

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	3444
Author:	Michelle Webster
Department:	Development and Growth
Contact:	Michelle Webster (Job Title: Senior Estates Surveyor, Email: michelle.webster@nottinghamcity.gov.uk, Phone: 0115 876 3735)
Subject:	Unit 2, Clarence Court, Clarence Street, Nottingham, NG3 2FB
Total Value:	See exempt appendix (Type: Revenue)
Decision Being Taken:	To approve a new letting of Unit 2 Clarence Court (4,925 sq.ft) to an applicant, on a 10 (ten) year business tenancy, outside of the security provisions of the LTA on the terms set out in the exempt appendix.
Reasons for the Decision(s)	Unit 2 Clarence Court has been vacant for some time owing to repair issues with the existing roof. A project to replace the whole roof of Clarence Court has been commissioned and is expected to complete in March 2019, producing a fully lettable unit with no repair issues. An applicant has been identified for the unit and Heads of Terms have been agreed. By agreeing to a grant of a new ten year lease the Council benefits from the receipt of a regular revenue sum and reduces the current financial liabilities from holding a vacant property. Similarly, it provides a benefit to the wider area as it will provide employment opportunities. This represents value for money for the Council and is an efficient and effective use of resources.
Other Options Considered:	1) To market the property in its current condition. This option was rejected as it does not comply with legislative requirements under the Minimum Energy Efficiency Standards regulations, and could generate further landlord repair costs. 2) To remove the property off the market and retain for internal purposes. This option was rejected as no identified internal use exists.
Background Papers:	None

Published Works:	DD3353 - Roof replacement works at Clarence Court and Garnet Court, Nottingham.
Affected Wards:	St Ann's
Colleague / Councillor Interests:	None
Any Information Exempt from publication:	Yes
Exempt Information:	
Description of what is exempt:	The Heads of Terms and Investment Appraisal.
	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
2 - Information which is likely to reveal the identity of an individual	The public interest in maintaining the exemption outweighs the public interest in disclosing the information because the applicants name and contact details are entered on the proposed Head of Terms.
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 Head of Terms and investment appraisal contain commercially sensitive information which could prejudice future negotiations in relation to the lettings at Clarence Court.
Documents exempt from publication:	Investment Appraisal Roof Works_Clarence.xlsx, Heads of Term_Unit 2 Clarence Court_2019_issue 4.doc.pdf
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	There are no Crime and Disorder implications that relate to this decision. This decision has a positive implication for Section 17 of the Crime and Disorder Act as it seeks to improve existing void properties which can help to deter the potential for vandalism, damage and theft of an otherwise vacant property.

Equality:	EIA not required. Reasons: EIA is not required in this decision as this is not a new or changing policy, service or function. The decision adheres to all the Council's Equality Policies.
Relates to Council Property Assets:	Yes
Decision Type:	Officer
Executive Decision?	Yes
£50,000 or more:	Yes
Scheme of Delegation Reference Number or Other Source of Delegation:	237 - Grant of tenancies where rent does not exceed £100,000 per annum
Subject to Call In:	Yes
Call In Expiry date:	18/03/2019
Advice Sought:	Legal, Finance, Property
Legal Advice:	From the information contained in the report and following discussion with the author of the report, the proposed transaction does not appear to raise any substantive legal issues of concern. The transaction will be subject to normal property legal due diligence and the drafting, negotiation and agreement of formal legal documentation between the parties. Advice provided by Mick Suggett (Team leader: Conveyancing) on 04/03/2019.
Finance Advice:	The new lease will increase the rental income to the Chamber Estate portfolio and contribute towards the SAM Big Ticket Savings Target. Advice provided by Mandy Bryce (Finance Analyst) on 04/03/2019.
Property Advice:	This is a property decision which will create revenue income for the Council. A due diligence process ahs been followed to limit the risk to the Council of tenant failure. Advice provided by Pippa Hall (Portfolio and Investment Manager) on 04/03/2019.
Signatures:	peter carroll (Head of Portfolio Investment & Development)
	SIGNED and Dated: 11/03/2019