

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

5154

Author:

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Department:

Growth and City Development

Contact:

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Subject:

Loxley House, Station Street, Nottingham NG2 3NG

Key Decision (decision valued at more than £1million):

Yes

Total Value:

As set out in the exempt appendix (Type: Capital and Revenue)

Decision Being Taken:

1.To approve the letting and agreed commercial heads of terms as set out below. 2.To approve the payment of associated fees all of which are fully funded from existing budgets. 3.To delegate the approval of any required final terms and conditions to the Corporate Director for Growth and City Development. 4.To note, the need to undertake "landlords works" in line with the lease currently estimated at £0.398m to be fully funded from existing revenue budgets. Appropriate authorisation and Spend Control approval will be sought once details are finalised. 5.To delegate the approval of following to the Corporate Director for Growth and City Development in consultation with the Corporate Director of Finance and Resources (s151 Officer): Finalise costs and funding for undertaking "landlord works", including budget and funding to be incepted within the Capital Programme. Any funding shortfall with regards to the "landlord works" to be funded from the existing budget. Verifying additional income from the lease to be incorporated into the 2025/26 MTFP budget process.

Reasons for the Decision(s)

1.1The letting of part of the 4th floor to the proposed occupier will release significant financial benefits to the Council and acceptable lease terms have been negotiated.

1.2 The nature of the proposed occupier represents nil risk of performance of lease covenants, which in turn will underwrite and de-risk the costs of enabling and splitting future phases of letting of surplus accommodation in Loxley House.

Other Options Considered:

Do nothing - this will result in very little or no savings from mothballing the surplus space. Significant value can be achieved by letting the space by generating external income, a service charge contribution and removing the liability for business rates from the Council. 1.

Background Papers:

Published Works:

Affected Wards:

Castle

Colleague / Councillor Interests:

Any Information Exempt from publication:

Yes

Exempt Information:

Description of what is exempt:

Commercial terms agreed for the lease including the annual rent.

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 contains financially sensitive information which may prejudice other negotiations if made public.
5 - Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.	The public interest in maintaining the exemption outweighs the public interest in disclosing the information because it contains confidential legal advice in respect of the proposed transaction.
Documents exempt from publication:	2024.07.24 Exempt Property Comments Loxley House 4th Floor West Letting.docx, Exempt Appendix Loxley House 4th Floor West 23.7.2024.docx, Exempt Appendix 4th Floor Loxley - Legal Comments 24.07.2024 - updated with IT comments.docx
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	There are no Crime or disorder implications included in this decision.
Equality:	EIA not required. Reasons: This is not a new or changing policy service or function. The decision adheres to all Council Equality policies
Any implications affecting IT:	Yes
Relates to staffing:	Yes
Relates to Council Property Assets:	Yes
Relates to Building Services:	Yes
Decision Type:	Leader's Key Decision
Subject to Call In:	Yes

Call In Expiry date:	12/08/2024
Advice Sought:	Legal, Finance, Human Resources, IT
Commissioner Comments:	Commissioners have reviewed these proposals and are content that an urgent decision is taken to secure this opportunity.
Legal Advice:	This advice is exempt from publication and is contained within an exempt appendix Advice provided by Mick Suggett (Team leader: Conveyancing) on 24/07/2024.
Finance Advice:	This advice is exempt from publication and is contained within an exempt appendix. Advice provided by Tom Straw (Senior Accountant - Capital Programmes) on 25/07/2024.
HR Advice:	This decision has no staffing implications so Human Resourced advice is not required.
IT Advice:	IT offer conditional support for the proposal. Given the Council hosts a government network, there are a number of security considerations that we have agreed to address via the lease. Additionally there has been much work to address concerns regarding wireless systems within the building. Again through practical physical isolation and also via the lease, we are able to support the proposals as long as these pre-requisites are implemented and maintained moving forward. Advice provided by Simon Salmon (Head of IT Strategy) on 18/07/2024.
Property Advice:	This advice is exempt from publication and is contained within an exempt appendix Advice provided by Beverley Gouveia (Head of Property) on 09/07/2024.
Building Services Advice:	We support the proposal and will be in receipt of all required documentation following the works phase. Advice provided by Trevor Bone (Property Maintenance Manager) on 15/07/2024.
Signatures:	Neghat Khan (Leader / Exec member, Strategic Regeneration)
	SIGNED and Dated: 02/08/2024
	Sajeeda Rose (Corporate Director of Growth & City Development)
	SIGNED and Dated: 26/07/2024