

Governance Options Structure – Packmores Community Centre

1 - Introduction

A key aspect of a successful building operations is to define clear roles and responsibilities, such as ownership and operations responsibilities. This document describes the current arrangement and propose a new Governance Model for the new centre – this proposal has been designed after consultation with stakeholders, WCAVA and represents the best option for future success.

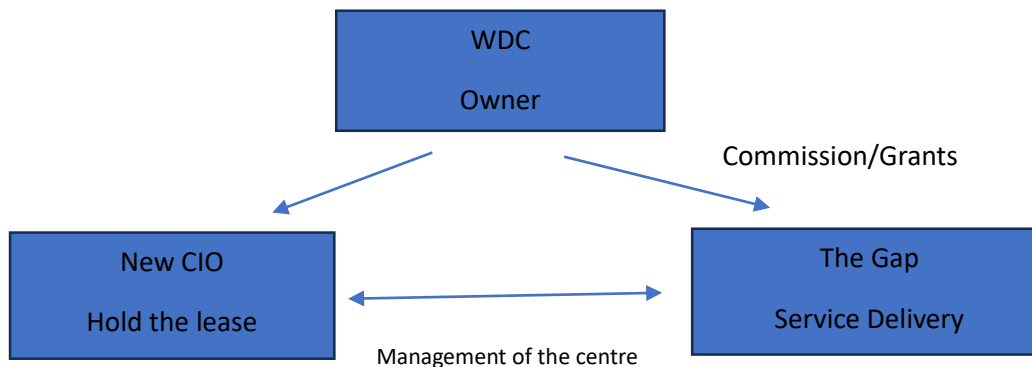
2- Current arrangements

The Gap has held a contract with Warwick District Council (WDC) to deliver services at Packmores since 2015, which includes the lease of the building from WDC (owner). The current contract is in place until June 2026.

WDC ---Commission/Grant-----> Service Provider (The Gap/other) who leases the building.

3 – Proposal

To ensure that residents’ group have decision power on how services are operated in the new community centre and how it is run as well as benefitting from The Gap’s experience of delivery community services in the area for the past 8 years (20+ in Warwick the proposed structure is to create a newly created organisation (CIO) working in partnership with the Gap, as illustrated below with a SWOT analysis shown in Section 4 (Option c):



A – Ownership – Warwick District Council will own the land and building.

B – Lease – peppercorn lease of 199 years to be held by new CIO.

C- Service Delivery – extension of the current contract for an extra 3 years until 2029 (currently until 2026) to The Gap to deliver services in Packmores. This will ensure that the new community centre will have continuity of services and benefit from The Gap’s experience. After this period the agreement will be reviewed.

D- Management of the centre – partnership between new CIO and The Gap.

4- Options considered

Option A – Continue same arrangement

<p><u>Strengths</u> <i>(Assuming The Gap will secure further contracts with WDC in the future)</i></p> <ul style="list-style-type: none"> - The Gap has been running services since 2015 with relative success despite the lack of appropriate facilities. A bigger facility will enable The Gap to expand its services in the area using existing resources and community development know-how. - Good and established relationship with local residents - Long established relationship with WDC - No need for transition and change management 	<p><u>Weakness</u></p> <ul style="list-style-type: none"> - Local residents may feel that they don't have enough decision-making power. - The nature of a mid-term contract means that The Gap may not get the next run of contracts. - If a new provider wins a contract, it can take time until it establishes relationship with the local community.
<p><u>Opportunities</u></p> <ul style="list-style-type: none"> - Provides continuation of services and potential development with bigger facilities. - Provides further volunteering opportunities through established relationships with volunteers 	<p><u>Threats</u> <i>(if The Gap/other holds a long lease)</i></p> <ul style="list-style-type: none"> - No guarantee of revenue funds from WDC can cause challenges for the sustainability of the new centre. - The new centre can become a liability to The Gap, causing financial challenges to the organisation

Summary:

This option appears to be the easiest in terms of practicality, however, it poses concerns for the future such as:

- Mid-term contract with WDC and uncertainty of funding in the future leads to concern about sustainability of services – without funding who will be delivering services.
- Local residents may feel that they do not have enough decision making power and local engagement in the sustainability of the new centre is crucial.

Option B– A new created organisation (CIO) working independently

<p><u>Strengths</u></p> <ul style="list-style-type: none"> - Local residents can be part of the new organisation and consequently have decision-making power. - The new organisation can decide what services they want in the area and who to run it. - The new organisation can grow and provide further opportunities in the area. 	<p><u>Weakness</u></p> <ul style="list-style-type: none"> - Potential lack of service delivery experience - May not be able to apply for commissioned work or grants that require a history of service delivery - Will take time to get established
<p><u>Opportunities</u></p> <ul style="list-style-type: none"> - Local residents can take real ownership of a local asset. - Local residents are more likely to get involved if run by a group of influential residents. - Local residents will work closely to the organisation that wins WDC service delivery contract 	<p><u>Threats</u></p> <ul style="list-style-type: none"> - No guarantee of revenue funds from WDC in the future can cause challenges for the sustainability of the new centre. - The new centre can become a liability to the new created organisation, causing financial challenges to the organisation.

Summary:

This option gives the most decision-making power to local residents, however, concerns are:

- Lack of experience in delivering community services
- Challenges in getting funding due to the lack of service delivery history.

Option C – A new created organisation (CIO) working in partnership with The Gap

<p><u>Strengths</u></p> <ul style="list-style-type: none"> - Local residents can be part of the new organisation and consequently have decision-making power. - The new organisation can decide what services they want in the area and work with The Gap to deliver those services -This arrangement will allow applying for commissioned work and grants - The new organisation can grow and provide further opportunities in the area with the support of The Gap. 	<p><u>Weakness</u></p> <ul style="list-style-type: none"> - Potential conflict of interest between the organisations
<p><u>Opportunities</u></p> <ul style="list-style-type: none"> - The new organisation can benefit from The Gap's experience. - Partnership funding opportunities - The Gap will work closely with the new organisation to win WDC service delivery contract. 	<p><u>Threats</u></p> <ul style="list-style-type: none"> - No guarantee of revenue funds from WDC can cause challenges for the sustainability of the new centre. - The new centre can become a liability causing financial challenges to both organisations.

Summary:

Option C is the preferred and most sensible option because:

- It gives the residents decision making power and ownership of the new centre, this will lead to more engagement and support sustainability.
- The lack of experience will be mitigated by establishing a partnership with The Gap (initially for 5 years), giving continuity to the services which are currently delivered.
- Option to extend the partnership with The Gap in the future or develop their own capacity and services.
- Funding can be attained by using The Gap's track record of service delivery.

Appendix 2

Appendix 1

Establishing a new organisation:

- **Company type** – the proposal is to create a CIO (Charity Incorporated Organisation) using a template from Charity Commission for a quick approval process.
- **Constitution** – a constitution needs to be written to define objects and parameters of the new organisation.
- **Trustees** – the trustee board will consist with local residents and other stakeholders.