

Cheltenham Borough Council

Cabinet

Request for rent subsidy from Gloucester and District Citizens Advice Bureau

Accountable member	Cabinet Member for Finance, Councillor John Rawson
Accountable officer	David Roberts (Head of Property and Asset Management)
Ward(s) affected	Landsdown
Key Decision	No
Executive summary	The Council have been asked by Gloucester and District Citizens Advice bureau to consider a rent subsidy for the premise known as 3 St George Street. The Bureau satisfies three of the Council's Key Objectives and that, as a result, a rent subsidy is proposed.
Recommendations	It is recommended that Cabinet agrees to accept the recommendation of the 3 rd Sector Panel and authorise the Director of Resources to administer a rent reduction of 80% against the lease between Cheltenham Borough Council and Gloucester and District Citizens Advice Bureau

Financial implications	<p>The premise is not currently in commercial occupation and therefore the rent achieved will provide support to the council's finances.</p> <p>Contact officer: Nina Philippidis, Accountant nina.philippidis@cheltenham.gov.uk, 01242 264121</p>
Legal implications	<p>None arising directly from the report</p> <p>Contact officer: Rose Gemmell, rose.gemmell@teWKesbury.gov.uk, 01684 272014</p>
HR implications (including learning and organisational development)	None
Key risks	Should a letting to the CAB not be forthcoming, the property will remain vacant and, given that it stood vacant for approximately 18 months between 2009 and 2011, it is therefore likely that the unit will prove difficult to rent out in the commercial market.

<p>Corporate and community plan Implications</p>	<p>By agreeing this application Citizen Advice Bureau will contribute to supporting the Council Priorities of:</p> <ul style="list-style-type: none"> • Strengthening the local economy • Developing a strong and sustainable community • Focussing on Children and young people
<p>Environmental and climate change implications</p>	<p>Nothing in this proposal is considered to impact negatively upon the Council's environmental and climate change aspirations</p>

1. Background

- 2.1 Gloucester and District Citizens Advice Bureau is a registered charity (hereinafter referred to as CAB) they would like to enter into a lease of 3 ST Georges Place for a term of 3 years.
- 2.2 The Art Gallery and Museum has been in occupation of the property since 2009 but is currently in the process of vacating. CAB provides services to help people resolve their legal, money and other problems by providing free, independent and confidential advice.
- 2.3 CAB made an application under the Council's 3rd Sector Policy; a copy of the application is attached as Appendix II.
- 2.4 A meeting of the 3rd Sector Policy board considered the application from CAB for rent relief at 3 St Georges Place and concluded that a relief of 60% in addition to a subsidy of 20% applicable to charitable institutions renting Council-owned premises, was appropriate. A copy of the panel's decision is attached as Appendix III.

2. Reasons for recommendations

- 2.1 The 3rd Sector Policy Board considered the application from CAB and concluded that the following subsidies could be applied:
 - 20% subsidy in respect of CAB contribution to the Council's Objective 3 'Strengthening Our Communities'
 - 20% subsidy in respect for CAB contribution to the Council's Objective 2 'Strengthening Our Economy'
 - 20% subsidy in respect of CAB contribution to the Council's Objective 5 'A Focus on Children and Young People'
- 2.2 20% subsidy reflecting CAB is a registered charity
- 2.3 It is proposed that the CAB shall occupy the property upon an internal repairing basis and be responsible for the payment of all utility and rates bills as well as insuring all plate glass at the property.
- 2.4 The full Market Rent of the property has been ascertained to be £10,000 and an initial term of three years has been agreed so as to allow the CAB to assess the appropriateness and suitability of the premises for its needs.

3. Alternative options considered

- 3.1 The Council could decide not to offer the CAB a rent subsidy, this would result in the strong possibility that the CAB would no longer be able to provide a service within the Borough

4. Consultation and feedback

- 4.1 Cllr Peter Jeffries (Cabinet Member for Housing & Safety), who has responsibility for community development, actively supports the proposal

5. Performance management –monitoring and review

- 5.1 Not applicable

Report author	Contact officer: Rebecca.conway@cheltenham.gov.uk, 01242
Appendices	<ol style="list-style-type: none">1. Risk Assessment2. Submission by Gloucester & District Citizens Advice Bureau3. Decision of 3rd Sector Assessment Panel.4. Floor plan
Background information	N/A

The risk				Original risk score (impact x likelihood)			Managing risk					
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register	
	If the tenant cannot sustain 20% rent payments and closes operation in Cheltenham, then this will result in a loss of a community facility and exposing the Council to empty rates from a closed shop	Rebecca Conway	26 th Nov 2013	2	2	4	Accept	None	26 th Nov 2013	Rebecca Conway		