



NOTTINGHAM CITY COUNCIL
TRUSTS AND CHARITIES COMMITTEE

Date: Friday, 28 November 2014

Time: 2.00 pm

Place: LB 31/32

Councillors are requested to attend the above meeting to transact the following business

Acting Corporate Director for Resources

Governance Officer: Noel McMenamin **Direct Dial:** 0115 876 4304

AGENDA

Pages

- | | | |
|----------|--|---------|
| 1 | APOLOGIES FOR ABSENCE | |
| 2 | DECLARATIONS OF INTERESTS | |
| 3 | MINUTES
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| 4 | QUARTER 2 BUDGET MONITORING 2014-15: BRIDGE ESTATE,
HARVEY HADDEN AND HIGHFIELDS TRUSTS
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| 5 | HIGHFIELDS PARK LEISURE TRUST - RELEASE OF ADDITIONAL
DOWRY FUNDS
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| 6 | BRIDGE ESTATE PROPERTY PORTFOLIO UPDATE
Report of Director of Strategic Asset and Property Management | 21 - 24 |

IF YOU NEED ANY ADVICE ON DECLARING AN INTEREST IN ANY ITEM ON THE AGENDA, PLEASE CONTACT THE GOVERNANCE OFFICER SHOWN ABOVE, IF POSSIBLE BEFORE THE DAY OF THE MEETING

CITIZENS ATTENDING MEETINGS ARE ASKED TO ARRIVE AT LEAST 15 MINUTES BEFORE THE START OF THE MEETING TO BE ISSUED WITH VISITOR BADGES

CITIZENS ARE ADVISED THAT THIS MEETING MAY BE RECORDED BY MEMBERS OF THE PUBLIC. ANY RECORDING OR REPORTING ON THIS MEETING SHOULD TAKE PLACE IN ACCORDANCE WITH THE COUNCIL'S POLICY ON RECORDING AND REPORTING ON PUBLIC MEETINGS, WHICH IS AVAILABLE AT WWW.NOTTINGHAMCITY.GOV.UK. INDIVIDUALS INTENDING TO RECORD THE MEETING ARE ASKED TO NOTIFY THE GOVERNANCE OFFICER SHOWN ABOVE IN ADVANCE.

NOTTINGHAM CITY COUNCIL

TRUSTS AND CHARITIES COMMITTEE

MINUTES of the meeting held at LB31 - Loxley House, Station Street, Nottingham, NG2 3NG on 17 September 2014 from 2.01pm- 3.35pm

Membership

Present

Councillor John Hartshorne (Chair)
Councillor Liaqat Ali
Councillor Glyn Jenkins
Councillor Anne Peach
Councillor Roger Steel

Absent

Councillor Thulani Molife
Councillor Carole-Ann Jones
Councillor Timothy Spencer
Councillor Sam Webster

Colleagues, partners and others in attendance:

Melvyn Bailey	- Auditor, Rogers Spencer
Richard Cox	- Senior Estates Surveyor
Barry Dryden	- Senior Finance Manager
Noel McMenamin	- Governance Officer
Malcolm Townroe	- Head of Legal Services
Tracy White	- Senior Finance Assistant

10 APOLOGIES FOR ABSENCE

Councillor Thulani Molife – unwell
Councillor Carole Jones – other Council business
Councillor Tim Spencer - unwell
Councillor Sam Webster – other Council business

11 DECLARATIONS OF INTERESTS

None.

12 MINUTES

Subject to amending Malcolm Townroe's job title to 'Head of Legal Services', the minutes of the last meeting held on 30 May 2014 were confirmed and signed by the Chair.

13 BRIDGE ESTATE ANNUAL REPORT AND STATEMENT OF ACCOUNTS 2013/14

Barry Dryden, Senior Finance Manager, introduced the report of the Acting Corporate Director of Resources setting out the 2013/14 accounts for the Bridge Estate. He highlighted the following points:

- a) The accounts have been audited by Rogers Spencer;
- b) The Statement includes a contribution of £1,439,734 to the Council. This is a slight decrease compared with 2012/13 due to factors including a decrease in 'other incoming resources' and a decrease in investment income as a result of the purchase of the Lister Gate property;
- c) Overall net assets increased by £417,506 due to an increase in net current assets generated by asset sales, and a decrease in long term borrowing, offset by a net decrease in the value of investment property;
- d) There has been an increase in debtors from £625,533 in 2012/13 to £3,142,394 in 2013/14;
- e) No major accounting issues were identified during the audit;
- f) The management letter identified 5 minor weaknesses.

During discussion, it was explained that there was a difficulty in finding the title deeds to very old properties. Mr Townroe asked Finance colleagues to let him know of any gaps so these could be checked against the card index system held by Legal colleagues.

RESOLVED to

- 1) **approve the Bridge Estate Annual Report and Statement of Accounts for the financial year 2013/14;**
- 2) **transfer £1,439,734 from the Bridge Estate to the City Council General Fund; and**
- 3) **approve the Letter of Representation included within the Audit Highlights Memorandum.**

14 HARVEY HADDEN STADIUM TRUST AND HIGHFIELDS PARK TRUST ANNUAL REPORT AND STATEMENT OF ACCOUNTS 2013/14

Barry Dryden, Senior Finance Manager, introduced the report of the Acting Corporate Director of Resources setting out the 2013/14 accounts for the Highfields Leisure Park Trust and Harvey Hadden Stadium Trust. He highlighted the following points:

- a) Both sets of accounts have been independently examined by the Council's Internal Audit service as required by the Charity Commission.

Harvey Hadden Stadium Trust

- b) Key financial issues for 2013/14 were:
 - i) a reduction in grant from the Council by £22,383; and
 - ii) a major reduction in income and expenditure throughout the year as a result of major construction works carried out.

Highfields Leisure Park Trust

- c) Key financial issues for 2013/14 were:
 - i) a reduction in grant from the Council by £6,077;

- ii) an increase in income from fees and charges and refreshment concessions; and
- iii) an increase in electricity charges, which is being investigated.

RESOLVED to

- 1) **approve the Highfields Leisure Park Trust annual report and financial statements for the financial year 2013/14; and**
- 2) **approve the Harvey Hadden Stadium Trust annual report and financial statements for the financial year 2013/14.**

15 BRIDGE ESTATE, HARVEY HADDEN STADIUM TRUST AND HIGHFIELDS PARK TRUST - QUARTER 1 BUDGET MONITORING 2014/15

Barry Dryden, Senior Finance Manager, introduced the report of the Acting Corporate Director of Resources detailing the forecast outturn for 2014/15 Bridge Estate, Highfields Leisure Park Trust and Harvey Hadden Stadium Trust, based on the first quarter's budget monitoring. He highlighted the following points in his presentation and during discussion:

- a) all three charities are performing fairly well.

Bridge Estate

- b) Current projections indicate that overall the budgeted surplus will be achieved;
- c) Century House is currently under offer;
- d) Proposals for capital receipts during 2014/15 were set out in the report. There is a potential shortfall in available funding of £1,153,804. There is potential for non-property investments to be realised to help meet the funding shortfall.
- e) It is proposed that, as it is no longer required now that the properties have been sold, the reserve fund for residential properties is transferred into the reserve for Trent Bridge repairs;
- f) Asset management plans for all properties in the portfolio are being prepared;
- g) Efforts are being made to push requirements on to tenants with full repair and insurance leases;
- h) From 2017/18 there will be a requirement to meet Energy Performance Certificate baselines. This will require significant financial outlay which could be met from newly established reserves;
- i) There is a constant awareness of investment potential.

RESOLVED to

- 1) **transfer the reserve for repairs and maintenance of properties into the reserve for Trent Bridge repairs; and**
- 2) **note the forecast outturn for each of the trusts for 2014/15.**

16 BRIDGE ESTATE INSPECTION TOUR OUTCOMES

7. Bridge Estate Inspection Tour Outcomes

The Committee discussed the outcomes of the Bridge Estate inspection tour. During discussion the following comments were made:

- a) There are some areas of concern, for example erosion of stonework.
- b) The kiosk is not owned by the Bridge Estate but ownership of the toilets will be checked.
- c) It should be clear to people that they are entering Nottingham.
- d) Work is taking place in relation to lighting issues. As replacement is due to take place there is a reluctance to spend money addressing the light with a dent at this stage. There will be a future report to the Committee regarding lighting.
- e) In terms of cleanliness the road is cleaned twice a week and the pavement is cleaned once a week. This does not incur a recharge. There would be a recharge if there was a requirement for cleaning above normal standards.
- f) There is a perception that Conservation Areas get special treatment.

17 SALE OF 14 GORSEY ROAD, MAPPERLEY

Richard Cox, Senior Estate Surveyor, introduced the report, explaining that the residential property, comprising 3 self-contained flats, was now vacant. The sale was in line with Bridge Estate's policy of disposing of residential property assets, and selling at auction provided the opportunity for a quick sale at Market Value. Only one residential property, 16 Gorsey Road, remained in the portfolio, and this was leased to Family First until 2017.

RESOLVED

- (1) to approve the sale of the freehold interest in 14 Gorsey Road, Mapperley, at auction;**
- (2) to delegate authority to the Director of Strategic Asset and Property Management to set the auction reserve and agree the final selling price.**

18 BRIDGE ESTATE PROPERTY PORTFOLIO UPDATE

Richard Cox, Senior Estate Surveyor, introduced the report which updated the Committee on the following sites:

- Woolsthorpe Close depot;
- 14-16 Wheeler Gate;
- Whitemoor Court; and
- Castle Bridge Office Building.

Mr Cox advised that the Court case relating to the fire at Unit 23 Whitemoor Court found in favour of the Council. A contract to rebuild the fire damaged units at Whitemoor Court will go out to tender.

RESOLVED to note the report.

19 PAINTING OF PARAPETS - TRENT BRIDGE

Richard Cox, Senior Estate Surveyor, introduced the report on painting the parapets on Trent Bridge, making the following points:

- (a) The required work was identified during the Committee's Bridge Estate Inspection Tour in June 2014;
- (b) the whole structure was scheduled for repainting in 2018, but the proposed works would improve the Bridge's appearance, in line with the Committee's expectations.

During discussion, the Committee made the following comments:

- (c) a councillor commented that a split in the balustrade should be repaired before the painting was completed;
- (d) Mr Cox undertook to check whether there was any specific requirement for the colouring of the roundels;
- (e) councillors requested a more detailed discussion of Trent Bridge highways issues at a future meeting of the Committee.

RESOLVED to approve the appointment of Norris Painting and Interiors to paint the pavement face of the Trent Bridge parapets at the terms set out in the exempt appendix.

20 TREE WORKS, OLD COACH ROAD, WOLLATON

Richard Cox, Senior Estates Surveyor, introduced the report of the Director of Strategic Asset and Property Management detailing works required to an avenue of trees on Old Coach Road, Wollaton. He highlighted the following points:

- a) Old Coach Road was acquired by the Bridge Estate in 1938 and has never been adopted;
- b) The lime trees that line the road now present an issue due to their size and as the trees are located on land owned by the Bridge Estate the responsibility for their maintenance rests with it;
- c) The trees cannot be left unmanaged due to the health and safety risks;

- d) Previous consideration has been given to whether the road can be adopted and steps that would need to be taken to do this. It will be costly to upgrade the road to adoptable standard;
- e) Lots of residents have rights to use the road and an examination of these historic access rights will be undertaken to ascertain whether any of the costs can be re-charged, but it is likely to be very difficult to enforce payment from those who use it;
- f) It might be necessary to put in a turnhead but it is not possible to use private land for this.

The Chair suggested that the issue be brought to the attention of Area 7 Committee.

RESOLVED to approve the appointment of JA Kent Services (East Midlands) Ltd to carry out works to the trees on Old Coach Road at the price set out in the exempt appendix.

21 EXCLUSION OF THE PUBLIC

RESOLVED to exclude the public from the meeting during consideration of the remaining agenda items 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.

22 PAINTING OF PARAPETS - TRENT BRIDGE - EXEMPT APPENDIX

The Committee considered the exempt appendix to the Director of Strategic Asset and Property Management's report.

RESOLVED to note the information contained in the appendix.

23 TREE WORKS - OLD COACH ROAD, WOLLATON - EXEMPT APPENDIX

The Committee considered the exempt appendix to the Director of Strategic Asset and Property Management's report.

RESOLVED to note the information contained in the appendix.

TRUSTS AND CHARITIES COMMITTEE – 28 November 2014

Title of paper:	Quarter 2 Budget Monitoring 2014/15 - Bridge Estate, Harvey Hadden and Highfields Trusts	
Director(s)/ Corporate Director(s):	Glen O'Connell Acting Corporate Director of Resources	Wards affected: All
Report author(s) and contact details:	Barry Dryden, Senior Finance Manager Barry.dryden@nottinghamcity.gov.uk 0115 8762799	
Other colleagues who have provided input:	Georgina Lewis, Finance Analyst Steve Ross, Finance Analyst Tracy White, Senior Finance Assistant	
Date of consultation with Portfolio Holder(s) (if relevant)		
Relevant Council Plan Strategic Priority:		
Cutting unemployment by a quarter		<input type="checkbox"/>
Cut crime and anti-social behaviour		<input type="checkbox"/>
Ensure more school leavers get a job, training or further education than any other City		<input type="checkbox"/>
Your neighbourhood as clean as the City Centre		<input type="checkbox"/>
Help keep your energy bills down		<input type="checkbox"/>
Good access to public transport		<input type="checkbox"/>
Nottingham has a good mix of housing		<input type="checkbox"/>
Nottingham is a good place to do business, invest and create jobs		<input type="checkbox"/>
Nottingham offers a wide range of leisure activities, parks and sporting events		<input type="checkbox"/>
Support early intervention activities		<input type="checkbox"/>
Deliver effective, value for money services to our citizens		<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users): This report details the forecast outturn for 2014/15 Bridge Estate, Highfields Leisure Park Trust and Harvey Hadden Stadium Trust, based on the second quarter's budget monitoring.		
Recommendation(s):		
1	That the forecast outturn for each of the trusts for 2014/15 be noted.	

1. BACKGROUND

This report is an integral part of the Council's regular monitoring, forecasting and reporting system. The report enables the Trusts and Charities Committee to be aware of the financial position of the Charities and therefore allows any appropriate decisions or actions to be taken in their role as Trustee.

2. REASONS FOR RECOMMENDATIONS

As Trustee, the Council has responsibility for making recommendations on the management of the Charities. The budget is a key part of the framework for the financial management of the trusts and any subsequent recommendations.

3. **FINANCIAL ANALYSIS–QUARTER 2 BUDGET MONITORING/FORECAST 2013/14**

3.1 **BRIDGE ESTATE - REVENUE**

The forecast outturn for 2014/15 is detailed in **Table 1**. The forecast is based on the income and expenditure to September together with anticipated future income and expenditure to the year end.

TABLE 1: BRIDGE ESTATE QTR2

DESCRIPTION	Updated Budget 2014/15 £	Forecast 2014/15 £	(Under)/ Over Spend 2014/15 £
EXTERNAL INCOME	(2,159,820)	(2,140,693)	19,127
EXPENDITURE			
Premises	208,950	189,215	(19,735)
Supplies and Services	41,330	41,330	0
Support Services	133,810	133,810	0
Interest on Borrowing	97,970	97,970	0
Total Expenditure	482,060	462,325	(19,735)
Net Income before NCC Contribution	(1,677,760)	(1,678,368)	(608)
Less Contribution to NCC	1,545,000	1,545,000	0
NET INCOME/EXPENDITURE	(132,760)	(133,368)	(608)
Contribution to Funds/Reserves			
Repairs and Renewal Funds	72,000	72,000	0
Un-Earmarked Reserve	60,760	61,368	608
UNALLOCATED SURPLUS	0	0	0

Current projections indicate that overall the budgeted surplus will be achieved. Projected variances against individual budget lines are explained below.

- **Income (£19,127 shortfall)** – £11,000 of the shortfall is primarily due to voids at Century House. The balance of £8,000 relates to two properties at Hungerhill Road which the Trust has been unable to let.
- **Premises (£19,735 underspend)** – £11,270 relates to reduction in rent payable to Chamber Estate on the head lease at Bull Close, following the acquisition of the freehold interest, which was completed in September. This will increase by a further £11,270 in future years. The balance of £8,465 relates to reduction in costs at Woolsthorpe Close now that it is fully let.

3.2 BRIDGE ESTATE – CAPITAL

Appendix 1 shows the current projected position on Bridge Estate Capital Receipts, and the use of those receipts for capital financing. Note that future capital expenditure at Woolsthorpe Close is subject to approval and a report will be submitted to a future meeting. The appendix indicates that there will be a shortfall in available funding in 2015-16 of £1,274,194 and that by 31 March 2017 the revised property portfolio will be generating net additional income of £141,356 after loan repayments.

The Trust also holds non-property investments of £602,297, which may be realised to help meet the funding shortfall, leaving a balance of £671,897. This shortfall could notionally be covered by a loan, however, the exact timing and amount of the loan will be determined by treasury management considerations such as the timing of the use of reserves, and payment of creditors together with any further capital receipts. The non-property investments held are as follows:

TABLE 2: BRIDGE ESTATE INVESTMENTS @ 31 MARCH 2014	
DESCRIPTION	£
COIF Accumulation Units	331,269
NCC loans	269,643
Government Stocks	1,385
TOTAL	602,297

The Trust has also established a separate reserve for the repair of Trent Bridge. An annual contribution to the reserves of £72,000 is planned to generate funding for the repainting of the Bridge in 2017/18. The reserve position is as follows:

TABLE 3: REPAIRS RESERVE FUND	
DESCRIPTION	£
TRENT BRIDGE	
Balance at 31 March 2014	266,780
Projected Contribution 2014/15	72,000
Transfer from Residential Repairs Fund	44,833
Projected Balance at 31 March 2015	383,613

3.3 HARVEY HADDEN STADIUM TRUST

TABLE 4: HARVEY HADDEN STADIUM TRUST QTR 2

DESCRIPTION	Updated Budget 2014/15	Forecast 2014/15	(Under)/ Over Spend 2014/15
	£	£	£
INCOME - RENTS	10,630	4,000	6,630
EXPENDITURE:			
Grounds Maintenance	102,410	42,000	(60,410)
Utilities	23,010	23,010	0
Building repairs	6,600	6,870	270
Total Expenditure	132,020	71,880	(60,140)
Net Deficit before NCC Grant	121,390	67,880	(53,510)
Less NCC Grant	121,390	67,880	53,510
NET (INCOME)/EXPENDITURE	0	0	0

Projected variances against budget are explained below:

- Income and grounds Maintenance costs have been affected by the major building works that started in July 2014 reducing the estimated net cost by £64,410
- The grant from NCC will be reduced by £60,410 to match the net under spend. There will be no saving to the City Council as the staff and equipment has been temporary redeployed within the Parks and Open Space Service.

3.4 HIGHFIELDS LEISURE PARK TRUST

TABLE 5: HIGHFIELDS PARK TRUST QTR 2

DESCRIPTION	Updated Budget 2014/15	Forecast 2014/15	(Under)/ Over Spend 2014/15
	£	£	£
INCOME:			
Investment Income	4,630	4,630	0
Fees and Charges	52,170	56,000	(3,830)
Rents	43,630	43,630	0
Concessions	24,210	23,500	710
Total Income	124,640	127,760	(3,120)
EXPENDITURE:			
Grounds Maintenance	197,690	197,690	0
Utilities	24,910	4,910	(20,000)
Building repairs	3,270	5,000	1,730
Total Expenditure	225,870	207,600	(18,270)
Net Deficit before NCC Grant	101,230	79,840	(21,390)
Less NCC Grant	101,230	79,840	21,390
NET (INCOME)/EXPENDITURE	0	0	0

Projected variances against budget are explained below:

- Increased boating income due to the good summer.
- Refund of overpayment of electricity charges re: Grounds man's Hut
- The grant from NCC will be reduced by £21,390 to match the net under spend.

5. RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

None

6. EQUALITY IMPACT ASSESSMENT

Has the equality impact been assessed?

Not needed (report does not contain proposals or financial decisions) ☒

No ☐

Yes – Equality Impact Assessment attached ☐

Due regard should be given to the equality implications identified in the EIA.

7. LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

Budget and final account working papers.

8. PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

None

APPENDIX 1

Bridge Use of Capital Receipts 2013-14 to 2014/15				Net Revenue Impact of sales & acquisitions			
Year		£	£	2013/14	2014/15	2015/16	2016/17
2013/14	Opening Balance 1.4.13		-58,397	£	£	£	£
	Receipts 2013-14						
Sales	110 - 138 Mansfield Road	-1,125,000		18,206	21,725	21,725	21,725
	Various Properties to Confetti	-1,270,833		21,042	67,779	67,779	67,779
	53 Shelton Street	-65,000		2,023	2,023	2,023	2,023
	Flats 1+2, Gorsey Road	-156,000		327	4,146	4,146	4,146
	349 Woodborough Rd	-127,500		4,046	4,046	4,046	4,046
	77 Wellington Street	-70,000		2,023	2,023	2,023	2,023
Re-gears	Two sites at Glaisdale Point, off Glaisdale Drive, Bilborough	-170,000	-2,984,333	0	0	0	0
	Total Actual Receipts		-3,042,730	47,667	101,742	101,742	101,742
	Use of Receipts 2013/14						
Acquisitions	Bull Close - Leasehold		900,000	-60,918	-107,460	-107,460	-107,460
Loan Repayment	Principal Repayment from capital receipts in 2013/14		196,144				
Capital Works	Woolsthorpe Close refurbishment for letting to Communities		378,569	-19,214	-56,350	-56,350	-56,350
	Total Use of Receipts 2013/14		1,474,713	-80,132	-163,810	-163,810	-163,810
	Unused Capital Receipts at 31.3.14		-1,568,017	-32,465	-62,068	-62,068	-62,068
2014/15	Opening Balance 1.4.14		-1,568,017				
	Anticipated Receipts 2014/15						
Sales	14 Gorsey Road	-140,000		0	0	0	0
			-140,000				
	Total Expected Receipts		-1,708,017				
	Use of Receipts 2014/15						
Acquisitions	Bull Close - Freehold		470,000	0	-11,270	-22,540	-22,540
	Principal Repayment part from revenue and part from capital receipts in 2014/15		135,390				
Loan Repayment	Woolsthorpe Close refurbishment for letting to Communities (Slippage from 13-14)		41,431				
Capital Works							
	Total anticipated Capital Expenditure 2014/15		646,821				
	Anticipated Unused Capital Receipts at 31.3.15		-1,061,196	-32,465	-73,338	-84,608	-84,608
2015/16	Opening Balance 1.4.15		-1,061,196				
	Anticipated Receipts 2015/16						
Sales				0	0	0	0
	Total Expected Receipts		-1,061,196				
	Use of Receipts 2014/15						
Acquisitions	Principal Repayment part from revenue and part from capital receipts in 2015/16		135,390				
Loan Repayment	Woolsthorpe Close refurbishment for letting to NCH		2,200,000	0	0	0	-154,000
Capital Works							
	Total anticipated Capital Expenditure 2015/16		2,335,390				
	Anticipated loan to cover shortfall re Woolsthorpe Close refurbishment for NCH letting		-1,274,194	0	0	0	97,252
Additional Loans							
	Anticipated Unused Capital Receipts at 31.3.16		0	-32,465	-73,338	-84,608	-141,356
				Net additional Income			

Trust and Charities Committee 28th November 2014

Title of paper:	Highfields Park Leisure Trust - Release of Additional Dowry Funds	
Director(s)/ Corporate Director(s):	John Kelly - Corporate Director of Communities Hugh White - Director of Sport Culture and Parks	Wards affected: Wollaton East & Lenton Abbey
Report author(s) and contact details:	Eddie Curry – Head of Parks and Open Spaces eddie.curry@nottinghamcity.gov.uk 0115 876 4982	
Other colleagues who have provided input:	Malcolm Townroe – Legal Services Manager – Malcolm.townroe@nottinghamcity.gov.uk 0115 876 4332 Steve Ross, Finance Analyst Steve.Ross@nottinghamcity.gov.uk 0115 876 3738	
Relevant Council Plan Strategic Priority:		
World Class Nottingham		X
Work in Nottingham		X
Safer Nottingham		X
Neighbourhood Nottingham		X
Family Nottingham		X
Healthy Nottingham		X
Leading Nottingham		
Summary of issues (including benefits to citizens/service users):		
This report seeks authority and support for the release of a further contribution of capital funding currently held within the Highfields Park Leisure Trusts accounts. The funding will be used to cover the additional costs of the project and be used to match a bid to the Heritage Lottery Fund, which if successful will be used to fully restore and improve the Grade II* listed park.		
This report also seeks delegated authority for Officers to formally enter into discussion and negotiations with the Charity Commission to formally approve the release of the additional funds and use the Charity’s assets to restore the Grade II* listed park.		
Recommendation(s): That the Committee Approve:-		
1	the proposed release of £100,000 from the Highfields Park Leisure Trust dowry to be used as match funding for a Heritage Lottery Fund (HLF) bid as detailed in sections 2 and 4.	
2	the award of delegated authority to the Director of Sports, Culture and Parks to enter into discussion with the Charity Commission to formally approve the release and use of the Highfields Park Leisure Trust dowry fund.	

1. BACKGROUND

- 1.1 The dispositions of the freehold interest in Highfields Park Leisure Trust land have accumulated a sizable dowry which now totals over £888,500. In line with the conditions of the charity these funds are locked in the Trust's accounts and can only be used to purchase additional land to further benefit the Trust and its objectives. The only funding that is available for use on the park has been the interest raised from the investment dowry. However, interest rates have been low for a number of years, and as such funding from this source has also been low.
- 1.2 At the Trust and Charities Committee meeting in February 2012, the Committee approved the release of £400,000 from the Highfields Park Leisure Trust to be used as a match contribution for a Heritage / Big Lottery Parks for People Restoration Project. Following the Committee's approval a business case was produced and submitted to the Charity Commission in order to formally approve the release of the dowry funds. The Charity Commission formally approved the transfer and use of the dowry funds on 26th March 2012.
- 1.3 Since this date the Parks Service has pressed forward with the restoration plans for the park. We received our Stage One Lottery approval in October 2013 and we submitted our Stage Two bid in September 2014. A final decision on the funding will be made in December 2014.

2.0 PROPOSAL

- 2.1 Over the last 2 years the recession has caused a number of reductions and then as the economy has picked up there has been a significant increase in construction prices. This has caused several project changes / value engineering exercises in order to keep the project within the original budget estimate. As part of this process it hasn't been entirely possible to reduce the scope of the works and therefore additional match funding is now required in order to balance the budget and secure the final HLF contribution. To achieve this, a further transfer from the Highfields Park Leisure Trust permanent dowry is now requested.
- 2.2 The Release and Use of the Dowry Funds
The Highfields Leisure Trust dowry currently stands at £888,500. As approved at the meeting in February, the release of £400,000 has already been approved. In order to ensure that the project funding is fully secured a further £100,000 is requested to be transferred from the Highfields Park Leisure Trust permanent dowry to the HLF project. This will combine with the existing approved contribution to total £500,000.
- 2.3 If the additional £100,000 is agreed by the Committee, formal agreement will be sought from the Charity Commission to release the funds for the purpose of match funding the HLF bid. The remaining £388,500 dowry fund will remain with the Highfields Park Leisure Trust account and will be secured to enable future revenue contributions to be provided through interest.

The original and revised project costs are included in Appendix 1

3. REASONS FOR RECOMMENDATIONS (INCLUDING OUTCOMES OF CONSULTATION)

3.1 The release of the dowry funds is sought because this option presents the only secure and potentially available funding at the present time and it will enable the Council's HLF bid to progress at speed as soon as we have secured the HLF funding.

3.2 Delegated authorities will enable full discussion to take place with the Charity Commission in order to approve this additional contribution.

4. OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

4.1 To not seek the release of the dowry to be used to match and apply for HLF funding would mean that the historic fabric of the park would not be able to be restored and would continue to decline.

5. FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY)

5.1 The Trust and Charities' Committee on the 24th February, 2012 approved the use of £400,000 with a reduction in the annual investment income to the Trust account of £2,000. A further £100,000 would increase this to £2,500, an additional reduction of £500.

5.2 The overall net effect of the revised project on the Trust's revenue budget will be £27,640 p.a. However, this figure includes a conservative assessment of additional income and cost savings, as these elements are subject to a significant degree of uncertainty. Considering the significant improvement in the facilities that will be generated by the investment of Trust and Council funding, it is suggested that this is good value for money.

6. RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS, CRIME AND DISORDER ACT IMPLICATIONS AND EQUALITY AND DIVERSITY IMPLICATIONS)

6.1 Legal

The report correctly identifies the need to obtain formal Charity Commission approval for the proposed release of additional dowry funds. The submission to the Commission will need to explain clearly why the costs have increased in the manner that they have and why a further additional contribution is in the best interests of the Charity.

6.2 Risk and Opportunity Management

The main risk at this point is that the Charity Commission does not support the release and use of the Highfields Park Leisure Trust dowry. In order to reduce this risk legal advice will be obtained and a meeting arranged to discuss the proposals in details with the Charity Commission.

6.3 Performance Management

If successful, workload planning will ensure that the delivery of the project does not impact negatively on the rest of the Parks & Open Spaces Service.

6.4 Communications

There will be several key stages through the project to link to a communications plan:

- Result of the Stage Two bid.
- Construction on site.
- Opening ceremony.

7. **EQUALITY IMPACT ASSESSMENTS (EIAs)**

Has an Equality Impact Assessment been carried out?

- No

This decision has no direct impact on service users.

8. **LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION**

8.1 None

9. **PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT**

- 9.1 Highfields Parks Heritage and Big Lottery Fund, Parks For People Restoration and Improvement Project: Stage Two Application. Executive Board 22nd July 2014
- 9.2 Highfields Parks Heritage and Big Lottery Fund, Parks For People Restoration and Improvement Project: Stage Two Application. Trust and Charities Committee 30th May 2014
- 9.3 Highfields Park: Heritage and Big Lottery Fund, Parks For People Restoration and Improvement Project: Stage One Application. Executive Board 17th July 2012.
- 9.4 Highfields Park: Heritage and Big Lottery Fund, Parks For People Restoration and Improvement Project: Stage One Application. Trust and Charities Committee 1st June 2012.
- 9.5 Highfields Park: Trust Release of Dowry Funds Trust and Charities Committee report 24th February 2012.
- 9.6 Highfields Park: Lottery Bid Expression of Interest and Delegated Authorities for Highfields Park and Harvey Hadden Stadium Trust and Charities Committee report 6th August 2011
- 9.7 Heritage Lottery Fund Parks for People introduction and help notes, 2010.
- 9.8 Highfields Park Master plan and Conservation Management Plan, FPCR, 2009

Appendix 1: original and revised project costs

Description/Item	Stage One estimates 01/08/12 Rev E	Stage 2 Costs 09/07/14 Rev F
Capital Works Sub-total	£2,393,715.00	£2,591,280.87
Surveys	£45,620.00	£107,969.48
Contingency	£239,371.50	£129,564.00
Prelims	£239,371.50	£340,233.00
Activities	£384,000.00	£384,000.00
Fees	£67,000.00	£201,575.42
Maintenance	£56,500.00	£25,350.00
Staff	£210,000.00	£225,000.00
OHPs	£104,477.73	£121,176.00
Inflation	£154,477.79	£77,679.99
Client Contingency	£0	£51,825.62
TOTAL DELIVERY COST	£3,894,533.52	£4,255,654.38
NCC Tree Service Budget		-£20,000.00
NCC Area Capital Budget		- £10,000.00
NCC funding for Head Gardener (5 years)		- £125,000.00
NCC Increased M&M (5 years)		- £25,350.00
NCC Additional Income (over 5 years)		- £24,650.00
Croquet Club		- £10,000.00
WREN funding (tbc)		- £50,000.00
UoN Grounds Maintenance		- £25,000.00
Highfields Leisure Park Trust		- £400,000.00
Highfields Leisure Park Trust - additional (tbc)		- £100,000.00
UoN Lakeside events funding		- £346,500.00
Probation Service (in kind)		-£8,000.00
Volunteer time (in kind)		- £21,000.00
Non-HLF Match Funding sub-total	-£1,037,035.00	-£1,165,500.00

HLF grant request	£2,857,498.52	£3,090,154.38
	73.37%	72.61%

Trusts and Charities Committee - 28 November 2014

Title of paper:	Bridge Estate Property Portfolio Update	
Director(s)/ Corporate Director(s):	Stuart Knight – Director of Strategic Asset and Property Management	Wards affected: Various
Report author(s) and contact details:	Richard Cox – Senior Estate Surveyor. Tel 0115 8763074 Richard.cox@nottinghamcity.gov.uk	
Other colleagues who have provided input:		
Date of consultation with Portfolio Holder(s) (if relevant)	14 November 2014	
Relevant Council Plan Strategic Priority:		
Cutting unemployment by a quarter		<input checked="" type="checkbox"/>
Cut crime and anti-social behaviour		<input type="checkbox"/>
Ensure more school leavers get a job, training or further education than any other City		<input type="checkbox"/>
Your neighbourhood as clean as the City Centre		<input type="checkbox"/>
Help keep your energy bills down		<input type="checkbox"/>
Good access to public transport		<input type="checkbox"/>
Nottingham has a good mix of housing		<input type="checkbox"/>
Nottingham is a good place to do business, invest and create jobs		<input checked="" type="checkbox"/>
Nottingham offers a wide range of leisure activities, parks and sporting events		<input type="checkbox"/>
Support early intervention activities		<input type="checkbox"/>
Deliver effective, value for money services to our citizens		<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users):		
<p>The report sets out the key property events that have taken place or are proposed for the Bridge Estate since the date of the last meeting.</p>		
Recommendation(s):		
1	That Committee notes the contents of this report	

1. UPDATE

This report sets out the key Bridge Estate property transactions and events that have taken place or for which proposals have been progressed, since the date of the last meeting.

Old Coach Road

Work to the trees on Old Coach Road has been completed. A letter of thanks was received by Tree Services from one of the residents.

Trent Bridge

The contract to paint the pavement side of the parapets on Trent Bridge has commenced. Estimates to repair or replace the York paving stones have been obtained and Highways Maintenance has been contacted to ascertain what level of contribution to this work would be forthcoming.

Cattle Market, off Meadow Lane

The rent review relating to the auction centre lease is going to arbitration. The arbitrator has been appointed and a decision is expected early in 2015. The current rent is £51,250pa

Whitemoor Court

Tender documentation is under preparation with the aim of appointing a contractor to carry out the reinstatement work to Units 22, 23 and 24. All these units were damaged following a fire in Unit 23. Building work should commence early 2015. The full rental value of these units is in the order of £78,000. Two of the units are under offer to Museum Services for archive storage. The tenders obtained as a result of the procurement process will form the basis of a report to this Committee in January 2015.

Works to the boundary fence and landscaping around the entrance to the Court are near to completion

Century House, Chapel Bar

Robin Hood Energy has approval to proceed with a letting of the vacant 2nd and 3rd Floor Offices at Century House. Terms are to be finalised but will be on the basis of a 5 year lease with a break clause on the 3rd anniversary. Occupation is programmed for January 2015.

Once completed the whole of Century House will be let.

14 Gorsey Road

This vacant residential property will be auctioned by Savills on 4 December 2014

2. OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

Not applicable as the report is for information only.

3. FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

Not applicable.

4. RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

None

5. EQUALITY IMPACT ASSESSMENT

Has the equality impact been assessed?

Not needed (report does not contain proposals or financial decisions) **X**

No ☐

Yes – Equality Impact Assessment attached ☐

Due regard should be given to the equality implications identified in the EIA.

6. LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

None

7. PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

None

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