



Community Lettings **Policy**

April 2021

N.B When a new committee structure is adopted any reference to portfolio holders will need to be amended to reflect the new structure. References in this policy will need to change to Chair and Vice Chair of Policy & Resources Committee and Chair of Community Wellbeing and Housing Committee.

Community Lettings Policy

1. Introduction

The Council defines a Community Asset as a building and/or land that has a community use and from which a community-based activity or service is or could be delivered.

The Council's Property Portfolio includes land, buildings, and other structures. Assets from the portfolio that are utilised by the community for social, health or leisure purposes include community centres and halls, parks, play areas and recreation grounds, pavilions & changing rooms, tennis courts, bowls clubs, leisure centres, allotments, and scout/uniformed group huts. (N.B. this list is not exhaustive and does not include miscellaneous land that may be considered for future community use). A full list of the Community Assets can be seen in Appendix 1.

The Council's portfolio of assets are held to; support direct service delivery, support delivery by partners including the voluntary sector, stimulate economic activity and regeneration and support the Council's budgets. The Council has a duty to act as custodian of community assets whilst supporting and facilitating third sector development through community use agreements/leases.

For the purpose of this policy the term 'Community Letting' refers to the allocation of a lease of a Community Asset to a community organisation for 5 years or more.

2. Purpose of the policy

The purpose of the Community Lettings policy is to establish a transparent and positive framework that sets out the Council's desired objectives for long-term community asset usage. This policy will be used to robustly evaluate current and proposed community usage arrangements through the establishment of a cross service evaluation criteria and procedure. The procedure will:

- source information across services to respond to queries from organisations in a timely manner.
- ensure that Elected Members and officers understand how the evaluation of community asset usage can benefit both the Council and local communities.

Through implementation of the policy and procedure, the Council will ultimately gain a robust methodology to inform and influence long-term community asset usage decisions.

3. Objectives

The objectives of this policy are:

- to ensure a transparent, equitable process for the assessment of community assets and their future use
- to maximise the benefit of Council owned assets for local communities
- to maximise the utilisation of community assets through shared usage arrangements

- to provide long-term sustainability for services and assets to ensure due consideration is given to assets that are already highlighted for potential investment by external sources
- to provide value for money for the Council and residents
- to provide a stimulus for partnership working
- to enhance the Council's reputation

4. Local policy context

The Council will adopt an agreed method of assessing the benefits of current use vs proposed community use that is strategically linked to its corporate priorities.

Housing - To strive towards meeting the housing needs of our residents, providing working families and others in housing need within the Borough with suitable accommodation.

Economic Development -To stimulate more investment, jobs, and visitors to Spelthorne to further the overall economic wellbeing and prosperity of the Borough and its residents.

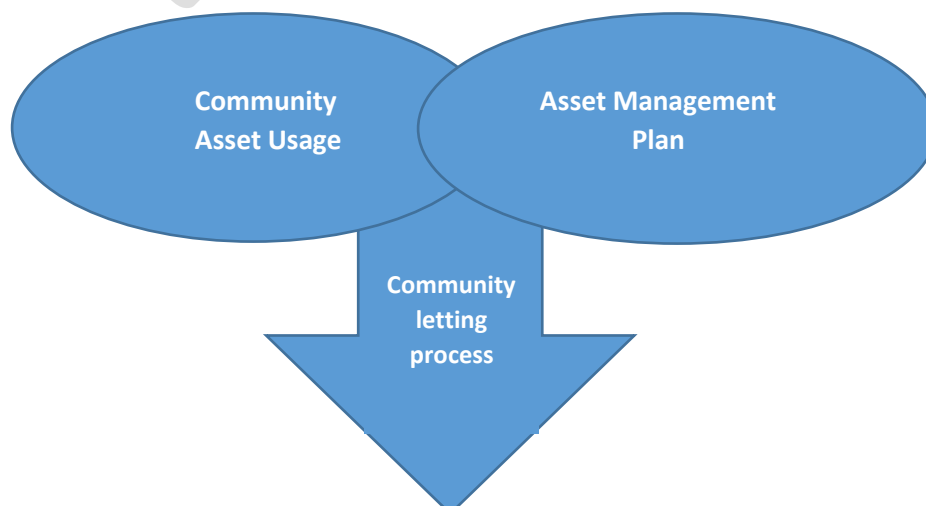
Clean and Safe Environment - To provide a place where people want to live, work, and enjoy their leisure time and where they feel safe to do so

Financial Sustainability - To ensure that the Council can become financially self-sufficient in the near future

The Asset Management Plan for Spelthorne Borough Council sets out the Council's commitment to undertaking a comprehensive review of its entire municipal property estate over the next 3 years, starting with the Council's building assets. The key issues to be identified are:

- the suitability of the building/ location for the delivery of the service
- whether the service is needed for the long-term
- whether the property occupied represents or could represent value for money.

The findings from this review will contribute to the scoring of the Community Asset Evaluation, particularly the financial and community use criteria. The Community Asset Usage Policy will dovetail with the Asset Management Plan to assist in the identification and recommendation of Community Lettings. Any Community Letting recommendation will consider equal opportunities and the need to provide an open application process against an agreed criteria.



5. Principles of the Community Lettings Policy

The policy on Community Lettings is underpinned by the following principles:

- any proposed community letting must support the aims and priorities of the Council as set out in an adopted policy e.g. Corporate Plan, Asset Management Plan, Health and Wellbeing Strategy
- any community asset usage criteria and procedure must support the overall policy objectives
- recognise the Council's dual roles as a supporter of the third sector but also as a steward of publicly owned assets
- all Council service areas and Elected Members will endorse and help deliver this agenda
- the policy will be maintained and delivered by a Corporate Working Group consisting of representatives from Asset Management, Community Wellbeing and Neighbourhood Services.

This policy will be supported by a robust evaluation criteria and procedure as set out in the accompanying document.

For clarity:

- This policy applies to the grant of a lease (the grant of legal interest in land which gives exclusive possession for a fixed period of time) but will exclude licences or other tenancy arrangements.
- This policy will also apply to lease renewals or where we have a vacant property which is surplus to Council requirements. As an authority we do need to ensure that every opportunity is offered out to other community organisations regardless of whether or not there is a current tenant whose lease is coming up for renewal to ascertain which community use might be best for the premises and community. The only situation where this would not apply would be when the tenant has a legal right to renew their lease under the Landlord and Tenant Act 1954 or there are other legal or technical reasons why this cannot be done.
- Prior to applying this policy to a particular asset, the Council will establish if the property is fit for purpose and what works might need to be done to bring it up to specification. This will be factored in (as required) as part of any lease.
- As part of this pre-assessment process each individual asset will be looked at in its own right when the specification is pulled together on what type of organisation would be suitable for the property. (e.g. a small toilet might be suitable for a business or a community use and this will be determined prior to advertising).
- The Portfolio Holders for Community Wellbeing and Assets will sign off the specification for individual assets.
- Occasionally there may be exceptional circumstances which the Portfolio Holder for assets and the Portfolio Holder for Community Wellbeing consider should take precedence over parts of this policy and procedure. If this is the case the relevant Elected Members and the Leader must complete an exceptional circumstances

decision form setting out the exceptional circumstances and providing detailed reasons as to why they should be taken into account.

6. Policy Ownership and Review

Asset Management will have overall ownership of the Community Lettings policy and procedures. All enquiries regarding community asset usage received by officers or Elected Members will be referred to the Asset Management Team. This is to ensure the enquiry can be processed in line with this policy and procedure and will include cross service evaluation. Officers from Community Wellbeing, Neighbourhood Services and any other relevant department will contribute to Stage 1 Assessment Scoring Forms as required. The Officer Panel that has responsibility for making recommendations will consist of the Group Heads for Community Wellbeing, Regeneration and Growth and the Property and Development Manager.

There will be a process of lease reviews for all Community Assets. The timings of these reviews will depend on the individual asset and the outcome of the evaluation.

This policy will initially be reviewed 6 months after implementation and then on an annual basis.

Community Lettings Procedure

This procedure sets out a framework for considering Community Letting requests. It outlines the stages of the decision making process plus the assessment criteria and processes at each stage.

For the purpose of this procedure the term 'community lettings' refers to the allocation of a Community Asset to a community organisation for 5 years or more

STAGE 1 - Advertising available asset and initial application and assessment

The authority will only consider advertising an asset where:

The Council owns a freehold or long leasehold interest in the property

It has already undergone assessment for current benefit to community users and value for money using the adopted policy criteria

It is not already identified in Councils strategies or service delivery plans for future external investment to enhance its current usage. The exception to this would be a proposal that includes the same activity as the current usage e.g., an application could be considered from a football club that wants to make use of a pavilion that has been highlighted for investment in the Councils Playing Pitch Strategy.

Assets identified for potential Community Letting having undergone the process set out above, will be advertised on the Council's website for a period of 1 month. An indication of the lease and rent terms the Council would be looking for will be posted as part of the advertisement. At the same time as the advert is placed on the website, we will advise ward Members by email as well as residents associations and any other community groups that the Council may be aware of (via the Community Development Manager). These

organisations can then pass the message out to the local community to ensure the opportunity for local community groups to bid for space is maximised.

Community groups and organisations will be invited to express their interest in leasing the asset by completing a Stage 1 Further Information Form (**Appendix 2**).

All enquiries relating to Community lettings will be directed to the website to view potential opportunities. The Stage 1 Further Information Form will be available on the website along with the Scoring Matrix Form which they will be scored against (**Appendix 3**). This will ensure there is full transparency around the process which will be undertaken.

There will be 3 key factors to be considered within stage 1 but the individual criteria which expressions of interest will be scored against may vary depending on the asset being advertised. This will be made clear upfront when the assets are initially advertised.

The Applicant, unless otherwise agreed by the portfolio holders for assets and community wellbeing as part of the pre assessment process should be

- Appropriately constituted, for example, a registered charity, a community interest company or a charitable incorporated organisation, a not-for-profit company; a co-operative, sports club or CASC (Community Amateur Sports Club).
- Community-led, i.e. its governance arrangements must ensure that members of the community are able to influence its operation and decision making processes.

Stage 1 Criteria:

The three key factors to be considered within the Stage 1a Community Letting Policy/procedure criteria are:

- a. The current benefits to the local community provided by the organisation and/or asset versus those to be gained from new or increased access to the community asset.
- b. The alignment of any new usage proposal with the Council's strategic values and objectives.
- c. The impact of the current and/or proposed usage on the sustainability of the asset and service.

Stage 1 assessment of proposals via the Scoring Matrix Form will take into account these factors, considering both the likelihood and impact of failure.

Stage 1 Procedure:

Stage 1a

Assets identified for potential Community Letting following the review of the Council's property estate will be advertised on the Council's website for a period of 1 month. Community groups and organisations will be invited to express their interest in leasing the asset by completing a Stage 1 Further Information Form (**Appendix 2**).

Asset Management will initially assess all Stage 1 enquiries using the 'Further information Form' and 'Stage 1 Scoring Matrix Form' (**Appendix 3**). See attached Flow Chart for further details (**Appendix 4**). Where necessary, Community Wellbeing, Neighbourhood Services or other departments will be asked to contribute to provide missing information.

As a result of this initial assessment officers will make recommendations for stage 1b.

Stage 1b

Those successful at Stage 1a will be assessed by the Officer Panel (Group Heads of Community Wellbeing, Regeneration and Growth and the Property and Development Manager). This group will undertake a basic options appraisal to compare current and proposed usage facts and decide which applications should move to stage 2. Once this process has been completed Asset Management will advise those applicant(s) that have been successful in moving to Stage 2.

Stage 1 will be completed within 4 weeks of the closing date of the advert.

STAGE 2 - Consideration for Community Letting

Stage 2 requires applicants to produce a full business case, including financial considerations and evidence of ability to sustain the asset and service they provide. The level of detail in the business case will be to a large extent determined by the size of the asset and the community offering being put forward (for example a community café in a disused toilet will require less than an organisation looking to take on a whole community hall). A health and safety questionnaire will also need to be completed where appropriate.

These documents will undergo a robust objective review by officers in Asset Management, Finance, Community Wellbeing and Neighbourhood Services (the latter two as required) and assessed for a second time against the full assessment criteria using the Council's Stage 1 Scoring Matrix Form.

This process will be completed in 4 weeks.

Stage 2 Criteria:

A successful Stage 2 full business case will need to evidence the following criteria:

Community Use

The proposed use of the asset is genuinely for the benefit of the local community and offers real potential for the development of a sustainable, successful, and independent community organisation.

The asset will benefit residents, including less advantaged groups and provide affordable membership costs.

Strategic Direction

The proposed use of an asset reflects the outcomes and objectives of the Council's Corporate Plan and Asset Management Plan.

Local Provision

The application demonstrates that there is supply and demand for the service and no surplus duplication within the local area.

Finance

The applicant provides a business plan that demonstrates:

- Value for money for the Council
- Security /sustainability of service to ensure continued utilisation and prevention of anti-social behaviour
- An ability to maintain and manage the building to a high standard and complying with all statutory regulations and other terms in the lease

Stage 2 Procedure:

Stage 2a:

Successful applicants from stage 1 are invited to submit a detailed business plan. A health and safety questionnaire should also be completed where applicable These should be submitted by the applicants within 2 weeks of being advised they have advanced to stage 2 of the process. Where this deadline cannot be achieved the applicant should advise the Council why and how long this will take.

Stage 2b:

Business cases and health and safety questionnaires are reviewed by officers in Asset Management, Finance, Community Wellbeing and Neighbourhood Services (the latter two as required) and assessed for a second time against the full assessment criteria using the Council's Stage 1 Scoring Matrix Form.

A full financial review will be undertaken by the Finance team.

This process will be completed in 4 weeks. If, as a result of additional requests for information or a large number of business case submissions, this 4-week turnaround cannot be achieved the Council will write and advise all applicants in writing of the date of the extended deadline by which that assessment will be complete

STAGE 3 – Community Letting Recommendation

These assessments will be used to determine if there is a suitable applicant which the Officer Panel can recommend to the relevant Elected Members. If there is a suitable applicant, a report including the Stage 1 Scoring Matrix Form, the relevant business case, health and safety questionnaire and officer recommendation will be sent to the Leader, the Portfolio Holder for Assets and the Portfolio Holder for Community Wellbeing.

A decision on whether to accept the recommendation of the Officer Panel will be made on the asset by these Elected Members. This decision will be made within one week of receipt of the officer recommendation unless the Council's Constitution requires committee authority. Where committee authority is not required, the appropriate delegated authority will be requested.

The successful applicant will be notified in writing on the decision of the Council and liaison will then take place with the Assets and Legal teams on drawing up the necessary legal documentation including heads of terms. If the Community Asset is within a public open space and the agreed term of letting is for a period of 7 years or more, further advertising requirements will need to be observed to comply with public open space legislation before a letting is finalised.

ELECTED MEMBER INVOLVEMENT

Requests or approaches received by an Elected Member relating to any Community Asset will need to be referred directly to the Assets team as they need to have full sight of every potential opportunity that has come to the Council no matter by what route. It will then be for the assets team to manage the process in accordance with the policy.

Where an Elected Member has had any personal involvement, this will be recorded in the assessment report considered by the Elected Member panel at the end of Stage 2. Elected Members with such involvement will not be party to the final decision making process.

REVIEW PROCESS

All those unsuccessful applicants who reached stage 2 will then be notified that they have not been successful. Any applicants not satisfied with the final decision will need to contact the Council and go through the Councils Corporate Complaints Procedure <https://www.spelthorne.gov.uk/article/16560/Comments-compliments-and-complaints>

APPENDICES

Appendix 1: List of Community Assets

Appendix 2: Stage 1 Further Information Form

Appendix 3: Stage 1 Scoring Matrix Form

Appendix 4: Flow Chart

Appendix 5: Exceptional Circumstances Form