



WARDS AFFECTED: Aylestone, Eyres Monsell, Freeman

CABINET

20TH February 2006

Saffron Community Enterprises

Report of the Service Director (Regeneration)

1 Purpose of Report

- 1.1 To respond to the recommendation of Aylestone, Eyres Monsell and Freeman Area Committee of 18th January.

2. Report

- 2.1 The Aylestone, Eyres Monsell and Freeman Area Committee of 18th January received a request for funding for a total of £1900 from Saffron Community Enterprises and Saffron Out of School. This was for the purposes of bringing back into use, the vicarage located on the corner of Marriot Road and Whitwell Row.
- 2.2 The organisations currently utilise space within Unit 9, Linwood Workshops which also houses a Community Economic Development Officer employed by the Council's Economic Development Service.
- 2.3 A management decision has been taken to withdraw the Community Economic Development Officer (CEDO) from Unit 9, and to base this post with the other CEDO's in New Walk Centre. This will achieve a small budget saving on the lease at Unit 9, and better enable the co-ordination of work across the CEDO team. The CEDO at Unit 9 is the only member of the Economic Development Team based permanently within a local community.
- 2.4 The Economic Development Service therefore no longer intends to lease Unit 9. This would impact on Saffron Out of School and Saffron Community Enterprises that make use of the facilities on a free basis.
- 2.5 At the Area Committee meeting, the view was expressed that the grant of £1900 would not be needed if Unit 9 remained available for use and the Committee recommended that Cabinet seek to ensure that Unit 9 remained available for this purpose.
- 2.6 Since the Area Committee, discussions have taken place between the Head of Advice & Economic Development and Saffron Community Enterprises. A move to the Vicarage is the organisations' own preference. However they were concerned that Unit 9 would not be available pending the move. The discussions have resulted in an agreement that Economic Development will continue to pay for the lease on Unit 9, until the end of March 2006 when it is expected that they will be

able to move to the vicarage. Economic Development will then continue to support the rental costs at the Vicarage and an agreement will be drawn up to this effect

- 2.7 This is estimated to save the Council approximately £3,500 in reduced rental fees, and brings back the Vicarage into Community use. Property Services, which manages Unit 9, has been marketing the unit and has received interest. The unit will be re-let on a commercial basis to a start up business, in line with the Workshops' service delivery targets.
- 2.8 The Workshops are currently operating at 100% occupancy, reflecting a market that is short of "value for money" start-up units. Property Services are, therefore, confident that the unit will be required for occupation by a new business from 1st April.
- 2.9 The Community Economic Development Officer will remain at Unit 9 to assist with the move to the Vicarage and will then be based at New Walk Centre. Discussions with Saffron Community Enterprises concerning their future support needs from Economic Development are ongoing.

3 Recommendations

Members are recommended to endorse the actions taken by officers to resolve this issue.

4 Financial & Legal Implications

4.1 Financial Implications

The current premises costs at Unit 9 are £19,600 per annum. The required level of support at the Vicarage is estimated to be £6,500 per annum. Moving the organisations to the Vicarage is therefore expected to save the authority £3,100 per annum.

Martin Judson – Head of Finance (Regeneration & Culture)

4.2 Legal Implications

A contract for the payment of a grant to Saffron Community Enterprises to pay for the rent at the Vicarage will be required.

5 Report Author

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