

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

<b>Reference Number:</b>	2123
<b>Author:</b>	Peter Taylor
<b>Department:</b>	Development
<b>Contact:</b>	Peter Taylor (Job Title: Senior Surveyor, Email: peter.taylor2@nottinghamcity.gov.uk, Phone: 8763017)
<b>Subject:</b>	Enviroenergy District Heating Equipment Site
<b>Total Value:</b>	£50,000 (Type: Capital)
<b>Decision Being Taken:</b>	To approve the premium payment of £50,000 by Enviroenergy to formalise the existing informal arrangement for a 250 year lease at peppercorn for the existing newly replaced Enviroenergy district heating equipment compound, located in the corner of the carpark fronting Trent street and next to the Canal. The equipment has been located here for many years and following the recent purchase of the Canal Street building and car park by a developer, they required the occupation to be regularised to allow their future possible redevelopment of the adjoining site.
<b>Reasons for the Decision(s)</b>	<p>The District Heating equipment has been located here for many years without formal agreement following the expiry of the licence from a former occupier and following substantial capital investment in the sites equipment by Enviroenergy, the arrangement requires formalising, particularly as the new owners of the car park/offices are looking for possible future redevelopment.</p> <p>Having consulted our legal advisers it is thought cost effective to pay the premium rather than taking any legal route action in order to try and protect our position</p> <p>If agreement is not reached then the new owners could ask Enviroenergy to remove the equipment at substantial cost and possible disruption to the service.</p>
<b>Briefing notes documents:</b>	Trent Street Enviro Energy Equipment Cage.pdf
<b>Other Options Considered:</b>	No other options were considered. If agreement is not reached with the new owners then we risk the possibility of being forced to remove the the equipment from the site if any legal action is unsuccessful to secure the location.

**Background Papers:**

None

**Published Works:**

None

**Affected Wards:**

Bridge

**Colleague / Councillor Interests:**

Malcolm Townroe is on the Board of Enviroenergy and has been consulted in this matter

**Consultations:**

Those not consulted are not directly affected by the decision.

**Crime and Disorder Implications:**

There are no crime and disorder implications in this decision

**Equality:**

EIA not required. Reasons: No equality implications in the decision

**Decision Type:**

Portfolio Holder

**Subject to Call In:**

Yes

**Call In Expiry date:**

17/08/2015

**Advice Sought:**

Legal, Finance

**Legal Advice:**

The proposals set out in the report will help to regularise the position with the current freehold owner of the site and provide protection for the infrastructure and access in the event of redevelopment. Whilst the intention is to recharge the whole of the cost to Enviroenergy regard has to be had to the fact that the pipework is owned by the Council and only leased to Enviroenergy. As things stand there is no legal obligation in place which would require Enviroenergy to repay the cost. However, indications from the Chair of Enviroenergy are that it would not be adverse to such a charge provided that the detailed repayment terms can be agreed by its Board. Irrespective of this element the Council still needs to take steps to protect its equipment and for this reason the proposal is supported by Legal Services.

Advice provided by Malcolm Townroe (Legal Services Manager) on 15/06/2015.

**Finance Advice:**

The cost of the £50,000 premium payment will be fully rechargeable to Enviroenergy Ltd.  
Advice provided by Georgina Lewis (Finance Analyst) on 20/04/2015.

**Signatures**

Graham Chapman (PH for Resources and Neighbourhood Regeneration)  
SIGNED and Dated: 06/08/2015  
David Bishop (Deputy CE, CD for Development and Growth)  
SIGNED and Dated: 05/08/2015