

## **Appendix 1 Community Lettings Policy**

### **1. Purpose**

The purpose of this policy is to establish a consistent approach to the rental charges for community lettings within community centres directly managed by the Council. By implementing market rent for community lettings charges and encouraging community groups to seek grant funding, the Council aims to ensure transparency and equity in the support provided to community groups.

This approach is set out in the Asset Management Strategy approved by Cabinet.

### **2. Scope**

This policy applies to all community lettings within Council owned and managed Community Centres

### **3. Policy Statement**

3.1 All community lettings will be charged at Market Rent for Community Letting.

This policy ensures that all groups are treated equitably and that the Council's support for community activities is transparent and justifiable.

3.2 Community groups are encouraged to seek grant funding to cover the costs associated with rent. The Council may provide information and guidance on potential funding sources but will not directly offer a rent concession.

3.3 Where there is a commercial letting within a community centre the Market Rent will be applicable

### **4. Definitions**

Market Rent: The amount that a property would command in an open market setting, determined by an assessment of comparable properties in the area.

Market Rent for Community Lettings: The amount that a property would command should the use be restricted to community lettings, taking into account the financial strength of the community group

Community Letting: The rental of property by a community group for activities that benefit or provide support services to the community.

### **5. Implementation**

5.1 Assessment of Market Rent for a Community Letting: The Council will conduct regular assessments to determine the rent for properties available for community lettings. These assessments will consider factors such as location, property size, community use and amenities.

5.2 Lease Agreements: All lease agreements for community lettings will clearly state the rent and the expectation for the tenant to seek grant funding. Lease agreements will also include provisions for periodic rent reviews in line with market conditions. Leases will be granted outside the security provisions of the Landlord and Tenant Act 1954. New leases will be granted for a maximum of 10 years, with a break provision at year 5. Unless this would prohibit the Community Group sourcing grant funding in which case the length of term, and inclusion of a break notice will be negotiated individually.

5.3 Support for Grant Funding: Community groups are responsible for the timely submission of their grant applications and for meeting all requirements of the funding bodies.

## **6. Considerations**

There is a current lack of consistency on rent per square foot across the Community letting portfolio. It is recognised that this policy is not intended to create financial hardship for community groups and it will therefore be phased in through the existing rent review and lease renewal cycles. There are initially 3 community centres impacted. A further report detailing the impact is shown in Appendix 1.

It is recommended that where a Community group can demonstrate the increase in rent will cause hardship, subject to the production of a fund-raising plan appropriate transition arrangements will be considered.

## **7. Responsibilities**

Council Officers: Responsible for conducting rent assessments, preparing lease agreements, and providing guidance on grant funding where appropriate.

Community Groups: Responsible for securing grant funding to cover rental costs and adhering to the terms of their lease agreements.

## **9. Review and Monitoring**

This policy will be reviewed every three years or sooner if required due to changes in legislation or Council objectives. Monitoring of the policy's implementation will be carried out by Corporate Property Team, with updates provided through the annual reporting on the Asset Management Action Plan.

## **10. Related Policies and Documents**

## **11. Contact Information**

For further information or clarification regarding this policy, please contact:

Emma Gubbins

## **12. Approval and Adoption**

This policy was approved by [Approving Body] on [Date] and is effective from [Effective Date].