1. Introduction

1.1 Ipswich Borough Council has a number of assets which are currently utilised by voluntary and community organisations. These organisations, also known as third sector organisations, include community and charitable organisations at both a local and national level. The Council has made these assets available for use by these organisations as leasehold interests on various lease lengths and with varying responsibilities.

1.2 The Council’s approach to making available its assets for use by voluntary and community organisations has developed in an ad hoc manner over a period of time and this has resulted in a variety of different arrangements which are not always clear and transparent. By putting this policy in place, the Council is establishing the principles by which any future utilisation of Council assets by these organisations will be governed, thereby creating a fair and transparent policy which can be applied in all cases.

2. Assets covered by the Policy

2.1 For the purposes of this policy, an asset is defined as land or buildings in the ownership of the Council. No Council owned assets are specifically excluded from being made available for use by voluntary and community organisations but leaves this open for decision on a case by case basis.

3. Use of Council Assets by Voluntary and Community Organisations

3.1 The Council is most likely to consider making an asset available to a voluntary and community organisation on a leasehold arrangement on a short, medium or long-term basis and is likely to be at market value.

3.2 Rents to voluntary and community organisations will be agreed at an open market level. This is to ensure that all disposals to voluntary and community organisations are entered into on a transparent and equitable basis.

3.3 The Council may at its discretion pay a grant to a community organisation to cover the cost of rent and/or other costs incurred, depending on the extent to which the Council considers the voluntary and community organisation’s activities contribute towards achieving its aims and objectives. Grants will be made available on an annual basis and will be renewable at the Council’s discretion. Further details of the Council’s approach to providing grants to voluntary and community organisations can be found in its “Voluntary and Community Sector Grants Policy”.

3.4 It is unlikely that the Council will transfer the freehold of any of its assets, except in the most exceptional of circumstances.

3.5 The Council will write in to such leases an appropriate clause under which the asset would revert to Council ownership (fall back arrangements), for example:
• In the case of bankruptcy
• In the case of corruption
• Where the anticipated benefits of transfer are not, or are no longer being, realised
• If the organisation wishes to develop and move into bigger premises

All short-term leases (less than seven years) will contain mutual annual break clauses to ensure that voluntary and community organisations are not tied in to leases in the event that their grant funding is withdrawn.

3.6 Leases will normally contain a review clause indicating that rents will be reviewed at suitable intervals in line with market rents for that type of property or use. Levels of rent will vary from property to property dependent on the final terms and the respective responsibilities of the parties.

3.7 All leases entered into with voluntary and community organisations will include a provision to exclude for security of tenure protection in accordance with the Landlord and Tenant Act 1954.

4. **Implementation of the Policy**

4.1 Due to the variety of arrangements currently in place in respect of the use of Council assets by voluntary and community organisations, it may take some time to implement, however, the Council will seek to implement this policy:

• as soon as practicable where lease arrangements have already expired,
• as and when an existing lease is due to expire, or
• when the Council agrees to enter into a new lease arrangement.