

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	3078
Author:	Bevis Robert Andrew Mackie
Department:	Development and Growth
Contact:	Bevis Robert Andrew Mackie (Job Title: Estates Surveyor, Email: bevis.mackie@nottinghamcity.gov.uk, Phone: 01158763635)
Subject:	Surrender of Existing Leases and the Grant of a New Lease in Respect of Land at Glaisdale Drive East, Nottingham
Total Value:	See Exempt Appendix (Type: Capital)
Decision Being Taken:	To agree to a surrender of the ground leases held in respect of the subject property and the grant of a new lease (re-gear) subject to a premium payment.
Reasons for the Decision(s)	The Council owns the freehold interest subject to two long ground leases both of which have a relatively short unexpired terms remaining under the agreements under which a combined nominal ground rent is payable. The re-gearing through a new lease will consolidate the leasehold ownership under a new longer lease term and provide security for the tenant which will facilitate re-investment into the property. In agreeing to the re-gear the Council will receive a premium payment.
Other Options Considered:	To continue with the current long leasehold terms, at the existing rental income - this option is not recommended as there is potential for the Council to receive a premium payment. There are no other options to be considered as the property is subject to the existing lease agreements.
Background Papers:	None
Published Works:	None

Affected Wards:	Bilborough
Colleague / Councillor Interests:	None
Any Information Exempt from publication:	Yes
Exempt Information:	
Description of what is exempt:	Financial details, site plan and heads of terms for lease
	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 disclosure of the terms could prejudice future negotiations which may be entered into by the Council.
Documents exempt from publication:	Heads of Terms re Glaisdale Drive East.pdf, Exempt_Appendix.docx, Glaisdale Drive East Site Plan.pdf
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	None.
Equality:	EIA not required. Reasons: This is not a new or changing policy, service or function. The decision adheres to all Council Equality policies
Decision Type:	Portfolio Holder
Subject to Call In:	Yes

Call In Expiry date:	22/02/2018
Advice Sought:	Legal, Finance
Legal Advice:	The proposals set out in the report raise no significant legal issues and are supported. Advice provided by Malcolm Townroe (Director of Legal and Governance) on 24/01/2018.
Finance Advice:	Property trading account will lose annual rent by surrendering the existing lease, but by agreeing to the new lease, the premium that tenant pays will go towards property trading account capital receipt, we can use it for re-investment. Advice provided by Mandy Bryce (Finance Analyst) on 24/01/2018.
Signatures	Jon Collins (Leader & PH Strategic Infrastructure & Comms)
	SIGNED and Dated: 14/02/2018
	David Bishop (Deputy CE, CD for Development and Growth)
	SIGNED and Dated: 02/02/2018