

HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
29 November 2011

Subject: **COMMUNITY ASSET TRANSFER HAMBLETON FORUM**

**All Wards
Scrutiny Committees
Cabinet Member for Leisure and Health: Councillor P Wilkinson**

1.0 PURPOSE AND BACKGROUND:

1.1 The purpose of this report is to appraise Members of the progress made towards transferring the management of the Hambleton Forum to a community group.

2.0 DECISIONS SOUGHT:

2.1 To ratify informal guidance given previously to the Forum User Group.

2.2 To confirm answers to questions raised by the Forum User Group to help inform its business planning.

3.0 BACKGROUND:

3.1 Representatives of users of the Hambleton Forum have established a Forum User Group (FUG) which has been looking at the feasibility of the management of the Forum transferring to a voluntary organisation.

3.2 This work progressed to a stage such that a public consultation exercise was held in July which aimed to do three things:-

- a) Raise public awareness of the proposals.
- b) Recruit more volunteers.
- c) Establish any concerns or opportunities raised by the public

3.3 The results of this public consultation were a general agreement with the direction of travel; a list of issues, both concerns and opportunities; and 30+ volunteers putting themselves forward for various roles.

3.4 FUG has also undertaken a considerable amount of research, has developed a detailed project plan, and has begun to develop a business plan. A progress report from FUG is attached as Annex A and the project plan at Annex B in the form of a Gant Chart.

3.5 Annex A at section 2 outlines the parameters that the business plan due to be finalised in the new year, is currently based upon. These being responses received informally from Cabinet following a briefing in May. Cabinet is asked to confirm these.

3.6 Annex A also contains a table which raises further questions to which FUG requires a response to further shape its business planning. These are contained at section 4 of Annex A, along with proposed Hambleton District Council responses.

3.7 FUG will further develop its business plan and it is anticipated that a draft will be ready by to submit to Cabinet in January 2012.

4.0 LINK TO CORPORATE PRIORITIES:

4.1 This report links to the Council's financial strategy in so far as it will reduce the council's revenue costs in the medium to long term.

5.0 RISK ASSESSMENT:

5.1 Risk in approving the recommendations

There are no significant risks associated with approving the recommendations

5.2 Risk in not approving the recommendations

The risk in not approving the recommendations is that FUG will be unable to complete its business planning.

6.0 SUSTAINABILITY IMPLICATIONS:

6.1 In the short term the impact on sustainability will be neutral. FUG in the longer term will most likely seek to reduce running costs by improving energy efficiency or through application of micro generation technologies.

6.2 Social effects will be neutral as the intention of the transfer is to retain the services currently provided by the Forum.

7.0 FINANCIAL IMPLICATIONS AND EFFICIENCIES:

7.1 Best value will need to be demonstrated. A valuer's report should be obtained to show that leasing the Forum to a volunteer led organisation is the best value option for the Council.

8.0 LEGAL IMPLICATIONS:

8.1 The Council will need to develop a management agreement to be entered into with FUG. This will provide a framework to monitor that services for the community are retained as anticipated and contain appropriate recovery clauses to allow the Council to regain control of the management of the Forum should circumstances require it.

8.2 A lease will also be required which is tied into the management agreement. Given FUG may require a 20 year lease to be able to attract capital funding the Council should contract out of the Landlord and Tenant Act 1954 to avoid issues with security of tenure.

9.0 SECTION 17 CRIME AND DISORDER ACT 1998:

9.1 There are no issues relevant under the Section 17 Crime and Disorder Act 1998.

10.0 EQUALITY/DIVERSITY ISSUES:

10.1 The Council's approach to equality and diversity would transfer to the new management organisation.

11.0 RECOMMENDATIONS:

11.1 It is recommended that:-

- (1) Cabinet acknowledges the strong and positive partnership that has been formed with FUG and recognises the positive progress made to date;
- (2) Cabinet confirms informal guidance previously given as set out in section 3 of Annex A;
- (3) Cabinet responses to FUG questions are as set out in section 4 of Annex A.

DAVID GOODWIN

Background papers: None

Author ref: DRG

Contact: David Goodwin
Assistant Director
Direct Line No: 76147

Forum Users Group (FUG)

Progress Report October 2011

1 - Background

Hambleton District Council has been asked to explore the community asset transfer of Hambleton Forum. The process began by involving Councillors Peter Wilkinson and Brian Phillips in meetings with representatives of user groups. The rationale for transfer to community management is that it will allow the Council in the current economic climate to reduce its revenue costs whilst retaining the service provided by the Forum. FUG was formed to explore the potential of the Forum being managed by the community in a financially sustainable manner.

2 - Progress to Date

Since the last briefing to Cabinet in May, FUG has continued to meet and develop the project and has made good progress. A small group of FUG members formed a steering group which undertook a series of visits to other facilities in Yorkshire, facilities already successfully being operated under community management. This helped to demonstrate the task in hand is achievable and provided valuable information on what had worked well and what had proven difficult in other facilities.

A period of public consultation was then undertaken jointly by HDC and the FUG Steering Group. This allowed public opinion on a number of questions to be canvassed. As part of this consultation a public meeting was held to which the wider community was invited to come and ask questions of the Council and of FUG. Save for one or two detracting comments the meeting was very positive and showed a growing sense of ownership of the project by the public and the members of FUG. The information from the public meeting and the consultation will be utilised in the business planning.

The consultation and public meeting also set out to recruit volunteers to be involved in the management and general operation of the Forum. This recruitment process will continue throughout the period until management is transferred to the community but already a list of 35 names have been collated of people prepared to volunteer to help. Of these around 12 are prepared to be a part of the management of the facility. This is in addition to those members of the FUG Steering Group some of whom may also form a part of this group.

A series of FUG Management Group meetings have been held. The first was to allow the FUG Steering Group members to share the information they had gathered since the beginning of the process. The second meeting focused on determining what the purpose of the Forum should be. The purpose agreed is stated as:

“The Forum should be a multi-purpose facility for the local community, both as a high quality letting space and as a manager of innovative events. Future success depends on effective customer relationships and a new level of marketing and publicity”

A sub group of the Management Group met on September 14th to begin the business planning process. A first key step is to undertake market research. Data on the competition is being collected and a series of interviews are to be arranged with customers with the intention of collecting all of this information together by mid October.

In tandem with the market research, work is continuing on the financial modelling and the people/staffing aspects of the Forum. Work undertaken on the finances so far has made FUG aware of the significant financial challenges that need to be addressed in the business plan.

Cabinet set FUG a series of deadlines. The first was to provide a progress report to Cabinet in October, this document is intended to serve this purpose. The second was to provide Cabinet with a business plan in December. Though business planning work has commenced and a business plan

will be submitted to Cabinet on December, the plan submitted may only be the current iteration at that point and not the final version.

The third deadline set was to transfer management of the Forum to a community based organisation on 1st April 2012. FUG are still working towards this deadline though it sees the key objective of this process as providing an effective transition to community management on the earliest practicable date.

3 - Parameters and Issues

The work to date has raised a number of questions some of which were addressed in a response to the briefing note to Cabinet in May. The responses which set the parameters for the business planning are summarised below.

- HDC will retain the asset of the building and responsibility for all structural maintenance.
- FUG will be responsible for internal decoration, fixture, fittings and equipment. An inventory of all this to be agreed prior to transfer.
- The car park will not form part of the transfer.
- Potential for longer stay options in the car park and the effect of night time charges to be covered in the business plan.
- £6k budget to be provided to assist with development of the business plan and the establishment of a new organisation.
- Alterations to the building could be possible subject to consultation with and agreement of the Council.
- Commercial letting is a possibility but again proposals will need to be agreed by the Council as the objective of this process is to protect the Forum for community use.
- The Council is happy to adopt a hands off management approach to the Forum leaving FUG with freedom in the day to day management.
- PR and communications to be undertaken jointly.
- Flexible targets set for a progress report to Cabinet in September, a draft Business Case in December and a transfer to FUG in April 2012.
- Support to be provided by the Council to support the transfer either in the form of a dowry, amount to be agreed, or via the allocation of a human resource for a fixed period from the Councils redeployment pool.

FUG was pleased to get the responses and happy to work to these. On last the issue of support post transfer FUG would prefer the more flexible option of the dowry.

Further work has inevitably raised further questions. A further set of questions which FUG would appreciate a HDC response to are listed below in section 4.

4 – Further Issues and Questions

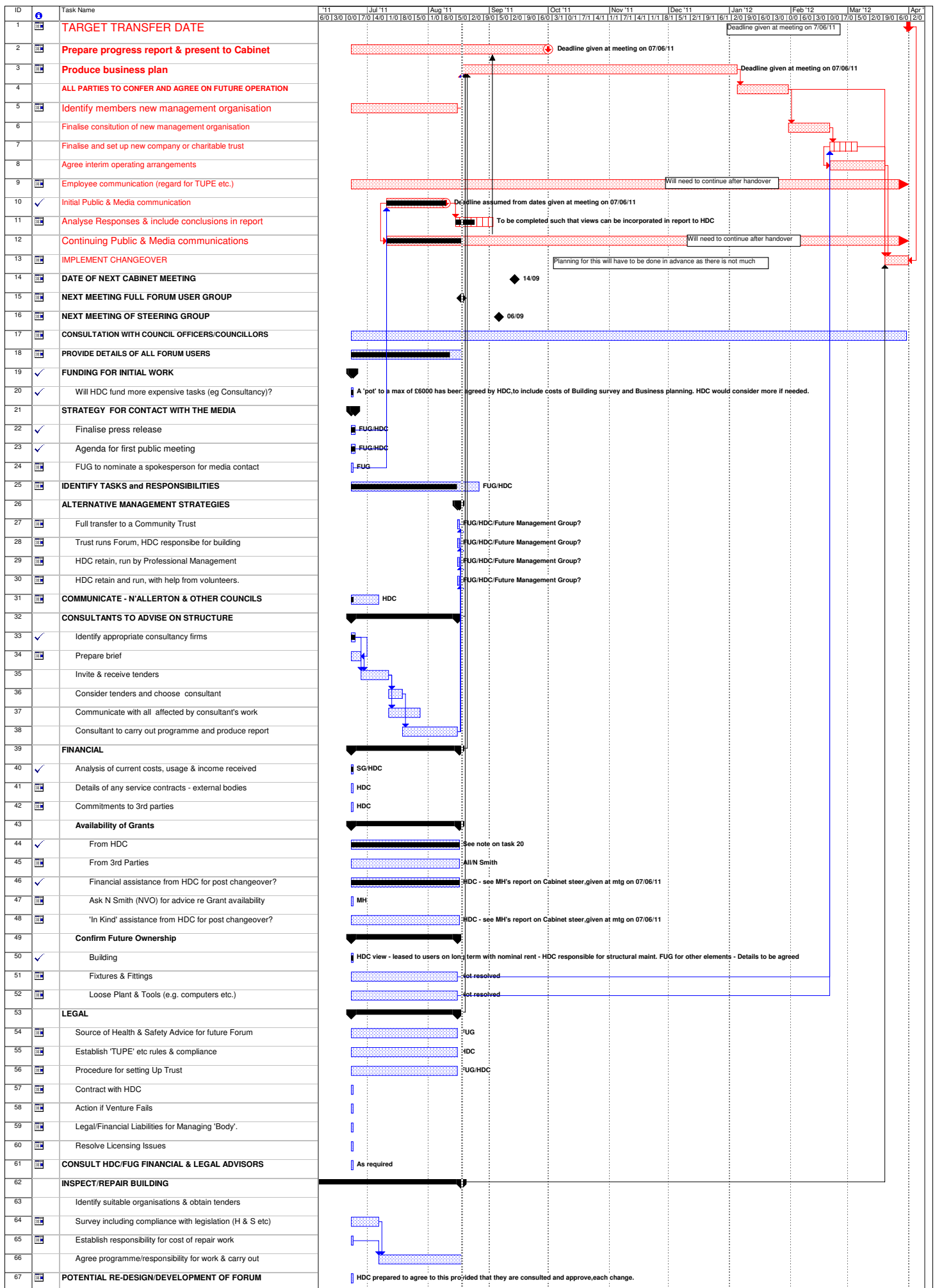
Issue	Question
<p>FUG is concerned that there may be a rise in Forum fees and charges rise in January in line with any increases implemented as part of a general rise in HDC fees and charges. A number of users have already made alternative arrangements due to the last rise in charges and others have expressed concern at the current charges. A further rise could result in a loss of bookings in the lead up to the transfer of the Forum to community management.</p> <p>Further, when management is transferred in April 2012 the new body may well implement a new charging structure and two changes in the course of a few months would be off putting and confusing to customers.</p>	<p>Could the Council make the Forum exempt from any further increase to fees and charges prior to transfer of management in April 2012?</p> <div data-bbox="898 465 1453 689" style="border: 1px solid black; padding: 5px;"> <p><u>Proposed Answer from HDC</u> As part of the fees and charges delegation this is now for the Chief Officer to determine in consultation with the Cabinet Spokesman</p> </div>
<p>The maximum length of stay in the Forum car park is 4 hours. This is a disincentive to big all day events using the Forum as a venue. People holding such events would be prepared to pay for all day parking but currently unable to do so.</p>	<p>Can a longer stay be permitted in the car park for such events either through a bespoke system/pass for events or simply through making a longer stay section of the Forum car park?</p> <div data-bbox="898 1037 1453 1261" style="border: 1px solid black; padding: 5px;"> <p><u>Proposed Answer from HDC</u> Not at the moment but we could consider this in any future car parking review</p> </div>
<p>There is a 6 month pilot of digital projection equipment at the forum which is allowing higher quality recently released films to be shown at the Forum. The kit also has the potential to be linked up to satellite/broadband to allow projection of sporting and cultural events. FUG intends to build a succession strategy to the pilot project into its business plan in order to retain what will no doubt prove to be a valuable asset to the Forum. It is understood that HDC will not contribute to the purchase of the equipment at the end of the pilot and other sources of funding will need to be identified.</p>	<p>Can any profits that are made by the pilot project be ring-fenced to help finance the purchase of the digital projection equipment at the end of the pilot project?</p> <div data-bbox="898 1503 1453 1659" style="border: 1px solid black; padding: 5px;"> <p><u>Proposed Answer from HDC</u> Yes</p> </div>

<p>There is land around the Forum which is not car parking. Some of these areas could be useful for future developments which FUG is considering. Other areas are used for staff car parking and would be useful to retain for a limited volunteer parking area.</p>	<p>Would HDC include the external areas for staff parking as part of the transfer to community management?</p> <p><u>Proposed Answer from HDC</u></p> <p>Yes</p> <p>Could HDC give assurances that the grassed area to the east of the Forum would be available to be utilised for potential future expansion.</p> <p><u>Proposed Answer from HDC</u></p> <p>Could be considered in the future</p>
<p>FUG is undertaking customer interviews and beginning to develop a relationship with them. FUG is keen that there is a seamless transfer of the service so that customers are not inconvenienced by the transfer or by actions leading up to it.</p> <p>Additionally there may be arrangements made with customers and HDC that FUG may not be able to continue if it is to be financially sustainable.</p>	<p>Will HDC work closely with FUG to ensure customers and the service are maintained with as seamless a transfer as is possible?</p> <p><u>Proposed Answer from HDC</u></p> <p>Yes – including the possibility of a transitional period</p> <p>Can HDC review existing arrangements with customers and look to compensate any with special conditions to allow FUG to take over management with a clean slate?</p> <p><u>Proposed Answer from HDC</u></p> <p>Will be considered on a case by case basis by Officers</p>

5 - Next Steps

FUG will continue with the development of a business plan, submitting the latest version to Cabinet in December, and the establishment of an organisation which will take over management of the Forum in April 2012 or as soon as is practically possible.

To assist with development of the business plan it would be appreciated if HDC would provide responses to questions raised in section 4.



Project: forum project
Date: Thu 18/08/11

Task: [Pattern] Milestone
Critical Task: [Pattern] Summary
Progress: [Pattern] Rolled Up Task

◆ Rolled Up Critical Task
◊ Rolled Up Milestone
◻ Rolled Up Progress

Split
External Tasks
Project Summary

Group By Summary
Deadline
Project Summary

Page 1