

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	3932
Author:	Rizvan Shafiq
Department:	Development and Growth
Contact:	Rizvan Shafiq (Job Title: Senior Estates Surveyor, Email: rizvan.shafiq@nottinghamcity.gov.uk, Phone: 8763087)
Subject:	Long Lease Extension (re-gear) - 7.87 Acres of Land at Bull Close Road, Lenton Lane Industrial Estate, Nottingham NG7 2UT
Total Value:	Exempt (Type: Capital)
Decision Being Taken:	To agree and implement the surrender and renewal of the existing lease for the 7.87 acre site on Bull Close Road, Lenton Lane Industrial Estate, as set out in the exempt appendix.
Reasons for the Decision(s)	<p>The 7.87 acre site and is located on the eastern side of Bull Close Road on the Lenton lane Industrial Estate a former domestic refuse landfill site approximately 2 miles south west of Nottingham City Centre. Lenton Lane Industrial Estate is accessed off Clifton Boulevard (A52). The property is currently let on a 125- year lease at a peppercorn rent with no rent reviews.</p> <p>The tenants have approached the City Council with a view of re-gearing there current lease to a new 150 year term. The re-gear 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 a capital payment which will be used in the most effective way possible to support the financial position of the City Council.</p>
Other Options Considered:	To continue with the current lease terms - this option was rejected as it would result in the loss of a capital receipt for the Council and would discourage investment into a Council asset.
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 that the Council undertakes
Documents exempt from publication:	2020.07.08 - Exempt Appendix Bull Close 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:	Portfolio Holder

Subject to Call In:	Yes
Call In Expiry date:	29/07/2020
Advice Sought:	Legal, Finance, Property
Legal Advice:	<p>From the information by the author of the report and Exempt Information there appears to be no significant concerns with the proposed lease transaction. The transaction will be subject to the normal due diligence, negotiation and completion of formal legal documentation.</p> <p>Advice provided by Jo Backhouse, Senior Solicitor within the Conveyancing Legal team on 13 July 2020.</p>
Finance Advice:	<p>The capital receipt from this lease re-gear will be used in the most effective way possible to support the financial position of the City Council but £40k of it will be earmarked for the repair of Bull Close Road. Advice provided by Mandy Bryce (Finance Analyst) on 09/07/2020.</p>
Property Advice:	<p>This decision will result in a capital receipt for the Council, £40,000 of which will be retained by the Property Dept to spend on resurfacing part of the unadopted Bull Close road. This work is necessary as the Council have received insurance claims from drivers using the road. A speed limit has now been imposed and this together with the resurfacing work will limit the claims. The remainder of the capital receipt will be available for use by the Council. Advice provided by Pippa Hall (Portfolio and Investment Manager) on 09/07/2020.</p>
Signatures	<p>David Mellen (Leader/ PH Regeneration, Schools, Communications)</p> <p>SIGNED and Dated: 20/07/2020</p> <p>Chris Henning (Corporate Director for Development and Growth)</p> <p>SIGNED and Dated: 20/07/2020</p>