

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	2809
Author:	Peter Carroll
Department:	Development
Contact:	David Powell (Job Title: Senior Estates Surveyor, Email: david.powell@nottinghamcity.gov.uk, Phone: 01158763914)
Subject:	Property Investment Acquisition - Project Wellington
Key Decision (decision valued at more than £1million):	Yes
Key Decision (decision affects 2 or more wards):	Yes
Total Value:	Exempt (Type: Capital)
Decision Being Taken:	1. To approve the purchase of the freehold interest in an industrial premises located outside of Nottingham.2. To approve the use of Prudential Borrowing to provide for 100% of the purchase price and associated costs.
Reasons for the Decision(s)	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. The property will diversify the investment portfolio with a purchase outside of the city boundary.5. The property is fully let to global market leader in their industry.
Other Options Considered:	Not 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

Published Works:	None
Affected Wards:	Citywide
Colleague / Councillor Interests:	None
Any Information Exempt from publication:	Yes
Exempt Information:	
Description of what is exempt:	Further details and appraisal of the proposed acquisition including the value of the decision, 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 decision contains information relating to the financial business affairs of the proposed seller and the Council. Disclosure of negotiations between 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 similar adverse affects.
Documents exempt from publication:	Acquisition - Financial comments on the purchase of Project Wellington 090317.docx, Investment Appraisal Template - Project Wellington.xlsx, Project Wellington - Property Details.pdf, Exempt Information - Project Wellington.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, and will instead assist services by supporting core income.
Equality:	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: Councillor Brian Parbutt
Consultation Date: 01/02/2017
The call in period would seriously prejudice the Council's ability to meet timescales proposed by the vendor. This could result in the loss of the investment and result in abortive costs.

Advice Sought:

Legal, Finance

Legal Advice:

The proposals set out in the report and exempt appendices give rise to no significant legal concerns. The legal work associated with the proposed acquisition will be undertaken by the in-house legal team who will take all such steps as are necessary in order to ensure that the Council's legal position is appropriately protected. Advice provided by Malcolm Townroe (Legal Services Manager) on 23/03/2017.

Finance Advice:

This advice is exempt from publication and is contained within an exempt appendix Advice provided by Mandy Bryce (Finance Analyst) on 09/03/2017.

Signatures:

Jon Collins (Leader of the Council)
SIGNED and Dated: 30/03/2017
David Bishop (Deputy CE, CD for Development and Growth)
SIGNED and Dated: 11/04/2017