

### Record of officer decision

<b>Decision title:</b>	<b>Variation to Loan Agreement (The Courtyard)</b>
<b>Date of decision:</b>	31 March 2026
<b>Decision maker:</b>	Director of Finance (\$151 Officer)
<b>Authority for delegated decision:</b>	The Financial Procedure Rules and approved Treasury Management Strategy delegate authority to the Director for Finance the execution and administration of treasury management decisions and debt write offs.
<b>Ward(s):</b>	All Wards
<b>Consultation:</b>	Cabinet Member for Finance
<b>Decision made:</b>	To vary the terms of the loan agreement between The Courtyard and the Council to defer first loan payment to 1 April 2029 with no interest payable for the period up to 1 April 2029. To make a £175k contribution to the cost of refurbishment works.
<b>Reasons for decision:</b>	The Council has agreed the variation to the loan, originally agreed in 2020, to support the future sustainability of The Courtyard as a key local partner. The variation will support the short-term cashflow position of The Courtyard and enable reserves to be built up to ensure adequate provision for future maintenance and investment. The Council has agreed to contribute to costs of the refurbishment works for an important arts provider within Hereford.
<b>Highlight any associated risks/finance/legal/equality considerations:</b>	There is a risk that the loan will not be paid. To mitigate this risk, assurances have been provided by The Courtyard, in respect of the company's financial position and performance and ability to repay the remaining loan amount (£680k). The payment holiday will enable the organisation to continue to build resilience and make provision to fund future costs to ensure continuity of service and achieve future business growth.
<b>Details of any alternative options considered and rejected:</b>	To not vary the loan terms - this would place the cashflow of the organisation and future resilience under pressure.
<b>Details of any declarations of interest made:</b>	N/A

Signed.....Director of Finance..... Date: 7 April 2026