

Nottingham City Council

Trusts and Charities Committee

Minutes of the meeting held at Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG on 26 June 2023 from 2.06 pm - 3.18 pm

Membership

Present

Councillor Kirsty Lemara Jones (Chair)
Councillor Andrew Rule
Councillor Anwar Khan
Councillor Zafran Nawaz Khan
Councillor Farzanna Mahmood
Councillor Salma Mumtaz
Councillor Sarita-Marie Rehman-Wall

Absent

Councillor Faith Gakanje-Ajala
Councillor Sana Nasir

Colleagues, partners and others in attendance:

Chris Hanson, Senior Surveyor
Thomas Straw, Senior Accountant for Capital Programmes
Ayanna Warner, Assistant Surveyor
Catherine Ziane-Pryor, Governance Officer

1 Appointment of Vice-Chair

Resolved to appoint Councillor Faith Gakenje-Ajala as Vice-Chair for the municipal year 2023/24.

2 Apologies for absence

Councillor Faith Gakenje-Ajala) on other Council Business
Councillor Sana Nasir)
Bevis Mackie, Head of Commercial Property and Investment Portfolio
Malcolm Townroe, Director of Legal and Governance and Monitoring Officer

3 Declarations of interests

None.

4 Minutes

Subject to showing that Councillor Andrew Rule was present (having arrived late), the minutes of the meeting held on 27 March 2023 were confirmed as a true record and signed by the Chair.

5 Bridge Estate Pre-Audit Financial Outturn 2022/23

Thomas Straw, Senior Accountant for Capital Programmes, presented the report which informs the committee of the draft 2022/23 financial outturn for the Bridge Estate Trust, a copy of which is attached to the report.

The following points were highlighted and members' questions responded to:

- a) The report presents the draft accounts and requests that the committee delegate authority to the Chair to sign the accounts once finalised so the City Council's accounts can be consolidated;
- b) Committee members will be informed of any changes from the information presented to them today, and the final accounts will be presented to the next meeting;
- c) The charity achieved a rental income of just under £1.5 million, which represents a slight decrease due to loss of rent from vacant Lister Gate properties;
- d) It is noted that the 2022/23 accounts included a technical adjustment regarding the former Robin Hood Energy tenant which went into administration, and the loss allowance;
- e) The Bridge Estate cash balance is invested by NCC on behalf of the trust;
- f) Expenditure on business rates has increased from £150,000 to £250,000 due to landlord liability from vacant properties;
- g) The charity formally paid the City Council a grant of £750k for 2022/23, and is predicted to drop to between £500k and £600k for 2023/24;
- h) The report sets out the reserves within four sections, which, following the decision of the committee in the previous municipal year, is now increased by £150k;
- i) Training will be made available to support trustees in making the best possible decisions for the charities;
- j) The charity does not directly employ any staff, but does pay the City Council for officer time for property and financial management, including legal support. A detailed breakdown of management costs can be made available to trustees;
- k) The most significant area of vacant properties is on Lister Gate, with premises formerly occupied by Vision Express and WHSmith, affected by the Broadmarsh Centre redevelopment. These properties became vacant and are currently the subject of discussion for potential disposal;

Committee members noted that the charity's grant to the City Council is incorporated into the City Councils Medium Term Financial Plan, but requested further information on:

- i. how the funds are used to for the public benefit of the citizens of Nottingham;

- ii. a broader view of alternative routes to meet the public benefit objective while providing the best possible value for the Charity and Nottingham's citizens.

Resolved:

- 1) to note the draft outturn accounts for Bridge Estate for 2022/23;**
- 2) to delegate authority to the Chair of the Committee to sign the audited accounts on behalf of the Trust, noting that the final version of the accounts will be circulated outside of the meeting to the Committee prior to signing, and then formally circulated at a later Committee meeting;**
- 3) for further information on specifically how the City Council ensures that the funds granted by the charity are used to benefit the citizens of the City, with alternative options investigated.**

6 Bridge Estate Property Update Report

In the absence of Bevis Mackie, Head of Corporate Portfolio and Investment Manager, Chris Hanson, Senior Surveyor, accompanied by Ayanna Warner, Assistant Surveyor, presented the report, which detailed key property events that had taken place, or were proposed, for the Bridge Estate Charity since the last meeting. A more detailed update was given during exempt minute 8.

7 Exclusion of the Public

Resolved to exclude the public from the meeting during consideration of the remaining 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, as defined in Paragraphs 3 and 5 of Part 1 of Schedule 12A to the Act.

8 Exempt Minutes

Subject to showing that Councillor Andrew Rule was present, the exempt minutes of the meeting held on 27 March 2023 were confirmed as a true record and signed by the Chair.

9 Exempt Appendix 1b -Bridge Estate Property Update Report

Further to minute 5 above, Chris Hanson, Senior Surveyor, provided a more detailed update in respect of the property portfolio, including the condition of the properties, potential new/re-gear leases, financial details and the latest rent arrears position.

Resolved to note the updates and approve the recommendations as amended during the meeting.