

EXECUTIVE BOARD – 18th June 2019

Subject:	Land at Trentside North, West Bridgford – Letting to Nottingham Forest Football Club
Corporate Director(s)/Director(s):	Chris Henning, Corporate Director Development and Growth Department.
Portfolio Holder(s):	Councillor David Mellen, Leader of the Council
Report author and contact details:	John West, Estates Surveyor John.West@nottinghamcity.gov.uk 0115 876 6086
Subject to call-in:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Key Decision:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Criteria for Key Decision:	
(a) <input type="checkbox"/> Expenditure <input checked="" type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision	
and/or	
(b) Significant impact on communities living or working in two or more wards in the City <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Type of expenditure:	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Total value of the decision:	See Exempt Appendix
Wards affected:	Land is outside of Nottingham City Boundaries (West Bridgford)
Date of consultation with Portfolio Holder(s):	Multiple and ongoing consultation with Leader of the Council throughout negotiating period.
Relevant Council Plan Key Theme:	
Strategic Regeneration and Development	<input checked="" type="checkbox"/>
Schools	<input type="checkbox"/>
Planning and Housing	<input type="checkbox"/>
Community Services	<input type="checkbox"/>
Energy, Sustainability and Customer	<input type="checkbox"/>
Jobs, Growth and Transport	<input type="checkbox"/>
Adults, Health and Community Sector	<input type="checkbox"/>
Children, Early Intervention and Early Years	<input type="checkbox"/>
Leisure and Culture	<input checked="" type="checkbox"/>
Resources and Neighbourhood Regeneration	<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users):	
<ul style="list-style-type: none"> • Nottingham Forest Football Club wish to build a new stand to replace the ageing Peter Taylor Stand. • In order to facilitate this a new lease will be granted to replace their existing lease. This new lease will include an enlarged area of management and will also result in Forest creating improved facilities for several rowing clubs (who are party to the proposals) as well as residential accommodation. • The whole project will ensure the club remains on its historic site for many years, create a fit for purpose stadium that will be the largest in the East Midland and allow them to bring high profile sporting events to the city. 	
Exempt information: State 'None' or complete the following	
An appendix to the report is exempt from publication under paragraph 3 of Schedule 12A to the Local Government Act 1972 because it contains information relating to the financial arrangements of the council and another party and, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. It is not in the public interest to disclose this information because it includes commercial and financial terms of the agreement which if disclosed will prejudice negotiations relating to the proposed agreement and future arrangements that the council may enter in to.	

Recommendation(s):

1. To agree to the principle of entering in to a new 250-year lease with Nottingham Forest Football club for land and buildings at Trentside North, West Bridgford, Nottingham and to the erection, by the lessee (at their cost), of a replacement football stand, ancillary buildings, replacement boat club facilities and residential units on the basis of the terms set out in the exempt appendix.
2. To agree to the surrender of the remainder of the existing 50-year lease to Nottingham Forest Football Club, along with the surrender of other ancillary leases to boat club lessees as necessary, provided that the principle of boat club use of the area is retained.
3. To delegate authority to the Director of Strategic Assets and Property to amend the agreed terms of the lease and to agree other practical matters in delivering a new lease (such as entering in to Agreements for Lease or option agreements) provided that the lease term is not extended or that the principle of the decision is not materially affected by the changes.

1 REASONS FOR RECOMMENDATIONS

- 1.1 The facilities at the City Ground are not felt to be fully fit-for-purpose, and the Peter Taylor stand in particular, the oldest stand in the stadium being built in 1965 is now in need of total replacement in order to provide increased capacity, improved standards for fans and improved corporate hospitality.
- 1.2 At the same time as discussions were beginning with the club over revising their lease, the council were also approached by a joint committee speaking on behalf of the Nottingham Rowing Club and Nottingham & Union Club ("Boat Clubs"), to discuss the prospect of them also revising their various leases, in order to upgrade their buildings, which have become too small, outdated and difficult to manage.
- 1.3 These two interests were seen to be mutually beneficial, and the Boat Clubs and Forest have since entered in to a joint negotiating position, as laid out in the exempt appendix that will see all requirements met.
- 1.4 Under the recommended new lease Forest will take on all maintenance liabilities of the Trentside road and river banks, but must retain and protect all existing user rights (it is an unadopted road but is a formal right of way and public bridleway), shown blue on the attached plan.
- 1.5 With a proposed lease of this length and complexity, there may be changes needed during the lease drafting stage, and in order to ensure the matter is concluded in a swift and efficient manner, it is recommended that the Director of Strategic Assets and Property is granted delegated authority to any proposed amendments, provided that the basic principles are not changed.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 Nottingham Forest Football Club ("Forest") are a professional sports club playing association football at all age levels and genders, and have occupied their current site in West Bridgford known as the City Ground since 1898.
- 2.2 Nottingham City Council ("Council") are the freehold owners of their ground, along with adjoining land and buildings known as Trentside North, stretching from Trent

Bridge in the south, to the Grantham Canal at the north. This ownership is outside of Nottingham's political boundary, and sits in Rushcliffe Borough in the County.

- 2.3 It is Forest's desire to demolish the existing south stand and replace it with a modern stand incorporating corporate hospitality, conference facilities and modern amenities to improve the match day experience for fans. This will create a stadium with a capacity to around 38,000 and make it the largest stadium in the East Midlands.
- 2.4 In addition they also intend to create a more open car park / plaza behind the stand and erect a new building on site that will contain residential apartments, boat clubs, a boutique hotel and other facilities. The club formally announced their intentions to the press and public on 28 February 2019.
- 2.5 Forest currently hold a 50-year lease for the land that their stadium is built on, as well as the ancillary car parks and other buildings as well as rights of access over Trentside. This lease commenced in 2011 and therefore has just over 41.5 years left to run. In order to grant a new lease as recommended, a surrender of this lease will be executed immediately before the new lease begins.
- 2.6 As well as the football stadium there are various other buildings on Trentside owned by the council which are occupied by a number of groups on leases from the council in order to run various activities linked to the river ("boat clubs").
- 2.7 There are 4 buildings to the south of the City Ground and 4 buildings to the north. Those groups occupying the south buildings, have signed a Memorandum Of Understanding with Forest in order for their buildings to form part of the new development site that will include new modern, fit-for-purpose facilities that they will occupy. As with the Forest lease, these agreements will need to be surrendered at the appropriate time. During the construction phase alternative private accommodation will be found, although this is a private matter between Forest and the boat clubs.
- 2.8 The announcement of Nottingham and the City Ground potentially being included as a Host City for the Women's Euro 2021 competition has added a pressing timeframe to find a solution to a new lease that will allow Forest to begin development.
- 2.9 Forest will shortly be submitting a planning application to Rushcliffe Borough Council for the full redevelopment scheme, as the Planning Authority.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

3.1 Do not agree to a new lease

The option of not agreeing to a new lease was rejected as the recommended terms demonstrate best value for the council and allow the club to meet their requirements for a modern fit-for-purpose stadium, on their current, historic site.

3.2 Agree to a new lease but on different terms

The option of agreeing to a new lease but under different terms was also rejected as the terms have been fully negotiated, and have undergone several iterations before settling on those being recommended. It is felt they represent the best possible position for the satisfaction of all parties.

4. FINANCE COLLEAGUE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)

- 4.1 The new lease will increase the rental income for the Chamber Estate portfolio and contribute towards the SAM Big Ticket Savings Target.

Mandy Bryce, Senior Commercial Business Partner, 24 May 2019.

5 LEGAL AND PROCUREMENT COLLEAGUE COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)

- 5.1 The proposals set out in the report and confidential appendix will require detailed input from Legal Services in order to conclude the legal formalities. If deemed necessary by the Director of Legal and Governance further support will be procured from external legal advisors for which appropriate budget provision will need to be made as part of the overall approval process.

Malcolm R. Townroe, Director of Legal and Governance, 29 May 2019.

6 STRATEGIC ASSETS & PROPERTY COLLEAGUE COMMENTS (FOR DECISIONS RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE)

- 6.1 As a report both written and promoted by Strategic Assets & Property, the proposals and recommendations contained within the report are fully supported.

Kevin Shutter, Director of Strategic Assets and Property, 30 May 2019.

7 SPORTS CULTURE AND PARKS COLLEAGUE COMMENTS

- 7.1 Sport & Culture note the report and support the work being undertaken to ensure the future sustainability of the Boat Clubs as part of the overall arrangement.

Hugh White, Director of Sport and Culture, 28/05/19.

8 SOCIAL VALUE CONSIDERATIONS

- 8.1 Not Applicable.

9 REGARD TO THE NHS CONSTITUTION

- 9.1 The recommended decision does not impact upon the NHS constitution.

10 EQUALITY IMPACT ASSESSMENT (EIA)

- 10.1 Has the equality impact of the proposals in this report been assessed?

No

An EIA is not required because:

The recommended decision does not result in a new or changing policy, service or function. The decision adheres to all Council Equality policies.

Yes

Attached as Appendix x, and due regard will be given to any implications identified in it.

11 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

11.1 None

12 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

12.1 None