

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	3301
Author:	Peter Carroll
Department:	Development and Growth
Contact:	Beverley Gouveia (Job Title: Estates Surveyor, Email: beverley.gouveia@nottinghamcity.gov.uk , Phone: 01158762381)
Subject:	Investment Acquisition - Project Aston - Decision Amendment
Key Decision (decision valued at more than £1million):	Yes
Total Value:	£1,750,000 (Type: Revenue)
Decision Being Taken:	<ol style="list-style-type: none">1. Approve the surrender of the long lease agreement dated 2nd February 1967;2. Approve the grant of a new 125 year lease subject to a rent of £14,000 per annum. This decision supersedes points 1 & 2 of Leadership Key Decision 3249.
Reasons for the Decision(s)	<p>Further negotiation with the proposed tenant has led to an agreement to surrender the whole lease agreement dated 2nd February 1967 as opposed to surrendering part which was approved in decision 3249. This decision has been taken as it is a more straightforward transaction which retains the income proposed in decision 3249 and provides the Council with the opportunity to modernise the lease agreement.</p> <p>A modern lease does result in the Council losing certain protection and rights to pursue historic tenants for breaches of the lease, the associated risks are considered minimal considering the commercial deal and income the Council will receive.</p>
Other Options Considered:	Not to approve the surrender and grant of a new lease - this would result in the Council losing the income stated in decision 3249.
Background Papers:	None

Published Works:	Delegated decision 3249.
Affected Wards:	Dunkirk and Lenton
Colleague / Councillor Interests:	None
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	The acquisition has no crime and disorder implications and will instead assist service 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:	Yes
Call In Expiry date:	05/11/2018
Advice Sought:	Legal, Finance
Legal Advice:	<p>The proposals set out in this decision raise no significant legal issues and are supported. The legal work associated with this transaction will be undertaken by the inhouse legal team who will ensure that all appropriate steps are taken to protect the Council's interests.</p> <p>Advice provided by Malcolm Townroe (Director of Legal and Governance) on 12/10/2018.</p>
Finance Advice:	<p>Granting the lease will generate income of £14,000 as stated in the main body of the decision. This is slightly more than is currently received for the site and this will generate additional income for the Property Trading Account.</p> <p>Advice provided by Susan Tytherleigh (Senior Finance Manager) on 22/10/2018.</p>
Property Advice:	<p>The proposal set out in this decision does not cause any property issues. The site will be let on a 125 year ground lease at a ground rent of £14,000 per annum which is reflective of other ground leases in this location.</p> <p>Advice provided by Beverley Gouveia(Principle Surveyor) on 22/10/2018.</p>

Signatures:

Jon Collins (Leader of the Council)
SIGNED and Dated: 26/10/2018
Chris Henning (Corporate Director for Development and Growth)
SIGNED and Dated: 26/10/2018