

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	5012
Author:	Rizvan Shafiq
Department:	Growth and City Development
Contact:	Rizvan Shafiq (Job Title: Senior Estates Surveyor, Email: rizvan.shafiq@nottinghamcity.gov.uk, Phone: 8763087)
Subject:	Surrender of existing lease and re-grant of new lease for 155-157 Canal Street & 96 Cliff Road and 149 -153 Canal Street Nottingham NG1 7HD
Total Value:	See exempt appendix (Type: Capital)
Decision Being Taken:	To agree to the surrender of the existing leases of the above mentioned property and grant a new 150-year lease on terms set out in the exempt appendix.
Reasons for the Decision(s)	The tenant has approached the City Council with a view of re-gearing their existing lease to a new 150-year term. Accordingly, terms have been agreed which are contained in the exempt appendix. The re-gear of the lease will provide a longer term and increased security for the tenant encouraging their investment into the property. In addition, this re-gear supports the Council's Together for Nottingham Recovery and Improvement Plan Refresh 2022, and provides a capital receipt for the City Council.
Other Options Considered:	To continue with the current lease terms - this option is rejected as it would result in a missed opportunity for the Council to achieve capital receipts and would discourage investment into a Council asset.
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 details.

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 would prejudice future negotiations that the Council undertakes.

Documents exempt from publication: Cawley House Plan v2.pdf, 2023.08.04- EXEMPT Appendix CAWLEY HOUSE.docx

Consultations: Those not consulted are not directly affected by the decision.

Crime and Disorder Implications: None arising from this decision.

Equality: EIA not required. Reasons: The decision does not involve new or changing policies, services or functions.

Relates to Council Property Assets: Yes

Decision Type: Portfolio Holder

Subject to Call In: Yes

Call In Expiry date: 01/09/2023

Advice Sought: Legal, Finance, Property

Legal Advice: From the information provided in the report, the proposed transaction does not appear to raise any substantive legal issues and is supported. The surrender and re-grant will be subject to normal property legal due diligence and the drafting, agreement and completion of formal legal documentation between the parties.

Advice provided by Fezil Veli (solicitor) on 08/08/2023.

Finance Advice: The surrender and re-grant of lease will gain a capital receipt, which supports the Council' Recovery and Improvement Plan and will be utilised in accordance with the current Capital Strategy. The proposed transaction does not have any revenue finance implications.

Advice provided by Sarah Baker (Senior Commercial Business Partner - Property) on 20/08/2023.

Property Advice: The decision in this report raises no significant issues. The surrender and re-grant of long leases to a longer term is a business as usual transaction and generates a significant receipts whilst maintaining ownership of the asset. The terms have been negotiated on a commercial basis and represent best consideration.

Advice provided by Beverley Gouveia (Disposals and Development Manager) on 04/08/2023.

Signatures

Steve Battlemuch (PH - Skills, Econ Dev, Property & Growth)
SIGNED and Dated: 24/08/2023
Sajeeda Rose (Corporate Director of Growth & City Development)
SIGNED and Dated: 24/08/2023