

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	4428
Author:	Vicky Ross
Department:	Resident Services
Contact:	Vicky Ross (Job Title: Programme Manager Investment and Operations, Email: vicky.ross@nottinghamcity.gov.uk, Phone: 01158762173)
Subject:	Disposal of Sneinton Hermitage Community Centre
Total Value:	exempt (Type: Revenue)
Decision Being Taken:	1. To declare 11 Sneinton Hermitage, Nottingham NG2 4FD (previously surplus to the Communities Portfolio and make the freehold available for disposal in the open market. 2. To delegate authority to the Corporate Director of Growth and City Development in conjunction with the Director of Economic Development and Property to agree the method and terms for the sale, including the setting of guide prices and final reserve at auction, as set out in the exempt appendix.
Reasons for the Decision(s)	1. The premises have recently become vacant after the occupying community group tenant were offered alternative accommodation in a more fit for purpose building. It has been confirmed that there are no operational, regeneration, community or other requirements identified. This presents an ideal opportunity to dispose in the open market at the earliest opportunity in order to minimise holding costs, business rates and security costs of a vulnerable building. Re Resident Services will remain responsible for all holding/revenue costs of the property until completion of any sale. The receipt will be held as a Corporate Capital Receipt and used in accordance with the Capital Strategy.
Briefing notes documents:	11 Sneinton Boulevard.pdf

Other Options Considered:

1. To retain in Council ownership. The property is in a very dated condition throughout. Inward investment on maintenance/repair would therefore be considerable. Consequently it is considered an uneconomic investment for the Council. 2. To reoccupy for operational use. This option has been rejected as after consultation with colleagues in asset management and regeneration no other uses have been identified.3. To offer the premises to other local community groups. This option has also been rejected as there is sufficient capacity within walking distance for the delivery of community activities.

Background Papers:

Published Works:

Report reference 4382 Sneinton Hermitage Community Facility Transition 2021 August

Affected Wards:

Dales

Colleague / Councillor Interests:

None

Any Information Exempt from publication:

Yes

Exempt Information:

Description of what is exempt:

The property valuation price for public auction

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 any reserve price set for auction will prejudice the Councils position in negotiations relating to the proposed sale

Documents exempt from publication:

Exempt Appendix to 11 Sneinton Hermitage JB 20102021.doc

Consultations:

Date: 31/08/2021

Ward Councillors: Gul Khan, David Mellen, Neghat Khan

Consultation with Ward Councillors was ongoing throughout the transfer of the activity to the new location. The transfer of all activities was completed by 31st August 2021.

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

The empty building may attract anti social behaviour

Equality:

EIA not required. Reasons: All services and activities have been relocated to the ex library building which is located a few hundred yards along the boulevard

Relates to Council Property Assets:

Yes

Decision Type:

Portfolio Holder

Subject to Call In:

No

The call-in procedure does not apply to the proposed decision because the delay likely to be caused by the call in process would seriously prejudice the Council's or the public's interests. The Chair of the Overview and Scrutiny Committee (or Vice-Chair) in his/her absence has been consulted and agreed both that the decision proposed is reasonable in all circumstances and that it should be treated as a matter of urgency.

Person Consulted: Cllr Anne Peach

Consultation Date: 02/11/2021

The previous users of the property have re-located and the property is vacant awaiting sale. A call in period would mean that marketing preparations for the property would not be completed in time to enter the property into the December 2021 auction and the sale would be delayed until the next auction in February 2022. This would incur additional costs for maintenance and security. In addition, if the sale is delayed, the property would remain unoccupied and there are potential risks of damage to the property from anti-social behaviour or vandalism which would give rise to extra costs for repairs and/or which may affect the sale price.

Advice Sought:

Legal, Finance, Property

Legal Advice: From the information provided in the report and the exempt appendix, the proposed does not appear to raise any significant issues of concern. The transaction will be subject to the usual legal due diligence, drafting, negotiation and agreement of formal legal documentation. A price guide will have to be sought prior to auction. Advice provided by Christina Price (Chartered Legal Executive) on 28/09/2021.

Finance Advice: Due to the reasons outlined by the report author, this decision seeks approval to dispose of the Sneinton Hermitage Community Centre. As detailed in the decision Resident Services will remain responsible for all holding/revenue costs of the property until completion of any sale
This saving linked to a review of Community Centres was captured as part of the 2020/21 Budget Saving process and is already incorporated within the Medium Term Financial Plan.
Once the site has been declared surplus, it will be captured within the asset rationalisation programme with any receipt (less fees) being used to fund current capital commitments.
Any ongoing running costs will need to be met from existing Resident Services budgets, incorporated within the Medium Term Financial Plan until the completion of any sale. A protracted sale period will result in the service being unable to meet the expected saving based on the reduction of community centres, also additional expense in the form of Business Rates as these were previously met by the occupier. Also, any implications around anti-social behaviour and damage with the centre being vacant.
Advice provided by Susan Turner (Senior Commercial Business Partner) on 25/10/2021.

Property Advice: Property support the decision to dispose of this vacant community centre as it is no longer required for operational purposes and no alternative use has been identified for the property. This will form part of the ARP with the method of disposal in line with the Disposals Policy to maximise value. Advice provided by Christine Read (Property Business Partner) on 21/10/2021.

Signatures

Neghat Khan (PH Neighbourhoods, Safety and Inclusion)
SIGNED and Dated: 05/11/2021
Frank Jordan (Corporate Director, Resident Services)
SIGNED and Dated: 03/11/2021