
REPORT OF THE REVIEW COMMITTEE – 12 JANUARY 2010

1 REVIEW OF THE COUNCIL'S COMMUNITY HALLS AND ASSOCIATED ASSETS

- 1.1 At its meeting on 12 January 2010 the Review Committee approved a final report on its review of the Council's Community Halls and associated assets, which included recommendations for consideration by the Executive.
- 1.2 A copy of the final report, as approved by the Review Committee, is appended.
- 1.3 It is proposed that the Executive considers the final report, which has recommendations specifically to the Executive as follows:-
 - That, subject to proof of membership of Community Matters on an annual basis, the Rayleigh Grange Community Association and the Hockley Community Centre Association should receive a grant of a sum equal to the amount of the annual membership fee. (Recommendation No. 2)
 - That, as a condition of the renewal of the lease for the Rayleigh Grange Community Hall, the constitution of the Community Association be amended to include two nominees from Rayleigh Town Council to be given places on the Association's Council and also their Executive Committee. (Recommendation No. 3)
 - That the playing field and car park be offered on a lease to the Hockley Community Centre Association for a seven year period at a commercial rent with a break clause linked to a rent review on the third year. (Recommendation No. 4)
 - That the lease for the Rayleigh Grange Community Hall be renewed with the following conditions:-
 - Lease to be full repairing and maintaining.
 - Initial rental for the lease to be 20% of either the commercial market rent, taking into account the restrictions in the lease, or the rateable value, whichever is the higher.
 - Contain a clause allowing annual inspections by the Council and a requirement to produce appropriate safety certificates, to ensure all necessary work is undertaken in a timely manner.
 - To contain a schedule of all major building work that can reasonably be expected to need to be carried out during the term of the lease.
 - To contain a break clause linked in to a rent review every 5 years.

- The term of the lease to be determined following the outcome of negotiations with Essex County Council in respect of the Children's Centre. (Recommendation No. 5)
- That, as a condition of the renewal of the lease for the Rayleigh Grange Community Hall, the Association is required to insure the building with Rochford District Council's interest noted on their policy. A copy of the policy to be provided to the Council and annual proof of renewal. (Recommendation No. 6)
- That any future leases granted by the Council include a clause to allow for annual inspections by the Asset Manager and his team, which will include provision by the Association of copies of all necessary fire risk assessments and safety certificates. (Recommendation No. 7)
- That any future leases granted by the Council are to be offered at either the commercial market rent or the rateable value, whichever is the higher, with the Portfolio Holder for Finance and Resources able to reduce the rent to a level which reflects the Community benefit provided rather than by grant support. Any reduction in rent agreed by the Portfolio Holder should be publicised as an alternative to direct grant support being provided. (Recommendation No. 8)

Final Report of the Project Team
as approved by the Review Committee

Review of the Council's Community Halls and Associated Assets



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2 Glossary

NNDR	National Non-Domestic rates

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3 Introduction

- 3.1 This review was started in the 2008/09 municipal year but due to various difficulties in arranging a suitable appointment with one of the Community Associations it was carried over into this Municipal year.
- 3.2 During the course of their investigation the team visited both the Rayleigh Grange and Hockley Community Halls and met with representatives of the two Associations. A questionnaire was prepared by the team and this was sent to the two Associations in advance of the meetings to ensure that the same questions were answered by both the Associations.

4 Background

- 4.1 Following the ratification of the Executive Board decision by Council on the 30 October 2007 when it was agreed that the Council should take the opportunity to review its entire lease arrangements with a view to bringing them in line with one another, the Review Committee agreed that it would look at the issue of the Community Halls and Assets and the leases issued to them.

5 Terms of reference

- 5.1 To examine how the Council's currently manages its Community Halls and associated assets, whether there is scope for better use of the Community Halls and associated assets. To assess the Council's strategy for maximising community use of the halls and associated assets and how effective the strategy is.

6 Methodology

- 6.1 The review team started by establishing the details of all Community Halls and associated assets owned by the Authority and the terms and conditions they were leased on. Details of these assets can be found at the end of this report as an Appendix.
- 6.2 The team identified that the Leisure Centres and Function Halls owned by the Authority were in fact managed by a third party (Virgin Active) under the leisure contract. The pavilions, changing rooms and toilet facilities were managed under the grounds maintenance contract by Connaught Environmental Ltd and the depot was managed by SITA under the Waste Contract. The team agreed that as these assets were managed independently they would not come within the scope of the review.
- 6.3 It was recognised that the Council do not have the power to change existing leasing arrangements with its tenants other than through mutual agreement. It was therefore agreed that the team would look at those leases that were already due for renewal or were about to come due to inform the process. Whilst all the leases had different characteristics due to the differences in the sites, the team recognised that from studying the situations in detail of the Community Halls and from looking at other Authorities work in this area, it was possible to provide some overall principles for the managements of the Authorities assets that are leased to third parties.
- 6.4 The team decided to visit two halls to meet with representatives from the community associations that were leasing assets from the Council. A questionnaire was prepared prior to the meetings to ensure that the same information could be gathered from each association in order to compare the organisations.
- 6.5 The team also looked at reviews completed by other Authorities and also the Quirk report which was commissioned by the Government, to look for best practices that could be introduced to Rochford District Council.

7 Findings

7.1 Quirk Review and other reports

7.1.1 During the last 4 to 5 years there have been a number of reports produced relating to the issues around Community Assets and how they should be best managed. These range from individual local authorities, such as Stoke City Council and Hull City Council looking at the community halls under their own control to the Quirk review commissioned by the Government following the issue of the white paper Strong and Prosperous Communities, which look at the relationship between local authorities and the community groups in connection with the ownership and management of public assets.

7.1.2 Whilst the Quirk review stated the ultimate aim of putting community assets into the ownership of community groups, it also recognised the risks and issues linked to this transfer of assets. Some of these risks are not just linked to the actual transfer of the asset but can be encountered when the assets is rented or leased from the Local Authority. The risks that they identified were:-

1. Community organisation does not have the capacity to take over and manage the asset
2. Community organisation cannot raise the cash needed to purchase or refurbish the asset offered
3. The ability of public bodies to support a particular project is limited by State aid rules or other restrictions
4. Inability of community organisation to manage asset effectively
5. Asset not used in public interest, taken over by an unrepresentative or unaccountable minority, access to asset not inclusive
6. Community organisation is not able to invest in the asset to meet its longer term liabilities for upgrading and cyclical maintenance
7. Reliance of smaller receiving organisations on volunteers through lack of resources for professional / support staff
8. Fragmented ownership of assets across an area could impair strategic objectives of local authority and/or its LSP partners
9. Confusion and lack of awareness over roles, responsibilities and liabilities between landlord and community organisation
10. Conflict between competing community organisations for use of, ownership or management of asset

7.1.3 Prior to the publication of the Quirk Review a study was undertaken by the Local Government Association and Community Matters (The National Federation of Community Organisations) and the results published titled "Community buildings – maximising assets." This report looked at the issues affecting the relationships between local authorities and their community associations through a number of case

studies. Some of the issues reported by the community associations included:-

- significant increases in rent charges by the local authority
- shorter leases and other less secure occupation rights being offered
- more onerous repairing obligations being passed to the tenant community centre organisations; and
- other restrictions on usage or conditions of occupation.

7.1.4 This report also covered some of the same ground later included in the Quirk review in that it identified the different economic models that community associations follow and the restrictions that these then put on the associations. The economic model that each group follows will be based on a number of considerations such as the capacity of the members, the willingness of volunteers and the ability of the group to generate funds. Some groups will generate a higher amount of revenue from their activities than others and will therefore be able to afford to employ staff to undertake some of the more complex roles.

7.1.5 Both reports also touched on the desire of local authorities to see the community centres and organisations to contribute to its plans in particular in relation to the Local Area Agreement (LAA). Local Authorities have been tasked by the Government with a community leadership role and as the premises leased by the community groups are local authority assets it is recognised that the local authority will try to influence the community group to implement the Local authorities' aims by linking performance to reduced rental costs or grant aid.

7.1.6 Any increase in rent can have a significant impact on an organisation if they are not generating that much income from their activities. It can mean that the group has to alter the balance of activities in favour of those that generate the most income for the group, even though these may not be the most appropriate for the local community or in helping to deliver local authority priorities.

7.1.7 In some cases the local authority has set a market rent for the building and then provided grant aid to the organisation to the value of the rent to offset this and provide transparency to the funding. The drawback to this method of funding is that the grant is discretionary and the rental charge is usually a long term commitment via a lease. This can create a risk to the group in that if the grant is withdrawn or reduced in subsequent years then the cost of the rent will have to be found from their income.

7.2 Community Associations

7.2.1 At the first meeting of the team details of the Council's assets leased to the local Community Associations were discussed. It was identified by

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the team that there was only two leases for the local community associations that were due to be renewed in the immediate future. It was recognised that the Council do not have the powers to change existing lease arrangements other than through mutual agreement with the tenants to renegotiate the lease. It was therefore agreed by the team that they would look at the two community associations whose leases were due for renewal at the current time.

- 7.2.2 The two associations both have different circumstances in relation to the assets they lease from the Council. Hockley Community Centre Association own the freehold of the building but lease the car park and the playing field; Rayleigh Grange Community Association lease the building from the Council and the car park and the playing field are owned and run by the Council.
- 7.2.3 The team also recognised that while the Council do not lease that many pieces of land to local groups each case is unique. Some of the Council's assets, such as Clements Hall, are managed by the Council's leisure contractor, Virgin Active and some of the sports pavilions are managed by Connaught Environmental Ltd via the grounds maintenance contract.
- 7.2.4 Since the original leases were granted there has been a change in the law and under The Local Government Act 1972 – General Disposal Consent 2003 local authorities are under a legal obligation to secure best consideration unless a lower value can be justified because of the benefit to the economic, environmental or social well being of the community.
- 7.2.5 To provide some consistency to the granting of leases there needs to be some clarification as to how a commercial value for the asset can be assessed. This could be either by an independent valuer or alternatively you could use the Rateable Value of the asset. The definition of the Rateable Value of a property is the rent that would be paid by the hypothetical tenant on the assumption that the premises are let on a full repairing basis as at 1st April 2003.
- 7.2.6 There is some argument as to whether it is right to have a full repairing clause in the lease or whether there should be a split of responsibilities. The team were advised that a split of the responsibilities for repairs had been tried with a previous contract managed by Leisure Services and difficulties had been experienced with regard to apportioning responsibility when items were identified which needed replacement / repair. If the lease holders were to benefit in a reduction in their responsibilities then the commercial cost of a lease would need to be amended to reflect this.
- 7.2.7 The justification of a lower value and how best to show the reduction is an issue that troubles many authorities and community associations. A number of authorities charge the rent at a full commercial rate and then provide grant funding to reduce the rent to the rate that they wish to

charge. This is felt to be the most transparent way of funding the associations and is clear exactly how much the authority is reducing the rent. This method of assistance with rental costs is currently used by Rochford District Council in relation to the Citizens Advice Bureau offices in Rochford. It has the drawback for Community Associations in that they can sign a lease agreement at a commercial rate for a period of say 21 years on the understanding that grant funding will be forthcoming from the authority to reduce the amount to a more affordable figure. After a few years the political balance of the authority can change or new funding priorities are introduced and the grant funding is either substantially reduced or stopped altogether. This can cause problems to the Community Association which is left to either increase the rental payments or when this is not possible the association can cease to exist.

- 7.2.8 Community Associations usually prefer to have the rental charges on the lease reduced to reflect their community role and the grant monies that the local authority would otherwise be paying them. As the rental charge is then fixed the Community Association trustees find this easier as they know what figure they are committing the association to before signing the lease.

7.3 Rayleigh Grange Community Centre

- 7.3.1 The Rayleigh Grange Community Centre was constructed by the Council in 1981 following completion of Phase 2 of the Little Wheatleys housing estate. The building was built a year after the Hockley Community Centre and was based on the same plans except they do not have any changing rooms or showers. It was initially operated as a local authority run hall however in July 1987 it was leased to the Rayleigh Grange Community Association under a 20 year full repairing lease. Under the terms of the lease the Community Association would pay a peppercorn rent of £50 per annum. The lease costs were kept low so as not to impose a financial burden on the Community Association which would lead to all or most of the activities being of a revenue raising or commercial nature. Whilst no grant funding from the Council has been allocated to the association the low rent was also a way of allowing them to generate sufficient funds to cover the maintenance and repair costs to the building under the terms of the lease.

- 7.3.2 Until this year the Association had not sought grant funding from other outside bodies to assist with the costs of improving and maintaining the premises.

- 7.3.3 The Rayleigh Grange Community Association is registered as a charity with the aim:-

“To promote the benefit of the inhabitants of Rayleigh without distinction of sex or political, religious or other opinion by

associating the local authorities, voluntary organisations and inhabitants in a common effort to advance education and to provide facilities in the interest of social welfare for recreation and leisure time occupation with the object of improving the conditions of life for the said inhabitants”

7.4 Hockley Community Centre Association

- 7.4.1 The community centre at Hockley was constructed in 1980. Unlike the Rayleigh Grange the freehold of the land on which the building sits was given to the Community Centre Association along with grant funding from various organisations (Essex County Council, Rochford District Council and Hockley Parish Council). This enabled the association to raise funds by way of a mortgage to cover the outstanding building costs. The car park and playing field are leased from the Council.

7.5 Comparison of the associations

- 7.5.1 The project team prepared a questionnaire for the two Community Associations and this formed the basis of their questions when they visited the two associations.
- 7.5.2 It was interesting to note how the two associations had approached the management of the hall under their control. Each Community Association has taken a different view towards the running of the Association and the business model it follows. As previously stated it has been seen from National studies that there needs to be a balance in the activities provided at a Community Centre between those that generate large amounts of funds and those provided by groups that could not afford to rent a more commercially minded venue.
- 7.5.3 The Rayleigh Grange Community Association utilise more volunteers for the running of the hall and generate only sufficient funds to cover their running costs. Whilst they spend about £10,000 per annum on the maintenance and repairs to the hall they need the support of grant funding to complete some of the work that the hall requires. The current terms of the lease preclude the Association from hiring the hall for commercial activities, and the interpretation of this clause results in less available funds for the Association.
- 7.5.4 Hockley Community Centre Association employs a number of people to fulfil various functions. Whilst they have a number of community groups using their facilities they also look to commercial hirers to boost their income. They spend approximately twice as much as the Rayleigh Grange Community Association on the maintenance and repairs to their premises.
- 7.5.5 Whilst both groups can be seen to be linking with their local communities, the management of each is slightly insular in that it is a

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small group responsible for the day to day running of the associations. This has been recognised as a problem for some associations in the national reports as it can lead to problems over time with a lack of younger volunteers willing to succeed existing committee members.

- 7.5.6 Neither of the Community Associations were members of any national bodies and the team felt that this hampered the associations and did not allow them to keep up to date with changes in legislation or give them information about possible funding streams.

Recommendation No 1

It is recommended to the Rayleigh Grange Community Association and the Hockley Community Centre Association that they join Community Matters (The National Federation of Community Organisations).

- 7.5.7 The team recognise that this will have cost implications for the associations, the cost at the current time is £74.50 and it was felt that if the Associations did join Community Matters then the Council should reimburse the associations by way of grant funding on an annual basis.

Recommendation No 2

It is recommended to the Executive that subject to proof of membership of Community Matters on an annual basis that the Rayleigh Grange Community Association and the Hockley Community Centre Association should receive a grant of a sum equal to the amount of the annual membership fee.

- 7.5.8 It was recognised that the Rayleigh Grange Community Association is run by volunteers and therefore would benefit at times from advice and assistance.
- 7.5.9 The District Council has two seats on the Executive Committee of the Association and it was felt that in order to widen the knowledge base and provide the necessary support to the Association it would be of benefit to mirror the Hockley Community Centre Association constitution and add two members of Rayleigh Town Council to the arrangement for nominations to the governance structure.

Recommendation No 3

It is recommended to the Executive that as a condition of the renewal of the lease for the Rayleigh Grange Community hall that the constitution of the Community Association be amended to include two nominees from Rayleigh Town Council to be given places on the Association's Council and also their Executive Committee.

- 7.5.10 The team acknowledge the difference in the circumstances of the two associations and the difference in the assets that they lease from the Council. In the case of Hockley Community Centre Association the field at the rear of the building and the car park are leased to the Community Association. The team felt that there was no reason to rent these out on a long lease as previously because these would not be linked to funding issues for the Association.

Recommendation No 4

It is recommended to the Executive that the playing field and car park be offered on a lease to the Hockley Community Centre Association for a seven year period at a commercial rent with a break clause linked to a rent review on the third year.

- 7.5.11 During the teams meeting with the Rayleigh Grange Community Association it became clear that there was some confusion over the terms of the lease and what was actually covered by a full repairing clause in the lease. Whilst the Association had been paying for general maintenance and repairs they did not feel that the replacement of main structural elements such as windows etc. should be their responsibility.
- 7.5.12 The issue of what level of rent is charged and whether the association should pay for repairs affect a lot of Community Associations. In the case of the Rayleigh Grange the original lease was subject to a peppercorn rent of £50 per year. Whilst the Community Association did not receive any specific grant funding from the Council it could be considered that the Association was receiving a grant in kind equivalent to the difference between the actual rent of £50 per annum and the commercial rentable value of the property. The fact that the Association only had to find a nominal value for the rent should have enabled it to fund the repairs to the building as and when they were required. This would have meant that when the lease was due for renewal and the building was inspected that no work would have needed to have been undertaken. Due to the Association not understanding the terms of the lease this was not the case.
- 7.5.13 In relation to the option regarding the charging of a commercial rent to the association and then the Council taking responsibility for all repairs

and maintenance this has a number of drawbacks. Firstly it is clear from the accounts of the association and the way that it currently operates that it could not afford to pay a commercial rent on the property. The amount the association has paid out on maintaining the property on an annual basis is not sufficient to cover the commercial rental value of £20,800 per annum mentioned in the report to the former Policy, Finance & Strategic Performance Committee in April 2007. This option would also prove more costly for the authority as it would not have access to the same levels of grant funding that the Community Association would.

7.5.14 The main difficulty that the team found was assessing the value of the Community Associations activities within the community and whether these linked in to the Councils four main objectives. It could be argued that the value of the association's activities within the community should be taken into account as the Local Authority would have to provide or facilitate these activities otherwise with an associated cost to the Authority's budget. Therefore the rental should be reduced to take this into account.

7.5.15 The initial cost of the lease needs to be established, therefore, taking the starting point for the cost of the lease as the higher figure of either the commercial rentable value, taking into account the restrictions in the lease, or the rateable value of the property. It is proposed that this be reduced by 80% in line with the reduction in National Non-Domestic rates (NDR) that charities receive at the current time. This figure could then be used for the first 5 years of the lease and a break clause introduced every 5 years when the rental figure could be reassessed. This reassessment could be carried out by the Portfolio Holder reducing the market rent by a rate that would reflect the community benefits provided by the association. The five year term would provide the community association with enough time to demonstrate to the Council what added benefit they were able to provide to the community.

7.5.16 If the lease is to include a full repairing clause then this should also be taken into consideration when setting the rental amount. As previously mentioned the cost of the repairs and maintenance to the authority can be large and if the Community Association take on this responsibility then this should be recognised in the rental figure. The Community Association may be able to attract grant income to cover repairs where as they would probably not receive grant monies towards rental payments.

7.5.17 To avoid any misunderstanding regarding what should be covered within the terms of a full repairing lease the team felt that a schedule of items that will need replacement/ maintenance during the next lease period should be prepared and form part of the lease arrangements. In addition to ensure that the necessary work is carried out in a timely manner that annual inspection checks by the Asset Manager and his team should be built in to the terms and conditions of the lease.

7.5.18 At the current time the team understand that the Community Association has entered into initial discussions with representatives from Essex County Council's Early Years department. The outcome of these negotiations could have some bearing on the length of lease required by the Association and the team have therefore not recommended a lease period in this case.

Recommendation No 5

It is recommended to the Executive that the lease for the Rayleigh Grange Community hall be renewed with the following conditions:-

- Lease to be full repairing and maintaining
- Initial rental for the lease to be 20% of either the commercial market rent, taking into account the restrictions in the lease, or the rateable value, whichever is the higher
- Contain a clause allowing annual inspections by the Council and a requirement to produce appropriate safety certificates, to ensure all necessary work is undertaken in a timely manner
- To contain a schedule of all major building work that can reasonably be expected to need to be carried out during the term of the lease.
- To contain a break clause linked in to a rent review every 5 years.
- The term of the lease to be determined following the outcome of negotiations with Essex County Council in respect of the Children's centre

7.5.19 Since the start of the original lease the Council has arranged the insurance for the Rayleigh Grange Community hall building, the cost of which is recharged to the Association. This is an unsatisfactory arrangement for the Council as all claims have to be processed by the Council through its insurers and there is a risk that Council Officers could become involved in discussions about premiums and claims. This arrangement is not afforded to other lease holders of Council assets.

Recommendation No 6

It is recommended to the Executive that as a condition of the renewal of the lease for the Rayleigh Grange Community hall that the Association is required to insure the building with Rochford District Council's interest noted on their policy. A copy of the policy to be provided to the Council and annual proof of renewal.

7.5.20 During the course of the team's investigation they heard from Cllr K H Hudson on his concerns in relation to fire and safety following the

abolition of Fire Safety Certificates and the new requirement to have written Fire Safety Risk Assessments. This was compounded by the deregulatory approach introduced through the Licensing Act 2003, which removed the ability of Licensing Authorities, such as Rochford District Council, to require the annual production of safety certificates. Fire safety matters remain the responsibility of the occupier of the premises but enforcement is largely secured by self assessments. Enforcement is the sole responsibility of the Fire Brigade.

- 7.5.21 It was the team's opinion that this was an area that concerned all the Council's assets that were leased out or managed by third parties on the Council's behalf. Prior to the Regulatory Reform (Fire Safety) Order 2005 and the Licensing Act 2003 all certificates were checked by the Licensing Officer to ensure that they were up to date and in order. Under the new arrangements Officers do not visit the licensed premises on an annual basis and therefore the team felt that it was necessary to include the following recommendation.

Recommendation No 7

It is recommended to the Executive that any future leases granted by the Council include a clause to allow for annual inspections by the asset Manager and his team which will include provision by the Association of copies of all necessary fire risk assessments and safety certificates.

- 7.5.22 In order to bring some standardisation to the granting of leases by the Council and to clarify the confusion as to whether a community group is receiving any support from the Council the team felt that the following recommendation was necessary.

Recommendation No 8

It is recommended to the Executive that any future leases granted by the Council are to be offered at either the commercial market rent or the rateable value; whichever is the higher, with the Portfolio Holder for Finance and Resources able to reduce the rent to a level which reflects the Community benefit provided rather than by grant support. Any reduction in rent agreed by the Portfolio Holder should be publicised as an alternative to direct grant support being provided.

8 Summary of Recommendations

Recommendation No 1

(Page 12 Section 7.5.6)

It is recommended to the Rayleigh Grange Community Association and the Hockley Community Centre Association that they join Community Matters (The National Federation of Community Organisations).

Recommendation No 2

(Page 12 Section 7.5.7)

It is recommended to the Executive that subject to proof of membership of Community Matters on an annual basis that the Rayleigh Grange Community Association and the Hockley Community Centre Association should receive a grant of a sum equal to the amount of the annual membership fee.

Recommendation No 3

(Page 13 Section 7.5.9)

It is recommended to the Executive that as a condition of the renewal of the lease for the Rayleigh Grange Community hall that the constitution of the Community Association be amended to include two nominees from Rayleigh Town Council to be given places on the Association's Council and also their Executive Committee.

Recommendation No 4

(Page 13 Section 7.5.10)

It is recommended to the Executive that the playing field and car park be offered on a lease to the Hockley Community Centre Association for a seven year period at a commercial rent with a break clause linked to a rent review on the third year.

Recommendation No 5

(Page 15 Section 7.5.18)

It is recommended to the Executive that the lease for the Rayleigh Grange Community hall be renewed with the following conditions:-

- Lease to be full repairing and maintaining
- Initial rental for the lease to be 20% of either the commercial market rent or the rateable value, whichever is the higher
- Contain a clause allowing annual inspections by the Council and a requirement to produce appropriate safety certificates, to ensure all necessary work is undertaken in a timely manner
- To contain a schedule of all major building work that can reasonably be expected to need to be carried out during the term of the lease.
- To contain a break clause linked in to a rent review every 5 years.
- The term of the lease to be determined following the outcome of negotiations with Essex County Council in respect of the Children's centre

Recommendation No 6

(Page 15 Section 7.5.19)

It is recommended to the Executive that as a condition of the renewal of the lease for the Rayleigh Grange Community hall that the Association is required to insure the building with Rochford District Council's interest noted on their policy. A copy of the policy to be provided to the Council and annual proof of renewal.

Recommendation No 7

(Page 16 Section 7.5.21)

It is recommended to the Executive that any future leases granted by the Council include a clause to allow for annual inspections by the asset Manager and his team which will include provision by the Association of copies of all necessary fire risk assessments and safety certificates.

Recommendation No 8

(Page 16 Section 7.5.22)

It is recommended to the Executive that any future leases granted by the Council are to be offered at either the commercial market rent or the rateable value; whichever is the higher, with the Portfolio Holder for Finance and Resources able to reduce the rent to a level which reflects the Community benefit provided rather than by grant support. Any reduction in rent agreed by the Portfolio Holder should be publicised as an alternative to direct grant support being provided.

9 Appendix

LESSEE	ADDRESS	CURRENT RENT	TERM	2009/10 RDC GRANT	LESSEE RESPONSIBILITIES
Trustees of Rochford Old Persons' Welfare Centre	Day Centre, Back Lane, Rochford (Total floor area approx. 170 square metres)	£8,800 pa	21 years (until 2015)	£3,350	Internal decorations
Rochford & Rayleigh Citizens Advice Bureau	Premises, Back Lane, Rochford (Total floor area approx. 61.5 square metres)	£5,150 pa	21 years (until 2015)	£82,200	Internal decorations
Rochford Town Sports and Social Club	Part of Pavilion, Recreation Ground, Rochford (Total floor area approx. 157 square metres)	£3,120 pa	6 years (until 2015)	None	Full repairing responsibility and insurance
Trustees of Rayleigh Grange Community Centre	Community Centre, Little Wheatley Chase (Total floor area approx. 719 square metres)	£50 pa	20 years (until 2007) (carried over)	None	Fully repairing responsibility

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LESSEE	ADDRESS	CURRENT RENT	TERM	2009/10 RDC GRANT	LESSEE RESPONSIBILITIES
Trustees of Hockley Community Centre	Car Park adjacent to Centre	£700 pa	28 years (until 2009)	None	Repair and maintenance of fixtures, fittings, drains, etc. Fencing along northern boundary. Fair proportion of repair costs of facilities jointly used with RDC.
	Playing Field adjacent to Centre	£700 pa	28 years (until 2009)	None	
Senior Citizens Welfare Committee	Hullbridge Senior Citizens Welfare Centre, Windermere Avenue	£0.05 pa	21 years (until 2018)	None	To pay rent and outgoings; to maintain all fences existing or to be provided on boundaries of premises; to keep premises and all additions in good decorative repair and tidy condition.

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LESSEE	ADDRESS	CURRENT RENT	TERM	2009/10 RDC GRANT	LESSEE RESPONSIBILITIES
Rayleigh Old People's Welfare Association	Land at Castle Road, Rayleigh for the Castle Hall Old Peoples Welfare Centre	£1.00 pa	99 years (until 2062)	None	Only land subject to lease, building owned by lessee.
Trustees of Hullbridge Sports & Social Club	Land off Coventry Hill/Lower Road	£4,530 pa	28 years (until 2033)	None	Maintenance of most fences
Rayleigh & District Angling Society	Ponds off Ferndale Road Open Space	£600 pa	28 years (until 2014)	None	Keep site clean and tidy
Rayleigh Town Sports & Social Club	Land north of London Road, Rayleigh	£3,770 pa	21 years (until 2019)	None	Maintenance of fences and hedges
Reserve Forces and Cadets Association for East Anglia	Land off Connaught Road, Rayleigh	£440 pa	10 years (until 2013)	None	Maintain fencing and gate
Essex County Fire and Rescue Service	Car park adjacent to 57 South Street, Rochford	£1,110 pa	7 years (until 2012)	None	-

Review of Council's Community Halls and associated assets

LESSEE	ADDRESS	CURRENT RENT	TERM	2009/10 RDC GRANT	LESSEE RESPONSIBILITIES
Downhall Under Fives	Land at Ferndale Public open space , Hullbridge, Essex	£1,000 pa for first five years, thereafter open market rent.	30 years (until 2039)	None	Only land subject to lease, building owned by lessee.
Crouch Valley Scout Association	Land off Ark Lane, Rochford	£50 pa	28 years (until 2033)	None	Only land subject to lease.
Rochford Bowls Club	Bowling Rink, Stambridge Road, Rochford	£2,936 pa (Note – no rent is paid if the cost of maintaining the green, estimated at £7,556 pa, exceeds the rental value. This is the situation at the present time so no rent is paid)	15 years (until 2015)	None	Maintenance of bowling green.