

# NOTTINGHAM CITY COUNCIL

## TRUSTS AND CHARITIES COMMITTEE

**MINUTES of the meeting held at LB 32 - Loxley House, Station Street, Nottingham, NG2 3NG on 18 March 2016 from 14.00 - 15.15**

### **Membership**

#### Present

Councillor John Hartshorne (Chair)  
Councillor Liaqat Ali  
Councillor Glyn Jenkins (Vice Chair)  
Councillor Anne Peach  
Councillor Patience Uloma Ifediora  
Councillor Steve Young  
Councillor Andrew Rule

#### Absent

Councillor Carole-Ann Jones  
Councillor David Smith

### **Colleagues, partners and others in attendance:**

Eddie Curry	Head of Parks and Open Spaces
Connie Green	Solicitor
Bevis Mackie	Senior Surveyor
Noel McMenamain	Governance Officer
Thomas Straw	Finance Manager Capital

### **38 APOLOGIES FOR ABSENCE**

Councillor Carole-Ann Jones (unwell)  
Councillor Dave Smith (unwell)

### **39 DECLARATIONS OF INTERESTS**

None.

### **40 MINUTES**

The minutes of the meeting held on 29 January 2016 were agreed as a true record and they were signed by the Chair.

### **41 URGENT ITEM - UNIT 2, MARTIN CLOSE BLENHEIM INDUSTRIAL ESTATE**

The Chair of the meeting was of the opinion that this item, although not included on the agenda when first published, should be considered as a matter of urgency in accordance with Section 100B(4)(b) of the Local Government Act 1972, in view of the special circumstances that a potential investment opportunity has arisen at short notice requiring Committee approval to proceed.

Bevis Mackie, Senior Estate Surveyor, introduced a report of the Director of Strategic Assets and Property, seeking approval to bid for the acquisition of the leasehold

interest in Unit 2, Martin Close, Blenheim Industrial Estate, and highlighting the following:

- (a) the property is to go to auction on 23 March 2016, and is currently let on an underlease to a substantial and secure tenant, SGS United Kingdom, on a 10-year lease until October 2024;
- (b) the annual rent of £47,500 from April 2016 represented a significantly better return than that available from cash held at the bank, and would add a significant secure income to the Bridge Estate portfolio;
- (c) even if the current tenant invoked a tenants break clause during Year 5 of the lease, the property was of good quality and its size and location made it easily re-lettable.

The Committee welcomed and strongly supported the proposal.

**RESOLVED to**

- (1) approve pursuing the purchase of the head leasehold interest in Unit 2, Martin Close, Blenheim Industrial Estate on the terms - in principle - set out in the report and exempt appendix;**
- (2) approve additional flexibility beyond the maximum bid indicated in the exempt report, if required, subject to Property colleagues' assessment that a revised upward bid and resulting yield was reasonable in the current market, and to consultation with the Chair.**

**42 BRIDGE ESTATE TRUST - BUDGET 2016/17**

The Committee considered a report of the Director of Strategic Finance, requesting approval of the 2016/17 budget for the Bridge Estate.

The Committee commended the clear and concise nature of the report, and confirmed that it was happy with current management arrangements for the budget.

**RESOLVED to approve the 2016/17 Budget for Bridge Estate.**

**43 HARVEY HADDEN STADIUM TRUST AND HIGHFIELDS PARK TRUST BUDGET 2016/17**

The Committee considered a report of the Director of Strategic Finance, seeking approval of the budgets for the Harvey Hadden Stadium Trust and Highfields Leisure Park Trust for 2016/17.

During discussion, the Committee requested an update on how maintenance costs will change as a result of the roll-out of capital investments at Highfields, and asked that representatives from the Parks and Open Spaces Team attend all future meetings to respond to detailed questions on Harvey Hadden and Highfields.

**RESOLVED to approve budgets for 2016/17 for the Harvey Hadden Stadium Trust and the Highfields Leisure Park Trust, subject to confirmation of the City Council contribution, which is to be approved as part of the City Council's 2016/17.**

#### **44 BRIDGE ESTATE - BREAKDOWN OF FINANCIAL ASSETS**

The Committee considered a report of the Director of Strategic Finance, informing the Committee of the return Bridge Estate is receiving on its investments and the options available.

Mr Straw, Finance Manager, advised the Committee that the original resolutions within the published report had been updated in view of the need to make funding available for the possible purchase of the property at Unit 2, Martin Close – see minute 41 above.

A loan of £270,000 from the Bridge Estate to Nottingham City Council was recalled to help fund the purchase. If the purchase was unsuccessful, that sum would be used to pay off a proportion off the loan secured to purchase the Listergate property. The Committee agreed to this approach.

#### **RESOLVED**

- (1) to agree to recall the loan from the Bridge Estate to Nottingham City Council to help fund the potential purchase of Unit 2, Martin Close, Blenheim Industrial Estate;**
- (2) to agree to pay off a proportion of the loan taken out to secure the property on Listergate, should the bid to purchase Unit 2 Martin Close prove unsuccessful.**

#### **45 QUARTER 3 BUDGET MONITORING 2015/16 - BRIDGE ESTATE, HARVEY HADDEN STADIUM AND HIGHFIELDS PARK TRUST**

The Committee considered a report of the Director of Strategic Finance, providing the forecast outturn for 2015/16 Bridge Estate, Harvey Hadden Stadium Trust and Highfields Leisure Park Trust, based on the third quarter's budget monitoring.

The Committee reiterated the view that developments at Highfields will need to be self-funding going forward, and noted the substantial loss in rental income as a result of the fire damage to Whitemoor Court. The Committee requested an update on legal and physical property issues at Whitemoor Court to determine when the affected premises will be fully operational again.

#### **RESOLVED**

- (1) to note the report;**

- (2) **to request an update on operational and legal issues on Whitemoor Court at the Committee's May 2016 meeting.**

**46 CHARITIES - REVIEW OF ACCOUNTING POLICIES AND PUBLIC BENEFIT STATEMENTS**

The Committee considered a report of the Director of Strategic Finance, providing a set of Charity Commission compliant accounting policies and public benefit statements for inclusion in the 2015/16 financial statements.

Mr Straw advised that the policies and statements were broadly similar to previous years, the main difference being that it now reflected the revised Charity Commission definition of a 'going concern'.

The Committee approved the policies and statements without substantive discussion.

**RESOLVED to approve the accounting policies and public benefit statements for the Bridge Estate, The Harvey Hadden Stadium Trust and the Highfields Leisure Park Trust for inclusion in the 2015/16 Annual Reports.**

**47 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 outweighs the public interest in disclosing the information, as defined in paragraph 3 of Part 1, Schedule 12A of the Act.**

**48 UNIT 2, MARTIN CLOSE, BLENHEIM INDUSTRIAL ESTATE - EXEMPT APPENDIX**

**RESOLVED to note the exempt appendix.**