



OPEN LETTER

To: Kenilworth Town Councillors

22nd December 2015

This letter is directed especially to those new members elected in May 2015.

The trustees and management of theKenilworthCentre wish you to know that the decision you took on 10th December, to cut all fixed funding of the charity from April 2016, was based on a combination of factual errors and misrepresentations. Your leader Cllr John Cooke has led you to a decision which is both wrong and against the wishes of Kenilworth residents.

The comments of Cllr Cooke reported in the local newspaper included criticism of our “current style of management” and the implication that we had not been responsible with ratepayers’ (*sic*) money. These comments were an insult to the integrity and hard work of the trustees, a group of local people who have given voluntarily many thousands of hours of their time and effort to launch theKenilworthCentre as an independent local charity, and to develop its activities and facilities in line with its agreed objectives.

We ask all other members of the Town Council to dissociate themselves publicly from the reported comments of Cllr Cooke.

Objectives of theKenilworthCentre charity

Attached is a copy of the agreement between the Town Council and theKenilworthCentre dated 15th May 2012, signed by the then mayor Cllr Shilton. The responsibilities of theKenilworthCentre included:

1. *Provision of a programme of youth activities within Kenilworth, using experienced staff and volunteers and led by a manager with youth experience.*
2. *Operation of theKenilworthCentre building as a community centre meeting the needs of the local community.*
3. *Provision of other community activities as needed.*

The trustees of theKenilworthCentre have kept to their side of this agreement. Suddenly, after 3½ years, Cllr Cooke appears to have forgotten about objectives 2&3.

It is also important to recognise that the trustees are obliged to act in accordance with theKenilworthCentre’s charitable and legal objectives, as well as the terms of the agreement with Warwickshire County Council dated 18th April 2012, which transferred the assets and funding of the centre to the charity. These both clearly state that the charity and

theKenilworthCentre is a charity 1144518 and a company limited by guarantee 7798716 - England.

Registered office: theKenilworthCentre, Abbey End Car Park, Abbey End, Kenilworth, Warwickshire. CV8 1QJ

OPEN LETTER TO KENILWORTH TOWN COUNCILLORS – 21ST DECEMBER 2015

the building must be operated for the benefit of the whole community. Extracts from these documents are attached.

All this has been known to the Town Council from the outset. It is therefore palpably wrong for Cllr Cooke to imply, as he did in The Kenilworth Weekly News, that the building should have been used primarily for youth work – this is not and never has been the case, even when it was under the control of Warwickshire County Council. The objectives and remit of the Kenilworth Centre charity are wider than operation of the building, although that remains a fundamental and integral part of the whole. As our presentation to you outlined, work with young people has been considerably expanded in Kenilworth since 2012. We are still a very young charity and further projects will be identified and developed in ways that appropriately meet the specific needs of young people, and as sustainable funding can be obtained to support such projects responsibly.

Responsibilities of the Town Council

These were also set out in the agreement document, and included:

- *Provide support and advice as required to the charity, including review of an annual core activities programme, participation with the Friends of the Kenilworth Centre group, and nomination of a member to be an observer at the quarterly trustee meetings of the Kenilworth Centre charity.*

During the period of the agreement and up to the formation of the new Council in May 2015, your observers at the Kenilworth Centre trustees' meetings at various times were Cllrs Bunker, Cooke and Vincett. At no time did any of them voice the concerns about the management of the charity that were expressed by Cllr Cooke at the meeting on 10th December, and reported in the local newspaper

Evidence from the Kenilworth Town Council Action Plan Survey

Question 29 of the 2013 Action Plan survey read as follows:

“Community Facilities. The Town has the benefit of ‘the Kenilworth Centre’ which has recently been taken over from the County Council and is now being run by a Charity. Adjacent is the new Senior Citizens Club which is nearing completion. This community hub should be encouraged to expand its offering to the wider community.”

Of the 1,637 people who responded to this statement, 94.8% agreed or strongly agreed.

Surely this provides clear evidence of the strong support from local residents for the wider community remit of the Kenilworth Centre, as enshrined in its charitable objectives and agreements with the County Council and Town Council.

Financial sustainability

Attached are copies of the business plan submission to the County Council which form Schedule 1 of the agreement to the take-over of the youth and community centre by the Kenilworth Centre, together with the 3¼ year financial forecast on which the plan was based.

OPEN LETTER TO KENILWORTH TOWN COUNCILLORS – 21ST DECEMBER 2015

The forecast was that theKenilworthCentre would essentially break even over the period of the plan when the £30,000 p.a. grant from the Town Council was included. It was never claimed that the charity would become self-sustainable without the Town Council grant within this time period.

The actual performance of the charity, as reported in our annual statutory accounts, was also breakeven over the lifetime of the plan. Despite considerable economic pressures and a number of shocks and unforeseen events over the 3¼ years, we performed remarkably closely to our financial forecast.

The trustees understood in 2012 that the then Town Council could not commit funding further forward than the May 2015 elections. We never assumed that this funding would be permanent in perpetuity, but neither was it intended that it be cut off before we could be sustainable without it. Indeed, such understanding was fundamental to the trustees being prepared, in good faith, to undertake this onerous commitment on behalf of the wider community.

If the Town Council's sudden withdrawal of funding causes theKenilworthCentre to fail, then £120,000 of public money will truly have been wasted.

Town Council precept increase in 2012/13

Cllr Cooke disputed our statement that the Town Council made a step increase in the precept in 2012/13, equivalent to about £3 p.a. per household, in order to start paying the £30,000 p.a. grant to theKenilworthCentre. The facts speak for themselves, however:

Year	Town Precept	Increase	Incr. %
2007/08	£116,673		
2008/09	£120,356	£3,683	3.2%
2009/10	£129,507	£9,151	7.6%
2010/11	£136,063	£6,556	5.1%
2011/12	£144,490	£8,427	6.2%
2012/13	£180,791	£36,301	25.1%
2013/14	£173,430	-£7,361	-4.1%
2014/15	£175,366	£1,936	1.1%
2015/16	£177,030	£1,664	0.9%

If the step increase in 2012/13 was not specifically for theKenilworthCentre, what was it for? If you now cut the amount are you prepared to reduce the precept by the equivalent?

Finance Committee 25th June 2015 recommendation

The minutes of your Finance Committee meeting on 25th June 2015 recorded the following:

RECOMMENDED that the Town Council consider funding theKenilworthCentre for two further financial years (making six years in total) comprising, for 2016-17 the sum of £20,000 (Twenty thousand Pounds only) and 2017-18 the sum of £10,000 (Ten thousand Pounds only). This would conclude the Council's funding support for theKenilworthCentre.

OPEN LETTER TO KENILWORTH TOWN COUNCILLORS – 21ST DECEMBER 2015

This recommendation was deferred at the Full Council meeting on 9th July.

At the special meeting of the Finance Committee on 26th November, no new recommendation was made. Should not the recommendation from 25th June therefore have been voted on at your meeting on 10th December?

While this recommendation would still represent a substantial financial challenge for theKenilworthCentre, at least it would have the virtue of giving the charity some time to adapt and to seek replacement sources of income.

If your objective is for theKenilworthCentre to become self-sustaining, and to ensure that the £120,000 investment by the Town Council is not wasted, surely this is a more sensible course of action now?

Mandy Brougham – trustee
Andy Garsed – trustee
Rebekah Leadley – trustee
Jane Poulter – trustee
Stefan Sollinger – trustee
John Whitehouse – trustee

Andy Norman – Community Devt. Manager

Attachments:

- A. Agreement between the Town Council and theKenilworthCentre dated 15th May 2012.
- B. Charitable objectives of theKenilworthCentre.
- C. Extract from the transfer agreement with Warwickshire County Council dated 18th April 2012.
- D. Business plan submission to County Council (Schedule 1 of transfer agreement).
- E. Business plan 3¼ year financial forecast.

Attachment A:

Agreement between the Town Council and theKenilworthCentre dated 15th May 2012

AGREEMENT
BETWEEN KENILWORTH TOWN COUNCIL
AND THEKENILWORTHCENTRE
FOR THE
PROVISION OF YOUTH AND COMMUNITY
ACTIVITIES AND THE OPERATION OF A
COMMUNITY CENTRE FOR KENILWORTH

1. Kenilworth Town Council has agreed to support the*KenilworthCentre* charity, through a three year funding agreement, to provide youth and community activities that meet the needs of the Kenilworth community, including the community centre building.

2. The agreed responsibilities are:

Kenilworth Town Council:

- Provide funding of £30,000 (Thirty thousand Pounds only) per year for 3 years, effective from the financial year commencing on 6 April 2012 towards the cost of the core activities of the charity.
- Funding shall be the subject of review, at least annually, to ascertain the continued financial viability, sustainability and the achievement of the aims of the charity.
- Payment to be in arrears and made by 10 equal and consecutive monthly payments per annum, commencing on or after 5 May each year.
- Provide support and advice as required to the charity, including review of an annual core activities programme, participation with the Friends of the*KenilworthCentre* group, and nomination of a member to be an observer at the quarterly trustee meetings of the*KenilworthCentre* charity.
- Consider other funding, on a specific project basis, for needs over and above the agreed core programme.

the*KenilworthCentre*:

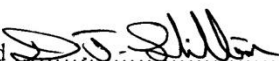
- Provision of a programme of youth activities within Kenilworth, using experienced staff and volunteers and led by a manager with youth experience.
- Operation of the*KenilworthCentre* building as a community centre meeting the needs of the local community.
- Provision of other community activities as needed.
- Inclusion of a Town Council member at Trustee quarterly meetings, as an observer who shall have full access to the reports to the Trustees but may be asked that the Council maintain confidentiality on appropriate issues.
- Provision of quarterly written reports, including summary financial reports to the Town Council, and fully audited annual accounts.

- Presentation of an annual development programme to the Town Council for comment and discussion.
- Full compliance with all legislative standards.
- Informing the Town Council in writing at the earliest possible opportunity of any major issues that might prevent delivery of theKenilworthCentre's obligations.

3. Any publicity on this agreement is to be undertaken jointly between the Town Council and theKenilworthCentre.

4. In the event of theKenilworthCentre ceasing to operate this agreement will be terminated. Any major failures to meet the obligations of this agreement will result in a joint review between the Town Council and theKenilworthCentre and, if unresolvable, may be terminated by either side on two months written notice expiring on the 1st day of any month.

On behalf of Kenilworth Town Council:

Signed 

Dated

Name

Position.....

Address: Kenilworth Town Council
Jubilee House
Smalley Place
Kenilworth
CV8 1QG

On behalf of theKenilworthCentre:

Signed 

Dated 15th May 2012

Name JOHN WHITEHOUSE

Position Chair of Trustees

Address: theKenilworthCentre
The Kenilworth Centre
Abbey End Car Park
Kenilworth
CV8 1QJ

(Registered No 7798716 and a charity)

Attachment B:

Charitable objectives of theKenilworthCentre

TO FURTHER OR BENEFIT THE RESIDENTS OF KENILWORTH AND SURROUNDING AREAS, WITHOUT DISTINCTION OF SEX, SEXUAL ORIENTATION, AGE RACE OR OF POLITICAL, RELIGIOUS OR OTHER OPINIONS BY ASSOCIATING TOGETHER RESIDENTS, STATUTORY, VOLUNTARY AND OTHER ORGANISATIONS IN A COMMON EFFORT TO PROVIDE ACTIVITIES AND FACILITIES, IN PARTICULAR BUT NOT BY WAY OF LIMITATION FOR YOUNG PEOPLE, WHICH ADVANCE EDUCATION AND SUPPORT, AS WELL AS RECREATION LEISURE TIME OCCUPATION, ALL WITH THE OBJECTIVE OF IMPROVING SOCIAL WELFARE, AND THE CONDITIONS OF LIFE FOR RESIDENTS, AND TO HELP YOUNG PEOPLE DEVELOP THEIR CAPABILITIES AND GROW TO FULL MATURITY AS INDIVIDUALS AND MEMBERS OF THE COMMUNITY.

TO ESTABLISH OR SECURE THE ESTABLISHMENT OF A COMMUNITY CENTRE AND TO MAINTAIN OR MANAGE OR CO-OPERATE WITH ANY STATUTORY AUTHORITY IN THE MAINTENANCE AND MANAGEMENT OF SUCH A CENTRE FOR ACTIVITIES PROMOTED BY THE CHARITY IN FURTHERANCE OF THE ABOVE OBJECTS.

Attachment C:

Extract from the transfer agreement with Warwickshire County Council dated 18th April 2012.


THIS AGREEMENT is made	2012
BETWEEN:	
(1)	WARWICKSHIRE COUNTY COUNCIL of Warwickshire County Council, Shire Hall, Warwick CV34 4SA (the "Council");
AND	
(2)	THE KENILWORTH CENTRE a company limited by guarantee incorporated and registered in England and Wales with company number 07798716 and further registered with the Charity Commission with registered charity number 1144518 whose registered offices are at The Kenilworth Centre Abbey End Car Park, Abbey End, Kenilworth, Warwickshire, CV8 1QJ (the "Community Organisation").
WHEREAS	
(A)	The Council will close its youth and community centre in the Relevant Area and the Community Organisation will, from the Transfer Date, operate a Centre for the benefit of young people and the local community from the Premises leased to the Community Organisation by the Council.
(B)	The Community Organisation will, from the Transfer Date, be responsible for all day to day management of the Centre, all employment arrangements including the safe recruitment of all paid and non-paid employees or volunteers and ensuring appropriate safeguards are in place to protect vulnerable service users.
(C)	The freehold of the site of the Community Organisation is owned by the Council and on the Transfer Date the Council will grant a Lease to the Community Organisation of the Premises.
(D)	The Council is keen to work in collaboration and cooperation with the Community Organisation in the performance of this Agreement to ensure that the Centre is a successful and viable community run asset for the benefit of young people and the local community in the Relevant Area.
2	

Paragraphs (A) and (D) of the agreement make clear the obligations on the charity to operate “for the benefit of young people and the local community”.

Attachment D:

Business plan submission to County Council (Schedule 1 of transfer agreement)

Page 1 of document reproduced here. Full document available on request.



FACING THE CHALLENGE

Application to take over a Youth and Community Centre no longer required by Warwickshire County Council

1. YOUR DETAILS	
1.1 Name of Organisation	<i>theKenilworthCentre</i>
1.2 Legal and Charitable Status of Your Organisation	Registered as a company limited by guarantee with charitable status in progress with the Charities Commission.
1.3 Contact Name	Richard Woolf
1.4 Phone/Email	Tel 01926 854775 Email richard.j.woolf@talk21.com
1.5 Address	29 Amherst Rd, Kenilworth, CV8 1AG
1.6 Name of property which the application relates to	The Kenilworth Youth and Community Centre Abbey End, Abbey End Car Park, Kenilworth, CV8 1QJ
1.7 Brief summary of your proposal, and your long-term vision for the asset	<p><i>TheKenilworthCentre</i> charity will support community development and activities in Kenilworth by operating the KYCC building as a hub for community activities in Kenilworth, and also by directly delivering activities, principally for young people.</p> <p>Use of the building will be extended to 7 days per week, full year usage, with a specific focus on attracting activities, like the current Spring Playgroup, which support the needs of the community. The medium term aim will be to gain capital investment which will enable greater use of the building, including the possibility of a Studio School being developed by Kenilworth School on the site.</p> <p>Directly delivered community activities will initially</p>

Item 1.7, first paragraph, makes clear the intent that theKenilworthCentre would operate the building as a hub for community facilities, as well as providing services for young people.

Attachment E:

Business plan 3¼ year financial forecast

YOUTH SERVICE REVIEW - BUSINESS CASE - INCOME AND EXPENDITURE FORECAST SUMMARY					
SUBMITTED BY: 0					
0	2011-12	2012-13	2013-14	2014-15	Totals
	Year 1	Year 2	Year 3	Year 4	
	£	£	£	£	£
Income					
Activities & Events Income	(300)	(1,650)	(1,680)	(1,710)	(5,340)
Gaming Receipts	-	-	-	-	-
Food / Drink Sales	-	-	-	-	-
Miscellaneous Sales	-	-	-	-	-
General Sales	-	-	-	-	-
Rental Income	(3,250)	(9,750)	(9,950)	(10,150)	(33,100)
General Letting	(2,710)	(37,077)	(41,200)	(43,127)	(124,114)
Donations/Benefactors	(15,510)	(16,000)	(11,400)	(9,600)	(52,510)
Membership Fees	(1,592)	(5,592)	(5,592)	(5,592)	(18,367)
Grants	(19,910)	(38,000)	(38,800)	(39,680)	(136,390)
Bank Interest	-	-	-	-	-
Capital Grants	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-
Additional Line 1	-	-	-	-	-
Additional Line 2	-	-	-	-	-
Additional Line 3	-	-	-	-	-
Additional Line 4	-	-	-	-	-
Additional Line 5	-	-	-	-	-
Additional Line 6	-	-	-	-	-
Total Income	(43,272)	(108,069)	(108,622)	(109,859)	(369,821)
Expenditure					
Staff - Premises	2,172	9,589	11,060	11,281	34,102
Staff - Service	1,590	5,818	5,934	6,053	19,395
Staff - Admin	7,209	41,726	42,379	43,227	134,541
Staff - Travel	60	240	245	250	795
Rent	-	-	-	-	-
Rates	342	3,762	3,837	3,914	11,855
Water	-	2,280	2,328	2,376	6,984
Electricity	1,411	5,484	6,034	6,636	19,565
Gas	666	2,001	2,203	2,428	7,298
Property Maintenance	1,194	4,794	4,810	4,826	15,624
Grounds Maintenance	627	2,059	2,100	2,142	6,928
Security	-	1,387	1,415	1,443	4,245
Building & Public Liability Insurance	8,610	8,834	9,011	9,192	35,647
Other Insurance	600	615	627	639	2,481
Cleaning	333	1,499	1,682	1,887	5,401
Window Cleaning	-	-	-	-	-
Telephones	425	1,828	1,864	1,901	6,018
Equipment/ Furniture for provison of service	1,100	1,642	1,674	1,674	6,090
Equipment for admin	2,050	2,200	200	2,200	6,650
Equipment - Maintenance, Inspection & Repair	570	2,328	2,380	2,428	7,706
Office Supplies/Stationery	345	1,915	2,157	2,421	6,838
Purchases For Resale (stock)	-	-	-	-	-
Licenses	657	719	733	747	2,856
Legal, Professional & Admin support	1,480	1,900	1,937	1,976	7,293
Bank Charges	124	103	105	107	439
Advertising, Marketing and Publicity	2,630	726	730	735	4,821
Other Staff related costs	1,940	1,327	1,356	2,346	6,969
Organisational subscriptions	200	103	105	107	515
Refuse collection & waste disposal	198	814	831	848	2,691
Youthwork materials and consumables	249	1,026	1,047	1,068	3,390
Total Expenditure	36,782	106,719	108,784	114,852	367,137
Income less Expenditure	(6,490)	(1,350)	163	4,993	(2,683)
Cumulative Income/Expenditure	(6,490)	(7,840)	(7,677)	(2,683)	