

**MINUTES OF THE MEETING OF THE  
COMMUNITY LEADERSHIP AND PARTNERSHIPS SCRUTINY COMMITTEE  
HELD ON 18 SEPTEMBER 2013 AT 7.30 P.M. AT THE COUNCIL OFFICES, WEELEY**

**Present:** Councillors Miles (Chairman), Amos, Broderick, Bucke, C Callender, Hawkins, Patten and Pugh.

**In Attendance:** Democratic Services Manager (Colin Sweeney), Assets Manager (Andy White) and Democratic Services Officer (Janey Nice).

**19. WELCOME**

The Chairman welcomed all to the meeting and said it was her intention that the Committee would be discussing the issue of the Community Asset Rental Offsetting Scheme (CAROS) with a view to making recommendations to Cabinet as to the way forward.

**20. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS**

An apology for absence was submitted on behalf of Councillor Tracey (with Councillor Bucke substituting).

**21. MINUTES OF THE LAST MEETING**

The minutes of the last meeting of the Committee, held on 8 July 2013, were approved as a correct record and signed by the Chairman.

**22. DECLARATIONS OF INTEREST**

Councillor Broderick declared a personal interest in relation to Agenda Item No. 4 (A.1: Review of the Community Asset Rental Offsetting Scheme – Setting the Framework) by virtue of the fact she was a member of the Clacton Sailing Club and that she was the Chairman of the Holland Residents' Association.

Councillor Hawkins declared a personal interest in relation to Agenda Item No. 4 (A.1: Review of the Community Asset Rental Offsetting Scheme – Setting the Framework) by virtue of the fact he was a Director of Harwich Connexions and also as a Trustee of St Helena Hospice, both organisations listed as not receiving CAROS support.

**23. REVIEW OF THE COMMUNITY ASSET RENTAL OFFSETTING SCHEME – SETTING THE FRAMEWORK**

The Council's Assets Manager gave a presentation on CAROS which advised the Committee that:

- CAROS was a grant scheme which supported local organisations by fixing their rent at £150 per year;
- The scheme was intended to create a level playing field amongst supported community facilities;
- There was a cost to the Council as it could gain extra income, which would free up money for other services. (This could have a potential impact on Clubs in the scheme losing CAROS as some would not survive such a change); and
- Failure of groups or Clubs could lead to a reduction in income to the Council.

The Assets Manager informed the Committee that there were currently 38 community groups that rent land or buildings from the Council, however only 23 groups (25 properties) are included in the scheme. The primary reason for the difference is the number of groups that have a rent lower than the CAROS level and so would not benefit from it. He said that the 2012/13 actual budget for the scheme was £48,295. He said that there were a further 217 groups in the District who performed a community role but did not rent buildings or land from the Council.

The Assets Manager detailed various figures outlining the turnover and membership numbers of the organisations in the scheme before he moved to the following options available to the Council for supporting community organisations that rent land or buildings from it:

- Asset transfer – the Council would dispose of the freehold or long lease with a clawback provision and legal obligations to provide community facilities in the future. This is usually done where a Council contributes assets to a scheme that includes significant proposals to develop and enhance public facilities - an example was given of the Bury St Edmunds Rugby Club;
- Individual setting of rents potentially below value – this could mean individual decisions that could reflect different circumstances and community benefits with a reduction in rent, however this would mean a large number of individual decisions at lease renewals and rent reviews; this could place a demand on resources and risk inconsistent outcomes;
- Public Sale – the asset could be put on the open market to allow the club or organisation and others to bid to purchase them on condition that whoever purchased the site would continue the provision of the public services – this could result in significant uncertainty for the organisations and potential future enforcement issues for the Council;
- Open market rent – simply adhere to the Council's obligations to get the best consideration reasonably obtainable. This would require the community groups to raise additional funds to meet the rental payments. The downside could be mean some organisations would not be able to achieve this;
- Continue CAROS as it was – this would involve a cost to the Council, if the scheme continued with grants equating to the charging of £150 rents and;
- Continue but with changes – there were options which included:
  - (i) to increase the flat rate of annual rent payable from £150;
  - (ii) change to a percentage grant, which could be a certain percentage of market rent instead of fixed rate;
  - (iii) change to a percentage with base level, plus a percentage of the difference;
  - (iv) set differential amounts, different fixed sums for different categories of organisation, e.g. community associations would pay one amount while sports clubs could pay another;
  - (v) set differential percentages for categories of organisations. As above, but with percentages rather than amounts; and
  - (vi) A Portfolio Holder decision each year to allocate individual grants to organisations related to their contribution to public services –organisations could be sent a questionnaire annually to see what they have been doing and they propose and the Portfolio Holder would allocate grants related to the results. This could entail considerable use of resources.

The Asset Manager gave examples of scenarios showing how the different options could affect different organisations with varying results. He went back over the different options adding that 2014/15 could be a transitional year between the current scheme and a new scheme.

The Chairman and Committee thanked the Asset Manager for his comprehensive presentation.

The Committee felt it was important that the Council contributed to the community, perhaps by giving the money back in a different way, it was very important to facilitate people to socialise and do various things, and gave an example of elderly people being isolated.

Concern was also raised about the number of organisations who had not responded to the Council's survey or provided their accounts when requested. It was felt that as the Council was assisting in low rents then it should not be too difficult to give the information when requested, although this was not a condition of CAROS.

After further discussions on the issue of how CAROS should continue or change, it was moved by Councillor Hawkins, seconded by Councillor Broderick and:

**RECOMMENDED TO CABINET** that the Council continues the Community Asset Rental Offsetting Scheme until further notice.

On being put to the vote, three voted in favour of the motion with five voting against, therefore the motion was **LOST**.

After further discussion, it was moved by Councillor Patten, seconded by Councillor Amos and:

**RECOMMENDED TO CABINET** that:

- (a) The Scheme as it currently exists is not fit for purpose and should cease in May 2015;
- (b) Of the 25 participating organisations, Cabinet should immediately identify options for asset transfer(s);
- (c) Cabinet advise of annual funds available for subsidised rent for community based organisations across Tendring as a whole; and
- (d) Cabinet considers the property or land assets currently subject to the scheme to determine whether the current use best fits the Council's strategic objectives.

On being put to the vote, four voted in favour of the motion, with three voting against and one abstention, therefore the motion was declared **CARRIED**.

*Councillors Broderick and Hawkins each declared personal interests in the above matter, details of which are recorded under Minute 22 above.*

#### **24. ANY OTHER ITEMS WHICH THE CHAIRMAN DECIDES ARE URGENT**

There were none.

#### **25. FORWARD WORK PROGRAMME**

The Chairman informed the Committee that the scheduled meeting of 4 November 2013 had been brought forward to 21 October 2013 in order to discuss the Local Plan. She informed the Committee that Councillor Hawkins had suggested an earlier start of 7.00 p.m. to allow Members more time to deliberate. After discussions with the Committee it was decided that the meeting would start at 7.30 p.m. and that an additional date of Wednesday 23 October 2013, be set aside in order that the Local Plan could be discussed in depth without being curtailed by timing issues. It was reported that efforts

would be made to split the agenda into two parts with specific sections being discussed on each night.

The Committee also asked about when the GP Surgery at Holland-on-Sea was going to be reviewed, however this was on hold for the time being.

It was also felt that a further meeting was needed to review the Falls issue after the Health and Inequality Review and that, in early 2014, the Committee receive a briefing on educational development on which the Council had been leading.

The meeting was declared closed at 9.15 p.m.

Chairman