

NOTTINGHAM CITY COUNCIL

TRUSTS AND CHARITIES COMMITTEE

MINUTES of the meeting held at Loxley House on 25 SEPTEMBER 2013 from 10.30am to 12.01pm.

- ✓ Councillor John Hartshorne (Chair)
 - ✓ Councillor Thulani Molife (Vice Chair)
 - ✓ Councillor Liaqat Ali
 - ✓ Councillor Glyn Jenkins
 - ✓ Councillor Carole-Ann Jones
 - ✓ Councillor Tim Spencer
 - ✓ Councillor Roger Steel
 - ✓ Councillor Sam Webster
 - ✓ Councillor Steph Williams
- ✓ indicates present at meeting

Colleagues, partners and others in attendance:

Stuart Knight	-	Director of Strategic Asset and Property Management)	Development
Barry Dryden	-	Senior Finance Manager)	Resources
Noel McMenamin	-	Constitutional Services Officer)	
Tracy White	-	Senior Finance Assistant)	
Melvin Bailey	-	Auditor, Rogers Spencer		

11 APOLOGIES FOR ABSENCE

Councillors Molife, Spencer, Steel and Williams.
Malcolm Townroe, Head of Legal Services.

12 DECLARATIONS OF INTERESTS

None.

13 MINUTES

The Committee confirmed the minutes of the meeting held on 26 July 2013 as a true record and they were signed by the Chair. Further to minute 5(4), the Committee asked to defer the proposed tour of the Bridge Estate asset portfolio until June/July 2014.

14 BRIDGE ESTATE – NOTTINGHAM CITY COUNCIL 2012/13 KEY PERFORMANCE HEADLINES

The Committee considered the Deputy Chief Executive/Corporate Director for Resources' report on the transfer of surplus income from the Bridge Estate Trust to the City Council's General Fund for the benefit of the citizens of Nottingham. Barry Dryden, Senior Finance Manager, introduced the report, and made the following points:

- (a) the proposed contribution to the General Fund of 2012/13 of £1.484 million was a 16% increase on the 2011/12 surplus contribution of £1.275 million;
- (b) the contribution helped the City Council to make progress on a number of key priorities within the Council Plan 2012-2015, including getting young people into work, training or further education, having neighbourhoods as clean as the city centre, cutting crime and anti-social behaviour and keeping energy bills down.

During discussion, councillors raised several issues:

- (c) in response to a councillor's query, Mr Dryden explained that lower income surpluses recorded for 2009/10 and 2010/11 were because of the economic downturn and lower interest rates;
- (d) a councillor reported that there was a lack of public understanding about how the Bridge Estate income surplus was used, and several Committee members said that in future years it would welcome being more imaginative with how the funding was used.

RESOLVED to note the report.

15 BRIDGE ESTATE ANNUAL REPORT 2012/13

The Committee considered the Deputy Chief Executive/Corporate Director for Resources' report. Barry Dryden, Senior Finance Manager, highlighted the following:

- (a) the City Council's auditors required sign-off of the Bridge Estate Trust's accounts before the City Council's 2012/13 accounts could be finalised. As a result, this Committee meeting had to be re-arranged to take place before the Audit Committee meeting on 27 September 2013. Mr Dryden asked the Committee to take this into account when scheduling Committee meetings in future years;
- (b) the Bridge Estate Trust's accounts for 2011/12 had only been finalised in January 2013, so the new auditors had completed the process much more quickly for this year;
- (c) as noted at minute 14(a) above, the Trust was able to increase its contribution to the General Fund by 16%. This was due largely to additional rental income following the purchase of Listergate, although there had also been an increase in charges for reactive repairs and rates for empty properties;

- (d) Mr Dryden confirmed that the Deputy Chief Executive/Corporate Director of Resources was content with the Bridge Estate Annual Report.

The Committee welcomed the timely preparation of the Statement of Accounts and Annual Report, and raised the following issues in discussion:

- (e) in response to a councillor's question, Mr Dryden and Stuart Knight, Director of Strategic Asset and Property Management, reassured the Committee that there were stringent set methodologies in place for accounting and property valuations to ensure that the Estate, and individual properties identified for disposal, were not undervalued. Mr Knight also explained that it might sometimes be appropriate to sell below market value, as long as the reasons for doing so were transparent;
- (f) Melvin Bailey, external auditor, confirmed that the audit had not identified major issues or anomalies. Where issues had arisen, these were due mainly to difficulties in accessing historical data held either by the City Council or the Land Registry identified in the audit Mr Dryden also confirmed that the trustees of the individual trusts and charities were ultimately responsible for their operation, and that there was no over-arching liability for members of this Committee;
- (g) Mr Knight confirmed that the Bridge Estate will have a dedicated management resource who will attend future Committee meetings.

RESOLVED

- (1) to approve the Bridge Estate Annual Report and Statement of Accounts for the financial year 2012/13;**
- (2) to transfer the Bridge Estate Trust's surplus of £1,484,315 to Nottingham City Council's General Fund;**
- (3) to approve the Letter of Representation within the Audit Highlights Memorandum at Appendix 1 to the report.**

16 EXCLUSION OF THE PUBLIC

RESOLVED to exclude the public from the meeting during consideration of the remaining item in accordance with Section 100A(4) of the Local Government Act 1972 on the basis that, having regard to all the circumstances, the public interest in maintaining the exemption outweighed the public interest in disclosing the information, as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act.

17 BRIDGE ESTATE PROPERTY PORTFOLIO UPDATE

RESOLVED to note the progress on key property issues as set out in the report, and to receive updates at future Committee meetings.