

NOTTINGHAM CITY COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE

MINUTES of the meeting held in the Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG on 9 November 2016 from 14.00 - 15.00

Membership

Present

Councillor Brian Parbutt (Chair)
Councillor Glyn Jenkins
Councillor Gul Nawaz Khan (Vice Chair)
Councillor Neghat Khan
Councillor Ginny Klein
Councillor Anne Peach
Councillor Josh Cook
Councillor Patience Uloma Ifediora
Councillor Sue Johnson
Councillor Andrew Rule (substitute for
Councillor Georgina Culley)

Absent

Councillor Azad Choudhry
Councillor Georgina Culley
Councillor Pat Ferguson
Beverley Frost
Councillor Leslie Ayoola
Councillor Mohammed Ibrahim

Colleagues, partners and others in attendance:

Councillor Jim Armstrong - Observer
Roxy Browne - Governance Officer
Councillor Graham Chapman - Deputy Leader/Portfolio for Resources and
Neighbourhood Regeneration
Rav Kalsi - Senior Governance Officer
Laura Wilson - Senior Governance Officer

27 APOLOGIES FOR ABSENCE

Councillor Azad Choudhry – personal
Councillor Georgina Culley – illness
Councillor Pat Ferguson – illness
Beverley Frost – non-Council business

28 DECLARATIONS OF INTERESTS

None.

29 MINUTES

The minutes of the meeting held on 5 October 2016 were confirmed and signed by the Chair.

30 DISCUSSION WITH THE PORTFOLIO HOLDER FOR RESOURCES AND NEIGHBOURHOOD REGENERATION

Councillor Graham Chapman, Portfolio Holder for Resources and Neighbourhood Regeneration, updated the Committee on the following key areas within his portfolio: commercialism, the delivery of a balanced budget and outer-city centre regeneration.

The following information was highlighted in relation to the Council's commercial strategy:

- (a) Nottingham City Council is one of the most advanced local authorities nationally in its approach to commercialism. The Council has taken sensible decisions in its approach to asset management by retaining ownership of a number of key assets, such as its own bus company, which brings in over £1 million a year and a district heating company;
- (b) The Council's commercialism agenda generates £17-18 million annually, although it is hoped that this approach might realise an additional £5 million next year. Although tough decisions still need to be made when it comes to delivering a balanced budget, the commercial agenda goes some way to supporting the delivery of a balanced budget;
- (c) The Council's approach to land and property management generates the most income within its commercial agenda and accounted for almost £10 million throughout 2015/2016. The Council has embarked on purchasing property which, in many cases, can see a return of 6-7% on the investment;
- (d) In addition to asset management, the Council carries out certain services for other local authorities, such as collecting business waste in Gedling. As part of the commercial strategy, the Nottingham Motorpoint Arena also manages the merchandise for the O2 Arena in London, the Liverpool Echo Arena and the SSE Arena in Glasgow;
- (e) The commercial strategy is underpinned by sensible decision making and good management. By taking a commercial approach to the delivery of some of its services, the Council has gone some way to masking the true impact of the reduction in government grant to local authorities.

The following information was presented in response to question on the commercialism agenda:

- (f) There are a number of service areas which are financially supported by the Council's commercialism agenda. Although the income generated by the commercial strategy is held in a central pot, it is used to mitigate the cost of delivering some services in Adult Social Care;
- (g) The risks associated with purchasing strategic assets across the city are the length of the lease on the property and how viable they are in the medium to long-term;

- (h) The commercial strategy has supported a range of services across the authority, to the extent that in comparison to other authorities, Nottingham City Council has made very few redundancies in the past few years;
- (i) Council officers are supporting the commercial agenda alongside the delivery of the Council's core services.

The Portfolio Holder for Resources and Neighbourhood Regeneration highlighted the following information regarding the Council's budget:

- (j) The Council's annual turnover is around £1 billion, with a net budget of around £230 million;
- (k) The Council is experiencing its sixth year of consecutive cuts in the amount of grants it receives from central government. Since 2011, households in Nottingham are £585 worse off, whereas places such as Essex and Uttlesford have only lost £144 per household;
- (l) There appears to be a correlation between the poorest authorities and those who have lost the most per household. Places like Rutland have received a higher subsidy per household than Nottingham which emphasises a sense of injustice to the grant funding;
- (m) In the next financial year, the Council will have to find another £25 million of reductions whilst managing the additional challenges in already squeezed services, like Adult Social Care and Children's Services.

The following information was highlighted in response to questions on the Council's budget:

- (n) The Council has been given the responsibility of administering Housing Support and have incorporated this into the budget. In addition to this, the Council will also pay for the shortfall in funding, as well as charging for empty houses, which does not cover the full cost of the service. There is also a discrepancy in the distribution of funding for transport, which used to be circulated based on usage and area, now the funding is based on the length of roads which benefits rural areas (with longer roads) than areas of high need, such as inner cities and urban areas;
- (o) Nottingham is ranked around 30th in the 500 worst hit cities in grant funding reductions. Most of the Core Cities are placed within the top 50.

The Portfolio Holder for Resources and Neighbourhood Regeneration highlighted the following information regarding outer-city regeneration:

- (p) Regeneration projects in small towns and neighbourhoods are not just archetypal regeneration projects but include schemes for maintenance, cleansing and job creation. Recent schemes have taken place in Bulwell and Clifton to good effect;

- (q) Outer-city regeneration projects include improved security in areas, such as maintaining a community protection presence in an area. Support for priority families, area working and small transport schemes are all fundamental to regenerating small towns across Nottingham;
- (r) There is a certain amount of funding that is rightfully earmarked for the city centre, partly to protect the Council's investment into the city, but the Council will continue to pursue an Energy Park in Bulwell, as well as supporting the food industry in Bestwood;
- (s) There are a number of buildings, some derelict, across Nottingham in need of regeneration and refurbishment, for example the Forest Mill Buildings in Radford or the Apollo site in Bulwell;
- (t) Credit Unions are now opening outlets in establishments with increased footfalls, such as a local authority owned building in Mansfield. There is potential for a similar approach to be adopted in Nottingham, for example, by using the Council's Joint Service Centres, such as those in St Ann's, Bulwell and Clifton.

RESOLVED to

- (1) thank the Deputy Leader/Portfolio Holder for Resources and Neighbourhood Regeneration for the informative update on the key objectives within his portfolio;**
- (2) add the Regeneration of Town Centres to the Work Programme for 2017/18.**

31 WORK PROGRAMME 2016/17

Laura Wilson, Senior Governance Officer introduced the report setting out the programme of activity for this Committee and the Overview and Scrutiny Review Panels for 2016/17.

RESOLVED to

- (1) postpone the discussion with the Leader of the Council from December 2016 to a future Committee date;**
- (2) agree the work programme for the Overview and Scrutiny Committee and Review Panels for 2016/17.**