

SHEFFIELD CITY COUNCIL

INDIVIDUAL CABINET MEMBER DECISION RECORD

The following decision was taken on 6th June 2019 by the Cabinet Member for Finance.

Date notified to all members: 6th June 2019

The end of the call-in period is 4:00 pm on 12th June 2019

Unless called-in, the decision can be implemented from 13th June 2019

1. TITLE

Approval for Lease of Three Properties to Roundabout.

2. DECISION TAKEN

It is recommended that:-

- (a) Sheffield City Council grants a lease of three properties to Roundabout Limited for the purpose and on the terms outlined within the report for a term of 7 years at a peppercorn rent subject to consent from the Secretary of State.
- (b) The Chief Property Officer be authorised to negotiate and agree Heads of Terms and instruct the Director of Legal and Governance to complete the necessary legal documentation.

3. Reasons For Decision

Granting leases for three properties on the terms and conditions outlined within the report best meets with the objectives of the Council for the following reasons.

- Financially this option is the most cost effective for the Council as the investment required to bring them up to a lettable standard, maintain and manage them would be in excess of the income they would generate over the term of the lease.
- The properties will be returned to the Council in a significantly better condition at the end of the lease period.
- The project will help to address problems faced by young people in the transition between supported housing to independent living.

It will help provide young people the necessary training to access full-time, sustainable employment to help them avoid the cycle of repeat homelessness.

4. Alternatives Considered And Rejected

1. Bring into general letting - this would require a considerable amount of capital investment which would need to be funded from the HRA. This would result in the net expenditure being higher than the income. With the

proposed option the properties will be brought up to a decent standard and returned to the Council in a better condition than they are currently in.

2. Disposal of freehold or long term leasehold – Whilst the Council would receive a capital receipt from the disposal of these properties, their condition is such that it will be reflected in the value. The benefits of leasing them to Roundabout will not adversely affect the Council financially and the benefits the project will provide to young people are of more benefit to the Council.

5. Any Interest Declared or Dispensation Granted

None

6. Respective Director Responsible for Implementation

Executive Director, Place

7. Relevant Scrutiny Committee If Decision Called In

Safer and Stronger Communities Scrutiny Committee