1. Purpose of Report

1.1 The purpose of this report is to outline how the newly adopted framework for using the council’s assets to support the voluntary and community sectors will be implemented and to seek approval for the implementation plan.

2. Recommendations

The Mayor is recommended to:

2.1 approve the implementation plan as outlined in section 5 and detailed by category in Appendix A, B, C, and D.

2.2 agree for further consultation on proposed closures and redevelopments to take place and the outcome to be reported back to Mayor and Cabinet prior to implementation.

2.3 agree the amendment to the Community Asset Transfer Framework as outlined in Section 8 and Appendix E.

3. Policy Context

3.1 Lewisham has a long history of working with the third sector and empowering residents and communities. The Sustainable Community Strategy sets out the Local 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.

3.2 This is reflected in Lewisham’s Corporate Priorities:

- **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 diverse third sector which ranges from very small organisations with no paid staff through to local branches of national charities. As well as being directly involved in delivering services to citizens...
in the borough, third sector organisations also provide the essential infrastructure to allow the sector as a whole to develop and support individual citizens to be able to play an active role within their local communities.

4. **Background**

4.1 Currently the Council supports a number of VCS organisations to access certain facilities (i.e. Council owned assets). There are currently 50 Council assets within the community premises portfolio including 23 community centres, 3 sports grounds and 24 buildings housing VCS organisations. In addition there are other properties that house VCS organisations that are not part of the community premises portfolio but are within the Council’s estate.

4.2 Across these assets occupancy levels vary greatly, though the average of approximately 30% occupancy within the community centres portfolio, shows that there is real potential to manage usage more effectively. Additionally there are currently a wide range of different lease and management agreements for occupants. This situation is potentially inequitable for organisations and makes the management and maintenance of these assets more complicated.

4.3 As part of the Council’s fundamental review of all its budgets, it has been looking at the costs of maintaining its range of assets and the potential income that these assets could generate for the Council that could be used to fund other services. In order to release substantial revenue savings and therefore safeguard frontline service delivery, the Council is in the process of reducing the number of its public buildings. This work has already commenced with the transfer of staff working in the Catford complex into Laurence House, and the changed use of the Town Hall.

4.4 In April 2015 Mayor and Cabinet considered the outcome of a three month consultation with the voluntary and community sector on a new framework for the council’s use of assets to support the sector. This framework was agreed by Mayor and Cabinet and sets out four categories for VCS assets as follows:

- **Sole occupancy of a building (not at full market rate)** – This would be a building, wholly or predominantly utilised by one VCS organisation. In order for an organisation to have sole occupancy of a building it would need to demonstrate a need for specialist facilities that could not be provided elsewhere and/or within a shared facility. The organisation would need to demonstrate that it can’t afford full market rate. The organisation would also need to be delivering services that meet our priorities.

- **Voluntary and Community Sector Hub** – This would be a shared building with all inclusive affordable rents. This would be the preferred category for organisations that are providing services that meet our priorities (and cannot demonstrate the need for specialist facilities above). The Hubs will provide office and meeting space. Activity space where appropriate and possible may also be provided, otherwise this would need to be hired elsewhere.

- **Community Centre** – This would be a neighbourhood based facility with activity space that is predominantly geared towards providing services at a neighbourhood level. Community Centres currently have a range of different terms and conditions, some are on full repairing leases, some directly provided and others managed by Premises Management
Organisations (PMOs) but with Repairs & Maintenance provided by the Council. Many community centres are currently underutilised and we would be looking to rationalise the number of centres taking into account what other community facilities are available in the area. As the number of centres is reduced we would work to reduce the overall financial burden to the Council and put in place equitable arrangements across the portfolio.

- **Sole occupancy of a building at full market rate** – This would be for larger VCS organisations that can afford to pay full market rates, for those that are not delivering services that meet our priorities or for organisations that are delivering services that meet our priorities but that do not wish to be housed within one of the VCS hubs. These organisations would still be able to access buildings (where available) on the Council’s standard letting terms and conditions.

### 5 Implementation Plan

#### 5.1

Following the adoption of the framework the next step was to develop an implementation plan to demonstrate the impact of the framework on the existing portfolio of community premises. The following principles that were agreed as part of the framework were used to guide the development of the implementation plan:

- Demand for subsidised space will always outstrip the available resources and it is therefore essential to have a process for allocating support that is open and transparent.
- Lease and hire arrangements should be equitable.
- Council Assets used by VCS organisations need to be fully optimised to ensure the Council is achieving best value for its’ residents.
- The overall cost to the Council of assets used by VCS organisations should be reduced in order to release savings.
- The model for the use of Council assets to support VCS organisations in the future should allow some flexibility for changing needs.
- The model should support the Council’s partnership approach
- Enabling VCS organisations to access Council assets is a way of supporting the sector.
- The model should help the sector to help themselves by optimising the use of their resources.

In addition the following factors have been considered in developing the implementation plan:

- Usage levels
- Other facilities in the locality – details of the mapping are included at appendix F
- Impact on council’s ability to meet its statutory duties
- Existing lease arrangements
- Potential for redevelopment
- Potential for shared use
- Condition of the asset

#### 5.2

The Implementation Plan is a live document that sets out the proposed way forward for each of the buildings within the Community Premises Portfolio. The plan spans three years and will be reviewed and updated during this
period. There are further council owned assets used by the VCS that have not been included within the implementation plan. This is largely where a VCS organisation is in a contractual arrangement with the council and the assets form part of the contractual agreement and there is no plan at this stage to change the arrangement.

5.3 The Implementation Plan is split into the four framework categories. The first of these categories is specialist assets that are being used to deliver priority services and where the VCS occupation is subsidised by the council. Assets that fall into this category include community libraries, some sports facilities, an adventure playground and two arts facilities. Organisations in this category are predominantly on peppercorn leases but have full responsibility for maintaining the asset. The two arts facilities do not currently have leases in place and have their repairs and maintenance provided by the council. It is proposed to seek to negotiate lease agreements with the current occupants along similar lines to others in this category. A list of the assets and VCS organisations that fit within this category is available at Appendix A.

5.4 The second category is voluntary and community sector hubs. There will be two main hubs in the borough in New Cross and Lewisham Town Centre. In addition the council will continue to work closely with Phoenix Housing in relation to the existing space at the Green Man and the new space being developed at Fellowship Inn. The hubs will offer facilities for a mix of users including vulnerable adult day service users. They will also provide desk spaces for VCS groups with an all inclusive rent and meeting rooms, informal break out space and consultation booths. At the heart of each hub will be a shared public space with WIFI, community information and break out spaces for informal meetings and for individual users to relax. A number of organisations have already agreed to move to the new hubs and further space will still be available to offer flexible workspace for groups in the future. A list of organisations planning to relocate is attached at appendix B. A number of other organisations that currently operate from dedicated buildings are also being encouraged to consider moving to a hub in order to reduce costs and facilitate better partnership working. These are also listed in appendix B.

5.5 The third category is community centres. These are neighbourhood based facilities with activity space that should be predominantly geared towards providing services at a neighbourhood level. Many of these buildings date from the 1960s and 1970s and were designed with the needs of that period in mind. In rationalising this category the intention is to focus resources on sustaining a smaller network of centres across the borough and where the opportunity arises to redevelop centres to make them more relevant to today’s needs. There are 24 buildings in this category. The proposal is to retain 7, re-provide a further 6 in partnership with registered social housing providers or as part of a school redevelopment, designate 3 for nursery provision and close 7. It is also proposed to retain community space on the site of Goldsmiths Community Centre either the current building or as part of a mixed used development of the site dependent on the outcome of the current condition survey and further local consultation. In addition a new community space will be created at the Sydenham Centre as a result of changes to the council’s Day Services, see section 6.1. Details of the buildings are contained in Appendix C. For those buildings that are being retained as community centres there will continue to be a level of subsidy with the current arrangements around repairs and maintenance and rent levels
being maintained. The overall cost of the community centres portfolio to the council will be reduced through the reduction in the number of centres.

5.6 The fourth category is buildings housing VCS organisations on full market rates. A number of organisations have opted to stay in this category rather than move to a shared hub. If in the future an organisation decides that it wishes to reduce its premises outgoings then where possible a move to a shared hub would be facilitated. In addition Lewisham Opportunity Pre School will be asked to formalise their occupation of the site on similar terms to other nurseries occupying council premises. The buildings and organisations in the category are listed in appendix D.

5.7 There will continue to be a number of different approaches to the management of community premises. These are detailed below:

- Directly managed buildings: in the first instance the new hubs will be directly managed by the council and some of the community centres will continue to be directly managed. The council will be looking to the use of new technologies to ensure the most efficient management of these spaces learning from countries such as Denmark where communal public space is often unstaffed and people take individual responsibility in respecting and maintaining the space for the whole community. Specifically this model works on a card entry or fob system linked to an online booking portal. Similar schemes already running in the UK include those offered by Pure Gym (the UK’s largest commercial Gym operator), LTA Parks Tennis and Zipp Car.
- Premises Management Organisations: this is where the council has a management agreement with a community organisation to manage a community centre. A number of these agreements are in place. These will be reviewed and updated to ensure that they are still relevant but the general principles will continue with the council being responsible for the repairs and maintenance and the community organisation ensuring that the centre is managed to meet the needs of the local community.
- Leases: leases with individual voluntary and community organisations will continue to be used. The terms of the lease may vary dependent on the individual circumstances but some principles such as not requiring a guarantor will be applied to all VCS leases.

6. Wider Council Context

6.1 Day Services

6.1.1 This report intertwines with that detailing the remodelling of Day Services within the Borough (entitled ‘Response to the Consultation on Remodelling Lewisham Council’s Day Service Offer and Associated Transport including Evening Club Provision’ which is also being considered at Mayor and Cabinet on 15 July 2015)

6.1.2 Specifically the future use of the Day Centres is key to how the Council can effectively look to better utilise Council Buildings and help VCS organisations share space and back office functions and provide more joined up services.

6.1.3 The Council is looking to re-configure how 3 of the current Day Centres function to create 2 Voluntary and Community Sector Hubs (at Mulberry and
Leemore) and a new Community Centre (at the Sydenham Centre), their associated ‘Visions’ are detailed below.

6.1.4 The vision for the Leemore Centre - A Voluntary and Community Sector ‘Advice and Information’ Hub in the heart of the Borough: Focussed around Advice and Information the building will be re-united to provide a comprehensive hub with a particular focus around Advice and Information led by the Lewisham Citizens Advice Bureau, who would relocate to the centre as would Voluntary Action Lewisham to sit alongside existing VCS organisations including Contact a Family and Lewisham Community Transport. The building will provide a new welcoming public space incorporating a functioning café/kitchen which will provide for all service users and user groups within the building as well as the public. As well as this public space, there will also be shared space for VCS organisations and current service users to cross-populate and bring life to the building, as well as core space for office working and services for people with learning disabilities. In the first instance the building will be managed by the council’s community premises team with VCS organisations that are based there acting as hosts to ensure a welcoming and inclusive environment is created.

6.1.5 The vision for the Mulberry Centre – A key Voluntary and Community Hub in the north of the Borough: Offering extensive core accommodation for a raft of VCS organisations alongside dedicated space for the Challenging Needs Service. Further activity space will be available for use by people with learning disabilities and their providers as well as the VCS organisations. A number of internal and external public spaces will also help enliven the centre, serviced by the kitchen area and extensive Wifi throughout the building. The centre will be managed in the first instance by the council’s community premises team with VCS organisations that are based there acting as hosts to ensure a welcoming and inclusive environment is created.

6.1.6 The vision for the Sydenham Centre – A new Community Centre for Sydenham: This building will become a vibrant community space in the heart of Sydenham. Featuring a mix of local organisations including the Sydenham Society and Sydenham Arts and will have a core offer focussed around Dance and Physical movement activities, and healthy eating. Again there will be a welcoming public space to draw the local community and users together, alongside shared activity space and core space for office workers and for people with learning disabilities and their service providers. Again this building would initially be managed via the Community Premises team with VCS organisations that are based there acting as hosts to ensure a welcoming and inclusive environment is created.

6.2 Strategic Housing

6.2.1 The global financial crash in 2009 and the subsequent recession in the UK have had a dramatic impact on people’s lives. There has been significant pressure on our residents’ resources and their ability to keep pace with the rising cost of living. The problems of economic instability, unemployment, precarious employment contracts and stagnating wages have been exacerbated by rapidly rising house prices and rents. In Lewisham the average house price has trebled over the last 20 years.

6.2.2 On top of this the current unprecedented squeeze on public finances combined with the significant reduction in Government grant for affordable
house building has led to a crisis point in terms of housing supply and demand.

6.2.3 This is nowhere more clearly illustrated than by the fact that in Lewisham over the last five years the number of households in temporary accommodation has increased by 76%. The lack of affordable homes in the private sector means that there is less movement out of social housing and consequently the number available to re-let to new tenants has decreased by 53% over the same period.

6.2.4 To deal with this housing crisis the Council has embarked on an ambitious programme to deliver 500 new affordable homes by 2018. To achieve this despite the constrained financial situation means that, more than ever, the Council needs to look to use our assets efficiently to provide the most good for the community. One way of doing this is to look at how underused community facilities can be redeveloped into new social housing schemes.

7. **Timetable**

7.1 The plan spans three years as some of the proposals are dependent on redevelopment that will take some time to come to fruition. It is intended that the implementation plan is reviewed annually to ensure that it is on track and takes into account any local changes.

7.2 Additional consultation will be taking place where a closure or redevelopment of a community centre is proposed. The outcome of this consultation will be reported back to Mayor and Cabinet before those proposals are implemented.

7.2 Where there is significant change proposed to a building such as a new lease or closure, at least 3 months notice will be given but in many cases the lead in will be substantially longer than this. The council will be working with Voluntary Action Lewisham to produce a protocol for building closures that clearly lays out what steps the council will take during the closure including possible formal action and what support is available to groups to find alternative accommodation.

8. **Community Asset Transfer**

8.1 A Community Asset Transfer framework was adopted by the council in July 2008. In practice within Lewisham Community Asset transfer has taken the form of long leases of 25 years or more at less than best consideration. The current framework has supported a number of transfers since 2008 including Crofton Park, Sydenham and Grove Park libraries and Abbotshall Playing Fields. It is intended to continue our commitment to using community asset transfer when a suitable opportunity arises but recognising that assets can also be liabilities for voluntary and community sector organisations and that there are competing urgent demands on the councils assets. The majority of the framework is still relevant however some amendments are proposed to better reflect the current restrictions on council resources. It is proposed that asset transfers will only be considered where they achieve one or more of the following:

- Safeguard a priority service that may otherwise be lost. A priority service is defined as a service currently delivered directly by the council or funded through contract or main grant aid.
Facilitate shared more efficient use of assets by VCS organisations

The transfer must also deliver value for money by:

- Creating efficiency savings. The overall combined cost of the service and asset to the council should not be greater post transfer.
- Levering external investment to the borough.

In addition there are a number of other tests relating to the potential use of the asset for other council priorities such as social housing and schools places, as well as the condition of the building and the ability of the VCS organisation to effectively manage the asset in the future.

8.2 The full framework that will be used to assess the suitability of any asset transfer is contained at Appendix E.

9. Financial Implications

9.1 This report seeks approval for the implementation plan for the newly adopted framework for using the council’s assets to support the voluntary and community sectors.

9.2 Current spend is incurred through a mixture of utilities costs, repairs & maintenance and grants, partially offset by income from rents and lettings. The proposals are expected to reduce net expenditure through a combination of (i) a reduction in the number of buildings in the portfolio (ii) reduced subsidies to organisations using the buildings and (iii) increased income. These savings will be monitored throughout the implementation period.

9.3 The report also seeks approval for an amendment to the Community Asset Transfer Framework as outlined in Section 8 and Appendix E. Any proposed transfers will be the subject of individual reports and specific financial implications will be set out at that point.

10. Legal Implications

10.1 Under S1 of the Localism Act 2011 the Council has a general power of competence to do anything which an individual may do unless it is expressly prohibited.

10.2 The giving of support to voluntary organisations is a discretionary power which must be exercised reasonably taking into account all relevant considerations and ignoring irrelevant considerations.

10.3 Under Section 123 of the Local Government Act 1972, the Council is required to obtain best consideration for the disposal of its assets. Any disposal at less than best consideration requires Secretary of State’s consent. This includes the grant of any lease for longer than 7 years. The requirement does not apply to the grant of a lease for less than 7 years. However, the Council is still required to act reasonably in agreeing lease terms and to have regard to its fiduciary duty to the Council Tax payers. The proposed approach is designed
to ensure that where a building is let other than at a market rate, this will be justified by the delivery of services that meet the Council’s priorities.

10.4 The Council will only be able to require existing organisations in Council assets to be moved to the new model or relocated where the Council is legally entitled to terminate the existing occupancy arrangements or agreement is reached on a voluntary basis.

11. **Equalities Legislation**

11.1 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.

11.2 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.

11.3 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.

11.4 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/](http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/)

12. **Crime and Disorder Implications**

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

13. **Equality Implications**

13.1 There were concerns raised by a number of respondents about the potential impact of the implementation of the proposed approach on some communities in particular African and African Caribbean communities. It was raised that
consideration would need to be given to the impact on different protected characteristics as part of the implementation plan. Particular concern was raised about the impact on older people by Lewisham Pensioners Forum.

13.2 An Equalities Impact Assessment has been produced and the impact on individual protected characteristics of the implementation of the new policy approach to using Council assets to support the voluntary and community sectors has been assessed – Appendix G.

13.3 When considering the impact of the proposed plan across the nine protected characteristics, the two main areas for concern were the impact on older and younger people, and those from the BME community. However, having considered the mitigation and demographic profile of the borough alongside alternative local facilities the impact on these groups is not felt to be negative, and indeed if the hub model and re-provision of buildings through partnerships with housing providers is successful then long term there will be a positive impact.

13.4 Overall, the spread of facilities that are being proposed, alongside the new ways of working and alternative hireable spaces the implementation plan is considered to be fair and equitable.

14. Environmental Implications

14.1 Many of the current portfolio of community premises are not energy efficient. Where new premises are being provided higher levels of energy efficiency will be achieved.

Background Documents

None

For further information please contact Liz Dart, Head of Culture and Community Development on 020 9314 8637 or liz.dart@lewisham.gov.uk