

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

Reference Number:	3111
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Department:	Development and Growth
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Subject:	Investment acquisition - Project Newcastle
Key Decision (decision valued at more than £1million):	Yes
Key Decision (decision affects 2 or more wards):	Yes
Total Value:	Exempt (Type: Capital)
Decision Being Taken:	1. To approve the purchase of the long leasehold interest in an industrial premises. 2. To approve the use of Prudential Borrowing to fund 100% of the purchase and associated costs.
Reasons for the Decision(s)	1. The acquisition will result in increased income to the Chamber Estate investment portfolio and will contribute towards the requirements of the Council's property investment strategy. 2. The property will provide opportunities for capital and rental growth and will diversify the investment portfolio with a purchase outside of the city boundary. 3. An Agreement for Lease has been signed and the property will be let from completion of substantial refurbishment works.
Other Options Considered:	Not to purchase the property - this option was rejected as proceeding with the acquisition will contribute towards the Council's investment strategy to raise additional income and meet investment targets.
Background Papers:	None

<b>Published Works:</b>	None
<b>Affected Wards:</b>	Citywide
<b>Colleague / Councillor Interests:</b>	None
<b>Any Information Exempt from publication:</b>	Yes
<b>Exempt Information:</b>	
<b>Description of what is exempt:</b>	Details and appraisal of the proposed acquisition, including the financial advice.
	An appendix (or appendices) to this decision is exempt from publication under the following paragraph(s) of Schedule 12A of the Local Government Act 1972
<b>3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).</b>	The public interest in maintaining the exemption outweighs the public interest in disclosing the information because the decision contains information relating to the financial business affairs of the proposed seller and the Council. Disclosure of negotiations between the seller and the Council relating to the proposed purchase price at this pre-contract stage could adversely affect the Council's position with the seller. Additionally, disclosure of the Council's appraisal of the property could have similar adverse affects.
<b>Documents exempt from publication:</b>	Brochure - Project Newcastle.pdf, Acquisition - Financial comments on the purchase of Project Newcastle 01.03.18.docx, Exempt Information - Project Newcastle.docx, Investment Appraisal Template - Balliol Business Park, Newcastle 25.01.18 SC.xlsx
<b>Consultations:</b>	Those not consulted are not directly affected by the decision.
<b>Crime and Disorder Implications:</b>	The acquisition of the property has no crime and disorder implications and will, instead, assist services by supporting core income.
<b>Equality:</b>	EIA not required. Reasons: EIA not required as the decision does not relate to policies, services or functions.
<b>Decision Type:</b>	Leader's Key Decision

Subject to Call In:	No
	The call-in procedure does not apply to the proposed decision because the delay likely to be caused by the call in process would seriously prejudice the Council's or the public's interests. The Chair of the Overview and Scrutiny Committee (or Vice-Chair) in his/her absence has been consulted and agreed both that the decision proposed is reasonable in all circumstances and that it should be treated as a matter of urgency.
	Person Consulted: Councillor Brian Parbutt
	Consultation Date: 16/10/2017
	To allow call-in would affect the completion date of the project. Heads of Terms have been agreed with the vendor and a condition of the sale is an exchange within 20 working days of receipt of full legal pack, with completion 10 days thereafter.
Advice Sought:	Legal, Finance
Legal Advice:	<p>The proposals set out in the report will be the subject of appropriate legal due diligence which will be undertaken by the Council's in-house legal team or external solicitors appointed by the Director of Legal and Governance. As set out the proposals raise no significant legal concerns but further checks will be undertaken as part and parcel of the overall transaction.</p> <p>Advice provided by Malcolm Townroe (Director of Legal and Governance) on 08/03/2018.</p>
Finance Advice:	<p>This advice is exempt from publication and is contained within an exempt appendix</p> <p>Advice provided by Mandy Bryce (Finance Analyst) on 01/03/2018.</p>
Signatures:	Graham Chapman (PH for Resources and Neighbourhood Regeneration)
	SIGNED and Dated: 15/03/2018
	David Bishop (Deputy CE, CD for Development and Growth)
	SIGNED and Dated: 13/03/2018