

**PAPER NO.1**

**REPORT TO THE EXECUTIVE MEETING OF 4 APRIL 2016**

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**Meeting:** Executive

**Date:** 4 April 2016

**Subject:** Voluntary & Community Sector Accommodation Policy

**Report of:** Mark Perris; Corporate Asset Manager

**Portfolio Holder:** Cllr Phillip King; Financial & Commercialisation  
Cllr Rosita Page; Communities

**Status:** For Decision, part exempt by virtue of paragraph 3 of Schedule 12a of the Local Government Act 1972

**Relevant Ward(s):** All

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1 Purpose of the Report

1.1 To approve a Voluntary and Community Sector Accommodation Policy and Implementation Plan (Appendix A) as recommended when the Voluntary & Community Sector Policy was approved in October 2015.

2 Recommendations:

2.1 To approve the Voluntary and Community Sector Accommodation Policy as set out in Appendix A (“The Policy”); and.

2.2 If 2.1 is approved, to delegate authority to the Corporate Director (BJ), in consultation with the Portfolio Holder , Financial and Commercialisation and the Portfolio Holder for Communities and the Head of Legal and Democratic Service and Head of Communities to take any actions required to implement the Policy including review and renewal of existing agreements.

3 Summary of Reasons for the Recommendations

3.1 To provide a strengthened policy framework to guide the Council’s engagement and relationship with the sector from 2016 until 2020.

3.2 In the context of ongoing reductions in Council funding it may not be possible to maintain current support levels. It is important, therefore, for the Council to consider its resource allocation in a joined up way to ensure maximum value for money.

- 3.3 To satisfy the Corporate Delivery Plan 2015/16 Objective CO6 “The Council makes the best use of its assets and resources” and to further good asset/property management of the Councils assets.

#### 4 Key Facts

- 4.1 The Voluntary and Community Sector (VCS) Policy includes the following at 6.3 (e);

*“Voluntary and community sector organisations will be expected to pay a market rent when hiring or leasing Council premises. However, they will always be invited to apply for assistance from the Council for a maximum of 5 years if they cannot meet this cost. As set out in the Action Plan a VCS Accommodation Policy will be developed to set out when and how this will operate and what support and assistance the Council can provide.”*

The VCS Policy report, also, included;

*“In terms of rent/hire charges for voluntary and community sector organisations in Council properties the position taken by Hounslow Council was tested as a starting point. Hounslow’s approach is to charge voluntary and community groups market rent/hire, but provide a subsidy for up to 5 years in certain circumstances. The aim of this approach is to ensure the long-term sustainability of community assets, whilst recognising that some voluntary and community organisations simply cannot afford full premises costs, but provide valuable services to the community that should be supported.”*

- 4.2 The VCS Accommodation Policy has been developed as a response to the VCS policy, and the timescales for the Policy match the main VCS Policy previously approved.

The Accommodation Policy includes a concession process to assess any appropriate subsidy as outlined in the VCS Policy 6.3 (e).

If approved, all new lettings to VCS organisations will follow this VCS Accommodation Policy and the Disposal, Acquisition & Community Asset Transfer Policy.

- 4.3 The Policy (Appendix A) includes transitional arrangements for all existing agreements with VCS organisations and a summary of the impact of the Policy in included as Appendix B.
- 4.4 As part of the implementation, a review of single use pitch fees will be undertaken to ensure this operates on full cost recovery. The concession policy will operate in the same way for these users.

## 5 Legal Issues

- 5.1 There may be a requirement to renew or review existing agreements as a result of this Policy.
- 5.2 The Council will initiate rent reviews in line with existing contractual arrangements.
- 5.3 Section 123 of the Local Government Act 1972 covers disposal of land and states that except with the consent of the Secretary of State, a council shall not dispose of land, for a consideration less than the best that can reasonably be obtained.

## 6 Resource Issues

- 6.1 The financial impact of the Policy is included within Appendix B.
- 6.2 The Corporate Asset Manager will be responsible for implementing the Policy, with assistance from the temporary Asset Review Officer, in the short term, who will undertake the rent reviews and lease renewals of existing agreements which arise on approval of the Policy to ensure that the Policy is implemented fairly and in a consistent manner. Thereafter, the resource requirements will be limited as these will be dealt with the Corporate Asset Manager, as rent reviews and/or lease renewals arise.
- 6.3 The Corporate Asset Manager will liaise with the Finance Services Manager to identify if there are requirements to “Opt to Tax” the properties with HMRC in order to avoid any risk with the VAT partial exemption calculation. The Finance Services Manager will initiate the “Opt to Tax” process where required.

## 7 Equality Analysis Implications/Outcomes

- 7.1 The equality implications of this policy have been considered and are set out in Appendix D.

## 8. Risk Management Implications

- 8.1 The risks are outlined in Appendix B for each property.

## 9 Consultation

- 9.1 A six week consultation was carried out on the draft VCS policy during July and August 2015. The results of the consultation are attached to the Voluntary & Community Sector Policy Report of 19 October 2015 at Appendix B along with a copy of the consultation survey at Appendix C.
- 9.2 The Community Leadership Scrutiny Panel considered the draft VCS policy at its meeting in 10 September 2015.

- 9.3 The VCS Accommodation Policy reflects the VCS Policy with regards to accommodation.
- 9.4 Consultation has been undertaken with the Portfolio Holders for Financial & Commercialisation and Communities in respect of the Accommodation Policy.
10. Options
- 10.1 Do Nothing – not recommended as this would result in the VCS Policy not being fully implemented.
- 10.2 Adopt the VCS Accommodation Policy as drafted. (Recommended)
- 10.3 Agree any amendments to the VCS Accommodation Policy, and adopt thereafter.
- 11 Background Papers
- 11.1 Voluntary & Community Sector Policy 2015 – 2020
- 11.2 Disposal, Acquisition & Community Asset Transfer Policy
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**Previous report(s): Executive; 19 October 2015 - Voluntary & Community Sector Policy**

**Information Issued Under Sensitive Issue Procedure: Y part (Appendices B & C)**

**Ward Members Notified: N**

**Appendices:**

- A. Voluntary and Community Sector Accommodation Policy**
- B. Impact of VCS Accommodation Policy on existing agreements (exempt)**
- C. Valuation Report Summary (exempt)**
- D. VCS Policy Equality Analysis**
- E. Flow Chart for VCS Accommodation Policy**