

## **Overview and Scrutiny 2 Tuesday 12 December 2023**

### **Rent subsidy/CIC (Community Interest Company) Task & Finish Group Report**

#### **Purpose of Report**

To provide advice from the Rent subsidy/CIC Task and Finish Group to the Overview & Scrutiny Committee 2 who are advised to recommend to Executive:

#### **Recommendation(s)**

The Committee RECOMMENDS to Executive that:

- 1) The Rent Subsidy for TDC owned Commercial Property (Conditions of Funding) Policy updated in November 2023 for implementation from April 2024 be approved (Appendix B)
- 2) The Buckland Centre (as part of the Newton Abbot CIC) can reapply under the terms of the updated policy (above) for further rent subsidy, subject to a new lease being in place.

#### **Report Author**

Cllr Suzanne Sanders, Chair of the Task and Finish Group and Kay Fice, Scrutiny Officer

#### **Executive Member**

Cllr Richard Keeling  
Deputy Leader of the Council, and Executive Member for Corporate Resources

#### **Appendices**

- A) Terms of reference
- B) Rent Subsidy for TDC owned Commercial Property Policy – 2024/25 Policy proposal

#### **Background Papers considered (not for circulation)**

- 26 September OS1 & OS2 Work Programme & Task & Finish Groups
- Newton Abbot CIC Accounts 2021/22
- Buckland Centre income and expenditure statement to year end October 2023

## **1. Introduction/Background**

The task and finish group was created by Overview & Scrutiny Committees 1 & 2 on the 26 September 2023 and was tasked with the following work:

To:

- (a) review the current Rent Subsidy for TDC owned Commercial Property Policy
- (b) review the position of the Buckland Centre (within the Newton Abbot CIC)

The following members are on the group;

- Cllr Phil Bullivant
- Cllr Richard Buscombe
- Cllr Alex Hall (Vice-Chair)
- Cllr Colin Parker
- Cllr Suzanne Sanders (Chair)

They are supported by Kay Fice (Scrutiny Officer), Martin Flitcroft (Section 151 Chief Financial Officer), Amanda Pujol (Head of Community Services and Improvement) and other officers.

## **2. Work of the group**

The group met on 2 occasions:

- 12 October 2023
- 23 November 2023

The Terms of Reference (Appendix A) were agreed.

At the first meeting the group requested that any rent subsidy policies were obtained from our neighbouring authorities. All were approached but unfortunately, only one responded (Torbay Unitary Council).

Although not directly relevant due to it being a Unitary authority, the Torbay Policy was considered by the group alongside the current Teignbridge policy and the issues discussed concluding with the recommended changes to the Policy included in Appendix B. The main changes made were to add an introductory paragraph to explain the purpose of the funding and to refine the Timescales and Review section to emphasise that there is an expectation from Teignbridge that anyone requesting a subsidy should be able to evidence that they have approached other statutory organisations for sources of funding.

It was noted that the work of this group linked closely with Asset related issues and as such the members of the Task & Finish Group would be likely to form the nucleus of the new Task & Finish Group to be created in the New Year to consider Council Assets.

The Buckland Centre manager was invited as a witness to the second meeting and provided some further financial information and gave the group a greater understanding of the work and challenges of the centre which is sited in a statistically deprived area of Newton Abbot. In response to questions asked the group learnt that the centre space is utilised at approximately 75% occupancy and is aiming for 85% - 90%. It provides a local base for organisations including Teignbridge Children's Centre and has received Lottery funding to support the work of the weekly Hub sessions which offers advice on Housing, Benefits, debt etc. The popular youth club held on a Friday evening for ages 7 -11 is often the only extra- curricular activity that is affordable for local parents

### **3. Recommendations of the group**

At the meeting of the task and finish group on 23 November 2023, the group considered all the evidence and the contributions from witnesses heard to date.

The following recommendations are based on this evidence.

The Committee RECOMMENDS to Executive that:

- 1) The Rent Subsidy for TDC owned Commercial Property (Conditions of Funding) Policy updated in November 2023 for implementation from April 2024 be approved (Appendix B)
- 2) The Buckland Centre (as part of the Newton Abbot CIC) can reapply under the terms of the updated policy (above) for further rent subsidy, subject to a new lease being in place.

### **4. Conclusion**

That the recommendations are put forward to the Executive for their consideration.

## Task and Finish Group (T&FG) Rent subsidy/CIC Terms of Reference (TOR)

### Decision making body to whom it will report

*The T&FG will not have any decision making powers itself beyond how to manage its own meetings and may only make recommendations (based upon its findings) to its parent committee or full Council.*

Overview & Scrutiny Committee 2: 12 December 2023

### Scope

To:

- (a) review the current Rent Subsidy for TDC owned Commercial Property Policy
- (b) review the position of the Buckland Centre within the Newton Abbot CIC

### Name of T&F Group

Task & Finish Group – Rent Subsidy/CIC (September 2023)

### Group Membership

Cllr Phil Bullivant  
Cllr Richard Buscombe  
Cllr Alex Hall (Vice-Chair)  
Cllr Colin Parker  
Cllr Suzanne Sanders (Chair)

### Lead Officer(s)

Martin Flitcroft (Chief Finance Officer & Head of Corporate Services)  
Amanda Pujol (Head of Community Services and Improvement)

### Time limit for work and to whom report should be submitted

The Task & Finish Group will report with final recommendations to Overview & Scrutiny Committee by the end of 2023

**Meetings held on:**

12 October 2023  
23 November 2023

**Possible witnesses/consultees/interested parties**

- Board member of Buckland CIC (Cllr Jackie Hook or Centre representative)
- Members of the Estates/Asset Review Task & Finish Group (to be set up in phase 2 (Spring 2024))

**Resources**

- Council officers
  - Scrutiny Officer
  - Finance support

**SLT/CMT Officer comments if any**

Review of the Policy will help to inform the work of the Estates/Asset Review Group when it is set up in the New Year

**Point of contact**

Email Democratic Services team email address: [Democratic Services](#)



Appendix B)

## **Teignbridge District Council**

# **RENT SUBSIDY FOR TDC OWNED COMMERCIAL PROPERTY**

## **Conditions of Funding**

**Updated November 2023**

**Effective from 1 April 2024**

Teignbridge District Council  
Forde House  
Brunel Road  
Newton Abbot  
Devon

TQ12 4XX Tel. 01626 361101  
[www.teignbridge.gov.uk](http://www.teignbridge.gov.uk)

# Rent Subsidy

## Purpose

The purpose of this policy is to offer short-term funding support to enable appropriate new groups to be established or to help existing organisations manage unforeseen circumstances until they are able to achieve financial sustainability

## Conditions of Funding

This document sets out the conditions that voluntary and community groups need to comply with if they are to be granted a reduced rent.

### 1. Introduction

1.1 The Council recognises and respects the independence and value of the voluntary sector. It acknowledges the freedom of each voluntary organisation to choose its own area of activities and methods of working in accordance with the aims and objectives or terms of reference set out in its governing document.

1.2 In this context the Council operates the following Conditions of Funding – Reduced Rent.

### 2. General

2.1 Applications are limited to community/voluntary sector organisations. A voluntary organisation is one that exists to provide a specialist or contracted service to users, is led by a management board, has an income and a formal structure. A community organisation is members led group, formed to pursue a common interest or cause and has a less formal structure.

2.2 A rent subsidy may be awarded up to a maximum of 75% of the annual market rent value or £4,000, whichever is the lesser.

2.3 A subsidy will not be granted to those organisations that hold non-earmarked financial reserves that exceed 2 complete calendar years of normal budgeted operating costs.

2.4 The funded voluntary organisation must operate within and/or for the benefit of residents of Teignbridge. The organisation must take positive steps to involve residents and users of services in its management and activities.

2.5 The organisation must involve beneficiaries in its management, and in particular user feedback should be obtained on a regular basis in order to monitor service provision.

2.6 The organisation must acknowledge the Council's assistance in any literature and publicity about the work of the organisation.

2.7 The organisation must be non-profit making. Any excess income generated by the organisation must be used for the benefit of the community it serves, in line with its aims and objectives. A realistic and open policy with regard to reserves will be expected to be in place.

2.8 The organisation must be non-party political. Its funds must not be used to pay for publicity which appears to support any political party.

### 3. Use of the Building or Land

3.1 All requests for a reduced rent must be submitted with a proposal that summarises the proposed use of the land or buildings. The property must only be used for the purposes set out in the proposal and in the lease. Any change in use must be discussed with the Estates Service in advance and may affect the rent subsidy.

## **4. Agreed statement**

4.1 All voluntary organisations with a reduced rent will have an agreed statement that summarises the use of the premises and the activities linked to the reduced rent. Organisations will be assigned an Officer who will be the main link with the Council on all matters relating to the reduced rent and with these Conditions of Funding.

4.2 All matters relating to the lease terms and market rent must be raised with the Council's Estates Service.

## **5. Management Structure**

5.1 The organisation must have a governing document which is acceptable to the Council. This must provide for equality of opportunity, openness, and democratic processes. A copy of this document must be submitted to the Council which must be given advance notice of any proposed changes. Any proposed changes must be in line with charity and company law if appropriate.

5.2 The organisation must have a Management Committee (or equivalent) as specified in its constitution. Members of the Committee should be elected or appointed in accordance with the requirements of the organisation's constitution or governing document.

5.3 The organisation must comply with all aspects of the law and its Management Committee should acknowledge its responsibilities in this respect.

5.4 The Council does not require representation on the Management Committee of any voluntary organisation receiving a rent subsidy.

5.5 The organisation must nominate someone to be the main contact for all matters relating to the building, the lease and the reduced rent and must notify their Officer contact of any change to their nomination.

## **6. Financial Procedures**

6.1 The organisation is required to submit annual financial accounts for all income and expenditure. These accounts must be received by the Council within six months of the end of the organisation's financial year.

6.2 Information on all other sources of funding for the organisation must be made fully available to the Council.

6.3 The organisation must be adequately insured to cover all risks (e.g. public liability theft, fire, employer's liability, third party damages, and buildings insurance). The Council accepts no liability for any losses, claims, damages, compensation etc., arising from the existence of and in connection with the organisation.

## **7. Sustainable Development**

7.1 The Council is committed to creating sustainable, environmentally friendly development of the District. Voluntary organisations with a reduced rent must therefore be able to demonstrate that their activities contribute to developing sustainable communities. Contributions can include recycling material, buying from local suppliers and upkeep of premises.

## **8. Good Practice**

8.1 The Council wishes to encourage good practice in all organisations that are delivering a service in Teignbridge. The following are recommended as good practice:

- fair employment practices
- an inventory of assets
- a written compliments, comments and complaints procedure

- working towards an appropriate Quality Standard

## **9. Failure to Comply with Conditions**

9.1 In the event of an organisation failing to comply with any of above conditions, the Council reserves the right to demand payment of the rent in part or in full.

## **10. Equal Opportunities**

10.1 The organisation must have a written Equal Opportunities policy that applies to all of its activities i.e., employment, service delivery etc., and must be able to demonstrate that the policy is being implemented, monitored and evaluated regularly.

10.2 The organisation's Equal Opportunities policy must comply with its statutory obligations under all relevant equality legislation.

The organisation will not treat one group of people less favourably than others because of their gender, gender reassignment, sexual orientation, colour, race, nationality, religion, level of income, disability or ethnic origin.

## **11. Community Cohesion**

11.1 The Council expects all voluntary organisations in receipt of funding or grant aid to ensure services provided can also be accessed by the wider community regardless of their culture, colour, nationality, religion, gender, gender reassignment, sexual orientation or disability.

## **12. Timescales and Review**

12.1 Any subsidy awarded will be for a maximum period of up to 4 years

12.2 An organisation may reapply for further subsidy. However, the Council reserves the right to grant this only if the organisation is considered to make a significant contribution to the Council's corporate objectives.

12.3 It is expected that organisations will provide evidence that they have explored alternative funding opportunities, particularly from other statutory bodies.

12.4 The contents of this document will be reviewed on a regular basis.