Commercial Property Policy

Policy Manual Section:	Customer Services
Policy Number:	WR05
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The Water Row Company can provide this document on request, in different languages and formats, including Braille and audio formats.

这分政策可在被要求下提供，有不同的语言和不同的格式，比如大字体，也有录音带和盲文。

ਬੇਨਤੀ ਕਰਨ ਤੇ ਇਹ ਪਾਲਿਸੀ (ਨੀਤੀ) ਅਲੱਗ–ਅਲੱਗ ਬੋਲੀਆਂ ਅਤੇ ਦੂਜੇ ਰੂਪਾਂ ਜਿਵੇਂ ਕਿ ਵੱਡੇ ਪ੍ਰਿੰਟ, ਟੇਪ ਅਤੇ ਬ੍ਰੇਲ ਤੇ ਉਪਲਬੱਧ ہੈ।

ئەم ڕێـــایە بەگۆڕەی داواکاری بە زمانی جۆراوجۆر و شێوەی تر وەکو چاپی یەک گەورە، کاسێتی دەنگ و برایل ئامادە کراوە و دەستەبەر دەکرێت.

یہ پالیسی گذارش کرنے پر مختلف زبانوں اور مختلف صورتوں یعنی جلی حروف میں، ٹیپ پر ریکارڈ شدہ اور بریل لکھائی (نابینا افراد کے پڑھنے والی لکھائی) میں دستیاب ہے۔

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1 Purpose of Policy

1.1 The Water Row Company, a subsidiary of Govan Housing Association manages the Association's commercial property.

1.2 The purpose of this policy is to provide a framework for the management of the Association's commercial property. It aims to ensure that commercial properties are managed appropriately and in a manner which allows businesses in our community to thrive whilst ensuring that our residential tenants are not adversely impacted.

2 Aims & Objectives

2.1 A commercial lease is created when a property is let with the intention of it to be used as a business. The Association owns a number of commercial premises which are leased to private businesses, charities, social enterprises or community organisations.

2.2 This document outlines The Water Row Company's approach to the letting and management of its commercial property to create sustainable commercial leases and to ensure that we treat everyone who applies to us for commercial property in a fair and consistent way.

2.3 Our objectives include:

- Providing a professional, customer focused commercial letting service and positive customer experience;
- Minimising the time taken to let empty commercial properties and void rent loss.

3 Equal Opportunities

3.1 Our commitment is to provide fair and equal treatment of customers and prospective customers. We will not discriminate, intentionally or unintentionally in the way we advertise, allocate or let our commercial property on the grounds of gender, religion, belief, race, language, colour, ethnic or national origin, sexual orientation, mental or physical health or ability, family circumstances or marital status.

4 Data Protection

4.1 We recognise that confidentiality is important to applicants and will treat information that we receive in the strictest confidence under the Data Protection Act 2018. We will not pass on or discuss with any third party any information provided by any applicant without the applicant's written permission.

5 Persons Connected To Us

5.1 We aim to treat everyone equally as an individual regardless of whether they have a connection with us. To comply with this standard and maintain the confidence of our stakeholders, we will comply with Govan Housing Association Group Entitlements, Payments and Benefits Policy. This means we will ask applicants who fall within the following categories to complete a declaration of interest. The categories are:

- Employees of Govan Housing Association Group;
- Board Members of Govan Housing Association Group;
- Applicants who are closely connected to anyone in the two categories above.

Someone ‘closely connected ‘to you includes family members and persons who might reasonably be regarded as similar to family members even where there is no relationship by birth or law.

5.2 The offer of a lease in one of our commercial properties to one of our people or to someone closely connected to them is permitted provided that:

- It is in accordance with this policy; and
- Neither the applicant or anyone connected to the applicant is involved in any way or in any part of the allocation process; **and**
- The offer is approved by the Governing Body in advance; **and**
- The lease is recorded as an interest in the appropriate register within five days of it commencing.

6 Allocation of Commercial Property

6.1 We are committed to the regeneration and creation of vibrant communities.

6.2 Available properties are advertised on our website or through commercial advertising websites such as ‘Right Move’.

We will not hold a waiting list for commercial property prior to them being released for let. This will ensure that applicants are treated fairly and equally.

We will hold a mailing list of applicants who wish to be notified when properties are advertised as available for let.

6.3 We will arrange viewings by telephone or email. Sometimes when the property is advertised, it could still be occupied by the current lease holder who has given notice to us, so we minimise rent loss. We will only permit viewings whilst a commercial property is still occupied with the current lease holder's permission and where health and safety for access can be ensured.

6.4 All applicants interested in applying to let commercial property must be 16 years and above.

6.5 We will determine eligibility by requesting and reviewing the following information from applicants:

- Anticipated hours of business;
- Target customers;
- Business Plan and confirmation of rent affordability;
- Details of any possible adverse impact on neighbours / community e.g. loud music;
- Any direct benefit that the business will bring to the community;
- Where fit out costs apply, confirmation and source of available funding for this;
- Confirmation that relevant statutory building, planning and licencing requirements will be met.

We may also carry out a credit reference check or ask applicants to provide evidence of their credit report. Therefore, we will ask applicants to sign a mandate confirming they are happy for us to carry out a credit reference check. Without this authorisation, we cannot complete a credit check.

6.6 We will use this information to assess how the applicant(s) meet our eligibility criteria. If an applicant does not have all of the information detailed above, we will discuss with them what alternative information might be suitable.

6.7 Applicants must co-operate fully with any reasonable investigations needed to confirm the details of an application that we carry out or which is carried out on our behalf. If we subsequently find out that we have created a commercial lease that has been the result of an applicant(s) knowingly or recklessly providing false information we will take action to end the lease.

6.8 We will not make an offer of commercial lease if:

- A Credit check identifies that an applicant has a poor credit record; or
- An applicant is unable to provide sufficient information as requested by the Water Row Company.

7 Commercial Lease Agreements

7.1 When we lease a commercial property, we will use the standard model lease, seeking legal advice where required.

7.2 The commercial lease agreement is a legally binding contract. It sets out the rights and responsibilities of the lease holder(s) as occupier(s) of the property and of the landlord.

The lease agreement includes:

- The term (duration) of the lease;
- The amount payable;
- Procedures for the review of the lease and terms of payment;
- The landlord and lease holder's responsibilities for repairs and maintenance, covering structure and interior, installations, access and insurance;
- The lease holder's responsibility to ensure that the property remains in statutory compliance, including but not limited to the Fire Precautions Act, 1971 and the Health and Safety at Work Act, 1974;
- The lease holder's right of sub-letting;
- Termination of lease;
- The process for any alterations / improvements to the property;
- The lease holder's responsibilities in terms of the use of the premises;
- The lease holder's requirements for the upkeep of the property and keeping it clean, tidy and safe.

7.3 We will make all reasonable efforts to fulfil our part of the contract and we will expect the lease holder to do the same. We will take action against any lease holder who breaches any part of the commercial lease agreement.

7.4 In line with The Energy Performance of Buildings (Scotland) Amendment Regulations 2016, an approved energy surveyor will be used to assess a property and provide an EPC before a property leased.

7.5 Where the property is used as a public building, the EPC will be clearly visible to visitors.

8 Maintenance and Safety Obligations

8.1 As detailed within clause 7.2 above, the lease agreement sets out the landlord and lease holder's responsibilities for maintenance, repair and statutory requirements.

8.2 The landlord will normally be responsible for the general upkeep and maintenance of the exterior of the building and structure. However, the lease agreement will explicitly state any facilities related obligations which are being passed to the lease holder, along with maintenance and repair obligations.

8.3 If a lease holder has a lease which places full repairing and insuring onto them, they will normally have full responsibility for carrying out all repairs to the property and also for paying the premium on the buildings insurance policy. Lease holders would also normally be responsible for the following:

- Carrying out health and safety risk assessments and removing any hazards;
- Fire and electrical safety;
- Gas safety, including any necessary checks and services by a registered engineer;
- Asbestos and Legionella surveys/assessments;
- Ensuring the workplace has adequate lighting, space, ventilation, sanitary facilities and drinking water, that all equipment is safe to use, and that the premises are kept at a reasonable temperature (13°C for manual work or 16°C for non-manual work);
- Ensuring that the property is not used as a dwelling;
- Statutory compliance including building, planning and licencing requirements.

All of the above should be in reference to:

- Energy Act 2011
- Fire (Scotland) Act 2005
- Fire Safety (Scotland) Regulations 2006

8.4 In all lease agreements, it will be made explicitly clear which statutory and compliance related aspects fall to the lease holder and which are retained by the organisation, as Landlord.

9 Payment for Commercial Property

9.1 Lease amounts payable for our commercial properties will be set initially using a surveyor's market valuation of the expected rental income for the property as a reference guide.

9.2 Payment amount and terms will then be reviewed annually in an upwards direction with the increase amount being determined by the Water Row Company Board.

9.3 The lease amount increase will be notified to the lease holder, in writing giving no less than one months' notice period.

9.4 Payments are due quarterly in advance with the first payment due on the date that the lease agreement commences. A direct debit should be put in place by the tenant to ensure that accurate payments are made on time.

9.5 In the event that an amount remains unpaid for 30 days or more after the date it falls due, The Water Row Company will charge interest at the rate of 10% per annum or the current rate of inflation (whichever is higher).

9.6 Unpaid rent will be pursued in line with the Water Row Company's Lease Debt Recovery Procedure.

10 Alterations and Improvements

10.1 When a new lease agreement is signed, it is the lease holder's responsibility to finance and facilitate the purpose fit out of the property based on the nature of the business. Payment for the lease is due from the date that the lease agreement begins and not the date that any fit out works are complete.

10.2 The lease agreement notes the restrictions on what alterations and improvements lease holders can make and the agreement will define procedures for the lease holder to inform the Water Row Company before making any alterations or improvements to the property. This will also extend to any amendments to facilities and services.

10.3 Where any amendments are approved, arrangements will be agreed with the lease holder in respect of proper specifying of works and use of competent contractors, suitable materials, etc. The Water Row Company will make arrangements to inspect and review any evidence to confirm that all works are completed to an acceptable and legally compliant standard with the lease holder being responsible for the cost of this.

11 Equalities & Diversity

11.1 Govan Housing Association along with its subsidiary companies are committed to equality and diversity and will not discriminate in the operation of this policy on the basis of age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex or sexual orientation.

11.2 In line with our commitment to equal opportunities, this policy can be made available free of charge in a variety of formats including large print, translated into another language or on audio tape.

12 Complaints

12.1 Anyone who feels aggrieved by the service they have received from staff in carrying out their responsibilities in relation to this policy and its associated procedures can make an informal or formal complaint.

12.2 All complaints will be fully investigated in accordance with the Water Row Company's Complaints Procedure. A written guide on the complaints process is readily available to customers on request, is on our website and is on display in the reception area of the office.

12.3 Any customer making a complaint will be advised of their right to complain to the Scottish Public Services Ombudsman.

13 Policy Review

13.1 This Policy is scheduled for review every 5 years and will take account of:

- Legislative, regulatory and good practice requirements;
- Association performance;
- The views of customers, scrutiny panels, staff and members of our Govan Housing Group Board.

14 Contact Us

14.1 If you have any questions about this policy, you can contact us in the following ways:

- Telephone: 0141 440 0308
- Email: general@govanha.org.uk
- In writing: The Water Row Company, 35 McKechnie Street, Glasgow, G51 3AQ
- Website: www.govanha.org.uk