

Collective statement on council VCS premises

We the undersigned voluntary and community groups working in Tower Hamlets, stand together to call upon the London Borough of Tower Hamlets to:

- Resolve immediately the specific issues around leases (the 10 case studies* previously submitted).
- Review the VCS Premises Policy to include longer-term leases.
- Consider social value rents for voluntary and community groups.

Organisations who have signed the collective statement

Attlee Centre, Bethnal Green Weightlifting Club, Bow Foodbank, Coffee Afrik CIC, Friends of Tower Hamlets Cemetery Park, Limehouse Project, Millwall Rugby Club, Numbi Arts, Oxford House in Bethnal Green, Shadwell Community Project (Glamis Adventure Playground), Somali Senior Citizens Club, Spitalfields City Farm, Stepney City Farm, Tower Hamlets CVS, Volunteer Centre Tower Hamlets, Women's Environmental Network.

Issues

The future of a number of voluntary and community groups is threatened by serious issues with council leases and premises. In a previous premises report submitted to the council on 7 March 2025 many problems were detailed in 10 case studies*. Many of these have taken a significant amount of time and are still not resolved. The issues include:

- Examples of extremely poor communication from the council, including numerous examples of emails not being answered and unanswered FOIs and complaints.
- Refusal of longer-term (over 5 year) leases in order to apply for much-needed capital funding.
- Lack of clarity about what the VCS Premises Policy means, for example with city farms whether the community rate applies to the land or the buildings.
- No process in place to resolve disputes.
- Different council teams making decisions that impact on VCS groups, with no communication between teams.

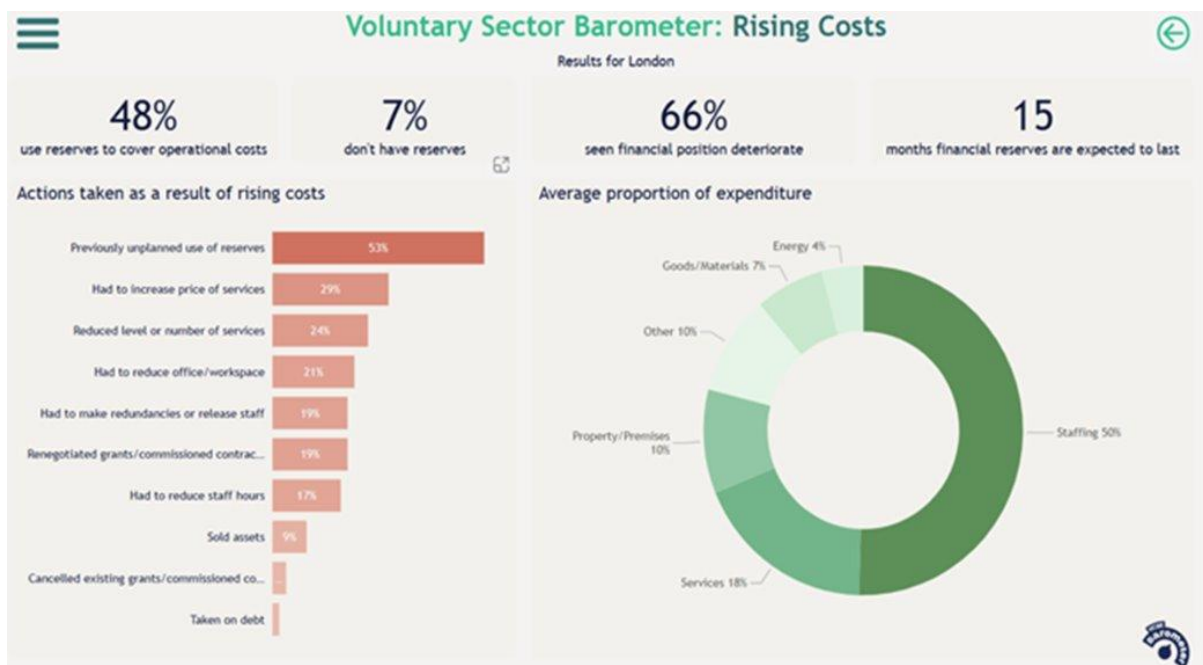
Length of leases

Voluntary and community groups need long-term tenure. In the environment where funding is getting harder to come by, the security of knowing they can stay in their premises is a real benefit. 5-year leases aren't enough for voluntary and community groups to apply for much-needed capital funding. 12 years left on a lease is usually the absolute minimum for capital funders, and many major revenue funders require at least 10 years for revenue funding too. The ability to apply for these grants would be a benefit to the borough as they could bring substantial sums of money into Tower Hamlets and significantly boost the quality of the buildings used by the voluntary and community groups whose work plays such an important role in the borough.

Why support voluntary and community groups

The value that voluntary and community groups bring into the borough is huge, both financially and socially. Tower Hamlets CVS's [State of the Sector](#) report showed that in 2020/21 registered charities alone had an income of £200m per year. Voluntary and

community groups provide services at incredible value for money, and the sector is increasingly being recognised for its role in the prevention of ill health and tackling health inequalities. The sector delivers impactful, community-based support at a fraction of the cost of statutory services. By building trusted relationships, these organisations can engage people earlier and more effectively, helping to reduce demand on statutory partners. However, voluntary and community groups rely on a patchwork of short-term grants, donations, and contracts, many of which are restricted to specific projects or outcomes. This makes long-term planning more difficult. Finding unrestricted funding for core running costs is a significant challenge. Reserves are usually modest and cannot be used indefinitely. Tower Hamlets CVS's [State of the Sector](#) report back in October 2023 showed that 57% of those surveyed had enough funding for at most one year. The situation has got worse since then, with the [VCSE Barometer](#) survey from Nottingham Trent University showing that in London almost half of organisations are using their reserves to cover operational costs. This position is unsustainable, and the sector needs support from local authorities to continue to provide its vital services.



Our asks:

- **To develop social value and/or 'peppercorn' leases.**
Other councils (Southwark and Camden) are developing social value leases which provide essentially peppercorn leases over 25 years and we would like Tower Hamlets to consider that. This review should also include other ways of offering support to voluntary and community groups in this time of economic uncertainty for the sector, including community asset transfer.
- **To agree a process for applying for longer-term leases (up to 25 years).**
Longer leases are vital in order to apply for grants for necessary capital work. We strongly believe that longer-term leases should be available on peppercorn rent, or under the current system at community rate of £14psf with community rent benefit applied where appropriate.
- **To get clarity about the VCS Premises Policy.**
This should set out clearly what the community rate applies to and the timeframe for

responses to queries. This should also include the status of the buildings and facilities which were paid for and built by the organisations themselves. Consider including childcare in the community rent benefit reduction. Consider the impact of decisions around leases in conjunction with the VCS, possibly using an equalities impact assessment. Consider a framework to ensure premises are [EPC](#)-compliant.

- **Review the process for resolving disputes.**

Set out a clear and transparent process for resolving disputes, including for maintenance issues, involving a VCS representative to ensure accountability. This should include other users in shared community premises.

- **To review and communicate the council's internal structure.**

To ensure that anyone dealing with premises is communicating properly with others in different council teams (including the grants team) to ensure a more joined-up and consistent approach, which would also include licensing arrangements and asset of community value registration. This should include emphasising the importance of council officers to be more friendly and communicative, and promoting both the social and economic value of the VCS within the council.

- **To include the VCS in discussion around the use of other spaces.** Work with the VCS to develop a process for securing opportunities for spaces in new developments. Also to work with the VCS to find potential uses for meanwhile spaces.

Whilst we are pleased that the Corporate Director of Housing and Regeneration has started to book in meetings with each of the organisations from the case studies, we are increasingly concerned that without prompt action a number of the organisations are in danger of closing before their cases can be resolved. We cannot stand by and watch the demise of these organisations who have provided services to the community for decades.

This statement calls for the council to resolve the problems and to set up meaningful consultation to review the VCS Premises Policy so that it offers the opportunity to apply for the longer-term leases necessary to attract funding and investment, and finally to consider social value leases offering 'peppercorn' rents.

*10 detailed case studies were submitted to the council on 7 March 2025, including Attlee Centre, Bethnal Green Weightlifting Club, Ocean Regeneration Trust, Setpoint London East, Shadwell Community Project, Friends of Tower Hamlets Cemetery Park, Somali Senior Citizens Club, Stepney City Farm and Stifford Centre.