

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	2727
Author:	John West
Department:	Development
Contact:	John West (Job Title: Estates Surveyor, Email: john.west@nottinghamcity.gov.uk, Phone: 01158763086)
Subject:	Surrender and re-grant of a lease for premises at Beeston Weir and Holgate, Clifton, Nottingham
Total Value:	Approximately £165,000 over lifetime of the lease (£15,000 before the first rent review at year 5) (Type: Revenue)
Decision Being Taken:	To enter into a new 55-year lease at Beeston Weir (Clifton Village side) for the Hydro-Electric Power Station, and associated electricity sub-station at Holgate, Clifton Village. The lessee is to be H2O Power Generation Limited whose registered address is at Wellington House, 273-275 High Street, London Colney, Hertfordshire, AL2 1H. To agree to surrender the existing 23-year lease between United Utilities Green Energy Ltd and Nottingham City Council dated 3 September 1998 (since assigned to H2O Power Generation Ltd) to allow the new lease to take effect.
Reasons for the Decision(s)	The lessee has approached the City Council wishing to extend their term of years for the lease currently held. This site is of strategic operational importance to them and they wish to invest in infrastructure on the premises. To ensure financial security on their proposed investment they would like to increase their unexpired term of years certain. The surrender of the existing lease and re-grant of a longer term is seen as the most straightforward and transparent way to achieve this. The proposed lease will be on similar terms to the existing. It will be full repairing and insuring on the lessee, and the annual rent will be £3,000 per annum exclusive of rates and other outgoings. The rent will be reviewed every 5 years.
Briefing notes documents:	2016.12.06 Plan - Land at Beeston Weir - Substation.pdf, 2016.12.06 Plan - Land at Beeston Weir Access.pdf, 2016.12.06 Plan - Land at Beeston Weir - 750 scale.pdf
Other Options Considered:	The option of not agreeing to the surrender and re-granting of the lease was rejected as it would not have provided security to the lessee enabling them to invest in the site, providing long term security for the site.

Background Papers:	None
Published Works:	None
Affected Wards:	Clifton South
Colleague / Councillor Interests:	None
Consultations:	<p>Date: 19/01/2017</p> <p>Ward Councillors: Chris Gibson, Corall Jenkins, Steve Young</p> <p>No objections or concerns were raised during the consultation.</p> <p>Those not consulted are not directly affected by the decision.</p>
Crime and Disorder Implications:	There are no crime or disorder implications included in this decision.
Equality:	EIA not required. Reasons: This is not a new or changing policy, service or function. The decision adheres to all Council Equality policies.
Relates to Council Property Assets:	Yes
Decision Type:	Portfolio Holder
Subject to Call In:	Yes
Call In Expiry date:	09/02/2017
Advice Sought:	Legal, Finance, Property
Legal Advice:	The proposals set out in the decision raise no significant legal issues and, in the circumstances outlined, are supported. Advice provided by Malcolm Townroe (Legal Services Manager) on 03/01/2017.

Finance Advice:

The new lease will increase the rental income for the Chamber Estate portfolio and contribute towards the Strategic Assets Management Big Ticket Savings Target. Advice provided by Mandy Bryce (Finance Analyst) on 14/12/2016.

Property Advice:

The proposal set out in this decision is supported. Advice provided by Rodney Alan Martin (Senior Surveyor) on 24/01/2017.

Signatures

Jon Collins (Leader of the Council)

SIGNED and Dated: 02/02/2017

David Bishop (Deputy CE, CD for Development and Growth)

SIGNED and Dated: 27/01/2017