

**From:** Shafiur Rahman  
**Sent:** 24 May 2016 13:28  
**To:** Commissioners  
**Subject:** Osmani Centre Lease and withheld Mainstream Grant Payments – Osmani Trust

Dear LBTH Commissioners

## **Osmani Centre lease and withheld Mainstream Grant payments – Osmani Trust**

Osmani Trust is a youth and community organisation based in Tower Hamlets. The Trust offers a wide range of youth, community, health and sporting initiatives tailored to the needs of local communities. It aims to provide a holistic service, which helps people, particularly those living in disadvantaged urban communities to re-engage with mainstream society and improve their quality of life. Osmani Trust has had a rich history of serving the local community spanning 40 years.

Osmani Trust has also been delivering a number of LBTH grant funded services for over 20 years and last year (2015) was awarded 3 Mainstream Grants (MSG). As you know one of the new pre-conditions added to MSG was the requirement that MSG recipients operating from a council building to have a signed lease/agreement in place.

A draft (unsigned) lease for the Osmani Centre at 58 Underwood RD E1 has been in circulation between both our legal teams since 2010/11. The draft had not been finalised to minor technical amendments proposed by our solicitors as well Osmani Trust requesting a more affordable third sector community rent instead of the market value rent proposed in the lease. Some progress was made on these discussions up to 2014 however recently they were stalled.

On 27<sup>th</sup> January 2016 Mr Aman Dalvi (Corporate Director, Development & Renewal, LBTH) informed us that Commissioners (yourselves) have approved for the first quarter of the MSG (Sept – Dec 2015) to be released on the condition we sign the lease by 28<sup>th</sup> February 2016.

To my knowledge this was not fully paid. In a further letter dated 1<sup>st</sup> April 2016 along with implied threats of cancelling MSG and reviewing Osmani Trust's position in the building Mr Dalvi stated that the lease would be issued shortly and that we must sign it; however our solicitors are yet to receive a copy of the final draft of the lease.

In the meantime other significant developments emerged that impacts our situation along with all third sector organisations renting Council community premises. LBTH agreed a draft Community Buildings: Allocation and Charging Policy around Dec 2015. It is clear in the draft policy that community organisation should receive discount on rents due to 'community benefits' although the details have yet to be determined. Since then several meetings have been held by the voluntary sector including the THCVS premises forum of which we are also a member of.

The THCVS premises forum has called for lease negotiations to be halted until LBTH undertakes further consultations with the sector around rents to be charged to community buildings. It is also our understanding that a consultant has been employed to work with the council and the third sector through THCVS to produce recommendations as a way forward for determining how rents will be set for community organisations in council buildings and other aspects of leases.

In light of the delay in signing a lease being due to final draft of lease not being issued yet by LBTH and the above significant developments related to LBTH community buildings and its foreseeable impact on all LBTH community building leases we kindly request if Mainstream Grant payments could be released in the meantime to enable vital services to be continued from the Osmani Trust.

Furthermore as reassurance the following facts are pertinent

- 1) We have been running and fully maintaining the Osmani Centre since 2011
- 2) We have a draft lease in place which we have been negotiating terms since 2011
- 3) We have a secure premise from which to deliver our services from for duration of the MSG Grant
- 4) We have been delivering Council grant funded services for over 20 years
- 5) The delay in completing the lease is out of our hands as LBTH legal team are updating the lease and are communicating with our solicitors we intend to sign the lease as soon as terms are agreed and reflect any sector wide policy changes.
- 6) We have full intentions to regulate our occupation of the Osmani centre by means of a signed lease.

We have been forward funding the three MSG funded services for the past 9 months now to the tune of approx. £40k. All three of our projects have a RAG status of green. We cannot afford to carry on indefinitely in this manner. On the other hand if MSG was withdrawn and services stopped hundreds of local vulnerable young people/children and their families would immediately suffer from loss of vital services.

I would appreciate your support and attention to this matter. If any of your team would like to meet or require any further clarification on any of the issues raised above please contact me.

Thank you

Kind Regards

**Shafiur Rahman**

Executive Director

**Osmani Trust**

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