

NOTTINGHAM CITY HOMES LIMITED
GROUP BOARD MEETING



Date: 23 February 2023
Time: 5.30 PM
Place: VIA MICROSOFT TEAMS

Directors of the Board are requested to attend the above meeting on the date and at the time and place stated to transact the following business:

A handwritten signature in black ink, appearing to read "George Pashley".

George Pashley
Head of Governance and Compliance

AGENDA

			Time
1.	INTRODUCTORY ITEMS		
1.1	WELCOME		
1.2	APOLOGIES FOR ABSENCE		
1.3	DECLARATION OF INTERESTS		
1.4	ITEMS FROM THE CHAIR		
1.5	MINUTES OF THE MEETING HELD ON 2 ND FEBRUARY 2023	Attached	5.30
1.6	MATTERS ARISING		
1.7	FEEDBACK FROM BOARDS AND COMMITTEES – NO FEEDBACK PROVIDED DUE TO NO BOARDS/COMMITTEES SINCE THE LAST MEETING	Attached	5.40
2.	ITEMS FOR DISCUSSION AND DECISION		
2.1	BUDGET REPORT 2023/24 Report of the Assistant Director of Finance and Procurement	Attached	5.40
2.2	FUTURE COMPANY MANAGEMENT ARRANGEMENTS Report of the Executive Assistant Mark Lawson		
2.3	FUTURE COMPANY GOVERNANCE Report of the Head of Governance and Compliance	Attached	
2.4	RENT SETTING Executive Assistant	Attached	6.30

3. CONFIDENTIAL

- | | | | |
|-----|--|----------|------|
| 3.1 | 23 FAIRISLE CLOSE, CLIFTON
Report of the Director of Housing | Attached | 6.50 |
| 3.2 | MINUTES OF THE CONFIDENTIAL MEETING HELD ON 2 ND
FEBRUARY 2023 | Attached | |

CLOSING ITEMS

4.

- 4.1 ANY OTHER BUSINESS
- 4.2 DATE OF NEXT MEETING – 30 March 2023

Members wishing to raise matters under Any Other Business should note that items will only be accepted if referred to and agreed by the Chair of the Board prior to commencement of the Meeting. Members wishing to submit their apologies should do so by contacting boardmeetings@nottinghamcityhomes.org.uk This agenda was issued by SharePoint on

Distribution List:

All Group Board Members:

Sam Whitworth

NCC Members

All EMT Members

Report Authors

* Members of the public wishing to attend this meeting should email boardmeetings@nottinghamcityhomes.org.uk for joining details

NOTTINGHAM CITY HOMES LIMITED**THE GROUP BOARD**

MINUTES of the **PUBLIC MEETING** held on **2ND FEBRUARY 2023** at Loxley House, Nottingham

Board Members

Madeleine Forster (Chair)
Cllr Sam Webster
Kieran Timmins

Also in Attendance:

Stephen Feast
Surjit Balu
James Howse
Samantha Barlow
Bev Swift
Mark Lawson
Mona Sachdeva
Frank Jordan
Phil Saunders
Paul Stanley

Director of Transition
Director of Housing
Director of Corporate Resources
Governance Manager
Interim AD of Finance and Procurement
Executive Assistant NCHRP
Company Solicitor
NCC Director of Resident Services
Business Improvements & Performance Manager
Head of Developments

1 WELCOME, INTRODUCTIONS & CHAIR'S ANNOUNCEMENTS

1.1 The Chair extended a warm welcome to attendees and introductions were made by all parties.

1.2 APOLOGIES FOR ABSENCE

Apologies were received from Mike Khouri-Bent, Michael Savage, Georgia Powers and Vicky Evans. It was noted that the Board were not quorate, however, any decisions made could be dealt with by way of the Urgency Procedure.

1.3 DECLARATIONS OF INTEREST

Cllr Webster declared he is a NCC Councillor.

1.4 ITEMS FROM THE CHAIR

The Chair advised that she will be looking at changing/reducing the next few Board meetings with the aim of minimising the number but ensuring the key critical items are dealt with.

1.5	MINUTES FROM THE MEETING HELD ON 19TH JANUARY 2023
	It was noted that “million” was missing from paragraph 2.1 and it was requested this be added. Furthermore, the Chair requested that “this was confirmed by our in-house Lawyers and the Lawyers that assisted with the Termination Agreement” to paragraph 2.1.5. The minutes were agreed as a true record subject to these amendments. The Chair approved the signing of the minutes.
1.6	MATTERS ARISING
	There were no matters arising.
1.7	FEEDBACK FROM BOARDS & COMMITTEES
	The Feedback from ARCC and the ALMO Board was noted. It was requested by Board Members that actions arising/key outcomes from any Boards/Committees be included within the feedback going forward. ACTION : SB
2.	ITEMS FOR DISCUSSION AND DECISION
2.1	FINANCE REPORT 2022/23 PERIOD 8
2.1.1	JH advised took the Board through several key points, advising that there is currently a positive variance as at month 8 against budget for the Group, but the forecast outturn position is now anticipated to be £380k, after taking account of the impact of the 2022/23 pay award which is not being supported by additional HRA Fees. This has reduced the anticipated financial outturn for this year from a surplus of £1.764m to £380k. This now includes the full impact of the pay award which has been accepted by employee representatives and it will include backdated pay so that every employee receives £1,925p.a, which exceeds the budget assumption of 2%.
2.1.2	It was further highlighted that the Board need to confirm it is satisfied that debtor balances owed by NCHEL to NCH can continue to remain unpaid whilst such payments would result in NCHEL’s bank account going overdrawn
2.1.3	BS thereafter took the Board through various highlights, advising that NCH transition costs including contingency are estimated to be £254k to year end, the majority of which are included in the forecast, as no agreement has yet been made for them to be paid from NCC Transition budget. This has therefore affected the bottom line.
2.1.4	The revised forecast for Commercial is now a loss of £644k (worsened by £188k of additional pay award) compared to the budgeted full year surplus of £502k, an adverse variance of £1,146k. As the budget variance for Commercial Services at the end of Period 8 is £876k performance will have to significantly improve to achieve the current forecast. BS advised that Management are involved to see if any improvement can be made on this.
2.1.5	SW asked for further details surrounding the NCH EL creditors and NCH cash position. JH advised that in relation to NCH EL, these creditors are intergroup

	creditors and there are no external companies awaiting payment. Furthermore, NCH's cash position is strong and drawdown requests for final loans have been raised with NCC for discussion and agreement. As previously reported, draw down of some previous NCH loans have been less than that approved within the loan facility. Discussions with the Council have not secured an increased loan amount but shall continue as part of the joint work in relation to how the subsidiary companies will operate following Transition.
2.1.5	The Chair asked why there is an underspend in relation to the Directorates and will this position change and also, in relation to the extra £500k that has been spent on repairs, can we evidence that we have actually spent £500k? SF advised that this can be evidenced by way of the reduction in repair waiting times. Furthermore, in relation to the underspend, this is due to staff vacancies within the department and also that there are contractors that are awaiting payment.
2.1.7	RESOLUTION The Board agreed to: <ol style="list-style-type: none"> 1. Note the financial position at the end of Period 8 and the forecast outturn position for the 2022/23 financial year. 2. Note the position on periodic testing and rewires within Asset Management. 3. Note that consent for NCH to provide formal cash support to NCH has not been provided by NCC. 4. Confirm that it is satisfied that debtor balances owed by NCH to NCH can continue to remain unpaid whilst such payments would result in NCH's bank account going overdrawn.
2.2	TRANSITION REPORT
2.2.1	SF provided the Board with the latest update advising that in relation to staffing and TUPE, both NCH and NCC are seeking to close TUPE consultation during early February. A third letter to all staff confirming this has been drafted and conversations with Trade unions are centred on achieving this as it recognised that finalising the TUPE arrangements would be a significant step in reducing the levels of uncertainty and anxiety felt by NCH colleagues. Furthermore, colleagues are working to resolve issues relating to colleagues who are currently on Fixed Term Contracts or Secondments whose contracts could reasonably be extended. Where possible these contractual issues will be resolved prior to the transfer to ensure that staff have certainty of employment and the risk of staff retention, absence and recruitment is effectively managed however it should also be noted that HR contract and financial affordability factors also need to be considered when making these decisions. SF advised, however, that the HR system will be locked down on 10 th March and this will make the process more challenging. Colleagues are currently working together to find solutions and ways of working around this.
2.2.2	SF further advised that a key system which has to be revised is the NCC Payroll systems which hold payroll data for those staff transferred to NCC from NCH. The build for this system has now commenced but the timescales for completion are tight and this therefore represents a risk to the project which is being intensely managed

	by NCC colleagues. Again, contingency plans are underway in order to minimise any risk.
2.2.3	In relation to Governance and Tenant Involvement, the need to effectively hear the tenants voice through governance structures is at the forefront of these considerations. To support this the Tenant Participatory Advisory Service (TPAS) has been commissioned to review the current involvement structures and consider how these can effectively dovetail with the Councils governance structure. The work of TPAS will include conversations with all stakeholders including members of the Board and the ALMO Board.
2.2.4	Finally, SF discussed at length communication and branding, advising that NCC do not see any negative association to the NCH brand and do not want to incur the significant costs associated to an immediate and wholesale rebranding exercise which is estimated to be a minimum of £600k. It is recognised however that a distinction needs to be drawn between the housing management and maintenance service returning to NCC and the residual NCH Group of Companies. A plan to gradually adopt the NCC Housing Services Brand is therefore being jointly developed. This plan will adopt the NCC brand in a cost-effective way over a timescale estimated to be between 12 and 18 months. Examples of those branding elements changed in the short term are likely to be telephone greetings, name badges and lanyards whilst those longer-term changes are likely to be fleet and signage.
2.2.5	The Chair asked if the Executive Team had confidence in the mitigations they have in place, specifically relating to payroll configuration as it would be disastrous if the first pay date upon transfer failed. SF advised that this is a complex situation and this was discussed at length by the Board, however, SF advised there is time to see if the testing simulation goes well. This will thereafter affect the risk rating dependent upon the outcomes.
2.2.6	Furthermore, the Chair requested that the Board be provided with an interim report following TPAS finding. SF advised that he would review the Board forward plan and see when this can be provided. ACTION : SF
2.2.6	FJ suggested that himself and SF have a pre meet before the next Board meeting to discuss how the Board will operate post March. ACTION : SF/FJ
2.2.7	RESOLUTION The Board agreed to: 1. Note the contents of the Report and the progress made in the transition of the housing management and maintenance service to NCC
3.	GROUP PERFORMANCE REPORT

3.1.1	PS advised quarter 3 performance remains positive with the vast majority of areas achieving the target, and in relation to compliance all but 2 areas continue to achieve 100% with the EICR performance being the best ever. There was one property that did not meet the requirements for water safety checks, but this has since been addressed and we are now awaiting a certificate from Development for Midland House.
3.1.2	Overall tenant satisfaction is at 83.8%. This is a rolling average over the last 12 months and shows a downturn which now places us in the second quartile when compared with other housing providers based on comparable information available at March 2021. However, we know from recent studies that satisfaction levels have reduced across the sector
3.1.3	Our compliance measures are performing well with electrical safety making further improvement over the last quarter also.
3.1.4	Staff sickness is 13.77 days, this is being impacted by Covid with some long term covid cases as well as short term covid illness. This will be replicated nationally because COVID is a new disease which will inevitably bake in a permanently higher sickness level, which our original target setting at the time of the Corporate Plan did not account for
3.1.5	The Chair asked why there is such a downward trend? PS advised that this is the same sector wide and there are clear factors such as deprivation etc that affect the results. Previously, it COVID appeared to be driving results, however, the cost-of-living crisis now appears to be driving customer satisfaction.
3.1.6	KT asked was there a way to target dissatisfied tenants? PS advised that the new TEM's will combat this and we will have the ability to target an audience as the surveys will be more structured.
3.1.7	KT echoed SW's comments but appreciated the reasons behind this. Furthermore, he questioned what the Board were being asked to approve and whether the Company has the resources to do this.
3.1.8	The Chair commended the excellent work from the Compliance department and asked if we were on track to complete all the smoke alarms and CO2 detectors. SF confirmed NCH is on track.
	The Board agreed: 1. NOTE the contents of the report.
3.0	CLOSING ITEMS
3.1	ANY OTHER BUSINESS
	Board Members confirmed there was no further business.
3.2	DATE OF NEXT MEETING

The next scheduled meeting will take place on 23rd February 2023.

The meeting closed at 18:29

Signed.....Dated.....

DRAFT

NOTTINGHAM CITY HOMES

REPORT OF THE ASSISTANT DIRECTOR OF FINANCE AND PROCUREMENT

THE GROUP BOARD
23rd FEBRUARY 2023

2023/2024 NCH GROUP BUDGET

1 EXECUTIVE SUMMARY

- 1.1 This report presents the proposed Nottingham City Homes (NCH) Group budget for 2023/24. Since the last budget was presented in March 2022 the situation for the Group has changed significantly. On 11 May 2022, Nottingham City Council (NCC), the sole member of NCH Limited, served Notice to Terminate the 2020 NCC/NCH 30 Year Partnership Agreement. NCH Board accepted this Notice and variation to terminate on 31 March 2023 at its meeting on 22 June 2022.
- 1.2 NCH Group is made up of NCH Limited and its 2 subsidiary companies Nottingham City Homes Registered Provider Limited (NCH RP) and Nottingham City Homes Enterprises Limited (NCH EL). 2023/24 budgets for each company are set out for Board and will be presented to the subsidiary boards for approval.
- 1.3 The 2023/24 Budget for the Group projects a broadly breakeven position for the year (at a £3k surplus). It includes a provision for corporation tax. The budget has been produced based on the residual corporate entities continuing to deliver their current business following the transfer to NCC of all staff and all (HRA) social housing activities on 1st April 2023.
- 1.4 Assumptions used to produce the budget for NCH Ltd are listed in the report. There has been reliance on best available information where new arrangements have not yet been finalised. For instance, new SLA's with NCC for post April 2023 have not yet been agreed and signed.
- 1.5 It should be noted that in setting the budgets for 2023/24, the adverse cash position of NCH EL, previously reported to the Board has since been confirmed. This report therefore also includes an update on this matter and seeks approval for the recommended course of action in this regard.

2 RECOMMENDATIONS

It is recommended that Group Board:

- 2.1 **Approves** the proposed 2023/24 NCH Group budget; which includes the budgets of NCH Ltd and its 2 subsidiaries NCH RP and NCH EL as set out in Appendices 1 to 4.
- 2.2 **Approves** the proposed 2023/24 NCH Ltd budget: taking account of rent and service charge proposals for NCH Ltd included in separate report as set out in Appendix 2.

2.3	Approves the actions being taken in relation to the adverse cash position of NCHEL, including the request to NCC to defer loan repayments as per section 6.8.										
3	NCH GROUP 2023/24 BUDGET										
3.1	The 2023/24 Budget for the Group projects a broadly breakeven position (£3k surplus) for the year. It includes a provision for corporation tax at 19%. The budget has been produced based on the residual corporate entities continuing to deliver their current business following the transfer to NCC of all staff and all (HRA) social housing activities on 1st April 2023. Previous business plan assumptions regarding intra group asset transfers do not now apply and assets will remain within the entity which currently owns them.										
3.2	The Group will continue to trade until such time that the Asset Options Appraisal (previously reported to Board) is completed. Work is currently taking place with emerging options being put forward which require further modelling. This budget therefore assumes that companies will continue to trade as usual.										
3.3	The 23/24 budget for the Group is set out at Appendix 1 . This analysis sets out the 23/24 budget against the comparatives of the (prior year) 22/23 budget, and the forecast outturn position for 22/23 (as at Period 9). This analysis also sets out the variance between the 22/23 forecast outturn position and the proposed 23/24 budget.										
3.4	The 2023/24 budget for the Group projects a broadly breakeven position (£3k surplus) for the year. Within this, the NCHRP has a budgeted surplus of £204k, NCHEL a budgeted loss of £212k, and NCH Ltd a budgeted surplus of £11k. Board were previously informed that NCH EL is paying loan interest costs to NCC which exceed PWLB+0.4% by a premium of 1.8%. These additional costs (at circa £0.34m) are therefore a significant contributing factor to the overall budgeted loss.										
4.0	NCH LTD										
4.1	The proposed NCH Ltd budget for 2023/24 is set out in Appendix 2 .										
4.2	Key income activities for NCH Limited in the 2023/24 financial year are: <ul style="list-style-type: none"> • Rental income from NCH owned homes, with details set out in the separate report on rent and service charge increases • Intragroup lease income from NCH RP where homes are leased for temporary or dispersed homes for NCC tenants • Small income derived from Solar panels 										
4.3	The total proposed expenditure budget for NCH Ltd is £2.125m, and it is made up as follows: <table border="1" data-bbox="316 1758 1412 1986"> <thead> <tr> <th>Expenditure 2023/24</th> <th>31/03/2024 £'000</th> </tr> </thead> <tbody> <tr> <td>- SLA Services (NCC)</td> <td>104</td> </tr> <tr> <td>- Repairs to owned properties</td> <td>152</td> </tr> <tr> <td>- Property depreciation</td> <td>533</td> </tr> <tr> <td>- Loan interest</td> <td>1,176</td> </tr> </tbody> </table>	Expenditure 2023/24	31/03/2024 £'000	- SLA Services (NCC)	104	- Repairs to owned properties	152	- Property depreciation	533	- Loan interest	1,176
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- Property depreciation	533										
- Loan interest	1,176										

		- Other – audit/insurance	32
		- Corporation Tax	128
		Total	2,125
4.4	<p>NCH Limited holds several property assets which are in use or currently being developed. The Business Plan at 2022/23 included plans to transfer ownership of additional assets from NCH to NCH EL, and the cost of these assets was to be supported by NCH new build reserves, and by grants and loans from NCC. Since the announcement that NCH social housing activity will transfer back into NCC no further transfers of assets will take place and no further loans will be available for drawdown from NCC to support ongoing ownership of assets. NCH owns the Arboretum site which will now not be transferred to NCH EL. This site will be considered as part of the Asset Options Appraisal work previously referenced.</p>		
4.5	<p>NCH Landlord Rent Setting. NCH currently owns 120 properties outside of its subsidiaries which are let at social rent levels. As part of the 2023/24 budget strategy approval is being obtained from Board to increase rents and service charges for these properties by 7%. All rents are reviewed to ensure that increases are capped so as not to exceed the Local Housing Allowance (LHA) level.</p> <p>Rent Policy and proposals for homes held in NCH subsidiaries shall be dealt with by the respective Boards but with the proposal that rents and service charges for the NCH RP homes for social and Affordable rent in NCH RP are also increased by 7%.</p>		
4.6	<p>NCH Fleet. The budget assumes that NCC will purchase the company's vehicles as part of transition, likely early Q1 23/24. This would require formal approval by Board. No vehicle running costs have been included in the budget as recharges from NCC would cover all costs pending sale to NCC.</p>		
5	NCH REGISTERED PROVIDER LTD		
5.1	<p>NCH RP continues to work to deliver the NCH Group's wider vision of creating homes and places where people want to live. As a not-for-profit company registered with Homes England it aims to target the reinvestment of any surpluses for the benefit of local people, making a significant contribution to the Nottingham economy. Subject to available funding, its primary aim is to provide:</p> <ul style="list-style-type: none"> • Affordable new homes for communities in Nottingham • Accommodation for homeless families on behalf of Nottingham City Council (NCC) • Homes and wraparound support to single homeless citizens through the Housing Led programme. • New homes for local families through Section 106 acquisitions • Move-On homes, to house and support survivors of domestic and sexual violence and abuse in conjunction with Refuge providers in the City. 		
5.2	<p>The proposed NCH RP budget for 2023/24 is set out in Appendix 3. The budget reflects current activities undertaken and is presented as a surplus of £204k. This is significantly less than actual year to date results surplus of £483k at quarter 3 2022/23. There are several reasons for this:</p>		

- VAT will be chargeable on recharges for people and services between NCC and the NCH RP. These services were previously delivered intra-group and therefore attracted no vat as the Group formed one VAT Group.
- No additional growth has been included for 2023/24 due to a minimal amount of new serviced licenced properties for temporary accommodation anticipated in 2023/24. These will be accounted for as in-year adjustments
- Additional costs relating to inflationary factors on services, utilities, leases and licences

The budget consists of all NCH RP activities, including leases.

5.3 The setting and approval of the 2023/24 budget is the responsibility of the NCH RP Board (which met on 21 February 2023). The cash generated by the surplus is used to support the annual repayment of NCH RP loans.

5.4 It should be noted that the financial implications of the recommendations set out in the paper '2023/24 RENT AND SERVICE CHARGE SETTING' are incorporated in this report and budget. Charges for services to be provided by NCC under a service contract and lease costs have been reviewed and revised as set out in the table below;

Description	Service cost per property per week £	Lease cost per property per week £
<u>Leased from NCH</u>		
- Dispersed Homes	165	131
- Fairham House	174	228
- Housing Led	174	222
<u>Leased from NCC</u>		
- Highwood	299	134
<u>Private Sector Landlords</u>		
- Serviced lease (average)	88	380
- PSLS (includes voids, furniture)	165	175

The service recharges from NCC are based on the principles used in 2022/23 and include a 4% pay increase for the staff element. However, these charges have yet to be agreed with NCC.

5.5 The 2023/24 budget includes the following key assumptions:

- Activity is based on properties in 2022/23, with no further assumptions included for growth. A prudent approach has been taken due to reduced activity in acquiring new licenced temporary accommodation
- Void rate assumptions are included in rent setting and vary between 1.5% and 12% dependent on use, risk, ownership and responsibility for void works, with 4% to 5% being the norm.
- Bad debt assumptions are included in rent setting and vary between 1.5% and 6% dependent on risk, with 3% to 4% being the norm.
- Corporation tax has been included at a rate of 19%

	<ul style="list-style-type: none"> • Rent increases are set in the range of 5% to 11% and the basis for this is set out in a separate board paper • Leases are based on 2022/23 lease costs plus an average of 3% increase in line with most rent review clauses in lease agreements • NCC recharges are budgeted in line with 2022/23 charges and assume a 4% increase pay award for staff element. These have yet to be agreed. • If the 'supporting people' grant increase and NOC cost reduction is not delivered in full it could impact the surplus generated. • NCC will continue to provide an annuity loan for Move-on homes with interest rates of PWLB + 0.4%. 																					
6	NCH ENTERPRISES LTD																					
6.1	<p>Since the decision to terminate the NCH Partnership Agreement it has become clear that NCH EL will continue to deliver its current market rented activity until such time as the Asset Options Strategy is developed agreed and implemented. The current business plan includes:</p> <ul style="list-style-type: none"> • Providing market rented new homes for communities in Nottingham • Housing and housing services for tenants seeking to rent good quality accommodation on a prolonged basis. 																					
6.2	The proposed NCH EL budget for 2023/24 is set out in Appendix 4 . The proposed budget is for a £212k loss, based on the current activities undertaken within NCHEL.																					
6.3	It should be noted that NCHEL is paying loan interest costs to NCC which exceed PWLB+0.4% by a premium of 1.8%. These additional interest costs amount to circa £330k to £340k per annum. These additional costs are therefore a significant contributing factor to the overall budgeted loss. Without this premium, the overall budget position would be in surplus.																					
6.4	<p>At the start of 23/24 the portfolio will hold 167 properties for the Management and/or Letting by NCHEL, with likely reductions over the financial year based on the outcomes of an agreed Options strategy. One market rented home has recently been sold to the tenant.</p> <table border="0"> <thead> <tr> <th></th> <th style="text-align: right;">22/23</th> <th style="text-align: right;">23/24</th> </tr> </thead> <tbody> <tr> <td>• Market rented homes</td> <td style="text-align: right;">100</td> <td style="text-align: right;">99</td> </tr> <tr> <td>• Forest Road West*</td> <td style="text-align: right;">10</td> <td style="text-align: right;">10</td> </tr> <tr> <td>• Masson House</td> <td style="text-align: right;">16</td> <td style="text-align: right;">16</td> </tr> <tr> <td>• Fairham House</td> <td style="text-align: right;">24</td> <td style="text-align: right;">24</td> </tr> <tr> <td>• Ryehill</td> <td style="text-align: right;"><u>18</u></td> <td style="text-align: right;"><u>18</u></td> </tr> <tr> <td></td> <td style="text-align: right;">168</td> <td style="text-align: right;">167</td> </tr> </tbody> </table> <p>*Properties not owned by NCHEL but that are let as Market Rent homes number 10 properties at 105, 109 Forest Road West. These properties will be leased from NCH and let with income generated going to NCHEL.</p>		22/23	23/24	• Market rented homes	100	99	• Forest Road West*	10	10	• Masson House	16	16	• Fairham House	24	24	• Ryehill	<u>18</u>	<u>18</u>		168	167
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	168	167																				

6.5	<p>Rent increases for 2023/24 are set in line with the Market Rent in the area of each property. Proposed rent increases for all eligible Living AST tenancies (143 excluding Fairham House) for 23/24 will aim to achieve an overall 6.2% increase across the portfolio, 3.2% higher than the 3% that has been included in the Business Plan.</p> <table border="1" data-bbox="213 293 1275 412"> <thead> <tr> <th data-bbox="213 293 628 331">Description</th> <th data-bbox="628 293 837 331">2022/23</th> <th data-bbox="837 293 1027 331">2023/24</th> <th colspan="2" data-bbox="1027 293 1275 331">Increase</th> </tr> <tr> <td></td> <th data-bbox="628 331 837 369">£</th> <th data-bbox="837 331 1027 369">£</th> <th data-bbox="1027 331 1161 369">£</th> <th data-bbox="1161 331 1275 369">%</th> </tr> </thead> <tbody> <tr> <td data-bbox="213 369 628 412">Average Rent Per Month</td> <td data-bbox="628 369 837 412">690</td> <td data-bbox="837 369 1027 412">735</td> <td data-bbox="1027 369 1161 412">45</td> <td data-bbox="1161 369 1275 412">6.2</td> </tr> </tbody> </table>	Description	2022/23	2023/24	Increase			£	£	£	%	Average Rent Per Month	690	735	45	6.2
Description	2022/23	2023/24	Increase													
	£	£	£	%												
Average Rent Per Month	690	735	45	6.2												
6.6	<p>The 2023/24 budget includes the following key assumptions:</p> <ul style="list-style-type: none"> • Activity is based on current market rented activity • Rent increase is set at 6.2% • NCC recharges are budgeted in line with 2022/23 charges but assume a 4% increase for pay award for any staff element • Leases are based on 22/23 lease costs plus 3% increase in line with lease agreements • Rental income assumed within the annual budget includes void rate of 3% for all market rented homes currently let • The budget assumes that rental income charged but not recoverable over time, becomes bad debt and is projected at 3% 															
6.7	<p>The setting and approval of the 2023/24 budget is the responsibility of the NCH EL Board. The budget for 2023/24 is set out at Appendix 4. NCH EL has a budgeted loss for 2023/24 of £212k for the year.</p>															
6.8	<p>It should be noted that in setting the budgets for 2023/24, the adverse cash position of NCH EL, previously reported to the Board, has since been confirmed. The proposed 23/24 budget is for a £212k loss and (as previously reported) NCH EL requires cash support to remain solvent. There is also the added complexity that NCH EL cash is invested into assets which are currently being considered as part of the Assets Options Strategy work which is ongoing and will in all likelihood take some months to conclude. This issue has now become pressing, with insufficient cash available for NCH EL to meet its liabilities over the short term. It is therefore proposed that NCH EL seek agreement from NCC as the Groups sole lender, to defer the repayment of its loans (principal and interest) until such time as its assets are either disposed of or transferred. Thereby allowing the joint project which has started, to conclude an Asset Options Strategy for all NCH Group assets (which included NCH EL assets), to continue.</p>															
7	FINANCIAL, RISK , LEGAL AND HUMAN RESOURCE IMPLICATIONS															
7.1	<u>Financial Implications</u>															
7.1.1	As set out in the report.															
7.2	<u>Risk Implications</u>															
7.2.1	The risks and key assumptions underlying the 2023/24 budget are as follows:															

	<ul style="list-style-type: none"> • There is no available balance sheet for NCH and therefore no current view that reserves set aside for future liabilities and charges are sufficient to provide for the impact of the related ongoing and future events. Work is underway to complete this work. • There is no available cashflow forecast for NCH at present or for the NCH residual entity. There is therefore a risk that an adverse cash position could arise within the 12 months of the budget period, given the requirement to repay NCC funds. Work is underway to complete this work in conjunction with an affordable repayment plan. • Arboretum costs of completion exceed those budgeted resulting in impact on surplus and cash. • Any 22/23 accruals missed during year end close process would need to be accounted for in 23/24, and could impact the results presented and cash position • The level of the 2023/24 pay award could exceed the 4% pay increase included in the budgeted recharges from NCC. This risk relates to current inflationary pay awards being made. • Recharges with NCC have been estimated on known charges and based on principles of 2022/23. Service Level Agreements (SLAs) and Insurance charges with NCC are not yet agreed and once agreed will include the addition of VAT. • The cash shortfall for NCHEL means the company is not solvent without an agreed arrangement with NCC to defer loan payments. • The level of bad debt may exceed that within budgets due to cost-of-living pressures on tenants. • Inflation of construction materials and labour shortages remain a risk.
7.3	<u>Legal Implications</u>
7.3.1	It is important for the Board to be able to set and agree its budget moving forward into 2023/2024 based on the existence of a residual Group structure for some months. If there are any matters that have been assumed or are yet to be agreed which have an adverse impact on the information provided to Board in this report, a further Report should come before the Board so it can remain apprised of its trading position.
7.3.2	The position faced by NCHEL remains a high risk. The NCC/NCH Asset Options are being considered and the NCH Group has undertaken to deliver the associated Strategy once agreed. If this were not the case, then the recommendation would be to commence disposal of assets to ensure ongoing solvency. NCC is the main creditor, and it is prudent to seek an agreed variation to the terms of the loan facility agreement so that repayment of any outstanding loans coincide with asset disposal/transfer.
7.3.3	Board will recall that NCC has agreed to terms of a Termination Agreement which indemnify the Boards and individual members when making decisions in line with NCC's strategy.
7.4	<u>Human Resource Implications</u>
	There are no Human Resource implications
8	IMPLICATIONS FOR NOTTINGHAM CITY HOMES' OBJECTIVES

8.1	A robust financial budget and effective monitoring process to ensure the budget is tightly managed and controlled is essential to support the management of the residual businesses until the Asset Options Appraisal outcomes are known, agreed and applied by NCC.
9	EQUALITY AND DIVERSITY IMPLICATIONS
9.1	Has the equality impact of these proposals been assessed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
10	BACKGROUND MATERIAL AND PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT
10.1	<u>Appendix 1</u> - 2023/24 Group Budget
10.2	<u>Appendix 2</u> : 2023/24 NCH Residual Budget
10.3	Appendix 3: 2023/24 NCHRP Residual Budget
10.4	<u>Appendix 4</u> : 2023/24 NCHEL Residual Budget.
Contact officers:	
	Name: Bev Swift – AD of Finance & Procurement
	Address: Loxley House, Station Street, Nottingham NG2 3NJ
	Tel: 0115 746 429
	E-mail: bev.swift@nottinghamcityhomes.org.uk
Date: 16th February 2023	

NCH GROUP WIDE SUMMARY BUDGET 23-24

Appendix 1

I&E	BUDGET 22-23	YEAREND FORECAST 22-23	BUDGET 23-24	FORECAST TO BUDGET VARIANCE	Commentary
	£'000	£'000	£'000	£'000	
Income					
HRA Revenue Fees	50,107	50,107	0	50,107	All HRA services cease to be delivered by NCH Group Ltd
Other Income	30,816	28,834	10,362	18,472	Loss of capital works income and other NCC related income such as Nottingham On Call. NCH income consists primary external lease income for the group
Total	80,923	78,941	10,362	68,579	
Less :					
Expenditure					
Direct Employee Costs	44,808	40,821	0	(40,821)	Additional NCC corporate recharge. Primarily for staff costs and associated overheads, included in 23-24
NCC Management Recharges	0	0	1,955	1,955	NCC Management, staff and overhead recharges
Non-Pay Costs	34,593	37,402	8,404	(28,999)	Costs consist primarily of loan interest and depreciation for NCH Group owned properties and other running costs such as property repairs and insurance
Total	79,401	78,224	10,359	(67,865)	
Loss/(Surplus)	(1,522)	(717)	(3)	714	

NCH BOARD	£'000	£'000	£'000	£'000	Commentary
NCH	(1,413)	(187)	(11)	176	Consists of Intercompany leases, external rental income and associated costs only
NCHEL	148	19	212	193	Additional NCC corporate recharges £67k and additional VAT charges of £95k
NCHRP	(257)	(549)	(204)	345	Additional costs/income: £520k VAT, £176k increase in NRP bad debt provision (22-23 forecast includes a positive adjustment to BDP following a detailed review of existing provision compared to outstanding debt), £130k Highwood staff vacancy savings, £30k NOC cost reduction, £179k extra supporting people grant
Total	(1,522)	(717)	(3)	714	

NCH LTD RESIDUAL BUDGET 23-24

Appendix 2

I&E	BUDGET 23-24	COMMENTARY
	£'000	
<u>Income</u>		
- Rents	755	External rental income from 120 NCH owned social rent homes
- HRA Fee	0	
- Leases	1,375	Intercompany lease income - Midland House and Dispersed Properties (both temporary accommodation), Housing Led and FRW
- Other	5	Solar FIT tariff
Total	2,135	
<u>Expenditure</u>		
- SLA services (NCC)	104	NCC management charges, based on 2022/23 NCH SLA plus 4%
- Repairs	152	Repairs to owned properties; NCH Social, Dispersed, Midland House and Housing Led
- Depreciation - properties	533	Property depreciation; provision for planned maintenance in line with the Asset Management strategy
- Loan Interest	1,176	As per loan schedule
- Other professional fees	32	Sundry costs audit fees, insurance, bad debt provision, voids council tax
- Corporation Tax	128	Based on 19% rate
Total	2,125	
Loss/(Surplus)	(11)	

NCH REGISTERED PROVIDER LTD

Appendix 3

I&E	BUDGET 22-23	YEAREND FORECAST 22-23	BUDGET 23-24	FORECAST TO BUDGET VARIANCE	Commentary
	£'000	£'000	£'000	£'000	
Income					
Rents Income	7,336	7,743	8,176	(433)	Rent increases range between 5% to 11%
Income Other	44	44	223	(179)	Increase in supporting people grant income from NCC
Total	7,380	7,787	8,399	(612)	
Expenditure					
Management Fees	2,218	2,284	1,647	(637)	Highwood House staff savings (vacancies - c £130k), reduction in NOC recharges savings £30k, transfer of costs to Lease, Repairs & Property to align costs across NCC management costs and property running costs
Lease, Repairs & Property	4,318	4,442	5,310	868	Movement of costs previously in Management Fees to more accurately reflect property running costs, plus general inflationary and cost increases
Loan Interest	128	128	129	1	As per loan schedule
Admin & Other Costs	459	384	1,109	726	VAT increase of £520k as VAT now required on transactions between NCC and NCH. These recharges were previously intragroup which did not attract VAT. Increase in bad debt provision £166k (compared to forecast 22-23 following a detailed review of total bad debt provision)
Total	7,123	7,238	8,195	957	
LOSS / (SURPLUS)	(257)	(549)	(204)	345	

NCH ENTERPRISE LTD

Appendix 4

I&E	BUDGET 22-23	YEAREND FORECAST 22-23	BUDGET 23-24	FORECAST TO BUDGET VARIANCE	Commentary
	£'000	£'000	£'000	£'000	
Income					
Rents Income	1,125	1,180	1,203	(23)	6.2% rent increase, 3% voids rate
Rents - Intercompany Lease	285	282	285	(3)	Per lease agreement - intercompany activity
Total	1,410	1,462	1,487	(25)	
Expenditure					
Management	138	139	204	65	Additional NCC corporate recharge to cover support services/overhead costs, included in 23-24, based on 2022-23
Lease, Repairs & Property	340	296	364	68	£47k Fairham repairs, as per lease agreement
Loan Interest	924	929	938	9	Loan interest
Admin & Other Costs	156	117	192	76	VAT increase as VAT now required on transactions between NCC and NCH. These recharges were previously intragroup which did not attract VAT.
Total	1,558	1,481	1,699	218	
LOSS / (SURPLUS)	148	19	212	193	

	ITEM:
NOTTINGHAM CITY HOMES LIMITED	
	BOARD
REPORT OF THE EXECUTIVE ASSISTANT	23 FEBRUARY 2023
FUTURE COMPANY MANAGEMENT ARRANGEMENTS	
1	EXECUTIVE SUMMARY
1.1	This report provides the Board of Nottingham City Homes (NCH) with the plans for future management of NCH owned homes and confirms a business-as-usual approach for the time being whilst other NCH transition matters are progressed and concluded.
2	RECOMMENDATIONS
2.1	It is recommended that the Board;
2.2	Note and Comment on the report.
2.3	Review and Comment on the proposed draft Service Contract with Nottingham City Council.
3	REPORT
3.1	This report seeks to keep NCH Board members updated and provide assurances that business as usual can continue during the NCH transition process and whilst other matters are concluded.
3.2	Nottingham City Council (NCC) and the NCH Group have signed a Termination Agreement that, amongst other things, provides Board members with assurances in regard to the continuation of services post-transition. It also states in Clause 6; <i>“The Council shall indemnify all Board Members jointly and severally against any liability incurred by any or all of them arising from or in connection with their role as Board Members when pursuing Council Objectives except and then only to the extent that such liability would not have arisen but for the recklessness, fraud, illegality, dishonesty, or gross negligence of the relevant Board Member”</i> . The termination agreement was approved by Group Board on 19 December 2022 and signed on 3 January 2023.
3.3	A draft Service Contract between NCC and the NCH Group has been written and is attached for information in Appendix 1. It has been circulated to NCH and NCC officers for comment and will be brought back to Board for approval at a later meeting.
3.4	The Service Contract specifies the services that NCC will deliver to the NCH Group in general and to each company individually, as the Termination Agreement commits. It encompasses the full services previously supplied by NCH to its

	subsidiaries and should provide assurance to the Board that NCH Group tenants and properties are safeguarded and services will seamlessly continue.
3.5	<p>The Service Contract sets out the management, maintenance, operational support services and Board governance support to be supplied by NCC to the NCH Group, to include;</p> <ul style="list-style-type: none"> ➤ General Responsibilities of NCC ➤ General Responsibilities of NCH Limited ➤ General Responsibilities of NCH Registered Provider Limited ➤ General Responsibilities of NCH Enterprises Limited ➤ Responsible officers for each party to the contract ➤ Board governance ➤ Finance ➤ Legal ➤ Performance monitoring and reporting, including Regulatory requirements ➤ Health and Safety ➤ Data Protection and GDPR ➤ Complaints and Ombudsman enquiries ➤ Customer satisfaction surveys ➤ Charging mechanisms ➤ Joint Service Standards ➤ Quality control, contract monitoring and liaison ➤ Issue Resolution ➤ Selective Licencing administration (where required) ➤ Maintenance of the properties covered by this contract, including; <ul style="list-style-type: none"> ○ Property safety compliance ○ Building safety compliance ○ Responsive repairs – 24/7 emergency, urgent and routine ○ Void repairs ○ Planned maintenance ○ Lifecycle replacement ➤ Management of the tenancies and licences, including; <ul style="list-style-type: none"> ○ Point of contact, including 24/7 emergency repair reporting ○ Tenancy management ○ Licence agreement management ○ Allocations and lettings ○ Intensive housing management (where appropriate) ○ Rent and service charge setting ○ Rent arrears management ○ Tenancy end processes and associated documentation
3.6	In addition to operational management, the Service Contract will include the provision of support the Board on matters of governance, finance, regulatory compliance and performance. A lead officer will be appointed for NCH, NCH RP and NCH EL.
3.7	The remuneration for services provided will be based on actual costs where these are known or can be identified. Where such actual costs cannot be easily extrapolated, charges will be based on previous NCH Service Level Agreement values, updated for 2023/24. The NCH 2023/24 budget has allowed for these costs.

3.8	From 1 April 2023, services currently supplied by NCH will be subject to VAT at 20% because services are provided from outside the NCH Group. Budgets and charges levied to residents have taken this additional cost into account.
4	FINANCIAL, LEGAL AND RISK IMPLICATIONS
4.1	<u>Financial Implications</u>
4.1.1	The Service Contract with NCC will ensure, where feasible, that actual costs will be charged for services received.
4.1.2	From 1 April 2023, VAT at 20% will be applied to all services received from NCC, adding to NCH costs. These have been accounted for in 2023/24 budgets.
4.2	<u>Legal Implications</u>
4.2.1	Legal advice will be taken prior to seeking Board approval of the Service Contract.
4.3	<u>Risk Implications</u>
4.3.1	Without an agreed service contract, the NCH Board will not be assured that services will continue to be provided to tenants, licensees and properties, putting lives and assets at risk.
5	IMPLICATIONS FOR NOTTINGHAM CITY HOMES OBJECTIVES
5.1	The delivery of excellent quality, affordable homes to rent is a key objective of NCH.
6	EQUALITY AND DIVERSITY IMPLICATIONS
6.1	Has the equality impact of these proposals been assessed? <input type="checkbox"/> Yes (EIA attached) <input checked="" type="checkbox"/> No (this report does not contain proposals which require an EIA)
7	BACKGROUND MATERIAL AND PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT
7.1	The NCC/ NCH Termination Agreement, approved by Board on 19 December 2022.
Contact officers:	Name: Mark Lawson, Executive Assistant
	Address: Loxley House, Station Street, Nottingham, NG2 3NJ
	Tel: 07904 308702
	E-mail: mark.lawson@nottinghamcityhomes.org.uk
Date: 16 February 2023	



Service Contract
between
Nottingham City Council
And
The Nottingham City Homes Group of
Companies

Comprising
Nottingham City Homes Limited
Nottingham City Homes Registered Provider Limited
Nottingham City Homes Enterprises Limited

Draft V1, 15 February 2023



THIS SERVICE CONTRACT AGREEMENT is made on

2023

Parties

- (1) **Nottingham City Council**, a Local Authority, whose registered office is at Loxley House, Station Street, Nottingham NG2 3NG
(the **service provider**);
- (2) **Nottingham City Homes Limited**, a company limited by guarantee registered with Companies House in England under company number **5292636**, whose registered office is at Loxley House, Station Street, Nottingham NG2 3NJ
(**service recipient**);
- (3) **Nottingham City Homes Registered Provider Limited**, a company limited by guarantee registered with Companies House under company number 9810057 and whose registered office is at Loxley House, Station Street, Nottingham NG2 3NJ
(**service recipient**);
- (4) **Nottingham City Homes Enterprises Limited**, a company limited by shares registered with Companies House under company number 9805670 and whose registered office is at Loxley House, Station Street, Nottingham NG2 3NJ
(**service recipient**).

Service Contract	Provision of Housing Management, Maintenance and Support Services
Service Delivered by	Nottingham City Council
Service Delivered to	Nottingham City Homes Group, including Nottingham City Homes Limited Nottingham City Homes Registered Provider Limited Nottingham City Homes Enterprises Limited
Lead Officers,	
Nottingham City Council	
Nottingham City Homes Limited	
Nottingham City Homes Registered Provider Limited	
Nottingham City Homes Enterprises Limited	
Period Covered	1 April 2023 to 31 March 2025
Services to be provided	Provision of; ❖ Governance services ❖ Finance services ❖ Legal services ❖ Performance and regulatory management services ❖ Risk management and health and safety services ❖ Information governance services ❖ Insurance services ❖ Property and building safety compliance ❖ Responsive repair and maintenance ❖ Void repair ❖ Planned maintenance ❖ Tenancy and Licence management ❖ Intensive housing management services ❖ Allocations and lettings ❖ Rent setting and arrears management
Review Date	1 October 2023
Approved By;	
Nottingham City Council	
Nottingham City Homes Limited	
Nottingham City Homes Registered Provider Limited	
Nottingham City Homes Enterprises Limited	

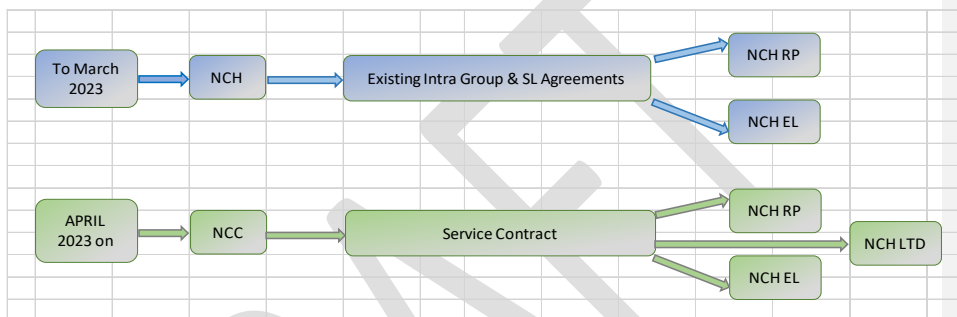
Commented [ML1]: Term to be agreed

1) Introduction

This Service Contract is made between Nottingham City Council (NCC) (“the service provider”) and the Nottingham City Homes group of companies (NCH Group), comprising Nottingham City Homes Limited (NCH), Nottingham City Homes Registered Provider Limited (NCH RP) and Nottingham City Homes Enterprises Limited (NCH EL) for the provision of housing management and maintenance services to properties and service users of the NCH group.

This Service Contract replaces the NCH Intra-group Agreement and Service Level Agreements between NCH Limited and its subsidiaries, NCH Registered Provider Limited and NCH Enterprises Limited.

Commented [ML2]: A new form of agreement that details the powers of each entity and it's sole member will still be required, or it could be merged with this service contract.



The purpose of this Service Contract is to:

- Define and detail the responsibilities of NCC and the NCH Group
- Define what services will be provided, operated and delivered by NCC to the NCH Group
- Define payment by the NCH Group to NCC for the cost of services provided
- Define the service standards required
- Define who will manage the service contract for NCC, NCH, NCH RP and NCH EL
- Define any contract resolution processes.

2) Scope of Service

The Service Contract sets out the management, maintenance, operational support services and Board governance support to be supplied by NCC to the NCH Group, to include;

- General Responsibilities of NCC
- General Responsibilities of the NCH Group, to include NCH Limited, NCH Registered Provider Limited and NCH Enterprises Limited
- Responsible officers for each party to the contract
- Board governance
- Finance
- Legal
- Performance monitoring and reporting, including Regulatory requirements
- Health and Safety

- Information governance, data protection and GDPR
- Complaints and Ombudsman enquiries
- Customer insights and satisfaction surveys
- Selective Licencing administration (where required)
- Maintenance of the properties covered by this contract, including;
 - Property safety compliance
 - Building safety compliance
 - Responsive repairs – 24/7 emergency, urgent and routine
 - Void repairs
 - Planned maintenance
 - Lifecycle replacement
- Management of the tenancies and licences, including;
 - Allocations and lettings
 - Customer service point of contact, including 24/7 emergency repair reporting
 - Tenancy management
 - Intensive housing management (where appropriate)
 - Anti-Social Behaviour management
 - Tenancy end processes and associated documentation
 - Licence agreement management
 - Rent administration
 - Rent and Service Charge setting
 - Rent arrears management
- Caretaking, cleaning and grounds maintenance
- Charging mechanisms
- Joint Service Standards (Appendix 1)
- Quality control, contract monitoring and liaison
- Issue Resolution

Commented [ML3]: Will need a Data Sharing agreement

3) General Responsibilities of NCC

NCC will deliver the following services;

Ref	Responsibility	Task/ activity	To be delivered to		
			NCH	NCH RP	NCH EL
1	Governance	<ul style="list-style-type: none"> ▪ Setting quarterly meetings ▪ Agendas and minutes ▪ AGM ▪ Company advice & filing ▪ Risk management ▪ Filing of Company documents ▪ Assign a senior client Responsible Officer to oversee the service contract 	✓	✓	✓
2	Responsible Client Officer (NCC)	<ul style="list-style-type: none"> ▪ Lead Responsible Officer for the contractor (NCC) ▪ Oversee service contract provision ▪ Maintain required levels of performance and standards ▪ Accept service of notices ▪ Issue resolution 	✓	✓	✓

Ref	Responsibility	Task/ activity	To be delivered to		
			NCH	NCH RP	NCH EL
3	Responsible Officer for each NCH company (general duties)	<ul style="list-style-type: none"> ▪ Assign a senior client Responsible Officer to each NCH company ▪ Board liaison and meeting agenda ▪ Business plan and model ▪ Strategy and direction ▪ New business ▪ Agreeing and monitoring service contracts and SLAs ▪ Annual budget setting ▪ Setting charges to meet expenditure, including services and agreed surplus ▪ Monthly budget monitoring and projection in conjunction with Finance Officer, including scrutiny of SLA charges ▪ Approving Purchase Orders and authorising invoices ▪ Monitoring property safety compliance ▪ High level enquires ▪ Dispute resolution 	✓	✓	✓
4	Responsible Officer NCH Ltd (specific duties)	<ul style="list-style-type: none"> ▪ TBA 	✓		
5	Responsible Officer NCH RP (specific duties)	<ul style="list-style-type: none"> ▪ Strategic direction and overseeing TA provision ▪ Securing new accommodation ▪ Provider reviews ▪ Lease and licence negotiation ▪ Strategic negotiation with Benefits 		✓	
6	Responsible Officer NCH EL (specific duties)	<ul style="list-style-type: none"> ▪ TBA ▪ Selective licencing requirements 			✓

Ref	Responsibility	Task/ activity	To be delivered to		
			NCH	NCH RP	NCH EL
7	Finance	<ul style="list-style-type: none"> ▪ Annual and quarterly financial and budget reporting ▪ Presenting to NCH Boards ▪ Monthly accounts ▪ Maintaining ledgers ▪ Maintaining bank accounts ▪ MTFP ▪ Stress testing, where necessary ▪ Audit ▪ Company accounts ▪ Corporation Tax ▪ VAT ▪ Procurement ▪ Purchase orders and invoice payment ▪ Financial and tax advice 	✓	✓	✓
8	Legal	<ul style="list-style-type: none"> ▪ Provision of legal advice as required ▪ Leases ▪ Possession action ▪ Legal defence 	✓	✓	✓
9	Business Transformation	<ul style="list-style-type: none"> ▪ Annual and quarterly performance reporting on; <ul style="list-style-type: none"> ○ building compliance, ○ regulatory compliance, ○ rent collection, ○ complaints, ○ voids, ○ customer satisfaction 	✓	✓	✓
10	Business Transformation	<ul style="list-style-type: none"> ▪ Regulatory advice (RoSH) ▪ Regulatory returns (RoSH) ▪ Housemark returns 		✓	
11	Customer Insight and satisfaction	<ul style="list-style-type: none"> ▪ Comments and complaints handling ▪ Ombudsman enquiries ▪ Customer satisfaction surveys ▪ Minor disrepair compensation 	✓	✓	✓
12	Health and Safety	<ul style="list-style-type: none"> ○ Provision of health and safety advice as required 	✓	✓	✓
13	Information governance, data protection and GDPR	<ul style="list-style-type: none"> ○ Provision of information governance, data protection and GDPR advice as required ○ Dealing with data and Access to Information requests, etc 	✓	✓	✓
14	Selective Licencing	<ul style="list-style-type: none"> ▪ Administration, applications, issue resolution 			✓
15	Insurance	<ul style="list-style-type: none"> ○ Insuring property assets ○ Public liability insurance ○ Fidelity insurance ○ Disrepair and public liability claims 	✓	✓	✓

Ref	Responsibility	Task/ activity	To be delivered to		
			NCH	NCH RP	NCH EL
16	Building and Property Safety Compliance	<ul style="list-style-type: none"> o Completion of building safety compliance servicing and checks to properties owned by the NCH Group or leased to NCH RP through the Private Sector Leasing scheme, in accordance with NCC policies and service standards (carried forward from NCH), to include; <ul style="list-style-type: none"> o gas safety and servicing o smoke and CO detectors o electrical periodic checks o district heating servicing (where fitted) o PAT testing o thermostatic mixing valve checks o fire safety detection and alarm systems o emergency lighting o water safety (legionella) o sprinklers (where fitted) o any new emerging compliance requirements 	✓	✓	✓
17	Responsive repairs	<ul style="list-style-type: none"> o Provision of responsive repairs to properties owned by the NCH Group or leased to NCH RP through the Private Sector Leasing scheme, in accordance with NCC policies and service standards (carried forward from NCH) and reflective of NCH Group tenancy and licence agreement provisions, to include; <ul style="list-style-type: none"> o emergency repairs, 24/7 o routine repairs o replacement of failed items 	✓	✓	✓
18	Void Repairs	<ul style="list-style-type: none"> o Completion of Voids works to all NCH Group owned properties (plus NCH RP Private Sector Leasing Scheme) on vacation of tenant or licensee, to include; <ul style="list-style-type: none"> o gas cap o lock change o reinstatement works o electrical periodic check o gas recommission o clean o return ready to let. 	✓	✓	✓

		<ul style="list-style-type: none"> To agree a different lettable standard where required from the NCC policy 			
			To be delivered to		
Ref	Responsibility	Task/ activity	NCH	NCH RP	NCH EL
19	Planned maintenance and Lifecycle Replacement	<ul style="list-style-type: none"> Writing and updating Planned Maintenance programmes for NCH Group properties Completion of Planned Maintenance works to all NCH Group owned properties in accordance with the Planned Maintenance Programme. 	✓	✓	✓
20a	Allocations and Lettings (NCC team)	<ul style="list-style-type: none"> Advertising general needs homes for let on Homelink Shortlisting applicants and making offers Signing up new tenants and explaining tenancy conditions Ordering furniture and kitchen appliances for furnished tenancies Updating IT systems 	✓	✓	
20b	Allocations and Lettings (Dedicated TA team)	<ul style="list-style-type: none"> For NCH RP temporary accommodation and Housing Led; <ul style="list-style-type: none"> receiving nominations from NCC Housing Aid allocating property resource accompanying residents to the property sign-up explaining licence conditions updating IT systems CORE returns 		✓	
20c	Allocations and Lettings (Dedicated Living team)	<ul style="list-style-type: none"> For Living market rent accommodation; <ul style="list-style-type: none"> advertising property to let with Open Rent Open Rent source tenants, references, deposits and first month's rent in advance accompanied viewings sign up and explain tenancy conditions explain tenancy conditions and sign up Direct Debit 			✓

Ref	Responsibility	Task/ activity	To be delivered to		
			NCH	NCH RP	NCH EL
21	Customer Service	o Customer Service Centre	✓	✓	✓
		o 24/7 emergency repairs reporting			
		o Provision of rent and arrears advice (not NCH RP temporary accom)	✓	✓	✓
		▪ Tenancy management advice and assistance (not NCH RP temp acc)	✓	✓	
22a	Tenancy Management (TEM team)	o Managing tenancies in NCH owned and NCH RP general needs assured tenancies, to include; o routine tenancy visits o tenancy amendments o neighbour disputes o gardens and communal areas o environmental and estate management o tenant liaison and involvement o breaches of tenancy o notice to quit	✓	✓	
22b	Tenancy Management (Dedicated Living team)	o Managing tenancies in NCH EL Living assured tenancies, to include; o routine tenancy visits o tenancy amendments o neighbour disputes o gardens and communal areas o breaches of tenancy o notice to quit			✓
23	Anti-Social Behaviour management	o Specialist anti-social behaviour advice and assistance o Community mediation o Liaison with Community Protection and the Police o Issuing notices and legal proceedings in conjunction with Legal services	✓	✓	✓

Ref	Responsibility	Task/ activity	To be delivered to		
			NCH	NCH RP	NCH EL
24	Licence Management in temporary accommodation and Housing Led properties	<ul style="list-style-type: none"> o Managing NCH RP temporary accommodation licences (dedicated TA team) and Housing Led (project officers), to include; o receiving nominations from NCC o allocating temporary accom. o signing up licensees and explaining licence conditions o compiling a Housing Needs assessment o regular contact with residents o provision of advice and assistance to sustain their licence o completion of Housing Benefit applications o managing rent payments and arrears o managing behaviour and damage o property inspections o furniture inventories o assistance with referrals to other agencies o assistance with finding a permanent home o liaison with NCC Housing Aid o terminations and liaising with Voids o chasing former tenant arrears o Ordering replacement furniture and appliances o Appropriate record keeping to demonstrate "care, support and supervision" delivered o Ensuring compliance with national and local regulatory or voluntary standards for specialist supported housing. 		✓	
25	Rent administration	<ul style="list-style-type: none"> o Payment methods o Accounting for rent and charge payments by accounting fund o Performance reporting o Direct Debit administration o Refunds o IT systems administration 	✓	✓	✓

Ref	Responsibility	Task/ activity	To be delivered to		
			NCH	NCH RP	NCH EL
26a	Rent and Service Charge setting	<ul style="list-style-type: none"> ○ NCH and NCH RP assured tenancies; ○ calculation of charges needed to balance the budget ○ Board approvals ○ NCC Benefits approvals ○ resident and Benefit notifications ○ system uprating 	✓	✓	
26b	Rent and Service Charge setting	<ul style="list-style-type: none"> ○ NCH RP temporary accommodation; ○ calculation of charges needed to balance the budget ○ Board approvals ○ NCC Benefits approvals ○ resident and Benefit notifications ○ system uprating. 		✓	
26c	Rent and Service Charge setting (Dedicated Living team)	<ul style="list-style-type: none"> ○ Market rent; ○ initial market rent setting ○ Board approvals ○ annual reviews at tenancy anniversary ○ providing notifications ○ system uprating. 			✓
27a	Rent arrears management for assured tenancies (by Rents team)	<ul style="list-style-type: none"> ○ Reviewing rent accounts in arrears ○ Making and maintaining contact with debtors ○ benefit advice and assistance ○ tenancy sustainment support ○ referrals to outside agencies ○ taking appropriate action ○ issuing notices for possession in conjunction with legal ○ former tenant arrears chasing 	✓	✓	✓

Ref	Responsibility	Task/ activity	To be delivered to		
			NCH	NCH RP	NCH EL
27b	Rent arrears management for licenses in temporary accommodation) by TA team	<ul style="list-style-type: none"> o Reviewing rent accounts in arrears o making and maintaining contact with debtors o assistance to claim HB o benefit advice and assistance o support and supervision o referrals to outside agencies o taking appropriate action o issuing notices for possession 		✓	
28	Caretaking and cleaning	<ul style="list-style-type: none"> o Provision of caretaking and cleaning to communal areas in NCH Group blocks. 	✓	✓	✓
29	Grounds maintenance	<ul style="list-style-type: none"> o Provision of grounds maintenance to communal external areas surrounding NCH Group blocks. 	✓	✓	✓

4) General Responsibilities of the NCH Group

- 4.1) The NCH Group will work with NCC to deliver the joint objectives of delivering excellent quality, safe homes and temporary accommodation for Nottingham citizens and families.
- 4.2) To retain Board structures to fulfil company requirements and facilitate strategic objectives and decisions.
- 4.3) To maintain separate accounting systems, bank accounts and (where required) VAT registration for each company.
- 4.4) To pay NCC's actual costs of delivering services to NCH, NCH RP and NCH EL.
- 4.5) To abide by the provisions of General Data Protection Regulations as the data owner and with NCC as data processor both parties agree to sign a data sharing agreement.
- 4.6) Work with NCC to determine the best long-term future for NCH Group tenants, licensees and property assets.

5) Responsible officers

- 5.1) NCC will provide the Boards of NCH, NCH RP and NCH EL with a client Responsible Officer of sufficient seniority to lead the operations of the company and act as advocate for the Board.
- 5.2) Responsible officers will set and manage budgets, approve spend, write business plans and strategies and monitor all aspects of performance and compliance delivered by NCC to the company in accordance with this service contract.
- 5.3) NCC will also appoint a senior contractor Responsible Officer to oversee the delivery, performance and compliance of this service contract.

6) Charging mechanisms

- 6.1) Charges for services delivered by NCC under this service contract will be levied to the NCH companies at the actual cost of delivery, where this is able to be identified and agreed.
- 6.2) Itemised invoices should be raised monthly or quarterly for approval.
- 6.3) All charges for services will be subject to VAT at the prevailing rate.
- 6.4) Where the actual cost of delivery is known, this cost will be passed to each NCH Group company in full, as follows;
 - gross salaries of staff engaged 100% in NCH activities
 - pro-rata gross salaries of staff substantially engaged (33% or more) in NCH Group activities at the agreed pro-rata percentage
 - assessed fixed costs such as caretaking, cleaning, grounds maintenance
 - assessed per-property costs for property and building safety compliance
 - repairs and maintenance work completed
 - planned maintenance work completed
 - void repairs work completed
 - insurance
- 6.5) Where actual costs are not known, NCH, NCH RP and NCH EL shall pay costs based on pro-rata calculation of the total cost of the NCC service, divided by the number of properties for each NCH company receiving that service. It should be noted that parts of the NCH Group property portfolio has dedicated staff performing some of these functions so should not be billed here also;
 - tenancy management
 - arrears management
 - customer service
 - customer insight
 - complaints and ombudsman enquiries
 - information governance, data protection and GDPR
 - health and safety
 - general overheads, including ICT, senior management, HR
- 6.6) Where pro-rata costs based on property numbers would not proportionately reflect the cost of service delivery, fixed costs should be agreed by the parties to this contract. Examples would be;
 - governance
 - finance
 - performance reporting and monitoring
 - regulatory matters
- 6.7) A summary of services to be provided to each NCH company and specific property use portfolios is in Appendix 2.
- 6.8) The cost matrix used to define costs of services provided under this Service Contract is contained in Appendix 3.

7) Service Standards

- 7.1) NCC will deliver services to the NCH Group, its tenants, licensees and properties in accordance with NCC's service standards (as inherited from NCH), the links to which are in Appendix 1.
- 7.2) Proposed amendments to service standard statements existing at the time of this agreement, must be approved by the respective Responsible Officers and Boards.
- 7.3) Additional or different service standards may be agreed by all parties where necessary and costs agreed where considered to be different.
- 7.4) All parties to this Service Contract commit to the following;
 - a. to work together and collaboratively to successfully deliver the outcomes required under this contract,
 - b. to keep tenants, licensees, staff and properties safe,
 - c. to work to get void properties urgently back into use,
 - d. to maximise income,
 - e. to ensure costs are accurate with no subsidy or over-charging.

8) Quality control, contract monitoring and liaison

- 8.1) The Responsible Officers are accountable for monitoring the service contract and performance and quality of service provided by NCC staff.
- 8.2) The Responsible Officers will initially adopt the NCH performance and service standards from 2022/23 in which to assess delivery performance of this contract in general.
- 8.3) It is expected that the Responsible Officers will agree further contract monitoring measures in due course. Such measures must be agreed by all parties.
- 8.4) Responsible Officers shall meet monthly to assess performance and raise any issues or charging queries.

9) Issue resolution

- 9.1) All parties to this contract commit to dealing with complaints or dissatisfaction about the level of service provided, or the Service Contract itself, effectively and efficiently and to take immediate remedial action to resolve the complaint and avoid a re-occurrence.
- 9.2) Areas of under-performance or potential breach of contract shall be raised at the monthly contract review meeting and an action plan to address issues agreed.
- 9.3) Where an action plan cannot be agreed, or concerns remain about under-performance or breach of this contract, an escalation process has been devised to address and resolve concerns as follows;

➤ Stage 1

The under-performance issue, complaint or potential breach of contract by NCC shall be put in writing/ email to the NCC Lead Officer who will review the matter within ten working days. If the matter is complex and it is not possible to fully resolve within this timescale then an interim written response to the NCH Responsible Officer will be

made within five working days, and the matter finally resolved within a further ten working days.

➤ **Stage 2**

If the issue remains unresolved, under-performance issue, complaint or potential breach of contract, together with appropriate evidence, shall be escalated to the NCC Director of Housing for review. A final written response will be made to the NCH Responsible Officer within ten working days.

➤ **Stage 3**

In the unlikely event that agreement cannot be achieved, the dispute shall be referred to the NCC Corporate Director, who may request a meeting with Responsible Officers and will provide a full written response within a further ten working days. Matters referred to Stage 3 must be reported to the relevant NCH company Board for review.

10) Review

- 10.1) This Service Contract and all its constituent parts will be reviewed bi-annually by the assigned Responsible Officers or when otherwise required by an urgent need - changes to legislation for example.
- 10.2) Any changes or alterations to the services provided which will affect this Service Contract during the length of the agreement must be agreed by all parties.

11) Termination

This agreement may be terminated in the following ways:

- 11.1) By any party forthwith by written notice if the other should be formally dissolved or cease operation, or in the case of NCHRP have its registration withdrawn by the Regulator of Social Housing.
- 11.2) On the expiry of six months written notice given by either party to the other.
- 11.3) In the event of gross or fundamental breach of this Service Contract by the service of one week's written notice by one party on the defaulting party.
- 11.4) By NCC forthwith upon written notice upon the failure by the NCH Group to pay any sums due to NCC within 90 days of demand.

12) Indemnity

- 12.1) NCC shall indemnify the NCH Group against any action, claim or demand against the NCH Group arising out of any failure of NCC to fulfil its responsibilities herein set out or imposed upon it by statute or otherwise PROVIDED ALWAYS that the liability of NCC hereunder (save for liability for negligence resulting in personal injury or death) to the NCH Group in respect of any such action, claim or demand shall not exceed the aggregate of the Service Contract fee paid by the NCH Group to NCC within the period of 12 months expiring upon the date of such action, claim or demand.
- 12.2) The NCH Group shall indemnify NCC against any action, claim or demand against NCC arising out of any failure of the NCH Group to fulfil its responsibilities herein set out or imposed upon it by statute or otherwise.

Signatories

<p><u>Nottingham City Council</u></p> <p>Name.....</p> <p>Position.....</p> <p>Organisation.....</p> <p>Signature.....</p> <p>Date</p>	<p><u>Nottingham City Homes Limited</u></p> <p>Name.....</p> <p>Position.....</p> <p>Organisation.....</p> <p>Signature.....</p> <p>Date</p>
<p><u>Nottingham City Homes Registered Provider Limited</u></p> <p>Name.....</p> <p>Position.....</p> <p>Organisation.....</p> <p>Signature.....</p> <p>Date</p>	<p><u>Nottingham City Homes Limited Enterprises Limited</u></p> <p>Name.....</p> <p>Position.....</p> <p>Organisation.....</p> <p>Signature.....</p> <p>Date</p>

Appendix 1

List of NCC Service Standards, Strategies and Policies that apply to this Service Contract:

- ❖ Repairs Service Standards: <https://www.nottinghamcityhomes.org.uk/repairs/repairs-service-standards/>
- ❖ Lettable Standard:
- ❖ Customer Services Strategy: <http://documents.nottinghamcity.gov.uk/download/7870>
- ❖ Compliments, Comments and Complaints procedure: <http://documents.nottinghamcity.gov.uk/download/8662>
- ❖ Tackling ASB and Crime Strategy <http://documents.nottinghamcity.gov.uk/download/7874>
- ❖ Tenant and Leaseholder Involvement Strategy: <http://documents.nottinghamcity.gov.uk/download/7872>
- ❖ Equality, Diversification and Inclusion Strategy: <http://documents.nottinghamcity.gov.uk/download/7871>
- ❖ Health and Safety Policy: <http://documents.nottinghamcity.gov.uk/download/7886>
- ❖ Data Protection Policy: <http://documents.nottinghamcity.gov.uk/download/7941>

Service Summary by Ownership and Use

NCH Owned Social Rent Homes; 120 general needs properties for social rent

Activity	Cost Basis	Delivered by		
		Responsible Officer	Dedicated Team	Generic team (pro-rata)
Governance	Fixed actual cost	✓		✓
NCH Responsible/ Lead Officer duties	Fixed actual cost	✓		
Finance	Fixed actual cost	✓		✓
Legal	Variable actual cost			✓
Business Transformation; reporting/ monitoring	Fixed actual cost			✓
Business Transformation; regulation	NA			
Customer insight	Property pro-rata			✓
Health and Safety	Property pro-rata			✓
Information governance and data protection	Property pro-rata			✓
Selective licencing	Fixed actual cost		✓	
Insurance	Fixed actual cost		✓	
Building and property safety compliance	Fixed actual cost			✓
Responsive repairs	Variable actual cost			✓
Void repairs	Variable actual cost			✓
Planned maintenance	Variable actual cost			✓
Allocations and lettings; general needs	Property pro-rata			✓
Allocations and lettings; temporary accommodation	NA			
Allocations and lettings; market rent	NA			
Customer service; CSC, call handling, repairs reporting	Property pro-rata			✓
Tenancy and Estate Management; general needs	Property pro-rata			✓
Tenancy and Estate Management; market rent	NA			
Licence Management; temporary accommodation	NA			
Tenancy Management; housing led	NA			
Anti-social behaviour management	Property pro-rata			✓
Rent administration	Fixed actual cost			✓
Rent and charge setting	Fixed actual cost	✓		
Rent arrears management	Property pro-rata			✓
Arrears management in temp. accommodation & hsg led	NA			
Caretaking, cleaning and grounds maintenance	Fixed actual cost			✓

Service Summary by Ownership and Use

NCH Owned Dispersed; 150 dispersed properties leased to NCH RP for temporary accommodation

Activity	Cost Basis	Delivered by		
		Responsible Officer	Dedicated Team	Generic team (pro-rata)
Governance	Fixed actual cost	✓		✓
NCH RP Responsible/ Lead Officer duties	Fixed actual cost	✓		
Finance	Fixed actual cost	✓		✓
Legal	Variable actual cost			✓
Business Transformation; reporting/ monitoring	Fixed actual cost			✓
Business Transformation; regulation	Fixed actual cost			✓
Customer insight	Property pro-rata			✓
Health and Safety	Property pro-rata			✓
Information governance and data protection	Property pro-rata			✓
Selective licencing	NA			
Insurance	Fixed actual cost		✓	
Building and property safety compliance	Fixed actual cost			✓
Responsive repairs	Variable actual cost			✓
Void repairs	Variable actual cost			✓
Planned maintenance	Variable actual cost			✓
Allocations and lettings; general needs	NA			
Allocations and lettings; temporary accommodation	Fixed actual cost		✓	
Allocations and lettings; market rent	NA			
Customer service; CSC, call handling, repairs reporting	Property pro-rata			✓
Tenancy and Estate Management; general needs	NA			
Tenancy and Estate Management; market rent	NA			
Licence Management; temporary accommodation	Fixed actual cost		✓	
Tenancy Management; housing led	NA			
Anti-social behaviour management	Property pro-rata		✓	
Rent administration	Fixed actual cost			✓
Rent and charge setting	Fixed actual cost	✓		
Rent arrears management	Property pro-rata		✓	
Arrears management in temp. accommodation & hsg led	Fixed actual cost		✓	
Caretaking, cleaning and grounds maintenance	Fixed actual cost			✓

Service Summary by Ownership and Use

NCH Owned; 11 properties leased to NCH RP for Housing Led accommodation

Activity	Cost Basis	Delivered by		
		Responsible Officer	Dedicated Team	Generic team (pro-rata)
Governance	Fixed actual cost	✓		✓
NCH RP Responsible/ Lead Officer duties	Fixed actual cost	✓		
Finance	Fixed actual cost	✓		✓
Legal	Variable actual cost			✓
Business Transformation; reporting/ monitoring	Fixed actual cost			✓
Business Transformation; regulation	Fixed actual cost			✓
Customer insight	Property pro-rata			✓
Health and Safety	Property pro-rata			✓
Information governance and data protection	Property pro-rata			✓
Selective licencing	NA			
Insurance	Fixed actual cost		✓	
Building and property safety compliance	Fixed actual cost			✓
Responsive repairs	Variable actual cost			✓
Void repairs	Variable actual cost			✓
Planned maintenance	Variable actual cost			✓
Allocations and lettings; general needs	NA			
Allocations and lettings; Housing Led	Fixed actual cost		✓	
Allocations and lettings; market rent	NA			
Customer service; CSC, call handling, repairs reporting	Property pro-rata			✓
Tenancy and Estate Management; general needs	Property pro-rata		✓	
Tenancy and Estate Management; market rent	NA			
Licence Management; temporary accommodation	NA			
Tenancy Management; housing led	Fixed actual cost		✓	
Anti-social behaviour management	Property pro-rata		✓	
Rent administration	Fixed actual cost			✓
Rent and charge setting	Fixed actual cost	✓		
Rent arrears management	Property pro-rata		✓	
Arrears management in temp. accommodation & hsg led	Fixed actual cost		✓	
Caretaking, cleaning and grounds maintenance	Fixed actual cost			✓

Service Summary by Ownership and Use

NCH Owned Midland House; 21 properties leased to NCH RP for temporary accommodation

Activity	Cost Basis	Delivered by		
		Responsible Officer	Dedicated Team	Generic team (pro-rata)
Governance	Fixed actual cost	✓		✓
NCH RP Responsible/ Lead Officer duties	Fixed actual cost	✓		
Finance	Fixed actual cost	✓		✓
Legal	Variable actual cost			✓
Business Transformation; reporting/ monitoring	Fixed actual cost			✓
Business Transformation; regulation	Fixed actual cost			✓
Customer insight	Property pro-rata			✓
Health and Safety	Property pro-rata			✓
Information governance and data protection	Property pro-rata			✓
Selective licencing	NA			
Insurance	Fixed actual cost		✓	
Building and property safety compliance	Fixed actual cost			✓
Responsive repairs	Variable actual cost			✓
Void repairs	Variable actual cost			✓
Planned maintenance	Variable actual cost			✓
Allocations and lettings; general needs	NA			
Allocations and lettings; temporary accommodation	Fixed actual cost		✓	
Allocations and lettings; market rent	NA			
Customer service; CSC, call handling, repairs reporting	Property pro-rata			✓
Tenancy and Estate Management; general needs	NA			
Tenancy and Estate Management; market rent	NA			
Licence Management; temporary accommodation	Fixed actual cost		✓	
Tenancy Management; housing led	NA			
Anti-social behaviour management	Property pro-rata		✓	
Rent administration	Fixed actual cost			✓
Rent and charge setting	Fixed actual cost	✓		
Rent arrears management	Property pro-rata		✓	
Arrears management in temp. accommodation & hsg led	Fixed actual cost		✓	
Caretaking, cleaning and grounds maintenance	Fixed actual cost			✓

Service Summary by Ownership and Use

NCH Arboretum Homes; 37 Arboretum and Forest Road West properties for refurbishment (un-tenanted bar 1 – let at market rent)

Activity	Cost Basis	Delivered by		
		Responsible Officer	Dedicated Team	Generic team (pro-rata)
Governance	Fixed actual cost	✓		✓
NCH Responsible/ Lead Officer duties	Fixed actual cost	✓		
Finance	Fixed actual cost	✓		✓
Legal	Variable actual cost			✓
Business Transformation; reporting/ monitoring	Fixed actual cost			✓
Business Transformation; regulation	NA			
Customer insight	Property pro-rata			✓
Health and Safety	Property pro-rata			✓
Information governance and data protection	Property pro-rata			✓
Selective licencing	Fixed actual cost		✓	
Insurance	Fixed actual cost		✓	
Building and property safety compliance	Fixed actual cost			✓
Responsive repairs	Variable actual cost			✓
Void repairs	Variable actual cost			✓
Planned maintenance	Variable actual cost			✓
Allocations and lettings; general needs	NA			
Allocations and lettings; temporary accommodation	NA			
Allocations and lettings; market rent	Fixed actual cost		✓	
Customer service; CSC, call handling, repairs reporting	Property pro-rata			✓
Tenancy and Estate Management; general needs	NA			
Tenancy and Estate Management; market rent	Fixed actual cost		✓	
Licence Management; temporary accommodation	NA			
Tenancy Management; housing led	NA			
Anti-social behaviour management	Property pro-rata			✓
Rent administration	Fixed actual cost			✓
Rent and charge setting	Fixed actual cost	✓		
Rent arrears management	Property pro-rata			✓
Arrears management in temp. accommodation & hsg led	NA			
Caretaking, cleaning and grounds maintenance	Fixed actual cost			✓

Service Summary by Ownership and Use

NCH RP Owned Homes; 31 General Needs homes for Affordable and Social Rent

Activity	Cost Basis	Delivered by		
		Responsible Officer	Dedicated Team	Generic team (pro-rata)
Governance	Fixed actual cost	✓		✓
NCH RP Responsible/ Lead Officer duties	Fixed actual cost	✓		
Finance	Fixed actual cost	✓		✓
Legal	Variable actual cost			✓
Business Transformation; reporting/ monitoring	Fixed actual cost			✓
Business Transformation; regulation	Fixed actual cost			✓
Customer insight	Property pro-rata			✓
Health and Safety	Property pro-rata			✓
Information governance and data protection	Property pro-rata			✓
Selective licencing	NA			
Insurance	Fixed actual cost		✓	
Building and property safety compliance	Fixed actual cost			✓
Responsive repairs	Variable actual cost			✓
Void repairs	Variable actual cost			✓
Planned maintenance	Variable actual cost			✓
Allocations and lettings; general needs	Property pro-rata			✓
Allocations and lettings; temporary accommodation	NA			
Allocations and lettings; market rent	NA			
Customer service; CSC, call handling, repairs reporting	Property pro-rata			✓
Tenancy and Estate Management; general needs	Property pro-rata			✓
Tenancy and Estate Management; market rent	NA			
Licence Management; temporary accommodation	NA			
Tenancy Management; housing led	NA			
Anti-social behaviour management	Property pro-rata			✓
Rent administration	Fixed actual cost			✓
Rent and charge setting	Fixed actual cost	✓		
Rent arrears management	Property pro-rata			✓
Arrears management in temp. accommodation & hsg led	NA			
Caretaking, cleaning and grounds maintenance	Fixed actual cost			✓

Service Summary by Ownership and Use

NCH RP Owned Homes; 8 Supported Housing Move-On homes for Affordable Rent

Activity	Cost Basis	Delivered by		
		Responsible Officer	Dedicated Team	Generic team (pro-rata)
Governance	Fixed actual cost	✓		✓
NCH RP Responsible/ Lead Officer duties	Fixed actual cost	✓		
Finance	Fixed actual cost	✓		✓
Legal	Variable actual cost			✓
Business Transformation; reporting/ monitoring	Fixed actual cost			✓
Business Transformation; regulation	Fixed actual cost			✓
Customer insight	Property pro-rata			✓
Health and Safety	Property pro-rata			✓
Information governance and data protection	Property pro-rata			✓
Selective licencing	NA			
Insurance	Fixed actual cost		✓	
Building and property safety compliance	Fixed actual cost			✓
Responsive repairs	Variable actual cost			✓
Void repairs	Variable actual cost			✓
Planned maintenance	Variable actual cost			✓
Allocations and lettings; general needs	NA			
Allocations and lettings; temporary accommodation	Fixed actual cost	✓		
Allocations and lettings; market rent	NA			
Customer service; CSC, call handling, repairs reporting	Property pro-rata			✓
Tenancy and Estate Management; general needs	Property pro-rata			✓
Tenancy and Estate Management; market rent	NA			
Licence Management; temporary accommodation	Fixed actual cost	✓		
Tenancy Management; housing led	NA			
Anti-social behaviour management	Property pro-rata			✓
Rent administration	Fixed actual cost			✓
Rent and charge setting	Fixed actual cost	✓		
Rent arrears management	NA			
Arrears management in temp. accommodation & hsg led	Fixed actual cost	✓		
Caretaking, cleaning and grounds maintenance	Fixed actual cost			✓

Service Summary by Ownership and Use

NCH EL Owned Homes; 118 homes for Market Rent

Activity	Cost Basis	Delivered by		
		Responsible Officer	Dedicated Team	Generic team (pro-rata)
Governance	Fixed actual cost	✓		✓
NCH EL Responsible/ Lead Officer duties	Fixed actual cost	✓		
Finance	Fixed actual cost	✓		✓
Legal	Variable actual cost			✓
Business Transformation; reporting/ monitoring	Fixed actual cost			✓
Business Transformation; regulation	NA			
Customer insight	Property pro-rata			✓
Health and Safety	Property pro-rata			✓
Information governance and data protection	Property pro-rata			✓
Selective licencing	Fixed actual cost		✓	
Insurance	Fixed actual cost		✓	
Building and property safety compliance	Fixed actual cost			✓
Responsive repairs	Variable actual cost			✓
Void repairs	Variable actual cost			✓
Planned maintenance	Variable actual cost			✓
Allocations and lettings; general needs	NA			
Allocations and lettings; temporary accommodation	Fixed actual cost	✓		
Allocations and lettings; market rent	Fixed actual cost		✓	
Customer service; CSC, call handling, repairs reporting	Property pro-rata			✓
Tenancy and Estate Management; general needs	Property pro-rata			✓
Tenancy and Estate Management; market rent	Fixed actual cost		✓	
Licence Management; temporary accommodation	NA			
Tenancy Management; housing led	NA			
Anti-social behaviour management	Property pro-rata			✓
Rent administration	Fixed actual cost			✓
Rent and charge setting	Fixed actual cost	✓		
Rent arrears management	Property pro-rata			✓
Arrears management in temp. accommodation & hsg led	NA			
Caretaking, cleaning and grounds maintenance	Fixed actual cost			✓

Service Summary by Ownership and Use

NCH EL Owned Homes; 16 homes let to NCC Social Care

Activity	Cost Basis	Delivered by		
		Responsible Officer	Dedicated Team	Generic team (pro-rata)
Governance	Fixed actual cost	✓		✓
NCH EL Responsible/ Lead Officer duties	Fixed actual cost	✓		
Finance	Fixed actual cost	✓		✓
Legal	Variable actual cost			✓
Business Transformation; reporting/ monitoring	Fixed actual cost			✓
Business Transformation; regulation	NA			
Customer insight	Property pro-rata			✓
Health and Safety	Property pro-rata			✓
Information governance and data protection	Property pro-rata			✓
Selective licencing	Fixed actual cost		✓	
Insurance	Fixed actual cost		✓	
Building and property safety compliance	Fixed actual cost			✓
Responsive repairs	Variable actual cost			✓
Void repairs	Variable actual cost			✓
Planned maintenance	Variable actual cost			✓
Allocations and lettings; general needs	NA			
Allocations and lettings; temporary accommodation	Fixed actual cost	✓		
Allocations and lettings; market rent	Fixed actual cost		✓	
Customer service; CSC, call handling, repairs reporting	Property pro-rata			✓
Tenancy and Estate Management; general needs	Property pro-rata			✓
Tenancy and Estate Management; market rent	Fixed actual cost		✓	
Licence Management; temporary accommodation	NA			
Tenancy Management; housing led	NA			
Anti-social behaviour management	Property pro-rata			✓
Rent administration	Fixed actual cost			✓
Rent and charge setting	Fixed actual cost	✓		
Rent arrears management	Property pro-rata			✓
Arrears management in temp. accommodation & hsg led	NA			
Caretaking, cleaning and grounds maintenance	Fixed actual cost			✓

Service Summary by Ownership and Use

NCH EL Owned Fairham House; 24 properties leased to NCH RP for temporary accommodation

Activity	Cost Basis	Delivered by		
		Responsible Officer	Dedicated Team	Generic team (pro-rata)
Governance	Fixed actual cost	✓		✓
NCH RP Responsible/ Lead Officer duties	Fixed actual cost	✓		
Finance	Fixed actual cost	✓		✓
Legal	Variable actual cost			✓
Business Transformation; reporting/ monitoring	Fixed actual cost			✓
Business Transformation; regulation	Fixed actual cost			✓
Customer insight	Property pro-rata			✓
Health and Safety	Property pro-rata			✓
Information governance and data protection	Property pro-rata			✓
Selective licencing	NA			
Insurance	Fixed actual cost		✓	
Building and property safety compliance	Fixed actual cost			✓
Responsive repairs	Variable actual cost			✓
Void repairs	Variable actual cost			✓
Planned maintenance	Variable actual cost			✓
Allocations and lettings; general needs	NA			
Allocations and lettings; temporary accommodation	Fixed actual cost		✓	
Allocations and lettings; market rent	NA			
Customer service; CSC, call handling, repairs reporting	Property pro-rata			✓
Tenancy and Estate Management; general needs	NA			
Tenancy and Estate Management; market rent	NA			
Licence Management; temporary accommodation	Fixed actual cost		✓	
Tenancy Management; housing led	NA			
Anti-social behaviour management	Property pro-rata		✓	
Rent administration	Fixed actual cost			✓
Rent and charge setting	Fixed actual cost	✓		
Rent arrears management	Property pro-rata		✓	
Arrears management in temp. accommodation & hsg led	Fixed actual cost		✓	
Caretaking, cleaning and grounds maintenance	Fixed actual cost			✓

NCC/ NCH Group Service Contract Cost Calculation Matrix

Draft NCC/ NCH Group SLA Variable Cost Matrix		EG costs entered																			
Activity	Cost basis	Total Cost of service	Properties receiving service	NCC HRA Properties as % of total	NCC HRA Costs	Properties receiving service	NCC GF Properties as % of total	NCC GF Costs	Properties receiving service	NCH Ltd Properties as % of total	NCH Ltd Costs	Properties receiving service	NCH RP Property Type	NCHRP Properties as % of total	NCH RP Costs	Properties receiving service	Property Type (not incl Falham)	NCH EL Properties as % of total	NCH EL Costs	Cost Sum	Check
Lettings; property advert	Properties advertised last 12m	2,015	2,000	99.26%	0	1	0.05%	0	12	0.60%	0	2	Let in year	0.10%	0	0	None	0.00%	0	0	0
Lettings; shortlisting	Properties advertised last 12m	2,015	2,000	99.26%	0	1	0.05%	0	12	0.60%	0	2	Let in year	0.10%	0	0	None	0.00%	0	0	0
Lettings; offer and sign-up	Properties signed up last 12m	2,015	2,000	99.26%	0	1	0.05%	0	12	0.60%	0	2	Let in year	0.10%	0	0	None	0.00%	0	0	0
Tenancy Management	All properties	25,177	25,000	99.30%	0	26	0.10%	0	120	0.48%	0	31	Soc & Aff only	0.12%	0	0	None	0.00%	0	0	0
ASB Management only	ASB budgeted separately	25,325	25,000	98.72%	0	26	0.10%	0	120	0.47%	0	39	All bar TA & HL	0.15%	0	140	All	0.55%	0	0	0
Rent Arrears Management	All properties using service	25,317	25,000	98.75%	0	26	0.10%	0	120	0.47%	0	31	Soc & Aff only	0.12%	0	140	All	0.55%	0	0	0
Former Tenant Arrears Man.	All properties using service	25,336	25,000	98.67%	0	26	0.10%	0	120	0.47%	0	50	All Assured	0.20%	0	140	All	0.55%	0	0	0
IT and system infrastructure	Per property	25,706	25,000	97.25%	0	26	0.10%	0	120	0.47%	0	420	All, incl TA	1.63%	0	140	All	0.54%	0	0	0
Senior Management	Per property	25,706	25,000	97.25%	0	26	0.10%	0	120	0.47%	0	420	All, incl TA	1.63%	0	140	All	0.54%	0	0	0
		25,146	25,000	99.42%	0	26	0.10%	0	120	0.48%	0			0.00%	0			0.00%	0	0	0
		25,146	25,000	99.42%	0	26	0.10%	0	120	0.48%	0			0.00%	0			0.00%	0	0	0
		25,146	25,000	99.42%	0	26	0.10%	0	120	0.48%	0			0.00%	0			0.00%	0	0	0
		25,146	25,000	99.42%	0	26	0.10%	0	120	0.48%	0			0.00%	0			0.00%	0	0	0
Responsive Repairs	SOR (plus Premium for NCH?)	25,146	25,000	99.42%	0	26	0.10%	0	120	0.48%	0			0.00%	0			0.00%	0	0	0
Planned Maintenance	SOR (plus Premium for NCH?)	25,146	25,000	99.42%	0	26	0.10%	0	120	0.48%	0			0.00%	0			0.00%	0	0	0
Void Repairs	SOR (plus Premium for NCH?)	25,146	25,000	99.42%	0	26	0.10%	0	120	0.48%	0			0.00%	0			0.00%	0	0	0
Variable Cost Totals		0			0			0			0				0				0	0	0

Draft NCC/ NCH Group SLA Fixed Cost Matrix		EG costs entered																			
Activity	Cost basis	Total Cost of service	Properties receiving service	NCC HRA Properties as % of total	NCC HRA Costs	Properties receiving service	NCC GF Properties as % of total	NCC GF Costs	Properties receiving service	NCH Ltd Properties as % of total	NCH Ltd Costs	Properties receiving service	NCH RP Property Type	NCHRP Properties as % of total	NCH RP Costs	Properties receiving service	Property Type (not incl Falham)	NCH EL Properties as % of total	NCH EL Costs	Cost Sum	Check
Board Governance	Fixed fee	5	1	20.00%	0	1	20.00%	0	1	20.00%	0	1	All, incl TA	20.00%	0	1	None	20.00%	0	0	0
Finance	Fixed fee (weighted)	10	5	52.63%	0	1	5.26%	0	1	10.53%	0	2	All, incl TA	21.05%	0	1	All	10.53%	0	0	0
Finance	Plus per property	25,888	25,000	96.57%	0	26	0.10%	0	302	1.17%	0	420	All, incl TA	1.62%	0	140	All	0.54%	0	0	0
		25,706	25,000	97.25%	0	26	0.10%	0	120	0.47%	0	420	All, incl TA	1.63%	0	140	All	0.54%	0	0	0
		25,706	25,000	97.25%	0	26	0.10%	0	120	0.47%	0	420	All, incl TA	1.63%	0	140	All	0.54%	0	0	0
Estates and Caretaking (where to	Fixed Fee	108	100	92.59%	0	0	0.00%	0	0	0.00%	0	2	All, incl TA	1.85%	0	6	All	5.56%	0	0	0
Property Compliance *	Fixed Fee (to be agreed annually)	25,572	25,000	97.76%	0	26	0.10%	0	120	0.47%	0	286	All, incl TA	1.12%	0	140	All	0.55%	0	0	0
Building/Block Compliance #	Fixed Fee per block (TBA PA)	259	250	96.53%	0	0	0.00%	0	0	0.00%	0	3	All, incl TA	1.16%	0	6	All	2.32%	0	0	0
		25,706	25,000	97.25%	0	26	0.10%	0	120	0.47%	0	420	All, incl TA	1.63%	0	140	All	0.54%	0	0	0
Fixed Fee Totals		0			0			0			0				0				0	0	0
Combined Totals		0			0			0			0				0				0	0	0

		ITEM: 2.2
NOTTINGHAM CITY HOMES		
		GROUP BOARD
REPORT OF HEAD OF GOVERNANCE AND COMPLIANCE		23 FEBRUARY 2023
FUTURE COMPANY GOVERNANCE		
1	EXECUTIVE SUMMARY	
1.1	The paper sets out progress on the key Governance implications of NCH's transition back to NCC after 31 March 2023. New Governance arrangements are required for the residual NCH Group after that date. HRA related decision making will be incorporated into NCC's governance structure at the same time. The 'twin track' arrangements will need to exist until the future of the group is determined.	
2	RECOMMENDATIONS	
2.1	That the Board NOTE progress being made to review and update the Company's Governance structures resulting from the transition of the housing management and maintenance service of council properties to NCC.	
3	REPORT	
3.1	The purpose of the paper is to set out the key Governance implications of the transition of the housing management and maintenance of council properties to NCC after 31 March 2023. The HRA functions managed by NCH since 2005 are due to transfer thereafter and new Governance arrangements are required for the residual NCH Group after that date. The 'twin track' arrangements will need to exist until the future of the Group companies is determined and implemented; estimated to be a minimum of 12 months post April 2023.	
3.2	Following transition, the Group will continue to be responsible for the management and maintenance of approximately 500 properties. Boards will continue to receive reports and updates on this, and a Governance Framework needs to be created to allow key decisions to be made by them.	
3.3	This revised Framework will require a new Service Level Agreement with NCC for professional advice and support services moving forward. This should identify who the lead officer is for the Group and each subsidiary. The lead officer needs to be an independent advisor who can lead and promote that Company. A Payment Schedule for the SLA needs to be agreed with NCC as part of this.	

3.4	NCC and NCH constitutional documents are currently being reviewed to make them fit for purpose post-transition. These include the Articles of Association for NCH Group, EL and RP, Standing Orders, Intra-Group Agreement and NCC's constitution. NCH and NCC are currently working together to update the NCC Constitution and the Intra-Group Agreement between NCH and its two subsidiaries to ensure ongoing service delivery is retained to the companies.
3.5	Clarity will be required as to the company secretariat function for the retained companies. Other governance arrangements to be considered include the NCH Group Pay strategy as there is now a mix of paid and unpaid membership on the Group Board. Financial and Contract Procedural Standing Orders will also need considering in terms of delegated authorisations for former NCH employees as well as their integration into NCC financial arrangements.
3.6	Work is ongoing with the RP and EL to identify the level of support needed through an SLA Agreement to dispose of its assets and meet NCC priorities
3.7	Boards will also be involved in consideration of the longer-term future of the group companies. Reports will be brought forward to each of the group Boards to support relevant decision making in the coming months with all group Boards also made aware of the decisions being made companywide. Decisions will be made with the best interests of Company in mind and the subsidiaries will also the boundaries of the Articles of Association.
3.8	The decision-making structure operates on the principle that the Group Board exercises control over the subsidiary boards and committees, and delegates authority when it is in the interests of the Group to do so. However, the Group Board may not exercise control over NCH RP should that control run contrary to the RP's objectives or obligations to Homes England and the Regulator of Social Housing
4	FINANCIAL, LEGAL AND RISK IMPLICATIONS
4.1	<u>Financial Implications</u>
4.1.1	None.
4.2	<u>Legal Implications</u>
4.2.1	The retained NCH group need to ensure that it remains legally compliant in al retained services areas and it is able to access the support it needs via an SLA and is able to make decisions in any future actions.
4.3	<u>Risk Implications</u>

4.3.1	Risk registers for the 3 Boards have been updated to reflect the risks presented by the transition back to NCC including the need to put appropriate support in place after 31 March.
5	IMPLICATIONS FOR NOTTINGHAM CITY HOMES' OBJECTIVES
5.1	The contents of the report will have a significant impact for NCH achieving its corporate objectives in transitioning back to NCC from 1 April 2023.
6	EQUALITY AND DIVERSITY IMPLICATIONS
	[None.
6.1	Has the equality impact of these proposals been assessed? <input type="checkbox"/> Yes (EIA attached) <input checked="" type="checkbox"/> No (this report does not contain proposals which require an EIA)
7	BACKGROUND MATERIAL AND PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT
7.1	None.
Contact officers:	Name: George Pashley
	Tel: 07962 395269
	E-mail: George.Pashley@nottinghamcityhomes.org.uk
Date: 9 February 2023	

	ITEM: 2.4
NOTTINGHAM CITY HOMES LIMITED	
	BOARD
REPORT OF THE EXECUTIVE ASSISTANT	23 FEBRUARY 2023
2023/24 RENT AND SERVICE CHARGE SETTING IN NCH SOCIAL RENT HOMES	
1	EXECUTIVE SUMMARY
1.1	This report seeks approval from the Board to increase the rent and service charges levied in Nottingham City Homes (NCH) social rent homes by 7% from April 2023, in line with the proposed increase for Council housing.
2	RECOMMENDATIONS
2.1	It is recommended that the Board;
2.2	Approve an increase to social rents and the estate maintenance service charges for the 120 NCH-owned social rent homes by 7% with effect from 3 April 2023.
3	REPORT
3.1	NCH has a portfolio of 120 homes in Radford, Lenton and Clifton. There is also a single home in Aspley. These are all let through the Council's common waiting list on an assured tenancy basis with NCH as a private landlord. Rents are set at a level that has parity with social housing.
3.2	NCH and Nottingham City Council (NCC) officers are currently appraising the ownership options for this portfolio, with the preferred option being sale to NCC's Housing Revenue Account for Council housing subject to a viable business case.
3.3	In late 2022, the Housing Regulator consulted with Registered Providers of Housing on the increase for 2023/24. There was concern that the previously published Rent Standard allowing Consumer Prices Index (CPI) plus 1% would be hugely unaffordable for tenants – and also the Treasury through increased Housing Benefit costs. The result of the consultation exercise was a 7% cap on increases for 2023/24.
3.4	The Rent Standard and the imposed cap for 2023/24 do not apply to NCH Limited, in this instance acting as a private landlord. However, the recommendation to the Board is that parity with rents charged for Nottingham City Council (NCC) homes and other social housing in Nottingham should be maintained where possible.
3.5	When NCH staff transition to NCC, NCH Limited will need to purchase services (staff, materials and overheads) from NCC. A service contract is currently being negotiated and will be provided to Board at a later juncture for comment and approval. As these services will no longer be provided within the NCH Group, they will be subject to a 20% VAT charge, significantly increasing operating costs. Other costs are rising too and are particularly acute in building materials and energy.

3.6	<p>A 7% increase would have the following effect on average rents across this property portfolio;</p> <ul style="list-style-type: none"> ➤ 2 bedroom homes (42 of); £104.74 increasing to £112.07 per week ➤ 3 bedroom homes (71 of); £122.33 increasing to £130.89 per week ➤ 4 bedroom homes (7 of); £129.92 increasing to £139.01 per week
3.7	<p>Up to 70% of tenants receive help with paying their rent through Local Housing Allowance or Universal Credit housing costs, so these benefits will absorb a rent increase in full. In addition, welfare benefits are increasing by 10.1% in April this year.</p>
3.8	<p>All rents are well below the appropriate Local Housing Allowance level so tenants relying on LHA or Universal Credit housing costs will not experience shortfalls like other private tenants, unless they are under-occupying their home.</p>
3.9	<p>Average Nottingham private sector rents have increased by at least 10% in the last 12 months and are mostly unaffordable for many local families. Shortfalls between the rent due and maximum rent help received are commonly in excess of £250 per month.</p>
3.10	<p>The Council's Executive is being asked to increase Council rents by 7% from April 2023, but this will not be approved until 17 February 2023.</p>
3.11	<p>An above 7% increase has not been proposed on affordability grounds and to maintain parity with Council and other social housing in the city.</p>
4	FINANCIAL, LEGAL AND RISK IMPLICATIONS
4.1	<u>Financial Implications</u>
4.1.1	<p>A 7% increase is strongly recommended due to cost pressures incurred by general inflation and in particular the addition of VAT payable on services delivered by the Council.</p>
4.1.2	<p>Budgets have been finalised for 2023/24 and NCH Limited will require cash flow support whilst negotiations are undertaken to sell these homes to NCC or another provider.</p>
4.2	<u>Legal Implications</u>
4.2.1	<p>NCH homes let as a private landlord do not have to comply with the Regulator of Social Housing's Rent Standard, so the increase for 2023/24 isn't capped at 7%. However, it is currently likely that these homes will be acquired by NCC for future affordable housing or if not sold to another Registered Provider of social housing, so parity is recommended at this time subject to a viable business case.</p>
4.3	<u>Risk Implications</u>
4.3.1	<p>A rent rise that is lower than 7% will increase the budget shortfall putting services and property maintenance at risk, although it should be noted that a 7% increase will still result in a budget shortfall that may require cash flow support.</p>

5	IMPLICATIONS FOR NOTTINGHAM CITY HOMES OBJECTIVES
5.1	The delivery of excellent quality, affordable homes to rent is a key objective of NCH.
6	EQUALITY AND DIVERSITY IMPLICATIONS
6.1	Has the equality impact of these proposals been assessed? <input type="checkbox"/> Yes (EIA attached) <input checked="" type="checkbox"/> No (this report does not contain proposals which require an EIA)
7	BACKGROUND MATERIAL AND PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT
7.1	None
Contact officers:	Name: Mark Lawson, Executive Assistant
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Date: 16 February 2023	