

Report to the Cabinet

Meeting to be held on Thursday, 7 September 2023

Report of the Director of Strategy and Performance

Part I

Electoral Division affected:
(All Divisions);

Corporate Priorities:
Caring for the vulnerable;
Delivering better services;

Review of Premises Use Policy
(Appendices 'A' and 'B' refer)

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Brief Summary

The current Premises Use Policy supports the use of the county council's premises by setting out the criteria to be considered when deciding whether to facilitate use by third party/external organisations. This report sets out a revised Premises Use Policy to ensure consistency of approach and use that supports a sustainable portfolio. This begins with the introduction of an online booking method to electronically capture premises use application requests, which will provide data and insight into the types of use and users, and a process for agreeing and documenting all other occupation.

It is proposed that the revised policy will replace the Premises Use Policy adopted in March 2018.

This is deemed to be a Key Decision and the requirements of Standing Order C19 have been complied with.

Recommendation

Cabinet is asked to approve:

- (i) The revised Premises Use Policy 2023 as attached at Appendix 'A' for



implementation from 1 October 2023.

(ii) The introduction of the online method of application for all use of premises.

(iii) The introduction of the process to document all premise occupation.

(iv) That the Director of Strategy and Performance, in consultation with the Cabinet Member for Resources, HR, and Property, be authorised to approve any charging exemptions with any agreements to be reviewed on an annual basis.

Detail

The Premises Use Policy supports the use of the county council's premises by third party organisations for educational, community and service-delivery purposes. The current policy was agreed by Cabinet in March 2018, and it is predominantly applicable to the sessional use of council premises. These proposals have been considered in consultation with services.

The purpose of the policy is to support relationships and to ensure consistency is applied by setting out the criteria to be considered when deciding whether to allow accommodation to be used by third parties. The policy acknowledges that there is a cost attached to enabling the use of buildings which is met by the county council and that, in order to support a sustainable portfolio, these will be passed on to third party users if appropriate.

The charges in the current policy are stated in the Annual Fees and Charges report which was agreed by Full Council on 9 February 2023. The current charges, set out at Appendix 'A', were implemented with effect from 1 April 2023 and will be reviewed annually as part of the council's annual review of Fees and Charges.

Revised Policy

The reviewed policy seeks to enable better use and management of buildings. It expands the types of use into two categories:

- **Sessional Use** – The hire of a room or area within a council premises for a short set period, usually for a period of 1 hour, which could be on an ad hoc or regular basis.
- **Formal Occupation** – Regular exclusive or non-exclusive use of a room or area within a facility usually for a fixed period that doesn't fall into the sessional use category.

Formal Occupation is defined as either:

- **co-delivery** whereby the third party delivers a front facing service in collaboration with county council services e.g. midwifery.



- **co-location** whereby the third party has use of a premise e.g. a desk licence or office use.
- **community use** whereby the third party is a community organisation and uses the premise to deliver services to the local community e.g. Brownies and Scouts.

Sessional Use

There are 3 categories of charging for sessional use and the categories are retained in the new policy and described as below:

- A – Free of Charge Use
- B – Contributed Rate (which covers the premises variable running costs for provision of consumption of services only)
- C – Standard Rate (which covers everything in B above plus all other running costs)

Currently sessional premises use requests are managed through a paper-based system and all sessional use documentation is retained at the premise that the use or activity takes place within. Therefore, there is no centrally held data regarding premises use. To better understand the current sessional use, data has been collected over a three month period (April, May and June 2023) from 64 libraries (of which 18 buildings have meeting rooms available, two of which were out of use during the data collection period) and 48 Children Family Wellbeing buildings. The monthly response rate from each group is shown in the below table:

	No of buildings	No of returns			No of buildings with a meeting room
		April	May	June	
Libraries	64	47	36	27	18
CFW	48	30	31	10	

Based on the three months of data provided, all use at the Children and Family Wellbeing Service buildings was category A - free of charge. That free use equated to 8,098 sessional use hours and the main users were external providers of health related services (named as 'partners e.g. health' in the data provided) followed by county council service delivery.

The use at the library buildings was predominantly category A - free of charge. It equated to 6,927 sessional use hours of which 4,128 hours were delivered in the library main space, which is not typically chargeable in libraries unless the event is held out of hours. The main user categories were voluntary organisations and county council service delivery. Regarding chargeable use, the income achieved over the three months was predominantly through category B and totalled £5,058.

It is noted that Voluntary Sector organisations contribute greatly to our local communities and are often carrying out work which supports the county council's



priorities. In addition, partner use includes services commissioned by county council to deliver against agreed strategic targets. However, there are other organisations carrying out activities unconnected to the county council priorities using our buildings. The data gathered has been used to consider the financial impact of moving those user groups in category A to category B, category B to category C and keep those in category C as current (omitting county council service delivery and partner use). This equated to a theoretical increase in income over the three months toward premise running costs of £5,773 in Children and Family Wellbeing Service buildings and £8,718 in library buildings. It is acknowledged that the volume of use may alter throughout the year and would likely be reduced as some groups would no longer be able to use the space if a charge was imposed.

It is proposed that whilst cost recovery should continue to be a priority, the county council will continue to support those users delivering services that support the county council's priorities. Premise use will be further reviewed during the 12 months following implementation of the policy to ensure that it adheres to the following principles:

- That services of the county council are able to deliver effectively from council premises and that their activities will be prioritised.
- That the county council will not charge voluntary sector organisations for using county council premises as long as they are delivering services that support the county council's priorities and occur alongside and during service operating hours.
- The county council will ensure a consistent approach is applied to organisations wishing to make use of county council buildings and that sessional use/hire is not to the detriment of the authority's own service delivery.
- Use by partner organisations e.g. Police - the type of activity being carried out will determine the category applied which will determine the applicable charge.
- Where profit-making organisations use county council premises it is appropriate that they are charged the standard rate C.
- Procurement implications are considered where an organisation is currently contracted to deliver services on behalf of the county council from county council premises or may intend to tender for services in the future.

The review period will consider the existing relationships with all users and will aim to formalise all arrangements that fall outside of sessional use or that do not adhere to the above principles. Engagement with council services will continue and the standard rate will continue to apply to any commercial activity or organisation.

The policy attached at Appendix 'A' includes all terms and conditions of use.

Online Booking System

It is recognised that the data collected is valuable to ensure effective management of county council premises. It is also acknowledged that a paper-based booking system is not an efficient method. Digital Services are now developing an online booking system to enable users to apply to use the available county council premises through



the council's website. This would allow for a streamlined process and comprehensive and accurate records of use that can be more easily monitored and managed and will strengthen the county council's approach to the General Data Protection Regulation. In addition, it will ensure that premise managers have control of the room availability and will automate some of the current process. To support the transition, public computers in libraries will be available to members of the public to access the online system and paper forms will continue to be available where required with information later recorded on the online system.

Formalising the approach to premises use

The council enables a wide range of third-party use within its premises and often the use is delivering or complementing service delivery. However, not all use is currently formalised in agreements so there is inconsistency in charging or seeking contributions from third party users/organisations. To ensure a consistent approach, and that the county council's own services can effectively use our premises, this must be addressed. The revised policy includes the addition a new process for arranging any regular exclusive or non-exclusive use of a room or area within a facility for a fixed period by requiring the third party to complete an Application Form for the formal occupation of county council premises. It also includes a process for permissions relating to the land or building such as installing a bench/planter or painting a mural. This will streamline the process for premise managers and will ensure effective governance of premise use.

Requests to enable co-location and community use will be submitted to Asset Management and will be considered on a case-by-case basis. Should the application be successful, the appropriate legal agreement would then be proposed by the Estates Service in consultation with legal services and subsequently drafted and completed by legal services e.g. this could be in the form of a licence or a lease. The county council will reserve the right to terminate any arrangement and Estates Service would advise on the correct documentation and whether any associated charges would be applicable based on each application.

Premises use defined as co-delivery is use which supports front facing county council service delivery alongside or in collaboration with the county council. It is proposed that under co-delivery, the third party would be corporately exempt from premise charges and as such any arrangement must be part of an agreed service strategy. To ensure better management of the portfolio, any agreement to enable co-delivery must be corporately agreed. This report recommends that the approval is made by the Director of Strategy and Performance in consultation with the Cabinet Member for Resources, HR, and Property and reviewed on an annual basis.

The policy details the requirements and terms of each use type and provides a process for prioritising the use of council buildings. It confirms the council's service delivery as the highest priority and recognises that it may not always be the council delivering the service. The policy applies to most premises owned or controlled by the county council. The only exceptions are Conferencing at The Exchange at Burnley Campus and County Hall complex, Lancashire Museum Conservation Centre, Outdoor Education Centres and School premises where they have devolved financial management and traded service arrangements in place.



Consultations

There has been engagement with services that either contribute to the policy, facilitate the use of the premises by third parties in council buildings or commission third parties to deliver services in council buildings. The services include the following:

- Cultural Services,
- Children, Family and Wellbeing Service
- Disability Day Services
- Facilities Management Service
- Digital Services
- Estates Service
- Public Health Service
- Corporate Comms
- Economic Development
- Commissioned Services both Adults and Children's
- Insurance Team
- VAT
- Legal and Democratic Services
- Finance Service
- Equality & Cohesion

Further engagement with services and those groups that facilitate and commission third parties to deliver services in council buildings will be required during the 12 month period following implementation. This will include the library service regarding the Friends of Library Groups of which there are 33 across Lancashire. The change of policy is considered to have minimal impact on friends of library groups based on current use of premises and the data collected so far. The project team will engage with the groups to discuss aligning the Friend's constitution with the new policy.

There has been contact with a small number of community associations which are exclusive users in specific council buildings to seek information on the current level of activity and regarding the proposed review of the use of premises policy:

- Earby Community Association
- Belmont Community Association
- Barton Road Community Association
- Coal Clough Community Association

Implications:

This item has the following implications, as indicated:

Risk management

Financial

The charges for the use of premises outlined within this report were agreed by Full Council as part of the 2023/24 budget.

Human Resources



The formalisation of third party/partner use will require involvement from other council services, e.g., Estates and Legal Services which will increase workload on those services.

Property Asset Management

This policy is one of those that underpins our use of premises, and we must carefully balance the use of buildings with the strategic ambitions of services. Third party/partner use may displace council service delivery or reduce the opportunities available to the council to increase efficiency of the portfolio by co-locating more services in fewer premises. This conflicts with the strategic review of the property portfolio. However, improved data about the use of premises provided by the online booking system and formalisation of all use will enable better alignment with service strategies such as co-location within council buildings with other organisations, Family Hubs, Public Health commissioned services, e.g., smoking cessation clinics.

The delegated approval of exemptions under co-delivery with an annual review will provide consistency of approach and will result in an improved management of premises. Where an exemption is agreed, this will be in recognition of the contribution made by Voluntary, Community and Faith Sector organisations towards delivery of agreed service strategies in Lancashire. Formalising use and agreement of co-location will determine responsibilities and will allow consideration of a financial contribution to premise running costs where there is a third party impact.

There will be a period of 12 months from the date of implementation of the revised Policy to formalise all use of premises. This will provide a clearer illustration of the different types of use in council buildings and will improve management of the wider portfolio.

Legal/Procurement

The remainder of the UK's new Subsidy Control regime came into force on 4 January 2023, replacing previous EU based State Aid Rules and supplementing the parts of the Subsidy Control Act 2022 which came into force on 28 April 2022.

Care needs to be taken where free or subsidised use of county council premises is permitted, as this could be considered an unlawful state subsidy.

If approval is given to this proposal the county council will give due consideration to the rules of the subsidy control regime detailed above, to ensure that any commercial arrangements reached between the county council and users of premises does not constitute provision by the county council of an unlawful subsidy, or, in the event of a subsidy existing, that such is permitted under the new subsidy control regime.

Public Health

Third party activities delivered from county council owned public facing premises have the potential to impact positively on the wider determinants of health. As examples these might include supporting access to employment, reducing social isolation, and supporting educational attainment. The terms of use of county council



public facing venues should consider the potential impact this could have on delivery of these types of activities - particularly where these activities support communities where inequalities exist.

This will support achievement of the county council's priority to 'Challenge and reduce areas of inequality and provide opportunity for all'.

Equality & Cohesion/Equality Analysis

An Equality Impact Analysis has been completed and is attached at Appendix 'B'.

Digital

The online application system for the use of premises is currently being built with the aim of a partial release to enable user acceptance testing on, or before, 1 September 2023. The full system build, and subsequent user acceptance testing will continue during September with a view to completing by the end of that month. It is intended to launch the system to the public working with corporate comms to deliver the launch.

The system will be introduced over the 12-month period to libraries initially followed by Children and Family Wellbeing Service buildings and all other premises under the policy. Unforeseen circumstances realised in the requirements gathering stage may delay the online system rollout however this will be mitigated where possible by focusing on essential requirements only and close monitoring of the project. The implementation of the policy would not be affected. Data Protection Impact Assessment is being completed.

List of Background Papers

Paper	Date	Contact/Tel
None		
Reason for inclusion in Part II, if appropriate		
N/A		

