

ABERDEEN CITY COUNCIL

COMMITTEE	Audit, Risk & Scrutiny
DATE	9 th March 2016
DIRECTOR	Pete Leonard
TITLE OF REPORT	Progress Report regarding Leased Community Centres signing up to the new Lease & Management Agreement
REPORT NUMBER	CHI/16/022
CHECKLIST COMPLETED	Yes

1. PURPOSE OF REPORT

This report advises the Committee of progress against the Outstanding Audit Recommendations in relation to Leased Community Centres.

2. RECOMMENDATION(S)

The Committee is requested to

- 1) Note the Report

3. FINANCIAL IMPLICATIONS

There are no financial implications arising as a result of this report.

5. BACKGROUND/MAIN ISSUES

Background

The PWC Audit Report recommended that all Leased Community Centres should sign up to the new lease and management agreement and if necessary, payment of the Development Grant should be withheld until these signed agreements are in place.

A report was taken to Communities Housing and Infrastructure Committee in February 2015 recommending that the development grant was withheld for those centres not signing up. The Committee did

not accept this recommendation and a follow up report is expected to be taken to Communities Housing and Infrastructure.

During the period from February 2015 to the point of writing this report the Community Centre Liaison Officer has been in regular communication with the Leased Centres with a view to them signing up to the new lease and management agreements, which are co-dependent.

The current position, as at the point of writing this report, is that the following 5 Leased Centres, out of the 23, are not signed up to the new agreements:

Community Centre	Reason for not signing	Comments
Airyhall	The Management Committee can't see any benefits in moving to the new agreements.	The Management Committee would be happy to sign the new management agreement now, and then sign the new lease when their current lease expires in March 2019.
Danestone	The Management Committee can't see any benefits in moving to the new agreements do not view the matter as a priority.	The Management Committee's current lease expires in July 2040.
Ferryhill	The current Chairperson of the management committee is an Elected Member and the Management Agreement does not allow Elected Members to hold an office bearer position within the Management Committee.	The Management Committee's current lease expires in November 2019.
Hanover	The Management Committee do not wish to sign the new lease until the flooring in the main hall is replaced. Under the terms of the current lease this is a Council responsibility, as landlord, and the Management Committee, as tenant, has requested that the Council replaces the hall floor. The Council has not carried out this work due to budgetary constraints and priorities for repairs.	The Management Committee's current lease expires in March 2018.
Kingswells	The Management Committee is still reviewing their position regarding the new style lease agreement and cannot see any advantage for them to move to the new lease.	The management committee's current lease expires in March 2018.

Current position and future actions for resolution:

There have been an increasing number of operational issues arising with the implementation of the Lease and Management Agreement concerning the Leased Centres that have signed up to the new agreements.

Therefore Officers in Communities & Housing and Asset Management are working in partnership with the Leased Centres to identify issues requiring attention in the current agreements as well as identifying how we can develop our partnership to ensure maximum community benefit.

We are jointly planning a workshop to involve all leased centres, likely to be held in February 2016, with the ultimate aim to move towards fit for purpose agreements that all parties will accept; as well as looking at supporting maximised community use of the assets.

Officers will update both the Communities Housing and Infrastructure Committee and Audit, Risk & Scrutiny Committee with respect to progress.

7. MANAGEMENT OF RISK

There are two risks arising:

1. We fail to reach an agreement and the status quo remains
2. Leased Centres currently not signed up to the new Lease and Management Agreements are currently not subject to compliance monitoring.

Mitigation:

1. The partnership approach should improve relationships and therefore we have a better chance to come to a mutually acceptable position on the agreements as well as working together more effectively to enhance community impact
2. The 5 Leased Community Centres not signed up to the Lease and Management Agreements have returned their PVG declarations so they are complying with the terms of the management agreement in this high risk area, as previously identified as a risk by the PWC report.

9. REPORT AUTHOR DETAILS

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