

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	4875
Author:	Steve Sprason
Department:	Growth and City Development
Contact:	Steve Sprason (Job Title: Interim Head of Property, Email: steve.sprason@nottinghamcity.gov.uk, Phone: 07929 726438)
Subject:	review of high value commercial assets
Total Value:	Exempt (Type: Capital and Revenue)
Decision Being Taken:	<p>1) to approve the appointment of an external property consultant, to be selected through a competitive process, in order to undertake a review of the in scope Commercial assets and to lead and support the subsequent disposal of assets from inception through to completion. 2) to delegate authority to the Director of Economic Development and Property to appoint the successful consultant following the evaluation of the tender exercise.3) to delegate authority to the Director of Economic Development & Property to undertake any further procurement compliant exercises to appoint consultants to carry out asset reviews and to support disposal processes from inception through to completion as may be required.</p>
Reasons for the Decision(s)	<p>i. The Council for the last 18 months has embarked on a line by line review of its commercial property portfolio and through that process has been identifying assets suitable for disposal and the generation of capital receipts. The Council has a need to generate capital receipts to support the funding of its capital programme, transformation agenda and voluntary debt redemption requirements. There is now a need to both accelerate the relative pace at which assets are being reviewed and to increase the amount and relative pace of capital receipts being generated.ii. To that end the council now wishes to engage an external consultant to undertake a detailed review of commercial assets, to bring forward recommendations regarding the potential sale of assets and to lead and support the subsequent disposal of assets from inception through to completion. It is the case that a number of those high value assets sit within a larger campus with other assets and for completeness the commission will include all campus assets. Together these will comprise the "in scope" assets.iii. Whereas it is anticipated that the appointed consultant will be asked to deal with the majority of asset sales arising from the review of in scope assets the council will reserve the right, at its absolute discretion, to run an additional competitive process and/or appoint other agents in relation to any asset identified for disposal.iv. for the avoidance of doubt it is the case that formal decisions on any individual recommended disposal arising out of the review process will be subject to established governance processes and the approved scheme of delegation.</p>

Other Options Considered:

i. not to undertake the proposed review. In the council's current circumstances this is not an acceptable position. There is a requirement to develop a sustainable pipeline of disposal properties and to increase the relative pace of of capital receipts. ii. undertake the review using in house resources. The council is finding it difficult at the present time to recruit and retain suitable permanent and interim staff to undertake this work. It is also the case that the in scope assets contain a number of "specialist" type properties that require an external expert view. There is at the same time of needing to undertake the review a requirement to maintain existing business as usual outputs.

Background Papers:

None

Published Works:

None

Affected Wards:

Citywide

Colleague / Councillor Interests:

None declared

Any Information Exempt from publication:

Yes

Exempt Information:

Description of what is exempt:

information relating to the procurement of an external consultant and the likely in scope assets which is commercially sensitive at this point.

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 exempt from publication under paragraph number 3 of Schedule 12A to the Local Government Act 1972 because it relates to

commercially sensitive information; disclosure could prejudice the Council's negotiating and future discussions which may be entered into.

Documents exempt from publication:

high value commercial assets review exempt appendix 130223 plus Finance Comments SFB.docx

Consultations:

Date: 01/02/2023
Other City Council Bodies:Asset Rationalisation Board
the members of the board were supportive of the principle of the review of high value commercial assets and the commissioning of an external consultant to undertake that work.

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

none arising from the contents of this report

Equality:

EIA not required. Reasons: the report is seeking approval to the commissioning of an external consultant to undertake a review of in scope commercial assets. as individual disposals are identified the need for an EIA, if any, will be subsequently considered on a case by case basis.

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

10/03/2023

Advice Sought:

Legal, Finance, Procurement, Property

Legal Advice:

The appointment of an external property consultant needs to be in full compliance with the public contract regulations and the council's contract procedure rules. Advice provided by Sarah O'Bradaigh (senior solicitor) on 22/02/2023.

Finance Advice:

**This advice is exempt from publication and is contained within an exempt appendix
Advice provided by Sarah Baker (Senior Commercial Business Partner - Property) on 24/02/2023.**

Property Advice:

The review will support the Council's requirements to generate capital receipts to support the Together For Nottingham - Improvement and Recovery Plan, Refresh 2022. Any resulting disposals will be undertaken in accordance with the Council's adopted Disposals Policy 2022. Advice provided by Beverley Gouveia (Disposals & Development Manager) on 22/02/2023.

Procurement Advice:

There are no significant procurement concerns with the decisions being sought. The Procurement Team is working with the client to ensure that a suitable consultant is appointed in compliance with Contract Procedure Rules and applicable provisions of the Public Contracts Regulations 2015. Advice provided by Jonathan Whitmarsh (Lead Procurement Officer) on 28/02/2023.

Signatures

David Mellen (Leader/ PH Strategic Regeneration Communications)
SIGNED and Dated: 02/03/2023
Sajeeda Rose (Corporate Director of Growth & City Development)
SIGNED and Dated: 02/03/2023