

Reidvale Housing Association

Expression of Interest Brief

Future Lease of Reidvale Neighbourhood Centre

April 2025

Introduction

Reidvale Housing Association (RHA) is inviting Expressions of Interest (EOI) from third-sector organisations, social enterprises, or community-led groups interested in leasing and managing the Reidvale Neighbourhood Centre (RNC). The Centre is a valued community asset, and RHA is seeking a sustainable and financially viable management model that ensures the facility remains a hub for community services, activities, and partnerships while operating independently of RHA subsidies.

This EOI process aims to identify a suitable lessee who can demonstrate a strong commitment to community impact, financial sustainability, and effective management of the Centre.

Background

RHA is looking for a community focused organisation to explore the possibility of managing and running the RNC. The Centre has long been a valued community asset, but its current way of operating is not financially sustainable. RHA wants to find a partner who can help shape a future for the Centre that allows it to thrive while meeting the needs of local people.

At this stage, we are inviting organisations to express their interest in working with us to explore what a new way of managing the Centre could look like. This process will help us identify whether there is a suitable organisation to take on the running of the Centre and, if so, start discussions on how this could work in practice.

After reviewing the expressions of interest, RHA may invite selected organisations to have more detailed discussions. These conversations will focus on financial sustainability, governance, community benefit, and operational plans. If a strong and workable proposal emerges, we may then consider negotiating a lease agreement. However, if no suitable partner is found, we may explore other ways of running the Centre, such as setting up a charitable organisation or managing it ourselves.

We are keen to hear from organisations that:

- Have a strong track record in managing community spaces or delivering social impact services.
- Can demonstrate financial viability and a clear strategy for generating sustainable income.
- Are committed to serving the diverse needs of the Dennistoun community.
- Have the operational capacity and governance structures to manage the Centre effectively.

We want this process to be open and fair, and we welcome interest from organisations with a strong community focus and a vision for the Centre's future. The following sections provide more information on the Centre, what we are looking for in a potential partner, and how to express your interest.

Options Appraisal

RHA commissioned an Options Appraisal that was concluded in February 2025 to evaluate the future management of the RNC. This was undertaken in response to concerns that the Centre's current operational model, which is reliant on subsidies from RHA, is financially unsustainable and does not maximise the Centre's potential as a vibrant and inclusive community hub.

Purpose of the Options Appraisal

The purpose of the appraisal was to explore different management models that could ensure the long-term financial viability, community benefit, and efficient operation of the Centre. The assessment included:

- Stakeholder engagement with current Centre users, local organisations, and potential partners.
- A financial analysis of the Centre's income and expenditure under different management models.
- A risk assessment of each option, considering financial, operational, and community impact factors.

Stakeholder Engagement Findings

As part of the Options Appraisal, extensive engagement was carried out with a range of stakeholders, including:

- Current users of the Centre, such as community groups, service providers, and the After School Care programme.
- Local community organisations with an interest in the Centre's future.
- Potential third-sector partners that may have the capacity and experience to take on the management of the Centre.

Stakeholders broadly recognised the value of the RNC as a community asset and highlighted its potential to offer a wider range of services, activities, and partnerships. Many also acknowledged the challenges facing the Centre, particularly in relation to financial sustainability, community access, and maximising the use of the space.

Several key themes emerged from stakeholder engagement:

1. Ensuring the Centre is Fully Inclusive and Accessible

Many stakeholders expressed a desire to see the Centre thrive as a welcoming and inclusive space for the whole community. While some groups feel well served by the current arrangements, others suggested that there is scope to broaden engagement and

ensure that more local people feel encouraged to use the facility. Stakeholders identified a number of priorities:

- Greater promotion of the Centre's services to reach more residents.
- A clearer and more transparent process for booking and accessing spaces.
- Ensuring that community groups and individuals feel encouraged and supported to use the facility.

2. Improving Space Utilisation

Stakeholders highlighted that, while the Centre provides a valuable resource, there is an opportunity to make better use of available space. Some areas are underutilised at certain times, and there is potential to increase occupancy through flexible booking arrangements, targeted outreach, and new partnership opportunities. Stakeholders identified a number of priorities:

- More effective coordination of space to maximise usage and accommodate a wider range of activities.
- Encouraging partnership working among local organisations to enhance service provision.
- Exploring opportunities for income generation through better use of available space.

3. Achieving Long-Term Financial Sustainability

There was a strong recognition that the Centre's current financial model is not sustainable in the long term and that any future approach must ensure that the facility can cover its costs without reliance on ongoing subsidies. Stakeholders identified a number of priorities:

- A clear and viable financial model that balances community benefit with income generation.
- More diverse funding streams, including potential grants, social enterprise initiatives, and room hire.
- Ensuring that community access remains affordable while securing the Centre's long-term future.

4. Strengthening Collaboration and Community Involvement

Stakeholders saw partnership working as key to the Centre's future success. There was enthusiasm for a model that encourages stronger relationships between local groups, service providers, and community members, enabling better coordination of activities and shared resources. Stakeholders identified a number of priorities:

- Developing a collaborative approach that fosters shared service delivery and joint funding applications.

- Ensuring ongoing community input into the Centre’s management and strategic direction.
- Providing a platform for new and emerging community initiatives.

Appraisal of Options

The appraisal examined various management models to ensure the Centre remains a sustainable, financially viable, and well-utilised community asset.

The appraisal considered four key options:

1. Leasing the Centre to a Third Party

- Transfers full responsibility for the Centre’s management, operations, and finances to an external organisation.
- Reduces financial liability for RHA while enabling a lessee to develop new services and funding opportunities.
- Requires a financially stable and well-governed organisation to take on the lease.
- Risks include the potential misalignment of the lessee’s priorities with community needs and the possibility of financial failure.

2. Partnership Agreement

- Involves joint management between RHA and another organisation, sharing financial and operational responsibilities.
- Could improve service coordination and funding access, but no clear partnership candidates have emerged.
- Risks include potential conflicts over decision-making and financial sustainability challenges.

3. Direct Management by RHA

- Would provide RHA with full control over operations, ensuring alignment with its strategic objectives.
- Carries significant financial and administrative burdens, requiring ongoing subsidy and investment.
- Poses a high financial risk unless sustainable income streams can be secured.

4. Establishing a Charitable Subsidiary

- Creates an independent charity responsible for running the Centre.
- Enables access to external funding sources not available to RHA.
- Requires significant initial investment and time to establish governance and sustainability.

Preferred Option: Leasing the Centre to a Third Party

Following a detailed evaluation, the appraisal identified leasing the Centre to a third-party organisation as the preferred approach, provided a financially viable and community-focused lessee can be identified. This model minimises financial risk to RHA while allowing the Centre to continue serving the community under an organisation with the capacity, vision, and resources to manage it effectively.

However, RHA has not ruled out other options. If no suitable lessee is identified through this Expression of Interest (EOI) process, alternative models, such as establishing a charitable subsidiary or retaining direct management, may be considered.

Evaluation Criteria

The selection process will be based on the following ten criteria, each of which has been chosen to reflect the priorities identified in the Options Appraisal. Each category will be scored on a scale from Poor, Unsatisfactory, Satisfactory, Good and Excellent based on the quality and feasibility of the organisation's proposal.

1. **Financial Sustainability** – The lessee must be financially sustainable and capable of sustaining operations without reliance on ongoing RHA subsidies.
2. **Alignment with Community Needs** – The Centre must remain an inclusive and accessible space for all members of the community.
3. **Operational Capacity and Management Experience** – Effective leadership and experience in managing a community facility are essential for success.
4. **Service Delivery and Programming** – The lessee must maximise the Centre's impact through high-quality service provision and ensure continuity of delivery for existing users.
5. **Risk Management and Contingency Planning** – The successful lessee must demonstrate an understanding of risks associated with managing a community centre and outline clear mitigation strategies. This includes financial risks, operational risks and external risks.
6. **Space Utilisation and Revenue Generation** – The Centre must be effectively used to generate revenue and serve the community, ensuring sustainable operations without over-reliance on grants.
7. **Governance and Accountability** – Clear governance ensures accountability, transparency and ethical management.
8. **Partnerships and Collaborations** – Strong partnerships enhance service provision, increase funding opportunities and reduce duplication of effort within the community.
9. **Maintenance and Facility Management** – The lessee must ensure that the Centre remains well-maintained and compliant with health and safety regulations.
10. **Contribution to RHA's Strategic Goals** – The lessee must align to RHA's broader objectives for community regeneration, financial sustainability and long-term social impact.

Submission Requirements

We want organisations to have the flexibility to present their Expression of Interest (EOI) in a way that best reflects their vision and approach. There is no prescribed format for submissions, but at a minimum, your response should cover the following areas:

1. Organisational Overview

Provide a summary of your organisation including:

- Name and legal status
- Governing structure
- Main purpose and activities
- Relevant experience in managing similar facilities or delivering community-focused services

2. Vision and Strategic Approach

Explain your organisation's vision for the future of the Reidvale Neighbourhood Centre including:

- How you see the Centre being used and what role it would play in the community.
- The types of activities and services you would offer.
- How you would ensure the Centre is inclusive and meets the needs of different community groups.
- Any partnerships or collaborations you would seek to develop to enhance the Centre's impact.

3. Financial Plan

Provide an overview of how your organisation would fund the Centre's operations, ensuring it can run sustainably. We do not expect fully developed financial models at this stage, but you should be able to demonstrate a realistic approach to making the Centre financially viable. Your response should include:

- A basic income and expenditure plan outlining how you would cover running costs
- Your approach to generating income such as room hire, grant funding, service contracts, social enterprise activities etc.
- Any funding or resources you already have secured that could support the Centre's operation.
- How you would manage financial risks, such as fluctuating income or unexpected costs.

4. Governance and Management Approach

Outline how your organisation would manage the Centre, ensuring clear accountability and strong leadership. This should include:

- Your proposed management structure (e.g. dedicated Centre Manager, volunteer-led model, partnership with other organisations, integration of your existing services).
- How decisions about the Centre would be made, including community involvement in governance.
- Your approach to compliance with legal, health and safety and safeguarding responsibilities.

5. Risk Management and Contingency Planning

Demonstrate an understanding of potential risks associated with running the Centre and how you would manage them. Key areas to consider include:

- Financial risks, such as shortfalls in income or unexpected costs.
- Operational risks, including staffing issues, service disruptions or difficulties in maintaining the building.
- Community engagement risks, such as ensuring fairness in how space is allocated or responding to local concerns.
- Governance risks, such as leadership changes or legal compliance.

6. Maintenance and Facility Management

As part of this opportunity, the lessee would be responsible for maintaining the Centre. Please outline:

- Your understanding of the maintenance requirements of a community facility.
- How you will budget for maintenance and repairs.
- Your approach to managing day-to-day upkeep such as cleaning, security, and health and safety compliance.

7. Community Engagement and Inclusion

We want to ensure that the Centre remains a welcoming and accessible space for the whole community. Please describe:

- How you would engage with local residents and groups to ensure they feel ownership of the Centre
- Your approach to making the Centre inclusive, ensuring it serves a wide range of people and does not exclude any groups.
- How you would balance the needs of different users, particularly when it comes to room hire, affordability and programme scheduling.

Submission Deadline

Submissions should be sent via email to **jamiemallanconsulting@gmail.com** with the subject line **"EOI Submission – Reidvale Neighbourhood Centre"** by **Tuesday, 27th May 2025 at 12 noon.**

The key stages and timeline are as follows:

Timeline	Date
<p>Launch of Expression of Interest (EOI) Process</p> <ul style="list-style-type: none"> Organisations are invited to submit EOIs detailing their vision, approach, and financial viability. The EOI document will be shared publicly, and organisations will have an opportunity to ask initial questions. 	<p>Monday, 14th April 2025</p>
<p>Online Information Session for Potential Lessees</p> <ul style="list-style-type: none"> RHA will host an online session at 10:00 am to provide further details about the EOI process and expectations for potential lessees. This will be an opportunity for organisations to ask questions before submitting their proposal. 	<p>Tuesday, 22nd April 2025</p>
<p>Open Day at the Reidvale Neighbourhood Centre</p> <ul style="list-style-type: none"> Interested organisations will have the chance to visit the Centre, view the facilities, and ask further questions. This will provide insight into the space available and help inform submission proposals. 	<p>TBC</p>
<p>Deadline for Submission of EOIs</p> <ul style="list-style-type: none"> All EOIs must be received by 12 noon on this date for consideration. 	<p>Tuesday, 27th May 2025</p>
<p>Initial Assessment of EOIs by Steering Group/Assessment Panel</p> <ul style="list-style-type: none"> RHA will review all submissions based on the evaluation criteria outlined in this document. Organisations may be asked to provide additional information or answer follow-up questions to clarify aspects of their proposal. 	<p>By Friday, 6th June 2025</p>

<p>Shortlisting of Potential Lessees</p> <ul style="list-style-type: none"> • Based on the initial assessment and any further clarifications, RHA will shortlist organisations for the next stage. • Shortlisted applicants will be informed and invited for further discussions. 	<p>By Friday, 13th June 2025</p>
<p>Interviews & Due Diligence Checks for Shortlisted Applicants</p> <ul style="list-style-type: none"> • Shortlisted organisations will be invited to an interview to discuss their proposal in more detail. • RHA will conduct due diligence checks, including reviewing governance structures, financial sustainability, and organisational capacity. 	<p>By Friday, 20th June 2025</p>
<p>Final Decision on Preferred Partner</p> <ul style="list-style-type: none"> • If a suitable organisation is identified, RHA will begin discussions on a potential partnership arrangements. • RHA reserves the right not to proceed with a lease if no organisation meets the required criteria, in which case alternative management models may be explored. 	<p>TBC</p>

Important Notes

Submitting an EOI does not guarantee a lease agreement. This process is about identifying a potential partner for further discussions.

If no suitable organisation is identified, RHA may explore alternative options for managing the Centre, including direct management or the creation of a charitable subsidiary.

If you have any questions or require further information, please contact **Jamie Mallan** at **jamiemallanconsulting@gmail.com**.