

## Appendix A

### Community-owned Halls in Maidstone Borough

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#### **1. Introduction**

Maidstone Borough Council commissioned ACRK in March 2009 to produce a report on the current situation of community halls in the Borough. The brief was to identify the halls, their locations, their lease arrangements and to provide a snapshot of their operating financial position as well as to provide examples of practice which could be shared. The council's draft Community Asset transfer (CAT) process refers to the need to audit existing community buildings and the report was also intended to help provide the first step in this process.

This report focuses on the community-owned/run halls (usually village halls) across Maidstone Borough. It also seeks to identify lessons and good practice which are either

- a) transferable to communities that might take on assets from the Borough Council (or other public sector organisations)
- b) worthy of further investigation

The report does not cover Beechwood Hall, which is still in the hands of developers, Fant Hall, Senacre Hall and Heather House for which the Council has overall responsibility and Harmony Hall which is run primarily as a community arts centre.

The report is based upon primary and secondary research which, in turn, has produced the following headline information painting a generally positive picture of their operations at Borough level (see Appendix 1).

- Community-owned halls in Maidstone Borough generate more income than the England-wide average, levels standing at 131%
- Conversely, those same halls spend more money than the national average, levels standing at 123%
- Halls in Maidstone Borough enjoy income running at 105% of expenditure levels; nationally that figure is just 98% and indicates that operating surpluses do exist in some instances
- 71% of halls in Maidstone Borough generated a surplus during the reporting period; the remaining 29% recording an operational loss
- A broad range of income generating activities were undertaken by the hall management committees – these included operation of lottery, farmers markets, and training events as well as provision of services such as playgroups and sporting activity

- A range of key factors in operating an asset successfully already exist within, or are available to, many communities within Maidstone Borough. Hence the knowledge required to help communities who take on assets does exist in many areas of the Borough, though not necessarily in all.

## **2. Context**

There exists the potential for community organisations to realise real gains for local communities by taking on the management and ownership of local assets<sup>1</sup>. This is evident in recent, and current, central government-driven initiatives designed to give local communities greater involvement in and ownership of decision-making processes. Examples of these initiatives have included:

- The Quirk Review *Making Assets Work*
- Government White Paper *Communities in Control*
- Establishment of the Asset Transfer Unit (led by the Development Trusts Association)
- Operation of the Advancing Assets for Communities demonstration programme (through a consortium comprising the Development Trusts Association, Local Government Association, Action with Communities in Rural England and Community Matters.)

The involvement of Action with Communities in Rural England (ACRE) in the latter is important to note as it operates the national Village Hall Service that supports Village Hall Advisors in the 38 rural community councils comprising much of the Rural Community Action Network (RCAN) across England; together this provides advice and guidance to groups running 8,900 already community-owned assets (village halls.) In Kent the service is delivered through the local rural community council (RCC), and RCAN member, Action with Communities in Rural Kent.

Maidstone Borough Council has representative membership of Action with Communities in Rural Kent under clause 3a of the latter organisation's amended constitution of 2004. This representative membership comprises two elected Members of Maidstone Borough Council, who receive information on at least a quarterly basis from Action with Communities in Rural Kent on issues affecting communities across rural Kent. Representative members are also invited to a range of events, on specific rural community matters, run by Action with Communities in Rural Kent during each year.

Maidstone Borough Council is a co-funder of Action with Communities in Rural Kent; during 2008/09 this funding totaled £6,000 - comprising 0.8% of the latter organisation's annual turnover.

Action with Communities in Rural Kent, established as the Kent Rural Community Council in 1923, draws a substantial portion of its own membership from organisations running

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<sup>1</sup> Local Government Association (2008) "Community Asset Transfer" on [www.lga.gov.uk/core/page.do?pageId=18787](http://www.lga.gov.uk/core/page.do?pageId=18787)

community-owned assets already; indeed Action with Communities in Rural Kent has a sub-committee called the Kent Community Halls Committee (KCHC.) In turn the KCHC places a representative on the Management Committee of Action with Communities in Rural Kent itself. As such there is a direct link from the 8,000 user groups of the 400+ community-owned halls in Kent (from whom village hall management committees tend to be drawn) to the operational functioning and governance of Action with Communities in Rural Kent.

Community-owned halls are public buildings run by dedicated groups of volunteers, who have the responsibility for all aspects of management of the building in line with current legislation. In these instances the halls operate as charities and the management committee members are all trustees of the charity. These assets play important roles in their community as they provide a facility for social, recreational and cultural activity.<sup>2</sup>

Across Kent and Medway, the area served by Action with Communities in Rural Kent, more than 400 community-owned halls are known to exist. The majority of these halls (more than 320) are located in rural communities; this said Kent has the third largest rural population in England and covers the ninth greatest land area designated by Defra as rural too.<sup>3</sup>

Action with Communities in Rural Kent is aware of 35 community-owned halls within Maidstone Borough. Other halls, run by faith-based, youth and other organisations exist also but for the purposes of this report are omitted. The purpose of this report is to examine the 'state of play' with community-owned halls across the Borough, as opposed to those facilities run for differing purposes, highlighting income and expenditure alongside more innovative uses of buildings that both generate greater participation by the local community in an active life (which can help deliver Local Area Agreement and sustainable Community Strategy targets as well as simply improving the quality of life for local people) and generate income.

The report draws also on examples of good practice from outside of the Borough as well as recent national research highlighting crucial factors in the successful running of a community-owned hall.

It is hoped that the information presented in this report makes a positive contribution to informing delivery of the asset transfer agenda within Maidstone Borough.

### **3. Methodology**

The report was compiled using a mixture of desk-based and site-visit research.

In the first instance, evidence from the Charity Commission and Action with Communities in Rural Kent was collated to gain an overview of the range of governing documents used by communities to manage their own assets.

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<sup>2</sup> Action with Communities in Rural England (2008) "ACRE's Village Hall Service" on [www.acre.org.uk/community\\_assets\\_villagehalls\\_informationservice.htm](http://www.acre.org.uk/community_assets_villagehalls_informationservice.htm)

<sup>3</sup> Action with Communities in Rural England (2008) Rural Community Action Network Allocations 2009-11. Unpublished report, ACRE, Cirencester.

Secondly, Charity Commission returns were used to gauge income and expenditure of each community-owned hall committee across Maidstone Borough. This approach enabled the same, publicly available, information to be used so as to enable fair comparison between halls. These returns covered the most recent financial year available; in most instances this was 2007/08 but in some cases was 2006/07 or simply 2007. This discrepancy arose as not all halls shared the same financial year, and so returns were not yet due with the Charity Commission for some halls covering the 2007/08 period. Where halls had not submitted information to the Charity Commission (there are instances in some parts of Kent of these returns being more than four years late) data was not included. This allowed a picture to be created of the total and mean average income generated by halls which could be compared to figures generated elsewhere – both in terms of actual income and the relationship between income and expenditure.

Thirdly, major works over the period covered by the accounts provided to the Charity Commission were taken into account. No halls had undergone a major refurbishment or rebuild during this period. Many halls had undertaken essential repair and maintenance work however, two of which were known to expend more than £10,000 on such activity. As such, the data collected is predominantly concerned with day-to-day hall operation.

Fourthly, the Action with Communities in Rural Kent internal staff reporting system “Trevs” was interrogated to examine the support provided to community hall management committees in Maidstone Borough during 2008/09.

Fifthly, a range of major research and policy documents were examined in order that local findings might be placed in some context. In particular the operation of community-owned halls within the ‘community empowerment’ and ‘asset transfer’ agendas was examined, as was research undertaken to examine the financial aspects of running a community-owned hall. This latter aspect provided pointers to the ingredients for some success in operating a community-owned asset.

Finally, fieldwork by Action with Communities in Rural Kent staff, plus telephone conversations, were used to unearth good practice examples from around Kent that might illustrate what can be done in terms of novel service delivery and income generation by communities who do own their own assets.

Together, the above six elements generated:

- Data on governing documents
- Financial information
- Case studies highlighting innovative or good practice
- Suggestions for “a way forward.”

This information revealed is set out in the next section of this report.

## **4. The findings**

### **4.1 Governance**

All of the halls surveyed can be regarded as community-run, with an independent management committee comprising trustees drawn largely from user groups at the helm – however the governing documents of operation did vary.

- 5 halls ran to an adopted constitution<sup>4</sup>
- 3 halls ran to a conveyance<sup>5</sup>
- 5 halls ran to a declaration of trust<sup>6</sup>
- 4 halls ran to a lease and trust deed<sup>7</sup>
- 5 halls ran to a Scheme<sup>8</sup>
- 4 halls ran to a trust deed<sup>9</sup>

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<sup>4</sup> A Constitution sets out the governing arrangements for management of a not-for-private-profit body such as a charity. Adoption is required, normally through a formal process involving members of the group becoming the not-for-private-profit organisation, in order that a constitution can become the governing document of the said charity. Constitutions are often to be found where the community-group running the hall may not be its owners, and thus the documents (in those instances) concern governance of the community association or hall trustee body principally – of course these bodies may contribute to operational, maintenance and other costs associated with the asset. Seek legal opinion for a full definition and operational context.

<sup>5</sup> A Conveyance is a document transferring ownership interest in property from one person or organisation to another. It is normal for a conveyance to name individual persons, and not unusual for such persons to remain named after they have moved away from a community or become deceased; such situations can prove problematic when dealing with future matters such as asset disposal, property development etc. It is also normal for individual trustees to be named at the setting up of a conveyance, trust deed or scheme and that these persons remain trustees until the first Annual General Meeting, at which point their responsibilities pass to the trustees forming the management committee and individual responsibilities are passed to a corporate body such as the Official Custodian of Charities. For village halls conveyances can be in place, for example, where the building is actually owned by one organisation but its operational responsibilities are transferred to other named parties such as specific users of the property. Sometimes this occurs where, for example, a former church property might be bought by a parish council (who will then hold deeds) but the conveyance drawn up at that point will also state that the building be only used as a village hall and run by named trustees comprising of representatives of village organisations. Seek legal opinion for a full definition and operational context.

<sup>6</sup> Declarations of Trust are also known as Trust Deeds: see footnote 9 below. Seek legal opinion for a full definition and operational context.

<sup>7</sup> A Lease and Trust Deed situation can occur, for example, where a village hall charity already exists (thus has its own governing documents) but takes on property other than that from which it first operated and can only do so subject to a lease. A Lease is renewable; The Trust Deed is as set out at footnote 9 below. Seek legal opinion for a full definition and operational context.

<sup>8</sup> A Scheme, or ‘Scheme of Commissioners’ (this refers to the Charity Commission) can be used where it is not possible to run a hall due to outdated governing documents. The Charity Commission itself warns of the need for care in using such documents; appropriate legal advice is necessary before a hall may look to operate under a Scheme. Sometimes Schemes are used to delete an aspect of the original Trust Deed. Seek legal opinion for a full definition and operational context.

<sup>9</sup> A Trust Deed is a model document for management of a village hall. Copyright on the Model Trust Deed, as approved by the Charity Commission, is held by Action with Communities in Rural England (ACRE.) Two types of Trust Deed exist – one each for Freehold and Leasehold properties. Seek legal opinion for a full definition and operational context.

- 9 halls used other, singular, models
- All 35 halls were registered with the Charity Commission.

This variety reflected the individual circumstances of each community; as such there is no 'ideal' model which can be imposed when establishing a new facility or transferring an asset to the community. Much depends upon the local circumstance as well as the advice and guidance provided to the community and those supporting it. Further information on the types of governing document is available through the Community Halls Adviser at Action with Communities in Rural Kent. However, appropriate legal advice should always be sought when identifying the correct type of governing document for any asset to be transferred to community ownership.

#### *4.2 Income and expenditure: general*

Of the 35 halls surveyed, financial records for the report period were available from 31.

The 31 halls making returns to the Charity Commission had a total income of £674,552 and expenditure of £642,248. Jointly this represented an operating surplus of £32,304. 22 halls enjoyed operating surpluses; i.e. 71% of the known sample. By way of contrast, 9 halls reported an operating loss, the largest of which was £12,254. Income generating activities used by halls are outlined in section 4.5. There are a number of reasons why expenditure may exceed income in a given year. For example a hall may be accumulating money for a specific purpose over a period of a few years and spending it in one year.

According to research commissioned by Defra, national mean average income for a rural community-owned building (normally a village hall) in 2007 was £16,427<sup>10</sup>. In the study commissioned as part of this report, the Maidstone this figure was £21,759, however it should be noted that this report uses data from the subsequent financial year. Should the Maidstone figures be in line with the national average it suggests that an annual rate of increase in income of 31% was generated in one year. Conversely, national average expenditure for 2006/07 stood at £16,841 with that in Maidstone for 2007 and 2007/08 calculated at £20,717, indicating annual increase in costs of 23% if halls in Maidstone had average expenditure. Annual inflation between April 2007 and April 2008 actually stood at 3% (Consumer Price Index) and 4% (Retail Price Index)<sup>11</sup> suggesting that both income and expenditure for halls in Maidstone existed at a higher level than was the case nationwide during the reporting period.

Further research would be required to discover why turnover locally is above the national average. Given that the GAV (Gross Added Value) per head of population in the Borough, an indicator of economic performance, stands below both UK and South East Region averages<sup>12</sup>, for example, whereas rural population levels are higher, this is not a straightforward area of enquiry.

<sup>10</sup> Rural Partnerships, CJC Consulting & University of Gloucestershire (2007) Research into the Funding of Rural Community Buildings and their Associated Benefits Defra, London

<sup>11</sup> Office for National Statistics (2009) [www.statistics.gov.uk](http://www.statistics.gov.uk)

<sup>12</sup> Kent Partnership (2008) Economic Performance 2008 Maidstone Kent County Council, Maidstone indicates that GVA per head of population for Maidstone Borough stands at £19,326. National Statistics

Nationally, therefore, it can be suggested that income levels generated by community-owned halls have a mean average of 98%. Halls in Maidstone Borough perform slightly better, with income running at 105% of running costs.

#### *4.3 Sources of income by type*

Sources of income were varied – however the split in Maidstone Borough, where known, was similar to the national picture unearthed by Defra. This meant that halls generated approximately 36% of annual income from lettings and hall hire. The remaining sums came from regular grants (5%), one-off grants and donations (38%), interest (2%), specific fund raising (11%) and other sources (8%). Income generating activity is dealt with in further detail below.

The Defra research had indicated a national average annual grant from local authorities (County, Unitary, District and Parish / Town level together) at £879 per hall. Defra do not have these figures broken down at a lower level so it is currently unknown how Maidstone Borough halls perform in relation to this.

#### *4.4 Funding from Parish Councils*

Most of the halls in this study are located in parts of Maidstone Borough that are parished (i.e. covered by Parish Councils.) It is understood that halls currently in the ownership of the Borough Council that have the potential to be transferred to community-owned status are not in parished areas; some examples of use, and potential sources of income generation adopted by halls in parished areas, might not be applicable or easily transferable.

The largest declared sum from a Parish Council, discovered in this survey, was a grant of £8,006 to a hall with annual income of above £40,000 per annum and an operating deficit of more than £5,000 (it should however be noted that this hall had undergone some major works in the last three years.) This figure of slightly more than £8,000 appears unusual in light of the Defra research however – that found grants made by Parish Councils varied between £75 and £5,000 per year and were usually given to help with maintenance.

Parish Councils are known to contribute towards development of new halls – usually by obtaining loans, such as a Public Works Loan, which are then paid off over a prescribed period of time. As no new halls were constructed during the period covered by this report, other than the construction of Beechwood Hall from a section 106 funded agreement with the council, there are no current examples of this. This said, at least one hall in Maidstone Borough has been co-financed in its development by such a contribution.

Parish Councils are regular hirers of village halls; for example, monthly meetings of Parish Councils tend to be held in these venues and they are the most common host for

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(2009) Regional GVA at [www.statistics.gov.uk/cci/nugget.asp?ID420](http://www.statistics.gov.uk/cci/nugget.asp?ID420) indicates that the UK average stood at £19,956 while that for the South East of England was £22,264.

Annual Parish Meetings though they cannot be said to be the dominant users (or thus hirers) of most halls; most have between five and twenty regular user groups which would indicate Parish Councils contributing between 5% and 20% of income in terms of hiring. Further research would be required to establish both frequency and benefits (direct and indirect) of Parish Council use, and hence any relative disadvantage to halls in non-parished areas.

#### 4.5 Income generating activity

Given the scope of this study, it was not possible to examine the day-to-day financial records of the 37 halls. Statistically significant figures do not currently exist for precise sources of income for all halls, and so further investigation was focused on halls that either

- Generated larger incomes
- Endured higher levels of expenditure
- Saw wider surpluses or losses
- Were known to be involved in innovative means of serving their communities.

It was possible however, using existing knowledge, Defra-commissioned research, Charity Commission returns and the follow-up investigations to draw an overall picture, and then to illustrate ideas on income generating activity with some case studies.

Most regular income is generated through use of the hall; principally this is related to hiring space for sports, cultural and other uses. In some instances contributions are made by Parish Councils – occasionally this is tied to use of specific rooms within a venue for the purposes of a Parish Council Office (this activity is included in the “regular grants” category as opposed to “lettings and hall hire.” It should be noted that legal considerations can be encountered in the letting of space to a public sector organisation however – this is something requiring of specialist advice on a case by case basis.)

Typical hall hire, in turn generating income, includes:

- Parish Council meetings
- Essential local services such as playgroups, after school clubs, etc. which enable members of the community to participate in economic and social activity elsewhere (e.g. employment, training.)
- Essential leisure activities contributing to health and wellbeing of the population (e.g. short-mat bowls, dancing, badminton, bridge clubs etc.)

Most halls make themselves available for hire to large group events such as wedding receptions and parties. Some larger halls have found themselves able to hire to public and third sector agencies with an operating scope beyond the Borough itself, being the venue for workshops, conferences and even awards ceremonies.

Given that all halls within this study are operated as charities they are not, in the truest sense, profit making enterprises – the main thrust to income generation is to cover operational costs and establish reserves sufficient to cover measures set out in the reserves policy of the charity managing the hall. Specific budgets may be created for assignment to major refurbishment or even new build activity – however these tend to



be small as major works tend to be financed by dedicated grant programmes, charitable trusts or philanthropic benefactors. Given that most major refurbishments require a portfolio of funders, it is good practice to raise income locally to act as part of a 'match fund'.<sup>13</sup>

Having stated that halls are not, in the truest sense, profit making enterprises, they can and do generate income through innovative means. Some halls are able to undertake charitable trading, operate gaming services or run lotteries (all such activities require appropriate licensing, and advice can be provided on these through the Action with Communities in Rural Kent Community Halls Advisor.) Others are open to act as hubs for training provision or provide opportunities for retail services (e.g. community-owned shops, farmers markets etc.) to be available in communities where otherwise no service would occur.

Community-owned halls across Maidstone Borough are involved in innovative means of income generation which may be transferrable to halls not currently undertaking such activity, or those currently in public sector ownership which could be transferred as assets to the local community. An illustration of such innovation follows.

#### *4.6 Case studies: innovative sources of income generation*

**Allington Community Centre** recorded more than £40,000 of income (around 80% of total) as 'charitable trading.' This is a field that requires specialist support and can involve acquisition of appropriate licenses depending upon the activities undertaken; any hall wishing to generate income in this manner would be wise to seek professional advice; in terms of compliance with charitable purposes, that can be sought through Action with Communities in Rural Kent. Activity at Allington includes operation of gaming machines, pool tables, and running of bingo sessions. Trading at the Centre also includes operation of a bar.<sup>14</sup>

Activity at Allington Community Centre is overseen by a Community Association and it serves a predominantly urban (or sub-urban) population. If use is confined only to nearby population, this does give the hall access to a greater number of potential users. The hall recorded an operating surplus during the report period of almost £8,000.

**Harrietsham Village Hall** recorded an operating loss during the reporting period; however it did receive income (more than £5,000) from investments made by its management committee and had existing commitments to repay a £172,000 loan over a period of several years. It should also be noted that in the year prior to that covered by this report the hall made an operating surplus of more than £6,000.<sup>15</sup> This hall is one which hires out office space to the local Parish Council, thus providing regular income, usage and visibility as a hub in the community. The venue has also been hired by external bodies such as the South East of England Development Agency (SEEDA) for operation of training related to the EU-financed Rural Development Programme for

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<sup>13</sup> A 'match fund' is useful as many grant programmes will only provide a certain percentage of overall project costs, leaving the community to raise remaining sums themselves.

<sup>14</sup> Charity Commission website [www.charity-commission.gov.uk](http://www.charity-commission.gov.uk)

<sup>15</sup> Charity Commission Ibid

England. In part this comes from the hall enjoying relatively good transport links (being close to the M20 motorway for example.)

**Headcorn Village Hall** has enjoyed recent major renovations and, as such, is repaying a £180,000 loan from the Charity Bank.<sup>16</sup> This said, to help in generating income, a lottery entitled "Headcorn 200" has been launched. Headcorn 200 operates on the principle that 35% of income generated supports prizes and the remaining 65% is allocated to hall funds<sup>17</sup>. During the reporting year, Headcorn 200 provided £12,250 (13.6% of total income) to hall funds. This hall is also one of several around Kent to have been the host for a regular farmers market (outside the Borough, Shipbourne and Capel-le-Ferne are among the most successful at this – the latter also provides 'post office' functions, including assisted on-line services using local volunteers, despite losing the village hall-based Post Office as a result of the Post Office Network Change Programme in 2008.)

As is the case with Allington, Headcorn Village Hall serves a sizable local population.

**Lenham Community Centre** is one of the most modern in the Borough, and has the space and facilities to generate income perhaps not open to all halls. It generated more than £38,000 of its income from hiring (61% - well above the national average), but a further £17,000 was generated through the Litpro Project<sup>18</sup> (focused on training through the hall's own Information & Communication Technology Suite – outside the Borough similar facilities are available at such locations as Egerton.) Lenham Community Centre is also one of three venues in the Borough listed as used by Applause Rural Touring. Applause Rural Touring is a rural touring arts organisation affiliated to the National Rural Touring Forum; members of this help communities to promote arts events (theatre, dance, cinema, participatory activity etc.) by providing menus of touring acts and activities, training and support which enables the venues themselves to act as 'promoters' and ultimately generate 'box office' income from the events held.

#### *4.7 Case studies: some illustrations of general activity*

Use of general funds and surpluses to fund essential works: **Bearsted & Thurnham King George V Hall** recorded a loss of £4,092 – however it should be noted that during the previous year the hall enjoyed an operating surplus in excess of £19,000. The main change in circumstances during this reporting period was expenditure on repairs to the hall costing more than £16,000.<sup>19</sup> If anything, this demonstrates the need to allocate appropriate sums either to reserves or designated funds for maintenance work; as such money can be accumulated over a period of time to contribute to necessary works which will help keep the facility open and a resource for the local community.

Use of the internet to attract business and integrate with the community: **Detling Village Hall** website has reciprocal links with the Parish website (used also by the Parish Council and with pages for the local community's own 'community strategy' – i.e.

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<sup>16</sup> Charity Commission Ibid

<sup>17</sup> [www.headcorn.org.uk/nvh200club.htm](http://www.headcorn.org.uk/nvh200club.htm)

<sup>18</sup> Charity Commission Ibid

<sup>19</sup> Charity Commission Ibid

its Parish Plan) as well as hall user groups, and includes its own on-line booking facilities, images for the benefit of those not familiar with the hall and location map.<sup>20</sup> This enables the hall to draw business from beyond the Parish itself.

#### 4.8 The work of Action with Communities in Rural Kent with community-owned halls in Maidstone Borough during 2008/09.

During 2008/09, Action with Communities in Rural Kent provided direct support<sup>21</sup> to 79 community hall committees, as well as ongoing information and guidance to a further 200+, across Kent over the 141 days per year that the service is funded to operate. 13 community hall committees in Maidstone Borough received direct support, comprising 16.7 days work at a cost (to Action with Communities in Rural Kent) of approximately £4,050, were supported. This support work covered two main fields of activity:

- Advice, guidance and training – covering issues such as licensing, fire safety, duties of trustees, replacement of honorary officers, relationships between management committees and their hall user groups, and incorporation of eco-features in design.
- Implementation of quality management systems for committees; particularly roll-out of the national 'Hallmark' accreditation scheme (operated in Kent through Action with Communities in Rural Kent.)

This level of activity indicates that many hall committees in Maidstone Borough required less 'hands on' support than is the case in other parts of the county, which might indicate a level of good operational practice from which experience can be drawn when looking to transfer existing public sector assets to the communities in which these are located. It can be noted, however, that only one hall in the Borough has yet achieved the Hallmark Award (a quality systems standard for community halls, currently being rolled out nationally with central government funding; four further are pursuing accreditation), while six were found to be in arrears in terms of submitting appropriate documentation to the Charity Commission (only one of these is a member of Action with Communities in Rural Kent and this issue is now being dealt with.)

## **5. Four Key Actions**

### **5.1 Facilitating and promoting effective hall management by local residents with useful skills**

Community-owned buildings in Maidstone Borough appear generally well run; excess surpluses or deficits are not immediately evident and there is a good spread of essential local services being provided. The committees of volunteers running these halls are involved in a wide range of income generating activity – some of which is straightforward, although there are instances where specialist advice is required (if only

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<sup>20</sup> [www.detlingvillagehall.co.uk](http://www.detlingvillagehall.co.uk)

<sup>21</sup> Direct support is the service available to hall committees that are Members of Action with Communities in Rural Kent. This includes face to face advice and information, discounts on training events, and quarterly information sheets dedicated to community hall issues. Non-members are able to use a telephone service or pay higher fees for training events.

so that operations undertaken remain within the law.) This suggests that there is experience, and expertise, to draw upon in supporting any community which takes on an asset (e.g. a building) under the asset transfer agenda.

However it is acknowledged that in some areas it may be more difficult to identify residents with the confidence to take on management responsibilities for a community hall. This can be mitigated through council support for third sector organizations to facilitate this. It is also important that the management of the hall is achieved on a sustainable basis in order for it to thrive, and in order to facilitate this, additional support for a newly established management committee, particularly in the early stages of an asset transfer, should be considered.

Defra-commissioned research<sup>22</sup> has identified the key factors required in order for a community to achieve success in obtaining funding

- A good committee
- A person with the right skills to apply for funding
- Having a good case in terms of delivering additional benefits
- Determination.

Availability of support to provide these factors does exist in Maidstone Borough.

- In terms of a good committee, where gaps may lie, organisations such as Voluntary Action Maidstone, Kent CAN (through a contract with Voluntary Action West Kent) and Action with Communities in Rural Kent, provide specialist support and training to groups on a range of governance, leadership and management issues. A key question that does arise here concerns the existing capacity of these organisations to provide ongoing support (e.g. the community halls service provided by Action with Communities in Rural Kent is only funded to operate for a limited period each year) and what investment is required in the communities themselves that may take on assets (or leases) currently in Maidstone Borough Council ownership.
- In terms of the right skills, the 'Funding Buddies in Kent' project, operated by Action with Communities in Rural Kent – with specialist support provided geographically by councils for voluntary service (Voluntary Action Maidstone in this instance) – is to train-up a series of volunteer mentors across the county to help more communities be able to generate and manage income for local activity. This builds upon a two year pilot operating principally on Romney Marsh and the Isle of Sheppey designed to help 20 groups but ended up supporting more than 120 (generating an 80% success rate in funding applications – a small number of which were community halls.)<sup>23</sup>
- Maidstone Borough Council, Kent County Council, SEEDA, the Office for National Statistics et al hold data which can be used to demonstrate need and potential benefit.
- Any community running its own affairs is already demonstrating a degree of determination.

## 5.2 Supporting third sector organizations in developing asset management skills.

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<sup>22</sup> Rural Partnerships et al (2009), Ibid.

<sup>23</sup> For further information visit [www.fundingbuddiesinkent.org.uk](http://www.fundingbuddiesinkent.org.uk)

According to early findings from the Central Government Community Asset Fund, asset transfer can help to achieve wider empowerment objectives (as set out in recent Community Empowerment and Local Government White Papers for example), and to do so in a more strategic way than had generally happened in the past<sup>24</sup>. Good asset transfer involves

- a close and continuing relationship between the local authority and the third-sector (in this case 'community') organisation taking on the asset
- support for the third-sector organisation (community) during and beyond the process
- focusing on the potential for maximizing the leverage of further funding from other sources.

In Maidstone Borough elements for enabling each of these three areas exist – for example:

- The Borough Council owns assets and has commissioned work to examine transfer of assets to communities it is working with
- Specialist community buildings advice is available to a community, through Action with Communities in Rural Kent (and, beyond that, the national Village Hall Service), during and beyond the asset transfer process
- Experience from management of other community-owned assets exists which could be brought to support any community in Maidstone Borough when it came to maximizing leverage of further funding.

### 5.3 Ensuring the building is an asset and not a liability

Clearly the asset should be just that – an asset, rather than a liability, and this may present challenges in any proposed community asset transfer of a building, (or for that matter any leasing arrangement with a third sector organisation) which requires substantial sums of money to be spent on it. Consideration should be given to Invest to Save approaches in these situations as well as to exploring external sources of capital funding available to a third sector organization when considering transfer. Evidence from halls such as Harrietsham and Headcorn indicates the amounts of money required for major works (this can become an increasing issue where buildings are ageing); however, prudent management such as that displayed at Bearsted & Thurnham is also required and indeed effective practice should be shared.

### 5.4 Further auditing and reviewing the provision of community halls in the Borough

Although outside of the scope of this report, further work needs to be undertaken to analyse the population served by the individual community halls and the facilities in each hall using GIS technology in order to develop a strategy and framework for community hall provision.

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<sup>24</sup> Masundire C. & Browning S. (2009) Community Empowerment through Asset transfer - A story in the making - Emerging findings on the Community Asset Fund. Paper given to the Local Authorities Research + Intelligence Association Annual Conference, 31<sup>st</sup> March 2009, Loughborough.

## **6. Conclusion**

Basic factors for success already exist within the Borough, though questions remain over the investment in infrastructure necessary to help deliver the asset transfer agenda, and much of this report has drawn upon activity in rural communities where some activities, or income generating opportunities, exist that may not occur in urban areas, and where Parish Councils can, and often do, provide a local infrastructure support role. It is worth remembering that populations and thus the number of potential users are smaller in rural areas and this presents its own challenges.

Further information of the state of community-owned buildings will be available in late 2009 / early 2010, when the results of the ACRE National Village Halls Survey are known. This survey, conducted every 10 years, examines provision of services, car parking, facilities and other information provided by each hall and this should provide more detailed information to help the council perform the audit referred to in the draft Community Asset Transfer ( CAT) process.