

Community Southwark VCS Premises Project Learning and Recommendations

January 2025

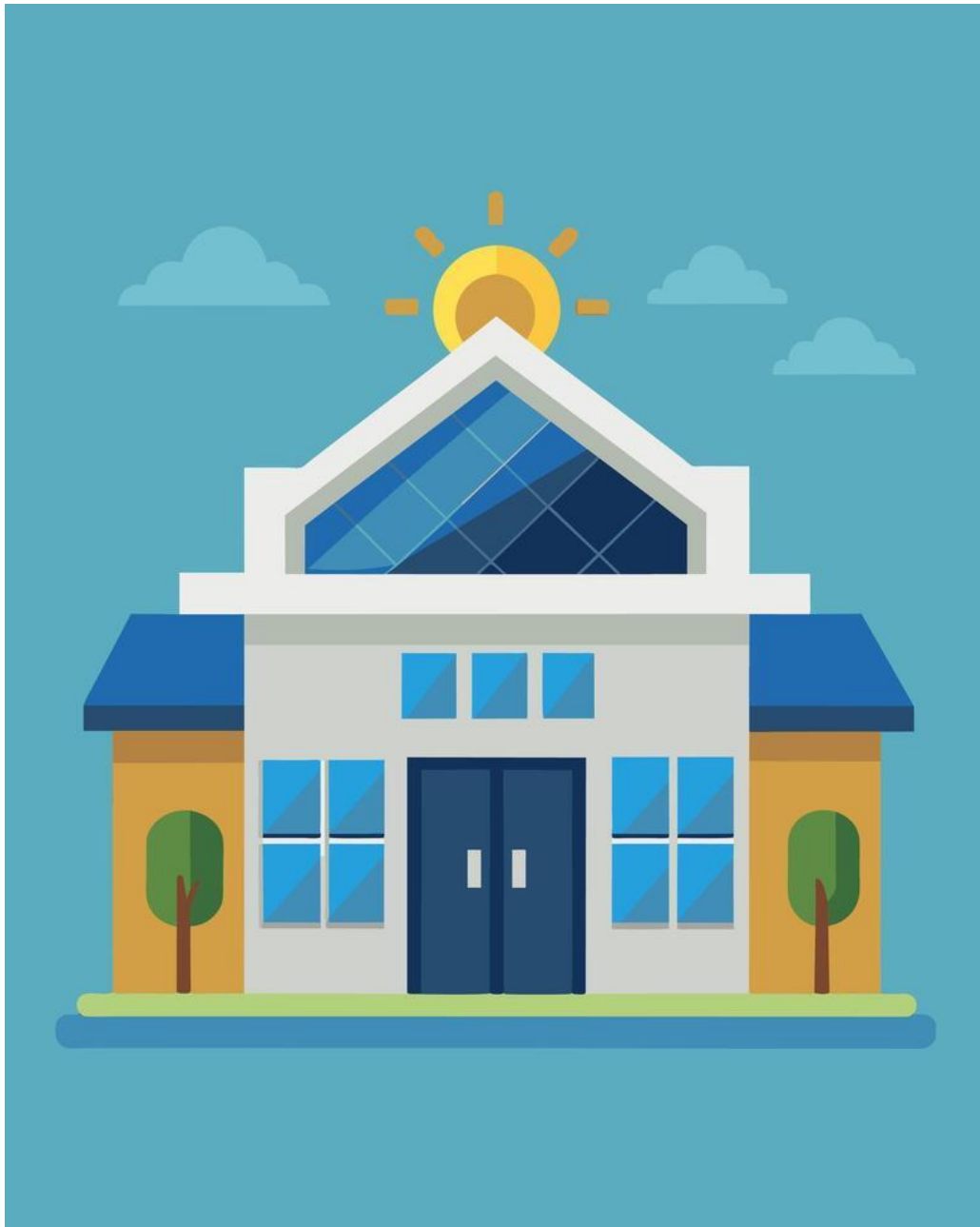


Table of Contents

Introduction3

Executive Summary4

Findings from first year of Premises Matching Project6

Focus groups with current VCS leaseholders8

 Capacity and relationships8

 Processes9

 QuotesError! Bookmark not defined.

VCS space management models..... 11

Other boroughs’ policies: VCS Premises 14

Introduction

Community Southwark exists to support the Voluntary and Community Sector (VCS) in Southwark, providing advice, training, and networking.

In 2023 we asked our membership - consisting of over 1,000 community groups, charities and social enterprises - about the biggest challenges they faced, which was summarised in our [State of the Sector report](#).

One of the three key themes identified by this research was “Premises” – specifically the lack of affordable and suitable space for our members to carry out their activities, and the difficulties faced by groups trying to keep existing spaces functioning.

To help address these issues, the report laid out key recommendations, including the creation of a new ‘Premises Officer’ role at Community Southwark. This would provide detailed support to members around premises, liaise with stakeholders in the sectors, and influence relevant council policies.

This role was created in January 2024, with funding support from Southwark Council and United St Saviour’s Charity, initially for a 12-month pilot. We are pleased that this has been extended for a further two years.

With this project we aim to address some of the short and medium term issues raised by our members, such as making matches between groups who need space and those who have some available, as well as providing support for groups managing existing spaces. In the long term, we hope to influence wider strategic discussions and feed into policies that create systemic improvements for the voluntary and community sector.

This document is part of that process, and collects together learning and insights from the project so far, with a particular focus on the development of new borough-wide policies affecting the VCS - such as the Affordable Workspace and VCS Premises Policies.

These insights have been drawn from the following areas:

- Findings from the first 12 months of the Community Southwark Premises Matching Project.
- Feedback from current VCS leaseholders and tenants, gathered in focus groups and one to one interviews.
- Research into various models of providing space for VCS groups.
- Research into other boroughs’ VCS or Community Asset policies, with a particular focus on our neighbours in Lambeth and Lewisham.

Layout and Purpose

The most important insights, which we put forward as starting points for a discussion, can be found in the Executive Statement below.

Each area of feedback or research is then expanded upon in turn, and full details of each can then be found in the Appendices. We have highlighted learning, principles, and risks.

It should be noted that this document should be viewed as a starting point, rather than a comprehensive review. We intend for this document to develop further as we explore this issue in more depth, and from other viewpoints. Although we have endeavoured to speak to a wide range of VCS groups and related organisations, it is a very large and diverse cohort, and this report cannot hope to cover all viewpoints and experiences.

Equally, there are many aspects of space allocation and management that we have not been able to explore, but our hope is that this document provides a strong foundation for this work in future, and can act as a primer for wider engagement with the borough’s VCS as policies are developed.

Executive Summary

Throughout our work in this area, the same three questions have arisen:

- How is space allocated – whether that is to VCS groups or others?
- How are those spaces managed?
- How are those spaces paid for?

As a result, we have split our key learnings into those headings below.

These ideas have been compiled through project learning, listening to the VCS, and researching other boroughs. They are not demands as such, being given as suggestions and starting points for discussion.

Allocation

- Create a Southwark Council “VCS Property Portfolio”, listing the spaces available for VCS use, offered under specific community lease terms.
 - This should have built-in flexibility around which spaces are on the list and include a range of asset types and sizes.
- Create a clear process to apply for these spaces, including an appropriate expression of interest stage, a waiting list and a partnership-based application process.
- Set out a transparent process for decision-making, including clear criteria for how any subsidy or rent reduction is determined.
 - This could include a panel of VCS peers, and/or a dedicated VCS premises coordinator in the property team.
 - Improve communication to unsuccessful applicants, including feedback
- Consider the benefits (and risks) of aligning the priority for premises with the council’s priorities.
- Involve VCS groups or representatives as early as possible in the planning process, especially in the creation of community space through developer agreements or contributions.
- Recognise that historic and structural racism mean that ethnic minority led groups have had less access to quality VCS space and prioritise redressing this balance.
- Include details of how existing Council managed office and event space, including at Tooley Street, can be fairly and affordably utilised by VCS organisations.
- Improve VCS access to other assets such as libraries and parks.

Management

- Create VCS or Community leases, that allow for reduced rent offset by the social benefit created by VCS work.
 - These leases should allow for a range of business models, such as single tenant, anchor tenant providing space for others, consortium management, community hubs, and others.
 - Leases should include clear guidance around responsibility for repairs and upkeep. Where assets are more complex, such as listed buildings, responsibilities must be fairly allocated.
 - Leases should be long term, to improve chances of external funding and to ensure sustainability.
- Provide support and guidance to VCS organisations managing council assets.
- Improve understanding of the VCS across council departments, to develop shared capacity for successful asset management.
- Create capacity within property department to manage VCS premises, distinct from commercial or housing assets.
- Provide funding or incentives to other landowners to open up their spaces to VCS users.
- Create system for monitoring VCS use of assets with clear shared objectives.
- Explore third party management of VCS spaces, with expertise and experience working with the VCS.

Funding

- Accept that the VCS is non-profit making and cannot pay market rents.
- Create a defined system of subsidised or reduced rents for VCS leases, with a consistent application across the VCS Portfolio.
 - This should include a range of structures to reflect the diverse nature of the VCS and organisation's business models.
- Utilise funding options such as CIL and S106 contributions to pay for capital and revenue costs – and amend policies where necessary to achieve this.
- Actively seek external funding sources, such as the GLA, social investors and private businesses.
- Build a VCS Premises Repair fund to support groups with maintaining council assets.
- Develop shared capacity to minimise service charges and create system to track costs and provide clearer estimates.
- Develop policy to invest in communities and develop their capacity to manage spaces, including through job creation.
- Minimise expenditure on new spaces and maximise investment into existing community hubs – and the people using them - to ensure social sustainability.
- Ensure that some of the Community Empowerment Fund, recommended in the council's Land Commission, is used to support VCS groups with finding and managing properties.

Findings from first year of Premises Matching Project

- This is an issue that affects all parts of the VCS - we have received requests for support from all topic areas and size of organisation.
 - It will therefore require a range of solutions with involvement from many departments and stakeholders.
- The need is most acute amongst smaller and emerging groups (under £10,000 income) and groups identifying as BAME-led.
 - These are often the organisations working with the most disadvantaged sections of our community, and those least connected to mainstream sources of support.
- Office or desk space is as needed as activity space.
 - The current workspace market is not providing suitably affordable space for VCS groups.
- Affordability is a far bigger issue than availability.
 - There is no shortage of spaces that are available to hire, but current market rates are unfeasible for many groups, especially with the challenges around applying for core funding.
- Need is present across the borough but is highest in central parts of the borough.
 - Including Elephant and Castle, Peckham and Camberwell.
- Groups are looking for space for all timeframes - short and long term use, one-off events, regular bookings and long term occupancy.
- Groups need support throughout the premises lifecycle.
 - There's an information and skills gap in multiple areas, including understanding of leases and property terms, and management of spaces.
- Making matches between groups offering space and those in need is a long and complex process - but it does lead to very positive outcomes.
 - We have made 17 successful matches, from a total of 110 cases
- There is huge potential in the current stock – across public, private and VCS estates. Utilising it will require imaginative and sometimes radical responses from a range of partners.

Premises need survey data

Below are examples of the data available via our Premises Need survey dashboard, which is available to access here: <https://airtable.com/appHxMmezdpQ7iqwl/shrB08ZtOGYJewAuF>

This is real-time data, so there may be some minor variations depending on when it is viewed. We encourage partners to make use of this, and welcome queries and requests for further details.

Number of surveys completed

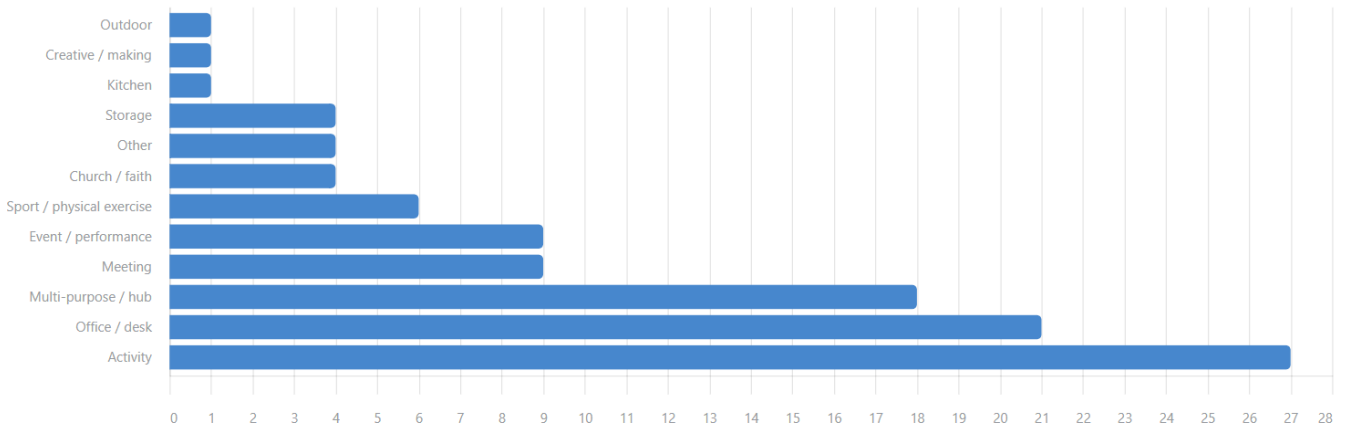
105

Number of unique organisations submitting surveys

90

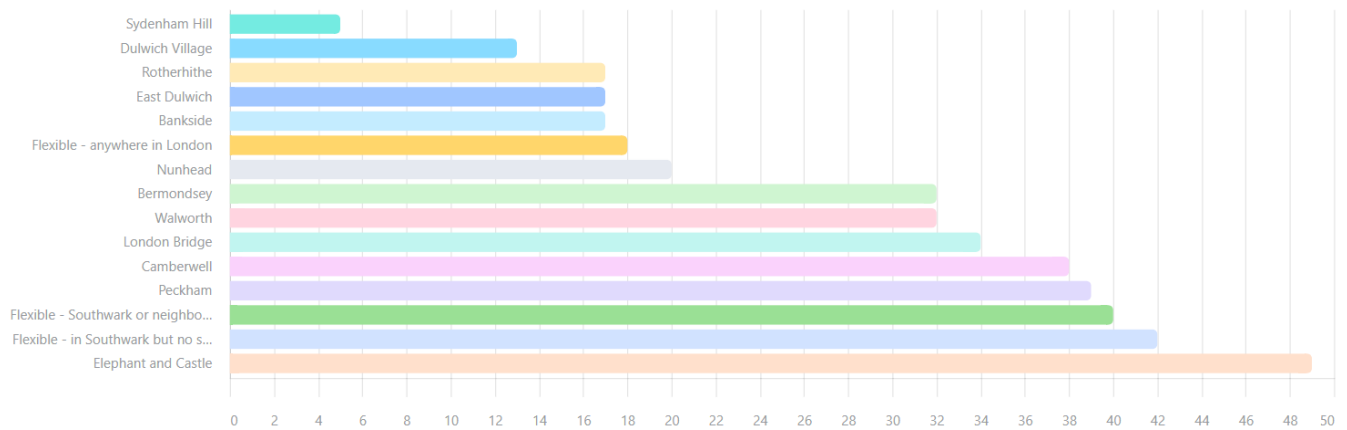
Type of space requested

Users were asked to pick one main category, and submit multiple requests if multiple uses required



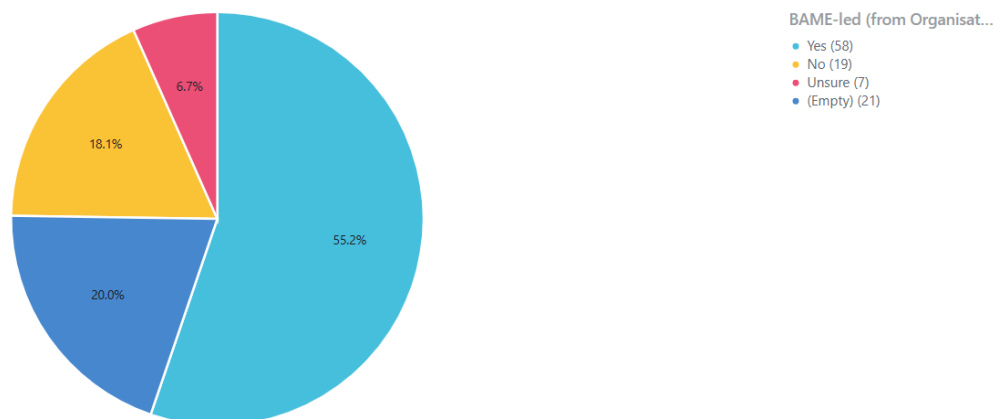
Location requested

Users were able to select multiple options for this question



Is the group BAME-led?

This is self-determined, and we are missing data on some members



Focus groups with current VCS leaseholders

In September and October 2024, Community Southwark met with senior leaders from a number of VCS groups who are currently leaseholders of a Southwark council property.

We spoke to a wide range of organisations, from smaller groups taking on space for the first time through to larger well-established organisations with a long history of managing assets. Some conversations were held in small groups, and others were one on one discussions.

The conversations were wide-ranging, covering the unique situation that each group and individual found themselves in, but throughout we attempted to find out what has worked well, what hasn't, and what improvements or changes they would like to see.

We have then summarised these feedback, requests and suggestions into common thematic areas, which you will find listed below, with more detailed notes to be found in Appendix 1.

Capacity and relationships

- **Council Understanding:**
 - All Council staff and departments involved with property need a better understanding of community organisations, their needs and the sector's financial limitations.
 - There needs to be a wider recognition of the value VCS organisations create, both economic and social.
 - As such, they should be involved in the planning process as important stakeholders as early as possible.
 - There's a need to accept that there is a certain level of risk inherent in VCS work.
 - There needs to be better alignment and communication between different Council departments, with the shared aim of successful VCS properties.
 - There is a lack of understanding of how structural racism has exploited communities for generations, and how communities still feel exploited as a result.
- **VCS Capacity:**
 - VCS groups can lack capacity to manage property-related issues due to a lack of expertise and staff capacity.
 - They require clear information and guidance from the start, alongside signposting to support services, and opportunities for training.
 - Managing spaces cannot be done effectively (or fairly) for free. The skills and time required should be recompensed, to encourage most effective use of spaces.
- **Shared Capacity:**
 - Honest conversations between property owners and VCS groups are essential to understand each other's capacity and limitations.
 - Conversations should look at how this shared capacity can be developed for successful outcomes.

- A person-centred approach with less formal language would help develop more successful relationships and limit misunderstandings or conflicts.
- All parties should be working in partnership to achieve common goals of a well-supported community and a well-maintained, well-utilised property.
- **Training and Toolkits:**
 - There is a need for various levels of training around property, from basic requirements to advanced skills.
 - It should be ongoing, and focus on empowering individuals to manage spaces effectively, involving practical experience where possible.
 - Toolkits or resources need to reflect the varying levels of responsibility that different sized organisations could take on.
 - All groups benefited from some forms of external advice, but the need for this can be mitigated through partnership working, and landowners being more open to queries and negotiations.
 - Partnership working could leverage support from other sectors, such as architects, accountants and management firms.

Processes

- **Accountability and transparency**
 - All groups should have equal access to information about potential premises, and more information should be provided upfront to reduce wasted resources.
 - All parties should be clear about timeframes and known periods of disruption, such as holidays.
 - More clarity is needed on the rationale behind decisions.
 - There should be a clear process for providing constructive feedback, and a dispute or escalation process if relationships break down.
- **Information and timeline**
 - All parties would benefit from a clear timeline on any property related matter, broken into stages and including information on responsibilities in plain English wherever possible.
 - Information packs provided to prospective tenants should be more comprehensive and include contacts details and a breakdown of responsibilities.

Finances

- **Leases, rents and charges**
 - The lease offered must take into account the unique complexities of the VCS and be materially different from commercial or personal leases.
 - Community space that provides benefits to Southwark residents should be charged a community rent that understands the social and economic benefits created.

- Wider economic factors are creating high service charges, but imaginative and bold solutions are needed to help mitigate the burden placed on the VCS.

- **Sustainability**

- Partnership working could help ensure the long-term sustainability of the space, not just in terms of material repairs but also the engagement and capacity of the relevant communities to manage and utilise it effectively.
- Different models such as mixed management boards or co-operatives should be explored.

- **Social value**

- This can be a helpful tool for VCS organisations to better understand their impact, and links with wider services.
- Strong concern that this can be over-used and further entrench inequality between groups who can 'play the game' and those who can't.
- Important to involve VCS peers and community members in social value conversations to accurately reflect the impact created.

VCS space management models

Across the country there are great community spaces that provide reliable, affordable and sustainable homes for a huge number of VCS groups, ranging in size and scope from micro neighbourhood groups through to national and international charities.

As befits such a diverse sector there are many different models being used to manage these spaces, and a small sample of these are provided below. We have focussed on examples from other London boroughs, as these will share many of the same economic, social and environmental challenges.

We have sought to gather key insights on what has worked well, or hasn't worked as well, for these locations, and summarised into our three key headings. We also hope that these examples help spark some ideas amongst Southwark's VCS and stakeholders, as we seek creative solutions to this pressing issue.

More detail on each case study can be found in Appendix 2. Please note that this has so far been desk research, and we plan to do more in-depth discussions and site visits as the project progresses.

Premises managed by VCS for groups working on same theme – We Are 336, Lambeth

Allocation

- Unifying theme – disability and carers' charities - makes it clearer which groups can apply to use the space, and provides clarity of purpose for the building.
- It provides 'seed-bed' spaces at peppercorn rent for emerging organisations, which is vital for grassroots groups supporting underserved communities.

Management

- Managed by an existing VCS organisation, who understands the need for the space and has a clear mission to deliver it.

Funding

- More research is needed to understand the funding and ownership model behind this space.

Community-led entity created to manage centre - The Selby Centre, Tottenham

Allocation

- Stated aim to support individuals and organisations from BAME, refugee and other historically excluded communities, helping to address the issue of embedded inequality around access to space.
- 35 local VCS groups have long term office space, with advertised rates of around £15psf.

Management

- An organisation was set up with specific purpose of managing this community facility, providing clarity on responsibilities and mission.
- Supported by local council with long lease and public political support.

Funding

- Hosts a number of private businesses that provide income to support VCS space.

- Diversified income streams including training programmes funded by national bodies, avoiding over reliance on income from hiring spaces.

Funder managed spaces – Fivefields (Victoria)

Allocation

- Funder provided spaces gives holistic support to grantees, helping them focus on their mission.
- Risks entrenching inequality and opening gap between those funded and not funded.

Management

- Managed by a social enterprise workspace provider, with a defined purpose.

Funding

- Grant funding set aside to cover up to 50% of the rent, which can otherwise be very hard to source funding for.

Council for Voluntary Services (CVS) managed spaces - CVA and Sobus, Croydon and Hammersmith

Allocation

- Clear focus on supporting VCS, especially emerging groups, more research needed to define allocation process and if any themes or types of organisation are prioritised.

Management

- Managed by local charity body with knowledge of the area, including strengths and weaknesses of local VCS, challenges and opportunities.
- Spaces operated with clear mission and vision, with stated focus on VCS and local communities.
- Dedicated staff with many years of experience in managing a range of corporate and community facilities.

Funding

- Both CVS bodies manage multiple spaces with multiple offerings – including permanent offices, hotdesking, and spaces for one-off hires. This diversification helps provide multiple income sources, but both charities have a lot of exposure with multiple assets under their control.
- Sites are a mixture of repurposed buildings (schools and shopping units) and purpose-built assets, but more research is needed as to how they are funded and/or owned.

New entity created by infrastructure groups to manage space – Community House, Bromley

Allocation

- Building converted on the back of research by the council and CVS body, identifying clear need for community resource space.
- Core users of building are local chapters of major charities such as Age UK, Citizens Advice and Relate – providing opportunities for collaboration and resource sharing.
- Six other charities are long term office tenants, with a number of other groups taking virtual tenancy (including commercial organisations).

Management

- New charitable body created with clear mission to run the space, with representation from local community along with core founding tenants.

Funding

- Lease from council awarded in 2000, but more research required to ascertain what type of lease, and how this is being paid for.

Linking up community spaces and healthcare - Bromley by Bow Centre, Tower Hamlets

We are very interested in the way this space combines statutory and community sectors to provide holistic health and wellbeing services, but more research is needed to understand their model in detail.

Other boroughs' policies: VCS Premises

We have reviewed VCS and Community Asset Policies from our neighbouring boroughs of Lambeth and Lewisham, as well as Tower Hamlets. For the purposes of clarity we have again summarised our findings into the three headings below, and further details can be found in the Appendices.

As the project progresses we will carry out further research into other boroughs and local authorities, with this document updated in due course.

Allocation

- All three boroughs have created defined VCS portfolios, with about 50 assets in Lambeth and Lewisham, and around 70 in Tower Hamlets.
- In Lewisham, prospective VCS tenants are assessed against set criteria to ensure the organisations are resilient and well-managed, and are providing activities that meet wider strategic aims.
 - Vacant sites are advertised to the VCS and the council seeks expressions of interest, providing prospective tenants with detailed information packs and the shared vision for this space.
- There are similar criteria in Tower Hamlets, where decisions on allocation and rent reduction are made by a panel of council officers with VCS representation from Tower Hamlets CVS.
- Lambeth's policy does not include any set criteria, but does require there to be clarity around availability of spaces and a transparent application process, with a waiting list for VCS groups seeking accommodation.

Management

- All three boroughs are working towards a standardisation of all VCS tenancy agreements, replacing things like tenancies at will with "community leases" or similar.
- In Lewisham, these leases will have standardised Heads of Terms, with flexibility to adjust in order to achieve maximum benefit, and have two standard lengths (short or long) and two options for repair and maintenance.
 - Community assets will be monitored annually against defined principles, and the policy allows concessions to be withdrawn.
- Lambeth have a similar plan to standardise all arrangements into a Community Lease, that makes clear the repair obligations and funding for capital works.
 - A self-evaluation tool will be used by VCS occupiers for annual reporting against strategic aims.

Funding

- All three boroughs are looking to standardise community rents as well, but the models used vary.
- Lewisham have a standardised concession process for determining rents, including options for peppercorn, stepped, community and commercial rent rates.
 - The Lewisham 'community rent' is currently set at £5-10psf, with the expectation being that groups on peppercorn or stepped rents will be working their way towards the full community rent.
- Lambeth has a number of rent levels, as set out in their 'subsidised rent matrix'
 - This matrix focusses on the buildings and locations (the cost burden of running the building and the income generation potential) rather than the VCS organisations' value, which is considered equal.

- Rents in this matrix range from £3.45 to £5.75
- They also make clear the financial value of the rent subsidies offered to the VCS, at around £900,000pa
- The basic rent level will maintain current rental income (around £290,000) and fund a VCS Asset liaison role.
- Tower Hamlets has a standardised community rent (£14psf) which can then be lowered by up to 80% (down to ~£3psf) through a Community Benefit rent reduction scheme.
 - Eligibility for this is determined by set criteria, included a group's capacity to effectively run a building.