

Finance & General Purposes Committee Report

Subject: Occupational Lease Arrangements – Community Centres

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1. Purpose of the Report

To update Members on the current position regarding occupational lease arrangements across the Parish Council's community centre portfolio and to seek direction on the next steps.

The primary objective of this work is to remove ambiguity regarding landlord and tenant responsibilities and ensure that both the Council and occupiers operate under clear, legally robust, and up-to-date terms.

2. Background

The Parish Council holds head leases from Swindon Borough Council (SBC) for a number of community centre sites. At the point these leases were assumed, each property already had occupiers ("sitting tenants"), many of whom have been in occupation for a significant period of time.

A recent legal review has identified that several of these occupational arrangements are either:

- historic and no longer reflective of modern property management standards.
- undocumented or informal in nature; or
- potentially subject to statutory security of tenure.

While these arrangements have enabled continued community use of the buildings, they now present a level of uncertainty that is not aligned with good asset governance or management.

3. Rationale

This exercise isn't just a legal update. Its central purpose is to provide clarity, fairness, and long term sustainability in the Council's landlord - tenant relationships.

Some of the current leases date back several decades and do not adequately reflect modern expectations relating to:

- repair and maintenance obligations;
- health and safety compliance;
- insurance responsibilities;
- statutory duties; and
- building management standards.

Where responsibilities are unclear, the risk of dispute increases and liability may default to the Council as the landlord.

By implementing consistent and modern lease agreements, the Council will:

- clearly define repair and maintenance responsibilities;
- ensure compliance obligations are appropriately allocated;
- provide transparency around insurance and statutory duties;
- reduce the likelihood of future disputes; and
- strengthen the Council's overall property governance framework.

Importantly, this approach benefits both the Council and its community partners by establishing certainty and consistency in the management of shared public assets.

This is fundamentally about clarity rather than control.

4. Current Position by Site

Gorse Hill Community Centre & Western Community Centre

Existing leases are historic and tenants are likely to have acquired statutory renewal rights. Formal legal steps may be required to surrender these tenancies before new leases can be granted.

Chippenham Close Community Centre

The property is currently occupied under a tenancy at will. While legally simpler, there is still no clarity regarding long-term responsibilities.

Even Swindon Community Centre

No formal lease is currently in place. This provides an opportunity to establish a new agreement aligned with a standardised approach.

5. Key Risks of Maintaining the Current Arrangements

Legal Risk

Tenants may hold or acquire statutory rights, limiting the Council's ability to renegotiate terms or regain possession.

Financial Risk

Unclear repairing and compliance obligations may result in unexpected costs falling to the Council.

Operational Risk

Occupiers are increasingly raising building and maintenance issues. Without clear agreements, responsibility is difficult to determine, leading to delays and inefficiencies.

Governance Risk

The Council must demonstrate proper stewardship of its assets. Outdated or ambiguous arrangements do not reflect best practice.

6. Stakeholder Considerations

Community organisations occupying these buildings are valued partners. The intention of this work is not to change the community use of the centres but to ensure that occupation is supported by clear, fair, and sustainable legal arrangements.

Members should note that some occupiers may perceive the introduction of modern leases as a change to their existing position. This is understandable; however, the aim is to provide clarity and protect both parties.

Officers will engage constructively with occupiers to ensure transparency and maintain positive relationships.

7. Proposed Approach

Phase 1 – Preparation and Consultation (2026/27)

- Officer led engagement with existing occupiers;
- Review and validation of current arrangements;
- Development of a standard lease framework and responsibility schedules;
- Preparation of detailed scope and cost certainty for legal implementation.

Phase 2 – Legal Implementation (2027/28)

- Formal instruction of solicitors;
- Drafting of new occupational leases;
- Preparation of Deeds of Surrender where required;
- Completion of statutory documentation;
- Agreement of terms with tenants and SBC.

8. Financial Implications

Initial legal estimates indicate costs in the region of:

£6,000 – £10,000 plus VAT

There is no provision within the current 2026/27 budget to undertake this work.

It is therefore proposed that:

- Members note the estimated cost;
- Provision for this work is considered as part of the 2027/28 budget setting process; and
- In the interim, preparatory work is undertaken by officers to refine scope and reduce uncertainty in future costs.

9. Officer Comment

The current position reflects historic arrangements inherited by the Parish Council. While there is no immediate requirement to act, the lack of clarity presents a growing risk over time.

A phased approach allows the Council to:

- manage financial impact;
- engage appropriately with stakeholders; and
- ensure that when implemented, the new arrangements are robust and proportionate

10. Options Available to Members

Option A – Proceed with Immediate Legal Instruction

Not recommended due to lack of current budget provision.

Option B – Phased Approach (Recommended)

Undertake preparatory and consultation work in 2026/27, with legal implementation funded in 2027/28.

Option C – Retain the Status Quo

Would avoid immediate cost but allow ambiguity and associated risks to continue.

11. Recommendation

That Committee:

1. **APPROVES** the principle of standardising the occupational lease arrangements across the community centre portfolio.
2. **NOTES** that there is no current budget provision for full legal implementation.
3. **RECOMMENDS** that budget provision is considered by the new Council as part of the 2027/28 financial planning process;
4. **APPROVES** consultation and preparatory work during 2026/27
5. **NOTES** that a further report will be brought back to Committee with refined scope and costings prior to implementation.