

CULTURE TRUST CONSULTATIONS WITH COMMUNITY CENTRES

Over a nine week period SBC Officers met with the following Community Centre Management Committees as part of discussions at their Annual General Meeting or as part of a specially convened meeting.

Tweedbank Community Centre	22/04/14
Abbey Row Community Centre	29/04/14
Southfield Community Centre	15/05/14
Focus Centre	23/05/14
Langlee Community Centre	26/05/14
Peebles Community Centre	27/05/14
Eyemouth Community Centre	29/05/14
Argus Community Centre	02/06/14
Newtown Community Wing	03/06/14
Newcastleton Community Centre	25/06/14

These represent the Community Centres in scope to transfer to a Trust.

Over 100 people took the opportunity to be involved in these consultation meetings. As well as members of management committees, the meetings were attended by Community Councillors and members of local organisations, groups and Trusts. In addition there were five elected members present at four of the meetings: Cllr Alec Nicol; Cllr Tom Weatherston (Abbey Row); Cllr Bill White (Focus); Cllr John Mitchell (Langlee); Cllr Gordon Edgar (Argus).

Officers presented information on the background and drivers to the Trust proposal – which is the Council’s preferred option for the re-organisation of Community Services. The meetings were all participative and conducted in an open and honest manner. Officers were not made aware of any outright opposition at the meetings to the proposal that community centres should be in a Trust although concerns were raised. In addition there were positive comments towards the proposal, recognising that a Trust represented the best option for protecting services in the immediate future.

Below is the list of questions gathered from the meetings. Where questions were asked more than once they have only been recorded once. Some similar questions have been merged. The answers include what was provided at the meeting but where possible they have been expanded to provide more detail, for example we now report on a meeting we had with OSCR which only took place after the last of the consultation meetings. Inevitably, because this is about the establishment of a new, independent organisation it isn’t possible to provide answers to every question and some decisions will be left to the Trustees to make.

The questions are divided into six distinct sections; About the Trust; About the Trustees; About the current staff; About the Community Centres (buildings, R&M, H&S); about the Community Centre Committee (finance, powers, responsibilities) and Random questions. An earlier version of this document provided a summary answer to each section. However, in order to avoid any criticism that we are not providing answers this version provides an answer to each question, even if it is “we don’t know”

Questions & Comments

Section 1: About the Trust

1. Q. Have other councils in Scotland tried to set up similar Trusts to what is being proposed or is the Scottish Borders trying something new?

A: There are nine other Culture or Culture and Sport Trusts already in existence across Scotland. Lessons have been learned from these existing Trusts about what to do and not to do, and their years of experience have informed our thoughts to date. There has also been the more local and recent experience of the Borders Sports and Leisure Trust (BSLT).

2. Q. How long have these other Trusts been up and running?

A. See answer to Q 7

3. Q. How important is getting OSCR accreditation and do you foresee any problems?

A. Achieving charitable status via OSCR accreditation is one of the key elements needed to qualify for the targeted rates remission of 95%. Officers have researched and discussed this point with OSCR, most recently in a very positive meeting with OSCR at the end of June which provided us with some key points to consider. There was nothing in the conversation that suggested we won't be able to achieve accreditation.

4. Q. Will the Trust abide by the council policies on letting charges or will they seek to impose new charges?

A. Currently the Management Committees retain and reinvest the letting charges made from each site, and do so within the context of a SBC approved letting charges, a model constitution and a development plan. While it is ultimately for a Trust to decide what letting charges are in force, there are no current plans to amend the current working practices, other than to react to requests from some Community Centre Management Committee Treasurers to widen the parameters for charging so Management Committees can charge more for some events, but to still retain the lower charging levels.

5. Q. If the Trust is run by a Board will this mean that our Management committee structure will need to change?

A. The Trust it will be run by a Board of Trustees representing all of Cultural Services across the Borders. The Management Committees in each Community Centre are likely to continue in their present form, though instead of operating to the management arrangements put in place by Scottish Borders Council it will be those agreed by the Trust. Subject to agreement of each Management Committee local Councillors will still form a part of the communication and management process currently in place.

6. Q. Can you explain how rates remission works?

A. Remission is available on business rates for Trust. There is a mandatory 80% which has to be awarded and a further 15% discretionary award provided Trusts achieve charitable status. The saving is effectively funded by central government.

7. Q. If the rates are no longer being paid to central government they will be losing an income source – what indication do you have about how long this situation will continue?

A. Rates remission has been around for many years and Councils have been making use of this to support Sports Trusts since the 1990s. Glasgow was the first council in Scotland to transfer its Cultural Services to a Trust in 2007. Other Councils followed suit and now there are nine Trusts in Scotland which encompass culture/community services. There is no indication that the Scottish Government is going to change legislation and it would be politically difficult for any government to remove the rates remission option particularly since doing so would affect a so many organisations, not just local authority sponsored Trusts.

8. Why don't councils apply corporately to the Scottish Government for rates relief?

A. Councils can't award themselves for rates; it can only be granted within the rules set out in the legislation.

9. Is it accurate that the council will not be eligible to get the rates relief, and it has to be a charity?

A. Yes, council's aren't eligible but organisations don't always have to be a charity to get relief. Not being a charity may attract some rates relief but being a charity guarantees rates relief.

10. Q. You mentioned demand led services - what does that mean in lay terms? Does it mean ceasing some activities in favour of others? And if so, how do you intend to assess unmet demand?

A. One of the principal benefits of a Culture Trust is the ability to harness the influence and experience of a new set of Directors or Trustees, many of whom have cultural or business backgrounds, and who can bring new skill-sets and ideas and practices to the running of a Trust. This has been evident in many local Trusts and in other Scottish Trusts, including the other 9 Local Authorities who have already set up Trusts to deliver cultural services. The reference to demand led services is to bring a fresh perspective to the delivery of services, to scrutinise and to query current service delivery, and work on items such as forward planning, business planning and customer contact, so that services offered are more demand led and less supply led.

11. Q. Will we be able to view the documents that underpin the establishment of the Trust?

A. Yes the reports to council and the underpinning options appraisal are on the Council web site. Other reports will also appear on the Council web site.

12. Q. I'm not sure I understand about the trading arm, would the Trust be able to acquire buildings and land?

A. By a trading arm we mean a separate but linked organisation that has the ability to trade and make a profit. According to HMRC the advantage of a trading arm is that they are not restricted in their activities as the main charity is so they could run a very commercial activity. Any profit has to be used for the benefit and aim of the main Trust. We don't expect the Trust to be trading through acquiring and selling buildings and land.

13. Who carried out the options appraisal – were community representatives involved?

A. The options appraisal was carried out by an independent consultant. The appraisal was submitted to and approved by elected members.

14. Is it one Trust or does each community centre have their own Trust?

A. One Trust covering all services.

15. Q. Say the Trust has to close 2 centres in 5 years time – where does SBC stand?

A. If the Trust were to be in a position where it felt that it no longer had sufficient funds to maintain and operate all its services/ service points then its first point of contact would need to be the Council. The Council would need to be part of any decision to close facilities.

16. Q. Will the council or the Trust own the building?

A. It will be proposed that the buildings currently managed by SBC that are in scope to transfer will be offered to the Trust with a 25 year lease, Ownership will not be passed to a Trust. There will need to be an agreement between the Trust and Council on the repairs and maintenance arrangements of these buildings

17. Q. Will the payment from SBC to the Trust reduce year on year? Do you expect further cuts, year on year?

A. It is likely that the Trust will be subject to the same ongoing pressures that services within the Council will experience. The evidence of Border Sport and Leisure over the past five years is that their contribution from SBC has decreased at a slower rate than allocations to most services within the Council.

18. Q. What happens next year – when do savings have to be made?
- A. The first tranche of savings to come from the restructuring process are for the mobile library service, and become due later this year. The balance of savings are due from October 2015. If services transfer to a Trust these savings will be met from rates savings. If all or some services do not transfer to a Trust officers will have from whatever date the Council make this decision to October 2015 to come up with alternative proposals for savings for Councillors to consider. Because the Trust option is the Council's preferred option officers do not yet have any detailed modelling on how the savings would be allocated across services should they not transfer to a Trust. If savings were allocated across services on a pro rata basis the target for Community Centres might be in the region of £50k-£60k and it is inconceivable that this could be made without considering closures or significant cuts in service.
19. Q. Is current SBC constitution likely to be acceptable to OSCR?
- A. The Council cannot be constituted as a Trust. The Trust will need to have its own constitution.
20. Q. Whose responsibility is H&S issues in the buildings?
- A. Current responsibility for each site rests with Scottish Borders Council. In a Trust the responsibility will lie with the Trust but it could be managed and monitored by Scottish Borders Council via a Service Level Agreement
21. Q. How does it happen with the Sports Council Trust?
- A. It is BSLT responsibility to ensure that their H & S responsibilities are met.
22. Q. Is it (a Culture Trust?) a similar model to the Sport & Leisure Trust?
- A. There are some similarities in as much that it will be governed by Trustees and independent from the Council but the governance and management model may not be exactly the same.
23. Q. Is there a possibility of the Trust failing and what would happen if it does?
- A. The Council will do all it can to make a Trust a success, however, there are always internal and external pressures around that mean a Trust could get into problems. Officers are doing lots of preparation including talking to other Trusts in order to reduce risks. If the Trust were to get into difficulties there would be early warnings through monitoring and through local Councillor representation. This would allow the Council to consider what, if any, additional help it could provide but in the case of complete failure services would revert to SBC and they would need to decide which services it could continue to provide and in what manner.
24. Q. Have any existing Trusts got to the stage where they have needed a short-term bail-out from the council?
- A. We are not aware of any such situation in the Scottish Trusts that encompass cultural services.

25. Q. What is the budget for the Cultural Trust – is that paid for by SBC?
- A. The final annual fee paid by SBC to a Trust to deliver the services that transfer will only be set following discussions between the Trustees and the Council. The starting point for this is likely to be based on the existing budgets provided by SBC for the services transferring less the required savings (most of which will come from rates savings). There will need to be a separate agreement on how support services such as IT, HR, Finance are costed and paid for.
26. Q. How much is all this going to cost – start up costs etc?
- A. In the report to Council we estimated c. £60k to cover start up costs to cover such things as independent legal advice to Trustees, legal costs and marketing. Any new and recurring revenue costs will be part of the funding arrangement agreed between a Trust and SBC.
27. Q. Wouldn't it be best to form a Trust for the community centres only? Has that [more generic approach] been the model in the other areas that Trusts have been formed?
- A. There are no examples of Trust just being formed just for Community Centres, although some individual centres are examining the option to pursue Community Asset Transfer which typically involves charitable status. All the advice we have received is to go for as large a grouping of services as possible to take advantage of economies of scale, as smaller groupings are not likely to be economically viable due to duplication of overheads.
28. Q. What you are saying at the moment could change with a decision by the Trust?
- A. This is possible, but our answers are based on a mix of what we know is happening/will happen, and planning assumptions taking account of what has happened with the other similar Trusts. However, until there is a group of Trustees who can negotiate and come to an agreement with the Council on a range of policy and detail they have to remain as our best estimates given the information available. The Trust has to be seen to be independent of the Council and be given the freedom to make decisions it thinks are in its best interests and the best interest of users of its services. The Council will want to ensure that the Trust delivers against its strategic aims so it is very likely that there will be a number of service level agreements between the Trust and Council based on a number of factors including, cost, expectation, core principles etc.

29. Q. Any feedback from component parts in other areas?

A. As part of the consultation process we have given presentations and taken part in question and answer sessions at all of the Council's five area forums. There have been questions on the detail of what the Trust might look like and how it might operate, and on issues of accountability and ownership of assets. Some questioners had concerns about the proposal though there was no outright opposition expressed. Independently of the Area Forum and Community Centre Consultation we are seeking feedback on the proposals from the general public (details of the public consultation process was provided in the PowerPoint presentation to the Management Committees). To date we have had 15 submissions from the public. 3 relate to Community Centres and these are attached at the end of this document.

30. Q. Will individual centres be able to opt out of the Trust?

A. This will be for elected members to decide, and is currently not in any planning assumptions for the 10 centres in scope to transfer to a Trust. Where would they go and how they would be supported if the other services and other centres were in a different organisation would need to be re-evaluated. If any were to opt out they would still have to take a share of the overall savings target.

31. Q. So what happens with OSCR? Will the same reporting format be required from each centre to facilitate a report to OSCR?

A. No, the Trust will make one annual return to OSCR, individual Community Centre Management Committees will not need to make separate OSCR reports.

32. Q. So the management committee would continue as is and the Trust would report to OSCR?

A. Yes

33. Q. What are the eligibility criteria for community centres being in scope?

A. Currently there are ten community centres in scope for transfer to a Trust, which are those who are free standing centres and which are either not moving towards Community Asset Transfer or are not linked to/part of Community Schools.

34. Q. Is it October 2015 when it all changes?

A. It is planned the Trust will be in place by October 2015, though it could happen sooner if the Trust is ready to be launched before

Section 2: About the Trustees

1. Q. Will Trustees be paid?

A. Our assumption, and this is supported by OSCR, is that Trustees will not be paid but they will be entitled to some out of pocket expenses
2. Q. Are Trustees paid staff?

A. No, Trustees are not staff.
3. Q. Will the money from lets go to pay the Trustees?

A. No. The income lets will be treated much as is now, against the running costs of the Centre. Any payment for Trustee costs will come from a separate budget.
4. Q. Who will be the Trustees? How will they be appointed/recruited?

A. The Trust will have a board of Trustees who will manage the range of services which make up the Trust. Our current assumption is for a Board of about 12 or 13 Trustees, four of whom will be Councillors. A Job Description and Role Profile will be prepared detailing exactly what will be expected of Trustees, outlining their roles, rights and responsibilities. The vacancies will be open to anyone (except potential Trust employees) and advertised locally. Applicants will be competitively selected on the basis of skills, expertise, knowledge and experience. A selection committee, most likely made up of councillors, will appoint from those who apply and best meet the criteria in the job descriptions.
5. Q. Will councillors have a vote on the Trust board?

A. Yes there will be Councillors serving as Trustees. We envisage there will be four Councillors.
6. Q. Who decides which councillors will be on the Trust board?

A. Scottish Borders Council will make this decision, i.e. the elected members
7. Q. Can the chair be a councillor?

A. Theoretically yes, but this is not seen as good practice and OSCR would prefer to see an independent chair.
8. Q. The Trustees are going to be taking on the responsibility for all the cultural services in the Borders. A huge responsibility and a very broad remit – you would expect a range of expertise and knowledge.

A. Yes, see answer to Q4. Trustees will be supported by officers, and will have an option to seek independent advice for services such as legal and audit.

9. Q. Are you confident that you will be able to appoint suitable Trustees/officers for the Trust? What happens if you don't get anyone who wants to be a Trustee? If you are unable to maintain a Board what happens?
- A. In other Trusts there has not been an issue attracting Trustees. In the event that sufficient Trustees are not found, or maintained the issue will be returned to the Council to decide on the future of these services.
10. Q. Will you be recruiting Trustees who are "grounded" in the community?
- A. We need to ensure that the Trustees bring a good mix of skills, experience, interests and background. Having Councillors as Trustees will also provide links into communities.
11. Q. Will Trustees be taking a personal interest in the affairs of community centres?
- A. This is for the Trust and for individual Trustees to decide, but our planning assumptions are based on the levels of scrutiny and engagement already in place by Councillors.
12. Q. Is there going to be a territorial requirement? / Do Trustees have to be Scottish Borders residents?
- A. This will be for the Council and Trust to decide. It is not the case for local Trusts such as BSLT. However, taking account of feedback we have already received we will need to give some thought to ensuring geographical accountability.
13. Q. Will local volunteers be taking on additional legal responsibilities – what exactly?
- A. No the responsibilities for running the Trust will lie with the Trustees.
14. Q. People won't take on the responsibility if there isn't the money to complete the project, there might be a legal responsibility.
- A. The Trust won't be set up to fail, and will have the option to seek independent legal advice during the process of forming a Trust.

Section 3: About the Staff

1. Q. What happens to current staff?

A. Staff currently employed by Cultural Services will transfer to the Trust under Transfer of Undertakings (Protection of Employment) regulations (TUPE), which means that staff carry with them their continuous service from the council, and should have the bulk of terms and conditions of employment transferred. Staff will remain in the SBC local government pension scheme.
2. Q. When staff transfer to the Trust under TUPE, are the terms and conditions the same?

A. See question 1. There are a few areas where the Council conditions of service and benefits are above the statutory limits where the Trust may choose to follow, but are not obliged to, follow Council conditions.
3. Q. Can you guarantee that in future any person becoming an employee of the Trust will enjoy the same Terms and Conditions of SBC employees?

A. No, the Trust can change conditions of service for new entrants. This has happened in some but not all comparable Trusts.
4. Q. What will happen to our caretaker?

A. The caretakers will fall under the TUPE regulations and will transfer to the Trust.
5. Q. There was some concern re the responsibility for staff wages – where will the money come from?

A. From the fee paid by the Council to the Trust to deliver the transferred services. Salaries and on-costs for staff will be transferred from the Council to the Trust.
6. Q. Have the caretakers been approached yet (re the transfer to Trust)?

A. All affected staff have been informed about the potential changes and have had the opportunity to be involved in the consultations. They have received communications regarding the transfer and have been invited to attend briefing meetings
7. Q. Will Trust staff be moved out of the Council Headquarters building?

A. This is likely to happen.
8. Q. Will there be a need to provide staff with a workspace?

A. Yes.

Section 4: About the Community Centres (Buildings)

1. Q. Will being separate from the council mean that the management committee can employ tradesmen direct to resolve building maintenance issues or will they still have to use council approved tradesmen? Will contractors still be local ones? Will the council be involved in the same system for maintenance e.g. fixing burst pipes? Who's got responsibility for upkeep of the building? So if there is a problem with the building do you have to apply to the council? Will being in the Trust give the management committees more flexibility in operation or will we still be bound by Council procurement rules?

A. The actual mechanism has still to be decided but as the buildings will remain in the ownership of SBC they will continue to have a role in repairs and maintenance. Whilst no firm decision has yet been made, the preferred options are to retain current arrangements for improvements, repairs and maintenance with SBC using its clerk of works team and making use of the list of approved contractors which must be used when work is carried out or for SBC to allocate funding equivalent to current expenditure on repairs and maintenance to the Trust. The work will still be organised and overseen by a clerk of works employed by or through the Trust.

2. Q. How will responsibilities for the grounds be managed?

A. As with our answer to Q1 this is likely to be managed through SBC

3. Q. Will the council wi-fi still be available in the centre?

A. Systems which have been installed in Community Centres such as L2 Fire Alarms and wi-fi will continue to be supported, possibly by the Trust buying that support from SBC.

4. Q. Will our Hall still be a part of the emergency plan relief for HQ?

A. Buildings which are currently a part of SBC Business Continuity or Emergency Response are likely to still retain that role.

5. Q. If the community centre is taken over, will it be safe from being taken over by the council who are running out of space?

A. Without commenting on the statement that the Council is running out of space, - however, if the Centre was being managed by a Trust the Council would not have the option of allocating it for other uses. Ten Community Centres are in scope to be transferred to the Trust. The role and independence of the Management Committee within a Trust should remain much as it is with SBC.

6. Q. Do you know what facilities would be affected by closures and cuts?
- A. If Community Centres transfer to the Trust it would alleviate the immediate need for cuts to services and closure of buildings. If the decision is made to remain within the Council, it would be at that time that decisions will need to be made about which facilities may need to close. Because the Trust option is the Council's preferred option officers have not done any detailed modelling on how the savings would be allocated across services should they not transfer to a Trust. If savings were allocated across services on a pro rata basis the target for Community Centres might be in the region of £50k-£60k and it is inconceivable that this could be made without considering closures or significant cuts in service.
7. Q. Why is the 'Lodge' (a part of Southfield Community Centre) not part of the Trust?
- A. The annexe building which is adjacent to the Centre, and which is currently not in use, is subject to a separate assessment process, and while it is not in scope to transfer, a decision will have to be made on what will happen to it, and this is currently being considered by the Council.
8. Q. Men's sheds lease the portacabin in Langlee Complex - will it stay with the council?
- A. The Men's Shed project operates from a previously temporary building in Langlee, and this is not in scope to transfer to a Trust. The site will continue to be managed directly via the Council.
9. Q. Are the offices and workshops at the far end of Langlee Complex included?
- A. The workspaces are currently operated and managed via the Estates Team within the Council and are not in scope to be transferred to a Trust.

Section 5: About the Community Centre Management Committees

1. Q. What will happen to Management Committees?
- A. The recommendation and current planning assumptions are that the Management Committees will continue to operate as they do just now, with a revamped and reviewed pricing policy and model constitution. Instead of reporting directly to Scottish Borders Council they will report to a Trust, and it is likely that the same staffing group will be involved.
2. Q. Will Management Committees still be able to keep the income from lets?
- A. As above the role and detailed tasks currently carried out by Management Committees will remain, including the management of income from lets being continually reinvested by the Management Committees in line with their respective development plan, in the services and facilities available in the premises.

3. Q. Will groups have to pay more to use the Centre?

A. There is a current review of pricing and letting charges, with a request from some Treasurers to widen the parameters for charging by keeping the lower level and increasing the higher level of charges. This is supported by operational staff in Community Centres, though it is yet to be subject to final approval. There are no other current plans to change the charging policies and there is no assumption that transfer to a Trust will result in increases in charges being any more that they would be in the Council. In fact there may be more pressure to increase charges if Centres remain within the Council and have to find savings other than rates.

4. Q. Will Community Centres have to contribute to the Trust costs?

A. Currently Community Centres contribute to Council running costs for items such as utilities and caretaking, and between them contribute £52,000 pa. Our planning assumption is that we would like to reorganise funding so this charge does not continue, and there are no current plans for Community Centres to contribute to other Trust costs.

5. Q. Will community centres be set financial or performance targets by the Trust? Will we lose money at the year end?

A. Management Committees do have to operate within the agreed Constitution and this is likely to continue. There is no planning assumption for financial targets to be set, though performance such as vibrancy and activity levels may be gathered.

6. Q. Given that we have a cap on commercial income at present will this change as a consequence of moving to a Trust?

A. We are not aware of any cap on commercial income other than an upper limit for charging which is being reviewed and which is likely to be agreed as an upward move while at the same time keeping the lower level of charging i.e. widening the parameters but only by moving upwards to allow the Management Committees to make more income from some commercial lets. We don't see this changing in the Trust.

7. Q. Would there be an impact on our ability to provide free lets? Would the playgroup still fall under the free let policy in a Trust?

A. While the current constitution is subject to review this is not a planned change, and it is unlikely that the free lets policy would be removed. Any changes would typically be done following feedback from groups and Management Committees with the aim to be consensual. As mentioned in Q 3 should the Centres remain with the Council there is likely to be more need to review and reduce free lets to meet savings targets.

8. Q. In relation to the fee that we currently pay to SBC – what will happen to that in future?

A. Our planning assumption is that we would like to reorganise funding so this charge does not continue, though as yet this is not guaranteed.

9. Q. There is a c. £8.5k reserve held by SBC (for Kelso) - what would happen to that? Would it be repatriated to our Management Committee?

A. Our understanding is that this is restricted funding meaning it can only be used for specific purposes, and is subject to some detailed discussions with colleagues within SBC, and has not yet been resolved.

10. Q. Management Committees will report to the Trust regarding expenditure – who will they consult with re any large items of expenditure?

A. The planning assumption is that they will liaise with officers supporting the Committee, who are likely to be the same people, and this will be a matter for the Trust to consider.

11. Q. Some centres won't do as well as others – will one centre subsidise another – or be expected to?

A. There are no plans to do this.

12. Q. Does the Trust or individual centres apply for grants?

A. If there are grants that are especially suitable for a particular centre it would be best if the centre worked on the application with the appropriate support officer. Larger strategic grant applications will be made by officers but where appropriate they would liaise with Management Committees.

13. Q. Will Management Committees be able to apply for charitable funding?

A. Under the current constitution, Community Centre Management Committees are unable to apply to certain funds because they are seen as a part of SBC. The Trust will be a charity and some new avenues of funding are likely to become available, however it may be counterproductive for management committees to put in competing bids so it is anticipated that all applications for funding will go through a central point.

14. Q. Is there a cost rate or blanket rent re: Management Committee contribution to the £52,000?

A. If this relates to the current £52,000 contribution to utilities and Community Centre overheads we are seeking to remove this as per answers above. If it relates to pricing policy then we already have one and are seeking to review it and widen the parameters for charging by increasing the upper end only.

15. Q. Are you going to run nine sets of books for the nine community centres?

A. Each Management Committee will continue to operate independently and to the Constitution and will need to have an AGM and have an audited set of accounts.

16. Q. What happens if a community centre takes on a permanent school related aspect such as a playgroup?

A. Ultimately this is for the Management Committee to consider as part of the agreed activities, development plan and Constitution, but if it means taking on a statutory responsibility then this would likely be out with the Constitution and would need some agreement from a Trust or SBC.

17. Q. Will we still have the use of receptionists for booking rooms etc for Langlee?

A. This is subject to a current review by SBC, though it will continue for the foreseeable future.

18. Q. What will change for people around [this] table? Will we still be working to the current constitution for Management Committees?

A. Some elements of the Constitution are being reviewed along with Management Committees and some terminology will need to be updated, but it is likely that the current or updated Constitution will remain.

19. Q. Management committees are volunteers, what recommendation could you be making that they will have some voice and influence?

A. This is best managed via the open and overt consultation process already underway and which has been widely publicised.

20. Q. So if there is no structure for that proposed process (reporting and influence) would management committee's first contact be a Trust officer?

A. Management Committees will typically have a key contact in SBC and this will carry on into a Trust. It is also an option to influence activities, decisions and plans via the consultation process, and via local Councillors.

21. Q. What are the benefits of the Trust to the management committee? Looking at the proposal from a local committee point of view can you summarise the pros and cons?

A. The savings expected from Community Centres, C£50k-£60k will be met from rates savings rather from operational budgets. Management committees will not have to be faced with pressures on their bank balances or on having to be part of difficult decisions on where cuts will have to be made. Removing the budgetary pressures by transferring to a Trust also means closure options will not need to be considered, as balancing budgets when managing large cuts is still a very difficult task.

22. Q. Do the council take back the administrative duties that they have not been doing [more recently]? It seems daft if one person from the council can do it (they used to). Are you going to have paid staff (in libraries / museums) doing what volunteers do?

A. Administrative arrangements are being reviewed but the Constitution outlines the role of Management Committees to manage the centre activities. There are no plans to revert to the levels of administrative support from several years ago. There are no plans to have paid staff in libraries and museums doing what volunteers do.

23. Q. So are community centres going to get the same back room staff as libraries and museums? Until 5 or 6 years ago the admin was done by the council. Would it not be better for you to recommend that community centres need more admin back up?

A. See answer above.

24. Q. Could the local councillor be asked to come and speak to the community centre committee?

A. Yes

Composite response to the above

The Constitution for Community Centre Management Committees and the Guide and Pricing Policy (Letting Policy) will transfer to the Trust and there are no significant changes planned to the way Community Centres are managed. Committees will still be made up of representatives of user groups and others co-opted for specific reasons, and they will still have the power to set letting charges within agreed parameters and to grant free and concessionary lets. They will still retain the fees and be able to reinvest this in the Centre and the local community. There will still be a list of groups which will be granted free and priority lets. There will not be any charges or expenses taken from Centre funds by the Trust and while we are seeking a change there may still be a contribution taken to the £52,000 saving which has been in place for three years. The Trust will still pay for items currently paid by SBC including Caretaking, Utilities, and Waste Removal etc.

The Trust is likely to monitor performance and to require the Development Plan to be maintained and to be robust and challenging. All committees have a responsibility to work in partnership with SBC (and thus the Trust) to provide a facility which is accessible, inclusive and which provides opportunities for the local community to take part in social and learning activities. It is acknowledged that Centres do not all have the same opportunity to generate income. Staff currently supporting management committees are likely to transfer to the Trust and continue to provide support, they will be the first point of contact and will be the conduit for two way communications between the Trustees and the management committee.

The services provided by clerical and support staff is being reviewed both by the move to Trust and by a Council wide admin review. Management Committees will need to maintain and manage the administrative tasks relating to the work of the

committee. The management of accounts will continue as per the Constitution, and a copy of audited annual accounts would be sent to the Trustees rather than SBC. Apart from alleviating the need for immediate service cuts, the benefits of moving to a Trust include quicker decision making with a flatter management structure, the opportunity to apply for previously unavailable funding and the ability to carry funds over the financial year end. Decisions about Councillor or Trustee attendance at Management Committee meetings has yet to be made.

The Trust will have a board of Trustees who will manage the range of services which make up the Trust and this will include a number of buildings. Trustees will be selected on the basis of skills, expertise, knowledge and experience.

It is not anticipated that there will be significant change to the role of Community Centre Management Committees, and they will still retain the income from lets which they then reinvest in the Centre and the local community based on identified priorities stated in their development plan.

The Guide and Pricing Policy for Community Centres will provide a framework for charges and management committees will still retain the right to grant free and concessionary lets.

There are no current plans for Management Committees to contribute to the cost of the Trust, however there may still be a cost levied each year as a contribution to the £52,000 saving as there has been for the past three years.

Section 6: Random Questions

1. Q. Are you seeking a formal decision from us?

A. The purpose of the consultation is to inform management committees of the proposal to move community centres to a Culture Trust and to gauge and record comments and questions; SBC councillors will make the formal decision whether or not to include community centres in the Trust. We are seeking your views which we will make available to Councillors. It may be that there isn't a consensus from Community Centre Management Committees about their preferred option, transfer to the Trust or staying within the Council. In order to provide Management Committees with more time to consider their views the deadline for submitting comments has been extended to 15 August.

2. Q. It seems we are faced with 2 choices (Trust v closure of some centres) – is there really a choice there?

A. See response to Q1. Also, what is not on offer is the status quo. If Community Centres do not transfer to a Trust there will be significant reduction in operating budgets. In addition if community centres were to stay within the council there is no clear place to locate them, as the rest of Cultural Services will have moved and in 2012 CLD was restructured round Youth Work and Adult Learning.

3. Q. Will you be presenting your business case back to this group before there is a vote by the councillors?

A. This collated response to Management Committee questions is being circulated to all Management Committees. . The options appraisal document and reports already submitted to Council are available on the Council web a site. Reports going to Council are normally publicly available a week before the actual meeting.

4. Q. Can we expect written responses by the end of June?

A. All consulted committees will receive a copy of this document and can submit further comment through the consultation process by 15 August.

5. Q. What happens next?

A. Officers are working on producing a report to go to Council in October which will make a final recommendation on the scope of the Trust. Before the report is written the outcome of the consultation process will be shared with Councillors to gauge the likely recommendation. Once the report goes to Council the decision will be taken by all elected members. If the decision is to transfer services to a Trust officers will complete the necessary work required for a successful transfer a services by October 2015. The appointment process for Trustees will begin ASAP once a decision has been made. If the decision is not to transfer some or all or services officers will need to develop recommendations on where required savings can be made. This will need to be approved by elected members. These savings will need to be in place by October 2015, possibly earlier.

6. Q. What is the likely impact of forthcoming referendum on the Trust?

A. Our planning assumption is the impact of the referendum on Trusts is not likely to be substantially different from the impact on Councils,

7. Q. Is this, the Trust, the same as Community Asset Transfer?

A. No, this is not the same. The Community Asset Transfer process that was, was first discussed with Community Centres in 2012 is very different. In this process individual Community Centre Management Committees were approached to see if they wished to establish themselves as a community trusts and for the ownership of the Centre to be passed from the Council to the community. Only two community centres have expressed interest in this process and both are well down the route of taking ownership. If any management committees wish to revisit this as an option they should raise this with Council officers ASAP.

Section 7: Individual Questions submitted to SBC following consultation meetings

Q I am concerned about the financial implications of community centres being put into a large Trust rather than each operating independently.

A We don't see the move to a Trust making any change to a Community Centres ability to operate with any less freedom that they do within the Council and see no reason why a Trust will act any differently than the Council in respect of a management committee's right to manage their balances as long as they are being used for approved purposes and in accordance with agreed centre development plans.

Rather than high level strategy being determined by the Council it would be determined by a Board of Trustees (which will include SBC councillors); day to day management will continue to be the responsibility of the centre management committees working in partnership with their link officers.

Q. As a very successful Community Centre we have concerns that any attempts by a Trust to minimise our bank balance (which is used continuously to upgrade the Hall) would result in larger Let fees being charged resulting in user groups being unable to afford these. We have already one group of elderly users who are struggling at the moment to continue their Let. Unfortunately this was one of the queries which was left unanswered at our meeting (s). Unfortunately a Trust could perhaps lead to the closure of more Centres, halls, Museums and Libraries in the long run - not a good prospect for the local communities which they serve.

A. You ask some specific questions regarding bank balances, letting fees and closures.

Bank balances: we see no reason why a Trust will act any differently than the Council in respect of a management committee's right to manage these balances as long as they are being used for approved purposes and in accordance with agreed centre development plans.

Letting fees: these are currently set by Scottish Borders Council and included within an Annex to the Constitution. In a Trust they will be set by the Trustees but any review will require to take account of past policies, comparative charges, demand and the impact of any change. It would be to no one's benefit if increases were at a level that made it difficult for some groups to operate. We don't expect that the transfer of Community Centres to a Trust will lead to an increase in charging compared to what might be expected if community centres remain with the council. I note that even within SBC existing charging regimes some groups struggle to meet existing charges.

Closures: you seem to suggest that transferring services to a Trust will inevitably lead to closures of community centres, libraries and museums. While this scenario can never be ruled out we absolutely take the opposite view that establishing a Trust is the best means of avoiding closures and this point was reinforced in the briefings to all the Community Centre management committees. If we do not transfer services to a Trust to take advantage of the rates savings offered then the alternative, of retention within the Council, means that the closure of some of these facilities will be inevitable. As also mentioned at the briefing meetings with Community Centres a savings target for Cultural Services of £407,000 has been set - roughly 9% of our total budget. Transferring services to a Trust allows us to make approximately £350,000 of the savings from rates. The balance required is coming from a

restructure of the mobile library service which is due to be completed at later this year.

Within the Community Centre budget a 9% savings target is similar in value to the £50k-£60k savings that the rates remission would deliver. As the transfer of services to a Trust is the Council's preferred option we haven't done any detailed modelling on how this saving would be applied to Community Centres if services remain within the Council but unless there are change to our savings target there has to be an expectation that it will result in either targeted closures or by dividing the target amongst all the centres. In addition these are year on year savings so even by using existing bank balances as an option this would only resolve the problem for one year. It does therefore seem logical to use the Trust route rather than having to take savings from staffing and frontline services.

If you have any comments on this paper or further questions they should be sent by 15 August to

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