

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	3904
Author:	Rizvan Shafiq
Department:	Development and Growth
Contact:	Rizvan Shafiq (Job Title: Senior Estates Surveyor, Email: rizvan.shafiq@nottinghamcity.gov.uk, Phone: 8763087)
Subject:	Lease Extension (Surrender and Renewal) - Land 3.065 Acres at Redfield Road, Lenton Industrial Estate, Nottingham NG7 2UJ
Total Value:	Exempt (Type: Revenue)
Decision Being Taken:	To agree and implement the surrender and renewal of the existing lease for the land 3.065 acres at Redfield Road, Lenton Lane Industrial Estate as set out in the exempt appendix.
Reasons for the Decision(s)	<p>The subject land is let on a 20-year lease with effect from November 2015, subject to 5 yearly rent reviews. The site is currently used by the tenant for the operation of a generator facility for the generation of electricity. The tenants have approached the City Council requesting a longer lease term by way of a surrender and renewal in order that they can forward plan their business operations for the site.</p> <p>The surrender and renewal of the lease will provide a longer term and increased security for the tenants encouraging their investment into the property. In addition, the Council will receive an increase in the current rent passing which will go towards the Trading Account.</p>
Other Options Considered:	To continue with the current lease terms - this option was rejected as it would result in the loss of an opportunity to increase the rental income for the Council and would discourage investment into a Council asset. In addition, suitable terms have been agreed.
Background Papers:	None
Published Works:	None

Affected Wards:	Lenton and Wollaton East
Colleague / Councillor Interests:	None
Any Information Exempt from publication:	Yes
Exempt Information:	
Description of what is exempt:	Financial details of the negotiated 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
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 would prejudice future negotiations the Council undertakes.
Documents exempt from publication:	2020.05.29 - Exempt Appendix Redfield Road.docx
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	None
Equality:	EIA not required. Reasons: This is not a new or changing policy, service or function.
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:	16/06/2020
Advice Sought:	Legal, Finance, Property
Legal Advice:	From the information provided by the author of the report and the Exempt Information there appears to be no significant issues with the proposed transaction. The transaction will be subject to formal legal documentation. Advice provided by Jo Backhouse, Senior Solicitor in the Legal Conveyancing Section on 04/06/2020.
Finance Advice:	The new lease will increase the rental income for the Chamber Estate portfolio and contribute towards the SAM Big Ticket Savings Target. Advice provided by Mandy Bryce (Finance Analyst) on 02/06/2020.
Property Advice:	The surrender of this lease and regranting of a new lease increases rental income for the property trading account and provides the tenant with more security so they can invest in their business. Advice provided by Pippa Hall (Portfolio and Investment Manager) on 01/06/2020.
Signatures:	Kevin Shutter (Director Strategic Assets & Property) SIGNED and Dated: 09/06/2020