

Trusts and Charities Committee - 11 September 2015

Title of paper:	Lease Renewal – Alexander Fleming Building, Nottingham Science Park	
Director(s)/ Corporate Director(s):	Kevin Shutter – Director Strategic Asset and Property Management	Wards affected: Dunkirk and Lenton
Report author(s) and contact details:	Richard Cox, Senior Estates Surveyor Email: Richard.cox@nottinghamcity.gov.uk Tel: 0115 8763074	
Other colleagues who have provided input:	Malcolm Townroe – Head of Legal Services Georgina Lewis – Finance Analyst	
Date of consultation with Portfolio Holder(s) (if relevant)		
Relevant Council Plan Strategic Priority:		
Cutting unemployment by a quarter		<input type="checkbox"/>
Cut crime and anti-social behaviour		<input type="checkbox"/>
Ensure more school leavers get a job, training or further education than any other City		<input type="checkbox"/>
Your neighbourhood as clean as the City Centre		<input type="checkbox"/>
Help keep your energy bills down		<input type="checkbox"/>
Good access to public transport		<input type="checkbox"/>
Nottingham has a good mix of housing		<input type="checkbox"/>
Nottingham is a good place to do business, invest and create jobs		<input checked="" type="checkbox"/>
Nottingham offers a wide range of leisure activities, parks and sporting events		<input type="checkbox"/>
Support early intervention activities		<input type="checkbox"/>
Deliver effective, value for money services to our citizens		<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users):		
<p>Bridge Estate owns the freehold interest in Alexander Fleming Building. The property is let to Markem-Imaje Industries Ltd; the lease expires on 21 October 2015. This report sets out the lease terms agreed for its continued occupation thereby maintaining the rental income.</p>		
Recommendation(s):		
1	To approve the terms for a new 5 year lease to Markem-Imaje Industries Ltd commencing on 22 October 2015 as detailed in the Exempt Appendix	

1. REASONS FOR RECOMMENDATIONS

Markem-Imaje Industries Ltd is legally entitled to re-new its 5 year lease on Alexander Fleming Building unless the landlord has a ground to object specified in the Landlord and Tenant Act. There is no ground to object and terms have been agreed for a new lease which reflects the current market rental value for the property.

2. BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

Bridge Estate owns the freehold interest in the Alexander Fleming Building located on the Nottingham Science Park, University Boulevard. The property comprises a two storey office building dating from 1996 and extending to some 16,000 square feet.

Markem-Imaje Industries Ltd occupies by way of a 5 year full repairing and insuring lease commencing on 22 October 2010 at a current passing rent of £157,875 per annum. The lease is a business lease protected by the Landlord and Tenant Acts and the tenant is entitled to re-new the lease unless the landlord has a ground to object specified in the Acts. There is no ground to object to the renewal. Negotiations have taken place with agents acting for the tenant and terms have been agreed to grant a new 5 year lease when the existing lease expires. The detailed terms for the lease are set out in the Exempt Appendix.

3. OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

As there are no valid grounds to object to the lease renewal; the option proposed is the only sensible option.

4. FINANCE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)

Advice included in Exempt Appendix, Georgina Lewis, Finance Analyst, 13/8/15

5. LEGAL AND PROCUREMENT COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)

The proposal to grant a new lease on the terms set out in the report and exempt appendix raises no significant legal issues and, on the basis outlined, is supported.

Malcolm R. Townroe, Solicitor, Head of Legal Services – 14 August 2015.

6. EQUALITY IMPACT ASSESSMENT

Not needed (report does not contain proposals or financial decisions)

7. LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

None

8. PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

None