

Middleham Key Centre Review - October 2018 - April 2019

Final Report

Summary

This report is the product of a review of the current structure, finances and activities of the Middleham Key Centre and recommendations to inform its strategy for the next five years. It has been compiled at the request of the Key Centre Trustees and Middleham Town Council and is a joint review by members of both organisations.

Since their appointment

the current Trustees have recruited volunteers and developed a stable business model that includes generation of regular income to support the aims of the charity and the continuing provision and maintenance of the building and services for the community. The charity now runs on a break-even (plus) basis and has accrued sufficient reserves to cover forward running costs for 6-9 months, which is a commendable achievement that provides a stable foundation to cover any temporary reduction in income e.g. between tenants.

The Trustees have developed a broad community profile for the Key Centre and have worked hard to promote its status as an asset and facility for the whole community both within Middleham and the wider local area. The wide variety of regular and event bookings demonstrates that this is working although there is still scope for further development.

The financial status is a real success story; having started from a very poor, inherited situation where reserves had been used up to cover daily running costs. A sensible review of all outgoings and resulting economies through changes of suppliers and investments to reduce overheads has succeeded in reducing fixed costs and increasing regular income through letting space to small local businesses, which now underpins the Centre's operations.

Background

The Middleham Key Centre was established as a registered charity together with a Company Limited by Guarantee in 1996. Its stated aims are:

“TO PROMOTE THE BENEFIT OF THE INHABITANTS LIVING AND/OR WORKING WITHIN THE AREAS COVERED BY THE ELECTORAL WARDS OF LEYBURN, UREDALE, BURTON MANOR, MIDDLEHAM AND COVERDALE, AND THE SURROUNDING AREAS IN NORTH YORKSHIRE, IN PARTICULAR BY THE PROVISION OF EDUCATION AND TRAINING, THE RELIEF OF POVERTY, OLD AGE AND SICKNESS, AND THE PROVISION OF RECREATIONAL AND OTHER LEISURE TIME OCCUPATIONS WITH A VIEW TO IMPROVING THE CONDITIONS OF LIFE OF THE SAID INHABITANTS”

The Middleham Key Centre itself was built and opened in 1998 using funding grants from EU and other sources. In 2012, the then Trustees sought assistance and support from Middleham Town Council to find new ways to continue and to fund the continuance of the Key Centre and the charity.

This was achieved in 2013, following a public meeting to gauge support, by the Town Council becoming the Trustee Landlord for the building and land and the recruitment of a new group of Trustees together with the development of a new business plan. Six years on it is timely to review progress to date to inform setting a strategy for the next 5 years.

Methodology

It was decided by both Trustees and Council to allocate areas of the Key Centre activities to pairs of people to review, based on their involvement and expertise in that area of work. Each pair consisted of one Trustee and one Councillor, as follows:

Volunteers and Staffing: New Trustee Dee Davies and Cllr Sue Fairhurst

Finance: Original Trustee Robert Blackburn and Cllr Honor Byford

Building Fabric and Maintenance: Management Committee Member Simon Burren and Cllr Simon Wheeler

Overview of whole business and purpose and compilation of final report: Original Trustee Mike Sweeting and Cllr Honor Byford

A template format was compiled to assist and guide reporting, together with a guidance document with bullet points for areas to be considered and reviewed and recommendations to be made. (Copy attached at Appendix A.)

Completed reports from each group are attached as Appendices B, C and D.

Recommendations:

Volunteers and Staffing

1. That the room booking form include a list of the office services available and a price for them to enable bookings to order the services they need and staff or volunteer hours to be arranged around those needs. *Pam undertaking.*

2. Suggest an accessible forward planner that shows future booking for coming month or even year so that everyone can check and see what is coming up beyond the current week. *Immediate.*
3. Need to analyse with Pam and volunteers to identify quietest days/times e.g. Friday mornings and decide whether to staff and, if so, what tasks volunteers can undertake whilst in. *Annual.*
4. Discuss various volunteer roles with volunteers to see where their interests, talents and experience are of most value and what ideas they may have to make best use of their time. *Annual.*
5. Need to ensure that tenants and users understand what to do when they are the last to leave and that they know how to secure the building. *Immediate;* and repeat annually and with a new tenant.
6. Confirm system for call-outs or checks. *Immediate.*

Finance

1. To re-define Line Management for employed staff.
2. To review Job Descriptions with staff to ensure they are clear, relevant and up to date.
3. To continue annual reviews of room rental fees to cover costs and compared to other local venues.
4. To continue to ensure that tenancy agreements are either for a fixed short-medium term (up to 2 or 3 years) or, if longer, include clear rent review points in order to keep rental charges and incomes in line with costs and competition.
5. Ensure that room hire rates cover all costs for the booking, including refreshments, heating, cleaning. Whilst a break-even rate may be fine, running bookings at a loss is not sustainable.
6. To plan for a regular (4 or 5 yearly) joint review by the MKC Trustees and the Council, as with the current exercise. This will enable both parties to be actively involved in stepping back to look at what the Centre has achieved and where it should be headed.

Building Fabric and Maintenance

1. No major concerns found. Formal annual inspections should be undertaken, using the specialist template developed during this review.

Overview of whole business and purpose

1. The Key Centre finances are stable, with adequate reserves to cover gaps in tenancies. However, proactive management and regular reviews of funding opportunities and requirements are core to the continuing viability of the charity. A regular Strengths, Weaknesses, Opportunities and Threats (SWOT) review or similar, should be undertaken by the Trustees as a group.
2. A marketing strategy is needed to guide promotional work and developing initiatives, particularly with potential partners such as English Heritage and other community organisations in the wider local area.
3. The Trustees need to succession plan by allocating some of their time to cultivate relations with younger members of the community and promoting to them what being a Trustee or Volunteer can offer. Whilst this is difficult to prioritise when busy with the day to day work of a Trustee, it is essential in order to bring in new people and prevent burn out by existing Trustees.
4. Existing Volunteers must be better focussed and employed to make best use of their time and talents.
5. Line Management for employed staff needs to be clarified and actively maintained.

6. Bringing Pam Avison into the Management Group will provide the group with her ideas and experience and will also engage and maximise her potential contribution.

Review led and report compiled by:

Honor Byford
Middleham Town Councillor

Mike Sweeting
Chair of Trustees

SCOPE OF KEY CENTRE REVIEW 10/09/18 – MCRS, HB

What is being reviewed?

- Trustee Roles & Responsibilities
- Number of trustees
- Volunteer management
- Volunteer Role & Responsibilities
- Lettings
- Cash flow/Prices
- Reserves
- Building fabric forward plan – maintenance only. (Capital projects to be regarded as non-vital for a year.)
- Potential impact of Hill House Project

What does the Key centre need to run?

- Number of trustees
- Reserves
- Number of volunteers
- Activities of trustees and volunteers covered
- Activities catered for

To what extent?

- Sufficient for next 3 years

By who?

- Individuals or pairs per issue

Timescales?

- Appointment of review individuals or pairs by end of October at latest
- Start work early November
- Finish end of November

Potential Trustees

Temporary and Permanent

TEMPLATE - Middleham Key Centre Review

November 2018

Review of: (work area e.g. Finance)

Reviewed by (names of reviewers)

Matters considered	Findings	Recommendations

Summary statement:

(1 or 2 paragraphs to summarise the reviewer’s analysis of progress to date, including strengths and weaknesses identified and any potential opportunities)

Recommendations:

(Bullet points of what should be done/planned for immediate action and/or over the next 3 to 5 years)

Middleham Key Centre Review

March 2019

Review of: Staffing and volunteering

Reviewed by Sue Fairhurst and Dee Davies plus input from Pam

Matters considered	Findings	Recommendations
Paid Staff - office	Need for greater flexibility of hours to cover core office requirements and events. The current arrangement of swapping hours works quite well but needs can be unpredictable making planning more difficult.	That the room booking form include a list of the office services available and a price for them to enable bookings to order the services they need and staff or volunteer hours to be arranged around those needs
Paid Staff - office	Pam has a depth and breadth of knowledge and ideas that is not being fully or formally utilised in business planning or the running of the centre.	Include Pam in all Key Centre and business planning meetings.
Paid Staff – cleaning	Could improve communications between office and cleaner to ensure that rooms are prepared and cleaned at appropriate times around events – with sufficient notice for staff to plan.	Suggest an accessible forward planner that shows future booking for coming month or even year so that everyone can check and see what is coming up beyond the current week.
Volunteer planning	The office does not necessarily need to be manned on the quietest days.	Need to analyse with Pam and volunteers to identify quietest days/times e.g. Friday mornings and decide whether to staff and, if so, what tasks volunteers can undertake whilst in. Discuss various volunteer roles with volunteers to see where their interests, talents and experience are of most value and what ideas they have to make best use of their time.

Building security	There have been three occasions recently when the building has been left open and fully lit.	Need to ensure that tenants and users understand what to do when they are the last to leave and know how to secure the building. What is the system for call-outs or checks?
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Summary statement:

Pam is doing an excellent job in managing the day to day tasks of running the centre and in hosting and looking after centre users. This is evidenced not least by the phrase most often heard is “Ask Pam”. Her talents and knowledge have more potential for the centre that is not currently fully used because she is not part of the business management meetings.

Volunteers want to feel their time is being put to best use. Some days seem very quiet and volunteers would like to work on busier days and/or have other tasks to do whilst they are there.

There is a need for clearer communication, particularly about events and dates between management group, volunteer groups and individuals and paid staff.

Recommendations:

That the room booking form include a list of the office services available and a price for them to enable bookings to order the services they need and staff or volunteer hours to be arranged around those needs. **Pam undertaking.**

Suggest an accessible forward planner that shows future booking for coming month or even year so that everyone can check and see what is coming up beyond the current week. **Immediate**

Need to analyse with Pam and volunteers to identify quietest days/times e.g. Friday mornings and decide whether to staff and, if so, what tasks volunteers can undertake whilst in. **Annually**

Discuss various volunteer roles with volunteers to see where their interests, talents and experience are of most value and what ideas they have to make best use of their time. **Annually.**

Need to ensure that tenants and users understand when they are the last to leave and know how to secure the building. **Immediate and repeat annually and with a new tenant**

Confirm system for call-outs or checks. **Immediate**

Middleham Key Centre Review

November 2018

Review of: Finance

Reviewed by Robert Blackburn, MKC Trustee and Cllr Honor Byford MTC

Matters considered	Findings	Recommendations
Tenancies	These are core funding that provides security of income for utilities and standard overheads and to underpin other activities. 1 x vacant room re-let to hairdressers Catering kitchen will become vacant end January 2019 – currently being advertised	Primary desire is for a single, fulltime tenant. An alternative, if this is not readily achieved, could be for daily/weekly or single event rental e.g. for a wedding reception, family party, evening event. There are sufficient reserve funds and revenue income (tenancies and solar tariff income) to cover up to 3 years (max) of overheads without a catering kitchen tenant in place.
Events	There is a good level of regular bookings and some one-offs but there is always competition in this field so needs constant review and refresh.	Marketing strategy to take the MKC to a wider potential customer base. Can venue packages be developed? Has this been tried before? E.g. a wedding weekend package in partnership with English Heritage at the Castle?
Heating & Lighting	Much work already completed to reduce utility bills through investment in LED lighting, more cost-effective heating. The two rooms still to have LED lighting installed are the kitchen and the Town Clerks Office.	Once these rooms have been done, (from grant funds) this needs regular review. Regular scrutiny of the heaters is necessary to keep them operating at optimum efficiency because room hirers frequently alter settings.
Solar panels	The loan has been repaid early, thus bringing in a significant income stream earlier than planned.	This helps off-set any rental gap between tenants and will then provide some additional annual income – a good place to be.

Wages	<p>Always a significant cost for any organisation that needs to be balanced between staff/customer relations, loyalty and added value.</p> <p>There is flexibility between staff and MKC, e.g. in carrying forward unworked hours and TOIL.</p> <p>Essential that Pam's paid time and considerable knowledge and expertise are used to best effect with volunteers covering small or more routine tasks.</p> <p>We wanted to look in more detail at tasks and who is best placed to do what but haven't found Job Descriptions from which to work.</p>	<p>Clear Job Descriptions, annual appraisals and quarterly mini-appraisals would be mutually beneficial.</p> <p>Line Management needs to be clarified, also to mutual benefit – it is not entirely clear who Pam reports to and who has what responsibility for supporting and managing her workload from week to week and overall. This represents a potential risk, should anything go awry in employment and contractual terms and to ensure the employers duty of care to staff. It would also protect both staff and employer in the event of any complaint.</p>
Accountancy	<p>There is a need to pay a professional book-keeper to undertake the more complex tasks and responsibilities for financial matters.</p> <p>A local book keeper has been approached and would be willing to be taken on as a contractor as required from the end of March 2019.</p>	<p>These tasks can only be defined and allocated with the aid of Job Descriptions.</p> <p>A funding allocation will need to be budgeted for from now on (these are services that Robert Blackburn has provided on a voluntary basis to date)</p>
Fund Raising	<p>The Fund Raising/Events Committee have done a superb job in bringing in additional funds through various events and initiatives, almost all of which have been profitable and worth doing, which is a very good achievement.</p>	<p>Events Committee should continue and look to seek 1 or 2 new recruits each year.</p> <p>Suggest exploring the potential of a work experience placement from or partnership working with Wensleydale School to enable 1 or 2 older students to experience fund raising and event organisation.</p>
Room Hire Rates	<p>Should continue to be reviewed annually. Rental agreements should continue to have break-points and rent review-points built in.</p>	
Room Hire Rates	<p>Need to include lighting and heating costs, and cover the costs</p>	<p>For afternoon or evening events, could light refreshments be served on a volunteer rota basis rather</p>

	<p>of any staff involvement e.g. cleaning, refreshments MKC cannot afford to pay more for paid staff, cleaning and heating than is received in hourly rates. Checks should be made to make sure the occupants pay for the full time of use and for extra cleaning costs if they leave the room in an unsatisfactory state. – perhaps on a deposit system? Advertising of the facilities available in local journals as well as the web site to attract more bookings.</p>	<p>than paying additional staff hours to cover a short-time task?</p>
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Summary statement:

The Key Centre finances have been brought from a very precarious position 6 years ago to the point today where income covers expenditure and overheads and there is a reserve sufficient to cover up to 6 months running costs. This is an enviable position and owes all to the persistent hard work of all involved.

Of particular note are:

1. The early repayment of the solar panel loan, securing a regular income to support the Centre.
2. The accrual of a working reserve balance to cover potential gaps in tenancies and income fluctuations
3. The improved status of the Centre that is now seen as self-supporting and a community asset by a large proportion of the Middleham community.

Recommendations:

Matters that we think need attention in order to manage costs and commitments are:

1. To define Line Management for employed staff
2. To review Job Descriptions with staff to ensure they are clear, relevant and up to date.
3. To continue annual reviews of room rental fees to cover costs and compared to other local venues.
4. To ensure that tenancy agreements are either for a fixed short-medium term (up to 2 or 3 years) or, if longer, include rent review points to keep rental charges and incomes in line with costs and competition.
5. Ensure that room hire rates cover all costs for the booking, including refreshments, heating, cleaning. Whilst a break-even rate may be fine, running bookings at a loss is not sustainable.
5. To plan for a regular (4 or 5 yearly) joint review by the MKC Trustees and the Council, as with the current exercise. This will enable both parties to be actively involved in stepping back to look at what the Centre has achieved and where it should be headed

Middleham Key Centre Review

November 2018

Review of: MARKETING

Reviewed by: MIKE SWEETING AND MARTIN CADE

Matters considered	Findings	Recommendations
Website	<p>Technical issue with Tablet computers that have not cleared old cookies.</p> <p>New Logo not prominent, particularly on current web site</p> <p>All web site errors discussed at meeting pertain only to old site. No section is out of date. There are no dead links, and right MKC site comes top on a Google search.</p> <p>The site is at the mercy of information being passed to the volunteer web manager. Users of the venue are poor at providing extra info.</p>	<p>Once again seek to connect with 2013 web designer and get old site to signpost to new.</p> <p>Ensure new MKC Logo is used consistently and widely</p> <p>See above.</p> <p>While MKC cannot be responsible for the marketing activities of our customers, perhaps they can be encouraged to modernise a bit.</p>
Facebook	<p>An active page, but with old photos. Managed by Pam and reflects her interests.</p>	<p>Trustees to provide material and guidance for this.</p> <p>Users and particularly tenants to be encouraged to connect their own Facebook and web activity in to ours. (Claire's Hairdressers have done this naturally.)</p> <p>Develop 'features' to increase 'shares'. E.g:</p> <ul style="list-style-type: none"> - Home of the Town Clerk - Twinners - Antiques Fair
Night Classes	<p>MC suggested that this aspect be explored further.</p>	<p>Approach U3A</p>

	MCRS indicated that this would add to the volunteer pressure, since no paid staff available for these. (We get by with Racing Welfare by them doing their own coffees and Lesley closing up.)	Campaign for more volunteers (again!) and look to use volunteers for different tasks.
Middleham Online	This is an entirely independent site that does what it wishes to do. It kindly promotes the MKC, but using old photos etc.	We can tactfully request that new stuff can replace old, and provide new photos/s.
Usage/Footfall	Usage of MKC is at the highest it has ever been - at 1,472 hours in the measured year. However, this is a plateau (1,470 the year before.) It is extremely unlikely that hourly usage can be increased from Middleham folk. Footfall depends on 'retail' use, as well as event use.	Usage can only be meaningfully increased by seeking custom from outside Middleham. Thus, an advertising budget for this would be good, if money can be found. However increasing usage puts pressure on the reduced volunteer base, and could add to costs more than the revenue produced (in overtime, heating, lighting, etc.) The new Hairdressers in MKC will help a lot.
Perception	Any change at MKC is regarded in a negative light by some.	Advertising and communication have a value beyond revenue, in terms of reputation and morale. This should incline towards more use.

Summary statement:

- With 100% tenancy of the commercial space for the last 6 years there was no need to market for new tenants. There is now, but the space involved is very 'niche'. MKC may have to find other ways of slicing the lettable 30%, or secure revenue from other sources, or cut services.
- Increase in usage of MKC for events and conferences would stretch the volunteer base, particularly with certain types of custom, and in the evenings. A single replacement let for the Kitchens would at a stroke bring in more revenue – and surplus – than a type of expansion that we cannot manage or necessarily afford.
- Most prime times of day are taken for lettings. The centre is already used for events for an average of 4 hours a day every day, 365 days of the year. Demand for certain evenings and times has always been very weak, and potential new users avoid these slots too. (Children's parties and very occasional social events being the exception, e.g. use by the Twinners) In other words, the slots for possible expansion are those where volunteer cover is impossible at present to find.)
- The issue of a 2013 web site still being in existence, but untouchable, obscured the fact that MKC has better online presence than most businesses of that size (and charities).
- Increasing the revenue per hour is a more likely way forward if the Kitchen is not let. This could mean a raise in our charges (whilst being careful not to lose regulars on price.) Larger conference use during the week would be an ideal improvement that would not impact badly on cheaper community events we want to encourage as central to our mandate. However, securing conferences is highly competitive and takes a lot of effort (quotes, viewings, tenders, etc.)
- MKC benefits from having several varied spaces to let, from having good parking and access, from having an on-site staffed office (unlike most community venues), and from numerous minor uses that do not come under tenants or events. (e.g. Photocopying services, Tourist Information assistance, availability as a disaster location, repository of local history material, etc.)
- If MKC makes more than a small annual surplus it is vulnerable to accusations of not serving the community. If it makes a tiny loss, it is vulnerable to the 'naysayers'; and the cash-flow consequences mean that a similar loss in a second year would cause a spiral of decline. Making a small surplus that is still sufficiently substantial to cover re-investment in the declining fabric is both the goal and the challenge.

Recommendations:

- Market more widely using regular advertising
- Market to external organisations more. Difficulties arise from their reduced budgets - although we get our NYCC business because they are trading down, so others may be doing the same.
- Keep a closer eye on media that represents us.
- Generate interest off the back of other local activities: e.g. Stables Open Day, Richard III Festival

Buildings Fabric and Maintenance Report is attached as a PDF