



**SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL**

## Officer Delegated Decision

6<sup>th</sup> July 2026

Richard Wyles - Deputy Chief  
Executive & S151 Officer

### Grant of New Lease – Digby's Café, Guildhall Art Centre, Grantham

To approve grant of a new lease for the Digby's Café, Guildhall Art Centre, Grantham NG31 6PY.

#### Contact

Gyles Teasdale – Head of Property Services & ICT

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| <b>Decision made by:</b>                                                                                             | Richard Wyles (Deputy Chief Executive & S.151 Officer)                                                                                                                                                                                                                                                                                             |
| <b>Decision:</b>                                                                                                     | To approve the granting of a new lease of Digby's Café, Guildhall Art Centre, Grantham NG31 6PY.                                                                                                                                                                                                                                                   |
| <b>Key or Non-Key?</b> (A Key Decision has a value of 200k or over, or is a significant impact on two or more wards) | Non-Key                                                                                                                                                                                                                                                                                                                                            |
| <b>For call-in</b> (only applies to Key Decisions)                                                                   | N/A                                                                                                                                                                                                                                                                                                                                                |
| <b>Public or Exempt:</b>                                                                                             | This report is not exempt from publication; however, Appendix 1, is exempt from publication                                                                                                                                                                                                                                                        |
| <b>Reasons for exemption:</b>                                                                                        | The public interest in maintaining the exemption in Appendix 1 outweighs the public interest in disclosing the information because it contains financial information relating to confidential negotiations with a third party and the Council must be able to undertake such negotiations without thereby putting confidential items in the public |

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|                               | domain if it is to maintain the confidence of third parties in undertaking dealings with the Council                                                                                                                                                                                                                                                              |
| <b>Conflicts of interest:</b> | No                                                                                                                                                                                                                                                                                                                                                                |
| <b>Policy compliant:</b>      | Yes                                                                                                                                                                                                                                                                                                                                                               |
| <b>Details of delegation:</b> | In accordance with Part 3 of the Constitution (Responsibility for Functions), Part 26 Property (including land) paragraph (f) the Deputy Chief Executive & S151 Officer is authorised to arrange short term (up to seven years) lettings of land and property not immediately required for other purposes at rent/licenses fees fixed by the Section 151 Officer. |

## 1. Implications

### ***Finance***

- 1.1 The agreed lease amount is in line with current market conditions and other costs such as insurance and service charges will be recharged in line with the lease agreement.

Reviewed by: David Scott – Assistant Director of Finance and Deputy S151 Officer

### ***Legal and Governance***

- 1.2 The Deputy Chief Executive can use the delegated authority outlined above to approve this decision.

Reviewed by: *James Welbourn, Democratic Services Manager*

## 2. The Purpose of the Report

- 2.1 The purpose of the report is to authorise the granting of a new lease of Digby's Café, Guildhall Art Centre, Grantham NG31 6PY.

## 3. Available Options Considered

- 3.1 Option 1) To grant a new lease of the café at the Guildhall Arts Centre, Grantham in line with the Heads of Terms enclosed in ***Exempt Appendix 1 – Heads of Terms***.
- 3.2 Option 2) Not to grant a new lease on this space and allow the space to become vacant and incur a loss of income and the associated void costs for the space.
- 3.3 Option 3) Consider taking the provision of the café in house, run by the Guildhall Art Centre staff. Upon review insufficient resource is presently available to cover this service alongside the other offers the Art Centre provides.

## **4. Preferred Option**

- 4.1 Option 1) To grant a new lease of the café at the Guildhall Arts Centre, Grantham in line with the Heads of Terms enclosed in **Exempt Appendix 1 – Heads of Terms**.

## **5. Reasons for the Decision**

- 5.1 The existing tenant has occupied and managed Digby's Café since 15 June 2023. A 3-year lease term was granted and has come to an end. Prior to this date the space had been marketed for several months with limited interest generated.
- 5.2 The existing lease was contracted out of the Landlord and Tenant Act 1954 Part II meaning the existing tenancy would cease at the end of this term.
- 5.3 Following a marketing exercise to promote the café as an upcoming rental opportunity, applications were evaluated and the existing Tenant (Digby's Café) was ranked first from the applications received. Negotiations were then undertaken by SKDC in consultation with the Council's professional property advisors BTG Eddison and agreement has been reached on the terms of a new lease. The terms of the proposed lease can be found in **Exempt Appendix One – Heads of Terms**.
- 5.4 If the space is not re-let to the existing tenant there will be an extended delay whilst finding a suitable tenant, which will lead to the loss of income.
- 5.5 A new demise has been agreed taking into account the existing challenges of the café providers previous storage issues and this is reflected in **Appendix 2 - Lease Plan**

## **6. Consultation**

- 6.1 The opportunity was marketed by SKDC Commercial Property Agent BTG Eddisons.

## **7. Appendices**

- 7.1 Exempt Appendix One – Heads of Terms  
7.2 Appendix Two – Lease Plan

Signed by: Richard Wyles

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