

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

5208

Author:

Darren Fabris

Department:

Growth and City Development

Contact:

Darren Fabris

(Job Title: Disposals Surveyor, Email: darren.fabris@nottinghamcity.gov.uk, Phone: 07956842460)

Subject:

To approve the disposal of land at the junction of Gamble Street and Newdigate Street, NG7 4EY

Total Value:

Exempt (Type: Capital)

Decision Being Taken:

1. To declare the property known as land at the junction of Gamble Street and Newdigate Street, Nottingham, NG7 4EY, surplus to the Trading Account and to make the freehold available for disposal. No alternative operational, regeneration, community or other requirements have been identified.
2. To grant delegated authority to the Director of Economic Development and Property to approve the method, disposal price and terms of sale of the freehold interest in this property as set out in the exempt appendix. The receipt will be held as a corporate capital receipt and used in accordance with the Capital Strategy.
3. To delegate authority to the Director of Economic Development and Property to appoint, via a procurement compliant procedure, and pay appropriate fees associated with any external resource required to dispose of the subject property to achieve Best Consideration and comply with the Council's adopted disposals policy.

Reasons for the Decision(s)

1. The Council is currently facing significant budget gaps due to issues facing councils in general across the country including increased demand for children's and adults' social care, rising homelessness presentations and inflation. This has meant substantial savings need to be made between 2024/25 to 2027/28 to enable balanced budgets to be set. In addition, the Council has been granted Exceptional Financial Support (EFS) from the Government of up to c£66m which is repaid in part using capital funds from disposals.
2. Asset rationalisation is also a significant part of the Council's Improvement Plan 2024 and Budget Strategy.
3. The property has been reviewed and informally approved via an Asset Rationalisation Review as being suitable for disposal and is currently vacant and non-income producing.

Other Options Considered: Do nothing and retain:

a) Risk - This option has been rejected as retention of the asset presents a financial risk to the Council in terms of future capital expenditure for repairs, maintenance and compliance works. This is not a viable option as the property could become management intensive and is unlikely to be an effective and efficient use of resources. Retaining the asset would also forego potentially significant capital receipts that could be realised by a sale for repurposing.

b) Risk mitigation - Ensure a successful disposal is achieved. Ensure the asset approved for disposal is marketed effectively, at the earliest opportunity, to ensure sufficient exposure, generating a high level of awareness amongst potential purchasers. Adoption of an asset-specific marketing strategy to ensure the asset is targeted at specific market segments to maximise likelihood of a successful disposal. Use of an auction process provides increased certainty of securing a disposal within a defined timescale and on an unconditional basis. Allocate dedicated specialist resource with significant experience of commercial property disposal transactions.

Background Papers:

None

Published Works:

None

Affected Wards:

Hyson Green and Arboretum

Colleague / Councillor Interests:

None

Any Information Exempt from publication:

Yes

Exempt Information:

Description of what is exempt:

Financial details and legal comments

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 information relating to the financial or business affairs of 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 includes valuation figures and the anticipated price achievable for the property which, if disclosed, will prejudice the Councils position in negotiations relating to the proposed sale.

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 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.

Documents exempt from publication:

Financial and Legal Comments

Consultations:

Date: 11/07/2024

Ward Councillors: Liaqat Ali, Sana Nasir, Naim Salim

No feedback has been received.

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

There are no crime and disorder implications arising from the disposal.

Equality:

EIA not required as the decision does not include changing policies, services or functions.

Relates to Council Property Assets:

Yes

Decision Type:

Executive Member

Subject to Call In:

Yes

Call In Expiry date:

13/11/2024

Advice Sought:

Legal, Finance, Procurement, Property

Commissioner Comments:

The Commissioners have noted and approved this decision. (30/10/2024)

Legal Advice:

This advice is exempt from publication and is contained within an exempt appendix.

Advice provided by Helen Bell (Legal Assistant) on 12/08/2024.

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 17/08/2024 and by Sarah Baker (Senior Commercial Business Partner - Property) on 28/08/2024

Procurement Advice:

This decision raises no procurement concerns as the property will be auctioned off to the highest bidder via the contracted Auctioneer.

Advice provided by Paul Ritchie (Procurement Manager) on 12/09/2024.

Property Advice:

The property has been assessed by both Strategic Assets & Property and Finance and it has been recommended for disposal. The sale will be undertaken in line with the adopted Disposals Policy and any proposed refresh of the policy. An appropriate method of sale will be chosen to ensure best consideration obligations are met and that the sale occurs in a timely period. Any revenue pressure created will be offset using allocated funding.

Advice provided by Beverley Gouveia (Head of Property) on 13/08/2024.

Signatures

Ethan Radford (Exec Member - Skills, Growth, Economic Development)

SIGNED and Dated: 05/11/2024

Nicki Jenkins (Corporate Director of Growth and City Development)

SIGNED and Dated: 04/11/2024