

Report to Finance & Property Committee

18 July 2016

Agenda Item:

REPORT OF SERVICE DIRECTOR ENVIRONMENT, TRANSPORT & PROPERTY

LAND AT CAMBERLEY ROAD & HOEWOOD ROAD, BULWELL – LEASE OF PART FOR A COMMUNITY PARK FACILITY

Appendix 1

Property:	Part of the former waste disposal site at Hoewood Road, Bulwell, as shown edged in black on the attached plan.
	The demise will include:
	(a) The surface of the area edged in black on the attached plan;
	(b) The sub-soil below the area edged in black on the attached plan to a depth of 1 metre; and
	(c) The airspace above the area edged in black on the attached plan to a height of five metres.
Landlord:	Nottinghamshire County Council ("County Council")
Tenant:	Nottingham City Council ("City Council")
Term:	125 years beginning on the date of practical completion of the Tenants Works
Rent:	£1 per annum (if demanded)
Tenant's Works:	The parties will enter into an Agreement for Lease which will contain an obligation on the City Council to carry out and complete landscaping works (to be identified in a Schedule to the Lease): (a) without interfering with existing monitoring boreholes at the
	Property;
	(b) in a good and workmanlike manner and in accordance with recognised practice;
	(c) in accordance with the terms of any planning permission and/or any other necessary consents for the carrying out of the Works; and

	(d) to the reasonable satisfaction of the County Council.
	The Works are to be completed within an agreed time schedule (expected to be before October 2016). Failure to complete the Works within that schedule will give the County Council the right to terminate the Agreement for Lease.
	There will be an obligation on the City Council in the Agreement for Lease to produce collateral warranties or other forms of duty of care acknowledgements in favour of the County Council in respect of the Works. The obligations contained in the collateral warranties are to be enforceable for a period of twelve years after practical completion of the Works.
Use:	The Property may only be used as a community park facility.
Maintenance:	The City Council will be required to maintain the Property, keeping it in good general repair and ensuring that at all times it is safe for members of the public to use.
Rates:	The City Council must pay all rates and all other outgoings.
Insurance:	The City Council will be required to maintain third party liability insurance in relation to the Property with a limit of £10 million. The Lease will impose an obligation on the City Council to provide a copy of the insurance policy and evidence of payment of the premium from time to time.
Alienation:	The City Council may assign the whole of the Property with the County Council's prior written consent, which cannot be unreasonably withheld.
	The City Council may not assign part only of the Property.
	The City Council may not underlet either the whole or any part of the Property.
	The City Council may not share occupation of the Property with any third party.
Alterations and Planting:	Following completion of The Tenants Works, the City Council may not alter the appearance of the Property without the County Council's consent, such consent not to be unreasonably withheld or delayed.
	The City Council may not erect any buildings, fences or any other structures on the Property without the prior written consent of the County Council. The County Council will have absolute discretion as to whether such consent is granted or withheld.
	An initial landscaping and planting plan will be agreed between the County Council and City Council and thereafter completed within an agreed time schedule which will be set out in the Lease. Failure to complete the landscaping and planting within that schedule will give the County Council the right to terminate the lease. The landscaping

scheme must not interfere with the existing monitoring boreholes at the Property.

The lease will impose obligations on the City Council:

- (a) not to penetrate the Property without the prior written consent of the County Council and its retained environmental consultant; and
- (b) not to undertake any landscaping and/or planting in addition to the agreed initial scheme without the prior written consent of the County Council and its retained environmental consultant; and
- (c) not to obstruct or otherwise interfere with the existing monitoring boreholes at the Property.

The County Council will have absolute discretion as to whether such consents are granted or withheld.

The Lease will also impose a general obligation on the City Council not to do anything which is likely to disturb any historic contamination in the sub-soil, and/or to render the County Council more likely to prosecution or civil action in relation to the presence and/or migration of contaminative materials.

The Lease will also impose an obligation on the City Council not to import material onto the Property without lawful certification as to the suitability of the material for the proposed use and without the prior written consent of the County Council. The County Council will have absolute discretion as to whether such consent is granted or withheld.

The City Council will be required to obtain the County Council's prior written consent to the commencement of works for the development of the proposed scheme on the site and to future alterations.

In the Lease, the City Council will indemnify the County Council against all costs, claims and expenses incurred by the County Council as a result of the City Council's failure to observe the obligations referred to under this clause.

The City Council will be responsible for all costs incurred by the County Council (including without limitation, the fees of the landlord's environmental consultants) in relation to applications for any consents required by the City Council, whether or not such consents are actually granted.

Environmental Monitoring:

The City Council will be required to undertake any on-going environmental monitoring that the County Council's environmental consultants may require from time to time.

In particular, the City Council will allow the County Council and its environmental consultants to have full uninterrupted access to the Property in order that it can carry out testing and monitoring and, if necessary, remediation works in relation to the Property and the sub-

	soil below the demise. Specifically, the County Council will have unfettered access to the boreholes at the Property in order to monitor the escape of gases. The City Council will be responsible for all costs incurred by the County Council (including but without limitation, the fees of the County Council's environmental consultants) which arise as a result of any failure on the part of the City Council to perform the obligations imposed upon it in the Agreement for Lease and/or Lease.
Forfeiture:	In addition to the usual forfeiture grounds, the County Council will have the express right to immediately forfeit the Lease in the event that the City Council fails to comply with its obligations in relation to securing the County Council's consents and/or in relation to on-going environmental monitoring.
L&T Act 1954:	The Lease shall be contracted out of the security provisions contained within s24-28 of the Landlord & Tenant Act 1954.
Works Licence	If requested, the County Council will grant the City Council a Licence to undertake the 'Tenant's Works' prior to the completion of the Lease to ensure that the project is not delayed.
Costs:	Each party shall be reasonable for paying their own costs.