

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	4983
Author:	John West
Department:	Growth and City Development
Contact:	John West (Job Title: Estates Surveyor, Email: john.west@nottinghamcity.gov.uk, Phone: 01158763086)
Subject:	Lease of Land adjacent to Eastcroft Depot, London Road, Nottingham
Total Value:	See Exempt Appendix (Type: Revenue)
Decision Being Taken:	<p>To enter into a lease with Hartwells PLC whose registered address is Wooton Business Park, Besselsleigh Road, Wooton, OX12 6FD for 2 parcels of land adjacent to Eastcroft Depot, London Road as shown on the attached plan.</p> <p>Nottingham City Council are the tenant in this instance. The term will be 9th August 2023 to 8th May 2027 at a headline rent shown in the exempt appendix. There will be a rolling 6-month break clause enforceable by either party after 8th August 2024 and the lease will be exempt from Security of Tenure under the LTA1954.</p>
Reasons for the Decision(s)	<p>NCC already hold 2 leases for these respective areas, and use them operationally as part of the Eastcroft depot. There is a need to enter in to an extension for both areas until at least May 2024 and an undefined time after. This requires a new agreement as both current leases are contracted out of the security of tenure provisions. The rent is to remain the same as before, having been set in 2019 and 2020.</p>

Briefing notes documents: Leased Land at Eastcroft Depot 10.03.2023.pdf

Other Options Considered: The option of not seeking a lease extension was rejected as the land is required to maintain current services and by entering in to the extension, affords greater time for long term planning of services across Eastcroft, which could not be actioned in the remaining time of the existing leases.

Background Papers: None.

Published Works: None.

Affected Wards: Meadows

Colleague / Councillor Interests: None

Any Information Exempt from publication: Yes

Exempt Information:

Description of what is exempt: Details of the rent and other commercially sensitive 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 may prejudice other negotiations of similar deals in the future if it was made public.

Documents exempt from publication:

2023.05.04 Exempt Appendix - Eastcroft Hartwells Land 2027 expiry.docx, Financial comments for extension of Lease of Land adjacent to Eastcroft Depot.docx

Consultations:

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

There are no Crime and Disorder implications.

Equality:

EIA not required. Reasons: This is not a new or changing policy, service or function. The decision adheres to all Council Equality policies.

Relates to Council Property Assets:

Yes

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

12/07/2023

Advice Sought:

Legal, Finance, Property, Other: Kenneth France(kenneth.france@nottinghamcity.gov.uk)

Legal Advice:

From the information provided and following discussion with the author of the report, it would appear that the proposed transaction does not raise any substantive legal issues of concern. Legal Services understand that the grant of lease is to be essentially a renewal agreement with some agreed variations to current terms. The transaction should be subject to the carrying out of normal property legal due diligence and the drafting, agreement and completion of formal legal documentation between the parties. Advice provided by Mick Suggett (Team leader: Conveyancing) on 24/05/2023.

Finance Advice:

This advice is exempt from publication and is contained within an exempt appendix. Advice provided by Sohaib Chaudhry (Senior Commercial Business Partner) on 22/06/2023.

Other Advice:

Lease extension is required to support the long term collaboration with RBC and NCC in addition to the land holding RBC also purchase Fleet Services of NCC which is directly linked to the being based out of Eastcroft Depot. This agreement returns a net surplus to the council. In addition to the DDM a briefing paper will be submitted to DLT to evidence Best Value and gain approval to continue the partnership at Eastcroft Depot for both building / land space to operate RBC waste services and Fleets Collaboration agreement for maintenance of LGC and HGV vehicles. Advice provided by Kenneth France (Contracts & Commercial Manager) on 26/06/2023.

Property Advice:

The proposed decision does not raise any property concerns. The grant of the lease is essential for the ongoing use of the Eastcroft Depot and long term planning around the future use of the depot. Strategic Asset Management will work with legal services to undertake due diligence and draft the lease. Advice provided by Beverley Gouveia (Disposals & Development Manager) on 28/06/2023.

Signatures

Steve Battlemuch (PH - Skills, Econ Dev, Property & Growth)
SIGNED and Dated: 03/07/2023
Sajeeda Rose (Corporate Director of Growth & City Development)
SIGNED and Dated: 03/07/2023