

Finance and Resources Committee

10.00am, Thursday, 16 January 2025

Gorgie Farm, Edinburgh - Proposed Lease

Executive/routine
Wards

Routine
7 – Sighthill/Gorgie

1. Recommendations

- 1.1 That the Finance and Resources Committee:
 - 1.1.1 Notes the outcome of the expressions of interest exercise for Gorgie Farm;
 - 1.1.2 Approves that Gorgie Farm Limited should be selected as the preferred operator for the farm; and
 - 1.1.3 Approves a lease agreement with Gorgie Farm Limited on the terms outlined in this report and on other terms and conditions to be agreed by the Interim Executive Director of Place.

Gareth Barwell

Interim Executive Director of Place

Contact: Graeme McGartland, Head of Estates

E-mail: graeme.mcgartland@edinburgh.gov.uk | Tel: 07718 587798

Gorgie Farm, Edinburgh - Proposed Lease

2. Executive Summary

- 2.1 A two stage process to seek expressions of interest for the creation of Gorgie Community Farm has been completed with four bids received at the final submission date. The proposal from Gorgie City Farm Limited is considered to be the preferred option. This report seeks approval to grant a 25 lease to Gorgie City Farm Limited on the terms and conditions outlined in the report.

3. Background

- 3.1 On 31 January 2023, Education, Children and Families Committee approved the [development of a community led solution](#) for the Gorgie Farm site. The Committee noted that £150,000 had been identified to support the transition to, and development of, a community led solution. EVOG were subsequently appointed by the Council to progress this.
- 3.2 On 8 August 2024, Culture and Communities Committee approved a [report](#) outlining an options analysis, prepared by EVOG, for Gorgie Farm and approved that that Option C (as set out in paragraphs 4.4.3 – 4.7 of the report) was the Council's preferred approach for the site and that expressions of interest, at the appropriate time, to operate a community farm on the site should be invited.
- 3.3 The opportunity was advertised on the basis of a long lease at a nominal rent, with a request that notes of interest were submitted by a closing date of 30 September. Any potential tenant would need to assure the Council that they could meet the lease obligations, including:
- 3.3.1 Manage and run the site as a functioning asset to which the community will enjoy access;
 - 3.3.2 Ensure the inclusivity of everyone, including local groups and residents;
 - 3.3.3 Ensure buildings is property maintained / managed; and
 - 3.3.4 Ensure full engagement and transparency with the local community.

- 3.4 Five notes of interest were received at the initial closing date. Each of the parties were interviewed to review initial proposals prior to setting a date for final detailed submissions of 22 November. The final submissions were asked to detail the following;-
- 3.4.1 Vision and purpose – how the party would envisage Gorgie Farm being run in the short to medium term in line with the principles of a Community Farm in line with the EVOG feasibility study;
 - 3.4.2 Proposed lease terms – outlining the terms of a lease the party would be willing to enter into for the farm;
 - 3.4.3 Group constitution;
 - 3.4.4 Evidence of capacity to operate – details of grants/funding both current and proposed and how the party would seek partnerships with other groups who share in the vision;
 - 3.4.5 Sustainability – what is the ethos and vision in managing sustainability; and
 - 3.4.6 Maintenance – what funding is available for any initial works and long-term plans for the improvement to the fabric of the site.
- 3.5 Four bids were received at the second closing date.
- 3.6 Gorgie Farm closed on 18 September when EVOG handed the property back to the Council. It has remained closed since that time for the reasons outlined in a report to the Culture and Communities Committee on [5 December 2024](#).

4. Main report

- 4.1 The bid which is considered to best meet the required criteria for the vision of establishing a community farm is from Gorgie Community Farm Limited (GCF). The strengths of this proposal are set out below, set against the criteria requested at the second closing date.
- Vision and Purpose**
- 4.2 The vision for Gorgie Farm is a sustainable, inclusive and community driven facility that enhances the well-being of local residents through collaboration, education and social inclusion. The intention is to secure Gorgie Farm as a vibrant community asset by holding the lease, fostering partnerships and generating income through space sharing.
- 4.3 A phased development strategy is proposed to allow for a gradual implementation programme. The proposed activities in the first 12 months will include the creation of The Forge Community Workshop (February 2025); volunteer community gardens and allotments (February 2025); community events (throughout 2025);

community art project (March/April 2025); creating coffee kiosk (May 2025) and children's play space (May 2025).

- 4.4 In the first year, GCF aim to build relationships and trust with the local community, improve physical and mental wellbeing for the community garden volunteers, increase recreational space and develop partnerships/funding applications for future work.

Proposed Lease Terms

- 4.5 Following the submission of their proposal, and subsequent discussion with Council officers, the following lease terms have been provisionally agreed:-

4.5.1 Tenant: Gorgie Community Farm Limited

4.5.2 Lease term: 25 years from date of entry;

4.5.3 Break option: annual mutual break options on serving no less than 3 months written notice;

4.5.4 Date of entry; to be confirmed following Committee approval (early access under licence will be granted from 21 January until such time as the lease has been agreed);

4.5.5 Use: for community, educational, agricultural, arts, crafts and animal care purposes;

4.5.6 Repair: GCF will accept a full repairing liability subject to a schedule of condition.

4.5.7 Insurance: the Council will insure and recover the premiums from the tenant. GCF will have full public liability insurance;

4.5.8 Subletting: GCF will have the ability to sublet parts of the site subject to consent of the Council; and

4.5.9 Costs: each party will be liable for its own costs.

Group Constitution

- 4.6 GCF is a new company that was established in May 2024 (SC809811) and became a registered charity on in September 2024 (SC053659). The charitable purposes of the company includes the provision of recreational facilities to the community; to advance the creation of educational facilities in the community increasing awareness of the environment, culture, heritage and/or history; improvement or provision of environmental amenities for the community; and the preservation of buildings or sites of architectural, historic or other importance to the community.

- 4.7 The existing board of GCF has three members with the aim to increase to five in the short term to provide a range of experience covering finance/fundraising, communications, project management, running of growing spaces/environmental projects and social enterprises. At present, there is one part time member of staff

and the initial recruitment process will target a Development Manager, Facilities Manager as full time posts with additional part time/volunteer/seasonal support.

Evidence of capacity to operate

4.8 A key element of the GCF vision is the identification of delivery partners to be located on the farm.

4.8.1 Edinburgh Forge (EF) (edinburghforge.com) EF is a Community Interest Company (CIC) currently located on a Council owned site at Fountainbridge. They will immediately relocate to Gorgie Farm and continue to operate with their existing substantial membership. They will schedule workshops for adults and youths to engage in hands-on creativity in woodworking, metal working and other crafts and as the buildings across the farm improve will seek to expand their offering to include more clean-craft activities. EF also submitted a proposal for Gorgie Farm in isolation however their preference was to work with other partners on the site;

4.8.2 GCF have held discussions with other potential partners, some of whom had previously expressed an interest in the site, with the aim of securing additional occupiers in the near future;

4.9 The GCF financial strategy is based, long term, on 40% revenue from renting the land, community spaces, classes/workshops etc, 40% from grant funding and 20% generated from onsite events and sale of produce. In the initial years, due to the condition of the site, it is recognised that a higher percentage of grants will be required. The GCF business plan includes a detailed funding plan outlining grants that will be targeted.

4.10 The 5-year plan for income generation is as follows:

4.10.1 Year 1 – Setup and foundation – revenue focused on grants;

4.10.2 Year 2 – Community engagement & growth – increase revenue through expanded program offerings;

4.10.3 Year 3 – Expansion of program and events – revenue growth from increased program enrolment;

4.10.4 Year 4 – Sustainable revenue mix – achieve stable income through diversified sources; and

4.10.5 Year 5 – Self-sustaining model – reduce reliance on grants.

Sustainability

4.11 GCF recognise the risk of a new company taking on the lease of Gorgie Farm and the size of task to create the community farm. The proposed phased approach and gradual implementation strategy will reduce risk and allow for stability and lessons to be learned through the process.

4.12 Initial activities will be cumulative to promote continuity and to allow ongoing improvement and refinement. Partnerships with the community, local businesses

and organisation will be prioritised to strengthen the farm's position with local stakeholders.

Maintenance

- 4.13 The key element of the success of the farm is the capital funding required to improve the building fabric on the site. In the 8 August 2024 report, the EVOC feasibility study provided approximate costs for the capital works in the region of £5.0 million. GCF will implement a phased capital works programme and will aim to use significant grant funding to deliver the works as quickly as possible.
- 4.14 In terms of more routine maintenance, GCF will work with partners to deliver seasonal grounds maintenance, facilities/equipment upkeep, pest/waste management and health and safety inspections.

Conclusion

- 4.15 Of the four submissions received at the second closing date, the Gorgie Community Farm was considered to offer the most robust response to the information requested from interested parties.
- 4.16 It is clear that there are substantial risks to the proposal, particularly around the capital investment required to deliver the vision of a community farm. However, the GCF submission does demonstrate that a sustainable partnership approach could provide a successful community facility.

5. Next Steps

- 5.1 Following Committee approval, Legal Services will be instructed to progress the preparation of a new lease. To allow early access to the site, for Edinburgh Forge to relocate from Fountainbridge and initial works to be undertaken with a view to the community garden being open in time for the growing season, a licence to occupy will be put in place while the lease terms are being negotiated.

6. Financial impact

- 6.1 The Council has been incurring holding costs, in terms of security and empty business rates while the farm has been closed. A reopening of the site will allow the security devices to be removed which will result in a revenue saving. All other holding costs will be passed to the tenant under the terms of the lease.

7. Equality and Poverty Impact

- 7.1 The impact on equalities has been considered. The Integrated Impact Assessment (IIA) checklist has been completed and the outcome is that a full IIA is not required for this report.

- 7.2 The proposal from GCF will reopen Gorgie Farm with the aim of creating a community based facility. Edinburgh Forge will relocate their educational and community facility from Fountainbridge to the site.
- 7.2 It considered that there will be positive equality and poverty impacts from the GCF vision for the property.

8. Climate and Nature Emergency Implications

- 8.1 It is considered there are no direct adverse Climate and Nature Emergency Implications arising from the opening of Gorgie Farm and the creation of a community farm on the site. Community gardening and allotments will form a key part of the farm with the GCF business plan identifying areas for additional growing space across the site.

9. Risk, policy, compliance, governance and community impact

- 9.1 Ward members have been aware of the recommendations of this report.
- 9.2 The following risks have been identified:
- 9.2.1 there is a significant capital requirement for the delivery of the community farm vision with a substantial reliance on grant funding, particularly in the initial stages;
 - 9.2.2 GCF may be unable to raise revenue and capital funding (outwith any Council support) to the degree that the vision requires;
 - 9.2.3 GCF may not recruit the necessary skills to deliver vision; and
 - 9.2.4 there is a potential reputational risk to the Council should, for whatever reason, GCF not be able to deliver their proposal.
- 9.3 Once the lease has been put in place, Council officers will arrange to meet with GCF on a regular basis to review progress of the delivery of their vision for the community farm and to offer assistance where appropriate.

10. Background reading/external references

- 10.1 None.

11. Appendices

None.