

locality

The show must go on

Theatres, arts venues and civic buildings in community ownership



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Community owned civic buildings

This publication is based on presentations at the Community Owned Civic Buildings event held in November 2012. The event aimed to inspire the reinvention of civic buildings in community ownership and to inform proposals for the future community asset transfer of theatres, performance, event and exhibition venues and town halls.

Such buildings are often highly valued and close to the hearts of local communities. Many are of historical and architectural significance. They can be key components in local authority strategies around culture, leisure, education and tourism. But, it can be challenging to find a mix of uses which will allow the buildings to remain viable in the long term. Increasingly, local authorities are working with community partners to secure the future of such buildings.

The poem below formed part of the presentation by Tom Calderbank from Dingle Multi Agency Centre. It encapsulates how the local community valued The Florrie and fought to keep and refurbish it.

Locality

Locality is the UK's leading network of community development trusts, settlements, social action centres and community enterprise practitioners. We are national experts in community asset development and community asset transfer.

Acknowledgements

Locality would like to thank the Department for Communities and Local Government, which funded the event via the Asset Transfer Unit. Thanks also to speakers at the event for sharing their broad-ranging experiences.

The Florrie After Extra Time (extract)

For as long as there are stories, our story they will tell,
Those who wrote The Florrie off don't know us very well;
You see: we Die Hard like Bruce Willis in a vest
A claret and blue 'FI' emblazoned on our chest
We Ling On! We wouldn't let it lie!
We love the Florrie so much we couldn't let her die!
Like the Transit of Venus, she's very rare indeed
Now here she is returned to us, in our very hour of need;
This jewel of sweet progression, this expression of our faith
May she have a long, loooooong life to come,
May she always keep us safe.
May she continue to inspire,
May her light shine bright,
Like a trillion watt candle
In the Dingle
In the night.

Community owned civic buildings

Hugh Rolo, Locality

In addition to his role at Locality, Hugh is an active community developer. Living in Bradford, Hugh has worked with community organisations on the acquisition, refurbishment and management of Carlisle Business Centre and Manningham Mills. The history of community ownership of these buildings in Bradford is now being mirrored across the country as we look for new uses for old buildings.

Key issues for Hugh from his experience in working on the ground in Bradford and in supporting community organisations across the country are:

- it is not just about saving heritage buildings – they must have viable future uses
- we can no longer rely on the state to maintain civic buildings – it is about communities of passion finding viable alternative uses – or reinstating the old use in a viable form.

Peer-to-peer learning is essential at all stages of the process – from ideas generation to running the building effectively. Hugh is particularly interested in the use of community shares. Community shares create investment opportunities for local people and provide a powerful lever for other funding as a tool to revive heritage buildings.



Manningham Mills

Hackney Empire

Griff Rhys Jones

As Chair of Civic Voice, Griff was in Yorkshire touring heritage projects at the time of the event. He spoke about the incredible passion of local communities. He had visited Bradford to hear about the campaign to save a fine old cinema, and learned about plans for a volunteer run library in Wharfedale.

Griff was involved in the campaign to save the Hackney Empire, which began with an approach to become the figurehead for a Heritage Lottery bid. Hackney Empire is a wonderful building – but its use by the local community is even more impressive. The campaign to save the theatre was grounded in community involvement – allowing people to do what they wanted to do – which attracted huge audiences. The theatre found an untapped market in the local black and minority ethnic communities, with full houses for shows such as black talent competitions and Turkish singers.

Hackney Empire became a long-term commitment when the Heritage Lottery bid was rejected on the grounds that the match funding could not be raised. This increased the determination of the campaigners to raise the capital to preserve both the building and local involvement.

Raising capital

Griff had a number of tips around raising significant capital funds:

- do the research to find out all the sources of funding available. This is time-consuming but is ultimately rewarding
- keep your investors on-side while you work to achieve your total – they need to be kept up to date with progress
- believe in your ability to raise your total – it is part of building an unstoppable bandwagon
- personal communication is essential in fundraising from high net worth individuals – but it can take years and a huge amount of effort.

Hackney Empire raised £15 million to refurbish the building.

Setting your capital target

Griff discussed the involvement of Boards in setting funding targets. A Board meeting starts with a target figure for the capital appeal. Through the discussion, Board members identify additions to the building work. In the heritage field, you are usually looking at multiples of £1 million. So in the course of two hours, your fundraising target can go up by £6 million! It is important to set realistic targets and stick to them.

Support

Any sizeable restoration project is going to require a huge amount of support from volunteers and professionals in both a pro-bono and paid capacity. It is crucial to find the people who will see the project through from start to finish.

It can be difficult to work with Friends groups. Though strongly committed, the goals of a Friends group often diverge from those of the Board which is responsible for taking the project forward. So be aware that friction may occur.

It can be difficult for Board members to know when to step away. Campaigners may not have the skills or interest in managing an asset long-term. But taking that step after a long-term involvement is never easy.

Maintenance

Though it does not seem like it at the time, raising the capital to renovate a building is the easy part. Repairs and maintenance start as soon as the building work is completed, so plans need to be in place for this from the start.



Civic Buildings
event with
Griff Rhys Jones

Usage

A key argument for restoring the Hackney Empire was the level of community use of the theatre. It is essential to encourage the local community to make use of your building – in that way the word will spread.

New uses

Griff reflected that there are lots of beautiful old buildings which can no longer serve their original purpose. We don't meet together as often as we used to, so there are glorious theatres, churches and pubs which no longer meet local needs. Many urban pubs provided leisure space for working people living in over-crowded conditions. We need to find new uses to breathe life back into these incredible buildings.

Finally

To achieve your goal and complete the renovation of the building is incredibly rewarding. It is a hard journey but it is something that communities can achieve.

The ability of communities across the country to successfully take on heritage projects was demonstrated by the Restoration television series. There was a huge success rate, not just among the winners.

"So keep at it and good luck."

Hebden Bridge Town Hall

Andrew Bibby and Jerry Smith
Hebden Bridge Community Association

Andrew and Jerry are long standing trustees of Hebden Bridge Community Association. They discussed the development of the town hall project and the current challenges.

Hebden Bridge Town Hall was built in 1897, a reflection of the civic pride of the Victorians in their town. By 2000, however nice the frontage was, the building itself was in substantial disrepair.

From 1974 following local government reorganisation, there was a gradual loss of services from the town hall – including the registrars, housing office and cash desk – this led to discussions about its role and the cost of maintaining this Grade II listed building.

The community felt that it was a key part of the public realm. So the community and the local authority developed a partnership approach based on the need for a long term solution, the financial constraints on the council and the opportunities for the community to tap into wider funding sources.

The key concerns of the council were:

- good governance
- management capability
- accountability to the local community
- long-term sustainability
- not setting a precedent.

Terms of transfer:

- 40 year lease – now extended to 125 years
- community association responsible for repairs and maintenance
- no net gain or loss to the local authority
- no on-going grant funding
- Calderdale as anchor tenant paying around £40k per annum for 10 years as rental for the space they use – this equates to the running costs had the building remained in local authority ownership.

Capital build

The capital build cost was £3.4 million, which was a major challenge. The aims of the capital development were to:

- provide the basis for long-term sustainability
- move away from dependency on the council
- make the building compliant with the Disability Discrimination Act
- create and operate a range of community facilities
- support the local economy through the development of enterprise units.

The main funding sources were a £2m investment from Communitybuilders (£1.25m loan, £0.75m grant) and a £1.2m ERDF grant. Construction took place between April 2011 and August 2012.



Hebden Bridge Town Hall

Trustees and staffing

The trustees were used to doing everything themselves – so it has been difficult to adjust to having a staff team. This is further complicated by the commitment to develop the role of volunteers within the organisation.

The association has a small staff team. The current budget does not allow for an increase in staffing, so the association relies on the staff team to make it work. The association is currently exploring options for a flexible staffing structure which will give capacity without huge liabilities.

Business model

The business model is based on:

- 35 enterprise units
- business associates – hot desking with other business support
- conferences, seminars, weddings, community events
- catering franchise.

Future challenges

The community association is currently considering its future role: should it focus on the town hall or is this just the first in a larger portfolio? There are also challenges with balancing property management with wider community service delivery. The strapline for the association is “Community Lives Here” – but does this relate to space or animation?

Accountability and governance

Hebden Bridge Community Association sees its USP as being around local democracy. Governance is key – the association has an elected Board and over 600 members. It is determined that there will be clear democratic accountability of the Board for the building – a new form of public ownership.

The association is committed to maintaining the town hall in public ownership in perpetuity, as a centre of community and civic life, developing the principles of that ownership by looking back to the earlier nineteenth century models of mutuality and common interest, as well as forward towards new 21st century models.

The business units are already fully let and this is a huge bonus as the business plan was based on gradually increasing occupancy. Hot-desking is working well – the association works closely with other agencies providing business support. Weddings and events are doing well but not quite achieving full cost recovery. There are still questions around whether franchising the catering was the best option for the town hall.

The building is now operational – so the first stage of work is complete. Future challenges include running the building successfully, defining the long-term role of the association and ensuring that the town hall continues to be a building at the heart of community and civic life.

The ballad of Toxteth Town Hall

Tom Calderbank
Dingle Multi-Agency Centre

Ideas and attitudes

Tom began by speaking about some of the ideas and attitudes underpinning his work with civic buildings in Toxteth.

“Believe and act as if it were impossible to fail” – Charles Kettering.

“People say you are banging your head off a brick wall – well, it’s my head and my wall, what’s it to you.”

“Go on with a spirit that fears nothing.”

Toxteth

Tom asked delegates what they thought of when he mentioned Toxteth. The usual reaction is “I predict a riot”. But Toxteth is a thousand years old – far older than Liverpool – and mentioned in the Domesday Book. However, now it is only known for one four letter word.

Toxteth has suffered from 30 years of poor housing management. Much of the housing was left to rot after the riots and then blighted by the Housing Market Renewal Pathfinder. It was featured on a Channel Four documentary about demolition led regeneration. But much of the actual housing is sound. L8 is an area which is high on the Index of Deprivation – “the level of poverty means we don’t live long in Liverpool 8”. The renovation of Toxteth Town Hall has been a means to restore civic pride and change views about the area.

Dingle Multi-Agency Centre (DMAC) was set up by local people who wanted to bring the much loved town hall building back into use. The aim was to make it a state of the art community resource. Those involved in the early days were all unemployed – looking to develop sustainable employment for themselves and others in the community.

The town hall

Dingle SRB supported the purchase of the head lease from Liverpool City Council for £80k. DMAC then fundraised over £200k to refurbish this Grade II listed building to its former glory. It now contains office space for new and established businesses.

DMAC values

The town hall was providing a wide range of services for local people before the formation of the welfare state – including registrar services, a morgue, means testing and help for the destitute, and police cells. Coming from this history, DMAC is committed to resisting the shrinkage of the state but is also willing to look at alternatives. The organisation exists to do what the public and private sectors do not.



Tom Calderbank, Toxteth Town Hall

The Florrie



Revenue

Office rental is the key income stream for Toxteth Town Hall. The long-term aim was and is to be fully financially sustainable and after about 15 years, DMAC generates around 90% of its income. It is not a quick win.

The town hall offers low cost office and meeting space. The recession has caused problems. For the first time, there are voids in the building, mainly due to the knock-on effect of tenants losing public sector grants.

Getting to where you want to be

To succeed with asset transfer projects, you need energy, strong leadership, tenacity and long-term vision. There were no women speaking at the event, but Tom highlighted their role as a driving force for many asset developments. To make things happen, there needs to be a real sense of personal responsibility – “if not you, then who, if not now, then when?”

When DMAC looked to take on the town hall, people gave it 18 months and said that it was not viable. DMAC have proved them wrong.

“Don’t rage at the bureaucrats who say your project won’t work – success is the best form of revenge.”

Adding to the asset base

The success of DMAC has had a regenerative effect, leading directly to the restoration of two other local landmarks. The Belvedere, valued at just under £1 million, is a former boys club which is now a multi-activity centre featuring the Golden Gloves boxing gym.

The most recent project is the Florence Institute for Boys – known as the Florrie – built in 1889 as one of the first boys clubs, providing instruction and leisure for poor boys of the parish.

There had been a 10 year campaign to raise the funding for the Florrie – and it all came down to the last 48 hours to finalise funding from the North West Development Agency before it was abolished.

However, getting the doors open was the easy bit – it is keeping them open which is the real challenge.



The Belvedere

Civic buildings

Chris Hill

Chris has experience of a range of asset development projects, so was asked to discuss the challenges as well as the opportunities they can unleash.

SHINE

SHINE is a beautiful old school building located in a poor but enterprising area of Leeds. At the development stage about five years ago, Hugh from Locality warned the Board that they were borrowing too much and their business plan was over-optimistic. The school was in poor condition – the cost of acquisition and refurbishment ran to £4 million with loans of over £2 million.

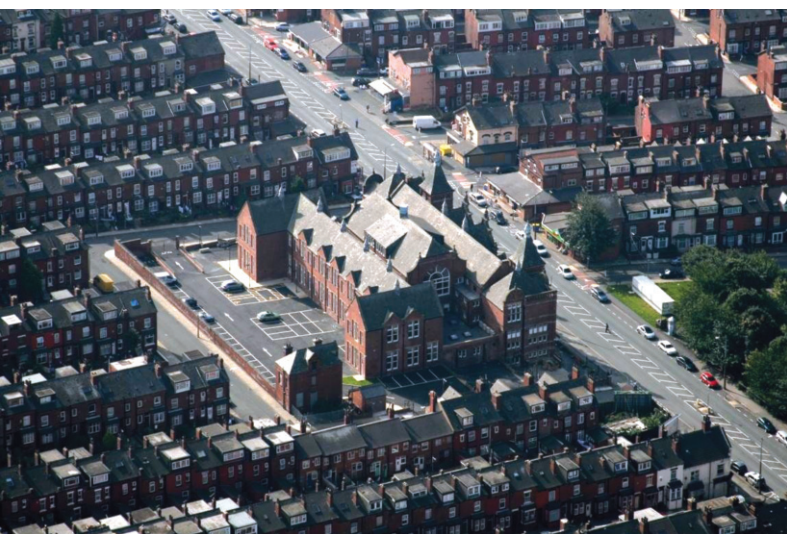
The building opened in 2008 just as the recession hit and the business plan went out of the window. There is no evening economy so the daytime trade has to pay for the full cost of the building. Half of the building is devoted to conferencing - bringing in around £40k per month. The rest is managed workspace.

HEART

Headingley Enterprise and Arts Centre (HEART) is another old school and its success is a tribute to the power of co-ops. The Centre has 1,000 members and they are key to driving the use of the building.

After a long period of negotiation with the local authority, the transfer was agreed, based on the services from a local community centre relocating to HEART. This allowed the community centre building to be sold generating a capital receipt for the local authority. The cost of refurbishment was £1.2 million – of which £450k was loan finance.

For HEART, the hot-desking is moving slowly – however, the café is performing well beyond expectations. It is the sixteenth café in Headingley so was not expected to be particularly profitable – but it appeals to young mothers and is therefore extremely well used.



SHINE



Unity Hall

Unity Hall

The Unity Hall is the old Co-op HQ building in Wakefield. It is held in huge affection – high spots included the Specials, Eurythmics and Captain Beefheart playing in its 600 capacity main hall. Working on development plans for the building has included meeting promoters and fans. Chris has found it very useful to visit similar venues to get information and inspiration.

It is a £4 million project with loan finance of £2.5 million. There are two hundred shareholders following a community share offer.

Co-operative property development

Co-operative property development is an opportunity to work differently by enabling people to be owners of buildings – this creates custom – the power of the co-op.

Community share issues are growing in popularity. Share issues need to be interesting and exciting – don't over-estimate what you can raise. Chris has found that between £50k and £100k is realistic – however it is invaluable in building community support and use of your building.

Huttons Buildings (under development)



Huttons Buildings is a new creative arts space in Sheffield providing workshops, conferencing, gallery, café/bar, open air café and events space plus a micro-brewery and a bakery. The project development will be undertaken with little grant funding – a key element of this £1 million project is a community share issue.

Learning points

- it is important to get the quality right – if you wouldn't work there, why would anyone else, if you would not hold a concert there, why would others?
- work hard to create public interest in your building
- loan finance is a key element of most large developments but it is essential to be realistic about what you can afford to repay
- not all loan funders are the same – talk to them and find out what they can offer. Chris recommended the Key Fund as adventurous, willing funders covering the North of England because they understand the challenges of acquiring a building and making it viable.

Funding the transfer of heritage assets

Ian Lush, Architectural Heritage Fund

The Architectural Heritage Fund is an independent charity established in 1976 to promote the conservation of historic buildings throughout the UK. It provides advice, information and financial assistance to community groups interested in restoring a historic building and giving it a beneficial new use.

Ian gave a brief run through sources of investment for heritage assets:

- English Heritage and other national government funding
- European funding (in specific areas)
- local government and agencies
- Lottery funds
- the AHF and other low-cost loans
- charitable trusts and foundations
- commercial sector (including planning gain and enabling development, plus contributions in kind)
- community share issues
- private individuals/Friends schemes/local fundraising.

Government funding

English Heritage is effectively the statutory agency for the historic environment. It gives grants for repairs to buildings listed at Grade I and Grade II* (apart from in London where Grade II buildings also qualify).

There are other sources of central government funding - DCLG, DEFRA, BIS – but it is important to think outside the 'heritage box' – particularly about the end use of the building, looking at jobs created, boosting the local economy, delivery of local services, not just the building itself.

European sources

From 2007, Britain's total 'structural funds' package from the European Union fell by more than 40%. 'Objective 1' funding, now called 'Convergence', applies only to Cornwall, West Wales, Highlands and Islands.

'Objectives 2 and 3' now called 'Competitiveness', apply everywhere else, with special ring-fenced funds for Merseyside and South Yorkshire.

European Regional Development and Social Funds are still available but carefully targeted. Local authorities are often the first source of advice on European funding. It is a complex and challenging area - large sums are involved but they often need to be spent very quickly.

Lifecycle of organisations

Ian considered the lifecycle of organisations. Typically the saving and acquisition of a heritage building by a community organisation will go through distinct stages:

- campaigning
- acquisition and project development
- management.

Different skills are needed at each of the stages. Failure to recognise this can lead to costly mistakes. Often the founders of the organisation are not the best people to take the project forward. It is a real art to know when to step aside.



Friars Walk Schoolroom

Local government

Local government is not usually a major source of funds (though there are exceptions) but is essential as a partner, particularly for using legislative powers. Local authorities can broker 'section 106' agreements with developers. And local authorities are of course central to the asset transfer agenda.

Lottery funds

The Heritage Lottery Fund (HLF) has increased funding available from 2013. New schemes launched in April 2013 including grants for options appraisals, start-up funding for small groups and 'Heritage Enterprise' projects encouraging partnerships between voluntary organisations and the commercial sector. HLF grants up to £100,000 will have a 'lighter-touch' approach. HLF is the obvious first port of call for a heritage building, but others – Arts Council, Sports Lottery and BIG – are also possible if the project fits.

Architectural Heritage Fund

To be eligible, an applicant must be a charitable or not for profit organisation. The project must involve a 'protected' building – listed or in a conservation area. The building must be changing ownership and/or use. The project must demonstrate long-term financial viability and sustainability.

AHF financial support:

- Options Appraisal Grants: up to £10,000, maximum 75% of costs
- Project Development Grants: up to £20,000
- loans for acquisition or working capital, up to £750,000 over 3-5 years
- Challenge Fund grants for Grade I and II* buildings, up to £200,000
- Cold Spots funding in East Midlands and for industrial heritage at risk
- review of AHF schemes is underway with changes from April 2013.

Loan funders

Other sources of low-cost loan finance include:

- Charity Bank
- Unity Trust Bank
- Ecology Building Society
- Triodos
- Co-operative Bank
- other banks/building societies subject to negotiation and a good relationship.



The Florrie, under construction

Charitable trusts and foundations

These are many and varied; some small and specialised, others large and more general. The AHF website includes detailed information on funding for historic buildings. Don't waste time with general appeals, study the objectives, policies and guidelines of each charitable trust in detail before you apply.

Commercial sector

Section 106 agreements can include funds for restoration of historic buildings and landscapes etc. Partnerships with commercial developers on large projects can be a good way to fund restoration through enabling development. Explore opportunities through landfill tax and funding related to mineral extraction.

Sponsorship in kind is another possibility – cash sponsorship is rarer but not impossible. Some developers and housing associations are sympathetic to built heritage and recognise its economic value in regeneration projects.

Community share issues

Pilot projects over recent years have included some historic buildings. Community share issues can be a good way to engage the community and provide an alternative source of funding. The regulations are complex but detailed information is available on the Community Shares Unit website. www.communityshares.org.uk

Friends groups

Community share schemes often work better than Friends groups because the relationship is better defined. Those investing their own money in community shares are committed to seeing the scheme succeed.

Friends groups can bring benefits but may have a different agenda to the parent organisation. It is essential to have clear boundaries. Ian had come across a case where the Friends had keys for a dilapidated building so they could let others in. However in the event of an accident, the parent organisation was liable – a health and safety nightmare.

Fund-raising from individuals

Can be very fruitful, but US-style philanthropy is by no means the norm in the UK – although the Government is keen to encourage it.

Conclusions

- the volatility of markets and finance is a short to medium-term challenge
- brownfield regeneration could benefit from the downturn
- sustainability is the key
- partnerships are more essential than ever.

Community Assets and Services grant programme

Anton Schultz

Community Right to Bid

Right to Bid (Assets of Community Value) "aims to ensure that buildings and amenities can be kept in public use and remain an integral part of community life". The legislation came into force in September 2012.

Nomination

Local communities can now nominate assets of community value – for example a community centre, sports field, pub, or shop.

To be of community value the primary, current or recent use of the asset must be to further the social well-being or cultural, recreational or sporting interests of the local community, and it must be reasonable to consider that it can continue to do so. If an asset and the nominating group meet the criteria, the local authority must list it as an asset of community value.

Moratorium

A moratorium is triggered when the owner wants to sell an asset of community value. There is an initial six week moratorium to check out whether a community organisation is interested in bidding. If there is a community bidder, the moratorium is extended to six months.

During the moratorium, the owner cannot conclude a sale. This is to give community organisations the opportunity to put together a viable bid to buy the asset. There is no obligation for the owner to sell to the community organisation. For more information on Community Right to Bid, see the My Community Rights website www.mycommunityrights.org.uk

Community Assets and Services grant programme

The Community Assets and Services grant programme is open to organisations seeking to bid for an asset of community value or pursuing a community asset transfer. More information on the programme is available on the Social Investment Business website www.sibgroup.org.uk

Pre-feasibility

Pre-feasibility grants focus on organisational development – helping groups to get ready to take the first steps toward Community Right to Bid or community asset transfer. Grants are for up to £10k and need to be spent within three months of the award.

Feasibility

Feasibility grants focus on the technical issues of taking on an asset under the Right to Bid or asset transfer: condition of the building, refurbishment, legal issues and business planning. Grants are for up to £100k and must be spent within six months of an award.

Advice and information

Architectural Heritage Fund promotes the conservation of historic buildings in the UK. It provides advice, information and financial assistance in the form of grants and low interest working capital loans. www.ahfund.org.uk

Asset Transfer Unit promotes community asset transfer. It offers support and a range of resources. www.locality.org.uk/asset-transfer-unit

Community Shares Unit promotes enterprise, equity and engagement through community shares and bonds
www.communityshares.org.uk

Empowering Communities – Making the Most of Local Assets – guides for councillors¹ and officers² provide a clear summary of routes to community ownership and management of property assets including Community Right to Bid, community asset transfer, meanwhile use, community right to reclaim land and compulsory purchase for communities.
www.locality.org.uk/resources/making-local-assets-councillors-guide/¹

www.locality.org.uk/resources/empowering-communities-making-local-assets-officers-guide/²

Funding for Historic Buildings website is a guide to funding for the repair, restoration or conversion to a new use of a historic building in the UK. www.ffhb.org.uk

Locality is the leading national network for community led organisations. It provides support for community organisations to acquire, refurbish and manage assets. www.locality.org.uk/our-work/assets/

Making Buildings Work for your Community (2008) explores issues around design refurbishment and retrofit. A resource for any group aiming to refurbish a building, the guide covers the main issues to be considered including access, flexibility, security, management and maintenance.

www.locality.org.uk/resources/making-buildings-work-community/

My Community Rights online hub and advice service run by Locality helps communities to use Community Rights.
www.mycommunityrights.org.uk/my-community-rights/

Pillars of the Community (2012) looks at the community asset transfer of heritage buildings.
www.locality.org.uk/resources/pillars-community-transfer-local-authority-heritage-assets

Social Investment Business manages the Community Assets and Services grant programme which can support Right to Bid and community asset transfer at pre-feasibility and feasibility stages.
www.sibgroup.org.uk/communityrights/

To Have and To Hold (2010) is a comprehensive guide to acquiring, refurbishing and managing property assets.
www.locality.org.uk/resources/hold

The Green Asset Guide (2007) explores approaches to reducing environmental impact in the improvement or development of land or buildings. www.locality.org.uk/resources/green-asset-guide/

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www.locality.org.uk

Our greatest resource and our greatest strength is our membership. We all share a belief in our communities and a commitment to driving change through community enterprise and community asset ownership. Within our membership there is an extraordinary reservoir of knowledge, skills and experience – and it's there for you when you join Locality!

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www.locality.org.uk/memberoffer

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