

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

<b>Reference Number:</b>	<b>5140</b>
<b>Author:</b>	<b>Rizvan Shafiq</b>
<b>Department:</b>	<b>Growth and City Development</b>
<b>Contact:</b>	<b>Rizvan Shafiq</b> <b>(Job Title: Principal Surveyor, Email: rizvan.shafiq@nottinghamcity.gov.uk, Phone: 8763087)</b>
<b>Subject:</b>	<b>Surrender and re-grant of a new lease for 1.612 acres of land fronting to Lenton Lane Industrial Estate,</b>
<b>Total Value:</b>	<b>Exempt (Type: Capital)</b>
<b>Decision Being Taken:</b>	<b>To agree to surrender of the existing lease of the property and granting of a new 150-year lease on the terms as set out in an exempt appendix.</b>
<b>Reasons for the Decision(s)</b>	<b>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 an 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, the re-gear will provide a capital receipt for the City Council, which will support the Council's Together for Nottingham Recovery and Improvement Plan. The surrounding parcels of land are also let on long leases, which prevents any comprehensive development of this site.</b>
<b>Briefing notes documents:</b>	<b>Background Information.docx, 1.612 Acres Lenton Lane Plan.pdf</b>
<b>Other Options Considered:</b>	<b>(1) To continue with the current lease terms - this option is rejected as it would result in a missed opportunity for the Council to achieve a capital receipt and would discourage investment into a Council asset. (2) Sale of Freehold - This is not recommended, the City Council own the surrounding and adjoining freehold interests within the estate and would not want to fragment the ownership. (3) Review Ground Rent - This is less financially viable given the current need for capital receipts.</b>
<b>Background Papers:</b>	<b>None.</b>

<b>Published Works:</b>	None.
<b>Affected Wards:</b>	Lenton and Wollaton East
<b>Colleague / Councillor Interests:</b>	None.
<b>Any Information Exempt from publication:</b>	Yes
<b>Exempt Information:</b>	
<b>Description of what is exempt:</b>	Financial 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
<b>3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).</b>	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.
<b>Documents exempt from publication:</b>	EXEMPT Appendix - finance.docx
<b>Consultations:</b>	Those not consulted are not directly affected by the decision.
<b>Crime and Disorder Implications:</b>	None arising from the decision to be taken.
<b>Equality:</b>	EIA not required. Reasons: The decision does not involve new or changing policies, services or functions.
<b>Relates to Council Property Assets:</b>	Yes

<b>Decision Type:</b>	<b>Portfolio Holder</b>
<b>Subject to Call In:</b>	<b>Yes</b>
<b>Call In Expiry date:</b>	<b>02/07/2024</b>
<b>Advice Sought:</b>	<b>Legal, Finance, Property</b>
<b>Commissioner Comments:</b>	<b>The Commissioners are content to approve the decision. (18/06/2024)</b>
<b>Legal Advice:</b>	<p><b>From reading the report, this transaction raises no substantial legal concerns and is supported. The transactional work will be subject to normal property due diligence, investigation of title and the drafting, negotiation and completion of formal legal documentation between the parties.</b></p> <p><b>Advice provided by Fezil Veli (solicitor) on 17/05/2024.</b></p>
<b>Finance Advice:</b>	<p><b>This advice is exempt from publication and is contained within an exempt appendix</b></p> <p><b>Advice provided by Sarah Baker (Senior Commercial Business Partner - Corporate Landlord) on 30/05/2024.</b></p>
<b>Property Advice:</b>	<p><b>The Council has reached an agreement to progress a surrender and re-grant of a new lease for a site located in the Lenton Lane area of the city. Terms have been agreed to surrender/re-grant the lease for a longer term in return for a best consideration premium. Other options have been considered and have been rejected as they are either not viable for the tenant and do not deliver best value for the Council. This transaction will result in a substantial capital receipt which can be used by the Section 151 Officer as required.</b></p> <p><b>Advice provided by Beverley Gouveia (Head of Property) on 16/05/2024.</b></p>
<b>Signatures</b>	<p><b>Ethan Radford (Exec Member - Skills, Growth, Economic Development)</b></p> <p><b>SIGNED and Dated: 25/06/2024</b></p> <p><b>Sajeeda Rose (Corporate Director of Growth &amp; City Development)</b></p> <p><b>SIGNED and Dated: 24/06/2024</b></p>