

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

<b>Reference Number:</b>	<b>3806</b>
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<b>Department:</b>	<b>Development and Growth</b>
<b>Contact:</b>	<b>Jeremy Bryce</b> <b>(Job Title: Surveyor, Email: jeremy.bryce@nottinghamcity.gov.uk, Phone: 01158763082)</b>
<b>Subject:</b>	<b>Sale of 14 - 18 St Marys Gate and 4 St Marys Place, Nottingham NG1 1PF</b>
<b>Total Value:</b>	<b>see exempt appendix (Type: Capital)</b>
<b>Decision Being Taken:</b>	<p><b>To declare 14 - 18 St Marys Gate and 4 St Marys Place, Lace Market, Nottingham NG1 1FP surplus to the Trading Account and make the premises available to the Director of Strategic Assets and Property to sell, subject to no alternative operational, regeneration, community or other requirements being identified.</b></p> <p><b>To grant delegated authority to the Director of Strategic Assets and Property to agree the method and terms for the sale of the freehold interests of these properties as set out in the exempt appendix.</b></p> <p><b>To reinvest the capital receipt in the Trading Account for the use in the repair, maintenance or acquisition of better performing assets.</b></p>
<b>Reasons for the Decision(s)</b>	<p><b>These premises are currently let as multi occupied units (see tenancy schedules in exempt appendix) over the ground, first and second floors with basement storage areas, together with 12 external in curtilage parking areas, of which 3 are let within existing tenancies. Generally these properties are in poor condition and repair. Recently completed Energy Performance Certificates show that most units within these two properties fail to meet newly enacted EPC legislation. The inevitable high cost of investment to make the whole building compliant and make the void units available to relet at market rents makes retention uneconomical. The proposed capital savings and future receipt would be put to better use if reinvested in better performing assets.</b></p>

**Other Options Considered:** Continue to let the premises in the open market. However these are properties in a high profile location that require significant capital investment to maintain a viable income stream. Therefore this option was rejected.  
Complete a basic repair and refurbishment programme of the building to conform with the new statutory regulations. High level costings compared with the new proposed market rents are not economical over the proposed payback period. Therefore this option was rejected.  
Sell in the open market by informal tender. This is the chosen option. An open market sale will ensure the Council receives the best value as the buildings do lend themselves to other uses which would provide a better return for a private investor or occupier.

**Background Papers:** None

**Published Works:** None

**Affected Wards:** Castle

**Colleague / Councillor Interests:** None

**Any Information Exempt from publication:** Yes

**Exempt Information:**  
**Description of what is exempt:** The valuation and tenancy schedules.

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

**3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).** The public interest in maintaining the exemption outweighs the public interest in disclosing the information because it contains details relating to the proposed sale price for property, disclosure of which will prejudice the Council's position in negotiations.

5 - Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because it contains information in respect of which a claim to legal professional privilege could be maintained in legal proceedings relating to a proposed transaction and, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. It is not in the public interest to disclose this information because it contains confidential legal advice in respect of the proposed transaction and disclosure could prejudice the Council's position.

Documents exempt from publication:

exempt legal appendix for 14 to 18 St Marys Gate and 4 St Marys Place.docx, Appendix to 14-18 St Marys Gate & 4 St Marys Place PHA.doc, 4 St Marys Place.xlsx, 14-18 St Marys Gate.xlsx

Consultations:

Date: 28/01/2020

Ward Councillors: Sam Webster, Angharad Roberts

Councillors consulted 29.01.2020 - no responses received

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

None

Equality:

EIA not required. Reasons: This decision does not include proposals for new or changing policies, services or functions.

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

06/03/2020

Advice Sought:

Legal, Finance, Property

Legal Advice:

This advice is exempt from publication and is contained within an exempt appendix Advice provided by Mick Suggett (Team leader: Conveyancing) on 31/01/2020.

Finance Advice:

Property trading account will lose rental income from this property, but the capital receipt from the disposal will support either future investment purchases or will be used to improve the stand of other traded properties to generate more income. Advice provided by Mandy Bryce (Finance Analyst) on 31/01/2020.

Property Advice:

This is a Property report, no further advice is required. Advice provided by Rodney Alan Martin (Development Manager) on 05/02/2020.

**Signatures**

<b>David Mellen (Leader/ PH Regeneration, Safety and Communications)</b>
<b>SIGNED and Dated: 26/02/2020</b>
<b>Chris Henning (Corporate Director for Development and Growth)</b>
<b>SIGNED and Dated: 25/02/2020</b>