

Trusts and Charities Committee - 18 April 2016

Title of paper:	Option Agreement – Land and Buildings on Iremonger Road		
Director(s)/ Corporate Director(s):	David Bishop, Deputy Chief Executive and Corporate Director of Development and Growth Kevin Shutter, Director of Strategic Assets and Property	Wards affected: Bridge	
Report author(s) and contact details:	Richard Cox, Principal 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 Key Theme:			
Strategic Regeneration and Development			<input checked="" type="checkbox"/>
Schools			<input type="checkbox"/>
Planning and Housing			<input type="checkbox"/>
Community Services			<input type="checkbox"/>
Energy, Sustainability and Customer			<input type="checkbox"/>
Jobs, Growth and Transport			<input type="checkbox"/>
Adults, Health and Community Sector			<input type="checkbox"/>
Children, Early Intervention and Early Years			<input type="checkbox"/>
Leisure and Culture			<input type="checkbox"/>
Resources and Neighbourhood Regeneration			<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users):			
The report seeks approval for Bridge Estate to enter into an option agreement which will enable progress to the realisation of the development potential of the subject site. If the option is exercised Bridge Estate will receive a capital receipt.			
Recommendation(s):			
1	To enter in to an option agreement with UKPP Developments Ltd enabling it to purchase Bridge Estate's freehold interest in 1.15 acres of land and buildings on Iremonger Road on terms set out in the Exempt Appendix		

1 REASONS FOR RECOMMENDATIONS

- 1.1 The granting of the option to UKPP Developments Ltd will enable it to progress development proposals for this site. A capital receipt will be payable to Bridge Estate if the option is exercised.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 Bridge Estate owns the freehold interest in a 1.15 acre site on Iremonger Road subject to two leases to Henton and Chattell Ltd producing a fixed ground rent of £298.50 per annum. One lease expires in 2048, the other in 2121. The site has a long, prominent frontage to Nottingham Canal a short distance north of Trent Bridge. The site is allocated as a development site in the current local plan. To provide UKPP Developments Ltd with the security to incur the substantial costs associated with the detailed design work and planning application for its development proposals, it requires the security of an option agreement. Heads of Terms have been agreed for the option and are set out in the Exempt Appendix

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 To not enter in to the option agreement. This option was rejected as it would not result in the potential for a capital receipt which could be used to increase rental income for Bridge Estate.

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

- 4.1 Finance comments are included in the Exempt Appendix.

Advice provided by Georgina Lewis (Finance Analyst) on 05/04/2016.

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

- 5.1 Provided that the proposed option is on terms recommended in a written report by a suitably qualified surveyor to be in the best interests of the charity then the recommendation raises no significant legal issues and is supported.

6 STRATEGIC ASSETS & PROPERTY COMMENTS (FOR DECISION RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE) (AREA COMMITTEE REPORTS ONLY)

- 6.1 This is a report of the Director of Strategic Assets therefore further Property comments are not required

7 EQUALITY IMPACT ASSESSMENT

- 7.1 Has the equality impact of the proposals in this report been assessed?

No



An EIA is not required because the decision does not impact on policies, services or functions.

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

8.1 None

9 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

9.1 None