

REPORT TO: HOUSING COMMITTEE – 19 February 2001

REPORT ON: WHITFIELD COMMUNITY SERVICES COMPLEX

REPORT BY: DIRECTOR OF HOUSING

REPORT NO: 72-2001

1. PURPOSE

This report deals with the use of Whitfield Community Services Complex by community groups. The purpose of the report is to recommend a number of measures which will allow the groups to use the building at lower cost, subject to the Council's future consideration of an application for rates relief, while also safeguarding the Council's financial interests.

2. RECOMMENDATIONS

It is recommended that:

- (i) the Assessor be asked to create separate entries in the Valuation Roll for the two distinct parts of the Whitfield Community Services Complex, i.e. for the Area Housing Office and the Community Wing, as shown in Appendix 1.
- (ii) the Council grant a lease for the Community Wing, for a nominal consideration, to One Parent Families Scotland, which has agreed to take on responsibility as tenant on behalf of all the groups using the building and to co-ordinate its management.
- (iii) the Director of Economic Development be remitted to negotiate the detailed terms of the lease, including responsibilities for security of the building.
- (iv) the Director of Support Services be remitted to obtain Scottish Ministers' approval, if required, for the granting of the lease.
- (v) since One Parent Families Scotland has charitable status, and the other groups using the building also have charitable purposes, the tenant be encouraged to apply for 100% remission of non-domestic rates and a grant to meet the cost of water and sewerage charges for the Community Wing, on condition that it continues to be used wholly or mainly for charitable purposes. A further report will be submitted to the Finance Committee once an application has been made.

3. FINANCIAL IMPLICATIONS

- 3.1 The net effect of the proposals recommended in this report would be an overall saving to the Council of £4,434.94 based on 2000/2001 figures. It is intended that the recommendations would come into effect from financial year 2001/2002 but the relevant figures for that year are not yet known.
- 3.2 The saving is achieved by a reduction of £9,328.22 in the rates paid by the Council in respect of the Community Wing, offset by the loss of £2,800 in payments currently made by the user groups and a potential grant of £2,093.28 to cover the surface water charge. Housing will continue to meet the metered charges and standing charges for water as at present.

4. **LOCAL AGENDA 21 IMPLICATIONS**

By providing support to community groups, this report impacts on a key theme of Local Agenda 21 – “all sections of the community are empowered to participate in decision-making”.

5. **EQUAL OPPORTUNITIES IMPLICATIONS**

None

6. **BACKGROUND**

- 6.1 The Whitfield Community Services Complex is located at 101 Whitfield Drive. The Complex houses the Whitfield Area Housing Office and a ‘Community Wing’ occupied by a number of community groups including Whitfield Sustainability Group, Whitfield Disability Group, Dundee Sitter Service and One Parent Families Scotland. The Complex was funded by the former Scottish Office through the ‘New Life for Urban Scotland’ initiative and was intended to create a facility for community use.
- 6.2 During the past year, some of the groups have raised queries about the payments they make to the Housing Department for the use of the building. Although sometimes described as rent, these payments are actually contributions towards the rates which Housing pay at present for the whole building. However, although the payments act as a drain on the resources of the local groups, they only represent a small proportion of the rates attributable to the Community Wing, leaving Housing to pay a disproportionately high share of the costs of the building.
- 6.3 Consideration of how to resolve this situation has focussed on the issue of rates relief. All of the groups using the Community Wing have charitable purposes, but they cannot benefit at present from rates relief since the Housing Department is regarded as the ‘rateable occupier’ for the entire building. It is therefore proposed that:
- the Assessor should be asked to make separate entries in the Valuation Roll for the Area Housing Office and the Community Wing, splitting the building for this purpose as shown in Appendix 1. The Community Wing would include the meeting/training room but Housing would continue to have priority access.
 - legal responsibility for occupancy of the Wing should be undertaken by one group, on behalf of all the users. With the support of all the user groups, One Parent Families Scotland have agreed to take on this role, and they propose to establish a co-ordinating body to ensure the involvement of all users in the management of the building. The Director of Economic Development should be remitted to agree the detailed terms of the lease, and the Director of Support Services should be remitted to obtain Scottish Ministers’ approval for this if required.
 - since One Parent Families Scotland have charitable status, and the other groups using the building also have charitable purposes, the tenant should be encouraged to apply for 100% remission of rates and a grant to meet the cost of those water and sewerage charges which will be billed directly to them but are not covered by rates relief.
 - once the application for rates relief has been made, the Director of Finance should submit a report on this to the Finance Committee

- 6.4 The effect of the proposals outlined above would be to substantially reduce the level of rates which the Council pays at present for the Complex. It is proposed that part of the savings which will accrue should be used to meet the water and sewerage charges for the Community Wing. North of Scotland Water Authority have advised that, on the basis of the split outlined above, the Community Wing would be responsible for an annual surface water charge of £2,093.28. In addition, there would be standing charges and charges based on the metered volume of water actually used. It is proposed that the Council should meet these charges if the rates relief package is agreed
- 6.5 The groups occupying the Community Wing would continue to make contributions towards the running costs of the Wing (e.g. heating/lighting, internal repairs and decoration) but Housing would remain responsible for the overall fabric of the building.
- 6.6 In conclusion, the net effect of the recommendations in this report would be a saving to the Council and a reduction in the costs of groups using the Whitfield Community Services Complex if the Council subsequently approved an application for remission of rates.

7. **CONSULTATIONS**

The Directors of Support Services, Finance and Neighbourhood Resources have been consulted on this report.

Director of Housing Date

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