

Committee: Scrutiny

Agenda Item

Date: 3 April 2012

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Title: **Day Centres**

Author: Roz Millership, Assistant Director Housing and Environment Item for decision

Summary

1. The attached report on day centres is going to Cabinet on 5 April 2012 and is presented here for pre-scrutiny by the committee.
2. Any comments or recommendations made by the Scrutiny Committee will be relayed to the Cabinet.

Committee: Cabinet

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Date: 5 April 2012

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Summary

3. This report considers the transfer of maintenance responsibilities for the Stansted Day Centre to Stansted Mountfitchet Parish Council, which owns the asset. Stansted Day Centre retains 100% of its lettings income and this report also considers extending this arrangement to all the day centres in the district.

Recommendations

1. Maintenance responsibilities for the Stansted Day Centre be transferred to Stansted Mountfitchet Parish Council as soon as practicable, and the district council rents the premises as a day centre for a sum equivalent to the annual average cost of maintaining the centre.
2. The management committees for Great Dunmow, Saffron Walden, Takeley and Thaxted Day Centres retain 100% of Donations and Lettings income for their respective day centre.
3. Income from WRVS use of day centre kitchens is not included in the retention arrangements and will continue to be treated as district council other day centres income.
4. Approaches be made to the management committees for the Takeley and Thaxted centres to renegotiate the reimbursement of the costs of the cook and responsibility for employing the cook, respectively, in the context of the proposed retention of donations and lettings income.

Financial Implications

4. The proposed transfer of maintenance responsibilities for the Stansted Centre to the parish council has a neutral impact on the general fund because the rent that would become payable to the parish council for use of the centre would be based on the average annual cost of maintenance of the premises.
5. The proposed retention of all lettings income and donations by management committees would result in an overspend on the day centres budget line of £5,500 in 2012/13, as forecast income to the district council would not be received. If Cabinet is of the view an urgent adjustment to the budget is required in advance of considering the proposal as a possible growth item in the 2013/14 budget, the lost of income could be covered from reserves. At this

stage in the 2012/13 financial year equivalent savings/ additional income could not be identified in the housing general fund budgets.

Background Papers

- The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

Scrutiny Committee reports on day centres

Impact

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Communication/Consultation	Arrangements for Stansted Day Centre have been subject of discussion with Stansted Mountfitchet Parish Council and the centre management committee.
Community Safety	Day centres support vulnerable people to continue to live independent lives in the community.
Equalities	Day Centres provide services to users with a Protected Characteristic (Older People). An EQuIA is attached to this report.
Health and Safety	Maintenance is an important element in mitigating safety risks
Human Rights/Legal Implications	TUPE would apply to any changes in employer proposed.
Sustainability	
Ward-specific impacts	Stansted Day Centre is in Stansted North ward
Workforce/Workplace	Transfer of a cook employed by the council at Thaxted day centre to the management committee could be explored

Situation

- Currently Stansted Mountfitchet Parish Council owns the Stansted Day Centre at Crafton Green but the district council maintains the building. This arrangement is anomalous. It would be more sensible for maintenance responsibilities to lie with the owner, and for the district council to rent the premises for the day centre service. Consequential changes to the

management agreement between the council and the management committee will be required.

9. The Stansted Day Centre retains 100% of its lettings income and donations under a pilot arrangement intended to encourage management committees to look for opportunities to generate income. At other day centres, management committees split the income and donations with the district council on a 50:50 basis. It is considered that management committees would potentially be more motivated to achieve an increase in lettings and donations if they received the full benefit. It would also help them maintain self sufficiency if they had more revenue to invest in service quality.
10. Retention of income by management committees could also enable other existing anomalies such as the district council rather than the management committee employing a cook at the Thaxted centre, and the district council reimbursing Takeley Day Centre Management Committee for the latter's labour costs in employing its cook. With the prospect of more income, the Thaxted Day Centre Management Committee may be prepared to consider taking on the role of employer, and the Takeley Centre may be able to manage without its reimbursement.

Risk Analysis

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Risk	Likelihood	Impact	Mitigating actions
Day centres fail to maintain and enhance income and are obliged to cut costs, further diminishing their ability to raise revenue	2. Day centres need to attract new customers to maintain their turnover	3 Day centres could cease to be viable	Consider strategies to empower and support management committees

- 1 = Little or no risk or impact
- 2 = Some risk or impact – action may be necessary.
- 3 = Significant risk or impact – action required
- 4 = Near certainty of risk occurring, catastrophic effect or failure of project.