

Committee	Dated:
Housing Management & Almshouses Sub-Committee	12/02/2018
Subject: Management of Golden Lane Community Centre	Public
Report of: Director of Community and Children's Services	For Information
Report author: Liam Gillespie, Acting Head of Estates	

Summary

The Community Centre on Golden Lane Estate is undergoing a £1.26m refurbishment programme and is due to reopen in April 2018. A steering group formed of residents and City officers was set up in 2016 to work through proposals for the centre's refurbishment and discuss the management model once it reopens.

The centre belongs to the Housing Revenue Account (HRA) and, therefore, is part of the Housing Service. It was intended that the centre would be run by the Neighbourhoods Development & Engagement Team, in liaison with residents and the Estate Team. However, some residents have expressed an interest in an alternative arrangement in which they would take over the running of the centre via a properly incorporated body. Locality, a company that advises and supports the work of community organisations, was engaged by the Golden Lane Residents' Association (GLERA) to explore the feasibility of this idea. A business plan has been produced with some suggested business models and this has formed the basis of discussions between City officers and residents.

This paper updates Members on the outcomes of those discussions and on current proposals for how to proceed. It also updates Members on plans to locate the Estate Team into the community centre, making the ground floor of Great Arthur House available to build three new accessible homes.

Recommendation

Members are asked to:

- Note the report.

Main Report

Background

1. The Golden Lane Community Centre is undergoing a £1.25m refurbishment and is due to re-open in April 2018. The refurbishment is being funded through Community Infrastructure Levy (CIL) funding and from the HRA. No part of the cost is being passed onto residents, although leases do allow reasonable costs of the building to be recovered through service charges.
2. A steering group made up of residents and officers was set up in 2016 to oversee plans for the design of the centre's new interior, as well as providing a forum to discuss potential management models and uses for the building.
3. The community centre refurbishment project is influenced by a number of other projects which are underway or due to start, namely:
 - the City of London Primary Academy Islington (COLPAI) development
 - the City's proposal to provide three properties for social rent at the base of Great Arthur House, the current site of the Estate Office.
4. The COLPAI development will use the site of the City of London Community Education Centre (COLCEC) building at 99 Golden Lane, so the Adult Skills and Education Service (ASES) will require alternative accommodation. It is planned that community education and skills classes provided at COLCEC will move into Golden Lane Community Centre.
5. A small office has been created just inside the entrance to the community centre, along with a private interview room. This was designed so that core members of the Golden Lane Estate Team can be located in the centre and offer services to residents from it. This will make the ground floor of Great Arthur House available to be converted into three accessible residential properties. It is proposed that one of these may be used by Adult Social Care to provide a supported-living facility for residents leaving hospital but unable to return to their homes immediately.
6. The centre is a Housing asset, belonging to the HRA, and when the refurbishment was initiated, it was intended that the centre would be run by the Neighbourhoods Development & Engagement Team of Housing Service, in liaison with residents, ASES and the Estate Team. However, officers worked alongside a Residents Steering Group (RSG) of six residents to plan the refurbishment and, during this process, the RSG put forward an alternative scenario where the centre would be resident-run.
7. In order to explore these alternatives more fully, the RSG applied to the City's Stronger Communities Fund for financial support to enable a feasibility study to be carried out and a draft business plan to be formulated. A grant of nearly

£10,000 was secured via the Golden Lane Estate Residents' Association (GLERA) and Locality was engaged to carry out the research. It was a condition of the funding grant that the resulting report would be shared with the City of London and would be the joint property of GLERA and the City of London. The Locality report is attached as Appendix 1 to this report.

8. The report was finalised in November 2017 and it has since formed the basis of discussions between senior City officers and the RSG. A number of possible management models have been outlined by Locality, involving the centre being managed by a Charitable Incorporated Organisation or similar.
9. The RSG has carried out important consultation about what residents would like in the centre, and their enthusiasm for running it is impressive. City officers are supportive of the vision of a community-run centre. However, further examination of the proposed business model by officers in Community & Children's Services, the Chamberlain's Department and the Comptroller & City Solicitor's Department has identified a number of challenges that must be addressed before management could be handed over to a resident-led body.

The City's Proposed Management Model

10. The City's proposal for the centre involves the creation of an Advisory Board, which will oversee the delivery of the business plan and agree policies and a mission, vision and values for GLCC, as well as monitoring budgets and income. The Advisory Committee will be made up of officers from the Housing Service and ASES, plus a representative mix of residents. It is envisaged that the position of Chair of the Advisory Committee will change on a rotational basis or be fulfilled by an independent person.
11. The day-to-day operation of the centre will be the responsibility of a Centre Manager employed by the City of London. The Advisory Board will provide guidance and strategic direction but will not become involved in operational decisions. Line management of the Centre Manager will be undertaken by the Neighbourhood Development & Engagement Manager.
12. The Centre Manager will be assisted by a part-time member of staff whose responsibilities will include reception duties, setting up hired spaces, assisting centre users with queries and locking/unlocking the centre as required. This post will be paid for by ASES and will work flexibly with the Customer Service Officer already in post within the estate team.
13. Under this model, the management of the centre including room bookings, budgets, income generation and facilities management will be the responsibility of the Centre Manager. The estate team will provide cleaning services to an agreed service level. The City, via the HRA, will retain responsibility for financing and providing repairs, maintenance and servicing of building components. The City will also retain the responsibility for performing fire risk assessments, health and safety inspections and general housekeeping functions.

14. The estimated cost of running the centre in the first year under this model is £91,000. £28,000 will be contributed by ASES. The remainder will be met from the HRA and income on room hire. The current HRA contribution is £40,000 per annum. As income rises, the cost to the HRA will reduce.

Possible Future Management Models

15. City officers support the principle of resident involvement in running the centre and there are many areas of similarity in the models proposed by the City and those outlined by Locality. The City's proposal is intended to provide resident involvement at a strategic level, while ensuring that business risks are properly managed. It is also anticipated that this could be a transitional arrangement in expectation of an alternative model being implemented at some point in the future.
16. Locality's report of October 2017 examines a number of potential models for resident-led management of the centre. The version that was then proposed by the RSG is one in which a company limited by guarantee, with charitable status, is formed and through which the centre will be run.
17. The governance structure would include a board of eight to ten voluntary trustees, which would have strategic oversight of the business plan and would offer a scrutiny and monitoring function. A separate Advisory Group, formed of residents and City officers, would also be constituted and this would take on strategic decision-making functions, such as forming the centre's vision and values and formulating the hire and use policy.
18. The report from Locality and the proposal from the RSG was considered in detail by the Comptroller's Department, the Chamberlain's Department and Housing managers. A number of issues were identified that would need to be resolved the City's satisfaction before an alternative management model could be put in place. The key challenges include:
- The financial models are based on assumptions that grant income and business rates discounts will be high. Even taking these into account, the models do not make provision for the centre becoming self-supporting. Further work is needed, then, to test out the assumptions made and to produce a more robust and less risky business plan that shows income increasing year-on-year and the centre becoming self-financing as far as is possible.
 - A zero or peppercorn rent was assumed. The Comptroller's Department advised that this does not take account of the City's legal duties to maximise the return on an asset held by the Housing Revenue Account, and warned that the City would be at risk of breaching its obligations. This needs to be addressed.
 - The issue of support from the wider community. While there has been extensive consultation on what residents wish to see in a local community centre, there is not yet evidence that the idea of the residents actually running the centre has widespread support. Further engagement needs to

take place to establish the RSG and to get the support of the wider community.

- The RSG is not yet established as an organisation and time will be needed to incorporate and to build capacity. To do so before April is extremely challenging.

19. City officers believe that because of these key issues, it is appropriate for the City to run the centre for the first year. Officers have made a commitment to work with the RSG to address the concerns and will provide whatever support is appropriate and reasonable. The position will then be reviewed.
20. A letter, outlining the City's position has been sent by the Director to the RSG, and this is attached as Appendix 2 to this report.
21. If the identified risks and challenges have been addressed to the satisfaction of officers, a further report regarding the management model for the centre will be made to Members, with appropriate recommendations, for a final decision.

Survey on Location of Golden Lane Estate Office

22. A survey of Golden Lane residents was conducted by Locality in October 2017 regarding the location of the estate office. The survey was delivered to every household and also sent by e-mail to those residents on the estate office's mailing list. The questions were formulated and agreed by Locality, City officers and resident representatives from the community centre steering group.
23. The main purpose of the survey was to establish where residents wished to have the Estate Team located if it moves from Great Arthur House to make way for the new homes. This was done because of some opposition to the team moving to the community centre. At the request of the RSG, a further question was included, asking if residents were happy with the existing location.
24. The survey was also intended to provide data on how frequently residents visit the office, the reasons for their visits, any additional services they would like to see and their thoughts on alternative opening hours.
25. A total of 124 responses were received, which represents approximately 20% of households on the estate. The results from the survey are attached as Appendix 3 to this report.
26. The results demonstrate that, while respondents are largely happy with the current location of the estate office, a high degree of support exists among residents for the office moving to the community centre should it have to move; 84% of those who answered this question selected the community centre as a favoured location.
27. The alternative location offered was to move the Estate Team to the Barbican Estate Office. Although this is off the estate, it is still within a short distance, and

felt to be a viable alternative as we are unusual amongst social housing providers in having staff located on estates at all – most have area of central office only.

28. Some individuals have suggested that a new office be built for the estate team elsewhere on the estate. The cost of providing this could not be justified given the level of investment already being made in the estate and the fact that adequate provision for an office has already been made. Therefore, this option has not been offered.
29. Plans are therefore being made to relocate core members of the Golden Lane estate management team to the community centre when it reopens. The office will also provide a base for the Centre Manager, as well as a facility for ASSES staff working from the community centre.

Conclusion

30. Golden Lane Community Centre will be run on a very different basis to its current model once it reopens in April 2018. It is important that the centre is operated on a realistic basis and the City's proposed operating model is intended to outline a practical, achievable and readily-implemented model for the centre's first year after re-opening. Should residents wish to take on the running of the centre themselves in due course, this would be possible provided that a properly constituted entity took on this role and demonstrated its viability and its capability to take on the financial risks involved in the task.
31. Locality's study has provided multiple options for a resident-led model of management at the centre, via a properly constituted charitable organisation. City officers are supportive of this potential management model, though there are a number of challenges that must be dealt with before a final decision can be made.
32. In the meantime, the City continues to prepare for the centre's re-opening in April 2018. Officers have committed to work with residents and other partners to build a successful community centre that provides a valuable resource to those living locally.

Appendices

- **Appendix 1** - Golden Lane Estate Community Centre – Business Case, October 2017 (*Report by Locality*)
- **Appendix 2** – Golden Lane Community Centre Business Case & Proposal – letter from Director of Community & Children's Services to RSG, 28 November 2017
- **Appendix 3** - Future Location of the Golden Lane Estate Office – Survey Analysis, October 2017

Liam Gillespie

Acting Head of Estates

Department of Community and Children's Services

T: 020 7332 3308

E: liam.gillespie@cityoflondon.gov.uk