

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	3737
Author:	Rizvan Shafiq
Department:	Development and Growth
Contact:	Rizvan Shafiq (Job Title: Senior Estates Surveyor, Email: rizvan.shafiq@nottinghamcity.gov.uk, Phone: 8763087)
Subject:	Long Lease Extension (re-gear) for land fronting Daleside Road Sneinton, Nottingham, NG2 4DH
Total Value:	Exempt (Type: Capital)
Decision Being Taken:	To agree to the surrender and renewal (re-gear) of the existing lease for 2,967 square yards, or thereabouts, of land on Daleside Road, Sneinton, Nottingham, NG2 4DH, as detailed in the exempt appendix.
Reasons for the Decision(s)	<p>The subject land on Daleside Road is let on a 99 year lease with effect from 1949 at a fixed ground rent with no reviews. The property comprises two main industrial units (originally one) of brick elevations with steel trusses under an asbestos panelled roof with skylights. There are single storey extensions to the rear with flat roofs. In addition, there are 3 small brick built outbuildings.</p> <p>The lease is currently held by trustees, who in turn sublet the units.</p> <p>The re-gear of the lease will provide a longer term and increased security for the tenants encouraging their investment into the property. In addition, the Council will receive a capital payment into the Trading Account.</p>
Other Options Considered:	To continue with the current lease terms - this option was rejected as it would result in a loss of a capital receipt for the Council and would discourage investment in the property.
Background Papers:	None
Published Works:	None

Affected Wards:	Dales
Colleague / Councillor Interests:	None
Any Information Exempt from publication:	Yes
Exempt Information:	
Description of what is exempt:	Financial details of the negotiated terms.
	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 it would prejudice future negotiations that the Council undertakes.
Documents exempt from publication:	2019.11.26- Exempt Appendix Daleside Road.docx
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.
Relates to Council Property Assets:	Yes
Decision Type:	Portfolio Holder

Subject to Call In:	Yes
Call In Expiry date:	18/12/2019
Advice Sought:	Legal, Finance, Property
Legal Advice:	The proposed transaction does not appear to raise any substantive legal issues of concern. The proposed transaction will be subject to normal property legal due diligence and the drafting, negotiation and completion of formal legal documentation between the parties. Advice provided by Mick Suggett (Team leader: Conveyancing) on 03/12/2019.
Finance Advice:	The capital receipt from the lease re-gearing will support either future investment purchases in the Property Trading Account or will be used to improve the standard of other traded properties to generate more income. Advice provided by Mandy Bryce (Finance Analyst) on 02/12/2019.
Property Advice:	The re gear of the lease will create a revenue receipt for the Property Trading Account and grant the existing a longer term lease. Advice provided by Pippa Hall (Portfolio and Investment Manager) on 03/12/2019.
Signatures	David Mellen (Leader/ PH Regeneration, Safety and Communications)
	SIGNED and Dated: 11/12/2019
	Chris Henning (Corporate Director for Development and Growth)
	SIGNED and Dated: 06/12/2019