

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	3933
Author:	Rodney Alan Martin
Department:	Development and Growth
Contact:	Rodney Alan Martin (Job Title: Development Manager, Email: rod.martin@nottinghamcity.gov.uk, Phone: 01158763075)
Subject:	Manor Farm, Tollerton
Total Value:	Exempt (Type: Capital)
Decision Being Taken:	<p>To appoint the Council's retained specialist agricultural agents to enter into negotiation with the tenant farmer at Manor Farm, Tollerton to enable the surrender of the tenant farmers existing Agricultural Holdings Act Tenancy and grant a new Farm Business Tenancy.</p> <p>To authorise the Director of Strategic Assets and Property to agree terms for the new tenancy, in line with the exempt financial information.</p>
Reasons for the Decision(s)	<p>On 18 June 2019 Executive Board resolved to enter into a Promotion and Sale agreement for land at Gamston which incorporates Manor Farm, Tollerton shown hatched black on the attached plan. As part of that agreement, the Council is under an obligation to provide the Promotor partner with vacant possession of the land in a timely manner to facilitate the sale of the land. Although the Council can serve notice to obtain vacant possession for redevelopment under the existing Agricultural Holdings Act Tenancy that notice may be contested, and the length of time it may take to obtain vacant possession is by no means certain. Agreeing a surrender of the existing Agricultural Holdings Act Tenancy and granting a new Farm Business Tenancy would provide the Council with more certainty with regard to obtaining vacant possession when required by the Promotor, ensuring that the Council is protected against a potential requirement to compensate the Promotor under the terms of the Promotion Agreement if vacant possession can not be obtained when required.</p> <p>The negotiation of agricultural tenancies is a specialist area of work and the Council does not have the necessary in house skills to do this, which is why the Council's retained specialist agricultural agents are to be employed to undertake this work.</p>
Briefing notes documents:	Land at Gamston.pdf

Other Options Considered: Not entering into negotiation via specialist agricultural agents to obtain a new tenancy was rejected as it would leave an element of uncertainty as to the receipt of vacant possession leaving the Council open to a potential claim from the Promotor

Background Papers: None

Published Works: Executive Board report "The Promotion and Sale of Land at Gamston, Nottingham" approved by Executive Board 18 June 2019

Affected Wards: Citywide

Colleague / Councillor Interests: None

Any Information Exempt from publication: Yes

Exempt Information:

Description of what is exempt: The value of the decision and details of the proposed negotiations

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 compromise the Council's position in negotiations

Documents exempt from publication: Exempt Appendix v2.docx

Use of Consultants
Number of Days:90
Rate per Day:22.22
Total value:2000

	Start date:01/07/2020
	End date:31/08/2020
Reason for using a consultant:	The proposed negotiations to surrender the existing Agricultural Holdings Act Tenancy and the grant of a new Farm Business Tenancy are specialist and requires someone with detailed knowledge of Rural Surveying practice. the Council does not have the necessary skills in house to undertake this work
Other options considered:	Not to employ a specialist Rural Surveying practice to undertake this work. This option was rejected as it would result in the Council not receiving the best advice.
Name of consultant:	Savills, Lincoln office
Reason for selection?	Savills at Lincoln are already retained by the Council to advise on agricultural matters and to manage the Council's agricultural portfolio they therefore have an existing relationship with the tenant farmer and his agent and knowledge of the circumstances in this case.
Has the consultant previously completed work for the City Council?	Yes, Savills at Lincoln are retained to manage the Councils agricultural portfolio
Specific activities to be undertaken by the consultant are:	Negotiating the surrender the existing Agricultural Holdings Act Tenancy and the grant of a new Farm Business Tenancy, advising the Council accordingly.
Period of engagement:	3 months
By what process was the consultant selected?	This will be additional work given to an existing retained consultant.
Consultations:	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 new or changing policies
Social Value Considerations:	N/A
Relates to staffing:	Yes
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, Procurement, Human Resources, Property
Legal Advice:	From the information provided by Property colleagues it appears the proposed transaction should not raise any substantive legal issues of concern. It is understood that the legal work involved in advising on this matter will be undertaken by specialist external legal advisors who will advise Nottingham City Council. The external legal advisors will be agreed upon by the Director of Legal and Governance. Advice provided by Mick Suggett (Team leader: Conveyancing) on 09/07/2020.
Finance Advice:	To facilitate the sale of the land with vacant possession, the Council will lose the annual rent and also will be required to compensate tenants for surrendering of the existing lease and granting a new lease. Costs of compensation will be covered by Property Trading Account capital receipts. Advice provided by Mandy Bryce (Finance Analyst) on 19/06/2020.
Procurement Advice:	There are no procurement issues with this decision. The value of the consultant's appointment is well below the level at which quotes would need to be obtained as set out in Contract Procedure Rule 4.2.1, and the rest of the spend relates to sale of land which does not fall within the procurement regime. Advice provided by Jonathan Whitmarsh (Lead Procurement Officer) on 19/06/2020.
HR Advice:	There are no direct HR issues in relation to this proposal. Advice provided by Paul Slater (Service Redesign Consultant) on 24/06/2020.
Property Advice:	This is a Property report, no further Property advice is required.
Signatures:	David Mellen (Leader/ PH Regeneration, Schools, Communications)
	SIGNED and Dated: 20/07/2020
	David Mellen (Leader/ PH Regeneration, Schools, Communications)
	NOT SIGNED
	Chris Henning (Corporate Director for Development and Growth)
	SIGNED and Dated: 20/07/2020