

## SHEFFIELD CITY COUNCIL

### EXECUTIVE LEADER DECISION RECORD

The following decision was taken on 25 September 2019 by the Leader of the Council.

Date notified to all members: Wednesday 25 September 2019

The end of the call-in period is 4:00 pm on Tuesday 1 October 2019

Unless called-in, the decision can be implemented from Wednesday 2 October 2019

#### 1. **TITLE**

Surrender and Renewal of Lease of Heeley City Farm, Richards Road, Sheffield, S2 3DT

#### 2. **DECISION TAKEN**

That the Leader approves:

(i) the surrender of the existing lease and the grant of a new lease for 30 years of Heeley City Farm, Richards Road, Sheffield S2 3DT to the existing tenant Heeley City Farm Limited subject to payment of the Council's surveyor's costs and legal fees; and

(ii) delegates authority to the Chief Property Officer in conjunction with the Director of Legal and Governance to agree the terms of the lease.

#### 3. **Reasons For Decision**

The proposals:

- Support HCFL in developing a sustainable and robust business plan aimed at securing the future of Heeley City Farm
- Assists HCFL with securing financial borrowing and enables grant funding bids to be made by HCFL to sustain and secure capital investment to improve the farm

#### 4. **Alternatives Considered And Rejected**

##### Not to grant a new lease

This would preclude the ability to borrow for funding purposes and mean that grant funding bids could not be made, risking the future of the farm. HCFL have a statutory right to a new lease upon the expiry of the existing lease. This is not considered a realistic option.

##### Grant a new lease for a shorter period

HCFL require a lease of a length that will support the ability to secure borrowing for funding, improve the position on depreciation in their balance sheet and enable

them to bid for grant funding. A minimum term of 25 years is required for most borrowing and grant funding purposes. The grant of a new lease for 25 years, however, would mean that HCFL would need to seek a further surrender and renewal of the lease when applications for borrowing and grant funding bids are made. On this basis a 25 year term is not considered to be suitable.

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**

Economic and Environmental Wellbeing Scrutiny Committee