

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	3757
Author:	Bevis Robert Andrew Mackie
Department:	Development and Growth
Contact:	Bevis Robert Andrew Mackie (Job Title: Estates Surveyor, Email: bevis.mackie@nottinghamcity.gov.uk, Phone: 01158763635)
Subject:	The pre-letting of two Office Suites at the Elizabeth Garrett Anderson Building, Nottingham Science Park, Nottingham
Key Decision (decision valued at more than £1million):	Yes
Total Value:	See Exempt Appendix (Type: Revenue)
Decision Being Taken:	To agree to the pre-letting of two office Suites at The Elizabeth Garrett Anderson Building.
Reasons for the Decision(s)	The Elizabeth Garrett Anderson Building will form part of the Chamber Estate commercial property portfolio, providing Nottingham Science Park a central hub building comprising 22,700 sq. ft. of Grade A office space with ancillary Café and Conference facilities. The proposed pre-letting of the two offices suites will be on commercial terms between the City Council and the prospective tenant.
Other Options Considered:	To not proceed with the prospective tenant and continue to market the subject premises - this was rejected as acceptable terms for lease have been agreed between the parties.
Background Papers:	None
Published Works:	None

Affected Wards:	Lenton and Wollaton East
Colleague / Councillor Interests:	None
Any Information Exempt from publication:	Yes
Exempt Information:	
Description of what is exempt:	Further background information and the Heads of Terms for the Lease.
	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 to do so would reveal the Council's negotiating position, which could adversely prejudice the outcome of these negotiations.
Documents exempt from publication:	2019.12.02_Exempt_Appendix_Heads_of_Terms.docx, 2019.11.25.Exempt_Appendix_Background Information.docx, 2019.11.25.Exempt_Appendix_Floor_Plan.pdf
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	There are no crime and disorder implications in regards to this decision.
Equality:	EIA not required. Reasons: This is not a new changing policy, service or function and the decision adheres to all Council and Equality policies.
Relates to Council Property Assets:	Yes

Decision Type:	Leader's Key Decision
Subject to Call In:	Yes
Call In Expiry date:	14/01/2020
Advice Sought:	Legal, Finance, Other: Gill Callingham(Gill.Callingham@nottinghamcity.gov.uk)
Legal Advice:	<p>From the information provided by the author of the report and from discussion with the author of the report the proposed transaction does not appear to raise any significant legal issues. The transaction will be subject to formal legal documentation.</p> <p>Advice provided by Jo Backhouse (Senior Solicitor in Conveyancing) on 06/12/19.</p>
Finance Advice:	<p>The pre-letting of the suites as detailed in the report and exempt appendices means the Science Park has achieved its pre-let target for the smaller units as approved in the financial model at Executive Board November 2017. This letting also improves the forecast cashflow in the early years compared to the approved financial model. All revenue surpluses achieved at the Elizabeth Garrett Anderson Building is initially required to repay the early year deficits for this project which have been funded from Corporate Resources.</p> <p>Advice provided by Tom Straw (Senior Accountant - Capital Programmes) on 06/12/2019.</p>
Other Advice:	<p>Letting of this property supports the council's business case for developing the new building and supports sustainable job creation within Nottingham.</p> <p>Advice provided by Gill Callingham (Regeneration Specialist) on 10/12/2019.</p>
Property Advice:	<p>The terms of the lease which have been agreed will allow a pre-let for this new office development, which will minimise void costs, create income and upon completion of the property will provide an occupier which will act as a catalyst for additional occupiers.</p> <p>Advice provided by Pippa Hall (Portfolio and Investment Manager) on 03/12/2019.</p>
Signatures:	<p>David Mellen (Leader/ PH Regeneration, Safety and Communications)</p> <p>SIGNED and Dated: 06/01/2020</p> <p>Chris Henning (Corporate Director for Development and Growth)</p> <p>SIGNED and Dated: 31/12/2019</p>