

Policy on leases with Perranzabuloe Parish Council.

The Parish Council should have criteria for two different types of lease, for business and community (not-for-profit) groups.

Business: For enterprises engaged in commerce, manufacturing or performing a service, the main aim of which is to make a profit for the individual, partnership or corporation concerned. The activities of the business may incidentally improve the well-being of the community as a whole but this would not be the prime purpose of the organisation.

- Rents would be based on the type and size of the leased area and projected profitability, to be ascertained by a chartered surveyor.
- The Lease would be a normal business lease with break clauses, rent reviews and right to renew (Landlord and Tenant Act 1954) with such clauses (e.g. full repairing) as is felt appropriate in individual cases.

Community Groups: For charitable or non-profit-making groups which must comply with the following criteria:

- *It is intended to improve the well-being of members of the community, physically, mentally or socially and/or bring direct benefit to all or some of its inhabitants,*
- *It has good governance procedures,*
- *It charges reasonable subscription amounts (bearing in mind the average users and areas of deprivation within the parish), and re-invests any surplus income into the group,*
- *It is inclusive (welcoming all-comers).*
- Rents for this type of group could be discounted by a percentage based on a realistic independent valuation by a chartered surveyor.
- The rent would take into account the value of the group to the community but would not be based solely on the number of users (to protect minorities).
- Any commercial activity of the group itself should be taken into account and accurate financial reports would be required to inform initial rent and rent reviews.
- Council would expect any commercial activity to be subordinate to the aims and objectives of the group.