

EAST AYRSHIRE COUNCIL

CABINET – 17 JUNE 2009

REVIEW OF LETTING CATEGORIES AND CHARGES FOR COMMUNITY USE OF COUNCIL PREMISES 2009/2010

Report by Executive Director of Educational and Social Services and Executive Director of Neighbourhood Services

1. PURPOSE OF REPORT

- 1.1** The purpose of this report is to advise Members of Cabinet of the outcome of the Review of letting categories and charges and to approve future changes.

2. BACKGROUND

- 2.1** At its meeting of 26 March 2008, Cabinet approved a review of the letting categories and consistency of arrangements across the Council to be carried out by Educational and Social Services and Neighbourhood Services. It was recognised that there are a number of aspects of the Letting Policy which required to be reviewed. This included the seven categories within the Letting Policy and the need to review the consistency of arrangements across the council.
- 2.2** The Letting Policy identifies groups and organisations which the Council wishes to support in kind, through the offer of subsidised access to Council accommodation. The Letting Policy takes account of the finite budget available and in terms of out with hours use of schools, the cost associated with this. The limited resources are managed through the application of a Letting Plan across the Council area.
- 2.3** Educational Services operate a Letting Plan which takes account of regular use of facilities and other facilities available locally. The plan endeavours to balance access, rationalise use of establishments and seeks to minimise the occasions where an establishment is open for only one user group.
- 2.4** The Council supports a large number of community groups through the letting of its premises and in the last financial year 21,528 were processed by staff in the Community Learning and Development and Neighbourhood Service.
- 2.5** Leisure Services manage several sports halls, each is staffed throughout its opening hours and staff organise and promote sports and leisure activities. Activities are offered on a 'pay-and-play' basis with a balance of individual bookings and regular club bookings throughout the programme.
- 2.6** The Community Halls managed by Leisure Services utilise the discounted rates in the Letting Policy, however, increasingly activities are promoted in

these facilities (children's parties, fitness sessions etc) to ensure that facilities are well used and income is maximised.

3. REPORT

3.1 The Letting Policy in East Ayrshire presently recognises 7 separate categories of lets which differentiate the level of subsidy offered to each group or organisation. The current Letting Policy is set out in Appendix 1.

Following a review of the letting categories administered by both Educational and Social services and Neighbourhood Services **it is recommended that the categories within the Letting Policy be reduced from 7 to 4.** This would make letting categories clearer for the general public, more consistent across the Council and more easily administered by each Department.

Details of the proposed new letting categories are set out in Appendix 2 and **It is recommended that if approved they would be implemented in August 2009.** The implementation of the new letting categories would see category 6 lessees being charged category 5 from August 2009.

3.2 Reducing the number of letting categories would result in categories 1 & 2 being merged and categories 4 and 6 being removed. Noted below are details regarding each of the letting categories affected, it includes information on the number of lets which fell into each category during 2007/08 and 2008/09 and the potential impact on lessees.

Categories 1 & 2

Category 1 is for any special large scale events run on a commercial basis such as concerts and Category 2 is for standard commercial events run for financial gain or profit such as sales, exhibitions or fashion shows. These categories are rarely used by both Departments therefore **it is recommended that Categories 1 & 2 are merged to become one category dealing with commercial events.** Lessees who fall into this category will be charged full economic rate plus 15% for small and medium units. However, if a large unit was required then the cost would be negotiated with the lessee. In addition to the let charge, any other associated charges such as cleaning, additional staffing and any set up costs would be charged separately.

Category 1 Special Commercial Events		
	07/08	08/09
CLD	Nil	Nil
Neighbourhood Services (Grand Hall only)	Approx 8 per year	Approx 8 per year
Category 2 Standard Commercial Events		
	07/08	08/09
CLD	10	8
Neighbourhood Services (Grand Hall only)	Information not available	Information not available

Category 4

It is recommended that Category 4; fund raising events by parent groups in support of school activities, is removed from the letting categories. This category is only used by Community Learning and Development and in 2007/08 it was used by 4 parent organisations for 5 fund raising events and in 2008/09 it was used by 5 parent organisations for 6 funding raising events.

Parent groups that would have been eligible for category 4 charges would now be charged category 3, which is 50% of the full economic rate. This would result in an organisations letting charge for a medium unit being increased from £9.48 to £23.70 but would bring them into line with youth, voluntary, charitable and not for profit organisations that are charged category 3 for fund raising events.

Category 4 Parents Groups Fund-Raising 20% of the Full Economic Rate		
	07/08	08/09
CLD	5	6
Neighbourhood Services	Not applicable	Not applicable

Category 6

It is recommended that Category 6; 50% of Category 5, Priority Areas as identified in the Regeneration Strategy is removed. This category is only used by Community Learning and Development but has proven difficult to apply consistently and fairly.

Historically, whole communities would have once been eligible for this category; however, the Scottish Index of Multiple Deprivation (SIMD 2006) use data zones (postcodes) to identify small area concentrations of multiple deprivation. In East Ayrshire, 28 data zones are in the worst 0 -15%. Using postcode data zones, it is streets that are recognised as areas of multiple deprivation therefore making the application of this letting category complex.

In 2007/08, 13 organisations received category 6 charges for lets, in 2008/09 there were 9. The category 6 charge per hour for a small unit would be £1.96, the removal of this category would see the let charge increased to £3.92. As a result of the proposed change, there is a potential for organisations applying for new or increased community based grants funding to assist with the cost of lets.

The removal of this category would ensure that both Neighbourhood Services and Community Learning and Development were implementing the letting categories consistently across the council. It should be noted that over 90% of the lets administered by Community Learning and Development are Category 5 lets.

Category 6 Priority Areas, as identified in Regeneration Strategy 50% of Category 5		
	07/08	08/09
CLD	13	9
Neighbourhood Services	N/A	N/A

3.3 Category references

In order to avoid any confusion with members of the public regarding changes to the letting categories **it is recommended that the new letting categories be referenced by letters rather than numbers i.e. Category A, B, C & D. See appendix 2**

3.4 Janitation and Cleaning

In addition to the let charges, a lessee may have to pay for additional janitation and /or cleaning incurred as a result of their let and these are charged separately. This has always featured in the letting policy and groups advised of charges before booking is confirmed. **It is recommended that this remains the same.**

3.5 Conditions of Let

The Conditions of let for both Neighbourhood Services and Educational and Social Services are reviewed on an annual basis. In September 2005, amendments were made as a result of guidance received from COSLA regarding the Protection of Children (Scotland) Act 2003: Guidance on Letting of Council Premises and in March 2006 amendments were made following the Smoking, Health and Social Care (Scotland) Act 2005 which introduced a ban on smoking in public places.

3.6 In addition to advising lessees of their responsibilities regarding child protection, they will also be advised of their responsibilities regarding vulnerable adults. Information on vulnerable adults will be added to the guidance notes in relation to accessing information in relation to The Adult Support and Protection Scotland (ACT) 2007 and Disclosure Scotland

3.7 Booking Arrangements

Members of the public can access letting information on the Council's website for both departments. In addition to this, a link between both website pages will be established to ensure the public have easy access to information on booking council facilities.

3.8 Community Learning and Development are mainly responsible for the letting of educational establishments from 6.00pm Monday to Friday and at weekends. Lessees can have access to any of the educational establishments but will only receive subsidised letting charges if the establishment is on the letting plan. Janitation is provided by Onsite Services. Community Learning and Development operate a central letting process,

although information and letting forms can be accessed at any of the Community Learning and Development Offices.

- 3.9** Neighbourhood Services are responsible for community facilities during the day and at weekends and have staff based in the centres that can advise on letting and take provisional bookings.
- 3.10** The booking arrangements differ between both departments due to the nature of facilities available for community letting and local staffing arrangements. **Therefore, it is recommended that no change takes place to the current booking arrangements for both departments.**
- 3.11** Annual Review of Charges
Let charges are reviewed by both Services on an annual basis. Neighbourhood Services implement new let charges in April each year whilst Community Learning and Development implement them in August; historically, this is in line with the start of the academic year for educational facilities. To bring the annual review of charges for both Services into line, **it is recommended that Community Learning and Development let charges are increased in April each year in line with Neighbourhood Services.**
- 3.12** Community Facilities

Currently, there is a difference in the cost of community facilities let by Community Learning and Development and Neighbourhood Services. The table below illustrates the different charges for small, medium and large units and illustrates the current full economic cost of each unit and Category 5, which is what the majority of groups are charged.

	Neighbourhood Services as at 1 April 2009		Community Learning and Development as at 1 April 2009	
Unit size	FEC	Category 5	FEC	Category 5
Small	£37.00	£3.70	£39.20	£3.92
medium	£44.00	£4.40	£47.40	£4.74
Large	n/a	n/a	£55.70	£5.57

In order to bring the charges for community facilities for both Departments into line, it will be necessary to increase the cost of the community facilities in Neighbourhood Services. The option to hold the charges within Community Learning and Development until Neighbourhood Services caught up would have a significant impact on the income targets for the Service and that would not be feasible.

If the charges for community facilities are to be aligned there are 2 options.

Option 1

A second increase in the let charges for community facilities is made by Neighbourhood Services in August 2009. The impact on Neighbourhood Services lessees would be that the cost of their community facility lets would

increase twice in this financial year. For a Category 5 lets this would mean an increase in April to July of 20p per hour for a let and a further increase of 34p from July to April 2010.

Option 2

Alternatively, Neighbourhood Services could align the charges for community facilities with Community Learning and Development as of April 2010. This is the preferred option.

It is recommended that Neighbourhood Services align the charges for community facilities with Community learning and Development as of April 2010.

3.13 Let increases 2009/2010

A report was submitted to Cabinet on 4 March 2009 by Neighbourhood Services regarding Charges for Leisure Services in 2009/10. No increases have yet been implemented for Community Learning and Development in 2009/10. Two options were considered for Community Learning and Development let charge increases.

Option 1

Increase the cost of lets by 3% in August 2009 with a further increase taking place in April 2010. The vast majority of lets administered by Community Learning and Development are in receipt of 90% subsidy. On average these groups currently pay £4.74 an hour, a 3% increase would increase this to £4.88, an increase of 14p between August and April. A further increase in April would result in a second increase within six months for lessees. This would increase the let cost by a further 15p per hour increasing the cost of a category 5 let from £4.88 to £5.03.

Option 2

No let charge increase takes place until April 2010, when let charges for both Neighbourhood Services and Educational and Social Services takes place. This is the preferred option.

It is recommended that let charges for Educational and Social Services facilities are not increased until April 2010.

3.14 Sports Facilities

Since September 2008, Leisure Services took on responsibility for managing the new sports facilities in both the new Grange and St Josephs Academies during school term weekday evenings, weekends and school holidays.

These facilities are now marketed as Grange Leisure Centre and St Josephs Leisure Centre. Leisure Services staff are based on both sites to supervise activities, take payment for activities, set up equipment and promote sports and leisure opportunities.

On 4 March 2009, a report was submitted to Cabinet on the Charges for Leisure Services 2009/10 and including the costs for the new leisure facilities

at the Grange and St Joseph's. This increased the cost of the sports facilities within these establishments due to the superior facilities available and having staff on site to maximise public use and promote sports development

Although sports facilities within other educational establishments are let by Community Learning and Development, they are not of the same standard as that of leisure facilities within Grange and St Joseph's and they do not have dedicated staff in situ.

When organisations book sports facilities within educational establishments, the janitor is the main point of contact for all lessees and it is the responsibility of the lessee to supervise their group and liaise with the janitor, where appropriate to set up equipment. As there are no other staff employed within these facilities other than the janitor there is no pay and play facilities available. **It is recommended that no changes to costs be made for the letting of sports facilities within educational establishments other than the annual increase, with the exception of Grange and St Joseph's PPP Campus.**

All Weather Pitches/Synthetic Pitches

A report on the Management of Grange and St Joseph's Leisure Centres went to Cabinet on 4 February setting out the programming arrangements and cost of the new full sized synthetic grass pitches which opened in May 2009. These are new full size pitches and charges are noted below.

	Full Pitch		1/3 Pitch
	1 Hour	2 Hour Match	1 Hour
Adult	£44.00	£80.00	£33.00
Junior	£27.50	£55.00	£22.00

The all weather pitches at Cumnock Academy and Drongan Primary were Lottery funded and require to generate income for their upkeep and to ensure extended opening beyond that of the letting plan for both facilities.

Current charges for all weather pitches in Cumnock and Drongan are noted below. In line with the previous recommendations regarding increases in let charges, **it is recommended that no increase takes place in the cost of hiring the pitches until April 2010.**

Charges	Large pitch per hour	Small pitch per hour
Pitches over 16's	57.85	26.50
Pitches under 16's	26.50	13.25

3.15 Community Centres managed by Community Associations

A new Service Level Agreement for Community Associations was agreed by Cabinet on 4 March 2009. The Service Level Agreement establishes clarity in the role of each Community Association and is a framework setting out working arrangements which clarifies the respective roles and responsibilities of each Community Association and of East Ayrshire Council. It also seeks to regularise arrangements which have been in place for a number of years.

Currently Community Associations have devolved responsibility for let charges for community centres which are set individually on an annual basis. A review of the current arrangements is required and it is recommended that any changes to the current arrangements be brought to a future Cabinet meeting.

3.16 Benchmarking in relation to charges and categories of lets has been carried out with the Councils noted below:

- Clackmannanshire
- Inverclyde
- North Ayrshire
- South Ayrshire
- West Lothian
- West Dumbartonshire

Charging structures are in place within each of the authorities but it is difficult to compare accurately due to different policies in relation to letting plans and categories in place. The table in appendix 3 illustrates those which can be best compared in relation to Category 5 lets, which is the main letting category for both Neighbourhood Services and Community Learning and Development. Two of our partner authorities are currently reviewing their letting policies.

4. PERSONNEL IMPLICATIONS

4.1 Nil

5. COMMUNITY PLANNING IMPLICATIONS

5.1 Actively promoting the access to, and use of, Council premises is a key objective within the Promoting Lifelong Learning theme of the Community Plan

6. POLICY/FINANCIAL IMPLICATIONS

6.1 The review of letting categories and future charges are in line with the Councils policy of charging for services

6.2 The changes to the letting categories submitted for approval seek to balance the need to generate income and provide access to facilities at affordable prices.

7. RISK MANAGEMENT IMPLICATIONS

7.1 Lessees are advised of their responsibilities in conditions of let and guidance notes.

8. RECOMMENDATIONS

It is recommended that Cabinet:

- (i) approve the recommendations noted in section 3 of the report as noted below:
 - Categories within the Letting Policy be reduced from 7 to 4 and implemented in August 2009;
 - Categories 1 & 2 are merged to become one new category dealing with commercial events;
 - Categories 4 and 6 are removed;
 - The new letting categories be referenced by letters rather than numbers i.e. Category A, B, C & D;
 - Any additional janitation and /or cleaning incurred as a result of a let will be charged separately;
 - Procedures for booking community facilities remain the same for both departments;
 - Community Learning and Development let charges are increased in April each year in line with Neighbourhood Services;
 - Neighbourhood Services align the charges for community facilities with Community learning and Development as of April 2010;
 - Let charges for Educational and Social Services facilities are not increased until April 2010;
 - There is no change to costs in 2009/10 of letting sports facilities within educational establishments, other than an annual increase, with the exception of Grange and St Joseph's PPP Campuses;
 - No increase takes place in relation to the cost of hiring the all weather pitches in Cumnock and Drongan until April 2010.
- (ii) remit officers to return to Cabinet on the outcome of the review of Community Association letting and
- (iii) otherwise note the content of the report

Graham Short
Executive Director of Educational and Social Services

MAY 2009
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LIST OF BACKGROUND PAPERS

Nil

Members wishing further information should contact Kay Gilmour, Head of Service :
Community Support, Tel: (01563) 576104 or John Griffiths, Tel: (01563) 578179.

IMPLEMENTATION OFFICERS

**DOT GRIEVE, PRINCIPAL OFFICER, COMMUNITY LEARNING AND
DEVELOPMENT**
JOHN GRIFFITHS, HEAD OF LEISURE SERVICES

Appendix 1

East Ayrshire Council's Current Letting Policy

Category 1	Special Commercial Events – Negotiated Rate
	<ul style="list-style-type: none"> Any special Events run on a commercial basis; for example Commercial concerts or Commercial Dances – i.e. large scale events
Category 2	Standard Commercial Events – Full Economic Rate (FER) plus 15%
	<ul style="list-style-type: none"> All commercial lets run for financial gain or profit by individuals or commercial organisations; for example Sales, Exhibitions or Fairs, Fashion Shows.
Category 3	Fund-raising and Social Events – 50% of FER
	<ul style="list-style-type: none"> Community or private events run for social, not financial gain; for example weddings, birthday parties, organisation's social; events. Fund-raising events run by youth, voluntary, charitable and not for profit organisations. Recreational commercial lets run on a regular basis targeting young people. Departmental use outwith the letting plan. MP Surgeries. Lets which are outwith the establishment's letting plan. Councillors surgeries outwith the establishment's letting plan.
Category 4	Parents Groups fund-raising - 20% of FER
	<ul style="list-style-type: none"> Fund-raising events run by Parents Organisations in support of their school activities – a maximum of 2 per year per school.
Category 5	Regular Meetings – 10% of FER
	<p>Within the establishment's letting plan:</p> <ul style="list-style-type: none"> Regular community group lets e.g. mothers and toddlers, sports groups, school activities, youth groups, community councils, church groups and community group committee meetings; Meetings of political groups (including business of political parties) and trade unions.
Category 6	Priority Areas, as identified in Regeneration Strategy – 50% of Category 5 Charge
	<ul style="list-style-type: none"> All groups named in above category 5
Category 7	100% Remission of Rate
	<ul style="list-style-type: none"> Departmental use of their own premises, within the letting plan; Councillors surgeries within the establishment's letting plan.
Elections	In respect of the use of Council premises for all elections, charges will be set in accordance with National Provisions in force.

NB – Any additional janitation/cleaning costs will require to be charged separately

Appendix 2

**East Ayrshire Council
Revised Letting Policy
2009/2010**

Category A	Commercial Events – Full Economic Cost plus 15% for small or medium units. Large units negotiated with lessee
	<ul style="list-style-type: none"> • All commercial events run for commercial gain or profits; for example Commercial concerts, dances, sales exhibitions, fairs, fashion show. i.e. large scale events

Category B	Fund-raising and Social Events – 50% of FER
	<ul style="list-style-type: none"> • Community or private events run for social, not financial gain; for example weddings, birthday parties, organisation’s social; events. • Fund-raising events run by youth, parent, voluntary, charitable and not for profit organisations. • Recreational commercial lets run on a regular basis targeting young people. • Departmental use outwith the letting plan. • MP Surgeries. • Lets which are outwith the establishment’s letting plan. • Councillor’s surgeries outwith the establishment’s letting plan.

Category C	Regular Meetings – 10% of FER
	<p>Within the establishment’s letting plan:</p> <ul style="list-style-type: none"> • Regular community group lets e.g. mothers and toddlers, sports groups, school activities, youth groups, community councils, church groups and community group committee meetings; • Meetings of political groups (including business of political parties) and trade unions.

Category D	100% Remission of Rate
	<ul style="list-style-type: none"> • Departmental use of their own premises, within the letting plan; • Councillors surgeries within the establishment’s letting plan.

Elections	In respect of the use of Council premises for all elections, charges will be set in accordance with National Provisions in force.
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NB – Any additional janitation/cleaning costs will require to be charged separately
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Appendix 3

Authority	Small Unit Per Hour	Medium Unit Per Hour	Large Unit Per Hour
East Ayrshire Council	£3.92	£4.74	£5.57
East Dumbartonshire Council	£3.80	n/a	£5.40
North Ayrshire Council	£1.65 (currently under review)	£2.45 (currently under review)	£3.85 (currently under review)
South Ayrshire Council	£3.30 (weekday) £4.60 (weekend) – (currently under review)	n/a	£4.60 (weekday) £6.60 (weekend) – (currently under review)
Clackmannanshire Council	£5.70	£11.40	£17.10
West Lothian Council	£3.50	£7.00	£10.80
Inverclyde Council	Mon-Fri £2.10 Sat/Sun £2.80	n/a	Mon-Fri £2.80 Sat/Sun £4.15