

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	3481
Author:	Pippa Hall
Department:	Development and Growth
Contact:	Pippa Hall (Job Title: Portfolio and Investment Manager, Email: pippa.hall@nottinghamcity.gov.uk, Phone: 0115 8763602)
Subject:	Letting of Second Floor, Phoenix House, Elder Gate, Milton Keynes, MK9 1BE
Key Decision (decision valued at more than £1million):	Yes
Total Value:	Exempt (Type: Revenue)
Decision Being Taken:	To approve the letting of the second floor offices of the property on the terms set out in the exempt appendix.
Reasons for the Decision(s)	The property has been marketed to let and a party have made an offer to take a lease on the entire floor of offices on terms and at a rental level which are commensurate with the current market.
Other Options Considered:	Not to agree to the letting and continue to market the offices to let. This option was discounted as there is limited demand for offices of this size and whilst the property is vacant the Council would not receive rental income and are liable for void costs, including business rates, service charge and insurance.
Background Papers:	None
Published Works:	None
Affected Wards:	Citywide

Colleague / Councillor Interests:

None

Any Information Exempt from publication:

Yes

Exempt Information:

Description of what is exempt:

Terms of the letting and marketing agents recommendation.

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 letting terms at this stage may result in the interest being lost. In addition the terms contain financial information of the proposed tenant and the Council.

Documents exempt from publication:

HOT 2nd Floor Phoenix to Network Rail 7.2.19.pdf, Leasing Report Phoenix House 7.2.19.pdf, Exempt appendix Second Floor Network Rail.pdf

Consultations:

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

The decision does not impact on crime and disorder

Equality:

EIA not required. Reasons: An EIA is not required as the decision does not relate to changing policies, services or functions.

Decision Type:

Leader's Key Decision

Subject to Call In:

Yes

Call In Expiry date:

09/04/2019

Advice Sought:

Legal, Finance

Legal Advice:

From the information provided both in the report and from the author of the report, the proposed letting does not appear to raise any substantive legal issues of concern. The letting will be subject to normal property legal due diligence work and the drafting, negotiation and agreement of contractual legal documentation between the parties.

Advice provided by Mick Suggett (Team leader: Conveyancing) on 18/02/2019.

Finance Advice:

The new lease will maintain the rental income for the Chamber Estate portfolio and contribute towards the SAM Big Ticket Savings Target; any rent-free costs will be covered by investment property sinking fund.

Advice provided by Mandy Bryce (Finance Analyst) on 25/02/2019. Advice provided by Mandy Bryce (Finance Analyst) on 05/03/2019.

Property Advice:

Property transaction that meets criteria, no further advice required.

Advice provided by Peter Carroll (Portfolio and Investment Manager) on 01/03/2019.

Signatures:

Jon Collins (Leader of the Council)

SIGNED and Dated: 02/04/2019

Chris Henning (Corporate Director for Development and Growth)

SIGNED and Dated: 22/03/2019