

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	3868
Author:	Siobhan Stewart
Department:	Development and Growth
Contact:	Siobhan Stewart (Job Title: Assistant Estates Surveyor, Email: siobhan.stewart@nottinghamcity.gov.uk, Phone: 0115 8763105)
Subject:	To Approve a New Lease at 632 Farnborough Road, Clifton, Nottingham, NG11 9GU
Total Value:	See Exempt Appendix (Type: Revenue)
Decision Being Taken:	To approve the terms for a new lease at 632 Farnborough Road, Clifton, Nottingham, NG11 9GU as detailed in the exempt appendix.
Reasons for the Decision(s)	This will generate income, reduce expenditure on the empty property and provide support for a local business in the local economy.
Briefing notes documents:	2020.04.29 Lease Plan - 632 Farnborough Road.pdf
Other Options Considered:	Not agreeing to lease the property to the proposed tenant. This option has been rejected as acceptable terms to a market level have been agreed.
Background Papers:	None
Published Works:	None
Affected Wards:	Clifton East
Colleague / Councillor Interests:	N/A

Any Information Exempt from publication:

Yes

Exempt Information:

Description of what is exempt:

Heads of terms

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

1 - Information relating to any individual

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because it reveals personal information about the prospective tenant.

2 - Information which is likely to reveal the identity of an individual

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because it reveals personal information about the prospective tenant.

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 reveals business sensitive negotiations that if published into the public domain could prejudice future property negotiations on other properties in the area.

Documents exempt from publication:

2020.04.23 Draft Heads of Term - 632 Farnborough Road.pdf, 2020.05.04 Exempt Appendix.pdf

Consultations:

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

There are no crime or disorder implications included in this decision.

Equality:

EIA not required. Reasons: This is not a new or changing policy, service or function. The decision adheres to all Council Equality policies.

Relates to Council Property Assets:

Yes

Decision Type:

Officer

Executive Decision?	Yes
£50,000 or more:	Yes
Scheme of Delegation Reference Number or Other Source of Delegation:	237 - Council Owned Land and Property - Grant of Tenancies and Leases
Subject to Call In:	Yes
Call In Expiry date:	21/05/2020
Advice Sought:	Legal, Finance, Property, Other: Leon Mclean(leon.mclean@nottinghamcity.gov.uk)
Legal Advice:	From the information provided in the report the proposed lease arrangement does not appear to raise any substantive legal issues of concern. The proposed lease will be subject to normal property legal due diligence and the drafting, negotiation and agreement of formal legal documentation between the parties. Advice provided by Mick Suggett (Team leader: Conveyancing) on 12/05/2020.
Finance Advice:	<p>The proposed decision allows a twenty year lease (with a break at year 10) with a new tenant for the annual payments set out in the exempt appendix. The lease will provide a continued rental income to the Housing Revenue Account (HRA) budget for that property. The HRA is a ring-fenced account and this decision has no impact on the Council's MTFP.</p> <p>In addition the residential part of the unit will be separately let, which will also generate rent for the HRA, with the total rent for the property overall being greater than that which was received previously. The costs of bringing the residential part of the property up to a lettable standard will be charged to the Voids budget within the Public Sector Housing Capital Programme, which is fully funded and has no impact on the Council's MTFP. Advice provided by Julie Dorrington (Senior Accountant (Housing Revenue Account)) on 11/05/2020.</p>
Property Advice:	The property has been divided to allow part to be used for residential and the shop element to be re let. The terms agree for the shop are to market rent and a due diligence process has been followed to limit risk to the Council Advice provided by Pippa Hall (Portfolio and Investment Manager) on 04/05/2020.
Other Advice:	<p>Housing Strategy & Partnerships supports the letting of this commercial unit, the letting creates an income stream for Housing Revenue Account, and reduces the number of void properties in our neighbourhoods.</p> <p>Advice provided by Leon McLean (Partnership Officer) on 11/05/2020.</p>
Signatures:	<p>Kevin Shutter (Director of Strategic Asset and Property)</p> <p>SIGNED and Dated: 14/05/2020</p>