

Commercial Shop Management Policy

1.0	SCOPE
	Purpose
1.1.	This Policy sets out whg's approach and obligations in relation to the management of whg's commercial shop portfolio.
	Legal and regulatory framework
1.2.	whg grants short term commercial leases for all commercial shop lessees. The length of term is usually six years.
1.3.	whg will keep all lessee data secure. Data will be processed in line with GDPR principles and our Customer Privacy Notice and Sales Customers Privacy Notice.
1.4.	whg follows the Code for leasing business premises in England and Wales 2020, which sets out the responsibilities of commercial landlords and tenants. There is no legal obligation for landlords to follow the Code, but it is authorised by regulatory bodies including the British Council for Offices, the British Retail Consortium and the Confederation of British Industry.
1.5.	S.118 of the Charities Act 2011 refers to disposals not being made to connected persons without consent from the Charity Commission. Due to the time it takes to obtain this consent whg does not allocate commercial shop properties to connected persons. This is to ensure shops are not unnecessarily left vacant due to the risk of ASB and loss of income.
2.0	POLICY STATEMENT
	Allocation Qualification Criteria
2.1.	<p>For an applicant to be successful in obtaining a commercial lease they must fulfil the following criteria:</p> <ul style="list-style-type: none">• Be at least 18 years of age;• Can provide suitable employer and/or landlord details for references when requested;• Agree to a full credit check and financial appraisal. Lessees must have a good credit history with no outstanding record of unpaid

	<p>County Court judgements, loan defaults, bankruptcy or individual voluntary arrangements. There may be instances where whg will use its discretion where outstanding debts are being paid however this will be based on supporting evidence being provided of the ability to maintain the debt payments.</p> <ul style="list-style-type: none"> • Provide a simple business plan detailing projected revenue and expenses • Operate a business which is in line with the appropriate property class set out in the Town and Country Planning (Uses Classes) Order 1987
	Restrictions
2.2.	<p>The Restricted Access Policy will apply to properties advertised as commercial shops. Where an assessment on an application shows a person may pose a risk to the community, we reserve the right to restrict their access to whg's commercial properties. This may be due to tenancy or license breaches, local intelligence or legal action taken on the household or its visitors.</p> <p>To make a thorough assessment, we will gather information from all available sources to make this decision. Sources may include (but are not limited to), Probation services, Police, previous/current landlords or the Local Authority.</p> <p>whg has zero tolerance for inappropriate behaviour towards whg colleagues. If an applicant, household member, visitor or persons accompanying the applicant act in a way whg deem unacceptable, we will restrict access to rent a commercial shop in line with the Restricted Access Policy.</p>
2.3.	whg reserve the right to refuse an prospective lessee if we deem their business to be unsustainable or not suitable for the community.
	Property Advertisement
2.4.	Properties may be advertised using a range of media, but the primary choice will be online using the most popular commercial property sites. However, in some instances we may consider alternative advertisement such as community centres, places of worship and/or other public spaces.
2.5.	Properties may not be advertised if a prospective lessee who is already on the waiting list shows interest in and accepts an offer on a new lease before it has been marketed.
2.6.	whg reserve the right to withdraw a lease offer up to the time of the lease completion.
	Service Charges
2.7.	Commercial lessees will be charged for any services provided in line with the provisions in the lease.

2.8.	Where possible, correspondence relating to service charges will be sent via electronic methods to reduce the impact physical letters have on the environment.
	Repairs and Improvements
2.9.	whg will deliver a repair service to lessees in line with the lease. Repairs that are listed as the responsibility of the lessee in the lease will not be delivered by whg. All repairs that are required due to lessee neglect or damage will be dealt with in line with our Chargeable Repairs Policy and will require the lessee to pay for the cost of the repair, usually before the repair is completed. If there are concerns around the upkeep of the shop and inspection by whg may take place.
2.10.	whg will carry out improvements to commercial shop assets in line with the lease. If applicable the cost of those improvements will be recharged to the commercial lessee.
	Nuisance and Anti Social Behaviour
2.11.	If a commercial lessee is the victim of nuisance and/or anti social behaviour (ASB), whg has no requirement to be involved unless the perpetrator is a tenant or leaseholder of whg. Lessees should speak directly with their neighbours to resolve nuisance and/or ASB or seek advice from the Local Authority, Law Centres and Solicitors or the Police.
2.12.	The commercial lease requires whg to take appropriate action in cases of noise, music, flashing lights, fumes or smells whenever there is sufficient evidence to merit and substantiate proceedings where the lessee is the perpetrator. Where sufficient evidence of serious nuisance or anti social behaviour is provided, whg may take forfeiture action to end a commercial lease.
	Financial Difficulties
2.13.	Money and debt advice will not be provided by whg for any lessee. The Lessee will be signposted to local providers of debt advice such as Citizen's Advice.
	Customer Care
2.14.	whg will exercise discretion in the application of this Policy and will take account of the circumstances and vulnerabilities of individual lessees. Colleagues will also act with due regard to the whg Equality and Diversity Policy at all times. whg's lease agreements set out landlord and lessee responsibilities.
	Compliance
2.15.	whg ensures that the properties within its shops portfolio operate in accordance with relevant legislation. This includes adherence to regulations in areas of health and safety, fire risk, water treatment, heating and ventilation and plumbing among others.
	Lease Termination

2.16.	The rights regarding termination of leases will be detailed in the individual lease. The shop must be returned to whg in line with the lease which outlines in detail the requirement.
3.0	PERFORMANCE MEASURES
3.1.	<ul style="list-style-type: none"> • Rent arrears (%) • Void loss (%) • Number of days to re-let
4.0	EQUALITY AND DIVERSITY
4.1	We understand that some lease obligations are more difficult for some lessees to manage. This Policy ensures we work with lessees to resolve issues, and that we provide appropriate support
5.0	TRAINING AND DISSEMINATION
5.1.	All customer facing colleagues who deal with commercial shops are made aware of the requirements of lease agreements and the potential consequences of breaching any terms. Training and updates will be providing during colleague one to one meetings with their line manager.
6.0	MONITOR AND REVIEW
6.1	This Policy will be monitored by the Director of Housing and Customer Services and reviewed every three years by the Policy Group.
7.0	ASSOCIATED DOCUMENTS, POLICIES AND PROCEDURES
7.1	Documents, policies and procedures associated with this Policy are: <ul style="list-style-type: none"> • Chargeable Repairs Policy • Equality and Diversity Policy • Fire Safety Act 2021 • Fire Safety (England) Regulations 2022. • Landlord and Tenant Act 1954 • The code for leasing business premises in England and Wales 2020 • Town and Country Planning (Uses Classes) Order 1987

Document author	Rob Frost, Acting Senior Income Manager
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Legal advice	Legal Services reviewed the policy to ensure it was up to date
Consultation	Customer/lessee, Director of Housing, Senior Income Manager and Legal Services
Approved by	GEXEC – October 2023

Review Date	October 2026
Corporate Plan aim	Grow and expand our services our reach and our range
Equality Assessment	24/01/2023- completed as part of the Residential and Commercial Property Management Policy consultation
Key changes made	<p>New Policy amalgamated from the Residential Property Management Policy to make it more specific to this tenure type;</p> <p>Language made clearer following customer consultation on the Residential Property Management Policy;</p> <p>Addition of allocation criteria added to remove the need for a stand alone Market Rent Allocations Policy.</p>

