

**MINUTES
OF THE MEETING OF THE
CABINET
TUESDAY 12 NOVEMBER 2013**

Held At 7.00pm in the Council Chamber, Civic Centre, Pavilion Road, West Bridgford

PRESENT:

Councillors J N Clarke (Chairman), D G Bell, J A Cranswick, J E Fearon, N C Lawrence and D J Mason

ALSO IN ATTENDANCE:

Councillors A MacInnes and G R Mallender

OFFICERS PRESENT:

D Banks	Executive Manager – Neighbourhoods
J Buxton	Housing Options Advisor
A Graham	Chief Executive
K Marriott	Executive Manager - Transformation
V Nightingale	Senior Member Support Officer
P Steed	Executive Manager – Finance and Commercial
D Swaine	Executive Manager - Operations and Corporate Governance

APOLOGIES FOR ABSENCE:

There were no apologies for absence

23. Declarations of Interest

There were none declared.

24. Minutes

The minutes of the meeting held on Tuesday 15 October 2013 were approved as a correct record and signed by the Chairman.

25. Occupancy of Vacant Space in Rushcliffe Borough Council Civic Centre

Councillor Cranswick presented the report of the Executive Manager - Transformation regarding office accommodation at the Civic Centre. He stated that Metropolitan Housing Trust had served notice and would be vacating levels 3b and 4 by the end of December 2013 and that the Council needed to consider its options to maximise income from that space. He pointed out that as the Council was considering options to relocate to the Arena site it might be difficult to offer future tenants a traditional lease of between 5 and 10 years. Therefore it was felt that in the current economic climate it would be difficult to let a large space for a short period of time to one tenant.

He reminded Members that, in line with the Corporate Strategy, the Council had a policy of supporting businesses and encouraging economic growth in the Borough. Consequently, Councillor Cranswick stated that officers had undertaken research into how the space could be used to help businesses

whilst allowing flexibility and returning a good income for the Council. Following consideration it was agreed that the most beneficial option was to provide furnished accommodation for small companies that wanted to develop and move into their own business premises. This type of let would allow the company to rent an area without having to commit to a long lease; another benefit would be that the size of the accommodation could be tailored to the business assisting with their development and growth. Commenting further, Councillor Cranswick stated that it was intended that the Council would receive a rental whilst retaining the ability to give a month's notice to the tenant. To facilitate these lettings it was proposed to use the services of a management company, which would market the units and manage the tenancies. The Council would enter into a three year agreement with the management company with opportunities to extend.

Councillor Cranswick stated that this item had been referred to Cabinet as there could be expenditure of up to £120,000 to furnish the units and to keep them maintained. Metropolitan Housing Trust paid approximately £91,000 per annum for its accommodation at the Civic Centre as well as covering business rates, service charges and utilities equating to around another £88,000 per annum. It was recognised that achieving a similar rent would be difficult in the present economic climate. It was envisaged that a net income of between £50,000 and £80,000 (after costs) could be achieved from the proposed option. He said that officers had considered the option of 'moth-balling' the space, however this would incur expenditure whilst not attracting any income. Therefore, this option was considered not to be viable.

Following a question regarding the possibility of short lets of up to three months the Executive Manager - Transformation explained that it was envisaged that tenancies would be for longer periods of time. This gave companies the option to enter into a tenancy that could be terminated with only a month's notice; thus removing the risk of having to take on a long term agreement. Another benefit for the tenant would be that there would be no hidden costs, ie business rates, utilities, etc would be included in the rent. She explained that accommodation could be rented by one person, two people, or more, and they would have access to shared facilities, such as a kitchen, meeting rooms, etc. The Executive Manager – Finance & Commercial informed Members that it was anticipated that this model would reduce the risk of the space being unoccupied.

Councillor Clarke stated that the main priority was to offer support for growing businesses, which would be expected to lease the area for a medium length before moving on to a more traditional let.

In respect of the management company's commission Councillor Cranswick stated that this had been set at a level that offered an incentive to ensure that the space was fully let. Other premises that were being let on a similar model were either fully or 85% occupied.

Members believed that this was a good use of the space given the Council's present circumstances. This would help small businesses and would give people a good opportunity to have decent accommodation. It could also alleviate the issue of business people working from home and the associated

difficulties with this. Councillor Lawrence was pleased to note that officers had identified a need for this type of accommodation in West Bridgford.

RESOLVED that Cabinet:

- a) Endorsed the provision of serviced offices in the Civic Centre building and supports officers in implementing this offer; and
- b) Authorised the allocation of up to £120,000 from the Capital Contingency towards the costs of implementing such a solution.

26. **Final Report of the Community Shaping Member Group – Review of Strategic Housing**

Councillor Fearon presented a report detailing the recommendations of the Community Shaping Member Group. He acknowledged the hard work of the members of the Group and the support and assistance from the relevant officers. He explained that the Strategic Housing service had a budget of £458,460 and savings of £52,000 had been identified within the Council's 4 year plan. The Group actually considered savings and/or income generation of £63,990. He said that the service worked closely with Gedling and Broxtowe Borough Councils and that officers had an open mind on future co-operative working. He informed Members that at the Group's last meeting they had looked at several options for Rushcliffe Lodge and that these had been considered from a commercial viewpoint, especially how the Council could get the best return on its investment.

Councillor Lawrence supported these comments and stated that it appeared the Council did not need to retain Rushcliffe Lodge any longer. He reminded Members that when the Council had purchased the building about ten years ago there had been a large number of homeless people requiring accommodation. Since then the service had changed its focus and now there was excellent work carried out to prevent people from becoming homeless. He asked that Members' thanks be passed on to the staff regarding this area of work.

Councillor Mason welcomed the review of the Home Alarm charges, especially as these had remained static for a number of years. She said that the increase was not large and the service still remained competitive.

Councillor Bell supported the Member Group's comments regarding the work undertaken by the service area. It was acknowledged that the work was of vital importance to the vulnerable and disadvantaged people of the Borough. He stated that the outcomes of the work, especially in relation to homelessness prevention, had already saved the Authority money.

In conclusion, Councillor Cranswick requested that the future Cabinet Report on the sale of Rushcliffe Lodge should include information on the building's current value and its potential value following some remedial work in order for Members to decide the best way forward.

RESOLVED that Cabinet:

- a) Agreed an increase in the home alarm rental charge to £3.50 per week from 1 April 2014;
- b) Agreed a Home Alarm installation charge of £25.00 be introduced from 1 April 2014 with the option to spread the cost over the first two quarters of the contract;
- c) Agreed the home alarm rental and installation charge be included in the fees and charges list and reviewed annually as part of the Budget Process;
- d) Requested that a further report be prepared on Rushcliffe Lodge in accordance with the Council's Disposal and Acquisition Policy for Land and Buildings; and
- e) Supported the principle of exploring 'shared service' opportunities with other public sector partners as part of the Council's emerging Transformation Plan.

The meeting closed at 7.25 pm.

Chairman