

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

<b>Reference Number:</b>	2857
<b>Author:</b>	Peter Carroll
<b>Department:</b>	Development
<b>Contact:</b>	David Powell (Job Title: Senior Estates Surveyor, Email: david.powell@nottinghamcity.gov.uk, Phone: 01158763914)
<b>Subject:</b>	Property Investment Acquisition - Project 118
<b>Key Decision (decision valued at more than £1million):</b>	Yes
<b>Key Decision (decision affects 2 or more wards):</b>	Yes
<b>Total Value:</b>	Exempt (Type: Capital)
<b>Decision Being Taken:</b>	1. To approve the purchase of the freehold interest in an industrial premises.2. To approve the use of Prudential Borrowing to provide for 100% of the purchase price and associated costs.3. To approve Nottingham City Council becoming a shareholder in the Management Company for the Estate.
<b>Reasons for the Decision(s)</b>	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.
<b>Other Options Considered:</b>	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.
<b>Background Papers:</b>	None

<b>Published Works:</b>	None
<b>Affected Wards:</b>	Citywide
<b>Colleague / Councillor Interests:</b>	None
<b>Any Information Exempt from publication:</b>	Yes
<b>Exempt Information:</b>	
<b>Description of what is exempt:</b>	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
<b>3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).</b>	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.
<b>Documents exempt from publication:</b>	Exempt Information - Project 118.docx, Acquisition - Financial comments on the purchase of Project 118 040517.docx, Brochure - Project 118.pdf, Investment Appraisal Template - Project 118.xlsx
<b>Consultations:</b>	Those not consulted are not directly affected by the decision.
<b>Crime and Disorder Implications:</b>	The acquisition of the property has no crime and disorder implications, and will instead assist services by supporting core income.
<b>Equality:</b>	EIA not required. Reasons: EIA not required. Reasons: An EIA is not required as the decision does not relate to policies, services, or functions.
<b>Decision Type:</b>	Leader's Key Decision

**Subject to Call In:**

<b>No</b>
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.

<b>Person Consulted: Councillor Brian Parbutt</b>
<b>Consultation Date: 10/04/2017</b>
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
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**Legal Advice:**

The proposed acquisition raises no significant legal issues and is supported in principle. The legal work associated with the acquisition will be undertaken by the in-house legal team who will ensure that all such steps as are deemed necessary to protect the Council's position are taken at the appropriate time. Advice provided by Malcolm Townroe (Legal Services Manager) on 05/05/2017.
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**Finance Advice:**

This advice is exempt from publication and is contained within an exempt appendix Advice provided by Mandy Bryce (Finance Analyst) on 04/05/2017.
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**Signatures:**

<b>Jon Collins (Leader of the Council)</b>
<b>SIGNED and Dated: 31/05/2017</b>
<b>David Bishop (Deputy CE, CD for Development and Growth)</b>
<b>SIGNED and Dated: 25/05/2017</b>