

MAYOR AND CABINET			
Report Title	Community Assets Changes		
Key Decision	Yes	Item No.	
Ward	Bellingham, Brockley, Sydenham, Lewisham Central, Telegraph Hill, Evelyn, Forest Hill		
Contributors	Executive Director for Community Services, Head of Law		
Class	Part 1	Date:	11 September 2013

1. Summary

- 1.1 The key challenge facing the Council with regard to asset management is rationalisation to ensure a fit for purpose stock of buildings to meet future service delivery requirements and to reduce resources. This report proposes the closure of six community assets, which are under-used and deemed surplus to requirements.

2. Recommendations

- 2.1 It is recommended that the Mayor:

- Agree the closure of the following six community assets:
 - Bellingham North Community Centre, from 1 March 2014
 - Sydenham Hill Community Hall, from 1 November 2013
 - Hillcrest clubroom, from 1 October 2013
 - Slaithwaite community flat, from 1 October 2013
 - Sector J club room, from 1 October 2013
 - Trinity Tenants Hall, already closed
- Note the following change in use of a community asset:
 - 82 Tanner's Hill

3. Policy Context

- 3.1 The Strategic Asset Management Plan 2011-14 outlines how the Council's asset base is used to provide citizens with access to high quality local services as set out in the Sustainable Community Strategy.
- 3.2 Lewisham has a strong history of working with the third sector and empowering residents and communities. The Sustainable Community Strategy sets out the Lewisham Strategic Partnership's commitment to creating a borough that is:
- Empowered and Responsible: where people are actively involved in their local area and contribute to supportive communities

This is also reflected in Lewisham's corporate priority:

- Community leadership and empowerment: developing opportunities for the active participation and engagement of people in the life of the community.

3.3 Lewisham is fortunate to have a strong and thriving third sector which ranges from very small organisations with no paid staff through to local branches of national charities. The third sector includes charities, not for profit companies limited by guarantee, faith organisations, civic amenity societies as well as social enterprises. A number of these organisations use the council's assets to help deliver their services.

4. Background

4.1 The Council's asset management programme is working towards delivering the following key benefits:

- council assets are better aligned to current and future service needs
- more efficient and environmentally sustainable buildings within the corporate estate
- reduction in maintenance backlog and increased proportion of buildings in good condition
- savings in running buildings in the corporate estate

4.2 The key challenges facing the Council with regard to asset management is the process of rationalisation. This has become critical in light of reduced public spending and a need to ensure that the Council's assets are fit for purpose to meet future service delivery requirements.

4.3 The Council's annual revenue spend on its operational corporate estate of circa 125 buildings is approximately £9m. Recent condition surveys and an ongoing review of data held on buildings in the corporate estate suggest that many of the buildings are in poor condition with high planned preventative maintenance (PPM) and response repairs. The survey shows that a significant number of buildings are non-Disability Discrimination Act (DDA) compliant requiring significant investment to make them compliant.

4.4 The first phase of the asset rationalisation programme was set out in the Mayor & Cabinet 22 February 2012 report, and outlined the need for the Council to take a critical look at its assets. This report committed to making £1m savings from the corporate estate between 2012-14. The report also committed to a second phase of rationalisation, details of which are being developed currently.

4.5 There are 40 available council owned community premises in the borough, the majority of which are small estate based centres. In addition there are a number of community facilities within shared use buildings i.e. Downham Health & Leisure Centre, Deptford Lounge and Leemore Community Hub. There are also a large number of community facilities that are not owned or managed by the Council e.g. social clubs and church halls that add to the picture of community facility provision in the borough.

- 4.6 Nearly half of the Council owned community premises were found to be red (“buildings surplus to service requirements or in poor condition thus recommended for disposal”) in a building review undertaken in 2010, with an estimated total 5-year condition costs of £6.6m. This high condition cost demonstrates that serious consideration needs to be given to the rationalisation of these premises, but that need has to be balanced with service delivery need. The current average annual expenditure on the community centre portfolio is approximately £679k.
- 4.7 Mayor & Cabinet in February 2012 agreed the closure and disposal of Parker House; and the closure and disposal of a further two empty premises: 28 Deptford High Street and 106 Wells Park Road. The six community assets set out in this report form a second stage of rationalisation of the community assets portfolio.

5. Community Asset Changes

- 5.1 **Bellingham North Community Centre**, 15 Bellingham Green, SE6 3HB. This centre is directly managed by the Council, but is not a council owned asset. It is leased from the United Reform Church. The 10 year lease came to an end in June 2013 and the Council is currently holding over. The building is considered surplus to requirements as it is under utilised and there are better community resources located close by. There is currently one occupant of the building – African Family Project (AFP) – as well as ad hoc private bookings. Notice will be given to the landlord to relinquish the lease, with a closure date of 1 March 2014. The Council would have no further involvement in the building thereafter. Support will be given to AFP to suggest alternative premises that they may be able to re-locate to, including our own directly managed buildings and those operated by others (e.g. Bellingham Leisure & Lifestyle Centre).
- 5.2 **Sydenham Hill Community Hall**, adjacent to Eddisbury House, SE26 6TT. This hall is relatively under-used and in close proximity to The New Generation (TNG), a brand new £3.5m youth centre in Wells Park Road. The hall is owned and directly managed by the Council. Current occupants are Happy Days Nursery, Lewisham & Kent Islamic Supplementary School, and Sydenham Seventh Day Adventist Church as well as ad hoc private bookings. It is proposed that the hall is closed from 1 November 2013, whilst the Council considers options for its future use. This will include discussions with the relevant housing providers about the need and demand for community facilities in this area going forward, and potential asset transfer. Advice will be given to the current occupants about alternative venues they may be able to use; and adequate notice given.
- 5.3 **Hillcrest club room**, 80 High Level Drive, SE26 6XP. Like Sydenham Hill this club room is deemed as surplus to requirements. It is very under-used and is also very close to TNG. It is owned and directly managed by the Council. There is one occupant left in the building – Christ Chapel - and notice has been given to vacate by the end of August. It is proposed that the club room is closed from 1 October, whilst the Council considers options for its future use. This will include discussions with the relevant housing providers about the need and demand for community facilities in this area going forward, and potential asset transfer.

- 5.4 **Slaithwaite community flat**, 98 Slaithwaite Road, SE13 6DB. This community flat is owned and directly managed by the Council. It is largely under-used, and very close to Leemore Community Hub which offers larger and better quality facilities. There is one occupant left in the building – Lewisham Church of Christ – and notice has been given to vacate by the end of August. It is proposed that the community flat is closed from 1 October, whilst the council considers options for its future use. This will include discussions with the relevant housing providers about asset transfer in the first instance.
- 5.5 **Sector J club room**, 29 Gately House, Coston Walk, SE4 2JF. This club room is owned by the Council but managed by a premises management organisation, Forman House Management Group. This group is closing and relinquishing the building. The club room is under-used and close to the much larger Honor Oak Centre which also has capacity. There are a couple of users of the club room, Foreman House PMC bingo session which has been investigating options to move to the Honor Oak Centre; and one church – Redeemed Christian Church of God. The management group has given notice to this user group. The club room will be closed from 1 October, at which point the Council will consider options for its future use. This will include discussions with the relevant housing providers about asset transfer in the first instance.
- 5.6 **Trinity Tenants Hall**, Evelyn Street, SE8 3LS. This building closed in spring 2011 following limited use for some years prior to this. This was due to inactivity of the Trinity Tenants & Residents Association premises management committee. The building had also fallen into disrepair. It is proposed that the hall remains closed whilst the Council considers options for its future use. This will include discussions with the relevant housing providers about the need and demand for community facilities in this area going forward, and potential asset transfer.
- 5.7 **82 Tanners Hill**, SE8 4PN. 82 Tanners Hill is a shopfront unit within the Tanner's Hill estate. The recent occupants, Capture Arts, vacated the property on 5 July 2013. Lewisham Homes, supporting the Tanner's Hill Tenants & Residents Association (TRA), want to develop the unit into a community hub and are investing funds into refurbishing the interior alongside Brockley Assembly funding awarded to the TRA. Lewisham Homes will take the property on, either on a tenancy at will or lease, in the short term with a view to transferring the asset at a later stage. The building will not close and is included in this report for information only.

6. Financial Implications

- 6.1 The income for each of the community assets proposed for closure is set out below, based on 2013-14 figures:

	Income 2013/14
Bellingham North Community Centre	£2,793.00
Sydenham Hill	£21,021.84
Hillcrest clubroom	£3,096.00
Slaithwaite community flat	£2,004.60
Sector J club room	£0*
Trinity Tenants Hall	£0**
Total	£28,915.44

* Income from this building was collected by the PMC

** No bookings have been taken on this building since 2011

6.2 The expenditure for each of these community centres, based on 2012-13 figures is as follows:

	Bellingham North Community Centre	Sydenham Hill Community Hall	Hillcrest Clubroom	Slaithwaite Community Flat	Sector J Clubroom	Trinity Hall
Repairs & maintenance General	1,067.67	122.62	98.29	209.76	841.28	
Repairs & maintenance Contract	250.00	291.20	3,227.71			
Planned preventative maintenance	6,189.63	2,528.32	2,555.32	634.99	6,538.35	1,975.64
Security						4,814.92
Health & Safety Works	946.45	662.82	662.82	166.48	1,714.09	517.93
Electric	2,751.99	1,896.23	2,990.09	1,422.22	41.61	37.88
Gas	5,551.51	4,205.20	1,873.15		37.43	
Rent	17,500.00					
Service Charge						
Rates			877.50			
Metered Water			936.14		226.41	202.76
Refuse (Recharge)	1,489.49	744.74	804.23			
Alarm lines						
TOTAL	35,746.74	10,451.13	14,025.25	2,433.45	9,399.17	7,549.13

6.3 The total expenditure costs in the table above are £79,604.87. On closure of these buildings, corporate asset service have advised that the only ongoing cost will be the rates. This means that the net expenditure saving is approx £79k p.a.

6.4 In addition to this expenditure the Community Resources service have a small minor repairs budget and the costs associated with the running of these centres – administrative functions undertaken by the Grants & Information Team; and day to day running of the centres by the caretakers. The closure of these buildings will reduce the number of buildings looked after by the caretakers. This, alongside the closure of Parker House, will enable the delivery of savings already agreed within the community premises budget, including the deletion of a vacant post.

6.5 Taking the total income for these buildings as £29k and the expenditure as £79k; there will be an overall saving to the council, per annum, of £50k. In addition, there will be further savings to the community premises budget as outlined in 6.4 above.

6.6 Based on the current budget structure the Community Services budget will have a budget pressure of £29k while Resources & Regen budgets will show a saving of £79k. However budgets will be adjusted between Directorates so that the impact is cost neutral for Community Services with Resources & Regen showing the net saving.

7. Legal implications

7.1 The Localism Act includes a 'general power of competence'. This gives local authorities the legal capacity to do anything an individual can do that is not specifically prohibited.

7.2 Section 3(1) of the Local Government Act (1999) (LGA 1999) places a duty upon the Local Authority to make arrangements to secure continuous improvement in all of its services, having regard to a combination of their economy, efficiency and effectiveness.

7.3 The Localism Act 2011 includes provisions that may impact on asset management, in particular, the Community Empowerment provisions relating to the Community Right to Challenge and Assets of Community Value.

7.4 The Right to Challenge enable voluntary and community bodies, charities, parish councils or public sector employees delivering the service, to express an interest in running a local authority service. Where it accepts an expression of interest, the local authority must carry out a procurement exercise for the running of that service. This exercise will inevitably need to include arrangements in respect of any assets from which the service is delivered or which are otherwise required in connection with the service.

7.5 The Assets of Community Value provisions provide an opportunity for local community groups to bid to buy buildings or land which are listed by the local authority as "assets of community value". The impact of these provisions is that there can be no "relevant disposal" of a building which has been listed until the process set out in the Act has been followed. The landowner is required to notify the Council of the proposed disposal which the Council is then required to publicise. There is then an interim moratorium period of 6 weeks whilst local community groups decide whether or not they wish to prepare a bid. If any group notifies the Council that it does wish to be treated as a potential bidder, there is then a full moratorium period of 6 months (during which no disposal can take place) to enable a bid to be prepared. Following the expiry of the full moratorium period, there is no obligation on the landowner to actually dispose of the asset to a group which has submitted a bid. The landowner will simply consider it alongside any other bids received. If a disposal (to any person) does not take place within the protected period of 18 months from the date the landowner first notified the Council of the proposed disposal, the process has to be commenced again before any disposal can take place. These provisions apply to the Council's assets, as well as those of private landowners and clearly they may impact on any proposals to dispose of relevant assets which come out of the Asset Rationalisation Plan, should the Council receive an application for listing of any property as an asset of community value.

- 7.6 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.7 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - advance equality of opportunity between people who share a protected characteristic and those who do not.
 - foster good relations between people who share a protected characteristic and those who do not.
- 7.8 The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 7.9 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at: <http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>
- 7.10 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:
1. The essential guide to the public sector equality duty
 2. Meeting the equality duty in policy and decision-making
 3. Engagement and the equality duty
 4. Equality objectives and the equality duty
 5. Equality information and the equality duty
- 7.11 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: <http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

8. Crime and Disorder Implications

8.1 There are no crime and disorder implications arising from this report.

9. Equalities Implications

9.1 The implementation of the proposed closure of six community assets as set out above has given rise to the need to consider the equalities implications on service users.

9.2 The following paragraphs outline the potential impacts of the proposed closure of these buildings on the protected characteristics of Lewisham residents.

9.2.1 **Age.** The proposed closure of Bellingham North Community Centre and Sydenham Hill is likely to have a disproportionate impact on young people. This is because some of the regular user groups provide services for young people and children; Happy Days nursery and Lewisham & Kent Islamic Supplementary School at Sydenham Hill; and African Family Project at Bellingham North Community Centre.

9.2.2 **Disability.** The proposed closures are unlikely to have any adverse impacts.

9.2.3 **Gender.** The proposed closure of Bellingham North is likely to have a disproportionate impact on women as the majority of users of the African Family Project are women.

9.2.4 **Gender reassignment.** The proposed closures are unlikely to have any adverse impacts.

9.2.5 **Marriage & civil partnership.** The proposed closures are unlikely to have any adverse impacts.

9.2.6 **Pregnancy & maternity.** The proposed closures are unlikely to have any adverse impacts.

9.2.7 **Race.** The proposed closure of all the buildings is likely to have a disproportionate impact on race. A number of the regular user groups provide services to particular communities; for example the Lewisham & Kent Islamic Supplementary School at Sydenham Hill. In addition there are a number of churches who use these buildings, who have predominantly black congregations.

9.2.8 **Religion & belief.** The proposed closure of Sydenham Hill, Hillcrest, Slaithwaite and Sector J is likely to have a disproportionate impact on religion and belief. Church groups use space at each of these buildings on a regular basis.

9.2.9 **Sexual orientation.** The proposed closures are unlikely to have any adverse impacts.

9.3 In proposing the closure of these buildings officers are confident that there is potential space for these affected groups in alternative premises either in the vicinity or within the borough. Reasonable support and assistance is and will be provided to all groups to aid their transition before closure.

10. Environmental Implications

10.1 There are no environmental implications arising from this report.

11. Conclusion

11.1 The Council's assets play an important role in supporting the community to access services. Rationalisation of community assets is necessary to achieve savings and ensure a fit for use stock of buildings that meets need over the coming years.

Background Documents

None

If there are any queries on this report please contact Petra Marshall, Community Resources Manager, 020 8314 7034.