

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	2077
Author:	Pippa Hall
Department:	Development
Contact:	Pippa Hall (Job Title: Senior Estates Surveyor, Email: pippa.hall@nottinghamcity.gov.uk, Phone: 0115 8763602)
Subject:	194-196 and 198-200 Southchurch Drive, Clifton, NG11 8AA
Total Value:	In exempt appendix (Type: Capital)
Decision Being Taken:	To take a surrender of the existing 99 year leases relating to two properties in a parade of properties and grant new 150 year leases on the terms set out in the exempt appendix.
Reasons for the Decision(s)	<p>Nottingham City Council owns the freehold interest in these properties on Southchurch Drive, Clifton, subject to two 99 year leases from 1953 at a fixed ground rent of £82 per annum, per property. The property forms part of a parade of similar properties, the freeholds of which are owned by the City Council.</p> <p>The existing head lessees, via their surveyor, have approached the City Council to re gear the existing leasing agreement which will involve the surrender of the existing leases and the grant of new 150 year leases. The existing leases have less than 40 years left until they expires which makes it difficult for the head lessee to obtain finance, which limits their ability to invest in the property. By agreeing to grant a new 150 year lease the Council benefits from the receipt of a capital sum and the head lessee obtains greater security to invest in the property.</p> <p>The Council is keen to see an improvement in the appearance of this parade of properties and the head lessee has agreed to undertake redecoration and repair works to the frontage of the properties.</p> <p>This represents value for money for the Council and is an efficient and effective use of resources.</p>
Other Options Considered:	The other option is to continue with the current leasing arrangement. This would act as a deterrent to any significant improvement to the frontage of the property and would not result in a capital receipt to the Council. This option has been discounted.
Background Papers:	None

Published Works:	None
Affected Wards:	Clifton South
Colleague / Councillor Interests:	None
Exempt Information:	
Description of what is exempt:	The proposed terms for the new lease, a plan and financial advice.
	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 the publication of the heads of terms may prejudice the completion of the new leasing arrangement.
Documents exempt from publication:	Background Notes to Re Gear of Ground Lease.pdf, Plan.pdf, Exempt Financial Advice 194-196 and 198-200 Southchurch Dr.doc
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	There are no direct implications.
Equality:	EIA not required. Reasons: There are no implications that necessitate an EIA. The decision does not relate to new or changing policies, services or functions.
Decision Type:	Portfolio Holder
Subject to Call In:	Yes

Call In Expiry date:	27/07/2015
Advice Sought:	Legal, Finance
Legal Advice:	The proposals set out in the report raise no significant legal issues and, in the circumstances outlined, are supported. Advice provided by Malcolm Townroe (Legal Services Manager) on 08/07/2015.
Finance Advice:	This advice is exempt from publication and is contained within an exempt appendix Advice provided by Georgina Lewis (Finance Analyst) on 24/06/2015.
Signatures	Graham Chapman (PH for Resources and Neighbourhood Regeneration)
	SIGNED and Dated: 20/07/2015
	David Bishop (Deputy CE, CD for Development and Growth)
	SIGNED and Dated: 17/07/2015