

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

Reference Number:

3991

Author:

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Department:

Development and Growth

Contact:

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Subject:

'Wood World Furniture' Sherwin Road, Nottingham, NG7 2FJ

Total Value:

As set out in the exempt appendix (Type: Capital)

Decision Being Taken:

To declare the subject property as surplus to Nottingham City Council's Trading Account portfolio

To declare that the subject property is surplus to any alternative/operational requirements of Nottingham City Council

To authorise the sale of the subject property

To authorise the Director of Strategy Assets and Property approve the Marketing Strategy and Terms of Sale (including price) in the disposal of the subject property

To authorise the Director of Strategic Assets and Property approve any expenditure required, which will directly relate to maximising the capital receipt achievable on sale of the asset, including (but not limited to) ensuring the property is safe for accompanied viewings.

**Reasons for the Decision(s)** The subject property is a 14,000 sq.ft, single story, retail warehouses in a dilapidated condition of repair but occupying a 0.47ac plot in a primarily residential area of Lenton with ample amenities close by.

The property, held in the Trading Account, has historically been leased out as retail/showroom premises and has contributed to the investment objectives of the Trading Account. The most recent lease commenced in 2012 for a term of 5 years, however, the tenant held over July 2020, which proved beneficial to the Council in terms of the additional income.

The Property is not in a suitable condition to re-let without substantial expenditure and refurbishment, both to the external fabrics of the building and the interior. The outgoing tenant's repairing responsibilities were limited by and Schedule of Condition and it is not due to their occupation of the property that this level of work is required, but because the fabrics of the building are now stretched beyond their economic life.

The site is identified as suitable for redevelopment and Planners have informally suggested that a residential scheme of flats (such as for a Registered Provider), could be considered appropriate in this location. Further to valuation and appraisal works, sale of this site for residential development is considered the most viable option for this surplus asset, by Strategic Assets and Property.

The receipt from this transaction will be used in the most effective way possible to support the financial position of the City Council.

**Briefing notes documents:** Sherwin Road Plan.pdf

**Other Options Considered:** To market the property to re-let. The Property would not meet the necessary Energy Performance rating to be put to the market at this time. Without substantial expenditure and refurbishment, this property cannot be brought into a condition suitable for letting.

To put the property to alternative operational use of the Council. For the same reasons as provided above, the property is not in a condition suitable for use. Cost aside, although conversion to an office or service use would be possible, Nottingham City Council have no operational requirements for such a property.

**Background Papers:** No background papers.

**Published Works:** No Published Documents.

**Affected Wards:** Lenton and Wollaton East

**Colleague / Councillor Interests:** No declared interests.

**Any Information Exempt from publication:** Yes

**Exempt Information:**

**Description of what is exempt:**

The anticipated Capital Receipt on sale of this asset.

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 a priority not to prejudice the Council's position in achieving best possible bids from prospective purchasers of this site.

**Documents exempt from publication:**

2020-07-09 EXEMPT Page Sale PfH Approval Sherwin.docx

**Consultations:**

Date: 31/07/2020

Ward Councillors: David Trimble, Sally Longford, Pavlos Kotsonis

No objections received.

Those not consulted are not directly affected by the decision.

**Crime and Disorder Implications:**

There is no allocated budget to manage the security and holding costs for this property and so an efficient disposal process and prompt action is required in order to reduce the amount of time that the site remains vacant and opportunity for antisocial behaviors occurring.

**Equality:**

EIA not required. Reasons: This decision does not relate to a change of policy service or function and is not a financial decision that will have effect on services.

**Relates to Council Property Assets:**

Yes

**Decision Type:**

Portfolio Holder

**Subject to Call In:**

Yes

**Call In Expiry date:**

28/09/2020

**Advice Sought:**

Legal, Finance, Property

**Legal Advice:** From the information provided in the report the proposed transaction does not appear to raise any significant legal issues of concern. The transaction will be subject to normal property legal due diligence and the drafting, agreement and negotiation of formal legal documentation between the parties  
Advice provided by Victoria McIntyre (Solicitor) on 06/08/2020.

**Finance Advice:** The capital receipt realised from this site will be used in the most effective way possible to support the financial position of the City Council. Advice provided by Tom Straw (Senior Accountant - Capital Programmes) on 13/08/2020.

**Property Advice:** This is a Strategic Asset and Property report and as such there is no further Property advice to add. Advice provided by Pippa Hall (Portfolio and Investment Manager) on 17/08/2020.

**Signatures**

David Mellen (Leader/ PH Regeneration, Schools, Communications)
SIGNED and Dated: 19/09/2020
Chris Henning (Corporate Director for Development and Growth)
SIGNED and Dated: 16/09/2020