

Finance Committee – 11 September 2023

Questions Received from Members of the Public

Name	Question	Member(s)
<p>Mike Hodson (Friends of Millhouses Park)</p>	<p>1. How can the Waggon & Horses seating area [“beer garden”] continue to be “within the Park” [Report para 2.2] while it is under the control of and leased to the Public House?</p> <p>Response: The area will be subject to a lease and remains within the boundary of the Park. The ownership remains with the city council. This is the same arrangement for cafes within parks including the one at Millhouses.</p> <p>2. The Report [Para 2.2] describes the provision of a “second refreshment offer as desirable” as “the area around the Park is not well-served by cafe offers”. Does the Committee agree that this is scarcely compatible with the fact that within 2-3 mins walk from the North end of the Park, within the Millhouses shopping area, are 2 more pubs, 2 restaurants, 4 cafes, a fish-and-chip shop and 2 takeaways: plus there is a cafe opposite the Park on Terminus Rd. and there are also three supermarkets, two with cafes, within easy walking distance of the Park?</p> <p>Response: Millhouses Park is a large city park and it is the council’s view that the addition of the seating area will offer park visitors further refreshment options.</p> <p>3. The suggestion in the Report [Para 2.3] is that ‘future income via other (competing) businesses in the Park will increase’. Our understanding is that this will happen via rent increases for the Park Cafe and the Ice-cream Van. Does the Committee agree that if true, such rent increase could just as easily result in those businesses closing down – which could mean a loss of income to PCS, and/or a poorer offer for park users; and that this would also reduce the Value for Money benefits to the Council?</p>	<p>Zahira Naz</p>

	<p>Response: Para 2.3 states ...it is clear that the introduction of this second refreshment facility has and will continue to reduce income that is generated through other partners in the park. We anticipate this potentially being a short-term impact with future agreements increasing income reflecting the significant use and opportunity in Millhouses Park. The park is a popular destination, and we believe that it can incorporate a range of offers which are offered at market rent.</p> <p>4. Para 2.4 suggests the Lease process conforms to the principles and requirements of the Building Better Parks Strategy. In view of the following</p> <p>the two-year history of the negotiations [described as "protracted" "convoluted" and "difficult"]; [Report Para 1.3 Decisions Para 8.3.1]</p> <p>the repeated violation of the terms of the three Tenancy at Will agreements by TNB [Report Paras 1.5.5 – 1.5.8]</p> <p>the recently-publicised financial and other problems experienced by True North BrewCo; [the <u>Star 2 August</u>; the <u>Sheffield Tribune 7 August</u>]</p> <p>and the acknowledged threat of legal action by TNB against the Council; [Para 5.1]</p> <p>does your Lease Approval conform with the following criteria from the Council's Building Better Parks Strategy?</p> <p>the Council maintaining policy and asset control supporting external partners needing to be aligned to the Council's priorities and values potential partners to be viable and sustainable.</p> <p>Response: Yes, we believe so.</p> <p>5. Does the proposed "reconciliation of monies owed and the set-off against the back-rent to be collected" [Para 4.2.3] mean that TNB will in fact only have had</p>	
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	<p>one year rent-free? as against the 18 months mentioned in a previous response from Parks & Countryside Service?</p> <p>Response: Yes Para 4.2.3 states a 12 month rent free period has been agreed in recognition of the capital expenditure on the site but as no rent has yet been collected for the periods of occupancy and trading to date, there will need to be a reconciliation of monies owed and a set off against this sum.</p> <p>6. Does Para 4.3.3 mean that the Council will only agree the Lease subject to the Lessee agreeing to 'contract-out of the provisions of the Landlord & Tenant Act 1954'? Does the Lease contain terms guaranteeing that the Council can regain control over the land leased if it decides not to renew the Lease at the end of the term set? NB Both the term of the Lease and the terms for ending the Lease are redacted from the Report but are presumably known to your Committee [Appendix 1].</p> <p>Response: Yes. The purpose of contracting a lease out of the terms of the 1954 Act is to ensure that the tenant, at the expiry of the contractual term does not have any rights to stay in occupation nor would the Council need a reason to regain possession of the leased area.</p> <p>7. How does you Committee suggest the Council does its 'due diligence' in relation to the Lessee now being not 'True North Brew Co' [as stated in the Report] but the 'K S Yeardley F C B Ltd Pension Scheme'? [as stated in the Decisions publication.]</p> <p>Response: Due diligence on 'K S Yeardley F C B Ltd Pension Scheme' and its covenant strength will be undertaken prior to entering into any lease. This is standard practice with all lease arrangements.</p>	
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