

Report to: Executive
Date: 16 December 2008
Report of: Director of Regeneration & Development
Subject: Hazelwell Community Centre
Ward: Haswell & Shotton

1.0 Purpose of Report

- 1.1 The purpose of this report is to provide an overview to Members regarding the outcome of the evaluation (health check), on the Hazelwell Centre and its Management Committee.
- 1.2 To advise and seek agreement with regards to the options available and risks associated in transferring land owned by the District of Easington to the Hazelwell Centre, Management Committee.

2.0 Consultation

- 2.1 In preparing this report; Working Executive, Management Team, Head of Asset & Property Management, Regeneration Initiatives Manager and the Monitoring Officer have been consulted on its content.

3.0 Background

- 3.1 The Hazelwell Centre is situated centrally to both Haswell Village/Haswell Plough, and was opened in 1980. The centre was built with grants from Durham County Council, Easington District Council, The Sports Council and £103,000 was raised by the local community. The centre registered as a charity in May 1981 and has recently benefitted from an extensive refurbishment programme with £570,000 of grant aid being secured from; Hetton & Murton Urban II Initiative, Coalfields Regeneration Trust and the District Council. To coincide with this it was recently agreed by the community that the name of the centre be changed to the Hazelwell Centre, reflecting the origin of the settlement's name.
- 3.2 The Hazelwell Centre occupies a site reflecting mixed ownership. Approximately one-third of the land is owned by Easington District Council and is subject to a 25 year lease agreement. The remaining two thirds of the site has recently been gifted to the Hazelwell Centre by Haswell Parish Council. The Head of Asset & Property Management has undertaken lengthy discussions with the Hazelwell Centre and the Council's Solicitors' to confirm that the District owns the land. The Hazelwell Centre has disputed the ownership and earlier this year made a request that the land be transferred to them. A site plan is included with this report as a background paper (appendix 1).
- 3.3 In November 2007 members agreed that an assessment toolkit be developed that could be used to inform the Council's response to requests from the community in relation to the transfer of community buildings and assets. Key headings from the toolkit which form part of the assessment criteria are:
- Operational Matters (Policy Procedure, Legal Structure and Governance).
 - Financial Administration (Sustainability and Financial Planning).
 - The Building (Health & Safety and Facility Management).

This position regarding asset transfer is in accordance with the Government's Report 'Communities Taking Control: Community Ownership and Management of Assets' which encourages the transfer of assets to the community. A copy of this report is available on

request.

- 3.4 In April/May 2008 the management of the Hazelwell Centre was evaluated by District Council officers using the toolkit. The aim of the evaluation was to ascertain the capacity and position of the centre in terms of sustainable management and agree any areas for improvement.
- 3.5 The evaluation highlighted key areas to be considered when determining whether the Hazelwell Centre and its Management Committee are at a sustainable operational level. As well as several site visits to perform systems checks, supplementary information was provided by the Management Committee as supporting evidence of existing arrangements, policies and practices. The information obtained from the evaluation has subsequently been considered to formulate a measure of the organisation's ability to be able to successfully manage the asset for the future benefit of the community.
- 3.6 The main areas considered as part of the evaluation were Operational Matters, Management of Meetings, Responsibilities, Financial Planning, Insurance, Licences and Legal Permissions and the Building. Under each of these sections a series of tests were applied to ascertain what systems etc, the Hazelwell Centre already had in place and what management systems were being used (correctly or otherwise) by the Management Committee in regard to the administration of the Centre.
- 3.7 The evaluation demonstrated minor areas that the centre should develop, however, it highlighted that the Hazelwell Centre's current Management Committee have the necessary financial controls, systems, policies and practices in place to run the centre.
- 3.8 An action plan was produced and agreed by the Centre's Management Committee. Support has been offered by the District Council's Community Development Team with implementing the action plan to strengthen the skills and the operational effectiveness of the organisation.

4.0 Position Statement and Option Appraisal

- 4.1 In line with the wishes of Executive Members in November 2006 a full assessment of the management of the Hazelwell Centre has been undertaken. From this assessment the Hazelwell Centre's Management have met key performance criteria and have demonstrated their expertise in running a facility with sound management practices that should continue into the future.
- 4.2 The Hazelwell Centre's Management Committee have cooperated fully with the audit and have expressed every desire to take full responsibility for the long term management and upkeep of the facility. The organisation would still need to be appraised of the risks, responsibilities and the liabilities of the asset transfer prior to the asset being transferred.

5.0 Implications

- 5.1 **Financial**
The work outlined in this report may lead to the consideration of sale or transfer of assets. These subsequent actions will have financial implications for the Council. The value of the land in question is currently considered to be £1, as there is restrictive use on the whole site occupied by the Hazelwell Centre.
- 5.2 **Legal**
The work outlined in this report may lead to the consideration of sale or transfer of assets. These subsequent actions will have legal implications for the Council. These matters would need to be fully discussed with, and understood by the Management Committee of the Hazelwell Centre prior to any transfer of land.

- 5.3 Policy
This activity fits with the Council policy on management of assets agreed by the Council in November 2006.

The Hazelwell Centre does fall in line with the Quirk report which states: "that ways to overcome barriers to more community asset management and ownership need to be removed, taking account of the need to manage risks. Reforms will give a greater say over local services to the people who rely on them. They will enlist communities in the drive to improve services. Owning an asset can give individuals greater confidence to plan for their future."

- 5.4 Local Government Review
None

- 5.5 Risk
The remedial actions suggested in the recommendations should remove any risk

- 5.6 Communications
There are no communication issues at this stage.

6.0 Corporate Implications

- 6.1 Corporate Plan and Priorities
The actions outlined in this report align with the Council's corporate objectives to make the most of investment opportunities, improve economic growth and employment and reduce inequality in the District.

- 6.2 Equality and Diversity
It is not considered that there are any Equality and Diversity implications as the council and the management committees responsible for running the community buildings are required to deliver their services equitably.

- 6.3 E-Government
It is not considered that there are any direct E-Government implications.

- 6.4 Procurement
It is not considered that there are any direct procurement implications.

7.0 Recommendations

- 7.1 The District Council to consider the transfer of the freehold asset to the Hazelwell Centre with a conditional 'claw back' mechanism agreed prior to transfer taking place. It is also recommended that the District of Easington's asset transfer policy, the transitional plan and the Governments criteria on the disposal of assets are taken into account.

- 7.2 The Hazelwell Centre's Management Committee is required as part of any legal transfer-to produce an annual report, similar to that currently submitted to the Charities Commission, appraising the Council or its successor of activities undertaken membership and trustee arrangements together with financial information. The information received will be used to determine whether the organisation is financially solvent, if the dynamics of the organisation have changed and are having a detrimental effect on the running of the Centre and whether the organisation are operating within the remit of their governing document.

Background Papers/Documents referred to

Appendix 1 Site Plan