



Voluntary and Community Sector Premises in Southwark

April 2015

Introduction

Finding **available**, **affordable**, and **suitable** premises is a challenge for voluntary and community organisations (VCOs) nationwide. According to the Ethical Property Foundation, <u>40% of organisations</u> believe their building is the greatest risk facing their charity.

Over the years, CAS has carried out a great deal of work examining the landscape of VCS premises in the borough, and looking at ways that the situation could be improved. This report outlines some of the work we have already done, and outlines recommendations we feel would improve the premises situation for VCOs across Southwark.

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1. Premises: Work So Far

The suitability and availability of premises is a longstanding issue for the voluntary and community sector (VCS), and accordingly, there have been various pieces of work over the years to try to address premises issues.

In March 2009, Southwark Council carried out a survey of all council premises occupied by VCOs. CAS then produced a paper entitled 'Report on Southwark VCS Premises Survey'. The results of the survey were telling - 40% of respondents felt their property was not fit for purpose, 60% had issues with the space they occupied, and 51% said they needed more space. Comments included that property was poor condition and needed renovation, was too small, expensive to run, and lacked facilities.

In September 2010, CAS produced '<u>Foundations for the Future: A Review of Community Premises</u>'. This pointed to a varied picture for VCS premises across the borough. For example, some groups were being supported to maintain their buildings, whilst others were paying for their own repairs, and some groups had access to peppercorn rents whilst others did not. Organisations were concerned that sharing premises would affect their confidentiality, and were concerned about run-down premises.

Recommendations included developing a work plan to demonstrate a 'whole-system' borough wide approach to community premises. This was followed by a move towards market rents on the part of the council, which created a challenging environment for some organisations. CAS supported organisations on case-by-case basis throughout this shift, and over the course of 2012/13, co-ordinated a premises working group, to which officers from Southwark Council's community engagement team contributed.

CAS's premises working group had 5 meetings over 2012/13 - bringing together VCS, statutory agencies and external organisations. One of the undertakings of the group was to map VCS premises across the borough. As part of this work, 104 premises were mapped: 23 community centres, 19 churches, 21 TRAs, 10 arts and cultural spaces, 12 halls, 14 youth and play spaces, two private spaces and three schools.

The issue of premises continues to come up on a regular basis. At our first joint Southwark Forum on 17th July 2014, we asked attending organisations to <u>discuss the challenges they were facing</u>. Affordable premises came up as one of the top five issues. Organisations told us that they were being forced to move due to rent increases, resulting in disruption to their services. Vulnerable people using the services struggled to cope with this disruption and had to travel further to reach the support they needed.

In spring 2013, we conducted our Count Us In survey, which culminated in our the <u>Value the VCS</u> campaign. The survey explored the state of the sector in Southwark, and was sent out to all our members and other local registered charities. 8% of respondents said that they shared premises. 33% said that they received premises in kind, or paid peppercorn rent. 'Office or building space and quality' was the 5th most pressing concern for respondents.

We re-ran the Count Us In survey in early spring 2015. The most frequently mentioned shared resource was premises – 22% of respondents said they were either co-locating, renting out a space in a building, leasing out space to others, or gifting or being gifted space. This is very positive; however, worryingly, premises had shifted up the list of pressing concerns for VCOS, and was the 3rd most problematic issue for respondents. In particular, one respondent stated that they felt 'persecuted' by increased demands for rent, and were unable to move or develop their premises. They went on to write that their building had no fire escape, which was a hazard, and no disabled access, which was inappropriate and was preventing them from being able to develop their offer.

2. Challenges and Issues

CAS often hears anecdotally that there is a real need for community space in the borough and there is a lack of knowledge about lease terms, negotiation and council strategy around community premises.

The VCS estate is very diverse, consisting of a wide range of properly types, locations, states of repair and tenants. Terms of occupation therefore vary – some VCS tenants may be on a very low or peppercorn rent, while some are paying market rents. The council has stated that its general stance is to charge market rent, and support charities through grant aid to subsidise this where necessary.

Through the premises working group, we received large amounts of feedback from groups about the challenges they were facing. Common issues for groups were:

- 1. Suitability. Challenges included a lack of space for storage, buildings being in poor condition, halls and offices not being in close proximity, a lack of private space, and accessibility issues.
- 2. Availability. It has been mentioned that demand for premises is centred around the same peak times, making it difficult for organisations to procure space. Particularly busy times include the weekends and after school (as expected). Finding premises in convenient locations has been an issue for organisations.

- **3. Compatibility between organisations sharing a space**. Activities could be incompatible and expectations different, meaning a clash between organisations trying to utilise the same premises.
- **4. Management.** Organisations can lack the resources to manage space, including managing bookings of space, managing the risk associated with premises, and managing the **cost** of space in general. Small groups are particularly at risk of this, as they may not have a strong understanding of premises issues.

3. Recommendations:

Work on premises has been ongoing for some time. We would like to make three recommendations, which might help to shift forward the discourse on premises across the borough, and how we can improve the operating environment for VCOs:

- 1. It would be useful if CAS could be provided with a comprehensive picture of the VCS estate in Southwark. This should include what organisations are utilising which buildings and for what purpose, and which organisations are paying peppercorn and which market rents. This could help us to better understand what the VCS premises picture looks like, and how we can better support organisations to effectively utilise, and where possible, share premises. It will also allow us to support organisations with the transition to market rent, where this is planned.
- 2. We would like to see full VCS involvement in the development of any **new council VCS premises strategy**, with extensive consultation. CAS can help to organise this and collate evidence on behalf of the sector. This strategy should be developed with property services, and applied consistently across the VCS (including social enterprises).
- 3. The council should produce a clear, easy to read, downloadable document for their website that outlines policies on rate relief, lease terms that will apply to VCS, availability of rent subsidy, rent free periods and asset transfer, and processes required to nominate community assets under the Localism Act. This would help to increase knowledge in the sector about the council's approach to VCS premises. It would be very useful to have all this information in one place, as information about the council's policies on VCS premises can be difficult to locate at present.

If you have any **questions** about anything in this document, or want to discuss VCS premises in more detail, please contact **Rachel Clarkson**, **Senior Policy Officer** at rachel@casouthwark.org.uk