

Market Rent Reduction Guidance

- 1.1 This document outlines a 'Market Rent Reduction' framework for select new lettings, through which Brent Voluntary and Community Sector (VCS) organisations wishing to lease Brent Council premises may be eligible for reduced rent rates reflecting the value the proposed use of the premises may bring to the local community.
- 1.2 This framework is currently being trialled and applies to select lettings only.¹
- 1.3 The reduction applies to rent charges only, and tenants will still be liable for all other charges and costs associated with the premises.
- 1.4 To ensure the greatest community value is derived from the Council's assets, there are general criteria that organisations will be required to meet to be eligible for a Market Rent Reduction. All bidders are required to complete the 'Market Rent Reduction Eligibility Checklist', as well as the 'Market Rent Reduction Response Sheet'.
- 1.5 Bids will be scored against a set of criteria, which will determine the potential band of rent reduction that can be granted (Tables 1 and 2).

2. Measuring Community Value

- 2.1 A panel of Brent Officers will evaluate bids against the points matrix (Table 1). The points matrix will determine the number of points scored by a bid, which will determine the band of rent reduction (Table 2).

¹ This framework is currently being trialled and applies to select new lettings only. This document relates to the community space at Roy Smith House, 71 Hillside, NW10 8LN.

Table 1: Points matrix

Property Strategy Priority:	Strategic Alignment (max. 3 points)	Community Benefit (max. 3 points)	Social (max. 2 points)	Environmental (max. 2 points)	Economic Viability (max. 10 points)
Question:	Q1. Do proposals align with Brent's vision and strategies, including: <ul style="list-style-type: none"> Borough Plan 2023 - 2027 Health Wellbeing Strategy 2022 - 2027 Equity, Diversity and Inclusion Strategy 2024-2028 	Q2. Do proposals demonstrate knowledge of the local area and local communities? Do proposals address a gap in service provision or build on or improve existing provision, for the benefit of local communities? <i>Data on Brent's residents and demographics including the JSNA, Census 2021 and others can be found on Brent Open Data:</i> https://data.brent.gov.uk/	Q3. Do proposals support positive social outcomes? This could include indicators related to: <ul style="list-style-type: none"> Promoting education Employment and skills, including London Living Wage Social wellbeing Reduction in crime and exploitation 	Q4. Do proposals support any climate action objectives (i.e. reduce carbon emissions) and/or improve the natural environment (i.e. ecological improvements, enhance biodiversity/green spaces etc)?	Q5. Do proposals provide clear and acceptable KPI's and deliverables for social outcomes?
Points awarded:					
0 points	No or some reservations	No or some reservations	No	No	Up to 10 points awarded based on estimated value of deliverables and outcomes. This will be calculated using trusted sources including Greater Manchester New Economy Model: Cost Benefit Analysis Tool 2022
1 point	Satisfactory	Satisfactory	Somewhat	Somewhat	
2 points	Good	Good	Yes	Yes	
3 points	Outstanding	Outstanding			

2.2 Bids can score a maximum of 20 points.

2.3 The number of points received will determine the band of rent reduction bids are eligible for (Table 2).

Table 2: Band and rate of reduction

Points	Band	Rent reduction
10 or under	0	0%
11 – 13	1	20%
14 – 16	2	35%
17 - 20	3	50%

- 2.4 A minimum score of **11** is required for an organisation to be deemed as delivering community value.
- 2.5 Decisions in respect of which band of contribution will be applied in any given case will predominantly take account of the above. Following detailed discussions with the winning bidder the council may opt to agree a rate of rent reduction not stated in Table 2. Other factors which may impact on decisions may include existing partnership arrangements with the Council and the Council's own financial and budget position.
- 2.6 The final decision will be wholly at the discretion of the Council, with no appeal process at this stage.
- 2.7 Outcomes and KPI's of the winning bidder will be included in the Lease. The successful Tenant will be required to provide annual monitoring and evidence demonstrating delivery against these.
- 2.8 If you have any questions relating to this process, please get in touch with the contact email stated on the advert. Note, queries and clarifications will be accepted up until 1 week before the submission deadline.