Legal : Independent advice should be obtained on the terms of any disposal/grant of an interest to BHRA including the value of any concession.

- BHRA must not be allowed use without first having entered into formal written arrangements with the Council so as to avoid creating any informal legal rights.
- The Council is required by section 123 Local Government Act 1972 to obtain the best price reasonably obtainable when disposing of or granting any interest out of its property assets unless subject to limited exceptions it obtains the consent of the Secretary of State. However the General Disposal Consent [England] 2003 enables the Council to dispose of or grant an interest out of a property asset at an undervalue for social economic or environmental well being purposes without the Secretary of State's consent provided the undervalue does not exceed £2 million.
- Any disposal/grant at an undervalue will need to comply with state aid rules. The Council would need to be satisfied that BHRA will perform complementary public services and that any undervalue does not exceed the costs in carrying out those services.
- In the event that the value of any disposal/grant of an interest to BHRA exceeds £100,000 or the total value of all disposals/grants backdated to 01.01.2007 exceeds £100,000 any disposal/grant is potentially subject to control under the Local Government and Public Involvement in Health Act 2007. Under the Act it is open to the Secretary of State to issue a direction that any controlled disposal/grant requires consent in the absence of which it would not be enforceable against any new Wiltshire authority.

Human Rights : In the absence of a formal policy for the dealing with the occupation of council assets by non commercial undertakings the Council could be open to criticism of discriminatory behaviour whenever it deals with requests such as these on an ad hoc basis

Personnel : None.

Community Safety : Meets proposed action in Crime and Community Safety Action Plan of Bemerton Ward Plan to reduce anti-social behaviour on Bemerton Heath.

Environmental : None

Council's Core Values : Community Involvement; Social Inclusion.

Equalities : None

ICT : None

Wards Affected : Bemerton Ward.

Bemerton Heath Community Centre/Youth Club Revenue Requirement

Code	Description	Budget Amount	Notes
Employees Costs			
100BEM	Salaries	1,920	Costs of part time cleaner
	Total Employee Costs	1,920	
Premises Costs			
210BEM	Window Cleaning	240	
213BEM	Other Cleaning	1,660	
220BEM	Electricity	1,500	
222BEM	Gas	350	
230BEM	Insurance Premiums	200	
240BEM	Maintenance	500	
250BEM	NNDR	1,430	46.2p in £ on £3,100
282BEM	Security Services	1,100	
290BEM	Water	160	
	Total Premises Costs	7,140	
Supplies and Services			
400BEM	Equipment Purchase	500	
434BEM	Printing Internal	500	
439BEM	Stationery	450	
451BEM	Postage	320	
456BEM	Telephones	500	
461BEM	Hospitality	300	
499BEM	Miscellaneous	750	
	Total Supplies and Services	3,320	
Central Support costs and depreciation			No CSR charges
651BEM	Depreciation	1,500	On property value £75K
	Total CSR's and Depreciation	1,500	
	Grand Total	13,880	