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# ***African Caribbean Centre***

**Version: Final**

Decision to be taken by: City Mayor  
Decision to be taken on: 31 May 2022  
Lead director: Miranda Cannon  
Sean Atterbury

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## Useful information

■ Ward(s) affected: Wycliffe

Report author: Lee Warner

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■ Report version number plus Code No from Report Tracking Database: 1

### 1. Purpose of report

- 1.1 This report provides a summary of the public consultation exercise undertaken to gather views on the usage and future running of the African Caribbean Centre. The report provides options and a recommendation for the future running of the facility.

### 2. Recommendations

The City Mayor is recommended to:

- 2.1 note the outcome of the public consultation
- 2.2 consider the proposed options for the future running of the African Caribbean Centre
- 2.3 approve the African Caribbean Centre be offered by way of lease to community organisations under the Council's community asset transfer policy as per the assessment criteria in Appendix A
- 2.4 approve the criteria for assessment for Community Asset Transfer applications as provided in Appendix A of the report

Note: Councillor Sue Hunter – Assistant City Mayor Tackling Racism and Disadvantage - has been consulted and supports the recommendations.

### 3. Report/Supporting information including options considered:

#### Background

- 3.1 The African Caribbean Centre (ACC) is located on Maidstone Road within the Highfields residential area. The centre was built in 1970 as a working men's social club with a small car park to the north of the building. The building, which was converted for use as the ACC in the mid 1980's, comprises an extensive basement, ground and first floors, all of which are in use by the public. The total gross internal area of the building is 1,569m<sup>2</sup>.

- 3.2 In 2011 the property underwent a £400,000 refurbishment concentrated on the entrance area, reception, lift, cafe and toilets.
- 3.3 In 2017 the Transforming Neighbourhood Services (TNS) programme consulted on the future of buildings in the East and Central area of the city, including the ACC. The recommendation was to retain the ACC building and “that further work be undertaken to explore ways to reduce the running costs working with stakeholders and partners”. The main hall on the first floor of the building was redecorated through TNS investment of around 20k. Community groups were asked to prioritise options for works within the confines of a limited budget.
- 3.4 Prior to the pandemic, usage of the ACC was high with 126,627 visits recorded for the last full year 2018-19. A total of 45 partners and organisations are currently registered with the centre manager. There is a large number of self-organised community groups delivering at the centre. The groups currently hire space at hourly rates, with no formal leases in place. Other special arrangements at the centre are:
- The café provider hires space at an hourly rate.
  - Dedicated office space on an annual hire agreement
  - A community radio operation hires dedicated space on a monthly hire charge
  - A community organisation is the licensee for the first-floor bar. The license is renewed on an annual basis.
- No formal leases are in place.
- 3.5 During its history the ACC has been run by community groups and by the Council. More recently a partnership agreement was in place with an African Caribbean community organisation between 2013 and 2018. Under the agreement volunteers opened the centre in the evenings and on Saturdays to extend the opening hours in return for 50% of the income generated by the centre. Following a report by the Council’s Service Analysis Team (SAT) the agreement was suspended to enable the organisation to put in place an action plan to strengthen governance, update policies and procedures and increase capacity. Work on the action plan was interrupted by the pandemic in March 2020.
- 3.6 The running costs of the ACC reflect the size of the building which delivers community room hire and activity across three floors, and the long operational hours of the building from 9am to 9.30pm Monday to Saturday. In addition, one-off late-night bookings are taken up until 2am for social events. The Neighbourhood Services and Estates and Building Services (EBS) budgets for the ACC for the financial year 2021-22 are as follows:

**ACC Running Costs 2021-22**

Description	Budget
Staffing (front line)	133,800
Building running costs	68,700*
Income	-31,400

<b>Net ACC Budget</b>	<b>171,100</b>
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\*Building running costs include a budget of £33,200 held by EBS under corporate landlord for maintenance and repairs, building cleaning and security.

The ACC is connected to the district heating network meaning that there is no requirement for funds to be allocated to future boiler maintenance or replacement. Charges for heating are currently paid centrally by the Council via EBS and recharged to Neighbourhood Services.

3.7 Under the Salix scheme significant energy reduction improvements are due to be made to the ACC. The works include:

- Installation of LED lighting
- Replacement of some windows
- Roof works
- Explore potential for installing photovoltaics

3.8 Under the Council's capital investment programme for 2022/23, £252,000 is provided to replace the Air Handling Units at the African Caribbean Centre Ventilation. The new system will be more efficient, cost effective and would provide suitable ventilation throughout the building.

### **Public Consultation**

3.9 A public consultation was undertaken between Tuesday 12th October 2021 and Sunday 21st November 2021 with the wider community, partners, and stakeholders to obtain further information on how the ACC is used and to seek views on how the centre should be run in the future.

3.10 As well as seeking information on how the centre is used, or reasons why it is not used, the questionnaire also included the following question:

“How would you like to see the Centre managed in the future?”

- The council should run the centre directly
- The council should run the centre in partnership with a community-based organisation
- Community organisations should be given the opportunity to take on the lease and running of the centre
- No preference”

3.11 The consultation report is provided as Appendix C. The main points drawn from the responses were:

- The consultation was widely promoted to all communities across Leicester city. It was made available online and as a paper questionnaire both in the African Caribbean Centre itself and at all Council run community centres and libraries, as well as through social media and as a press release.
- The survey received a very high response rate with 352 questionnaires completed in total.

- The majority of respondents, 84%, were African Caribbean Centre users. The majority of those who responded use the centre at least once a month or more frequently.
- The most popular reasons for using the centre are social with 48% of respondents using the café, 47% attending social functions, 37% attending events and performances and 36% attending community group meetings.
- The centre is highly valued by users, with some commenting they have used the centre since childhood. Customers live across the city and many state they use the centre for cultural reasons.

3.12 With regard to the future running of the centre, the majority of respondents who expressed a preference (53%) said they would prefer community organisations to be given the opportunity to take on the lease and running of the centre.

## Options

**3.13 Option 1: No change (the Council to continue to run the centre directly).** The Council would continue to run the African Caribbean Centre directly. Community organisations would have no formal involvement in the management of the centre. This was the least preferred option with only 8.8% of all respondents (9.8% of all those who expressed a preference) selecting this option. There would be no saving in annual running costs. The overall opening hours would be limited to the current budgeted staffing arrangements.

**3.14 Option 2: Run the centre in partnership with a community-based organisation.** A formal agreement would be put in place to run the building in partnership with a community organisation. This was the not the preferred option with only 33.5% of all respondents (37.2% of all those who expressed a preference) selecting this option. There would be additional management overheads in managing a partnered approach to running the building. There would be no significant reduction in running costs and potentially increased costs if the building is open longer. Additional opening hours may be possible through a partnered approach, however a report by the Council's Service Analysis Team into the previous partnership arrangement identified the coordination of multiple organisations with responsibility for the building at different times as problematic.

**3.15 Option 3 (Recommended Option): Provide an opportunity for Community organisations to take on the lease and running of the centre under the Council's Community Asset Transfer policy.** This is the recommended option following consultation, with 47.7% of all respondents (53% of all those who expressed a preference) selecting this option. The lease under the Council's Community Asset Transfer policy would be advertised to all community organisations with a clear set of assessment criteria to evaluate the community benefit delivered by the organisation's business plan. The building running costs would be saved should a suitable business plan be submitted and the building successfully leased. There would be an opportunity for the successful community organisation to offer additional opening hours or ad hoc social functions.

## **Proposed approach to lease under the CAT policy**

- 3.16 Following consultation, the recommended option is to explore leasing the ACC for a 5-year period under the Council's CAT policy using the Transforming Neighbourhood Services (TNS) approach. The lease would be offered on a peppercorn rent with the successful organisation responsible for all running costs and full repairs and maintenance.
- 3.17 Business plans would be assessed against a defined set of community criteria including local connections, community benefit provided, commitment towards existing community users and ambition to expand community provision. The plans would also be assessed against financial background, experience of running and maintaining property and organisational resilience for assurance purposes. The proposed assessment criteria are included as Appendix A.
- 3.18 The timetable for offering the lease of a community building under the TNS model requires a minimum 12-month period to conclude, and often longer depending on legal negotiations and handover agreements.
- 3.19 Legal checks indicate there are no covenants registered in the deeds which would prevent lease of the ACC

## **Risks**

The following risks have been identified with regard to the recommended option:

- 3.20 Risk of community tensions if the facility is not offered to community organisations to run following the publication of the consultation results. Mitigation: the recommended way forward is to offer the facility for lease.
- 3.21 No suitable business plan put forward following Community Asset Transfer offer. In the event that no suitable business plan is received the lease of the building would not be able to go forward and future plans would need to be reviewed. Mitigation: there is pre-existing interest from community organisations in leasing the building. Independent support to be offered to assist organisations to develop a thorough business plan.
- 3.22 Risk that community organisations may be unable to afford to run the building, especially if costly repairs are required for example to the lift. Mitigation: A peppercorn rent is recommended to enable community organisations to take on the maintenance and repair costs of the building. Financial background and business projections to be assessment through formal business plan submissions. There is existing income from hire of community rooms within the building.

## **Timetable for recommended option 3**

- 3.23 The following overview plan is proposed with regard to the next steps:

**Early Spring 2022** – Prepare CAT offer, procure independent support for community organisations

Development communications plan

**Late Spring/Summer 2022** Advertise CAT lease to community organisations with support available to develop business plans (3 months)

**Late Summer 2022** – Evaluation of business plans and report to City Mayor & Asst Mayors with recommendations

**Dependent on suitable business case and executive approval** – minimum 6-month handover period – legal and practical arrangements to be agreed.

## 5. Financial, legal and other implications

### 5.1 Financial implications

5.1.1 Should the centre be leased to a community organisation under the Council's CAT policy then savings of up to £171k per annum would be generated. The facility would be leased at less than best consideration and potentially at a peppercorn rent, with the community organisation taking on repairs and maintenance of the building as well as the day to day operational running costs.

Stuart McAvoy, Acting Head of Finance

### 5.2 Legal implications

5.2.1. This report seeks a decision in light of the consultation responses from the public consultation. The Council is not obliged to follow that consultation but must have had regards to it in the decision-making process. As such the consultation responses are detailed in order that these are properly considered.

5.2.2. In respect of future arrangements (including the grant of a lease under the Council's CAT policy), the Council will be required to consider any lease in accordance with this policy, and following the outcome of the consultation process. Brief details of the policy are set out in paragraphs 3.15-18 above. Any decision on changes to future management and operation of the centre should be the subject of a further report following the conclusion of the consultation process.

5.2.3. The Council has a legal obligation to dispose of land at the best consideration reasonably obtainable in accordance with s.123 of the Local Government Act 1972 (as amended). So long as the lease is for less than 7 years then this will not be subject to the obligations to obtain best consideration. However the Council will still need to have regard to

complying with its general fiduciary duty to act reasonably in the interests of its taxpayers. Should a decision for a lease of more than 7 years be considered, then the Council will need to consider its obligations under the 1972 Act, and a further report will be required. On the basis of the information contained in this report/ the proposed disposals would be permitted insofar as the lease complies with the requirements and obligations as set out in the Council's CAT Policy

John McIvor, Principal Lawyer, ext. 37-1409

There are potentially a number of staffing implications as an outcome of the recommended option to provide an opportunity for Community organisations to take on the lease and running of the centre under the Council's Community Asset Transfer policy. There are currently 5 FTE staff based at the centre, as well as cleaning staff employed by Leicester City Council. It is understood that staff are engaged across a number of different centres and therefore it is recommended that ongoing scoping work is undertaken to ascertain any affected staff.

As a result of the proposals the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE") may apply. If TUPE applies then employees assigned to the Centre will transfer over to the community organisation on their existing terms and conditions. It will also be necessary for the organisation to offer the transferring employees continued access to the Local Government Pension Scheme. This could be unaffordable to many community organisations. It is therefore recommended that early advice is sought from legal services and HR to determine whether TUPE will apply.

If TUPE does not apply the service will make attempts to redeploy staff to vacant positions within the service or within the Authority. If this is not a possible outcome, staff could potentially be placed at risk of redundancy, however all reasonable attempts to mitigate this will be considered. . Alternatively, given staff are engaged across a number of different centres it may be that staff are not affected beyond relocation to other sites as part of their city-wide contract.

In all of these circumstances management would need to ensure that due process is followed and meaningful consultation is undertaken with affected staff

Julia Slipper, Principal Lawyer

### 5.3 Climate Change and Carbon Reduction implications

5.3.1 There are limited climate emergency implications associated with this report, as it is not anticipated that the option to transfer the centre to community control would significantly impact energy use and carbon emissions. As noted within the report however, the already planned delivery of Salix-funded



works to the centre is anticipated to make a significant reduction to carbon emissions and energy consumption and costs.

Aidan Davis, Sustainability Officer, Ext 37 2284

#### 5.4 Equalities Implications

- 5.4.1 When making decisions, the Council must comply with the Public Sector Equality Duty (PSED) (Equality Act 2010) by paying due regard, when carrying out their functions, to the need to eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act, to advance equality of opportunity and foster good relations between people who share a 'protected characteristic' and those who do not.
- 5.4.2 In doing so, the council must consider the possible impact on those who are likely to be affected by the recommendation and their protected characteristics. Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.
- 5.4.3 This report seeks a decision in light of the consultation responses from the public consultation on the future running of the African Caribbean Centre. Community run facilities can be more responsive to local need and can play a greater role in bringing together and furthering the social wellbeing or the social interests (cultural, recreational, or sporting interests) of the local community. Community-led ownership may offer additional opportunities to secure resources within a local area and to empower local citizens and communities.
- 5.4.4 The Council's Community Asset Transfer policy seeks to deliver benefits to the local community, benefits to the Council and other public sector service providers, and benefits for the organisation taking ownership.
- 5.4.5 An Equality Impact Assessment has been completed and identify areas to be mindful of with regards to the impact on protected characteristic groups. From an equalities perspective, the most relevant consideration is that of benefits to the local community and in this case to ensure that the people accessing services there currently can continue to do so after the transfer. This has been captured in the EIA and subsequently in the assessment criteria These equalities impacts identified should be monitored and any mitigating actions should be carried out.

Kalvaran Sandhu, Equalities Manager, Ext 37 6344

#### 5.5 Other Implications – EBS property implications

- 5.5.1 As mentioned in Item 3.17, should the property become independently managed, EBS would seek reassurance of previous experience of management of a commercial property. The terms of a lease would detail

which current landlord (Council) responsibilities would transfer to the tenant, and therefore knowledge of health and safety and other regulatory requirements, compliance and maintenance regimes would be an advantage.

**6. Background information and other papers**

None

**7. Summary of appendices**

Appendix A: Community centre Business Case Submissions

Appendix B: Boundary Plan

Appendix C: ACC Consultation Report

Appendix D: Equality Impact Assessment

**8. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?**

No

**9. Is this a “key decision”?**

No

**10.If a key decision please explain the reason**

## COMMUNITY CENTRE BUSINESS CASE SUBMISSION REQUIREMENTS

### Appendix A

Area to be covered in business case	Requirements	Criteria to be met to achieve high score	Maximum score
Community benefit from proposals	Demonstrate proposals for provision of retained and enhanced community provision with particular focus on serving the needs of the African and Caribbean heritage community and strengthening the ongoing connection of the African and Caribbean Community with the building.	Existing groups retained within premises on similar terms to existing. Include policy for room hire charges, changes to current room allocation and timetabling for duration of lease. Significant expansion of local community services from the property with particular focus on serving the needs of the African and Caribbean heritage community Local organisation currently working in the building or the local community	15  15  5
Financial viability of proposals	Provide a 2 year income and expenditure cashflow identifying sources of income, an understanding of the use of the building and an appreciation of the total costs of occupying and running	No ongoing financial support required from the Council A viable cashflow which provides evidence of self-sustainability	10 10
Governance and track record of organisation	Details of the bidding organisation, legal identity, structure, personnel, experience, partnership with other groups	Established organisation with significant experience of managing property, delivering good employment practices and service provision	15
Financial standing of organisation	Documented evidence of the financial standing of the organisation (i.e. bank reference, audited accounts)	Established organisation with sound financial position	10
Equality and inclusion	Documented evidence of equal opportunities policies	Evidence of commitment to equal opportunities and promoting diversity	5
Community impact	Provide details of any negative impact the proposals may have on neighbours and the local community e.g. parking, noise, hours of operation and how they will be managed	Minimal negative community impact including management plan for impact factors Provision of a Good Neighbour policy to evidence ability to co-operate in co-operation with neighbours	10  5

## Appendix B: Boundary plan

