

TRUSTS AND CHARITIES COMMITTEE – 21 JULY 2017

Title of paper:	2016/17 Draft Outturn - Bridge Estate, Harvey Hadden Stadium and Highfields Park Trust		
Director(s)/ Corporate Director(s):	Geoff Walker Director of Strategic Finance	Wards affected:	All
Report author(s) and contact details:	Tom Straw, Senior Accountant – Capital Programmes thomas.straw@nottinghamcity.gov.uk 0115 8763659		
Other colleagues who have provided input:	Eddie Curry, Head of Parks & Open Spaces Connie Green, Solicitor		
Date of consultation with Portfolio Holder(s) (if relevant)			
Relevant Council Plan Key Theme:			
Strategic Regeneration and Development			<input type="checkbox"/>
Schools			<input type="checkbox"/>
Planning and Housing			<input type="checkbox"/>
Community Services			<input type="checkbox"/>
Energy, Sustainability and Customer			<input type="checkbox"/>
Jobs, Growth and Transport			<input type="checkbox"/>
Adults, Health and Community Sector			<input type="checkbox"/>
Children, Early Intervention and Early Years			<input type="checkbox"/>
Leisure and Culture			<input type="checkbox"/>
Resources and Neighbourhood Regeneration			<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users):			
This report details the draft 2015/16 outturn for Bridge Estate, Harvey Hadden Stadium Trust and Highfields Leisure Park Trust, detailing any variance from the relevant budget.			
Recommendation(s):			
1	That the draft outturn for each of the trusts for 2015/16 be noted.		
2	Delegated authority be granted to the Chair to sign the audited accounts on behalf of the Committee.		

1 REASONS FOR RECOMMENDATIONS

- 1.1 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.
- 1.2 The Bridge Estate Trusts Financial Statements are consolidated as part of Nottingham City Council's Financial Statements, therefore the Trust is required to provide the Council with signed accounts by the 28th July.

This is earlier than prior Financial Statements due to the Council having to comply with the Accounts and Audit Regulations 2015 by providing full consolidated accounts by the end of July 2018. The Council is trialling the early close process in 2016/17.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

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

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 None

4 FINANCE COLLEAGUE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)

4.1 BRIDGE ESTATE

The draft outturn for 2016/17 is detailed in **Table 1**. The draft outturn figures are subject to external audit and have been compared to 2015/16 outturn.

Table 1: Bridge Estate Year End 31.03.17			
	2016/17 £	2015/16 £	Variance £
External Income	(2,218,334)	(2,278,178)	59,844
Expenditure			
Premises, Supplies & Services	122,017	303,348	(181,331)
Support Services	159,850	120,897	38,953
Grant to NCC	1,545,000	1,585,972	(40,972)
Investment Expenditure	80,316	153,438	(73,122)
Total Expenditure	1,907,183	2,163,655	(256,472)
Other (gains) / loses	(242,612)	969	(243,581)
NET Position	(553,763)	(113,554)	(440,209)
Contribution to Funds/Reserves			
Repairs and Renewal Funds	72,731	71,032	1,699
Un-Earmarked Reserve	481,032	42,522	438,510

Draft outturn variances against the 2015/16 outturn greater than £100,000 are explained below:

- Premises, Supplies & Services (£181,331) – A number of expenditure items were accrued at 31st March 2016 for works to be carried out on Bridge Assets the costs did not occur as expected and did not require re-accruing.
- Other (gains) / loses (£243,581) – Within the Bridge Estate HMRC Creditors it was carrying an amount that is set aside due to discussions with HMRC, as part of a balance sheet review this amount has been moved to the Un-Earmarked Reserve. Depending upon the outcome of the discussion some / all of this may need to be drawdown from the reserve.
- Contribution to Un-Earmarked Reserve (£438,510) – To match the Net Position within table 1 after the contribution to the Repairs and Renewals Fund has been made. The unrestricted fund movements are shown in Table 2 below:

Table 2: Bridge Estate Unrestricted Fund Movements		
	Repairs & Renewals Fund £	Un-Earmarked Reserve £
Balance at 1st April 2016	401,731	103,276
In year movements	72,731	481,032
Balance at 31st March 2017	474,462	584,308

4.2 HARVEY HADDEN STADIUM TRUST

The draft outturn for 2016/17 is detailed in **Table 3**. The draft outturn figures are subject to an independent review and have been compared to 2015/16 outturn.

Table 3: Harvey Hadden Stadium 31.03.17			
	2016/17 £	2015/16 £	Variance £
Income Rents	(32,680)	(24,636)	(8,044)
Expenditure			
Grounds Maintenance	94,739	82,410	12,329
Building Repairs	523	889	(366)
Utilities	20,187	30,116	(9,929)
Finance Charges	2,450	2,700	(250)
Total Expenditure	117,899	116,115	1,784
NCC grant	(85,219)	(91,479)	6,260
NET Income / Expenditure	-	-	-

4.3 HIGHFIELDS TRUST

The draft outturn for 2016/17 is detailed in **Table 4**. The draft outturn figures are subject to an independent review and have been compared to 2015/16 outturn.

Table 4: Highfields Park Trust 31.03.17			
	2016/17 £	2015/16 £	Variance £
Income			
Investment Income	(2,221)	(4,443)	2,222
Fees & Charges	(49,827)	(53,679)	3,852
Rents	(50,588)	(44,126)	(6,462)
Concessions	(32,836)	(31,503)	(1,333)
Total Income	(135,472)	(133,751)	(1,721)
Expenditure			
Grounds Maintenance	213,455	201,110	12,345
Building Repairs	893	7,367	(6,474)
Utilities	18,223	14,504	3,719
Finance Charges	2,450	2,700	(250)
Total Expenditure	235,021	225,681	9,340
NCC grant	(99,549)	(91,930)	(7,619)
Contribution to Capital Works	700,000	-	700,000
NET Income / Expenditure	700,000	-	700,000

Draft outturn variances against the 2015/16 outturn greater than £20,000 are explained below:

- Contribution to Capital Works (£700,000) – The £700,000 payment was approved by the Trustees has been funded as approved via drawing down the dowry.

5 LEGAL AND PROCUREMENT COLLEAGUE COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)

- 5.1 Trustees have a fiduciary duty to protect their charity's assets and resources and to make sure they are only used to further the charity's aims. This report updates Trustees on the financial outturn for the Bridge Estate Trust, Harvey Hadden Stadium Trust and Highfields Leisure Park Trust for 2016/2017

Outturn reports are part of the Council's overall financial management framework. It provides Trustees with the opportunity to see the current financial position of all three Trusts, scrutinise and make any appropriate recommendations regarding the future management of the Trusts.

Connie Green, Solicitor 21 June 2017

6 STRATEGIC ASSETS & PROPERTY COLLEAGUE COMMENTS (FOR DECISION RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE) (AREA COMMITTEE REPORTS ONLY)

- 6.1 There are no further comments with respect to the Bridge Estate, the position of which as outlined within the report serves to document the financial position. Advice will continue to be provided to the Trustees in order to further the Charity's aims.

Bevis Mackie, Senior Estates Surveyor 22/06/2017

7 EQUALITY IMPACT ASSESSMENT

- 7.1 Has the equality impact of the proposals in this report been assessed?

No



An EIA is not required because:

The report does not relate to new or changing policies, services or policies.

Yes



Attached as Appendix x, and due regard will be given to any implications identified in it.

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

- 8.1 Budget and final account working papers.
Bridge Estate Draft Accounts

9 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

- 9.1 None