

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	5221
Author:	Sarah Duarte Salome
Department:	Growth and City Development
Contact:	Sarah Duarte Salome (Job Title: Assistant Estates Surveyor, Email: sarah.salome@nottinghamcity.gov.uk, Phone: 07947898568)
Subject:	Disposal of 49-53 Carlton Road, Nottingham, NG3 2DN
Total Value:	Exempt (Type: Capital and Revenue)
Decision Being Taken:	<p>This is an addendum to the earlier portfolio holder decision (5196), because with further due diligence the updated opinion on value results in a higher market value (and therefore 'Value of the Decision' than that previously reported. The principles of the Decision remain unchanged, and are as follows:1. To declare the premises known as 49-53 Carlton Road, Nottingham, NG3 2DN, surplus to the Trading Account and to make the freehold available for disposal. No alternative operational, regeneration, community or other requirements have been identified (Officer Operational Decision).2. To delegate 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 (Portfolio Holder Decision). 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.</p>
Reasons for the Decision(s)	<p>This decision is to top up the earlier delegated decision (reference 5196), as our opinion of market value currently exceeds the value of the of this decision, see exempt appendix.</p>

Other Options Considered:

1. Do nothing: a) Risk - this option has been rejected as retention of the asset presents a financial risk to the Council in terms of capital expenditure for repairs, maintenance and compliance works. Retaining the asset would also forego potentially significant capital receipts. this is not a viable option as the property could become management intensive.b) Risk mitigations - 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 successful a disposal. Use of 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.2. Retain the property:a) Risk - this option has been rejected as this is a poor quality asset requiring capital expenditure and is likely to underperform in the future. It is unlikely a pro-active asset management approach would materially enhance the asset and is unlikely to be an effective and efficient use of resources.b) Risk mitigations - successfully dispose of the property.

Background Papers:

None

Published Works:

None

Affected Wards:

St Ann's

Colleague / Councillor Interests:

None

Any Information Exempt from publication:

Yes

Exempt Information:

Financial information

Description of what is exempt:

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 commercially sensitive information concerning property valuation and the expected capital receipt.

Documents exempt from publication:

2024.11.22 Exempt Appendix (top up).doc

Consultations:

Date: 09/07/2024
Ward Councillors: Corall Jenkins, Anwar Khan, Devontay Okure
No feedback has been received to-date on this proposed disposal from the Councillors.

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

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

Equality:

EIA not required. Reasons: as the decision does not include changing principles, services or functions

Relates to Council Property Assets:

Yes

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

13/12/2024

Advice Sought:

Legal, Finance, Procurement, Property

Commissioner Comments:

Commissioners are content with the disposal. (21/10/2024)

Legal Advice: The sale of the property will be subject to the usual legal due diligence, including checking the registered titles and ensuring that there are no gaps in the area of registration. Legal documents will be drafted in advance of the auction, and as exchange occurs at the auction a buyer will be bound by such drafted documents leading to reduced negotiation. It is proposed by the legal team that a local search is provided for potential buyers, alongside title documents, copies of any leases and the draft transactional documentation.

Advice provided by Victoria McIntyre (Solicitor) on 27/11/2024.

Finance Advice: This advice is exempt from publication and is contained within an exempt appendix

Advice provided by Sarah Baker (Senior Commercial Business Partner - Corporate Landlord) on 27/11/2024.

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 27/11/2024.

Property Advice: The property has been assessed by both Strategic Assets & Property and Finance and is recommended for disposal. 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 recommended to ensure best consideration is achieved and that the sale completes in a timely period. Any revenue pressure created will be offset using allocated funding. The Disposals Team will work with Legal Services to ensure the sale is progressed at pace.

Advice provided by Beverley Gouveia (Head of Property) on 25/11/2024.

Signatures

Ethan Radford (Exec Member - Skills, Growth, Economic Development)
SIGNED and Dated: 05/12/2024
Nicki Jenkins (Corporate Director of Growth and City Development)
SIGNED and Dated: 03/12/2024