

# Corporate Policy & Resources Committee

15 April 2024



<b>Title</b>	<i>Update to Community Lettings Policy</i>
<b>Purpose of the report</b>	To make a decision. To seek approval to replace wording in a Council policy
<b>Report Author</b>	<i>Coralie Holman – Group Head Assets</i>
<b>Ward(s) Affected</b>	All
<b>Exempt</b>	No
<b>Exemption Reason</b>	This report contains exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006 Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because, disclosure to the public would prejudice the financial position of the authority in any lease, contract or other type of negotiation with the tenant or developer, who could then know the position of the Council.
<b>Corporate Priority</b>	Community
<b>Recommendations</b>	<p><b>Committee is asked to:</b></p> <ol style="list-style-type: none"> <li>1) Agree the Council Administration’s proposal to allow the consideration of new community development in the Council’s recreation grounds and green open spaces</li> <li>2) Approve changes to wording within the Community Lettings Policy dated November 2022. Within section 5 to replace the wording <i>‘New development on recreation grounds or other green open spaces will not be considered’</i> with <i>‘New community development on recreation grounds or other green open spaces will only be considered when it is appropriate to do so and there is no net adverse impact to the Biodiversity of the location. If it can be demonstrated by the person/organisation making the application, in consultation with Councillors, that there is benefit to the wider community, the matter will be considered in more detail. All applications being progressed will be subject to a viability assessment and due diligence, as set out in Appendix 6 and taken to the</i></li> </ol>

	<i>Council's Corporate Policy and Resources Committee for determination'.</i>
<b>Reason for Recommendation</b>	<b>The Council's Administration wish the current policy to be updated to facilitate the consideration of new community development on Council owned land when it is appropriate to do so, and proposals have been determined as being viable and met the criteria of other specified due diligence.</b>

## 1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> <li>The current Community Lettings Policy was produced in November 2022 and prohibits the development of new community assets on recreation grounds and other green spaces.</li> <li></li> </ul>	<ul style="list-style-type: none"> <li>The stance on new development has now altered and the Council's current Administration wish to have the ability for new community development to be considered in appropriate circumstances.</li> </ul>
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> <li>Whilst it is not necessary to amend the whole policy, it is felt appropriate to replace the wording which states new development will not be considered with wording that permits consideration of new development, when it is appropriate to do so, proposals are assessed as being viable and certain due diligence checks have been satisfied.</li> </ul>	<ul style="list-style-type: none"> <li>For this committee to consider the wishes of the Administration.</li> <li>Approve the replacement wording to update the Community Lettings Policy as set out in the recommendation of this report, together with a new Appendix 6 to be attached to the existing policy which sets out the viability assessment and due diligence that will be undertaken to determine if new build proposals are supported by the Council.</li> <li>To consider the proposed due diligence requirements that will determine, on an application-by-application basis whether proposals are appropriate as shown in Appendix 2 of this report</li> </ul>

## 2. Key issues

- 2.1 In November 2022 a Community Lettings Policy was agreed and adopted by the Council. 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 across its municipal assets portfolio.

- 2.2 This policy is used to robustly evaluate current and proposed community usage arrangements through a cross service evaluation criteria and procedure.
- 2.3 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. Current position**

- 3.1 The current policy clearly states new development on Council owned recreation grounds and other green spaces will not be considered.
- 3.2 The stance on new development has now altered and the Council's current Administration wish to have the ability for new community development to be considered in appropriate circumstances.
- 3.3 Due to the timescales sought by the Administration to implement these changes, it is not possible to undertake a comprehensive review of the entire policy, hence an amendment to the current policy wording is proposed, supported by a new policy Appendix which sets out criteria any interested party would need to demonstrate they could meet.
- 3.4 The circumstances upon which it is considered appropriate to consider new community development will revolve around the assessment of the proposals to ensure they are viable and that criteria of other due diligence has been fully met. The criteria is set out in Appendix 2 of this report (if approved this will become a new Appendix 6 attached to the current policy).

### **4. Next Steps**

- 4.1 If the proposed changes to the policy are approved, there will need to be a 'stand still' period of circa 1 month prior to new applications being considered. During this period the Council will need to determine which recreation grounds and green open spaces it considers may be suitable for new community development. There will be no obligation for the Council to consider new community development on any sites it deems are not suitable.
- 4.2 These sites should then be openly advertised to ensure there is full transparency and all interested parties have an opportunity to submit expressions of interest and develop proposals accordingly. This will avoid any challenge about opportunities not being open to all.
- 4.3 As set out above, all new building proposals will be considered and determined against a new Appendix 6 (Appendix 2 in this report) which will be attached to the Community Lettings Policy. This new Appendix will be applicable to new build proposals only and will be determined on a simple pass/fail decision.
- 4.4 Any applications that pass the viability assessment criteria in the new Appendix 6, will then be subject to the existing processes and scoring of applications as currently included within the policy.
- 4.5 It is acknowledged this may cause some duplication to applicants, however in order to facilitate a swift amendment to the policy to allow for new build applications, a full review of the policy has not been completed due to the timescales and resource this would take. At the next full review of the policy

estimated to commence in Autumn 2024 all existing processes and scoring will be refined to remove any duplication.

## 5. Options

- 5.1 **It is recommended** the following wording is deleted '**New development on recreation grounds or other green open spaces will not be considered**' and replaced with '**New community development on recreation grounds or other green open spaces will only be considered when it is appropriate to do so and there is no net adverse impact to the Biodiversity of the location. If it can be demonstrated by the person/organisation making the application, in consultation with Councillors, that there is benefit to the wider community, the matter will be considered in more detail. All applications being progressed will be subject to a viability assessment and due diligence, as set out in Appendix 6<sup>(1)</sup> and taken to the Council's Corporate Policy and Resources Committee for determination**'.

<sup>(1)</sup> Refers to a new appendix 6 within the Community Lettings policy

- 5.2 **It is not recommended** to undertake a whole sale review of the entire policy as it the remainder of the Policy remains suitable to robustly evaluate all other current and proposed community usage arrangements.

- 5.3 **It is not recommended** to continue to prohibit new development on the Council's recreation grounds and other green spaces as this may prevent suitable and much needed community facilities being delivered that meet a number of the Council's Corporate Priorities, but the Council is unable to directly deliver directly.

## 6. Financial Terms

- 6.1 There is no direct financial cost in respect of undertaking the proposed changes to the policy. But allowing community organisations to undertake community development where appropriate with financially robust proposals, may ease pressures on the Council's budgets. The due diligence process will assess the financial viability of any proposals being considered.

## 7. Risk Management

- 7.1 Approving this change will require thorough evaluation of all proposals, otherwise the Council may be required to take on facilities which the original operator is unable to sustain the running costs, thus creating additional financial liabilities for the Council in terms of repairs and maintenance and other vacant building costs i.e. Business Rates.

## 8. Procurement comments

- 8.1 Not Applicable

## 9. Legal comments

- 9.1 Sections 120 to 123 of the Local Government Act 1972 confer the power on the Council to acquire, appropriate and dispose of land for the purpose of any of its functions. Any disposal of open space must comply with the statutory procedure under section 123 of the Local Government Act 1972.

9.2 The Legal Services ([g.legal@spelthorne.gov.uk](mailto:g.legal@spelthorne.gov.uk)) will advise and assist with the review of all applications for development and will carry out all relevant due diligence (including but not limited to title review).

9.3 The Legal Services will assist in the preparation of any necessary documentation.

**10. Other considerations**

10.1 None

**11 Equality and Diversity**

11.1 None

**12 Sustainability/Climate Change Implications**

12.1 All applications for new build will need to meet sustainability criteria as set out in the due diligence criteria

**13 Timetable for implementation**

13.1 Immediately if approved.

**14 Contact**

14.1 Coralie Holman Group Head Assets [c.holman@spelthorne.gov.uk](mailto:c.holman@spelthorne.gov.uk)

**Background papers:**

**Appendix 1 – Community Lettings Policy**

**Appendix 2 – Due Diligence Criteria, (which is proposed to be a new Appendix 6 attached to the Community Lettings Policy)**