

16th January 2017

Sir Ken Knight
Chief Commissioner
London Borough of Tower Hamlets
Mulberry Place
5 Clove Crescent
London E14 2BG

CC: Mayor John Biggs, Cllr Saunders, Cllr Edgar, Cllr Pierce, Zena Cooke, Steve Hill, Ann Sutcliffe

Dear Commissioners,

We are writing in response to the most recent Commissioner Decision report, which states that “further monitoring of Mainstream Grants recipients has identified the following organisations as being in council buildings which are not classed as community buildings:

- Bethnal Green Weightlifting Club
- Black Womens Health and Family Support (Russia Lane)
- Age UK (Russia Lane)
- Pollyanna (Wapping TRA)
- Weavers Adventure Playground Association
- Tower Hamlets Community Transport (THCT)
- The Shadwell Community Project: Glamis Adventure Playground”

I have been in contact with representatives of all of these organisations over the past few days and whilst I know that some will also be contacting you directly, am writing to raise some concerns and points that are likely to affect them all.

Until recently the discussion around voluntary sector premises, particular in relation to Mainstream Grants, has focussed on the buildings on the community buildings List as presented to Cabinet on 1st Dec 2015. Last year's Community Buildings Review, conducted via open consultation and a range of discussion at our premises forum, provided the voluntary and community sector with the opportunity to comment on the rental arrangements for council buildings as well as on proposals for new community hubs. From the voluntary sector's perspective, although the list was discussed very little distinction was drawn between community buildings (those on the list) and other council owned premises; the key factor was the actual or potential usage of the buildings.

The proposals agreed at Cabinet in November 2016, which alongside the network of community hubs include provision for a community rent (effectively market rent for D1 usage) with a possible community benefit reduction of 80%, represent a significant development and strike a new tone for the way that the local authority relates to the

voluntary sector as a landlord. We are hopeful that the principles agreed set a precedent for all voluntary and community organisations in council premises, not just those on the community buildings list.

If the same requirements and benefits are to apply to all community organisations in council owned premises, then just as those MSG funded organisations in community building have been required to take on formalised occupancy arrangements, we anticipate that you will request that the above named organisations do the same.

In doing so, we ask you to understand that a number of the organisations named in the paper have made efforts to negotiate (or to renegotiate expired) leases and are willing to pay rent. We would therefore request that you:

1. Refrain from halting payment of MSG whilst arrangements are put in place. Ceasing grant payments in this context is unnecessarily punitive, especially where leases are not yet available to sign, and may affect organisations' ability to continue their MSG funded services to residents.
2. Agree that where community groups are to remain in existing accommodation that this occupation will be on the basis of a formal lease with a community rent. This is directly in line with what was agreed at Cabinet in November 2016; we believe it should apply to all council owned premises. We also ask that where community benefit can be proved and other arrangements are not in place the community benefit discount should apply.
3. Allow time for new arrangements to be agreed. The on-going conditions for the Mainstream Grant state that 'If the organisation become an occupant of premises owned by tower Hamlets Council, the organisation must enter into a formal agreement within 3 months in order to formalise occupancy arrangements or the awarded grant may be withheld or terminated'. We ask that the three month period apply in this case, since although the organisations have not moved premises they are being asked to take on new arrangements that will require negotiation, legal advice and budgeting.

We are keen to work with the council on the implementation of the new Community Buildings arrangements including leases and rents for council owned buildings, the application and implementation of the community benefit discount and the development of the community hubs programme. Thank you for considering our letter.

Sincerely,



Gemma Cossins,
Interim CEO