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**REPORT TO: EDUCATION, CHILDREN'S AND LEISURE SERVICES  
COMMITTEE ON 9 MARCH 2022**

**SUBJECT: ELGIN COMMUNITY CENTRE**

**BY: DEPUTE CHIEF EXECUTIVE (EDUCATION, COMMUNITIES AND  
ORGANISATIONAL DEVELOPMENT)**

**1. REASON FOR REPORT**

- 1.1 To provide the Committee with an update in relation to Elgin Community Centre (Elgin CC) and agree to defer a decision on the future of this facility until the end of 2022.
- 1.2 This report is submitted to Committee in terms of Section III (D) (13) of the Council's Scheme of Administration relating to exercise of the Council's statutory functions to provide facilities and support activities related to the development of recreation, sport, culture and social activities.

**2. RECOMMENDATION**

**2.1 It is recommended that the Committee:-**

- i) consider and note the information in relation to the current operation of Elgin CC; and**
- ii) agree to extend the period for review work on the future of Elgin Community Centre until the end of 2022.**

**3. BACKGROUND**

- 3.1 At the meeting of Moray Council on 23 January 2019, the Council agreed to implement increased charges and reduce cost measures at Elgin CC. The aim was to reduce the overall running costs of this facility with a 4-month review period identified to assess whether the required savings were emerging and whether to continue to operate the Centre (paragraph 9 of the Minute refers).
- 3.2 At the meeting of Moray Council on 27 February 2019, the Council further agreed to the increased charges and cost saving requirements for Elgin CC as part of the budget financial plan (paragraph 4 of the Minute refers).

- 3.3 At the meeting of Policy and Resources Committee on 3 September 2019, the Committee were advised that the potential savings for Elgin CC were still being assessed (paragraph 6 of the Minute refers).
- 3.4 At the meeting of the Education, Communities and Organisational Development Committee on 18 November 2020, Committee agreed with the recommendation that VIP Childcare be offered a 5 year lease from 2 August 2021 to allow continued occupancy of Elgin Community Centre and to provide a sufficient amount of time for the VIP Childcare Management Committee to secure alternative accommodation (paragraph 34 of the Minute refers).
- 3.5 As part of this same meeting, Committee were also made aware that as a result of the rental and property charge arrangements, there would be a consequent loss of income to the Council of £13,776 for the first year. It was proposed that this shortfall would be met from a transfer of funds from the Early Learning and Childcare revenue budget. This would also include the shortfall in rental charges at Elgin Community Centre. The Early Learning and Childcare budget is now under severe pressure and this is no longer a solution for the shortfall in rental income.
- 3.6 At the meeting of Education, Communities and Organisational Development Committee held on 26 May 2021, Committee agreed to maintain the status quo in regards to the operation of Elgin CC with a review in 12 months subject to confirmation that appropriate budget was in place to continue the status quo (paragraph 28 of the Minute refers).
- 3.7 The planned 12 month review period coincides with the Local Government Elections in May 2022. It has also proved challenging to take the planned work forward during the covid pandemic and further time to assess the recovery impact would be useful and so taking these into account, it is proposed to consider deferring a decision on this matter until after the election period.
- 3.8 Since May 2021, Elgin CC has continued to operate as a community facility with the main points to note as follows;
- A café franchise has not been operational throughout 2021/22 which has affected income generation and admission levels. Marketing for a new franchise has not progressed due to uncertainty in the future of the facility.
  - A 5 year lease was approved for usage of this facility by VIP, which will run up to and including academic year 2025/26. Main lease terms have been provisionally agreed with VIP and it is expected the lease will be concluded shortly.
  - Elgin CC has recovered 91% of their pre-Covid Fit Life Membership levels.
  - Elgin CC has been regularly used throughout 2021/22 by Council services for team meetings, workspaces etc due to the capacity available with meeting rooms/spaces and Wi-Fi.

- 66% of community groups that accessed Elgin CC before Covid have since returned. However these groups have had to operate under significant restrictions due to Covid legislation which has impacted admission levels. Some groups have had to delay restarting due to the type of activities they offer and inability to restart due to a variety of factors.
- In 2019/20, Elgin CC admissions were reported as 88,045. From the last week of April 2021 (when it re-opened after lockdown) until the end of Dec 2021, Elgin CC admissions were reported as 26,476. Both these admission totals include the VIP Childcare participants.

3.9 It is proposed that the period for review work on the future of Elgin CC is extended until there is further recovery from the Covid pandemic and progress on the strategic review of the Council estate is completed. The main factors connected to this recommendation are as follows:

- Service and wider Council still under significant work pressures due to Covid pandemic and any change to the status quo will simply exacerbate these pressures
- reliance on Elgin CC from a Council operational perspective as it has been utilised as an additional meeting space for staff during recent months
- Locality Network evidence has identified that services and community organisations are keen to deliver activities/programmes within localities however are limited due to lack of suitable and affordable venues – connections with Elgin CC to be explored.

#### **4. SUMMARY OF IMPLICATIONS**

##### **(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

In relation to the LOIP, this report relates to the priority area of Moray having a sustainable economy and the impact on public sector financial constraints.

In relation to the Corporate Plan, this report contributes towards working towards a financially stable council that provides valued services to our Communities.

##### **(b) Policy and Legal**

Local Authorities have a legal duty to ensure adequate provision of facilities for recreational, sporting, cultural and social activities. Improving the health and wellbeing of the Moray community through sport, leisure and recreation is not only an integral part of the local vision, but it is also a national priority. The Community Empowerment Act also supports the development of stronger, more resilient, supportive, influential and empowering communities in relation to the delivery of public services.

##### **(c) Financial implications**

As the Early Learning and Childcare revenue budget can no longer provide the shortfall in rental income there will be a budget pressure against Elgin CC for 2022/23 of approx. £14,000.

The Council requires to make significant savings, estimated at £20 million across 2023/25 and any decision taken about Elgin Community Centre must be made in that context.

**(d) Risk Implications**

Imminent closure of this whole facility would impact on the delivery of Early Learning and Childcare in Moray as the current VIP Childcare roll would be unable to be accommodated elsewhere in the Elgin locality.

**(e) Staffing Implications**

The ongoing uncertainty for staff based at this location is a risk in regards to job security as this matter has been considered since 2019.

**(f) Property**

There are no property implications directly connected to this report.

**(g) Equalities/Socio Economic Impact**

An Equalities Impact Assessment would need to be produced if the decision is taken to close this facility.

**(h) Climate Change and Biodiversity Impacts**

This proposal does hinder the climate emergency as Elgin CC is an ageing facility with old energy and lighting systems in place and therefore there will be inefficiencies and operational carbon emissions. As the future of this facility is unclear it would not be financially prudent to replace these systems until the long term future has been agreed. There is no budgetary provision for renovating Elgin Community Centre.

**(i) Consultations**

In preparing this report, consultations have been undertaken with the Chief Financial Officer, the Legal Services Manager, the Head of Education Resources and Communities, the Head of Development Services, the Senior Project Manager for Early Learning and Childcare Expansion, the Sport and Leisure Manager, the Estates Manager, Housing and Property Services and Tracey Sutherland, Committee Services Officer whose comments have been incorporated in the report.

**5. CONCLUSION**

**5.1 That the Committee considers the information in regards to current operations of Elgin CC and agrees to defer a decision on the future of this facility until the end of 2022.**

Author of Report: Kim Slater, Sport and Culture Service Manager

Background Papers: [Elgin Community Centre](#)  
[Appendix 1](#)

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