

REVIEW OF RENT RELIEF FOR VOLUNTARY ORGANISATIONS

SUMMARY AND RECOMMENDATIONS:

In 2017, the then Concessions and Community Support Portfolio Holder carried out a review of rent relief provided to organisations that lease land and/or buildings from the Council. The Cabinet considered the findings and agreed that the level of relief would reduce to 90% in 2018/19 and to between 80% and 90% from 2019/20 following further consideration.

This Report sets out the outcomes of a further review that has been undertaken with the Democracy, Strategy and Partnerships Portfolio Holder which has taken account of the impact of the change made, the Council's approach to managing its assets and the Council's wider objectives.

The Cabinet is recommended to:

- (i) Retain the maximum level of 90% rent relief for all the voluntary organisations leasing land/premises
- (ii) Authorise the Portfolio Holder to determine individual claims for relief on the grounds of hardship for a maximum period of one year; and
- (iii) Authorise the Head of Regeneration and Property, in consultation with the Democracy, Strategy and Partnerships Portfolio Holder to negotiate appropriate rents with the organisations at lease renewal dates within the framework of the Asset Management Strategy.

1. INTRODUCTION

- 1.1. This Report seeks approval for a revised policy and process relating to rent relief for voluntary organisations leasing Council land and premises. The new policy takes account of the experience with the organisations since the level of rent relief was reduced and of other longer term issues, especially around the aim to maximise the use of Council assets. The objective is to ensure the use of the premises is optimised and that the Council secures value in terms of provision and return.

2. BACKGROUND

- 2.1. Rushmoor has a range of facilities run by community organisations especially pavilions and sports grounds. These organisations provide a significant contribution to the wellbeing of local communities, provide a breadth of activities and help to maintain Council premises.
- 2.2. In 2017, the Concessions and Community Support Portfolio Holder instigated a review of rent relief provided to the 27 organisations (list appended to this Report) taking into account the need for the Council to achieve financial savings, the benefits provided to residents and the potential impact of significant rent increases. Rent relief had normally been granted for three year periods.
- 2.3. As a result of the review, the Cabinet agreed that these organisations should pay a contribution towards the rent. At that time the vast majority were receiving 100% rent relief but from the start of 2018/19, this was reduced to 90% and subsequently to somewhere between 80 and 90% from 2019/20 following further consideration. At the time, an arrangement was put in place for organisations to contact the Council if there were difficulties.
- 2.4. The current position with the 27 organisations is as follows:
 - 16 are paying their rent proportion
 - 2 are still being reviewed
 - 9 are still to pay having made representations about their contribution
- 2.5. The nine which have made representations have been reviewed with the Portfolio Holder and, having considered detailed information about their working arrangements, financial information and membership, it has been agreed that eight of them should be requested to pay. One organisation has demonstrated financial hardship and it has been agreed by the Portfolio Holder that the rent relief should remain at 100% until March, 2020.

3. REVIEW AND POLICY OPTIONS

- 3.1. Over the past few months, the Portfolio Holder with support from Officers has carried out a review of the current arrangements and considered options for the future policy. The options considered have included:
 - Return to providing 100% relief for the organisations
 - Reduce the level of relief to less than 90% as the Council has discretion to choose the level of relief provided
 - Match the level of relief provided to residents receiving support under the Council Tax Support Scheme (this is currently 12%)
- 3.2. Having discussed the options, it is proposed that the Council retains the 90% level of rent relief for all organisations but on the basis that rent reviews are negotiated through the Regeneration and Property Service in the future when reviews take place. In specific cases where an organisation could demonstrate hardship, the Portfolio Holder will be authorised to determine

the level of relief on the basis that any additional relief is for a maximum period of one year.

3.3. As a separate exercise a review will be carried out of the arrangements the Council has for supporting other organisations which receive a substantial level of assistance from the Council. In particular, these are:

- Citizens Advice
- Farnborough and Cove War Memorial Hospital Trust
- Rushmoor Voluntary Services

4. CONSIDERATIONS

4.1. The requirement for organisations to make a contribution towards the cost of the rent means in many cases these are relatively small sums. Some benchmarking has been carried out with other areas but there is no clear pattern except that Rushmoor appears to be comparatively generous with the level of rent relief it gives. There are also opportunities for the organisations to improve their own financial position and the Council has given some advice around issues like being members of the Community Lottery (where some have received considerable income) letting out their premises to other organisations and managing costs and maximising opportunities to reduce expenditure.

4.2. The Policy and Project Advisory Board has received a presentation on the review and was broadly in support of the approach. Members emphasised the need to recognise the important contribution that these organisations make to local communities and that the Council should be sensitive to their needs to ensure they are sustainable. It was also suggested that a formal service level agreement should be developed for the organisations and this will be examined for the longer term.

4.3. Rushmoor's facilities are considered to be of a very good standard and there is also interest from other organisations operating in adjoining areas to relocate to the Borough.

5. IMPLICATIONS

5.1 The implications of the new policy are as follows:

Financial

5.2 The level of rent received in 2017/18 was £3,890. The effect of providing 90% relief to the 27 organisations in 2018/19 would be £20,848, although there are still some payments outstanding and hardship relief has been granted of £445. The income in 2019/20, on the basis that the 90% relief is retained, is estimated to be £20,074. This figure is affected by recent rent reviews in certain cases and changes caused by the closure of the Farnborough Community Centre. Going forward, as negotiated sums are agreed and periodic rent reviews are implemented the figures will change.

Equalities

- 5.3 The arrangements for organisations to make representations regarding the level of rent will be considered by the Portfolio Holder and should ensure that hardship cases are addressed in a fair and sensitive way. The development of service level agreements over time will also seek to ensure that organisations are treated consistently and objectively.

6. CONCLUSIONS

- 6.1. The Cabinet has established the principle that users of the Council's facilities and services should contribute something towards their rental cost. For most, the change has been accepted and there is evidence that it has helped some organisations consider how to best optimise the use of their premises and encourage use of the Community Lottery. The proposed approach also complements the Council's objective of getting more from its assets. It is also proposed that the policy and arrangements will be kept under review by the Portfolio Holder in conjunction with the officers.

CONTACT DETAILS:

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BACKGROUND DOCUMENTS:

None

APPENDIX

Organisations receiving rent relief

Group	Address
14th Aldershot Scout Group	Mantle Hall, North Lane, Aldershot
1st Cove Scout Group	Gower Lodge, Farnborough
2nd Aldershot Scout Group	Scout Hut, Manor Park, Aldershot
4th Aldershot Scout Group	Western Road, Aldershot
6th Farnborough Scout Group	Trailblazers Den, Cheyne Way, Farnborough
Age Concern	Farnborough Gate Bowling Club
Aldershot & Fleet RUFC	Aldershot Park
Aldershot Cricket Club	Aldershot Park
Citizens Advice Rushmoor	Rushmoor Borough Council Offices, Farnborough
Cove Bowling Club	Horn Road, Farnborough
Cove Brook Greenway Group	Blunden Hall, Farnborough
Cove Cricket Club	Grasmere Road, Farnborough
Cove Football Club	Squirrels Lane, Farnborough
deafPLUS	35-39 High Street, Aldershot
Elim Pentecostal Church	52-58 Holly Road, Aldershot
Farnborough Bowling Club	Canterbury Road, Farnborough
Farnborough Gate Bowls Club	Ringwood Road, Farnborough
Farnborough Lawn Tennis Club	Tile Barn Close, Farnborough
Farnborough Rugby Club	Tile Barn Close, Farnborough
Gurkha Welfare Advice Centre	35-39 High Street, Aldershot
Parkside	57 Guildford Road, Aldershot
Relate NEHAB	39 High Street, Aldershot
Rushmoor Community Football Club	Grasmere Road, Farnborough
Rushmoor Gymnastics Academy	Pool Road, Aldershot
St Christopher's Community Centre	Montgomery Road, Farnborough
St John Ambulance	Hawley Lane, Farnborough

*Farnborough Community Centre Association previously received rent relief but now no longer in existence