

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

<b>Reference Number:</b>	2972
<b>Author:</b>	Peter Carroll
<b>Department:</b>	Development and Growth
<b>Contact:</b>	Peter Carroll (Job Title: Portfolio and Investment Manager, Email: <a href="mailto:property.investment@nottinghamcity.gov.uk">property.investment@nottinghamcity.gov.uk</a> , Phone: 63602)
<b>Subject:</b>	Property Investment Acquisition - Project Castle
<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 part fund the acquisition.3. To approve the use of Capital Receipts from the Chamber Trading Account to part fund the acquisition.4. To approve becoming a member of any management company established to run the common services provided to the overall 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>	Letting Brochure - Project Castle.pdf, Investment Appraisal - Project Castle.xlsx, Exempt Information - Project Castle_Final.pdf, Acquisition - Financial comments on the purchase of Project Castle 280917.docx
<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: 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: 05/09/2017</b>
To allow call-in would affect the completion date of the project.

**Advice Sought:**

Legal, Finance
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**Legal Advice:**

The proposed acquisition raises no legal issues beyond those that would usually need to be addressed in a transaction of this nature. The legal work associated with the acquisition is, on this occasion, being undertaken by external legal advisors due to lack of capacity within the internal legal team. Those advisors will provide the usual legal due diligence report prior to the matter proceeding further which will then be considered by the Director of Legal and Governance and the Director of Strategic Assets and Property. Advice provided by Malcolm Townroe (Director of Legal and Governance) on 30/09/2017.
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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 28/09/2017.
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**Signatures:**

<b>Jon Collins (Leader of the Council)</b>
<b>SIGNED and Dated: 18/10/2017</b>
<b>David Bishop (Deputy CE, CD for Development and Growth)</b>
<b>SIGNED and Dated: 18/10/2017</b>