

Executive Board – 19th December 2023

Subject:	Letting of premises at 3, 5, 7, 9 & 11 Carrington Street, Nottingham, NG1 7EQ
Corporate Director(s)/Director(s):	Sajeeda Rose – Corporate Director for Growth and City Development
Portfolio Holder(s):	Councillor Steve Battlemuch – Portfolio Holder for Skills, Growth, Economic Development and Property
Report author and contact details:	Riazul Ahad – Estates Surveyor Riazul.Ahad@nottinghamcity.gov.uk – 01158763687
Other colleagues who have provided input:	Bevis Mackie – Corporate Portfolio & Investment Manager Mick Suggett – Solicitor - Team Leader Conveyancing Sarah Baker – Senior Commercial Business Partner (Strategic Assets & Property)
Subject to call-in:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Key Decision:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Criteria for Key Decision:	
(a)	<input type="checkbox"/> Expenditure <input checked="" type="checkbox"/> Income <input type="checkbox"/> Savings of £750,000 or more taking account of the overall impact of the decision
and/or	
(b)	Significant impact on communities living or working in two or more wards in the City <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Type of expenditure:	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital If Capital, provide the date considered by Capital Board Date:
Total value of the decision:	See Exempt Appendix
Section 151 Officer expenditure approval	Has the spend been approved by the Section 151 Officer? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Spend Control Board approval reference number: 722
Wards affected:	N/A
Date of consultation with Portfolio Holder(s):	29 th November 2023
Relevant Council Plan Key Outcome:	
Green, Clean and Connected Communities	<input type="checkbox"/>
Keeping Nottingham Working	<input type="checkbox"/>
Carbon Neutral by 2028	<input type="checkbox"/>
Safer Nottingham	<input type="checkbox"/>
Child-Friendly Nottingham	<input type="checkbox"/>
Living Well in our Communities	<input type="checkbox"/>
Keeping Nottingham Moving	<input type="checkbox"/>
Improve the City Centre	<input type="checkbox"/>
Better Housing	<input type="checkbox"/>
Serving People Well	<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users):	
Letting of Units 3, 5, 7, 9 & 11 Carrington Street on market facing terms to a prime UK covenant.	
The unit has been openly marketed by a retail property specialist which has recommended the Council accept the terms of the letting.	
The letting will provide income and remove void costs.	

Does this report contain any information that is exempt from publication?

This report / an appendix to the report is exempt from publication under paragraph 3 of Schedule 12A to the Local Government Act 1972 because it contains information relating to the financial or business affairs of particular persons (including the authority holding the information) and, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. It is not in the public interest to disclose this information because it could prejudice future negotiations.

The Legal Services comments in the appendix are also exempt from publication under paragraph number 5 of Schedule 12A to the Local Government Act 1972 because they contain information in respect of which a claim to legal professional privilege could be maintained in legal proceedings relating to a proposed transaction and, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. It is not in the public interest to disclose this information because it contains confidential legal advice in respect of the proposed transaction and disclosure could prejudice the Council's position.

Recommendation(s):

- 1** To approve the lease terms agreed with the prospective tenant in respect of the subject property as set out in the attached exempt appendix.
- 2** To note that associated fees will be paid, and to note that this expenditure has been approved by the Section 151 Officer.
- 3** To delegate the approval of final terms to the Director of Economic Development & Property

1. Reasons for recommendations

- 1.1 The property has been vacant since completion of construction, with the opportunity marketed by an external agent on behalf of the Council. Acceptable lease terms have been negotiated with the prospective tenant.

2. Background (including outcomes of consultation)

- 2.1 The property forms part of the Broadmarsh Bus Station complex. The property has been openly marketed by a specialist commercial property agent and market facing terms have been agreed. The letting will ensure the Council mitigates against ongoing void costs and ensure a secure rental income is received from this asset.

3. Other options considered in making recommendations

- 3.1 Not to proceed with the letting to the prospective tenant – this is not recommended as the premises have marketed and terms have been agreed with a single occupier on market facing terms. The Council is responsible for meeting all associated void costs.

4. Consideration of Risk

- 4.1 The proposed letting would ensure the premises are fully let under a single transaction providing a single revenue stream and remove the financial risks associated with separate lettings on potentially less favourable terms. In completing the letting it will remove ongoing void costs and ensure a secure rental income is received from this asset.

5. **Finance colleague comments (including implications and value for money/VAT)**

Comments are provided in the exempt appendix

Sarah Baker – Senior Commercial Business Partner (Strategic Assets & Property)
24th November 2023

6. **Legal colleague comments**

6.1 Comments are provided in the exempt appendix

Mick Suggett, Solicitor – Team Leader Conveyancing 30th November 2023

7. **Other relevant comments (Property Services)**

7.1 Comments are provided in the exempt appendix

Bevis Mackie – Corporate Portfolio & Investment Manager – Strategic Assets & Property 27th November 2023

8. **Crime and Disorder Implications (If Applicable)**

8.1 Not applicable

9. **Social value considerations (If Applicable)**

9.1 Not applicable

10. **Regard to the NHS Constitution (If Applicable)**

10.1 Not applicable

11. **Equality Impact Assessment (EIA)**

11.1 Has the equality impact of the proposals in this report been assessed?

No

An EIA is not required because the decision does not impact Council services or policy.

Yes

12. **Data Protection Impact Assessment (DPIA)**

12.1 Has the data protection impact of the proposals in this report been assessed?

No

A DPIA is not required because the decision will not involve the transfer of data to any parties. If this is required at a later date as part of the letting process and DPIA will be completed.

Yes

13. Carbon Impact Assessment (CIA)

13.1 Has the carbon impact of the proposals in this report been assessed?

No

A CIA is not required because the subject of this report will not have any impact on carbon impact.

Yes

14. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

14.1 None

15. Published documents referred to in this report

15.1 None