

Nottingham City Council Delegated Decision



Nottingham
City Council

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| Reference Number: | 2756 |
| Author: | Peter Carroll |
| Department: | Development |
| Contact: | Beverley Gouveia (Job Title: Estates Surveyor, Email: beverley.gouveia@nottinghamcity.gov.uk , Phone: 01158762381) |
| Subject: | Investment Acquisition - Project Abbey |
| Key Decision (decision valued at more than £1million): | Yes |
| Total Value: | Exempt (Type: Capital) |
| Decision Being Taken: | <ol style="list-style-type: none">1. Approve the purchase of the freehold interest in an office premises located outside of Nottingham.2. Approve the use of Prudential Borrowing to provide funding for 100% of the purchase price and associated costs.3. Approve Nottingham City Council becoming a shareholder in Abbey (Deer) Park Management Limited as required under the Deeds of the management company. |
| Reasons for the Decision(s) | <ol style="list-style-type: none">1. The acquisition will result in increased income to the Chamber Estate investment portfolio.2. The purchase will contribute towards the requirements of the Council's property investment strategy.3. The property will provide opportunities for capital and rental growth.4. It will diversify the investment portfolio with a purchase outside the city boundary.5. The property is fully let to an established quality tenant employing local people. |
| Other Options Considered: | Not to purchase the property. This option has been rejected as proceeding with the purchase of the property investment will contribute towards the Council's investment strategy and meet investment targets. |
| Background Papers: | None |

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| Published Works: | None |
| Affected Wards: | Citywide |
| Colleague / Councillor Interests: | None |
| Any Information Exempt from publication: | Yes |
| Exempt Information: | |
| Description of what is exempt: | Financial and legal advice on the proposed decision. |
| | 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 decision contains information relating to the financial or business affairs of the proposed seller and the Council. Disclosure of negotiations between the seller and the Council relating to the proposed purchase price at this pre contract stage could adversely affect the Council's position with the seller. Additionally disclosure of the Council's appraisal of the property could have a similar adverse effect. |
| Documents exempt from publication: | Legal advice - Project Abbey - Feb 2017.docx, Exempt Information - Property Investment Project Abbey 16 01 17.docx, Investment Appraisal Template - Abbey ParkFINAL.xlsx, Scanned Brochure AGCO.pdf, Acquisition - Financial comments on the purchase of Project Abbey 190117.docx |
| Consultations: | Those not consulted are not directly affected by the decision. |
| Crime and Disorder Implications: | The acquisition of the property has no crime and disorder implications. |
| Equality: | EIA not required. Reasons: EIA not required. Reasons: An EIA is not required as the decision does not relate to policies, services or functions. |

Decision Type: Leader's Key Decision

Subject to Call In: No
The call-in procedure does not apply to the proposed decision because the delay likely to be caused by the call in process would seriously prejudice the Council's or the public's interests. The Chair of the Overview and Scrutiny Committee (or Vice-Chair) in his/her absence has been consulted and agreed both that the decision proposed is reasonable in all circumstances and that it should be treated as a matter of urgency.

Person Consulted: Cllr Brian Parbutt
Consultation Date: 29/12/2016
The call-in procedure does not apply to the proposed decision because the delay likely to be caused by the call in process would seriously prejudice the Council's or the public's interests in that as any delay beyond the 2nd March agreed completion date will result in the potential loss of this acquisition and significant abortive costs. the Chair or the Overview and Scrutiny Committee (or Vice-Chair) in his/her absence has been consulted and agreed both that the proposed is reasonable in all circumstances and that it should be treated as a matter of urgency.

Advice Sought: Legal, Finance

Legal Advice: This advice is exempt from publication and is contained within an exempt appendix Advice provided by Malcolm Townroe (Legal Services Manager) on 03/02/2017.

Finance Advice: Finance comment is included in Exempt information. Advice provided by Mandy Bryce (Finance Analyst) on 19/01/2017.

Signatures:
Jon Collins (Leader of the Council)
SIGNED and Dated: 23/02/2017
David Bishop (Deputy CE, CD for Development and Growth)
SIGNED and Dated: 16/02/2017