

Nottingham City Council Delegated Decision



Nottingham
City Council

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| Reference Number: | 5173 |
| Author: | Deborah Millar |
| Department: | Growth and City Development |
| Contact: | Deborah Millar (Job Title: Property Business Partner, Email: deborah.millar@nottinghamcity.gov.uk, Phone: 01158764897) |
| Subject: | Lease at Aspley Centre (former YMCA), Melbourne Road, Aspley, NG8 5HL |
| Total Value: | Exempt (Type: Revenue) |
| Decision Being Taken: | To grant a new 25-year lease to FUEL Independent School (DfE Registration: 892/6021, Registered Charity No 1141054). |
| Reasons for the Decision(s) | The building has been vacant since September 2021 and is being vandalised regularly and the proposed tenants wish to occupy and repair and refurbish. The building sits on the edge of Melbourne Park and was formerly let to the YMCA who vacated at lease expiry. The asset has been openly marketed and best consideration is being achieved. This property will be used as a community building for children and families, adult education and training workshops within Class F2 of the Town and Country Planning (Use Classes) Regulations 2020. |
| Briefing notes documents: | Schedule 1 - Plan of Property.pdf |
| Other Options Considered: | The option of disposing of the property was rejected, largely due to its location within the park and planning restrictions on use, which would make a sale difficult. The next best option is to let the premises.. The option to not lease the building was rejected as leaving the building vacant would lead to NCC receiving no revenue and having to deal with the consequences of increased vandalism and anti-social behaviour. |
| Background Papers: | None. |

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| Published Works: | None. |
| Affected Wards: | Aspley |
| Colleague / Councillor Interests: | Councillor Audrey Dinnall is a supporter of FUEL provision in her Ward and has attended on site meetings with Estates colleague and the recommended tenant. |
| Any Information Exempt from publication: | Yes |
| Exempt Information: | |
| Description of what is exempt: | Financial information and Heads of Terms document. |
| | 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 future negotiations taking place of similar leases if made public. |
| Documents exempt from publication: | HOTs Aspley Centre (former YMCA) new lease to FUEL - 11.12.2023 STC and NCC approval.docx, Letting of the Aspley Centre (former YMCA) finance comments V2.docx |
| Consultations: | Those not consulted are not directly affected by the decision. |
| Crime and Disorder Implications: | The building is being repeatedly vandalised and letting it will help reduce anti social behaviour in the area. |
| Equality: | EIA not required. Reasons: This is not a new or changing policy, service or function. The decision adheres to all Council Equality policies. |

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| Relates to Council Property Assets: | Yes |
| Decision Type: | Officer |
| Executive Decision? | Yes |
| £50,000 or more: | Yes |
| Scheme of Delegation Reference Number or Other Source of Delegation: | 237 |
| Subject to Call In: | Yes |
| Call In Expiry date: | 30/09/2024 |
| Advice Sought: | Legal, Finance, Property |
| Commissioner Comments: | Commissioners have no comments to add. (31/07/24) |
| Legal Advice: | <p>Having reviewed the heads of terms with the asset manager, the proposed transaction does not appear to raise any substantive legal issues of concern and is supported. The letting will be subject to the usual property due diligence including an investigation of the title to ensure the rights can be granted over the accessway. The letting will also be subject to the drafting, agreement and completion of formal legal documents between the parties.</p> <p>Advice provided by Fezil Veli (solicitor) on 07/05/2024 (and confirmed 12/08/2024).</p> |
| Finance Advice: | <p>This advice is exempt from publication and is contained within an exempt appendix</p> <p>Advice provided by Sarah Baker (Senior Commercial Business Partner - Corporate Landlord) on 10/07/2024.</p> |

Property Advice:

The subject property has been vacant since 2021. Disposal of the asset has been considered but rejected due to the location in Melbourne Park which shares access routes and due to the restrictive use options. The asset has been openly marketed for letting with a number of parties coming forward with offers. The letting process was delayed extensively due to a potential education requirement for the building as supplemental accommodation for a nearby secondary school. Now that this interest has been removed the letting is proceeding. The letting will bring a quality use to the property and location and will result in the asset being refurbished to a good standard. The letting will also alleviate ongoing void holding costs and ongoing liabilities which the Council is currently responsible for.

Advice provided by Beverley Gouveia (Head of Property) on 02/05/2024 (and confirmed on 12/08/2024).

Signatures:

Nicki Jenkins (Director of Estates and Economic Development)

SIGNED and Dated: 20/09/2024