

COMMUNITY LEASING POLICY 2026

**OXFORDSHIRE
COUNTY
COUNCIL**

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1.0 Introduction

Community Leasing is the leasing of an asset from Oxfordshire County Council ('the Council') at "less than best consideration" – that is less than its full market value – in order to achieve a public benefit. This public benefit can come through the value generated from social, environmental or economic programmes for local communities.

An asset is defined as a building(s) and/or land owned by the Council.

How does it differ from traditional leasing?

Firstly, Community Leasing is only possible for community groups and charities (see "Eligibility" for more details) – for-profit entities are not able to access Community Leases. Secondly, Community Leases are only possible for groups that are able to demonstrate a clear social benefit that they are providing, which allows the Council to justify forgoing "best consideration" – full market value.

How does it differ from Community Asset Transfer?

Community Asset Transfer (CAT) deals with **transfer of ownership** of assets for less than best consideration. Community Leasing refers to the **leasing** of assets to community groups for less than best consideration.

Please refer to the Community Asset Transfer Policy 2026 for more on CATs.

1.1 The National Policy Context

When making decisions with regard to our asset portfolio, the Council needs to be mindful of the following legislation:

- **The Local Government Act 1973** s123 requires councils to obtain the "best consideration reasonably obtainable" when disposing of land or buildings.
- **General Disposal Consent (England) 2003** gives permission for councils to dispose at less than best consideration, provided that the undervalue is less than £2m (in capital terms), and the transfer benefits the economic, social, or environmental well-being of the area.

1.2 Community Leasing in the Oxfordshire County Council Policy Landscape

Strategic Plan 2025-2028

One of the three core pillars for the [2025-28 Strategic Plan](#) is 'Fairer', ensuring that the local economy benefits everyone, our services are as easy to access as possible and that we help communities in need. Community Leasing enables more community groups to have access to local facilities and thrive in our county.

Property and Assets Strategy 2022

Any Community Leasing decisions need to fit within the Council's 2022 Property and Assets Strategy. This strategy sets out the ten-year ambition for the Council's property portfolio to create an efficient, innovative and accessible property estate which delivers climate action objectives and generates social value for residents.

Marmot Place

Oxfordshire is a Marmot Place - a programme of work across public sector partners, businesses and voluntary sector organisations which aim to tackle health inequalities and improve health fairness in Oxfordshire. Community Leasing contributes towards this by empowering local communities to generate social benefits in their local spaces.

Delivering the Future Together

As part of the Delivering the Future Together agenda, the Council is committing to becoming a place shaper and partner of choice. This means working proactively with our voluntary sector to help them thrive throughout the county.

1.3 When will we do Community Leasing?

The Council has a large and varied portfolio of property and land, with most of the estate used for corporate purposes, let, or held for redevelopment or sale.

When a Council-owned building or land (an asset) is identified as being surplus to the Council's requirement, consideration will be given to whether there is an alternative requirement internally or if the asset is required in the longer term. Not all assets are deemed suitable for Community Leasing and there are some that will be reserved for the commercial disposal route, generating revenue or a capital receipt for the council. Assets which have the potential to generate significant capital receipts are less likely to be considered as suitable for Community Leasing.

Community Leasing is preferred when an asset has been identified as important to the long-term future of the Council, but in the short-term is not needed. It is therefore in the public interest to retain it as part of the Council asset portfolio, whilst enabling a community group to maximise its use in the meantime.

In general, assets will be made available for Community Leasing unless one of the following principles applies:

- a) Property revenue savings or capital receipts from the property are essential to contribute to Council savings.
- b) There is another Council need for the property which would be financially disadvantageous to meet in any other way.
- c) The asset is leased in by the Council.
- d) The property has already been identified for utilisation under One Public Estate.
- e) Grant conditions for capital expenditure on the property prevent the property being leased or prevent a change of use within a specified timescale.
- f) The proposed use and terms of the lease would result in a liability upon the Council to repay grant monies.
- g) The condition of the asset is not deemed fit for purpose or does not meet the current Minimum Energy Efficiency Standards without capital investment.
- h) The proposed use is not compatible with the existing or intended use of adjacent Council retained land/buildings.

- i) If engaging in Community Leasing would cause the Council to incur significant future costs that would be needed for the building to be operational – e.g., roof repairs or central heating.

1.4 Eligibility

You can apply if your organisation has a significant social or environmental benefit to residents of Oxfordshire. You are eligible to apply if you are a:

- constituted voluntary or community organisation
- constituted group or club
- registered charity
- charitable incorporated organisation (CIO)
- community interest company (CIC)
- community benefit society (CBS)

Community Leases are intended to support the VCS groups that need it the most to access property within the county. Therefore, organisations that have a yearly revenue of over £2,500,000 will not be considered eligible. By setting a revenue threshold, the Council ensures that Community Leasing benefits those organisations most in need of financial support rather than well-resourced, larger organisations.

See section 3.1 for the Assessment Criteria by which applications will be judged.

2.0 Principles of Community Leasing

To ensure that maximum value is obtained from Community Leases, for both the Council and the community sector, our approach to Community Leasing will be shaped by the following principles:

1. Transparent

- We will be open about the properties that we have available. They will be advertised on the Council website at: [Council land and buildings | Oxfordshire County Council](#). The CAT / Community Leasing Working Group will review this list quarterly, and update it whenever appropriate properties are identified.
- We will be open and clear about the application progress, as well as the timescale of the process, and will respond to all applications as quickly as possible.
- We will be open about the criteria which we judge applications against. (See section 3.1)

2. Fair

- We will be open to applications from all eligible groups.
- We will judge all applications against our assessment criteria (see section 3.1)

3. Accountable

- The CAT / Community Leasing Working Group will assess all applications and represent the needs from across the Council.
- Any accepted community lease will be financially sustainable and not incur ongoing costs for the Council.

- We will ask that all applications demonstrate a sound business plan that shows how community partners will be able to care for the asset.

2.1 CAT / Community Leasing Working Group

To enable full oversight of opportunities for CAT and to enable a cross-Council view, a CAT and Community Leasing Working Group will be established. Membership of the Working Group will be comprised of:

- Properties and Assets officer. Nominated by the Director of Properties and Assets. This officer will chair the Working Group.
- Economy and Place officer. Nominated by the Director of Economy and Place. This officer will represent the Council's place shaping and community wealth building objectives.
- Asset-based programmes. An officer from relevant service areas with asset-based programmes or projects (such as Family Hubs or Community Hubs) will be invited to sit on the Working Group for the duration of the programme.
- Relevant service area. Where necessary, the Working Group will call in an officer relevant to the service area which a CAT or CL application relates to. This is to ensure that the Working Group is making informed decisions about the possible benefits of applications.

The Working Group's first function will be to identify properties suitable for CAT / Community Leasing, and to maintain and update the published list of available properties. The Working Group will meet quarterly to review this list. It will keep a record of any requests that VCS groups have made for properties to be added to the list, which will feed into decision making.

The Working Group's second function will be to assess applications, using the Assessment Criteria set out in Section 3.1. A multi-Service approach will be taken, so that services relevant to the VCS group applying are present to help assess the application.

Following consideration of each proposal, the Working Group will make a formal recommendation to the Director of Property and Assets, who holds delegated authority under the Council's Scheme of Delegation to Officers to take decisions relating to the management, leasing, and disposal of Council property and assets.

The Director of Property and Assets will act as the final decision-maker, applying the Council's principles of decision-making and ensuring compliance with all relevant financial, legal and constitutional requirements. Where a proposal constitutes a Key Decision, it will be escalated in accordance with the Constitution.

3.0 The Application Process

- 1.) A list of available properties will be published online at: [Council land and buildings | Oxfordshire County Council](#). If you have any questions regarding

any of these properties, please contact:

Estates.Enquiries@Oxfordshire.gov.uk . Members will be informed of any properties in their wards that have been designated for Community Leasing.

- 2.) If you would like to apply for a Community Lease, you will need to fill in a Full Application form (See Annex 1). This form goes into detail about your intended use for the asset, as well as your business plan. Please ensure that you have read the full Community Leasing policy – in particular ensure that your organisation is eligible (1.4 Eligibility) and refer to Section 3.1 Assessment Criteria for how your Full Application will be judged.
- 3.) The CAT / Community Leasing Working Group will evaluate your application against the assessment criteria and arrive at a recommendation that will be put forward for decision.
- 4.) The CAT / Community Leasing Working Group will inform you in writing of the decision.

Only applications for properties published online as available for CAT or Community Leasing will be considered. However, organisations are encouraged to indicate interest in a Council owned property for future CAT or Community Leasing by emailing Estates.Enquiries@Oxfordshire.gov.uk. A log will be maintained of all notices of interest, which will be used to inform future decision making.

It is the responsibility of the CAT / Community Leasing Working Group to respond to each stage of the application process in a timely manner, and to communicate each stage with the applicant.

Preparing the information and documents required for the application form can be a lengthy and time-consuming process. Once the Full Application has been submitted, the Council will aim to get Heads of Terms (a non-binding summary of key terms agreed before drafting a full housing contract) agreed and solicitors instructed as soon as possible.

3.1 Assessment Criteria

The CAT / Community Leasing Working Group will consider each Business Proposal made against the following criteria:

- a) The proposed use for the asset will generate significant social value for the county. This could be through supporting:
 - The Council's Social Value Local Priorities, as established in the Social Value Policy. These can be found here: [Social Value Policy | Oxfordshire County Council](#)
 - The Council's Marmot Place objectives. These can be found here: [Oxfordshire as a Marmot Place | Oxfordshire County Council](#)
 - Please note, applications do not need to support multiple priorities, and there is no hierarchy of which priorities are preferable.
- b) The proposal supports the Council to deliver its statutory services or makes a cost saving for the Council by supporting a statutory service.
- c) The application proposes to invest into the repair or improvement of the property.

- d) They have a viable business plan that covers the costs of holding the property and managing it effectively OR an evidenced track record of good financial management.
- e) There is evidence of community need and support for the proposal
- f) The proposal will be focused on providing a clear long-term benefit to the local community, rather than a national focus.
- g) The proposal comes from an appropriately constituted organisation (see section 1.4)

Particular weight will be given to applications that support the Council's priorities. Service areas will be consulted on applications that are related directly to their services in order to assess the level of potential impact.

3.2 Contract Types

General Terms

Leases will be considered on a case-by-case basis according to each asset's location and circumstances. For example, a property that is currently empty is far more likely to be considered for Community Leasing. The state of repair of the asset, and therefore its future associated costs, will also be considered.

In order to protect the long-term use of properties which have been identified as applicable for Community Leasing, some general terms will apply to any agreements:

- Contracts will be for a minimum of three (3) years, with a standard lease being seven (7) years. Leases will contain a break clause as standard.
- The Council recognises that long leases can be beneficial for VCS groups to attract grant funding. The Council is open to long term Community Leases (e.g., 10 or 20 years), as long as they comply with Council service requirements and the factors set out in section 1.3.
- Tenants will be given a "photographic schedule of condition" noting the condition of the building at the beginning of the lease.
- Contracts will be non-assignable, meaning contracts cannot be transferred to another party. Community Leases are only granted due to the public benefits provided by the application of community groups, so they cannot be passed on to different parties that have not been through this application process.
- Ad-hoc hiring out of the property is permitted, but no subletting will be permitted without formal consent. Part subletting to support the agreed use of the property will generally be agreed, provided the property is still being used to provide the public benefit as set out in the applicant's business plan.
- There will be no security of tenure. Community Leasing contracts are granted when the Council need to retain ownership of an asset in the long run but have identified that in the short run it could be better utilised by a community group. When contracts come to an end, it is likely because the Council requires the asset again, meaning we cannot grant the right for tenants to always renew contracts.
- In general, Community Leasing tenants will be responsible for general 'wear and tear' maintenance costs. The level of repair and maintenance will be agreed with Community Leasing tenants at the point of application to reflect

the individual circumstances of the property and the contract agreed. For example, applicants who propose to invest more into a property may be recognised via a larger rent concession.

How is the rent reduction calculated?

The level of rent for a Community Lease will be determined by the Council on a case-by-case basis, reflecting the specific circumstances of the asset and the proposal. As each asset and application presents many distinct factors to be taken into account, it is not possible to prescribe fixed criteria to determine rent levels. In determining the level of rent, the Council will consider factors such as:

- The current condition, market value and demand for the property, including whether it has remained vacant for an extended period.
- The level of investment the applicant proposes to make in the property. For example, if an application committed to investing into the property, it would be more likely to be recognised with a heavily reduced or peppercorn rent.
- The extent to which the proposal supports the Council's strategic objectives, benefits statutory services and delivers social value.

3.3 Long term considerations

Reporting

In order to ensure the assets are being used for their intended purpose, successful applicants will be required to submit their charity commission report, impact report or other agreed document which demonstrates use of the asset to the Council. This report should evidence the social impact and use of the property in line with the use laid out in their initial business plan.

If assets leased under a Community Lease are not being used for the agreed purpose, the Council will reserve the right to recover the asset. If the tenant is found to be breaking the terms of the Community Leasing agreement, then they will be given a period to remedy the situation as set out in their leasing agreement.

Appendix

Appendix 1: Full Application

Community Leasing Full Application

1. The Asset

Name of Asset

Address of Asset

2. Details of the organisation making the application

Name of Organisation

Address of Organisation

Telephone number

Email address

3. Contact Details

Your name

Contact address

Telephone number

Email address

Position in the
Organisation

4. Organisation Structure

What kind of organisation are you?
E.g., Registered charity, Community Interest Company etc. See Section 1.4 Eligibility of the Community Leasing Policy for eligible organisation types

Charity / Company number:

5. Governance

When was your organisation established?

Does your organisation have a written constitution, governing document, or set of rules?
If yes, please attach to this document

Yes

☐

No

☐

How many people are involved in your organisation in the following positions?

Management committee		Paid full time staff	
Paid part time staff		Volunteers	

Please tell us the type of insurance your organisation holds and provide the levels of cover.

E.g., Public Liability, Employer Liability, Professional Indemnity

6. Terms of Request

What is the length of lease that you are requesting? Please state your reasoning for this requested length of lease. *

**Note that leases will be of a minimum length of three years, with standard leases being seven years.*

Please attach a note setting out any other terms and conditions you wish to apply to the request.

7. Business Plan

For the following section, refer to Section 3.1 to read the Assessment Criteria which will be used to judge your application.

7.1 Use - Set out how you plan to use the asset. Explain the objectives of your project, why there is a need for it, and any activities that will take place there. Please also include your budget for the first year of the lease.

Please note that all applicants will be required to comply with statutory compliance regulations, such as planning permission, building regulations, electrical and fire safety regulations etc.

(500 words max)

7.2 Funding

Lay out how you intend to fund your lease payments or repairs and any investment commitment.

Established groups will need to provide accounts that demonstrate three years of good financial management.

For new groups, please provide an outline of how you propose to fund the rent you are prepared to pay for the land, as well as how you are going to hold the property and manage it effectively. You should show your calculations of the costs associated with the transfer of the land or building and your future use of it, including any redevelopment, ongoing maintenance and the costs of your activities. *

**Please note that Council grant funding cannot be used to fund rent or planned investment or repairs.*

(500 words max)

7.3 Investment / Development

Please set out any investment, development or changes you plan to make to the land or building. Business plans that propose to invest into the property will be given further consideration over the terms of the lease, in recognition of the investment into Council assets. (500 words max)

7.4 Social Value – Please set out the social value that will be generated should your application be approved. Consider how your proposal might generate social, economic or environmental benefits for the local community. Consider how your proposal will support either the Council's Social Value Local Priorities (found in the [Social Value Policy](#)) or [Marmot Place](#) objectives. If applicable, also detail how your proposal would support the Council to deliver any of its statutory services.

Please note that applications do not need to support multiple priorities, and there is no hierarchy of which priorities are preferable.
(500 words max)

7.5 Negative consequences – What negative consequences (if any) may occur if your request is agreed to? How would you propose to minimise these? You should consider any potential negative consequences for the local economy, environment, or any group of people, and explain how you could reduce these. (250 words max)

7.6 Level and Nature of Support - Please provide details of the level and nature of support for the request, from your community and, if relevant, from others. This could include information on the proportion of your community who are involved with the request, how you have engaged with your community beyond the members of your organisation and what their response has been. (250 words max)

8. Equalities and Inclusion

How will you ensure that your services / activities are inclusive for everyone in your community? (250 words max)

Completed application should be emailed to: Estates.Enquiries@Oxfordshire.gov.uk