

**NOTTINGHAM CITY HOMES LIMITED  
GROUP BOARD MEETING**



**Date:** THURSDAY 12 SEPTEMBER 2019

**Time:** 5.30 PM

**Place:** THE COUNCIL HOUSE, OLD MARKET SQUARE, NOTTINGHAM NG1 2BS

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:

George Pashley  
Company Secretary

**AGENDA**

	<b>Page No.</b>	<b>Time</b>
<b>1</b>		
<b>INTRODUCTORY ITEMS</b>		
1.1 WELCOME		
1.2 APOLOGIES FOR ABSENCE		
1.3 DECLARATION OF INTERESTS		
1.4 ITEMS FROM THE CHAIR		
1.5 MATTERS ARISING		
<b>2</b>		
<b>ITEMS FOR DISCUSSION AND DECISION</b>		
2.1 COMPANY SECRETARY'S REPORT Report of the Company Secretary	Attached 3 - 11	5.30
FROM AGENDA ITEM 2.2 - MEETING TO BE RECONVENED AFTER THE ALMO BOARD HAS MET.		
2.2 MINUTES OF THE MEETING HELD ON 25 JULY 2019	Attached 12 - 21	5.45
2.3 2019/20 FINANCE REPORT – PERIOD 4 (END OF JULY 2019) Report of the Assistant Director of Finance and Procurement	Attached 22 - 32	5.55
<b>3</b>		
<b>CLOSING ITEMS</b>		
3.1 ANY OTHER BUSINESS		
3.2 DATE OF NEXT MEETING –17 OCTOBER 2019		

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 the Company Secretariat on 0115 746 9485. This agenda was issued by email on 5 September 2019

Distribution List:

All Group Board Members:

Bill Blincoe, Vicky Evans, Mike Khouri-Bent, Rebecca Langton, Georgia Power, Sarita-Marie Rehman-Wall, Michael Savage, Malcolm Sharp, MBE, Geoff Walker and Audra Wynter.

Sam Whitworth

All EMT Members

Report Authors: Darren Phillips

**NOTTINGHAM CITY HOMES****REPORT OF THE COMPANY SECRETARY****THE GROUP BOARD  
12 SEPTEMBER 2019****COMPANY SECRETARY'S REPORT****1 EXECUTIVE SUMMARY**

- 1.1 This report sets out the administrative and governance matters requiring consideration and approval by the Board since the last meeting.
- 1.2 Board is recommending for approval one Tenant Board Member for three years, and five Independent Board Members for three years following recent recruitment. Also appointed is two co-optees to the Group Board. These are being appointed across the Group and have been allocated specific positions as set out in the report.
- 1.3 Board is recommending for approval four Tenant Board Members, two Independent Board Members and two Tenant Board Member vacancies for the ALMO Board.
- 1.4 Board is asked to note the transitional arrangements for Board Members not subject to re-election.

***GROUP BOARD MEETING TO BE ADJOURNED WHILST INAUGURAL MEETING OF ALMO BOARD TAKES PLACE IN ORDER TO BE FORMALLY CONSTITUTED BEFORE THE GROUP BOARD MEETING PROGRESSES.***

- 1.5 Board is required to appoint a Chair at its first meeting following its Annual General Meeting (AGM).
- 1.6 Board is required under Company Articles to appoint Committee Members to the Audit, Risk and Compliance Committee and the Governance and Selection Committee for each Board year.
- 1.7 Board is recommending for approval an Independent Board Member to the Nottingham City Homes Registered Provider (NCH RP) Board to cover an existing vacancy.
- 1.8 The expenses paid over the financial year 2018-2019 are reported to Board for information.
- 1.9 Details are provided of the proposed meeting dates for all Boards and Committees for 2020.
- 1.10 Details are provided of forthcoming events that may be of interest to Board Members.
- 1.11 Details are provided on the use of the Company Seal since the last Board meeting.

**2 RECOMMENDATIONS**

It is recommended that the Board:

- 2.1 **Agrees** to the appointment of Michael Savage to the position of Tenant Board Member for a term of three years.
- 2.2 **Agrees** to the appointment of Malcolm Sharp, MBE, Bill Blincoe, Andrew Dickinson, Geoff Bagnall and Lynn Clayton as Independent Board Members for three years. **Agrees** to Vicky Evans and Bill Blincoe being co-opted to the Group Board for one year.
- 2.3 **Agrees** to Sarita-Marie Rehman-Wall, Dave Pitt, Karen Humble, Michael Savage, Lynn Clayton, Geoff Bagnall, Georgia Power and Ethan Radford being Board Members of the ALMO Board. The two Tenant Board Member vacancies will be recruited to as an in-year recruitment exercise.
- 2.4 **Notes** the transitional arrangements of the Board Members not subject to re-election and **agrees** Georgia Power and Rebecca Langton as Nottingham City Council (NCC) Board representatives and Audra Wynter as the Nottingham City Homes Registered Provider (NCH RP) representative on the Group Board.
- 2.5 **Agrees** to the appointment of Malcolm Sharp, MBE as the Chair of the Group Board for a period of one year.
- 2.6 **Agrees** the Audit, Risk and Compliance Committee Membership as in Section 3.5 and **Agrees** Geoff Walker as Chair of the Audit Risk and Compliance Committee.
- 2.7 **Agrees** the Governance and Selection Committee Membership as in Section 3.6.
- 2.8 **Agrees** to the appointment of Andrew Dickinson as an Independent Board Member to NCH RP Board.
- 2.9 **Notes** the Board Member expenses as in Section 3.9.
- 2.10 **Notes** the draft Board and Committee dates for 2020.
- 2.11 **Notes** the forthcoming events.
- 2.12 **Notes** the use of the Company Seal.

### **3 REPORT**

#### **3.1 GROUP, TENANT AND INDEPENDENT BOARD MEMBERS**

- 3.1.1 In accordance with Company Articles 16 and Standing Orders, the Board is required to elect three Group Tenant Board Members to the ALMO Board to cover existing vacancies at its first meeting following the AGM.
- 3.1.2 Following interviews held on 19 August 2019, the panel recommends Michael Savage for three years. A decision is yet to be made on appointment to the two vacant positions.
- 3.1.3 In accordance with Company Articles 16 and Standing Orders, the Board is

- required to elect five Independent Board Member, and two co-optees at its first meeting following the AGM.
- 3.1.4 Following interviews held on 19 and 22 August 2019, the panel agreed to recommend Malcolm Sharp, MBE, Bill Blincoe, Andrew Dickinson, Geoff Bagnall and Lynn Clayton to the Board as the Independent Board Members across the Company for three years. Vicky Evans and Bill Blincoe have recommended as co-optees to the Group Board. The Board Members will also be allocated to the individual bodies over the Group.
- 3.1.5 The Board is asked to **agree** the appointment of Michael Savage as a Tenant Board Member with immediate effect for a term of three years; **agree** the appointment of Malcolm Sharp, MBE, Bill Blincoe, Andrew Dickinson, Geoff Bagnall and Lynn Clayton with immediate effect as Independent Board Members for three years; **agree** Vicky Evans and Bill Blincoe as co-optees to the Group Board for one year.
- 3.2 ALMO BOARD MEMBERSHIP
- 3.2.1 In accordance with Standing Orders the Board is required to elect 10 Board Members for the ALMO Board at its first meeting following the AGM.
- 3.2.2 The Board is asked to **agree** to the appointment of Sarita-Marie Rehman-Wall, Dave Pitt, Karen Humble, and Michael Savage as Tenant Board Members, Lynn Clayton and Geoff Bagnall as Independent Board Members and Georgia Power and Ethan Radford as NCC Representative Board Members of the ALMO Board.
- 3.3 BOARD TRANSITION ARRANGEMENTS
- 3.3.1 The Governing Board meeting on the 25 July 2019 agreed that current Board Members who are still within tenure and not subject to re-election will automatically transfer to the new structure.
- 3.3.2 The Board Members not subject to re-election are Mike Khouri-Bent, Sarita-Marie Rehman-Wall, Dave Pitt and Karen Humble.
- 3.3.3 NCC has recommended Georgia Power and Rebecca Langton as NCC Board Representatives to the Group Board.
- 3.3.4 The NCH RP Board Meeting held on 4 September 2019 elected Audra Wynter, the Chair of the NCH RP to be on the Group Board as the NCH RP representative.
- 3.3.5 Board is asked to **note** the transition of the Board Members not subject to re-election and to **agree** the appointment of the NCC Board Representatives to the Group Board.

***GROUP BOARD MEETING TO BE ADJOURNED WHILST INAUGURAL MEETING OF ALMO BOARD TAKES PLACE IN ORDER TO BE FORMALLY CONSTITUTED BEFORE THE GROUP BOARD MEETING PROGRESSES.***

3.4 APPOINTMENT OF CHAIR

- 3.4.1 In accordance with Standing Orders, the Board is required to elect a Chair of

- the Board at its first meeting following the AGM.
- 3.4.2 Following a nomination process held on 4 and 5 September 2019, Malcolm Sharp, MBE, was nominated to be the Chair of the Board.
- 3.4.3 The Board are asked to **agree** to the appointment of Malcolm Sharp, MBE as Chair of the Board for a period of one year.
- 3.5 AUDIT, RISK AND COMPLIANCE COMMITTEE MEMBERSHIP
- 3.5.1 In accordance with Standing Orders, the Board is required to elect a minimum of five Board Members for Audit, Risk and Compliance Committee Membership at its first meeting following the AGM.
- 3.5.2 Following a selection process held on 28 August 2019 the Chair of the Board recommended that Geoff Walker, Andrew Dickinson, Geoff Bagnall and Bill Blincoe be members of the Audit, Risk and Compliance Committee. The Chair of the Group Board has recommended Geoff Walker as Chair of the Audit Risk and Compliance Committee.
- 3.5.3 NCC has recommended Ethan Radford as the NCC representative on the Audit, Risk and Compliance Committee.
- 3.5.4 The Board are asked to **agree** the Audit, Risk and Compliance Committee Membership and to **agree** to the appointment of Geoff Walker as Chair of the Audit, Risk and Compliance Committee.
- 3.6 GOVERNANCE AND SELECTION COMMITTEE MEMBERSHIP
- 3.6.1 In accordance with Standing Orders, the Board is required to elect a minimum of four Board Members for Governance and Selection Committee Membership at its first meeting following the AGM.
- 3.6.2 Following a selection process held on 28 August 2019 the Chair of the Board recommended that Malcolm Sharp, MBE, Mike Khouri-Bent, Rebecca Langton and Karen Humble be members of the Governance and Selection Committee. The Committee will elect a Chair at its first meeting after the AGM.
- 3.6.3 The Board are asked to **agree** the Governance and Selection Committee Membership.
- 3.7 NOTTINGHAM CITY HOMES REGISTERED PROVIDER
- 3.7.1 In accordance with Standing Orders, the Board is required to elect an Independent Board Member to the NCH RP Board.
- 3.7.2 Following a selection process held on 19 August 2019 the Chair of the Board recommended that Andrew Dickinson be appointed as an Independent Board Member for NCH RP.
- 3.7.3 The Board are asked to **agree** the appointment of Andrew Dickinson as Independent Board Member for NCH RP.
- 3.8 BOARD MEMBERS' EXPENSES

- 3.8.1 Board Members do not receive remuneration; however they are paid reasonable expenses as detailed in the Board Members' Expenses Policy. In accordance with the Company Standing Orders, the Board are required to review the Board Members expenses on an annual basis. For the period 1 April 2018 to 31 March 2019 the following expenses were paid:

<b>Expenditure</b>	<b>Cost</b>
Travel (Public Transport & Mileage)	- £3080
Travel (Taxi)	- £3510
Refreshment	- £907
Carer Costs	- £0
<b>Total</b>	<b>- £7497</b>

- 3.8.2 For comparison, the Board expenses for the period 1 April 2017 to 31 March 2018 were as follows:

<b>Expenditure</b>	<b>Cost</b>
Travel (Public Transport & Mileage)	- £2979
Travel (Taxi)	- £1729
Refreshment	- £499
Carer Costs	- £0
<b>Total</b>	<b>- £5207</b>

- 3.8.3 The Board are asked to **note** the Board Members expenses.

### 3.9 PROPOSED BOARD AND COMMITTEE DATES FOR 2020

- 3.9.1 Attached as Appendix 1 is the proposed Board and Committee dates for 2020.

- 3.9.2 The Board are asked to **note** the proposed 2019 Board and Committee dates.

### 3.10 FORTHCOMING EVENTS

- 3.10.1 Attached at Appendix 2 is a twelve-month rolling calendar of events for Board Members attention. Please let Tom Mouldale if you are interested in any of the events listed.

- 3.10.2 The Board are asked to **note** the forthcoming events.

### 3.11 USE OF COMPANY SEAL

- 3.11.1 The Board is asked to **note** the following use of the Company Seal – where the Seal has been affixed to a Transfer of Registered Title, this property purchase has been purchased under the Executive Management Team (EMT) delegated powers as previously agreed by Board, unless otherwise stated.

- 3.11.2 TR1 Transfer of Registered Title – The Seal was affixed on 22 July 2019 for the purchase of 71 Ena Avenue Nottingham, Nottingham NG2 4NA for £96,000. This property and the property at 3.12.3, have been purchased as part of the third tranche of 50 homelessness properties approved by Board on 29 November 2018.

- 3.11.3 TR1 Transfer of Registered Title – The Seal was affixed on 22 July 2019 for the purchase of 8 Ivy Grove Nottingham, Nottingham NG7 7LZ for £90,000.

4.1 Financial Implications

4.1.1 There are no financial implications arising from this report.

4.2 Legal Implications

4.2.1 All of the initiatives within this report are carried out to ensure compliance with good practice and legislation including the Companies Act 2006 and NCH's Governance processes.

4.3 Risk Implications

4.3.1 There are no risks arising from this report.

**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, set out in the Corporate Plan and associated high level corporate commercial, financial and business plans.

**6 EQUALITY IMPACT ASSESSMENT**

6.1 Has the equality impact of these proposals been assessed?

Yes (EIA attached)

No (this report does not contain proposals for significant changes to process at this stage).

**7 BACKGROUND MATERIAL AND PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT**

Appendix 1 – Proposed Board and Committee Dates 2020

Appendix 2 – Forthcoming Events

**CONTACT OFFICER:** George Pashley  
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**DATE: 5 SEPTEMBER 2019**

Return to Agenda



## APPENDIX 1

	Group Board	ALMO Board	ARCC	NCH RP	NCHEL	G&SC
October	17/10/2019					
November		28/11/2019		14/11/2019		
December			09/12/2019		EMT	
January	30/1/2020	06/01/2020				
February				13/02/2020		
March		02/03/2020	16/03/2020		EMT	
April	30/04/2020					30/04/2020
May		04/05/2020	28/05/2020 (Accounts)	14/05/2020		
June					EMT	
July	30/07/2020	06/07/2020	13/07/2020			30/07/2020
August				15/08/2020		
September		07/09/2020			EMT	
October	15/10/2020 (AGM)		05/10/2020			
<b>Total Meetings</b>	<b>4</b>	<b>6</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>2</b>

**FORTHCOMING EVENTS****NCH EVENTS**

<b>Month</b>	<b>Event</b>
September	<p><u>2 September</u>: Winwood Heights official opening</p> <p><u>4 September</u>: NCH RP Board Meeting</p> <p><u>9 September</u>: NCHEL Board Meeting</p> <p><u>12 September</u>: NCH Annual General Meeting at 4pm at the Council House, followed by Board Meeting</p> <p><u>14 September</u>: Tenant Fun Day at Bulwell Academy, noon – 4pm.</p> <p><u>26 September</u>: Colwick Woods Court High Rise Safety Day</p> <p><u>30 September</u>: Staff Conference, Gateway Hotel, Nuthall Road, Nottingham.</p>
October	<p><u>1 October</u>: Staff Conference, Gateway Hotel, Nuthall Road, Nottingham</p> <p><u>7 October</u>: Audit Committee at Loxley House, starting at 5.30pm</p> <p><u>17 October</u>: NCH Board Meeting at Loxley House, starting at 5.30pm.</p> <p><u>24 October</u>: Kingston Court High Rise Safety Day</p>
November	<p><u>28 November</u>: NCH Board Meeting at Loxley House, starting at 5.30pm</p> <p><u>29 November</u>: STAR Awards to be held at the Crowne Plaza Hotel, Nottingham.</p>
December	
January	<p><u>30 January</u>: Provisional NCH Board Meeting at Loxley House, starting at 5.30pm</p>
February	<p><u>27 February</u>: Provisional NCH Board Meeting at Loxley House, starting at 5.30pm</p>
March	<p><u>5 March</u>: Provisional NCH RP Board Meeting</p> <p><u>10 March</u>: Provisional NCHEL Board Meeting</p> <p><u>19 March</u>: Tenant and Leaseholder Awards</p> <p><u>27 March</u>: Provisional NCH Board Meeting at Loxley House, starting at 5.30pm</p>
April	<p>Audit Committee at Loxley House, starting at 5.30pm</p> <p><u>24 April</u>: Provisional NCH Board Meeting at Loxley House, starting at 5.30pm</p>
May	<p><u>28 May</u>: Provisional NCH Board Meeting at Loxley House, starting at 5.30pm</p>
June	<p><u>25 June</u>: Provisional NCH Board Meeting at Loxley House, starting at 5.30pm</p>

July	
August	

### External Events

Month	Event
September	<p><u>September</u>: NHF Leaseholder and Tenant Services Charges Conference and Exhibition, London</p> <p><u>5 September</u>: NHF National Housing Awards, London</p> <p><u>10 September</u>: NFA National Meeting</p> <p><u>20 September</u>: Big Tent Event, Rebalancing the Outer Estates Foundation, Bulwell Riverside, hosted by Alex Norris MP noon – 4pm</p> <p><u>24 September</u>: NFA Regional Meeting</p> <p><u>25 &amp; 26 September</u>: NHF National Housing Summit, London</p> <p><u>25 &amp; 26 September</u>: NHF Future Housing Leaders, London</p> <p><u>28 September</u>: Lenton Fun Day Festival, Lenton Recreation Group, noon – 4pm</p>
October	<p><u>October</u>: NHF Treasury Management Conference, London</p> <p><u>October</u>: NHF Asset Management and Maintenance Conference and Exhibition, Birmingham</p>
November	<p><u>November</u>: NHF Audit and Risk Conference, Birmingham</p> <p><u>November</u>: NHF London Development Conference and Exhibition, London</p> <p><u>November</u>: NHF Smaller Housing Associations' Conference and Exhibitions, London</p> <p><u>20 November</u>: NFA National Meeting</p> <p><u>26 November</u>: NFA Regional Meeting</p>
December	
January	
February	<p><u>6 &amp; 7 February</u>: NHF Board Excellence in Housing Conference, Hilton London Bankside Hotel</p>
March	
April	NFA 2019 Annual Conference, Awards and AGM, Birmingham
May	UK Housing Awards
June	
July	
August	

**NOTTINGHAM CITY HOMES LIMITED**

**THE BOARD**

**MINUTES** of the **PUBLIC MEETING** held on **25 JULY 2019** at Loxley House, Station Street, Nottingham NG2 3NJ

**Board Members**

Bill Blincoe  
Vicky Evans  
Karen Humble  
Mike Khouri-Bent  
David Pitt  
Georgia Power  
Ethan Radford  
Sarita-Marie Rehman-Wall  
Michael Savage  
Malcolm Sharp, MBE (Chair)  
Geoff Walker

**Also in Attendance:**

Delroy Beverley	Director of Construction, Repairs and Maintenance
Gillian Dack (Item 11)	Chair of the Tenant Complaints Panel
Cathy Dobb (Minute Taker)	Head of Governance
Katie Durie (Item 9)	Sourcing Manager
Richard Holland (for Gill Moy)	Assistant Director of Housing Operations
Paul Kerridge (Item 10)	Business Performance Analyst
Tom Mouldsdale	Governance Officer
Nick Murphy	Chief Executive
Louise Painter (Item 10)	Business Performance Analyst
George Pashley	Company Secretary
Darren Phillips (Item 9)	Assistant Director of Finance and Procurement
Jonathan Shaw	Director of Investment and Business Services
Sue Stephenson (Item 10)	Chair of the Customer Excellence Panel

**1 WELCOME, INTRODUCTIONS & CHAIR'S ANNOUNCEMENTS**

The Chair opened the meeting and welcomed Board Members and informed Board that there were three new Councillor Board Representatives. The Board welcomed the new Board Members.

**2 APOLOGIES FOR ABSENCE**

Apologies were received from Rebecca Langton.

### **3 DECLARATIONS OF INTEREST**

None.

### **4 ITEMS FROM THE CHAIR**

- 4.1 The Chair reminded Board Members that Nottingham Pride is taking place this Saturday and interested Board Members are invited to meet at the bottom of Hounds Gate at 10.30. Board Members who cannot attend for the start of the event were reminded that Nottingham City Homes (NCH) will also have a stall at the event.
- 4.2 Adverts for the Board Member vacancies are now live. Board Members were asked to share this information through their Social Media networks and through their contacts.

### **5 CONFIRMATION OF MINUTES OF THE MEETING HELD ON 27 JUNE 2019**

The minutes were agreed as a true record. The Chair signed the minutes.

### **6 MATTERS ARISING**

None.

### **7 INCLUSION, EQUALITY AND DIVERSITY STRATEGY 2019-2022**

- 7.1 The Company Secretary informed Board that the new Strategy builds on the successes over the past three years including NCH's high profile within the City in promoting diversity, achieving number 44 in the Stonewall Workplace Employment Index and our Women in Construction project. In addition, NCH have supported the successful bid for Construction Skills funding of over £1m, provided improved services for older and disabled tenants, and helped people through welfare reform. The Strategy also takes on board recent developments including the Government's Green Paper on Social Housing, Brexit related issues and our ambition to be a Great Place to Work.
- 7.2 Board were informed that there are three key themes to the Strategy:
1. Provide an inclusive, quality service to meet the needs of all citizens; and improve customer satisfaction from residents with protected characteristics (where this is below average customer satisfaction)
  2. Offer employment opportunities fairly to all of Nottingham's diverse communities, with additional support for disadvantaged groups and tenants; offering development and support to staff, ensuring that all promotions are based on merit and to ensure succession planning is undertaken.
  3. Provide visible leadership in the City, promoting the value of diversity. NCH continues to be a visible leader in Nottingham, as shown by its Stonewall placement, and its representation at Pride events.

- 7.3 It was confirmed that a Work Plan would be developed from the Strategy, and work has already commenced on compiling a statistical framework. It was reiterated that it was key that the culture in NCH is correct. To ensure that the culture is correct, it has been linked to the Best Companies survey.
- 7.4 Board commented on the statistical analysis of NCH's workforce needs to include where staff are on the organisation's management ladder. The Company Secretary will create an Action Plan that will include statistical data and Board requested that the Company Secretary bring this information to the October Board meeting.

**RESOLUTION:**

**The Board agreed:**

1. **To delegate to the Chair of the Board the sign off of the finalised Inclusion, Equality and Diversity Strategy.**
2. **To bring the Action Plan to the October Board meeting.**

**8 COMPANY SECRETARY'S REPORT**

**8.1 PARENT BOARD NOMINEES**

- 8.1.1 Following the full Council meeting on 4 July, Cllr Rebecca Langton, Cllr Georgia Power, and Cllr Ethan Radford have been appointed as the Nottingham City Council (NCC) Parent Board Nominees on the Governing Board.

**RESOLUTION:**

**The Board agreed:**

1. **To note the NCC Parent Board Nominees.**

**8.2 GOVERNANCE AND CONSTITUTIONAL CHANGES REQUIRED TO SUPPORT THE REVISED GROUP STRUCTURE**

- 8.2.1 At the previous Governance Review meetings held on 27 June 2019 and 25 July 2019, the Board made comments on the proposed Terms of Reference for the ALMO Board, the Audit, Risk and Compliance Committee, and the Governance and Selection Committee. Meetings have been held with the Chair of the Audit Committee in order to further rationalise the Terms of Reference.
- 8.2.2 The Board were asked to agree in principle the draft Articles of Association for all three Boards and draft Intra-Group Agreement, for final approval by NCC. It was confirmed that articles for all three Boards have been reviewed in line with the Companies Act 2006, have incorporated comments made by Board at their previous meetings, and have been rationalised in line with best practice. The Board were asked to agree the revised draft Standing Orders, and it was confirmed that they do not need to be agreed by NCC. The Company Secretary also recommended that the final sign off of these documents should be delegated to the Chair, Vice Chair and the Chief Executive, in the event that further amendments are required between this Board meeting and September Annual General Meeting (AGM) .

**RESOLUTION:**

**The Board agreed:**

- 1. To approve in principle the draft Articles of Association, the draft Intra-Group Agreement, and the draft Standing Orders.**
- 2. To delegate authority for the Chair, Vice Chair and Chief Executive to approve any further amendments to the above constitutional documents prior to the September Annual General Meeting.**

**8.3 TRANSITIONAL ARRANGEMENTS TO THE REVISED GOVERNANCE STRUCTURE**

- 8.3.1 In order to secure a smooth transition to the revised governance structure, it is recommended that Board Member positions are retained as far as possible within the revised structure.
- 8.3.2 For the Group Board this would entail:
- All four Independent Board Member positions currently sitting on the Governing Board to be appointed directly to the Group Board
  - NCC to directly appoint two Councillor representatives to the Group Board
  - Two Tenant Group Board Member vacancies to be appointed by the ALMO Board following the completion of the Tenant Board Member recruitment process.
- 8.3.3 For the ALMO Board this would entail:
- All four Tenant Board Member positions currently sitting on the Governing Board to be appointed to the ALMO Board
  - The three vacant Tenant Board Member positions to be appointed to following completion of the Tenant Board Member recruitment process
  - The two vacant Independent Board Member positions, with housing expertise, to be appointed following completion of the Independent Board Member recruitment process
  - NCC to directly appoint two Councillor representatives to the ALMO Board.
- 8.3.4 Board were informed that the transitional arrangements are likely to be in place until the Board Members current tenures have expired. The current Board Members terms will therefore continue and positions will be carried over to the relevant Boards and Committees. Board Members' existing tenures will not be affected.
- 8.3.5 Appointments to the Independent Board Member positions will be skills based, and these posts need to be advertised and recruited to. Two Independent Board Members and one Tenant Board Member are currently at the end of their three year tenures, and are eligible to reapply. They are Malcolm Sharp, MBE, Bill Blincoe and Michael Savage. The Articles of Association have been drafted in a way that does not preclude Board Member remuneration. NCH is awaiting NCC opinion on whether Board Members can be paid.
- 8.3.6 Board discussed the appointment of the Group Board Chair, and whether this should be appointed externally or from the existing co-hort. Board agreed that for the first year, the Chair is to be appointed from the existing co-hort. This should allow sufficient time for a decision to be reached on Board Member Remuneration which

would determine whether Board Chair would be a direct appointment next year or not.

- 8.3.7 Board requested that an annual review of the Standing Orders takes place, and this will be reported to Board each year.

**RESOLUTION:**

**The Board agreed:**

1. **To approve the transitional arrangements to the revised Governing Structure.**
2. **For the Group Board Chair to be appointed from the existing co-hort this year.**
3. **For an annual review of the Standing Order to take place and reported to Board.**

8.4 NOTTINGHAM CITY HOMES ENTERPRISES LIMITED BOARD UPDATE

- 8.4.1 Board were informed that the NCHEL Board met on 17 June 2019, and that the minutes of the meeting are attached within the confidential section of the Board papers.
- 8.4.2 Board were informed that the minutes are marked as a Private Meeting as NCHEL is a private limited company and not a public company.
- 8.4.3 Board discussed the depreciation costs on the Financial Statement. It was confirmed that the auditors now require NCHEL properties have to be declared as an investment on its financial returns. Under NCH's direction, NCHEL buys properties which require refurbishment, and they are then let out at market rent value. Profits will be realised over a period of time, after the set up costs have been accounted for.

**RESOLUTION:**

**The Board agreed:**

1. **To note the update from the NCHEL meeting.**

8.5 NOTTINGHAM CITY HOMES REGISTERED PROVIDER BOARD UPDATE

- 8.5.1 Board were informed that the NCH RP Board met on 12 June 2019, and that the minutes of the meeting are attached within the confidential section of the Board papers.

**RESOLUTION:**

**The Board agreed:**

1. **To note the update from the NCH RP meeting.**

8.6 FORTHCOMING EVENTS

- 8.6.1 Board Members were advised of events planned for the following 12 months and were advised to contact either the Company Secretary or the Governance Team for further



information.

- 8.6.2 Board were invited to the Highwood House Fun Day for homelessness families on 21 August.

## **RESOLUTION:**

### **The Board agreed:**

- 1. To note the forthcoming events.**

## **8.7 USE OF COMPANY SEAL**

- 8.7.1 The Board is asked to note the following use of the Company Seal – where the Seal has been affixed to a Transfer of Registered Title, this property purchase has been purchased under the Executive Management Team (EMT) delegated powers as previously agreed by Board, unless otherwise stated.

- 8.7.2 TR1 Transfer of Registered Title – The Seal was affixed on 17 July 2019 for the purchase of 14 St Georges Drive, Nottingham NG2 1NX for £85,000. This property has been purchased as part of the third tranche of 50 homelessness properties approved by Board on 29 November 2018.

## **9 2019–2022 SOURCING STRATEGY**

- 9.1 The Sourcing Manager (SM) stated that a new Sourcing Strategy has been developed for 2019-2022 which supports the achievement of the goals and objectives within the Company's current Group Corporate Plan.

- 9.2 The successes from the previous Strategy brought to the Board's attention were:
- The establishment of strong working relationships with teams such as the Tenant and Leaseholder Involvement team, Heads of Service and contractors.
  - The establishment of a Tenant Supplier Evaluation Team
  - Provided training across NCH and to the Leadership Team on the Financial Regulations
  - Holding regular meetings with Leaseholder Managers
  - The setting up and monitoring of credit checks on new and existing suppliers
  - Procurement Officers are champions in Modern Day Slavery and the General Data Protection Regulation (GDPR)
  - A Sourcing Team staff member won the Best Newcomer Award at last year's STAR awards.

- 9.3 The SM informed Board that the Sourcing Strategy has four key objectives:

1. Tenants' Priorities – maximising the outcome for tenants and sourcing the best deals. Involving tenants in the Supplier Evaluation Panel.
2. Value for Money (VFM) – Carry out benchmarking and market testing. Work in partnership with NCC and other organisations like Derby Homes and share best practice with other local authorities. Monitoring contracts and ensures orders are raised in line with contracted prices.

3. Sourcing Excellence – ensure teams are legally compliant. Engage with Responsible Officers on their Key Performance Indicators (KPI) and use new technology where necessary.
4. Social Value – support local business and encourage local employment and apprenticeships schemes.

- 9.4 The ability to measure the impact of the Strategy was discussed and it was confirmed that not all value is financial or cashable at the point of contract. Value can be added by improving tenants' lives and prospects, which is difficult to measure, or by procuring materials which have a longer lifespan, reducing the need for subsequent investment.
- 9.5 Board discussed how NCH ensures its contractors comply with the NCH values, and it was confirmed that where a supplier is suspected of falling short of our expectations an investigation would be undertaken with the Contracts Manager for that supplier to ensure that unacceptable behaviour and practices cease. With regard to tender contracts, information is requested from contractors before they bid and there is a general Code of Conduct in place, and they have to comply with these terms in NCH's contract.
- 9.6 The Board wished to thank all the tenants who have been involved in the Strategy.

#### **RESOLUTION:**

##### **The Board agreed:**

1. **To delegate to the Chair of the Board the sign off of the finalised version of the 2019–2022 Sourcing Strategy**

## **10 REVIEW OF THE COMPLAINTS SERVICE**

- 10.1 The Chair of the Customer Excellence Panel (CEP) informed Board that CEP undertook a review of how NCH manages complaints, ensuring that there is a consistent service being delivered to customers and provide evidence based recommendations for an overall improved service. To support the review and to take account of best practice, CEP used the Housing Quality Network's (HQN) complaints toolkit.
- 10.2 CEP was impressed with the work that the staff within the Customer Relations Team (CRT) do on a day to day basis. It was noted how passionate they were in helping the customers to resolve complaints.
- 10.3 The main items brought to the Board's attention were:
- The review looked at the performance data available and also followed a complaint from the beginning to the end
  - NCH has a Fix and Resolve process, and an Investigation Complaint process
  - Of the 2,233 complaints made, 90% involved a full investigation and 10% were a Fix and Resolve issue
  - There are nine members in the Customer Relations Team (CRT)

- No web form exists for logging complaints online
- Learning Logs are not always completed and logs are not followed up
- A Compensation Policy has been recommended but not implemented
- Best practice could be sought and shared more widely.
- 37 recommendations have been made and an Action Plan has been devised
- Action Plan will be monitored by CEP going forward
- There is a culture of truly valuing complaints and using them as a learning tool.

- 10.4 It was noted that there were only two people currently on the Complaints Panel and that the Governance Review supports having a pool of interested tenants that could be used for reviews, and this would bolster numbers available to undertake reviews.
- 10.5 It was noted that some tenants raise issues with their Housing Patch Managers, who deal with the issues themselves rather than make a formal complaint. Issues at shared Customer Service Centres, such as Bulwell Riverside, means that NCH cannot have its standard signage and posters in communal areas.
- 10.6 The Board thanked CEP for the report and thought that it was every thorough and an interesting read.

#### **RESOLUTION:**

##### **The Board agreed:**

1. **The recommendations contained within the Report.**

#### **11 COMMENTS COMPLIMENTS AND COMPLAINTS ANNUAL REPORT 2018/2019**

- 11.1 The Customer Experience and Insight Manager (CEIM) informed Board that the report provides information on NCH's current position, and demonstrates the commitment to delivering excellent customer service by embedding a culture of getting it right first time.
- 11.2 The main items brought to the Board's attention were:
- There has been an increase in the volume of complaints in the last 12 months but it is still stable at 2,200 per annum over the preceding year
  - 40% of the complaints are regarding Responsive Repairs and Maintenance. This is in line with other housing providers
  - Numbers equate to 1% of the 59,000 job orders raised
  - NCH has the capacity to ensure we have a first time fix resolution.
  - There is a real push this year now that the transformation in the service areas has been completed
  - Compliments and positive feedback are also sought and published
  - NCH is looking to share best practice and learn from complaints
  - The Tenant Complaints Panel visit properties if it is a repairs issue and will go back to the CRT team to see if the issue can be resolved.
- 11.3 Board discussed the number of complaints dealt with in target in the CRT, and how there was not a drop in the number of enquiries received through the Members Casework. It was confirmed that the enquiries that are received through Members Casework are not all complaints, and the majority are new service requests.

## **RESOLUTION:**

### **The Board agreed:**

- 1. To note the contents of the report.**
- 2. For a letter of thanks to be sent to the Tenant Complaints Panel.**

## **12 NEW GOVERNMENT PROPOSALS AND EXTERNAL POLICY DEVELOPMENTS WITH AN IMPACT ON NOTTINGHAM CITY HOMES**

12.1 The Director of Investment and Business Services (DIBS) stated that the report provided an update on key housing policy and information announcements made since May 2019.

12.2 The DIBS highlighted the following to Board:

- New Prime Minister has been announced, along with a new Cabinet. Robert Jenrick is now the Secretary of State for Housing, Community and Local Government. He is the MP for Newark
- Esther McVey is the Housing Minister. Early indications suggests a focus back on home ownership
- Theresa May gave a speech at the Chartered Institute of Housing on the 100 years of Council Housing. NCH is supporting a number of celebratory events across the City
- New Housing Allocations Policy has been sent out and it is compliant with legislation such as the Homelessness Act, and removing families from high rise housing. It also alters the policy relating to access to Independent Living Schemes
- Revisions to the Tenancy Agreement is also underway to ensure it complies with legislation, such as the Hackitt Review recommendation of having a Safety Regulator
- National Federation of ALMOs (NFA) report on the impact of Universal Credit (UC) in the sector. UC tenants have higher debt than tenants under the old Housing Benefit scheme
- Local Government Homelessness Commission report has been published. Report recommends an adequately funded, sustainable housing and homelessness strategy; local councils to have the ability to vary the Local Housing Allowance to reflect local housing market conditions and for private rented sector tenancies to be for a minimum of three years
- Submission to the Housing, Communities and Local Government Committee inquiry into long-term delivery of social and affordable rented housing was done in conjunction with NCC and NCH took the opportunity to detail what is happening in Nottingham.

## **RESOLUTION:**

### **The Board agreed:**

- 1. To note the contents of the report.**

## **13 ANY OTHER BUSINESS**

None.

**14 DATE OF THE NEXT MEETING**

**The next scheduled meeting will be on the 12 SEPTEMBER 2019.**

**The meeting closed at 19.02**

**SIGNED..... DATE .....**

Return to Agenda

## NOTTINGHAM CITY HOMES

### REPORT OF THE ASSISTANT DIRECTOR OF FINANCE AND PROCUREMENT

THE BOARD  
12 SEPTEMBER 2019

#### 2019/20 FINANCE REPORT – PERIOD 4 (END OF JULY 2019)

### 1 EXECUTIVE SUMMARY

- 1.1 This report provides an update to the Board on the Group's current financial position at the end of Period 4, which includes income and expenditure up till the end of July 2019.
- 1.2 The Group is currently achieving a small in year surplus and the forecast outturn reflects this. Nottingham City Homes Registered Provider (NCHRP) is anticipated to deliver an improved outturn position, giving rise to the forecast surplus position and despite some financial challenges within CR&M all other Group activities are anticipated to be in line with the 2019/20 budget.
- 1.3 Subject to NCH Board approval, NCH RP were successful in their bid to Homes England (HE) for a grant of £400k to purchase eight properties to support the Move On Accommodation project to provide accommodation for survivors of domestic and sexual violence and abuse.
- 1.4 The report includes capital monitoring information which sets out Nottingham City Homes' (NCH) current spend, planned investment and proposed funding over the life of the Corporate Plan. Nottingham City Council (NCC) have formally approved £20.866m loans for market rent, for Nottingham City Homes Enterprises Limited (NCHEL). It is proposed to draw down £11.476m of these loans for properties already purchased.

### 2 RECOMMENDATIONS

It is recommended that the Board:

- 2.1 **Notes** the financial position at the end of July 2019 and the forecast outturn position for the 2019/20 financial year.
- 2.2 **Approves** NCH RP to acquire eight homes, draw down grant from HE and enter into a loan with NCC loan as set out in Appendix 4 in the confidential section of the papers.
- 2.3 **As agreed by NCC Executive, Approves** NCHEL to draw down a loan for 100% of the transfer value of the first 100 homes already purchased and delegate approval of the final loan of £11.476m and agreement to the Chief Executive.

### 3 REPORT

- 3.1 The Group's management accounts show an underspend against budget of £83k at the end of Period 4. This underspend is less than 1% of the profiled budget at Period 4 (£23m). Although the profile of spend is anticipated to be slightly higher across the rest of the financial year, we are projecting that a surplus of £110k will be achieved for the full year, but that surplus will be within NCH RP. The outturn position for all other Group activities is anticipated to be in line with the 2019/20 budget.
- 3.2 A summary of the financial position at the end of Period 4 together with the forecast outturn for the financial year is shown in [Appendix 1](#). Further analysis of these figures split by Directorate is provided in [Appendix 2](#). Explanations for the main Directorate variances, as shown in [Appendix 2](#), are set out below.
- 3.3 Construction, Repairs & Maintenance (CR&M)  
£409k overspent (7.4% of the profiled budget of £5.5m)
- 3.3.1 The net position at the end of Period 4 is an adverse variance of £409k and [Appendix 2](#) shows how income and expenditure are affected. The main contributing factors are overspending, most notably on Planned works, and expenditure set against capital income not being managed down to the level required to balance the budget when income is being under-recovered.
- 3.3.2 Surpluses on growth and commercial activities were targeted within the 2019/20 budget as an alternative to budget savings within CR&M. The surplus achieved to date is below budget (£134k), contributing to the adverse variance and requiring a significantly higher proportion of the target to be delivered in Quarters 3 and 4.
- 3.3.3 The budget for CR&M remains that agreed by Board, to deliver surplus targets in full and a balanced outturn position. The current position is being reviewed in detail and actions established to increase recovery of income, tackle overspending and identify potential capacity to reduce costs across the remainder of the financial year. Challenges within CR&M's Commercial Services and Planned Works include:
- Backlogs in Commercial and Planned works including bringing Fire damaged properties back into use
  - Key resource challenges, including management vacancies and use of agency staff
  - Productivity concerns in key areas of operation delivery.
- 3.3.4 A recovery action plan is being developed by CR&M which includes:
- Recruiting necessary skilled resources including commercial management roles with a short term target to reduce agency staff by 50%
  - Introducing weekly finance meetings and progress updates – all Heads of Service and senior staff to provide weekly performance and productivity updates
  - Weekly valuations and final accounts relating to commercial areas and planned works

- Bringing all Work in Progress (WIP) and billing up to date.
- 3.3.5 Work is also ongoing to increase works delivered within CR&M rather than through external contractors, with income budgets of over £5m targeted to commence in Quarter 3. Cost plans are being compiled to support the delivery of activities in remaining timescales and monitor achievement of planned income level and surpluses targets.
- 3.3.6 To reflect the risk of the current overspend position and the significant surplus target weighted in the second half of the financial year, the CR&M forecast has been adjusted to show a year end overspend of £175k. Progress with remedial actions, impact on the budget spend position and any anticipated improvement in the full year forecast position will be reported to Board in January 2019.
- 3.4 Housing & Customer Services (H&CS)  
£83k underspent (2% of the profiled budget of £5.1m)
- 3.4.1 Underspending within H&CS has arisen within pay and non-pay budgets and is spread across a number of service areas. Underspending to date is reflected within the forecast outturn position. Because many homes are already at decent homes standard when they become void, there continues to be a reduction in capital works needed which has reduced the income from these capital works available to the voids team.
- 3.5 Investment & Business Services (I&BS)  
£100k underspent (4.8% of the profiled budget of £2.0m)
- 3.5.1 Underspending is across a number of service areas, split broadly between Asset Management and business/support services. The profile of spend in Asset Management shall increase as the financial year progresses and most of the other underspends are anticipated to remain and hence reflected in forecast.
- 3.6 Company Secretary (CS)  
£69k underspent (10% of the profiled budget of £0.7m)
- 3.6.1 Underspending within the CS budget has mainly arisen within HR Employee, Employability and apprenticeship budgets. It is currently anticipated that across the full financial year, these budgets will be further utilised and hence the forecast remains in line with budget.
- 3.7 Central Charges  
Income £70k under-recovered (below 1% of profiled budget - £17.3m)
- 3.7.1 The income variance reflects that NCH's property portfolio is still increasing month on month and a larger proportion of the income budgeted will be delivered later in the year. The forecast is in line with budget to reflect achievement of income targets.
- 3.8 Expenditure £245k underspent (6% of profiled budget - £4.0m)



3.8.1 The costs of maintaining homes leased to NCH RP have been significantly below budget to date (£179k). This is in part due to reduced loan interest costs through use of reserves and significantly reduced void periods – and hence costs. This is to be reviewed in Quarter 2 to identify what expenditure is anticipated in the remainder of the year and what reduction in these costs can be reflected in the forecast. Provision for reorganisation is also underspent by £40k (reflected in forecast), the remainder providing some contingency against employee savings proposals for 2020/21.

### 3.9 NCH Registered Provider (NCHRP)

3.9.1 A surplus in excess of budget continues to be achieved and the surplus is increasing each month. The surplus is already £93k at the end of Period 4 and an improved surplus position of £209k has been included in the forecast. The improved position is mainly driven by the actual void periods, for home for homeless families, being significantly lower than those budgeted. Surplus generated by NCH RP will be taxable and a proviso for this is included in forecast outturn position.

3.9.2 Turnover of tenancies during the remainder of the financial year will determine if the position improves further. Following NCH RP Board approval, NCH RP will be using some of their surplus for improvements to Highwood House and supporting Housing First, which will help to mitigate the surplus increasing.

### 3.10 Capital Expenditure

3.10.1 NCH has already made significant progress in relation to its Corporate Plan Goal to build high quality and affordable homes for local people. At the end of Period 4 the total investment made by NCH was over £46 million (376 homes) and Appendix 3a sets out how this is split across the Group and individual schemes. This now includes 16 market rented Homes in Masson House (Arkwright Walk).

3.10.2 A key part of the Corporate Plan is to continue with new build schemes and property acquisitions. Appendix 3b includes a summary of NCH's planned investment over the life of the plan in relation to schemes and related business cases approved by Board.

3.10.3 Loan agreements to finance NCHEL market rented activities are in the progress of being finalised by NCC following approval of loans to the value of £20.086m by Executive Board in July. This approval covers the existing 126 Homes, acquisition of Fairham House (24 Homes) and the potential purchase of Ryehill House (18 homes). A September Executive Board report shall approve a further loan of £3.976m for new market rent flats on the site of the former Meadows Police Station (21 Homes).

3.10.4 In July 2017 the Board agreed that the first 100 Homes bought for market rented activity would be funded by 80% loans and 20% reserves. Given that PWLB rates are currently so low it is proposed that a loan for 100% of the value of the first 100 homes is drawn down by NCHEL at a value of £11.476m with reserves used to support the cost of homes in other acquisition schemes,

until all transactions are formally completed.

3.10.5 The NCHEL Medium Term Financial Plan has been prepared including the impact of 100% loans for the 100 market rent properties. Maximising borrowing at the current low PWLB rates will be financially beneficial by allowing our new build and acquisitions reserves to be used to offset other approved schemes when the interest rates are likely to be higher than they are currently. The objective of having a loan to reserves ratio of an 80:20 split across all NCHEL homes is still maintained and Appendix 3 is still presented to reflect this.

### 3.11 Use of Existing Reserves

3.11.1 The Group's revenue reserves allocated against agreed priorities carried forward into 2019/20 totalled £1.1m and there has been limited spend against these to date. Priorities are reviewed by EMT on a monthly basis.

3.11.2 Appendix 3 shows the use of new build reserves in the medium term capital planned programme. Reserves cover all commitments made to date by NCH Board and are forecast to leave an unallocated / contingency capital reserve of £2.6m, as shown in Appendix 3b.

### 3.12 Move on accommodation

3.12.1 On 4 December 2018 the NCH RP Board approved, subject to securing grant from HE, the Move On Accommodation project to provide accommodation for survivors of domestic and sexual violence and abuse. In July 2019 HE advised the bid for capital grant of £400k and revenue grant of up to £42k had been successful.

3.12.2 A further Update Report was presented to NCH RP Board in September and is linked in Appendix 4. Board is asked to approve the project so that NCH RP can acquire eight Homes, draw down grant from HE and enter into a loan agreement with NCC as set out in the NCH RP Board report. There are no adverse financial implications for NCH Group as a result of this.

## **4 FINANCIAL, LEGAL AND RISK IMPLICATIONS**

### 4.1 Financial Implications

4.1.1 The financial implications are set out above.

### 4.2 Legal Implications

4.2.1 There are no direct legal implications of this report.

### 4.3 Risk Implications

4.3.1 The current risks in relation to the Group's financial position are:

- Continued delivery of 2019/20 PBB savings – notably achievement of surplus targets (dependent on new activities and income);

- Under-recovery of income;
- Expenditure for variable income streams (mainly capital works) being managed within actual income achieved;
- CR&M Directorate returning to a balanced budget position (as currently overspent);
- Level of sickness absence and its impact on actual available staff resources funded by budgets;
- Loan and bank interest charges from NCC;
- Result of litigation with Vodafone over liability for material data costs arising on stolen NCH door entry sim cards; and
- Effect on capital fees of slippage in the NCC capital programme.
- Impact of NCC decisions on future new build and acquisitions.

4.3.2 In the absence of NCC loans, market rented homes and interim payments on planned acquisitions are currently being supported by reserves and bank balances, held in NCC's suite of all accounts, being over-drawn. The latter will no longer be required once the NCH loans set out in this report, are in place.

4.3.3 A claim against the Company for costs of £770k was made by Vodafone Limited last year in relation to additional SIM card data charges (overage) in August and September 2018. Although now reduced to £492k, all charges continue to be refuted and disputed by the Company as the alleged charges arose for stolen SIM cards which NCH had cancelled and the original invoice charges submitted by Vodafone for those two months were paid in good faith. The dispute continues to be handled by the Company Solicitor and has been referred to both the Police and the Regulator.

## **5 IMPLICATIONS FOR NOTTINGHAM CITY HOMES' OBJECTIVES**

5.1 A robust financial budget and effective monitoring process to ensure the budget is tightly managed and controlled is essential to support the achievement of all the Corporate Plan objectives.

## **6 EQUALITY AND DIVERSITY IMPLICATIONS**

6.1 Has the equality impact of these proposals been assessed?  
 Yes (EIA attached)  
 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 Appendices 1 & 2 - Management Accounts.  
 7.2 Appendix 3a & 3b - Capital Expenditure: Land & Buildings  
 7.3 Appendix 4 - Move on accommodation: NCHRP Board Update report –.

**Contact officers:** Name: Darren Phillips  
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 E-mail: darren.phillips@nottinghamcityhomes.org.uk

**Date: 4 SEPTEMBER 2019**

# NCH GROUP SUMMARY

## PERIOD

## 31st July 2019

	BUDGET Year To Date	ACTUAL Year To Date	VARIANCE Year To Date	BUDGET Full Year	FORECAST Full year	VARIANCE Full Year
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Income</b>						
HRA Fees	16,417	16,417	0	49,250	49,250	0
Other Income	6,802	5,987	816	24,129	24,174	(45)
<b>Total</b>	<b>23,219</b>	<b>22,403</b>	<b>816</b>	<b>73,379</b>	<b>73,424</b>	<b>(45)</b>
<b>Less :</b>						
<b>Expenditure</b>						
Employee Costs	12,190	12,006	(184)	38,607	38,358	(249)
Non-Pay Costs	9,318	8,643	(675)	29,593	29,819	226
<b>Total</b>	<b>21,508</b>	<b>20,649</b>	<b>(859)</b>	<b>68,200</b>	<b>68,177</b>	<b>(23)</b>
NCC Refund	1,077	1,077	0	3,230	3,230	0
Earmarked for Reserves	556	556	0	1,667	1,667	0
Provision for Reorganisation	79	39	(40)	283	240	(43)
<b>(Surplus) / Deficit Position</b>	<b>0</b>	<b>(83)</b>	<b>(83)</b>	<b>0</b>	<b>(110)</b>	<b>(110)</b>

## DIRECTORATE SUMMARY

PERIOD 4: 31st July 2019

	BUDGET Year To Date	ACTUAL Year To Date	VARIANCE Year To Date	BUDGET Full Year	FORECAST Full year	VARIANCE Full Year
	£'000	£'000	£'000	£'000	£'000	£'000
<b>HOUSING &amp; CUSTOMER SERVICES</b>						
Income	1,444	1,251	193	4,331	4,441	(110)
Expenditure	6,598	6,323	(275)	19,797	19,853	57
	5,154	5,072	(83)	15,466	15,412	(54)
<b>CONSTRUCTION, REPAIRS &amp; M'TNCE</b>						
Income	2,904	2,320	584	12,050	11,875	175
Expenditure	8,395	8,221	(175)	28,364	28,364	0
	5,491	5,900	409	16,314	16,489	175
<b>INVESTMENT &amp; BUSINESS SERVICES</b>						
Income	668	667	1	1,999	1,999	0
Expenditure	2,732	2,632	(100)	8,192	8,161	(31)
	2,064	1,964	(100)	6,193	6,162	(31)
<b>COMPANY SECRETARY</b>						
Income	5	22	(17)	16	16	0
Expenditure	707	654	(52)	2,120	2,120	0
	701	632	(69)	2,104	2,104	0
<b>CENTRAL CHARGES</b>						
Income	17,398	17,328	70	52,376	52,376	0
Expenditure	4,014	3,769	(245)	12,397	12,306	(91)
<b>NCHRP</b>						
Income	800	814	(14)	2,608	2,718	(110)
Expenditure	773	721	(52)	2,510	2,510	
	(27)	(93)	(66)	(99)	(209)	(110)
<b>(Surplus) / Deficit Position</b>	<b>0</b>	<b>(83)</b>	<b>(83)</b>	<b>0</b>	<b>(110)</b>	<b>(110)</b>

**Capital Monitoring - Part 1**  
**Actual Position at Period 4 (End of July 2019)**

**APPENDIX 3a**

Scheme	No of Properties	Value £'000	Debt £'000	Comments
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**NCH Main Company**

Eddlestone & Wendover	6	642	0	
Radford	52	6,591	6,387	
Lenton	62	10,046	6,711	
Homes for Homeless Families	113	11,295	9,925	Properties owned by NCH & leased to NCHRP.
Market rent	110	11,891	0	Due to be transferred to NCHEL. Awaiting draw down of loan from NCC direct to NCHEL.
Meadows Police Station	0	202	0	Due to be transferred to NCHEL. Value represents land.
	<b>343</b>	<b>40,667</b>	<b>23,022</b>	

**NCH RP**

Church Square	17	2,659	2,230	
Martin's Reach	0	128	0	Deposit.
	<b>17</b>	<b>2,787</b>	<b>2,230</b>	

**NCH EL**

Masson House - Arkwright Walk	16	1,882	0	Interim Payments and purchase of land (£72k).
Fairham House - Clifton Triangle	0	1,054	0	Interim Payments and purchase of land (£620k).
	<b>16</b>	<b>2,936</b>	<b>0</b>	

<b>Group Summary</b>	<b>376</b>	<b>46,390</b>	<b>25,252</b>	
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**2019/20 Pre-construction costs.**

Meadows Police Station	0	75	0	previously charged to revenue up to 31/03/2019. £75k
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**Capital Monitoring - Part 2**  
**Planned Position at Programme End (2020/21)**

**APPENDIX 3b**

**Actual & Planned Resources**

Reserves set aside for new build & acquisitions: - Current - 2019/20 - 2020/21		9,313 1,500 1,500	
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Grants		<b>3,014</b>	
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<b>Total Resources</b>		<b>15,327</b>	
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<b>Planned Expenditure</b>	<b>No of Properties</b>	<b>Total Value £'000</b>	<b>Loan £'000</b>	<b>Capital Grant &amp; Reserves £'000</b>	<b>Comments</b>
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**NCH Main Company**

Eddlestone & Wendover	6	642	462	180	
Radford	52	6,591	4,744	1,848	
Lenton	62	10,046	5,657	4,389	
Homes for Homeless Families	150	16,275	16,275	0	Properties owned by NCH & leased to NCHRP.
	<b>270</b>	<b>33,554</b>	<b>27,138</b>	<b>6,416</b>	

**NCH RP**

Church Square	17	2,659	2,230	429	
Martin's Reach	14	1,155	1,155	0	
Move On Accommodation	8	1,134	734	400	Subject to Board approval.
	<b>39</b>	<b>4,948</b>	<b>4,119</b>	<b>829</b>	

**NCH EL**

Individual property acquisitions	110	12,241	11,476	765	Potential that reserves may be released.
Fairham House - Clifton Triangle	24	3,284	2,627	657	
Masson House - Arkwright Walk	16	2,193	1,754	439	
Ryehill House - Arkwright Walk	18	2,403	1,922	481	Acquisition cost being negotiated.
Meadows Police Station	21	3,976	3,181	795	As per Board paper (July 2019)
Arboretum	69	9,416	7,063	2,353	As per Board paper (July 2019)
	<b>258</b>	<b>33,512</b>	<b>28,024</b>	<b>5,489</b>	

<b>Total Planned Expenditure</b>	<b>567</b>	<b>72,015</b>	<b>59,281</b>	<b>12,734</b>	
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<b>Unallocated / Contingency</b>				<b>2,593</b>	
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