

Meeting:	Grants Advisory Panel
Date:	9 <sup>th</sup> April 2008
Subject:	Community Lettings
Responsible Officer:	Javed Khan
Portfolio Holder:	Councillor Anjana Patel
Exempt:	No
Enclosures:	None

## Section 1 – Summary and Recommendations

This report provides an update on the situation regarding community lettings.

### **Recommendations:**

The Panel is requested to recommend to the Portfolio Holder for Community and Cultural Services:

1. Agreement to defer the planned implementation of a grants process for community lettings to await the outcome of the Overview and Scrutiny review of council support to the voluntary sector.
2. Agreement that the concession for Community Lettings is set at 50% effective from 1<sup>st</sup> September 2008.
3. Agreement that the concession will apply to all groups who meet the current grant qualifying conditions thereby excluding organisations making bookings for religious activities (as agreed by the Grants Advisory Panel on the 6<sup>th</sup> July 2006).

### **Reason: (For recommendation)**

1. To allow the Overview and Scrutiny committee to complete its review of council support to the voluntary sector thereby ensuring that any changes to community lettings are made in line with future recommendations.
2. To set a standard level of concession applicable to all groups thereby providing consistency of access to all qualifying groups.

## Section 2 – Report

### 2. Background

In October 2002 Cabinet decided that Community Lettings would be transferred to the Grants Advisory Panel as of 1<sup>st</sup> April 2004. The intention was to redirect the community lettings system and bring the support to the voluntary sector provided through this route into the main grants system.

Under the current lettings system voluntary organisations apply to use a room in a school or other council premises, the Council makes the necessary arrangements, and the council pays the school for costs such as electricity and caretaker's overtime, and then invoices the organisation at the published hire rates.

The move to a grants based system was approved by Cabinet on the 14<sup>th</sup> October 2004. The intention was that groups would apply to the Council for a grant towards the cost of hiring premises for their activities. If a grant was approved they would be able to deal directly with the school or any other premises provider of their choice.

The implementation of the new system has encountered a number of difficulties and this has led to several delays to its implementation:

- On 22 November 2004 Grants Advisory Panel agreed to defer the implementation of the new policy on lettings until 1 September 2005.
- On 28 May 2005 Grants Advisory Panel agreed to defer the implementation of the new policy on lettings until 1 September 2006.
- On 8 March 2006 Grants Advisory Panel agreed to defer all Community Lettings Grant applications received to the meeting to be held on 6 July 2006 as most applications lacked financial information.
- On 6 July 2006 Grants Advisory Panel recommended that:
  - A new streamlined set of costs is implemented from 1 September 2006 in order to simplify the current method of payments to schools for utilities.
  - The concession given against the published hire charges for voluntary groups is reduced from 85% to 70% on 1 September 2006 and to 60% on 1 September 2007.
  - In order to address the budget overspend situation the concession is limited to existing users only.
  - To further aid the transition the grants criteria is applied to concessionary lettings from 1 September 2006. An exception should be made for groups who currently hire premises for religious activities. However, this will only be until 31 August 2008 to allow groups to make alternative arrangements.
  - Finally, the application process should be simplified so that when the transition is made organisations will use the normal grants process. They will not have to specify use of particular premises or provide details of hire charges.

## **2.1 Current situation**

Following the recommendations of the Grants Advisory Panel meeting of 6<sup>th</sup> July 2006 (as outlined above) the concession as of September 2007 was set at 60%.

The concession has been applied to existing groups only and new groups have been charged the full rate. Existing groups hiring premises to undertake religious activities have continued to benefit from community lettings, however the exception made by the Grants Advisory Panel for these groups expires on 31<sup>st</sup> August 2008.

## **2.2 Why a change is needed**

The Council has recently agreed to undertake a fundamental review of support to the voluntary sector that will include consideration of community lettings. The outcome of the review may make further recommendations about community lettings. As the implementation of a change has been delayed several times and a further change may be recommended by the review it is not opportune to proceed with the change at this time.

The implementation of a standard rate of concession applied to all groups would ensure equal access to community lettings. Aligning the eligibility criteria to community lettings to the current grant qualifying criteria would provide consistency to our approach for supporting the voluntary sector in undertaking its activities.

## **2.3 Main options**

The main option is to defer the change to a grants based process as outlined above. To apply a standard rate of concession to all groups that meet the current grant qualifying criteria to ensure equality of access and consistency with other support available to groups.

## **2.4 Other options considered**

The other option is to proceed with the change to a grants based system as agreed by Cabinet on the 14<sup>th</sup> October 2004. If we proceed with a move to a grants based system this will have implications on voluntary sector groups, schools and the grant teams capacity to process applications in time for the beginning of the academic year 2008-09.

## **Implications of the Recommendation**

### **Resources, costs and risks**

There are no additional resource or cost implications.

One of the risks identified is the impact that a further reduction in concession will have on the number of bookings and the ability of voluntary organisations to meet the cost of increased charges. With a gradually reducing concession there has already been some impact on the number of bookings received. A few voluntary sector organisations have reduced or in some cases ceased their activities. Organisations who have reduced their usage are; Pinner

Christian Fellowship, Harrow Gingerbread, Rachana, Harrow Iranian Community Association, Sai School of Harrow and Kids Can Achieve. Organisations who have cancelled bookings are Victory Bible School, Horn Community Development Association, 3<sup>rd</sup> Stanmore Brownies, 11<sup>th</sup> Pinner Brownies, Headstone Horticultural Society and Sudbury Hill Tennis Club.

### **Staffing/workforce**

There are no staffing or workforce implications.

### **Equalities impact**

The new policy on lettings will affect a number of community groups, especially those carrying out religious activities, who will not qualify for Council support under the current grant qualifying conditions. Some of the groups affected serve Black and Minority Ethnic communities.

### **Legal comments**

There are no legal implications.

### **Community safety**

Some of the activities organised by groups making use of community lettings have the potential to contribute to community safety. Some of the organisations and their activities provide supervised, structured activities for children and young people thereby providing diversion away from involvement in crime and anti-social behaviour.

### **Financial Implications**

There are no implications for the medium term budget strategy as the costs for making these changes will be contained within the existing budget.

With a reduction in subsidy there is some potential to increase income from lettings however this could be offset by the impact that the higher charges has on the number of bookings. Taking in to account the increasing costs of utilities any increases in income will be passed on to schools as appropriate.

### **Performance Issues**

The provision of community lettings to voluntary and community sector organisations has the potential to contribute to LAA targets for community cohesion. The target for performance on this indicator is 61% and current performance is 51%.

### Section 3 - Statutory Officer Clearance

Name:.....Sheela Takrar.....	<input checked="" type="checkbox"/>	on behalf of the* Chief Financial Officer
Date: .....27 <sup>th</sup> March 2008.....		
Name: .....Helen White.....	<input checked="" type="checkbox"/>	on behalf of the* Monitoring Officer
Date: .....28 <sup>th</sup> March 2008.....		

### Section 4 - Contact Details and Background Papers

**Contact:** Kashmir Takhar, Interim Deputy Head of Service, Tel: 020 8420 9332

**Background Papers:** None

If appropriate, does the report include the following considerations?

1.	Consultation	YES
2.	Corporate Priorities	YES