



A report for the London Third Sector Premises Forum, February 2013

premises for the third sector in London

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About the London Third Sector Premises Forum

The London Third Sector Premises Forum is a pan-London group of organisations that seeks to develop projects and influence issues related to premises for the Voluntary and Community Sector (VCS) in London. Specific objectives of the forum include:

- to meet and share good practice and facilitate the exchange of information in relation to third sector premises issues across London
- to take forward existing projects and activities and develop new ones as appropriate, to improve third sector premises support and provision across London
- to provide a collective response to changing national and local government policy affecting third sector premises, including formulation of position statements, lobbying and campaigning as appropriate
- to market and promote the work of the forum and its individual member organisations for mutual benefit
- to act as ambassadors for third sector premises issues within respective member organisations and externally to policy makers, landlords and the wider public

There is a wide membership of over 40 individuals and organisations who form a distribution group to keep in touch with events and opportunities. The smaller steering group who do the strategic work are currently made up from representatives of the following organisations:

- Aston-Mansfield
- Barking and Dagenham Council for Voluntary Service
- CAN
- Community and Voluntary Sector Association Hammersmith and Fulham
- Community Matters
- Ealing Community Resource Centre
- Ethical Property Foundation
- Locality
- London Borough of Lewisham
- Royal Borough of Greenwich
- The Glass House Community Led Design
- Voluntary Action Lewisham

About Community Land Use

Community Land Use was established to promote and support community led development and regeneration. It provides research and business support, planning and development services to not for private profit organisations in relation to planning, capital development projects and facilities management.

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1

Background

This report is the last in a series which have been commissioned by the London Third Sector Premises Forum. Other reports were published in 2007, 2009 and 2011. Although never initially envisaged as a longitudinal study of the issues facing voluntary and community organisations in London in relation to their premises, the story that the research tells over time is an instructive one. It underlines the amount of time it takes for policy to develop into practice, the importance of the economic drivers to the issues that the research has looked at over time and the need for collaboration between funders, government, statutory agencies and voluntary and community organisations to overcome issues as they arise to meet their jointly held objectives.

Each of the research reports has covered similar ground, focussing on policy development in London by borough councils towards land and property, how this affects voluntary and community organisations on the ground and the amount and kind of support that is available to them to address issues that arise.

Over time policy initiatives and processes for dealing with land and property issues in central and local government have come and gone and changed. The sources of funding – both capital and revenue that exist to invest in premises for London based voluntary and community organisations – have also changed.

The research reports have charted some of this change and the responses to it by all the stakeholders involved.

As the last in the series, this report presents a status report on current policy and practice with suggestions for ways in which the current situation can be improved going forward.

It was produced in response to the brief issued by the London Third Sector Premises Forum which identified the purpose for the report as follows:

‘To provide interested public, private and third sector organisations with a comprehensive overview of third sector accommodation issues across London. For example, what is the current status of key policy and practice and how are council approaches towards budget cuts, strategic asset management, asset transfer, rate relief, rent, localism and community rights affecting the third sector in relation to accommodation?’

Methodology

To meet the requirements of the brief we gathered information on:

- current policy frameworks in each London borough
- the support available in each London borough to groups who had premises needs or projects that they wanted to pursue
- the perspectives of both councils and umbrella third sector organisations in each borough on the premises needs of the sector and any barriers or issues that they felt needed to be addressed
- current initiatives or projects being pursued by both the third sector and local borough councils

Given the constraints for the research of both time (a 13 week programme over the summer period) and resources, the following methods were used:

Online data collection

London Borough Councils

To provide consistency with the previous reports, web based research on every London Borough Council was conducted. The aim was to identify policy documents and committee reports that set out the approach of each authority to providing premises to third sector organisations in their borough. All the information used in this report was accessed via London Councils' and Council for Voluntary Services' web sites in the period July–September 2012.

The focus on local authorities' policy towards use of their assets, as opposed to the private sector or other statutory agencies, is based on the fact that a large number of third sector organisations are accommodated in premises owned by London boroughs. There is no hard data to confirm the full extent of this, but it is the case that many

third sector organisations look to the local borough council as a natural ally, with a common interest in providing services for public benefit both in their own area and beyond.

Third sector organisations in London provide a very wide range of services, funded from a large variety of sources. Most have multiple relationships with the borough councils where they operate as a provider of funds, regulator or general supporter, and some may have their borough council as their landlord. Some of these organisations may have distinctive premises needs (like play organisations, nurseries, arts and social care providers); others may require straightforward office accommodation. As a result of this, local authorities' policies toward the third sector and their accommodation needs may be found in a variety of documents originating from a number of council departments. To ensure that there was consistency with the approach of past research reports and that all potential areas of relevant policy were collected for the research, the data collection for each borough looked at a number of areas of policy for relevant material:

Polices related to the use of council land and buildings that it owns or manages:

- asset management plans/strategies
- corporate property/capital strategies/plans
- 'asset transfer'¹ policies

Policies set by borough councils that impact on the cost of premises to third sector organisations:

- policies toward rental levels and formal agreements (leases or licences) to occupy council property specifically related to third sector organisations
- policies and procedures related to the award of discretionary and mandatory business rates relief

Policies related to funding, support and joint working with the third sector where it was relevant to premises:

- community investment plans, voluntary sector strategies, third sector commissioning frameworks
- the local Compact²

Councils for Voluntary Service

Web sites for every London Borough Council for Voluntary Service were reviewed to identify resources relevant to premises issues for the third sector including training, advice, publications or on-line directories.

Interview survey

Interviewees were identified in each Council for Voluntary Service and London Borough Council who had a remit for premises issues for the third sector. An opportunity for a telephone interview was offered. As an alternative to a telephone interview, contacts could fill in a template which would be followed up with any queries or clarifications where necessary.

The purpose of the interviews was to:

- gather views on the issues covered by the research
- validate or add to information gathered by the web based data collection

Requests for interviews were initially sent out in July 2012 and reminders sent out by email or telephone up to six times in order to encourage responses. In the end a total of 398 email exchanges took place to identify relevant contacts and chase or receive responses. This persistent approach resulted in 25 out of a possible 30 interviews/surveys completed with Councils for Voluntary Service (83% response rate). 22 out of a possible 32 responses came from London Borough Councils (69% response rate). A table of responses on a borough by borough basis can be found in the appendices.

This represents an improvement on the last report that was conducted when 18 out of 32 Councils for Voluntary Service and 18 out of 32 London Borough Councils responded to calls for information for the research.

It is notable that responses from London Borough Councils came from a range of council officers from different departments. Most came from property departments but some came from departments which specifically deal with the voluntary sector in terms of funding or other support.

Call for local experience

Members of the London Third Sector Premises Forum also approached all their members to ask them to provide accounts of their own experiences with London councils on premises issues – whether as a landlord, potential landlord or partner in a land or building project. The purpose of this was to try to uncover initiatives or projects which were currently being pursued (or had been pursued) by groups in each borough.

15 groups from 12 different boroughs responded to this call and came forward to tell and share their experiences.

1 This is a relatively recent term used to describe where public agencies provide a leasehold or freehold interest in land or property to a third sector organisation. Usually this is at an 'undervalue' i.e. less than market value, in order to provide a base for their operations and delivery of services to their beneficiaries.

2 The first Compact was introduced by central government in 1998. One exists between central government and national organisations and there are also local versions. Their purpose is to set out an agreed framework for joint working between third sector organisations and local councils based on a series of commitments related to policy development and consultation, funding etc.

National context

All local authorities and third sector organisations who are trying to address issues related to access to land and buildings for premises cannot do this in isolation. They do so in circumstances affected by a number of external pressures comprising national policy and economic drivers. Whilst not the focus of this research, they are nevertheless important to an understanding of what drives policy and project development locally for councils and organisations on the ground. A short summary of the principal drivers is outlined here as essential context.

The austerity programme

In 2010 the Conservative and Liberal Democrat Coalition Government committed to a national financial deficit reduction plan. This has resulted in reductions in public spending, with local government seeing significant cuts in their funding settlements from central government to support local services.

According to the London Council for Voluntary Service (2012) 'across London local authorities and the City of London, the formula grant provided by central government through the Department of Communities and local government decreased on average by 11.7% between 2010/11 and 2011/12 and by 5.8% between 2011/12 and 2012/13 – an overall decrease of 17.9% over two years. The formula grant for the Greater London Authority also decreased by 4.9% in both years – representing an overall decrease of 9.6% over two years'.

The Local Government Association have undertaken preliminary modelling of finance available to local government if reductions continue and have concluded that 'councils were cut earlier and harder than the rest of the public sector as the government began to implement its deficit reduction policy. If the same pattern of cuts to public spending is replicated in the next Spending Review, councils will not be able to deliver the existing service offer by the end of this decade' (LGA 2012).

In turn this has impacted on funding availability for third sector organisations. The impact on third sector organisations from a London voluntary sector service council survey of 128 groups reported that '60% reported a reduction in overall funding in 2012/13, 41% closed services during 2011/12, 54% used free reserves to cover revenue costs in 2011/12 and 8% had no reserves in 2011/12' (LVSC 2012).

Obviously these factors have had, and will continue to have serious effects on third sector organisations' abilities to meet fixed overheads like premises costs. Local authority departments responsible for voluntary sector support and investment have seen staff reductions, which will have depleted organisational knowledge and networks with the third sector over time. This has affected the ability of local government to provide support to third sector organisations overall in the short and long term.

The property market and publicly owned assets

The effects of the current financial crisis have had a significant effect on property – both in terms of the amount of construction taking place, the value of property and the pressure on organisations like London Borough Councils to consider disposal of some assets or their use in regeneration projects to increase housing supply and provide other benefits locally.

The Department for Communities and Local Government statistics show an expected rise in capital receipts to local councils in England from the sale of fixed assets which include land and buildings: 'capital receipts increased significantly in 2011/12 to £1.8 billion excluding special factors of housing revenue account reform, a year on year increase of 22%. Receipts are forecast to rise to £2bn in 2012/13' (CLG June 2012).

Table 1: Local Authority capital receipts England and London 2010/11

	Total all services (£000s)	
	England	London boroughs
Sale and disposal of tangible fixed assets	1,433,924	396,975
Sale of intangible assets	8,120	0
Repayment of grants and loans	35,915	2,331
Total	1,477,858	399,306

Source: CLG Capital Outturn Returns 2010/11

For local boroughs, in 2011/12 capital receipts were also significant as table 1 shows.

This pressure on publicly owned assets will make a difference to third sector organisations as they attempt to identify property in local council ownership for their use as the overall pool of assets shrinks. It will also make the environment for bidding for premises more competitive.

At the same time the economic climate, particularly in relation to unemployment, means that central government and local government are turning their attention to ways in which they can promote growth in the economy to create activity and jobs. As a result many local authorities will be thinking carefully about disposing of assets in a poor market environment and will instead look to 'sweat' them and create income streams from them by using them imaginatively to generate energy, breathe new life into heritage and leisure assets and so on.

It may also result in local authorities seeking improvements to their asset stock to ensure maximum usage, better environmental performance and financial returns. The Royal Institute of Chartered Surveyors (RICS), the Local Government Association (LGA) and the Chartered Institute of Public Finance and Accountancy (CIPFA) have been looking at alternative approaches to enable this, including Local

Asset Backed Vehicles. These approaches are reflected in the new RICS guide to Public Asset Management 2012 which updates their guidance of 2008.

This re-assessment of the value of disposal of public assets for short term capital gains as against use for long term public benefit could provide a base to improve the possibilities for partnerships between London Borough Councils and third sector organisations going forward.

Localism

A series of changes brought about by the Localism Act (2011), and the Local Government Finance Act (2012) have come into force or are being introduced by the Conservative and Liberal Democrat Coalition Government. The Localism Act, which is now in force, contained some specific provisions that affect the third sector and local government. There are also provisions that affect land and property and its associated costs. These are:

Community rights: the act introduced new rights for community organisations to 'challenge' local service provision (which may impact upon the premises needs of organisations), to 'build' new shops, housing or community facilities without going through the normal planning process and 'bid' to buy assets (including those in private ownership) that they value as 'community assets' if they come onto the market.

Neighbourhood plans: the act introduced neighbourhood planning arrangements which are led by local forums and included as part of the statutory land use planning policy in their area to control development of land and buildings.

The general power of competence: the act introduced the general power of competence giving local government the power 'to take the reasonable action they need for the benefit of the authority, its area or persons resident or present in its area' (Dobson 2011).

Changes to business rates: previously business rates were collected by local authorities and pooled into a central fund that central government disbursed. The Local Government Finance Act enables local authorities to retain or ‘repatriate’ business rates to a local level. The act also enables local councils to offer discounts to encourage business growth in their areas.

Community infrastructure levy: this levy is associated with land use planning legislation. It came into force in April 2010 and allows local authorities ‘to raise funds from developers undertaking new building projects in their area. The money can be used to fund a wide range of infrastructure that is needed as a result of development. This includes transport schemes, flood defences, schools, hospitals and other health and social care facilities, parks, green spaces and leisure centres’ (DCLG November 2010).

Tax increment financing: associated with other changes in the Local Government Finance Act ‘tax increment financing works by allowing local authorities to borrow money for infrastructure projects against the anticipated increase in business rates income expected as a result of the infrastructure project’ (DCLG April 2012).

The Future of London: a non-profit policy forum – conducted a survey of 48 senior officers in London (Turley & Wilson 2012) and found that of most of these changes the general power of competence and community infrastructure levy were considered to be the most useful tools that they could use to regenerate their areas. Nevertheless the research concluded that all of these changes hold out possibilities and opportunities for local councils to be more imaginative with their assets and more able to support communities and third sector organisations to take control of local services and assets.

4

Policy and policy development

Non domestic rate relief

Third sector organisations can benefit from relief (discounts) on payment of business rates, which in London can be a significant fixed overhead cost for occupying premises as the rate is based on the rateable value of the property. This is calculated by the Valuation Office Agency (VOA) and is reassessed every five years. Current rateable values reflect rental values as at 1 April 2008. The local authority then calculates for billing to occupiers of property. Not all third sector organisations qualify for any reliefs and the support of the local authority where the property is located is important to achieving available discounts.

Local authorities are careful about the award of discretionary rate relief to third sector organisations since it has some costs to them. Mandatory relief for charities and Community Amateur Sports Clubs (CASCs) is 100% funded by central government, but discretionary relief has to be jointly funded by central and local government. Central government provides 25% but the remaining 75% has to come from the local authority.

Data for London Borough Councils produced by DCLG shows the extent to which the award of mandatory and discretionary reliefs varies across Local borough councils. It is particularly marked where London Borough Councils exercise their discretion. Although DCLG figures for England show that discretionary relief has increased over the last few years (DCLG 2012), as table 2 shows, there is significant variation in the amount of discretionary relief that is awarded to third sector organisations. The amount may reflect the relative value of property (between inner and outer London for example) but some London Borough Councils choose not to award discretionary relief at all to applicant organisations (London Borough of Newham) or may be focussing on supporting those with charitable status rather than non profit making organisations.

Rates relief for charities and community amateur sports clubs

‘Charities (organisations which are either registered with the Charity Commission, or which otherwise qualify as charitable under English and Welsh law) and CASCs (clubs which are registered under as such under the Corporation Tax Act 2010), are eligible to receive two types of rate relief: **mandatory** (which must be made available) and **discretionary** relief which is available only if a local council wishes to grant it.

Mandatory relief: charities must receive 80% relief on the rates for premises which are wholly or mainly used for charitable purposes and CASCs must receive 80% relief on the rates for premises which are wholly or mainly used for the purposes of the club itself, or for the purposes of the club and other CASCs.

Discretionary relief: a local council can grant further ‘top-up’ relief at its discretion to a charity or CASC under Section 47 of the Local Government Finance Act if the premises are either occupied for charitable purposes or used wholly or mainly for the purposes of recreation and all or part of the premises are occupied for the purposes of a charity or club. If a local authority chooses to provide discretionary relief of 20%, a charity or CASC will receive total relief of 100%.

Relief to other not-for-profit organisations

Not-for-profit organisations which are neither charities nor CASCs are not eligible to receive mandatory relief, but they are eligible to receive discretionary rate relief if they satisfy the conditions set out in Section 47(5B) of the LGFA. The conditions are that either all or part of the premises are occupied for the purposes of one or more organisations which are not-for-profit, and whose objects are ‘charitable or otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts’; or the premises are wholly or mainly used for the purposes of recreation, and all or parts of the premises are occupied for the purposes of a not-for-profit organisation. If an organisation’s occupation of premises comes within 3.1(a) or 3.1(b), then a local authority can grant them up to 100% relief from rates. Unlike charities and CASCs, other not-for-profit organisations are not guaranteed to receive any rate relief.’

Table 2: Rate relief for each London Borough Council 2010/11 (shaded boroughs are outer London)

	Mandatory		Discretionary		Non-profit-making-body relief
	Charitable relief	CASC relief	Charitable relief	CASC relief	
Barking and Dagenham	1,538,456	27,558	51,917	1722	20,963
Barnet	6,426,140	193,487	146,140	0	74,987
Bexley	3,454,468	86,897	0	0	253
Brent	5,489,256	19,016	135,461	13,460	374
Bromley	5,774,662	144,754	41,033	9,047	133,128
Camden	38,794,027	13,140	132,602	0	74,264
Croydon	5,929,657	115,098	35,172	0	49,426
Ealing	5,372,900	67927	117532	0	73,175
Enfield	3,439,913	322,698	37,743	0	334,308
Greenwich	4,685,219	124,978	94,947	0	32,462
Hackney	8,252,035	0	61,224	0	111,092
Hammersmith and Fulham	7,335,617	0	9,676	0	61,311
Haringey	3,158,953	22,767	105,459	0	111,092
Harrow	2,411,688	112,806	28,934	1,314	80,174
Havering	4,539,960	279,672	77,337	0	-373,075
Hillingdon	5,755,552	54,843	42,033	0	94,325
Hounslow	2,540,402	39,502	51,063	482	294,392
Islington	15,871,443	0	106,386	0	138749
Kensington and Chelsea	12,748,055	0	24,327	0	146,333
Kingston upon Thames	4,359,271	58,760	8,385	0	242,096
Lambeth	11,868,549	5,134	124,323	0	180,498
Lewisham	3,301,168	0	50,368	0	23,935
Merton	3,883,840	78,744	92,925	40	65,690
Newham	6,121,115	387	0	0	0

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Table 2: continued

	Mandatory		Discretionary		Non-profit-making body relief
	Charitable relief	CASC relief	Charitable relief	CASC relief	
Redbridge	2,290,008	28,648	0	0	14,311
Richmond upon Thames	5,763,177	42,253	69,115	844	107,549
Southwark	19,315,026	46,004	110,103	0	-4,477
Sutton	2,843,399	17,298	545	0	235,895
Tower Hamlets	11,745,095	0	188,990	0	224,769
Waltham Forest	2,925,631	43,206	26,404	834	69,003
Wandsworth	7,120,086	20,438	39,367	425	393,686
Westminster	46,170,921	21,686	172,917	1,355	54,138

Source: DCLG National Non-Domestic Rates Collected In England 2010/11

In some cases these variations can be explained by the size, nature and make-up of the third sector in each borough and their legal structure (i.e. whether they are registered charities). The predominance of CASCs in some boroughs may of course be explained by the greater availability of sports fields and open spaces which sports clubs can occupy. In inner London there may be fewer opportunities for sports organisations to occupy their own facilities. As a discretionary relief these variations are driven by London Borough Councils' views about priorities and the use of their available budgets, so understanding these priorities and how they are used to inform council policy about awarding relief is important for third sector organisations that wish to benefit from them.

A more detailed investigation via each London Borough Council web site was undertaken to examine what policy decisions by London Borough Councils may be underlying some of these variations. This included reviewing policy on discretionary relief and applications forms/processes where it was available. This highlighted a considerable variation in the accessibility of, and type of information provided by London Borough Councils. In particular it found that:

- 15 out of the 32 boroughs had no information on their policy towards provision of discretionary relief on their web site
- 22 out of the 32 boroughs did provide information about their policy on the application form but not in a stand-alone document
- 21 did not provide information on the criteria used by the council to award rate relief
- 8 out of the 32 boroughs required that an e mail or telephone request was necessary to request an application form or further information
- 25 of the 32 boroughs did not provide information on any appeal or appeal process
- 24 did not set a time limit on the award of relief

- 25 did not provide information on the overall budget to provide relief or any cap to the amount of relief available
- it was not always possible to identify a specific contact to talk to from information on the web site
- there were only two London Borough Councils who referred applicants to sources of support internally or externally to assist with filling in the application

In terms of the application process, those applying for relief were typically required to provide information on all or some of the following as part of their application:

- address and other contact details
- registration documents (CASC charities)
- governing documents
- description of the property and how it is used
- beneficiary or users statistics in terms of type, location
- description of services provided and benefits
- membership details
- education and training given to members
- membership fees
- charges for use of facilities/services
- numbers of employees and volunteers
- details of trading – type of goods (whether donated or new)
- turnover and sources of income

For those London Borough Councils that did have available criteria, there were a number of themes that strongly emerged that would make councils more likely to provide relief. This is to be expected with a discretionary power, since the budget available for relief would be expected to meet strategic policy objectives that are set out in councils' corporate plans or community strategies. Some of the themes that emerged were to support organisations that:

- focussed on services that benefited residents or business in the council area or specific groups that were a priority – young people, older people, women, black and minority ethnic groups
- did not benefit from other forms of council funding or subsidy
- did not have access to other forms of mandatory or small business relief
- did not have access to trading such as shops, bars or cafe facilities

These findings suggest that there is a lack of full transparency and accessibility to London Borough Councils' decision making on the award of discretionary relief in London. This may be discouraging to new groups who may not be aware of the reliefs that are available or may be looking to locate in a borough and want to identify possibilities to reduce core costs. It may also militate against organisations that are trying to diversify their income streams by lettings and hiring of buildings in the face of funding reductions from other sources, since in some cases this activity may not be regarded as charitable and business rates may be payable as a result.

The interview surveys with London Borough Councils also uncovered that four of them were due to review their policy towards discretionary rate relief and some had policies that were over five years old. It is intended that the suggestions for improvement in this area of policy development will be made available to London Borough Councils to help inform this process more widely.

Interviews with Councils for Voluntary Service also indicated that in some areas groups were less aware of the availability of the business rate reliefs available. They also reported that some of the London Borough Councils were also considering the award of discretionary rate relief as part of the process for commissioning services, and that it was also part of their discussion with groups on the granting of leases for premises. In general, however, Councils for Voluntary Service were more aware of rates as an issue for groups due to London Borough Councils budgetary constraints. The effect of these in some boroughs was that budgets were already allocated to existing groups and that new groups were unable to obtain relief.

Individual group responses on issues they faced locally about premises also raised the issue of information on and access to discretionary rate relief. One organisation mentioned that the award policy can disproportionately affect groups who were centrally located in a high value area of a borough. Two organisations mentioned the time needed to invest in the process of application and appeal, particularly when information about criteria being applied were not clear or available and a further two raised issues about the ways that income generation from their use of property were adversely affected by London Borough Councils policy towards the award of discretionary rate relief.

4

Suggestions for improvement: discretionary rate relief

The extent to which third sector organisations can benefit from the available rate reliefs depends on the availability of information on relevant policy, the ability to speak with and get support from London Borough Councils and others to apply for it, or rule it out if they feel that local policy will not support their application. Third sector organisations and London Borough Councils have to invest time in the process of applying for or considering applications for discretionary relief so saving abortive effort is a worthwhile outcome for both.

In addition there is policy support for this at central government level in relation to data transparency (which includes access to policy decisions as well as data on assets and spending) as the code of practice for local authority data transparency outlines:

‘Greater transparency of public bodies is at the heart of enabling the public to hold politicians and public bodies to account. Where public money is involved there is a fundamental public interest in being able to see how it is being spent, to demonstrate how value for money has been achieved or to highlight inefficiency. Publication of data should also be used to open new markets for local business, the voluntary and community sectors and social enterprises to run services or manage public assets.’ (DCLG 2011)

Based on the findings of the research the following suggestions are made to improve on the current situation:

London Borough Councils

- Produce a free standing, freely downloadable document for their web site (pages related to both business rates and support for the third sector) that outlines the local authority’s view on the award of mandatory and discretionary rate relief (including top ups to mandatory rate relief recipients) that includes information on the following:

- the legal background
- how relief is funded
- who makes decisions on award of relief and the appeal process
- an appeal process
- the criteria used to decide whether to award relief
- the budget available for relief
- the period of time for which relief will be granted
- processes to deal with potential interests of members or officers in an organisation making an application
- signposting to internal or external people with whom an application can be discussed
- Provide an application form for mandatory relief available for download from the council web site (pages related to both business rates and support for the third/voluntary sector).
- Provide an application form for discretionary relief available for download from the web site (pages related to both business rates and support for the third sector).
- Promote the availability of the policy via relevant officers with a remit for the third sector (grants officers and so on).

London Councils for Voluntary Service

- Promote the existence of the rate reliefs available and provide a link from their web site to any documents or forms available from the council web site. In the absence of such documents or forms, obtain relevant information from the London Borough Councils to allow the production of guidance for third sector organisations.
- Provide support to organisations who wish to apply where resources allow.

Asset management

London Borough Councils have a variety of properties that they may use in order to deliver their operations or hold as commercial assets to deliver an income and provide opportunities for them to encourage economic growth, employment and so on. Using these assets to deliver the objectives that London Borough Councils have agreed is usually set out in a strategy which provides information on the properties they hold, how well they perform from a number of perspectives (cost, condition and so on) and the plans that they have to improve them or dispose of them to others.

These Asset Management Plans or strategies (AMPs) were previously a required part of local government reporting on their performance to central government under the comprehensive area assessment regime. This regime had a specific assessment about the 'use of resources', which included a Key Line of Enquiry (KLOE) about how well a local authority manages its assets³. This is no longer the case since the CAA regime was abolished in 2010 by the Conservative Liberal Democrat Coalition Government. Nevertheless many London Borough Councils continue to use asset management planning as a tool to plan capital investment, disposals and the use of their property to secure regeneration and other borough wide priorities included in their corporate plans and community strategies.

As part of this research we looked at all Asset Management Plans where they were available, including those that were not free standing documents, but were included in capital programmes or other corporate documents. The results include both documents described as Asset Management Plans and other documents relating to policy on the use of council assets.

In addition we located any other documents relevant to the use of council property by the third sector including lease provisions and rent setting policy. It was not always possible to find these documents via a search of council web sites, and where London Borough Councils responded to the research survey (22 out of 32) the opportunity was used to locate them.

An analysis of the content of all these documents for relevant policy or proposals in relation to provision of premises to the third sector was then conducted. The results showed that:

- 12 out of 32 Asset Management Plans or similar documents that were found could be out of date, based on the timeframes that were included in them (where plans finished in 2012 they have been included as current rather than out of date). In cases where no interview took place it was not possible to confirm whether plans considered at risk of being out of date were still operational.
- 9 out of 32 London Borough Councils are in the process of reviewing their Asset Management Plans or specific policy in relation to the third sector and council owned property.
- 30 out of 32 councils had specific policies or a commitment to develop policy in their asset management plans (or similar) that related to the third sector as follows:
 - asset transfer – 16 out of 32 either set out their policy or were committed to developing one in their AMP
 - rent/leasing policy – 10 out of 32 London Borough Councils either set out or referred to already agreed policy on renting and leasing to the voluntary sector
 - rent subsidies – 6 out of the 32 London Borough Councils had policy related to when rent grants were available
 - specific projects – 11 out of 32 London Borough Councils, mentioned specific projects that they were developing or planning to develop with third sector organisations as part of asset transfer processes or investment of capital funds
 - generic commitment to partnership – 8 out of 32 London Borough Councils made general commitments to using assets or developing joint projects with the third sector
 - specific commitments to capital investment – 2 out of 32 London Borough Councils made a commitment to capital investment in assets used by the third sector

- 8 of the 22 London Borough Councils who responded to the survey when interviewed had some links with other local authorities or special programmes associated with the Department for Communities and local government or the Local Government Association
- 11 London Borough Councils confirmed that they had standing arrangements with local Councils for Voluntary Service or had connections with the CVS via local strategic partnership structures
- five London Borough Councils mentioned internal cross departmental arrangements to discuss asset management arrangements and the third sector

These findings suggest that:

- It is difficult to find London Borough Councils' policies towards premises and the third sector in some London Borough Councils in one document and a number of documents have to be examined in order to get a full picture of the policy position in each borough.
- There is a lot of individual project development going on and strategic links with the local council for voluntary service to progress these projects.
- Responsibility for project development, negotiation of leases etc was often led by service departments rather than property departments and as a result did not always appear in Asset Management Plans.
- There is limited development of cross sectorial, cross borough or inter departmental discussion forums about the use of assets and the third sector.

Suggestions for improvement: asset management

The extent to which third sector organisations can plan for their premises needs into the future will depend on the extent to which they (or umbrella organisations) can participate not only in day to day matters associated with specific buildings but in discussion about strategy.

This is a difficult process since London Borough Councils will want to treat information about disposal or development of their land and properties or the development of existing buildings or land in their portfolio very carefully. This will sometimes be for commercial reasons (its potential value) and sometimes because property may be occupied and may affect individual tenants or users.

However, in the interest of transparency a number of actions could be taken by London Borough Councils and Councils for Voluntary Service to improve transparency, improve access to information and increase the possibilities for positive debates and innovation and leverage of other funds into improvement of assets in council ownership.

London Borough Councils

- Allocate specific roles to one officer in property (or their outsourced equivalent) and another from the department responsible for the third sector that covers:
 - Convening meetings with the Council for Voluntary Service. These meetings would consider proposals for changes to properties that are currently occupied by third sector organisations, plans for other properties in council ownership and proposals for any new provision. This may involve officers from regeneration departments or their equivalents where necessary.
 - Producing information and policy documents related to the use of council property by third sector organisations.

- Produce a free standing, freely downloadable document for their web site (pages related to both property and support for the third sector) that covers:
 - the current properties occupied by the third sector, their condition and need for investment
 - lease terms that the council will apply to third sector organisations seeking to lease property from the council
 - when lease heads of terms are produced for prospective third sector tenants of council property they should include how rents have been arrived at
 - the availability of, and procedures for, securing rent subsidy, rent free periods or asset transfer
 - the processes required to nominate 'community assets' under the Localism Act (2011)

This document should also form part of a council asset management plan or its corporate equivalent and referenced in the local Compact.

- Include on their web site information about currently available property to let or for sale (both third sector and property pages).
- Learn from other local authorities or professional peers who have undertaken work on premises issues for the third sector. This should be done via the Association of Chief Estates Surveyors, the Chartered Institute of Public Finance Accountants Property Network and the Local Government Association.

London Councils for Voluntary Service

- Seek out a local third sector organisation representative who can attend meetings with the London Borough Council related to asset management and planning. Where it cannot be provided by a CVS member of staff, agree a suitable process for selecting a representative and ensuring their accountability to the wider third sector in the borough.
- Include on the CVS web site specific links to the local authority's web site related to premises availability and the documents as outlined above.
- Promote the advantages of sharing premises to the third sector in partnership with the London Borough Councils.

Asset transfer

Each year of the research for the London Third Sector Premises Forum to date has included looking at where specific policy had been developed in relation to asset transfer. This was partly as a result of the interest sparked by the Quirk Review in 2007⁴, but also because asset transfer is associated with the transfer of an asset from a local council at an undervalue (i.e. at less than market price) to a third sector organisation.

Analysis of asset transfer policies in London Borough Councils uncovered by the web research for all 32 boroughs and interviews and surveys with 22 councils is summarised in table 3.

These findings suggest:

- As has been found in previous surveys, there is a lot of flux in relation to policy adopted by London Borough Councils towards asset transfer in London. Thirteen London Borough Councils are currently reviewing or developing policy, and eight London Borough Councils had no policies that could be found. Two London Borough Councils specifically mentioned in interviews that the new community rights introduced by the Localism Act were one of the changes that needed consideration in new strategies and plans. This state of flux may therefore always be the case as London Borough Councils respond to central government policy and the availability of resources. Now that there is no requirement for London Borough Councils to produce an asset management plan, policy towards this issue may continue to be difficult to find and influence for third sector organisations.
- There is some variability in relation to the connections between overall asset management planning as set out in asset management Plans and asset transfer policy. Five London Borough Councils include policy towards asset transfer in their asset management plans and others had a commitment to developing one. Two had free standing policy on the issue.
- Some London Borough Councils consider each proposal for transfer on a case by case basis as they arise.

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Table 3: Community asset transfer policy in London Borough Councils

	Policy in place	None found	Policy in development	Comments
Barking and Dagenham	■			
Barnet	■			AMP sets out CAT policy.
Bexley				
Brent			■	Transfers have taken place. Meanwhile use policy adopted.
Bromley		■		
Camden			■	
Croydon	■			CAT is project specific and linked to the Council AMP. Transfers have taken place, new ones to meet criteria re community impacts and governance, long leases to attract market rents.
Ealing				Transfers have taken place, no specific policy.
Enfield		■		
Greenwich			■	
Hackney			■	
Hammersmith and Fulham		■		
Haringey			■	
Harrow		■		
Havering		■		No specific policy found but AMP refers to policy on community halls and transfers have taken place.
Hillingdon			■	AMP refers to future development of policy and focus on sharing.
Hounslow			■	Agreed that an updated community buildings strategy for Hounslow should be developed in consultation with partners and brought to executive for approval, including actions as set out in para 6.3. The strategy should provide a comprehensive framework on how Hounslow manages its community buildings and the desired outcomes from community buildings. This strategy should also include processes for managing Community Call for Action to transfer assets and Public Request to Order Disposal (PROD) scheme.

4

Table 3: continued

	Policy in place	None found	Policy in development	Comments
Islington			■	
Kensington and Chelsea		■		Refers to policy having been agreed but none found.
Kingston upon Thames			■	Transfers do take place but no specific policy. All policy being reviewed as part of AMP refresh.
Lambeth	■			Existing policy now under review, related to a 2011 initiative to develop nine community hubs.
Lewisham	■			Framework and application process agreed.
Merton	■			AT policy included in AMP – process and criteria.
Newham				Transfers have taken place – Eastlea school, Newham City Farm, Town Hall. No specific policy.
Redbridge		■		Transfers have taken place. No specific policy.
Richmond upon Thames		■		
Southwark			■	
Sutton		■		
Tower Hamlets			■	AMP makes reference, no specific policy. Transfers have taken place.
Waltham Forest			■	
Wandsworth		■		No specific policy each department will review with input from the property department.
Westminster			■	No policy but property review taking place.

Suggestions for improvement: asset transfer

Asset transfer is not just about a third sector organisation securing a leasehold or freehold interest in land and property from a public agency. It is where this happens to a third sector organisation at an 'undervalue', i.e. less than market value, in order to provide a base for their operations and delivery of services to their beneficiaries. As such this policy needs to be carefully developed and processes to agree it must be robust, fair and transparent.

Since it relates to the management of assets it is proposed that this should be publicised as a corporate policy of a London Borough Council and included in its asset management plan or equivalent.

As a result similar improvements to those suggested for asset management above should be considered by London Borough Councils and Councils for Voluntary Service.

Commissioning and procurement

Initially the brief for this research included the possibility to collect information on commissioning and procurement policies in each London Borough Councils to see what effects, if any, were felt by the third sector in relation to premises. In the end a systematic review of these issues was placed outside the scope of the research.

However in the process of conducting the research, a number of issues relevant to premises were uncovered by the interview and data collection processes that are worth noting.

Councils for Voluntary Service and individual groups mentioned the following in relation to premises that were affected by the procurement and commissioning of services by London Borough Councils:

- Some London Borough Councils do not make allowances for premises costs in agreeing grants or contracts for services to third sector organisations.
- Some third sector organisations benefit from direct rent subsidy or historic lease agreements that make them more competitive than other organisations when bidding for contracts.
- That the extent to which full cost recovery was allowed for in bidding processes (particularly for fixed overheads such as rent, service charges and rates) makes a big difference to the competitiveness of third sector organisations who bid for services and to third sector organisations who hire space as part of their core mission or income earning strategy.
- London Borough Council space or rent subsidy is only made available to groups who deliver services funded by the council.

Suggestions for improvement: commissioning and procurement

London Borough Councils

Ensure that all mechanisms for council funding of the voluntary sector whether grants, commissions or contracts allow for full cost recovery in relation to the use of premises that are needed to deliver the service or activities being funded (for example rent, insurance, utilities, reception, cleaning/caretaking, refuse and so on).

Ensure that where third sector organisations that benefit from beneficial rent or lease terms in council owned buildings bid for contracts, that suitable adjustment is made for this in procurement decisions related to core costs for premises and their apportionment in contracts that are procured from the third sector.

London Councils for Voluntary Service

Ensure that the policies of commissioners towards full cost recovery in relation to premises are known about and promoted via CVS publications and on line.

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- 3 The three areas of focus in the Use of Resources KLOE were:
 - the organisation has a strategic approach to asset management based on an analysis of need to deliver strategic priorities, service needs and intended outcomes
 - the organisation manages its asset base to ensure that assets are fit for purpose and provide value for money
 - the organisation works with partners and community groups to maximise the use of its assets for the benefit of the local community
 - 4 The Quirk Review looked at the overall issues associated with community management and ownership of assets. It outlined the benefits and the obstacles to enabling this in any area.

5

Support, partnership development and projects

A theme which has been investigated by previous research is the extent to which there is demand for support on premises issues by third sector organisations in London and what services are available to meet this demand. As part of this work we have updated this information to uncover what kind of demand exists, the issues that both London Borough Councils and Councils for Voluntary Service are aware of in their area and the support that is available for third sector organisations to deal with them.

Demand for premises support for the third sector

Identifying the scale and nature of demand for premises related work for the third sector has been drawn from a number of sources for this research:

- The Compact⁵ documents that exist in most London Borough Councils, which have been agreed between local authorities and third sector organisations led by local Council for Voluntary Services, have been used as a source of data about issues faced by the third sector in relation to premises. Compact documents often include information on what is regarded as priority areas of work for Compact partners to improve joint working and support the strengthening of the third sector.
- Data from some London-wide advice services – organisations who are members of the London Premises Forum hold data on the number and type of enquiries they get from organisations about premises related issues.
- Interviews with London Borough Councils and Councils for Voluntary Service undertaken for this research. Interviews included gathering information about their views on the issues that groups on the ground were facing that were premises related and what support they offered to address them.

Based on this data the demand from third sector organisations on the ground for support about premises related issues is high, though it varies across London.

An analysis of current Compact documents in all London Borough Councils showed that premises issues are addressed in a variety of ways and may not even register as an issue for some. Table 4 shows the results of this analysis.

It should be noted that Compact development in each borough has varied considerably with some Compacts included in this analysis dating from 2003 and others which have been refreshed more than once since Compacts were introduced and therefore may be in the process of review. In Brent there is no current Compact though it is being developed.

Table 4: London Borough Council Compacts – premises issues

	Inner London	Outer London	All
No mention	2	9	11
Specific undertakings in relation to premises	7	6	13
Generic commitment to providing premises as part of in-kind support to the sector	2	2	4
Mention in relation to ensuring premises costs were included as part of full cost recovery for funding	1	2	3

5

The extent to which property is an issue for the third sector may be partly driven – unsurprisingly – by location since in inner London pressure on land uses and the value of property will mean that rents and available space are in short supply. It may also reflect the spatial distribution of social problems and the number of third sector organisations that may have developed to address them. Unfortunately accurate data on the number of organisations in each borough is not specifically collated and does not include all types of organisations. It is therefore difficult to know the extent to which it is driven by the number of organisations in a borough. Information on charities for example is freely available and can be identified, but not on a borough by borough basis, and social enterprises which are not for private profit may not be included.

Based on this analysis of Compacts however there does not seem to be a correlation between whether a borough is inner or outer London in relation to the extent premises are recognised by Compact discussions as an issue. In addition, premises specific commitments in Compacts may vary widely from the need to develop strategy or policy to sharing information. The progress made on fulfilling Compact commitments also varies based on the amount of resources available to implement them.

Based on information from some London wide and national advice providers the need for help from third sector groups about premises and property is strong. The Ethical Property Foundation collates data on the scale and nature of enquiries they receive from groups. Over a period of a year they have received just over 100 requests for support from London based organisations. The nature of these enquiries is wide ranging but the top three categories of enquiry related to finding property, negotiating or renegotiating a lease or buying property. For RICS Charity Property Help which is a national service, out of a total of 1,293 enquiries, 20% of the total number of enquiries related to landlord/tenant relations, rent reviews and lease negotiations.

Locality runs services to support groups with asset transfer and is currently delivering support to groups related to exercising community right to bid for community assets. Since its inception the asset transfer unit has fielded 95 enquiries about asset transfer in London and received 620 enquiries (England-wide) about exercising the community right to bid since April 2012.

The interviews undertaken for this research with Councils for Voluntary Service included asking for their views about the demand that they experience from groups over different property or premises issues. Table 5 shows how many of the Councils for Voluntary Service who responded to the survey or were interviewed reported different issues, divided into inner and outer London Borough Councils.

Table 5: CVSSs' view of premises issues for the third sector in their borough

	Inner London	Outer London
Availability	9	11
Affordability	5	4
Rates	9	6
Rent levels for local authority buildings	8	8
Rent levels private landlords	0	0
Repairs or capital improvements	8	9

In addition to the categories of issues set out in the survey interviews, CVSs also identified premises concerns for third sector organisations in relation to:

- a lack of willingness to share premises
- a lack of resources to develop a case for taking on premises
- the connection between lease negotiations and the condition of some properties available from London Borough Councils which needed significant capital investment. Full repairing leases were not likely to be entered into on these buildings which limits access to capital funds (which often require long leasehold interests) to be eligible for such funding
- an expectation that third sector organisations should receive free or subsidised accommodation because they are not-for-profit
- the introduction of market rents for third sector organisations which could not be easily absorbed into funding applications and support was needed to negotiate on them

The interviews undertaken for this research with London Borough Councils included asking them to identify the issues they felt third sector organisations needed to address on property or premises in their borough. Table 6 shows how many of the London Borough Councils who responded to the survey or were interviewed reported different issues, divided into inner and outer boroughs.

Table 6: London Borough Council views of premises issues for the third sector in their borough

	Inner London	Outer London
Property management expertise and statutory compliance	9	18
Revenue funding	7	8
Capital funding for repairs	7	6
Rent levels for London Borough Council buildings	1	3
Rent levels from private landlords	1	0
Condition of properties occupied or available to the third sector	3	1
Lease provisions	1	4

In addition to the categories included in the survey, London Borough Councils also identified concerns about third sector organisations and premises in relation to:

- managing buildings may result in ‘mission drift’⁶ or other vulnerabilities – such as taking on financial liabilities for long periods through leases
- agreeing leases was problematic since full repairing liabilities were difficult for groups to consider both in terms of rent levels and capital funding for on-going improvements
- agreeing market rent levels for leases was problematic since it was sometimes difficult to provide comparative⁷ valuations for some properties and account for their poor condition in others
- an expectation that third sector organisations should receive free or subsidised accommodation because they are not-for-profit
- a lack of enthusiasm for sharing premises
- a tendency to want to have premises before considering their premises requirements

These findings demonstrate a notable consensus between the third sector and London Borough Councils about the issues that organisations face on the ground and problems that are faced by both sides when developing support services, policies and projects.

It is clear that demand for premises and for support to acquire develop and manage them is needed. Obviously the strongest issue is the available resources for both London Borough Councils and third sector organisations, but other strong themes that have emerged are:

- sharing premises – the need to persuade organisations to consider their needs before committing to looking for premises and to consider sharing as an option
- support on practical premises management issues – statutory compliance, maximising usage through good management and adapting buildings over time
- rent levels and lease negotiations
- capital funds to address the condition of council buildings occupied by third sector organisations
- available suitable premises within London Borough Councils property portfolios

Access to information and support

Current support available to third sector organisations on premises issues is available via two sources. The first is national and regional provision via organisations like those who are members of the London Third Sector Premises Forum. These organisations supply a range of services from telephone advice, mentoring, specialist publications and tools and bespoke work with locally based organisations on premises related training or project development.

Secondly, at borough level Councils for Voluntary Service are the main port of call for information on premises issues. As part of this research, the web sites for all Councils for Voluntary Service in London were examined in order to look at what kind of work they do on premises to identify what was available at local level. The table below summarises what was found from the web site search and the interviews with the 25 CVSs who responded.

Table 7: Council for Voluntary Services in London – premises support

	Inner London	Outer London
Own space for hire	4	6
Own space for rent	4	4
Venues directory	9	8
Links to national organisations	7	7
Free publications	3	7
Links to London Borough Councils' available property	2	1
Links to locally available office accommodation	1	
Face to face advice	all	all
Specific premises projects/networks	5	4

As can be seen from the table, most of the Councils for Voluntary Service are providing information about other venues in order to make it possible for organisations to find space to run activities and to approach for renting property if it is appropriate. This usually forms part of their generic offer to groups starting up or to strengthen existing organisational capacity and competence. There are few who link with their London Borough Council on premises issues in terms of information about available London Borough Council or other providers' property. In some cases this will be covered by the other networks that Councils for Voluntary Service facilitate. These include other third sector providers of property like community associations running halls or other service specific organisations concerned with childcare or adult day care centres. In general however strategic information on premises availability appears to be lacking at a local level, except where national and regional providers of advice are signposted.

Similarly there are relatively few Councils for Voluntary Service who provide published material on premises issues or links to national or regional organisations who could provide specialist advice.

It should be noted that most Councils for Voluntary Service will provide face to face advice to groups on property issues on demand. These will mainly consist of a referral service to other organisations but may also include referral to local pro bono networks for legal advice.

Most council for voluntary service do not run regular training on premises issues but may occasionally run training on issues such as health and safety and so on.

Based on the need and demand for specific kinds of support identified by both London Borough Councils and Councils for Voluntary Service there would appear to be some gaps in provision and a lack of consistency in the type and availability of certain kinds of support across London.

Specific gaps would appear to be:

- training in management and maintenance
- awareness of and links to existing information and publications that already exist on premises issues for third sector organisations
- information on property available from local council and other providers, particularly office accommodation
- support in relation to co-location
- support with developing proposals for capital improvement of council owned buildings for occupation by the third sector
- promotional work on the benefits of sharing premises

Partnership development and projects

Councils for Voluntary Service

The research process also included examining whether partnerships existed between the third sector and London Borough Councils to develop individual premises projects or services. The information gathered was mainly from the interviews and survey responses. Although not all responded, a wide range of projects was uncovered that relate to premises. Some are being specifically developed to address the gaps in support identified in the section on access to information and support above, but others relate to more strategic needs of the third sector in each borough. Table 8 outlines these projects borough by borough.

Table 8: London Borough Councils for voluntary services – project development

Project		Project	
Barking and Dagenham CVS	Support 9 community associations who have taken 10 year leases on peppercorn rents.	Ealing Community and Voluntary Service	Working with the council on the strategic review of premises for the sector and community centres in particular.
Barnet Voluntary Service Council	Working with council to support the 80 groups who are in council owned property.	Enfield Voluntary Action	No specific work currently. Would like a lease on their current premises and work with the council via the Voluntary Sector Strategic Group on premises issues.
Bexley Voluntary Service Council	Community centres have come together with their help. The council have tendered their operation and the outcome is awaited. Pursuing a hub project as part of a co-location project with CAB.	Greenwich Action for Voluntary Service	No specific work currently.
Brent CVS	Working on a hub with the BASIS project which is being delivered by a local disability organisation.	Hackney Council for Voluntary Service	Providing specific support and training with transforming local infrastructure fund resources. Work with the council on use of community infrastructure levy and have links with public health authorities on use of community centres to promote health and well-being.
Community Links Bromley (Bromley CVS)	Exploring taking a lease on their current premises and working with the council on future of community centres owned by them but managed by local registered housing providers. Involved in strategic asset review with the council.	Hammersmith and Fulham	Shared accommodation referral service. Advertise space when it is offered by other third sector organisations.
Voluntary Action Camden	Support a community centres network. Developing model lease for the sector with council and involved in the strategic forum that considers property issues. Community premises project to address availability and affordability issues and support to build capacity to run premises	Haringey Association of Voluntary and Community Organisations	Advertise space when it is offered by other third sector organisations. CVS would like to move to a more central location.
Croydon Voluntary Action	Repairs and maintenance referral service. Working with the council to support third sector organisations that benefit from asset transfer.	Harrow Association of Voluntary Service	CVS closed. Some services being provided by other CVSs until new CVS established.
		Havering Association for Voluntary and Community	No current work but have an aspiration to buy a building for the CVS as a hub for the sector.

Table 8: continued

Project		Project	
Hillingdon Association of Voluntary Services	No response	Community Action Southwark	Premises working group with the council on community infrastructure levy and S106 as well as use of council premises.
Council for Voluntary Service Hounslow	CVS closed. New CVS in development.	Sutton Centre for Voluntary Service	Programme of work funded by transforming local infrastructure levy on asset transfer, and premises capacity building training (leases, maintenance) linked to new community rights.
Islington Voluntary Action Council	Links to network of community buildings 'octopus' network. Work on back office and bulk buying services. Funded by BASIS working with the council on the Local Development Framework core strategy and a model lease for third sector organisations.	Tower Hamlets Council for Voluntary Service	Have two forums for providers and users where issues are discussed with the council.
Kensington and Chelsea Social Council	Support most community centres. Have developed a hub proposal for a large development in Earls Court.	Voluntary Action Waltham Forest	No response
Kingston Voluntary Action	No response but developing a hub proposal.	Wandsworth Voluntary Sector Development Agency	Promote co-location with groups when they enquire about premises.
Lambeth Voluntary Action Council	Worked with the council on asset transfer policy and hub development.	Voluntary Action Westminster	No response
Voluntary Action Lewisham	Working with council on asset transfer policy and processes.		
Merton Voluntary Service Council	No response		
Newham Voluntary Sector Consortium	No specific work currently.		
Redbridge Council for Voluntary Service	No specific work currently.		
Richmond Council for Voluntary Service	None specific to premises but recently completed survey on needs with a view to inform a hub proposal.		

This shows that the projects and initiatives that Councils for Voluntary Services are involved with include:

- hub proposals – these may vary from accommodating only borough-wide infrastructure organisations as co-location proposals, to providing office or desk space for smaller groups
- exploring future use of owned community centres
- bringing together groups of third sector premises providers to address common problems associated with taking on leases, management and maintenance and so on
- promoting and supporting sharing of space by third sector organisations
- developing model leases and other tools to help third sector organisations consider their options and build their understanding of the liabilities and so on
- developing services to consider sharing back office, property management and bulk buying of supplies
- getting ready to respond to the community rights to bid, build and challenge via training
- meanwhile use of buildings to house smaller groups
- developing enterprise and training centres for specific groups of people, for example young people
- bringing together groups of community buildings or developing services to consider sharing back office, property management and bulk buying of supplies

It is notable from the table that:

- some of these initiatives are being made possible by strategic funds from the Lottery to improve infrastructure for the sector
- Twelve of the 25 Councils for Voluntary Service were involved in working with their council on premises related issues specific to the sector, rather than in relation to asset management of property for councils overall
- community centres or tenants hall are a particular focus of some of the support and partnership work that is being undertaken

London Borough Councils

For local councils an analysis of interviews undertaken for the research about project development is shown in table 9 on a borough by borough basis.

Table 9: London Borough Councils – project development

Projects	
Barking and Dagenham	No response
Barnet	Hubs proposal. Previous sharing initiatives have been successful e.g. at Dawes Lane.
Bexley	Developing relocation plan for CVS and CAB to new town centre location as part of retail development.
Brent	Some work with individual groups.
Bromley	No response
Camden	Some projects under the community investment plan.
Croydon	No response
Ealing	No response
Enfield	No response
Greenwich	No response
Hackney	Short term/meanwhile letting of empty library which is a young people's enterprise hub.
Hammersmith and Fulham	Lyric theatre development. Edward Woods community hub will include a third sector hub let to a third sector tenant.
Haringey	Yes, voluntary sector hubs proposal as set out in voluntary sector strategy.

Projects

Harrow	Two hub proposals referred to in community investment plan. One agreed, one in development.
Havering	No
Hillingdon	No, but this is down to individual service departments.
Hounslow	Voluntary sector strategy commits to work on this.
Islington	Talking to a number of groups based on a review of premises and the asset optimisation programme – nurseries, borough-wide trust for adventure playgrounds.
Kensington and Chelsea	No
Kingston upon Thames	Talking to CVS about a hub.
Lambeth	Yes, several community hubs in the planning stages. Older projects like black cultural archives
Lewisham	Considering tendering for an organisation to provide a community premises management service to address local lack of expertise. Ladywell Playtower asset transfer. Three library buildings transferred to Eco computers. Albany manages the new Deptford Lounge complex – library, third sector offices, primary school and community space.
Merton	Lease premises to a number of organisations.

Table 9: continued

Projects	
Newham	No response
Redbridge	Have had lack of response from the sector to asset transfer proposals.
Richmond upon Thames	No response
Southwark	Dedicated voluntary sector premises officer and portfolio manager who works with a group convened by the CVS.
Sutton	No response
Tower Hamlets	No response
Waltham Forest	Yes, hubs across the borough with one organisation as tenant but occupied by others too.
Wandsworth	Third sector involved in libraries. Free schools being established in some council owned buildings.
Westminster	Unknown

As the table shows, there is a very notable focus on the development of hubs and individual projects with only three London Borough Councils who have looked more widely at projects that are associated with area wide services or non voluntary sector infrastructure. Lewisham, Lambeth and Islington are notable examples of this kind of work.

It may be that some work by London Borough Councils is not represented here since service departments (social services, education, etc) in some London Borough Councils do most of this work with individual groups and then involve their property colleagues later when details are ready to be translated into formal lease agreements.

Suggestions for improvement: support, partnership development and projects

Suggestions for improvement to the development of partnerships and provision of support are difficult to make in the current climate when both London Borough Councils and Councils for Voluntary Service are feeling the effects of the austerity programme and the reductions in charitable giving that have been marked since 2008 when the global financial crisis came to a head.

Support services

London Borough Councils

- Introduce a process of 'building induction' for each new tenant occupying council owned property in relation to their statutory compliance obligations. Ensure that the handover of operational information for building facilities (Health and Safety and asbestos files, operating instructions for boilers, heating systems and so on) is exemplary.
- Invite tenants/lessees of council owned property to training sessions run by in house staff or contractors on building management and maintenance.
- Promote the idea of sharing and co-location when dealing with property enquiries from third sector organisations.
- Ensure that officers with responsibility for support to and investment in third sector organisations are also supported to provide premises assistance and advice.

London Councils for Voluntary Service

Create a dedicated area for property issues on their web site that includes:

- links to council web sites on property available and policy
- links to other third sector organisations that specialise in premises advice
- freely downloadable information is available on the management and maintenance of premises
- promotion of sharing as a first option for groups who do not currently have premises of their own
- develop training on all aspects of premises management and maintenance, including maximising use and income

Partnership development and projects

Some of the suggestions for improvement made in relation to asset management in the sections on demand for premises support and access to information and support should also be implemented to help improve partnership development between London Borough Councils and the third sector, particularly those related to convening meetings and producing information and policy documents in a specific form.

In addition to those, the following should also be considered:

London Borough Councils

- Share examples of partnership work on premises that have been implemented in the borough with the wider third sector.
- Invite third sector organisations to consider ways in which they might use the community rights associated with the Localism Act to work in partnership with the council to deliver benefits for the public in the borough.

London Councils for Voluntary Service

- Bring together third sector providers of property for rent or hire within their borough to discuss:
 - initiatives that can reduce costs to occupiers of premises e.g. bulk buying, premises sharing, joint booking, security systems, and janitorial services
 - ways in which their properties can be managed in order to increase the volume and diversity of users
- Initiate discussions with third sector organisations in their borough around the use of the community right to bid and build to address any need for premises for the third sector.

-
- 5 'Compacts' are local borough versions of a national Compact between central government and the voluntary and community sector. They set out key principles and establish a way of working that improves their relationship for mutual advantage. It covers issues like funding and other support, consultation and so on.
 - 6 This term is used to describe how a building could become the focus of an organisation's activities, rather than the services they want to provide to their beneficiaries or users.
 - 7 This is where similar building types or uses are found in the same locality to provide rental levels that could be applied to set a market rent.

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Summative assessment: progress since 2007

Unusually, the London Third Sector Premises Forum has commissioned research over a five year period. Not all of the research is comparable. This is partly due to the nature of the brief provided for each of the reports over the period and the response rates to requests for information for each report.

However, to enable at least some comparisons we have brought together the main information from the reports that were done in 2009, 2011 (the research for this report was conducted in 2010 though the report was published in 2011) and 2012.

Table 9 summarises the changes to policy development in London Borough Councils and table 10 shows this broken down into individual boroughs. Table 11 shows changes to premises related activities in London Councils for Voluntary Service.

For London Borough Councils progress over the period has been particularly marked in the area of policy development with all main areas of policy making progressed with the exception of policy on premises for the third sector. This however is mainly due to the fragmented nature of policy making in this area with some issues being dealt with in separate departments rather than in a corporate way.

It remains to be seen whether Asset Management Plans in London will continue to be refreshed now that there is no longer a requirement to do so by central government. As noted elsewhere, many of the asset management plans collated for this research may be out of date and many are being reviewed. In addition many of the other policy documents like Compacts, asset transfer policy and voluntary sector strategies may be used instead to address premises issues for the third sector.

For Councils for Voluntary Service progress has been notable in the area of collecting baseline information and providing advice, though some of these are reliant on special funds available from the lottery for infrastructure improvement which are coming to an end⁸. Other

Councils for Voluntary Service without dedicated funding for specific premises work have to try to address demand via other more generic advice giving, referring organisations on to others where necessary.

An increase in activity related to sharing and co-location is also a trend, as is the creation of hubs/resource centres for the third sector. Some of these have, however, been a long time in development (Brent, Bexley and Kingston for example).

Work related to policy development on premises has stayed pretty constant, reflecting the changing policy and resource environment in each London Borough Council as they review policy and respond to new initiatives such as localism and community rights as well as work on specific projects.

⁸ BASIS support has been provided for 17 Councils for Voluntary Service in London and Transforming Infrastructure Funding has been available in ten. Some of these have specifically supported premises related work.

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Table 10: London Borough Councils – policy development

	Asset management plan			Asset transfer policy			VCS premises policy			Non domestic rate relief	
	2009	2010	2012	2009	2010	2012	2009	2010	2012	2010	2012
Policy/plan agreed	18	15	25	7	3	6	9	7	0	11	17
No response to survey	0	11	10	0	11	10	0	11	10	11	10
No response to question	0	2	10	0	2	10	0	3	0	0	0
No single policy document	0	1	0	5	3	0	8	3	13	0	0
In development/under review	10	3	5	8	7	12	11	5	9	0	0
None agreed/available	4	0	2	12	6	10	4	3	0	10	5

Table 11: London Borough Councils and third sector premises policy 2009/12

	Asset management plan			Asset transfer policy			VCS premises policy		
	2009	2010	2012	2009	2010	2012	2009	2010	2012
Barking and Dagenham	●	●	●	●	●	●	●	●	×
Barnet	○	×	●	○	×	●	○	×	●
Bexley	●	●	●	●	○	○	□	○	●
Brent	○	●	●?	○	○	□	●	●	●
Bromley	●	×	●	□	×	○	○	×	×
Camden	●	×	●?	●	×	●	●	×	□
Croydon	●	●	●?	●	●	●	●	●	×
Ealing	●	●	●?	●	○	□	□	○	×
Enfield	●	●	●?	○	●	□	●	●	×
Greenwich	●	●	●	●	●	●	●	●	●
Hackney	●	●	●?	○	●	●	●	●	●
Hammersmith and Fulham	●	□	○	○	○	○	●	□	●
Haringey	●	×	●	○	×	●	○	×	□
Harrow	●	●	●?	●	○	○	●	○	□

Table 11: continued

	Asset management plan			Asset transfer policy			VCS premises policy		
	2009	2010	2012	2009	2010	2012	2009	2010	2012
Havering	●	●	●?	●	□	□	●	□	□
Hillingdon	●	×	●?	○	×	◐	●	×	●
Hounslow	●	×	●?	○	×	◐	□	×	□
Islington	○	◐	◐	◐	●	◐	◐	×	◐
Kensington and Chelsea	●	×	○	○	×	◐	□	×	○
Kingston upon Thames	○	×	◐	○	×	□	○	×	×
Lambeth	●	●	●?	□	●	●	●	●	●
Lewisham	●	×	●	●	×	●	●	×	◐
Merton	●	×	●	◐	×	●	□	×	×
Newham	●	×	●	□	×	□	□	×	×
Redbridge	◐	●	●	○	×	□	□	×	●
Richmond upon Thames	◐	●	●	○	○	○	◐	●	×
Southwark	●	●	●?	□	●	◐	◐	●	●
Sutton	◐	●	●?	□	□	○	●	●	×
Tower Hamlets	●	●	◐	●	◐	◐	◐	◐	×
Waltham Forest	●	●	◐	●	◐	◐	●	◐	◐
Wandsworth	●	●	●?	●	□	□	□	□	×
Westminster	●	×	◐	◐	×	○	◐	×	◐

● yes

○ not agreed/available

◐ in development/under review

□ no single policy document

× no response on returned survey

? out of date

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Table 12: continued

Resource Centre/CVS provision			Co-location/sharing		
2009	2010	2012	2009	2010	2012
Barking & Dagenham	Hackney	Bexley	Haringey	Hammersmith & Fulham	Bexley
Brent	Islington	Brent	Havering	Richmond	Bromley
Haringey	Kensington & Chelsea	Havering	Kingston	Waltham Forest	Enfield
Kensington & Chelsea	Richmond	Kensington & Chelsea	Redbridge		Hackney
Kingston	Southwark	Kingston			Hammersmith & Fulham
Lambeth		Richmond			Haringey
Southwark					Wandsworth
Sutton					
Westminster					
New provision of premises for sector			Resource constraints		
2009	2010	2012	2009	2010	2012
	Bexley	Hackney	Bromley	Hackney	Brent (CVS new)
	Croydon		Haringey	Hammersmith & Fulham	Havering
	Hackney		Richmond	Redbridge	Harrow (CVS closed)
	Hammersmith & Fulham		Westminster	Southwark	Hounslow (CVS closed)
	Kensington & Chelsea		Greenwich	Tower Hamlets	Lambeth
	Richmond		Newham		Southwark
	Redbridge		Tower Hamlets		Tower Hamlets (CVS new)
			Wandsworth		

Appendix 1: London Premises research 2012 – Council for Voluntary Service interview/survey template

What are you as a CVS providing in the way of support for groups on premises issues?

Via web

Face to face

Other (e.g community building networks, individual premises training courses etc)

Are you pursuing any initiatives in relation to your own accommodation or for the sector generally e.g. voluntary sector hubs?

Please provide details

Are you aware of groups having particular issues currently in relation to the following?

Availability of premises

Rates relief

Rent levels in council accommodation

Rent levels in private accommodation

Repairs/capital improvements

Acquiring premises/land from the LA or other statutory agencies to pursue their mission or project ideas

Any other issues

Are you involved in any strategic planning with your local authority where premises issues for the sector are addressed?

Is there anything else happening in your borough that you think is relevant to the research?

Appendix 2: London Premises research 2012 – local authority interview/survey template

Are you aware of any involvement of the third sector (like your local Council for Voluntary Service) in strategic planning for the future of the authorities' assets either via your department or others (e.g. via Asset Management Task Groups, LSP arrangements where existing)?

Please provide details

What do you think are the issues for the voluntary and community sector owning and using premises, both those that are council owned and private?

Please provide details

Do you work with other local authorities on policy towards third sector acquisition and use of LA premises?

Please provide details

Do you know what kinds of initiatives for partnering between the local authority and the third sector on use or development of premises are currently underway?

Please provide details or other council contacts if necessary

Does your authority have an asset management plan, Compact, Non Domestic Rate Relief policy that covers the issues related to the provision of premises to the voluntary or not-for-profit sector? (This may include information on disposals, asset transfer, rent policy, lettings policy etc)?

Please provide details (provide web links or attach documents if possible) and whether they are current

Do you have any other comments you wish to make?

Appendix 3: respondents list 2012

Local Borough Council	Local Borough Council for Voluntary Service	Local Borough Council	Local Borough Council for Voluntary Service
Barking and Dagenham	■	Merton	■
Barnet	■	Newham	■
Bexley	■	Redbridge	■
Brent	■	Richmond upon Thames	■
Bromley	■	Southwark	■
Camden	■	Sutton	■
Croydon	■	Tower Hamlets	■
Ealing	■	Waltham Forest	■
Enfield	■	Wandsworth	■
Greenwich	■	Westminster	■
Hackney	■		
Hammersmith and Fulham	■		
Haringey	■		
Harrow	■		No CVS
Havering	■		■
Hillingdon	■		
Hounslow	■		No CVS
Islington	■		■
Kensington and Chelsea	■		■
Kingston upon Thames	■		
Lambeth	■		■
Lewisham	■		■

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