

**MINUTES  
OF THE MEETING OF THE  
CABINET  
TUESDAY 9 NOVEMBER 2010**

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, R Hetherington and Mrs D J Mason

**ALSO IN ATTENDANCE:**

Councillors S J Boote, C J Evans, R M Jones, A MacInnes, G R Mallender and B Venes.

**OFFICERS PRESENT:**

|             |                                      |
|-------------|--------------------------------------|
| A Graham    | Chief Executive                      |
| C Bullett   | Deputy Chief Executive (CB)          |
| P Randle    | Deputy Chief Executive (PR)          |
| S Griffiths | Deputy Chief Executive (SG)          |
| S Goodrich  | Head of Revenues and ICT Services    |
| D Mitchell  | Head of Partnerships and Performance |
| N Morton    | Head of Financial Services           |
| D Swaine    | Head of Corporate Services           |

33. **Declarations of Interest**

There were none declared.

34. **Minutes**

The minutes of the meeting held on Tuesday 12 October 2010 were approved as a correct record and signed by the Chairman.

35. **Leadership Model and Executive Arrangements**

Councillor Clarke presented the report of the Head of Corporate Services setting out the responses to the consultation undertaken on the Council's Leadership Model and Executive arrangements. He went on to explain that at its meeting in June Cabinet had considered a report setting out proposals arising from the required changes to the Council's Leadership Model resulting from the Local Government and Public Involvement in Health Act 2007. He also explained that as a District Councils these changes had to be approved by the end of December 2010.

Councillor Clarke explained that having considered the matter in June Cabinet had indicated that, subject to the results of the consultation, which had now been undertaken, the Leader and Cabinet Model would be most likely to assist in securing continuous improvement in the way the Council's functions were exercised. Commenting further Councillor Clarke gave a summary of the consultation responses as set out at appendix A in the report. He added that

as a result of the consultation responses, and Cabinet's previous indication that the Leader and Cabinet Model would be most likely to assist in securing continuous improvement the report suggested that this form of 'Executive Arrangements' be recommended to Council.

Councillor Clarke explained that the implementation of this model of 'Executive Arrangements' would require some minor changes to the Council's Constitution and as such these were set out at appendix B in the report. Furthermore the report recommended that these changes be referred to the next meeting of Council for agreement in order to ensure that the necessary arrangements were in place for the Annual Council meeting after the local elections in May 2011.

AGREED that Cabinet recommended to Council:

- (i) the Leader and Cabinet Model is the preferred option for the Leadership Model and Executive arrangements as it would be most likely to assist in securing continuous improvement in the way the Council's functions are exercised; and
- (ii) the necessary changes to the Council's Constitution be made, as set out at Appendix B of the report enabling the preferred Leadership Model and Executive arrangements to be implemented at the next Annual Council meeting in May 2011.

36. **Discretionary Rate Relief for Charitable and Non Profit Making Organisations**

Councillor Cranswick presented the report of the Head of Revenues and ICT Services which indicated that Councils had the discretionary power to grant rate relief to eligible non-domestic ratepayers under the provisions contained in Section 47 of the Local Government Finance Act 1988.

Commenting further Councillor Cranswick stated that in support of its discretionary power the Council needed to ensure that clearly understood policies for determining the granting of relief were in place. He explained that the present policy relating to the discretionary relief was last reviewed by Cabinet in July 2006, and was in effect until 31 March 2012. However there was a requirement for the policy to be reviewed during the 2010/11 financial year as twelve months notice of any variation to the level of relief awarded must be given to qualifying organisations. As such the report set out the policy and the associated criteria and invited Cabinet to consider these with a view to renewing it for a further 4 years, with effect from 1 April 2012. The report indicated that there were no proposed changes to the policy.

In conclusion Councillor Cranswick stated that the report set out in detail the eligibility and assessment criteria for application of the discretionary relief. He added that the report also set out the guidance produced by the Department for Communities and Local Government that should be used when assessing organisations for eligibility.

AGREED that Cabinet renews the existing Discretionary Rate Relief for Charitable and Non Profit Making Organisations policy, with effect from 1 April 2012 for a further 4 years.

### **37. Licensing of Sexual Entertainment Venues**

Councillor Fearon presented the report of the Head of Corporate Services which recommended the adoption of legislation extending the licensing regime that applies to sex shops and sex cinemas to other sexual entertainment venues, such as lap dancing clubs. He stressed that whilst there were no such venues in the Borough it was prudent for the Council to adopt the legislation in order that it was able to properly deal with any applications for a licence which could be submitted in the future.

By referring to the report Councillor Fearon explained that the Local Government (Miscellaneous Provisions) Act 1982 had introduced a licensing regime for sex establishments including sex shops and sex cinemas. This legislation was adoptive which meant that the Council had to formally adopt it in order to enforce it. As such the Council had resolved to adopt the relevant parts of the 1982 Act from 1 January 1983.

The report explained that other forms of sexual entertainment (e.g. lap dancing clubs) fell to be licensed under the old public entertainment licensing system, which itself was replaced by the new alcohol and entertainment regime under the Licensing Act 2003. As such none of the more rigorous controls specific to sex establishments could be applied by Councils outside of London which had its own licensing legislation. Consequently the Policing and Crime Act 2009 sought to address this issue by amending the 1982 Act to include 'sexual entertainment venues' thus giving the Council the option to re-adopt the 1982 Act provisions as amended.

The report set out the process for the adoption of the legislation and highlighted that if the Council did not resolve to adopt the amended 1982 Act provisions by 6 April 2011, it must carry out a consultation exercise with local people before deciding whether to adopt. By referring to the report Councillor Fearon explained that the wider powers available under the 1982 Act included the power to impose conditions for example in relation to opening hours, adverts and the visibility of interiors to passers by. Furthermore Councils would also be able to refuse to grant or renew a licence on the grounds that such an establishment would be inappropriate having regard to the character of the area and the use of other premises in the area, for example local schools.

Councillor Hetherington stated that he believed the adoption of the legislation was a useful tool that could assist Councils in regulating any such venues and he referred to the work of other local authorities who had been able to use the additional powers to address problem premises.

In conclusion Councillor Fearon stated that adoption of the legislation supported the Council's work in delivery of responsibility to prevent and deter crime and disorder. This was on the basis that it gave the Council greater controls to regulate and control sexual entertainment venues and therefore it

was considered appropriate that the Council resolved to adopt the 1982 Act provisions as amended.

AGREED that Cabinet recommends to Council that pursuant to paragraph 2(2) of Schedule 3 to the Policing and Crime Act 2009, the Council resolves that Schedule 3 to the Local Government (Miscellaneous Provisions) Act 1982 as amended by Section 27 of the said 2009 Act, shall apply to the Borough of Rushcliffe with effect from 1 February 2011

38. **Establishment of a Non Profit Distributing Arrangement for the Leisure Management Contract with Parkwood Leisure Ltd**

Councillor Fearon presented the report of the Head of Partnerships and Performance setting out proposals for the establishment of a Non Profit Distributing Organisation (NPDO) for Parkwood Leisure Ltd. The report indicated that the establishment of the NPDO would realise significant financial benefits through the ability to claim discretionary rate relief on the business rates payable for the five leisure centre sites covered by the Council's Leisure Management Contract. The report also indicated that this opportunity was identified for implementation following agreement of the 2010/11 budget proposals by Council on 4 March 2010.

Commenting further on the report Councillor Fearon stated that detailed negotiations had been taking place with Parkwood Leisure Ltd on the contractual elements of the proposal. He added that details of this were set out in the report which also summarised the negotiations and an agreed position meeting both parties' requirements. He believed that the proposal provided a clear, satisfactory and secure way forward for the Council and he made reference to the overall financial benefits as set out in paragraph 22 of the report.

Councillor Fearon went onto explain that during the negotiations Parkwood Leisure Ltd had been insistent that the five year contract extension and changes to the basket of terms and conditions were essential elements. However the Council had been equally insistent that its risk be minimised and that the five year extension continued to provide good value for money. In view of this external legal advice had been sought in order to assess and evaluate risks in relation to a potential procurement challenge and as such the report indicated that officers were assured that this presented no significant risk.

With regard to Council liability and risk Councillor Fearon explained that this was covered in the report. He added that throughout the process the Council had taken external legal advice in relation to the potential change to the contract and any associated risks. This advice had highlighted that the principal risk for the Council was that National Non Domestic Rate (NNDR) relief was not granted or that a change in legislation prevented it in future.

The report explained that the original terms offered by Parkwood Leisure Ltd had proposed that in the event of a failed application or a change of law then all associated costs of reversion (including Parkwood's) should be borne by the Council. This would have created an unquantifiable risk to the Council and following further negotiations and legal advice it was agreed that the Council's liability in this eventuality, would be capped at £10,000.

The report indicated that the existing contract documentation provided significant protection against risks such as poor performance, change in the leisure portfolio and economic circumstance and there were strategic and operational governance regimes in place to monitor these arrangements. The contract with Parkwood Leisure Ltd had been in operation since August 2007 and had been subject to regular performance monitoring through the established scrutiny process.

Making reference to paragraph 14 in the report Councillor Clarke sought clarification of the terminology 'sub-contract' and 'sub-lease'. In response Councillor Fearon stated that the arrangement would require the establishment of a sub-contract of the services to the NPDO by Parkwood Leisure Ltd. Additionally there would be associated sub-leases of the relevant premises that had been previously leased to Parkwood Leisure Ltd by the Council. Commenting further on this the Head of Partnerships and Performance (DM) stated that this was correct and the arrangements outlined were within the legal framework for the proposal.

Councillor Cranswick stated that the proposal in the report offered the Council a five year extension to the contract for an additional £565,000, which equated to approximately £113,000 per year. He added that he supported the proposal as it provided significant security for the Council going forward.

AGREED that:

- a) the proposal put forward by Parkwood Leisure Ltd to establish a new contractual arrangement for the Council's leisure management contract covering the creation of an NPDO be accepted.
- b) a five year extension of the contract and the proposed changes to the basket of terms be agreed.

### 39. **Accommodation for Rushcliffe Community and Voluntary Service**

Councillor Cranswick presented the report of the Head of Community Shaping which set out the current accommodation leased to Rushcliffe Community and Voluntary Service (RCVS) at Park Lodge. The report also detailed proposals for alternative more suitable accommodation at Bridgford House (the Civic Centre building) because RCVS receive grant funding from the Council and as such were not a standard commercial tenant.

Councillor Cranswick explained that RCVS had been based in Park Lodge since 1997, and they also had some additional office space in the Civic Centre including an office on level 4 and a workstation in the Strategic Housing service. He also explained that the report set out details of the other services provided by RCVS in addition to its representation and advocacy role.

By referring further to the report Councillor Cranswick explained that RCVS leased Park Lodge from the Council however the accommodation was not suitable. This was because Park Lodge had limited accessibility, was not designed as an office space and had limited insulation and was expensive to

run. Furthermore it was not large enough to house and properly accommodate all of the RCVS team.

Commenting further Councillor Cranswick stated that as part of the development of the proposal within the report consideration had been given to a range of alternative options including extending Park Lodge and refurbishing the Stable Block. These options had previously been investigated as potential solutions to the accommodation issues but had not been pursued due to significant associated costs and planning implications.

Councillor Cranswick went on to comment that the proposal did raise issues in relation to the future of Park Lodge, however the report specifically related to the issue of accommodation for RCVS. He added that the future of Park Lodge would have to be considered in line with the Council's policy in relation to asset management and disposal and this process would identify and evaluate the options.

Councillor Clarke asked if any figures had been obtained in order to evaluate the potential cost of any options for the future of Park Lodge. In response Councillor Cranswick indicated that such information would form part of the process for identifying and evaluating options for its future and officers had been requested to undertake a detailed appraisal of the options. The Head of Revenues and ICT Services (SGR) stated that the work undertaken would obtain the costs of options so an appraisal could be done to identify the most appropriate way forward. Commenting further on this the Chief Executive reminded Cabinet that the report related to a decision on the accommodation for RCVS and the future of Park Lodge would be dealt with separately. He added that he recognised that the future of Park Lodge was an issue which needed to be addressed and this would be done in line with the Council's established approach to the management and disposal of its assets.

There followed a discussion relating to the length of lease and the Chief Executive stated that any arrangements would aim to give the Council flexibility for the future use of the building whilst giving some certainty to the RCVS. He added that it was likely the lease period would be reflective of the funding arrangements for voluntary sector organisations which required a 12 month exit notification. Councillor Cranswick stated that he believed the arrangement provided flexibility as it was on a rolling basis, however it gave RCVS confidence in respect of their future accommodation.

In conclusion Councillor Cranswick stated that the report's recommendation set out the best way forward and would help to address issues in relation to the suitability of the accommodation used by providing a secure and sensible solution for both parties.

AGREED that Cabinet approves that Rushcliffe Community and Voluntary Service (RCVS) be offered alternative accommodation at Bridgford House (the Civic Centre building).

The meeting closed at 7.25 pm.

CHAIRMAN