

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	3956
Author:	Hannah Owens
Department:	Development and Growth
Contact:	Hannah Owens (Job Title: Estates Surveyor, Email: hannah.owens@nottinghamcity.gov.uk, Phone: 07714488356)
Subject:	Lease renewal grant - Unit 2A, Castlebridge Office Village, Castle Marina Road, NG7 1TN
Total Value:	Exempt (Type: Revenue)
Decision Being Taken:	To grant a lease renewal to an existing tenant at Unit 2A, Castlebridge Office Village, Castle Marina Road, Nottingham, NG7 1TN, on terms outlined in an exempt appendix.
Reasons for the Decision(s)	By granting this lease renewal, the Council will secure the rental income for the length of the lease, reducing risk and uncertainty. The tenant also has a legal right to renew under property law for which the Council have no grounds to object.
Briefing notes documents:	Plan 1 Site Plan.pdf, Plan 2 Tenants Demised Area.pdf
Other Options Considered:	1) To not grant the lease renewal. This option was rejected due to satisfactory market terms being agreed and in consideration of the tenant's legal right to renew.
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:	Financial information
	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 is commercially sensitive, relates to the financial affairs of the tenant and City Council, and may prejudice future negotiations within the surrounding area.
Documents exempt from publication:	2020.07.28 Exempt Officer Decision.pdf, 2020.06.15 Lease Renewal HOTS Final.pdf
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	There are no crime and disorder implications arising from this decision.
Equality:	EIA not required. Reasons: The decision does not represent 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

Subject to Call In: Yes

Call In Expiry date: 20/08/2020

Advice Sought: Legal, Finance, Property

Legal Advice:
From the information provided by the author of the report and the Exempt Information there does not appear to be any significant concerns with the proposed letting. The transaction will be subject to the usual due diligence, negotiation and completion of formal documentation.

Advice provided by Joanne Backhouse, Senior Solicitor within the Conveyancing legal team on 29/07/2020.

Finance Advice:
The new lease will decrease the rental income slightly to the Council compared to previous lease and the pressure will need to be managed by Property Trading Account.

Advice provided by Mandy Bryce (Finance Analyst) on 29/07/2020.

Property Advice:
The lease renewal is to a tenant with a strong covenant and will secure rental income for the property trading account for a further 5 years.

Advice provided by Pippa Hall (Portfolio and Investment Manager) on 29/07/2020.

Signatures:
Kevin Shutter (Director of Strategic Assets and Property)
SIGNED and Dated: 12/08/2020