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**Nottingham**  
**City Council**

## **Nottingham City Council Housing and City Development Scrutiny Committee**

**Date:** Monday 22 January 2024

**Time:** 10:00am

**Place:** Ground Floor Committee Room - Loxley House, Station Street, Nottingham,  
NG2 3NG

**Councillors are requested to attend the above meeting to transact the following business**

**Director for Legal and Governance**

**Scrutiny and Audit Support Officer:** Adrian Mann

**Direct Dial:** 0115 876 4353

- 1 Apologies for Absence**
- 2 Declarations of Interests**
- 3 Minutes** 3 - 10  
Minutes of the meeting held on 18 December 2023, for confirmation
- 4 Asset Rationalisation - Delivery and Future Strategy** 11 - 18  
Report of the Statutory Scrutiny Officer
- 5 Impact of the Proposed 2024-25 Budget on Growth and City Development** 19 - 24  
Report of the Statutory Scrutiny Officer
- 6 Work Programme** 25 - 30  
Report of the Statutory Scrutiny Officer

If you need advice on declaring an interest in any item on the agenda, please contact the Scrutiny and Audit Support Officer shown above before the day of the meeting, if possible.

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## Nottingham City Council

### Housing and City Development Scrutiny Committee

Minutes of the meeting held in the Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG on 18 December 2023 from 10:00am to 12:10pm

#### Membership

##### Present

Councillor Sam Harris (Chair)  
Councillor Neghat Khan  
Councillor AJ Matsiko  
Councillor Michael Savage  
Councillor Adele Williams

##### Absent

Councillor Kevin Clarke  
Councillor Sarita-Marie Rehman-Wall

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

Councillor Steve Battlemuch	- Portfolio Holder for Skills, Growth, Economic Development and Property
Beverley Gouveia	- Head of Property
Councillor Jay Hayes	- Portfolio Holder for Housing
Nicki Jenkins	- Director of Economic Development and Property
Mark Lowe	- Head of Housing and Regeneration
Kevin Lowry	- Director of Housing
Adrian Mann	- Scrutiny and Audit Support Officer
Sajeeda Rose	- Corporate Director for Growth and City Development
Damon Stanton	- Scrutiny and Audit Support Officer

#### 15 Changes to Membership

The Committee noted that Councillor Nadia Farhat had stood down from the Committee.

#### 16 Apologies for Absence

Councillor Kevin Clarke – work commitments  
Councillor Sarita-Marie Rehman-Wall – caring responsibilities

#### 17 Declarations of Interests

In the interests of transparency in relation to item 6 (Asset Rationalisation – Policy and Process), Councillor AJ Matsiko declared that he is a member of the Council's Trusts and Charities Committee.

In the interests of transparency in relation to item 7 (Housing Strategy Development), Councillor Michael Savage declared that he is a Council tenant and a trustee of the One Vision Partnership.

In the interests of transparency in relation to item 7 (Housing Strategy Development), Councillor Adele Williams declared that she works for the charity Hope for the Future.

## **18 Minutes**

The Committee confirmed the Minutes of the meeting held on 16 October 2023 as a correct record and they were signed by the Chair.

## **19 Committee Terms of Reference**

The Committee noted the change to its Terms of Reference to help support the Council's delivery of the new requirements of the Social Housing Regulation Act 2023.

## **20 Asset Rationalisation - Policy and Process**

Councillor Steve Battlemuch, Portfolio Holder for Skills, Growth, Economic Development and Property; Sajeeda Rose, Corporate Director for Growth and City Development; Nicki Jenkins, Director of Economic Growth and Property; and Beverley Gouveia, Head of Property, presented a report on the policy and processes behind the Council's asset rationalisation programme. The following points were raised:

- a) Asset rationalisation is a process of reorganising an organisation's assets to achieve operating efficiencies and improve the bottom line. It is about determining why the Council holds certain assets and using strategic planning and analysis to determine the best use of property, including identifying assets potentially surplus to requirements.
- b) The Council owns over 3,600 property assets (with an asset value of over £1 billion), which are split between the General Fund, the Housing Revenue Account and the Bridge Estate. The Asset Management Programme aims to generate sufficient capital receipts by selling property assets to meet the current commitments within the capital programme and reduce levels of borrowing. The ability to deliver capital receipts has a direct impact on the Council's cash flow and asset rationalisation supports the delivery of the Council's major capital projects where external grant funding is not in place. There is a target for the programme to secure £13.6 million in 2023/24, and £8.40 million has been achieved so far. The forecasts produced include an overall pipeline value and a risk-adjusted figure, which is used as the expected figure to ensure prudent budgeting.
- c) Work is underway to ensure an effective disposals policy and maximise capital receipts. The identification and disposal of surplus land and property is a central part of the Council's capital strategy and Asset Management process. The disposal of assets is partly about achieving capital receipts, but is also used to ensure best value through the use of Council assets and create efficiencies.
- d) When a property becomes surplus, the default position is for disposal unless there is good business case for alternative use. Assets owned by the Council are public resources and, therefore, the Council must be able to demonstrate clear reasoning for holding onto that asset. Properties are identified as surplus through

ongoing performance and condition reviews, service plans and reviews, regeneration schemes, and site-by-site asset rationalisation reviews.

- e) All disposals must deliver 'best consideration' when disposed of, which is governed by legislation. A strong business case is needed to sell at less than market value. A robust disposals process is in place and actions are taken to accelerate the process where appropriate.
- f) An internal audit review was carried out in relation to the disposals policy to ensure that it is fit for purpose. There are still some challenges for the Service to overcome, including managing resource and capacity constraints, unexpected issues arising from the legal due diligence process, and balancing capital receipts against potential revenue loss.

The Committee raised the following points in discussion:

- g) The Committee asked how wider community benefits are balanced against 'best value' considerations when a property is considered for disposal. It was explained that work is underway to devise a formula that can ascertain social and financial value over time. It is important that a framework is put in place so that there is a consistent approach as some buildings have strong community value and are important to social cohesion.
- h) The Council considers the potential impacts on the wider public purse when making decisions on surplus properties, but it is important that properties within the Council's portfolio are there to deliver Council priorities. As part of the asset management process, the Council looks at how it can increase the value of the property (such as through repairs), as well as investigate joining services together to make better use of the property. However, the Service does not have a large capital budget available for repair work.
- i) The Committee queried what processes are in place to ensure that surplus properties are disposed of in a timely way. It was reported that there have been issues involving anti-social behaviour once a property is void and declared surplus to requirements due to the length of time it takes for disposal. As a result, the Council can incur high costs associated with securing the property, so it is important for there to be a plan for a property once it is void and surplus to requirements. Building risk assessments are completed by a Building Management team within the Service, however, it is currently experiencing staffing issues.
- j) There are, however, some issues outside of the Council's control, such as buyers pulling out of a purchase, which results in delays. Responding to organisations looking to buy a property or extend its lease can be a lengthy process. Some delays can be caused by the availability of staffing resources, so there is a prioritisation process in place to ensure that properties that provide the most income to the Council are dealt with first. Financial analysis and legal due diligence tend to be the most time-consuming aspect of the disposals policy.
- k) The recently-issued Section 114 Notice in relation to the Council's finances has not had a major impact on disposal timetables, with the exception of additional

approval now being needed for the required expenditure to achieve a disposal, such as specialist advice. However, the decision-making processes remain the same. The Service is working to establish the impacts on service provision arising from the proposed 2024/25 Council Budget.

- l) The Committee asked how developers and partners are engaged with effectively in the achievement of large commercial sales. It was set out that partnership working and networking with businesses to outline a vision for Nottingham for large scale sites takes place to attract larger investors. Generally, the Council does not struggle to attract interest in its available properties. Deciding what is the most appropriate use for certain buildings is ultimately both a Planning and a market demand issue. Property brochures, when advertised, contain Planning information that helps give investors certainty on what they are able to do with the property. The Council regularly engages with national housebuilders and local developers who are interested in investing in Nottingham to discuss properties and land on the market.
  
- m) The Committee asked what work is being carried out to mitigate against communities losing important local property assets when the Council was no longer able to operate the service. It was explained that the Council aims to support community organisations to take on the running of community buildings (either through leasing or buying), however, it remains bound by best value requirements. The Council calculates the community asset value of communities running their own buildings and providing particular services to residents. The Council is bound by the requirements of best value and, therefore, must prioritise the best bids for Nottingham as a whole, regardless of where the investors are based. However, a new Economic Strategy is being launched in 2024 and part of this will address supporting local investment in Nottingham.

The Chair thanked the Portfolio Holder and officers for attending the meeting to present the report and answer the Committee's questions.

**Resolved:**

- 1) To request that further information is provided on the recruitment required to ensure that the Asset Rationalisation programme as planned is sufficiently resourced to be deliverable.**
  
- 2) To request that all City Councillors are added to the distribution list of alerts for property assets being advertised for disposal.**
  
- 3) To recommend that the formal framework for considering the balance of community benefit, wider service impact and best value when assessing the potential disposal of a property asset is completed as soon as possible, to inform and support effective decision-making.**
  
- 4) To recommend that clear management plans and effective risk assessments are in place for all void property assets, to reduce the costs incurred during the disposal process as much as possible.**

- 5) To recommend that a clear, strategic vision for the development opportunities of surplus property assets is set out so that developers can be engaged with proactively to achieve the best possible returns, taking advantage of support from the Council's Regeneration team where appropriate.**

## **21 Housing Strategy Development**

Councillor Jay Hayes, Portfolio Holder for Housing; Sajeeda Rose, Corporate Director for Growth and City Development; Kevin Lowry, Director of Housing; and Mark Lowe, Head of Housing and Regeneration, presented a report on the development of the Council's new Housing Strategy. The following points were raised:

- a) The Housing Strategy is intended to outline how the Council will work with partners to tackle the current housing situation in Nottingham, which is placing a high pressure on Council services. It is not a statutory requirement for local authorities, however, it does address a number of statutory responsibilities that are placed upon the Council. The Council is working to ensure that all of its social housing is of good quality and standard, while trying to maintain its stock in the context of the 'Right to Buy' scheme. The Strategy seeks to be ambitious whilst operating in the context of the current financial constraints.
- b) The Strategy will set out a citywide vision for the housing offer available to residents across all tenures, and has a direct relationship to economic growth, health and wellbeing, and the Council's green agenda. The Strategy looks to address the city's main housing issues, which include a lack of affordable housing to rent, relatively high numbers of people who are homeless or rough sleeping, poor rented accommodation, the quality and choice of housing (including aspirational homes to attract Nottingham's future workforce), and the energy efficiency of the city's homes and the impact on the environment from their carbon emissions.
- c) The Strategy projects future population and housing market profiles, and examines the national and local policy context to addressing three key aims:
  - meeting Nottingham's diverse housing needs and aspirations, which will include increasing the supply of affordable homes, preventing homelessness and rough sleeping, and meeting the needs and aspirations of minority ethnic communities and other minority groups,
  - driving excellence in housing standards and services across all tenures, which will include improving neighbourhoods, homes and services for Council tenants, and
  - enabling housing growth and regeneration for a green and prosperous Nottingham, which will include supporting economic growth and building homes for a greener Nottingham.
- d) The Strategy will address the resources needed to deliver its key aims and in the context of the current financial position, as well as outline implementation plans. People and organisations who have an interest and will be impacted by the commitments made in the Strategy will have an opportunity to provide their views and feedback. There are a range of consultation tools including an online survey

and a toolkit to support third party promotion of the consultation, and the Council will seek any potential sponsorship opportunities to help finance consultation.

The Committee raised the following points in discussion:

- e) The Committee asked whether the current housing targets are achievable, and how new housing would be delivered in the context of the upcoming East Midlands Combined County Authority. It was explained that the Government's housing targets for Nottingham will be challenging in the long term. Future Government investment in housing may come exclusively through the new East Midlands Combined County Authority, so the Council is ready to take advantage of this with clear plans already in place for when funding is made available. There are often short timeframes to apply for grants, so it is critical that the Council has a sound implementation plan and is able to convert the Strategy into delivery.
- f) There need to be different housing solutions of different affordability for different people at different times in the city, where there is significant demand for social and affordable housing. There is a pipeline of sites in place across the D2N2 region so that the Council and its partners are ready to mobilise should funding be available, with funding often coming through a number of different partners. The NHS is a key partner due to the wider health and wellbeing impacts arising from housing, and the Council regularly engages with it – the views of the Nottingham City Health and Wellbeing Board have also been sought on the draft Strategy.
- g) The Committee queried how the ongoing green retrofit of housing will be addressed in the Strategy. It was reported that the Council has carried out retrofitting works both internally and also through partners so that over 2000 households in Nottingham received improvement grants last year. Funding has been made available and the Council also facilitates grant schemes provided by energy companies to support the retrofitting of homes, which households can apply for. Funding for retrofitting has been provided to the Council in the past and this has been spent as part of regeneration works in the city and across the D2N2 area. This represents a rolling programme and there is a pipeline of properties that could benefit from further funding in future. There is, however, limited market capacity in the city to deliver retrofit and the Housing Strategy looks to build on this further.
- h) The Committee asked how low-income residents are being supported, and how private rented accommodation is being regulated. It was set out that the Government considers housing as affordable if it costs no more than 80% of the local market rent. However, the Council does not consider this general level as being affordable for many people Nottingham. Shared ownership has been explored and is mainly delivered by partners such as Homes England. However, there is a much higher demand for affordable rents rather than home ownership in Nottingham, so this is current priority focus.
- i) The Council operates a Selective Licensing Scheme to seek to raise standards in private rented accommodation. The Council is unable to control private market rents, but is looking to invest more and work with partners to build more social housing. The Council is also looking at how it can encourage people to downsize,



if appropriate. Work is underway in seeking to address empty homes in the city, but this can be challenging in the current financial context.

- j) The Committee was pleased to note that the development of the Strategy showed a clear commitment to ensuring that Nottingham is a child-friendly city.

The Chair thanked the Portfolio Holder and officers for attending the meeting to present the report and answer the Committee's questions.

**Resolved:**

- 1) To request that an overview is provided on the progress and outcomes of the housing retrofit activity carried out in Nottingham to date.**
- 2) To recommend that the Housing Strategy sets out a clear definition of what represents affordable housing for Nottingham communities, and that this is embedded within the wider strategic planning for the delivery of genuinely affordable homes.**
- 3) To recommend that a clear strategic plan is established for the delivery of Nottingham's future new housing and housing retrofit needs, to ensure that the Council is in a strong position to take advantage of funding made available through the East Midlands Combined County Authority as the opportunity arises.**
- 4) To recommend that the Selective Licensing Scheme is sustained and developed as part of ensuring a good standard of housing within in the private rented sector.**
- 5) To recommend that further consideration is given to how the Council can work as effectively as possible with partners across the wider region to ensure the delivery of Nottingham's challenging long-term housing targets.**

## **22 Work Programme**

The Chair presented the Committee's current Work Programme. The following points were discussed:

- a) It is intended that the Committee's next meeting on 22 January 2024 will review the potential impacts of the upcoming 2024/25 Council Budget on future service delivery within the Growth and City Development department. Wider discussions are underway regarding the processes and timetable for the effective scrutiny of the service impacts of the 2024/25 Budget, and to ensure that this is managed in a clear and consistent way across all Scrutiny committees and Council departments.

The Committee noted the Work Programme.

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## **Housing and City Development Scrutiny Committee 22 January 2024**

### **Asset Rationalisation – Delivery and Future Strategy**

#### **Report of the Statutory Scrutiny Officer**

#### **1 Purpose**

- 1.1 To scrutinise the delivery of the Council's Asset Management Programme both currently and moving forward. The Programme is intended to generate capital receipts, meet the current commitments within the Capital Programme and reduce the Council's level of borrowing by selling surplus property assets.

#### **2 Action required**

- 2.1 The Committee is asked to:

- 1) consider whether it wishes to make any comments or recommendations in relation to the delivery and future strategy elements of the Council's Asset Management Programme; and
- 2) identify any next steps in the further scrutiny of this issue.

#### **3 Background information**

- 3.1 This issue falls within the remit of the Portfolio Holder for Skills, Growth, Economic Development and Property.
- 3.2 The Council is a major owner of property assets from which services and Council Plan priorities are delivered. The Asset Management Programme represents a process for reorganising the Council's property to improve operating efficiencies and boost the bottom line, using strategic planning and analysis to determine the best use of property and to identify assets potentially surplus to requirement.
- 3.3 Assets owned by the Council are public resources, so the Council must demonstrate a clear benefit behind holding a given asset. The reasons for holding an asset should contribute to the delivery of the Council Plan and meet at least one of the following objectives:
- a) to deliver services directly to citizens (leisure centres, day centres, museums, etc.);
  - b) to support the delivery of services (administrative buildings, depots, etc.);
  - c) to generate a financial return to help fund service delivery (commercial properties, etc.); or
  - d) to meet the Council's wider economic or strategic objectives.

- 3.4 The ability to deliver a level of capital receipts has a direct impact on the Council's cashflow and borrowing requirements. Therefore, it is recognised that all Council property is a corporate resource even when occupied by a specific service, held for strategic purposes or used for income generation. When property assets become surplus there is a presumption for disposal unless there is a strong business case approved for alternative use. However, although the disposal of surplus assets is partly about achieving capital receipts, it also ensures that the Council considers efficiencies in terms of the assets that it uses to deliver best value.
- 3.5 The Committee considered a report on the policy and process elements in relation to the Asset Management Programme at its meeting on Monday 18 December 2023 and made the following recommendations:
- 1) that the formal framework for considering the balance of community benefit, wider service impact and best value when assessing the potential disposal of a property asset is completed as soon as possible, to inform and support effective decision-making;
  - 2) that clear management plans and effective risk assessments are in place for all void property assets, to reduce the costs incurred during the disposal process as much as possible; and
  - 3) that a clear, strategic vision for the development opportunities of surplus property assets is set out so that developers can be engaged with proactively to achieve the best possible returns, taking advantage of support from the Council's Regeneration team where appropriate.
- 3.6 In terms of the delivery element of the Asset Management Programme, it is intended to both accelerate the sale of those properties currently declared surplus (or in the pipeline) and increase the number of assets for disposal. A number of actions have been taken to address the challenges that can slow down the disposal process, and a full review has been undertaken of all of the assets within the property portfolio to identify those that no longer meet the Council's 'best value' requirements.
- 3.7 A report on the delivery of the Asset Management Programme, and the strategy for the future, is attached.

#### **4 List of attached information**

- 4.1 Report: Asset Rationalisation – Delivery and Future Strategy

#### **5 Background papers, other than published works or those disclosing exempt or confidential information**

- 5.1 None

## **6 Published documents referred to in compiling this report**

- 6.1 Report to, and minutes of, the Housing and City Development Scrutiny Committee meeting held on [18 December 2023](#) (Asset Rationalisation – Policy and Process)

## **7 Wards affected**

- 7.1 All

## **8 Contact information**

- 8.1 Adrian Mann, Scrutiny and Audit Support Officer  
[adrian.mann@nottinghamcity.gov.uk](mailto:adrian.mann@nottinghamcity.gov.uk)

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## **Housing and City Development Scrutiny Committee**

### **22 January 2024**

#### **Asset Rationalisation – Delivery and Future Strategy**

1. This report follows on from the report on Asset Rationalisation – Policy and Process presented to the Committee meeting on 18 December 2023, which outlined the process and policy underpinning the Council's Asset Rationalisation Programme.
2. The Asset Rationalisation Programme is intended to ensure best value through the use of the Council's assets by using strategic planning and analysis to determine the best use of property and identifying assets potentially surplus to requirements. In doing so, it is aimed to generate sufficient capital receipts by selling property assets to meet the current commitments within the capital programme and reduce the Council's level of borrowing.
3. As a theme within the 'Together for Nottingham' Plan, the Programme aims to accelerate the sale of those properties currently declared surplus and in the pipeline, increase the number of assets for disposal onto the Programme, and provide assurance on the way in which the Council sells its assets.
4. The Strategic Assets and Property team has accelerated the review of assets and disposal of assets over the past two years, with £64 million in receipts being achieved since the 2021/22 financial year. The review and disposal process has mature governance and corporate oversight. The emphasis going forward is on accelerating the process in line with the Council's financial requirements.
5. Performance of the Programme is managed through the production of a three-year forecast, which sets out the level of capital receipt expected to be achieved each year. A risk adjustment based upon the complexity of the sale and the distance from completion is applied for each asset. The forecast as at the first of April each year is used as the target for team performance for that year, although it has to be recognised that the forecast fluctuates throughout the year due to market changes or progress/delays in the sales of assets.
6. The current forecast for 2023-26 is as outlined below, with a total pipeline of £74.3 million.

	Total Pipeline (Non risk adjusted, less costs)	Most Likely Risk Adjusted Receipt (less costs)
2023/24	-26.551	-11.575
2024/25	-31.027	-13.558
2025/26	-0.864	-0.086
<b>Total</b>	<b>-58.442</b>	<b>-25.220m</b>
Additional high value assets	-15.905	-6.993
<b>Total</b>	<b>-74.347</b>	<b>-32.213</b>

7. Performance against the April forecast is also outlined into the table below which shows that, for this financial year, a £8.4 million capital receipt has been achieved to date against a target of £13.6 million.

Year	RA Forecast in April	Amount Secured
2020/21	£11.9m	£12.9m
2021/22	£7.9m	£17.8m
2022/23	£33.8m	£25.1m
2023/24	£13.6m	<b>£8.40m</b>
<b>Total Secured to date</b>		<b>£64.2</b>

8. This year's target is expected to be met due to an additional £1.8 million in the current pipeline still expected to complete and an additional 18 properties which were approved to go to auction in January and February 2024.
9. In order to accelerate the disposals process, a number of actions have been taken to address identified challenges. These include:
- implementing the Disposals Policy, which addressed the concerns raised with regards to assurance and provided a clear decision-making framework;
  - reviewing the decision-making process, with all unnecessary steps removed;
  - increasing the use of auctions as a quicker route to market;
  - recruiting additional Disposal Surveyor Capacity; and
  - initiating a series of review processes across the property portfolio.
10. Increasing the number of assets in the pipeline is crucial to maintaining a sustainable flow of capital receipts, particularly in light of the Council's current financial circumstances. Consequently, a full review of all assets within the property portfolio has been undertaken to identify assets that no longer meet the 'best value' requirements of the Council. This review has been broken down into a number of themes and asset classes, with specialist expertise commissioned to undertake the reviews to provide a credible market assessment. The reviews are as follows:



- Investment Properties: the review was concluded in 2022, and properties for sale agreed in January 2023 over a phased period of three years. The first sale was completed in November 2023.
  - High Value Asset Review (properties valued at over £750,000): this review concluded in autumn 2023, with the first properties to come forward to auction in January and February 2024, with the remainder now been considered for the forward plan.
  - Agricultural Assets: nine assets have been reviewed and recommendations are expected in March 2024.
  - Operational Estate: a review is currently ongoing with 90 properties considered, and is expected to conclude in early January 2024.
  - Ongoing Portfolio Review: a review of smaller commercial assets is underway to consider their ongoing performance.
11. There are a number of ongoing risks and challenges that are being actively managed, which have the potential to affect the Council's ability to deliver sufficient capital receipts within the timescales required.
  12. When looking to sell commercial properties that generate an income for the Council, consideration has to be given to any potential loss of revenue alongside the potential capital receipt to be achieved. In order to address this, a new decision matrix has been developed, working with Finance colleagues. This matrix assesses the full financial impact, including income loss against future potential capital expenditure and the risk of futures voids, etc. Priority is given to those properties that are either void or have limited impact on revenue budgets. In addition, the operational asset review is aimed at identifying surplus properties that are not income-generating.
  13. Recruitment to professional qualified surveyor roles continues to be a challenge, and this issue is being experienced across the whole Local Authority sector. In order to maintain the level of capacity required, vacancies are filled on a temporary basis with interim support, so all roles within the team are currently filled. To increase the level of capacity available, two additional Disposal Surveyor roles were also developed and recruited to, which was the maximum number possible within the budgets available. An ongoing recruitment programme is also underway.
  14. The Property team is not the only team crucial to the disposal process that is experiencing recruitment difficulties. Both Legal and Finance have similar challenges. In order to make the best use of capacity and skills available, additional support has been provided into the Legal team (funded through the capital receipts received) and an ongoing dialogue with both teams about priorities is taking place.
  15. Once into the disposal process, there are often unforeseen factors that can arise as part of the legal due diligence process. These can take many forms and are usually unique to the asset, but some examples would include discovering that property titles have previously been unregistered or that there is some form of legal challenge to the ownership or sale. Little can be done to avoid this,

however, ensuring that a review of the title is undertaken early on in the disposal process to prevent any abortive work being undertaken has been implemented.

16. Changes to the property market is one further factor that can impact any disposal programme. Changes in the market can affect the value of properties or the ability of buyers to raise sufficient funds. While the cause of this is outside of the Council's control, the Property team monitors sales on a weekly basis and prioritisation is given to higher-value assets that would have greater impact on the programme should they fall through, and consideration to market conditions is built into the asset review process. Where necessary, specialist external advice is also sought.

## **Housing and City Development Scrutiny Committee 22 January 2024**

### **Impact of the Proposed 2024/25 Budget on Growth and City Development**

#### **Report of the Statutory Scrutiny Officer**

#### **1 Purpose**

- 1.1 To scrutinise the service impacts of the specific 2024/25 Budget proposals that fall within the remit of the Committee.
- 1.2 To note that the overall financial impact of the budget, and the service impacts of proposals that fall outside of the remit of the Committee, will be scrutinised by the other Scrutiny committees at their meetings in January and February, as these matters fall outside the Committee's Terms of Reference.

#### **2 Action required**

- 2.1 To discuss the service impacts of individual proposals put forward from the Growth and City Development Directorate with the senior officers and Portfolio Holders present, gather information and draw conclusions.
- 2.2 To provide feedback to the relevant Portfolio Holders.

#### **3 Background information**

##### **The Role of Overview and Scrutiny**

- 3.1 All Councils operating Executive Governance arrangements are required to establish Overview and Scrutiny Committees. These Committees act as a check and balance to the power of the Executive, holding decision-makers to account for their decisions, reviewing proposals and supporting the development of policy. When operating effectively, Overview and Scrutiny supports effective decision-making and good governance through processes of supportive yet robust challenge and transparent public accountability.
- 3.2 As part of its governance improvement work, the Council has recently reviewed the structure, operation and support for Overview and Scrutiny to ensure that it can deliver the above aims as effectively as possible, thereby supporting the Council's overall improvement journey. A new structure for Overview and Scrutiny (with dedicated officer support) was established in May 2023 with five committees, each linked to one of the Council's Directorates, with separate Committees for Children's Services and Health and Adult Social Care. Each of these Committees has a role to play in the scrutiny of the budget and these roles are outlined in this report.

## **Scrutiny of the Proposed Budget**

- 3.3 All Councils are legally required to agree a balanced budget, outlining how resources will be allocated to enable them to deliver their statutory responsibilities within their financial means. Drawing up proposals to deliver a balanced budget for 2024/25 has been exceedingly challenging due to reductions in funding for local authorities, increases in demand for services where statutory duties exist (particularly Children's and Adult's social care and homelessness) and inflationary and other pressures. This has resulted in the need to put forward proposals to stop or reduce some services in order to seek to balance the budget.
- 3.4 In Nottingham, proposals have been drawn up by the Council's Executive Councillors and senior officers. At its meeting on 19 December 2023, the Executive Board agreed to put these proposals to the public with a formal consultation process for those proposals requiring it. Proposals not requiring formal consultation were shared in the interests of transparency. Extracts from the appendices to the Executive Board report containing the proposals that fall within this Committee's remit are attached to this report.

## **Scrutiny of the Impact of Individual Proposals**

- 3.5 This Committee is responsible for scrutinising the service impact of individual proposals put forward from the Growth and City Development Directorate. This falls outside of the formal consultation process, but it is important that the service impacts are scrutinised by the relevant committee. Any comments or recommendations should be fed back to the Portfolio Holder responsible. Matters to consider could include:
- a) what impact the proposals will have on service users and citizens, and how these impacts might be mitigated;
  - b) how effectively equalities have been considered as part of the proposals; and
  - c) the impact proposals may have on each other.
- 3.6 The service impact of the individual proposals put forward from the Council's other directorates will be scrutinised by the four other Overview and Scrutiny Committees at their meetings in January and February, with comments fed back to the relevant Portfolio Holders. In addition, the Corporate Scrutiny Committee, as the Scrutiny Committee responsible for Finance, will provide feedback to the Executive on the overall budget as part of the formal consultation process. These matters fall outside of the Terms of Reference for this Committee and should not form part of the considerations at this meeting.

## **4 List of attached information**

- 4.1 Appendix 1: Growth and City Development Savings Proposals

**5 Background papers, other than published works or those disclosing exempt or confidential information**

5.1 None

**6 Published documents referred to in compiling this report**

6.1 Report to, and Minutes of, the Executive Board meeting held on [19 December 2023](#) (Budget Strategy and Medium-Term Financial Plan 2024/25 to 2027/28)

6.2 [2024/25 Budget Savings Proposals Consultation](#)

**7 Wards affected**

7.1 All

**8 Contact information**

8.1 Nancy Barnard, Head of Governance and Statutory Scrutiny Officer  
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Portfolio	Reference	Option Type	Proposal Title	Proposed Narrative	2024/25	2025/26	2026/27	2027/28	Cumulative	Cumulative
					£m	£m	£m	£m	MTFP Impact	Staffing Impact
Skills, Growth, Economic Development and Property	DP(A) - 24262	Charge More	Increase in property rental income	Increase rents through annual rent review cycle for commercial properties owned by the Council	(0.100)	0.000	0.000	0.000	(0.100)	0
Skills, Growth, Economic Development and Property	DP(A) - 24251	Reduce costs	Reduce contribution to Place Marketing Services	Reduce contribution to Place Marking Services that supports promotion of Nottingham as a destination	(0.030)	0.000	0.000	0.000	(0.030)	0
Skills, Growth, Economic Development and Property	DP(A) - 24261-1 DP(A) - 24218	Reduce costs	Efficiencies through Corporate Landlord Programme	Efficiencies through Corporate Landlord programme by reducing duplication and increasing efficiency through the centralisation of management across the Council's estate.	(0.145)	0.000	0.000	0.000	(0.145)	0
Skills, Growth, Economic Development and Property	DP(A) - 24252	Cease/stop	Review contributions to Regional Bodies	Review of annual contributions to regional bodies in context of the emerging East Midlands County Combined Authority	(0.053)	0.000	0.000	0.000	(0.053)	0
Skills, Growth, Economic Development and Property	DP (A) - 2408-b	Charge more	Proposal to introduce a charge for use of public toilets	Introduction of charges for use of Greyhound Street public toilets	(0.064)	0.000	0.000	0.000	(0.064)	0
Skills, Growth, Economic Development and Property	DP (A)- 24255	Reduce costs	Reduction in Not in Employment , Education or Training Prevention Budget	Review and restructure the Not in Employment, Education or Training prevention services across the city	0.000	(0.100)	0.000	0.000	(0.100)	0
Highways, Transport and Planning	DP(A) - 24266-1	Charge More	Introduce parking charges in District Centre Car Parks	Introduce car parking charges for long stay customers in district centre car parks	0.000	(0.015)	0.000	0.000	(0.015)	0
Highways, Transport and Planning	DP(A) - 24283-1	Charge More	Range of on street car park price increases	Parking zones 1, 2 and 3 in the City Centre see increase to charges	(0.375)	(0.075)	0.000	0.000	(0.450)	0
Highways, Transport and Planning	DP(A) - 24290-1	Charge More	Change to Workplace Parking Levy collection model	Additional officers recruited to ensure that all required sites are paying the Workplace Parking Levy. Consideration of hybrid workers and construction sites	(0.250)	0.000	0.000	0.000	(0.250)	0
Highways, Transport and Planning	DP(A) - 2408	Charge More	Range of off-street car park price increases	Parking zones 1, 2 and 3 in the City Centre see increase to charges	(0.250)	0.000	0.000	0.000	(0.250)	0
Highways, Transport and Planning	DP(A) - 24294	Reduce costs	Review and prioritisation of work undertaken by the Transport Strategy Team	Review and prioritisation of work undertaken by the Transport Strategy team in context of the emerging East Midlands County Combined Authority	0.000	(0.100)	(0.100)	0.000	(0.200)	-2
Highways, Transport and Planning	DP(A) - 24296	Reduce costs	Highway Asset Management and Maintenance efficiencies	Review operational and procurement opportunities to mitigate costs with regards to highways asset repair/maintenance	(0.021)	(0.021)	0.000	0.000	(0.042)	0
Highways, Transport and Planning	DP(A) - 24299	Reduce costs	Reduce Highway Development Management advice	Reduce Highway Authority advice to Planning Applications	(0.040)	(0.040)	0.000	0.000	(0.080)	-2
Highways, Transport and Planning	DP (A) - 24225	Reduce costs	Reduce public transport infrastructure	To reduce provision in the city to only provide accessible bus stops and remove funding to operate two bus-based park and ride sites and Victoria Bus Station	(0.158)	(0.342)	0.000	0.000	(0.500)	-4
Highways, Transport and Planning	DP (A) - 24226	Reduce costs	Review Concessionary Fares	Review of Concessionary Fares in conjunction with the wider region and emerging combined authority to ensure consistency of approach	0.000	TBC	TBC	TBC	TBC	TBC
Highways, Transport and Planning	DP (A) - 24227	Reduce costs	Reduce all linkbus services, remove Easylink and withdraw funding contribution to the Medilink Service	Tendered services reduced to a minimum level of service to residential areas which otherwise have no access to public transport networks. This would mean replacement of existing link bus network with minimum service level provided to residential areas, but no regular service to places of employment and education.	(0.583)	(0.717)	0.000	0.000	(1.300)	-1
Strategic Regeneration and Communications	DP(A) - 24220	Reduce costs	Remove Council contribution for Devolution costs	Remove council contribution for Devolution costs as these will now be funded by the East Midlands County Combined Authority	(0.200)	0.000	0.000	0.000	(0.200)	0
Housing	DP(A) - 24215	Reduce costs	Review and prioritisation of work undertaken by the Housing Strategy team	Review and prioritisation of work undertaken by Housing Strategy Team in context of the emerging East Midlands County Combined Authority	(0.022)	(0.045)	0.000	0.000	(0.067)	-2
Housing	DP(A) - 24222	Reduce costs	Review of the Regeneration Team	Review and prioritisation of work undertaken by the Regeneration Team in context of the emerging East Midlands County Combined Authority	(0.249)	0.000	0.000	0.000	(0.249)	-3
					(2.540)	(1.455)	(0.100)	0.000	(4.095)	-14

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## **Housing and City Development Scrutiny Committee 22 January 2024**

### **Work Programme**

#### **Report of the Statutory Scrutiny Officer**

#### **1 Purpose**

- 1.1 To consider the Committee's work programme for 2023/24, based on the issues identified by Committee members at previous meetings and any further suggestions arising from this meeting.

#### **2 Action required**

- 2.1 The Committee is asked to note the work that is planned for the remainder of the 2023/24 municipal year and to make any amendments, as required.

#### **3 Background information**

- 3.1 The Committee has been established to:
- hold local decision-makers (including the Council's Executive and the relevant Boards of the Council's group of companies) to account for their decisions, actions, performance and management of risk;
  - review the existing policies and strategies of the Council and other local decision-makers where they impact on Nottingham citizens;
  - contribute to the development of new policies and strategies of the Council and other local decision-makers where they impact on Nottingham citizens;
  - explore any matters affecting Nottingham and/or its citizens;
  - make reports and recommendations to the relevant local agencies with respect to the delivery of their functions (including the Council and its Executive);
  - review decisions made but not yet implemented by the Council's Executive, in accordance with the Call-In Procedure; and
  - contribute towards providing assurance and oversight of the Council's statutory responsibilities regarding housing in the context of regulatory compliance and tenant satisfaction.
- 3.2 The Committee sets and manages its own work programme for its Scrutiny activity. Business on the work programme must have a clear link to the Committee's roles and responsibilities, and it should be ensured that each item has set objectives and desired outcomes to achieve added value. Once business has been identified, the scheduling of items should be timely, sufficiently flexible so that issues that arise as the year progresses can be considered appropriately, and reflect the resources available to support the Committee's work. It is recommended that there are a maximum of two substantive items scheduled for each Committee meeting, so that enough time can be given to consider them thoroughly.

3.3 The current work programme for the 2023/24 municipal year is attached, and the Committee is asked to review the business and make any amendments that are needed. Potential issues raised by Committee members to date are regularly scoped for scheduling in consultation with the Chair, the relevant senior officers and partners, and the Portfolio Holders with the appropriate remit.

#### **4 List of attached information**

4.1 Housing and City Development Scrutiny Committee Work Programme 2023/24

#### **5 Background papers, other than published works or those disclosing exempt or confidential information**

5.1 None

#### **6 Published documents referred to in compiling this report**

6.1 [Nottingham City Council's Constitution](#), Article 9 and Article 11

#### **7 Wards affected**

7.1 All

#### **8 Contact information**

8.1 Adrian Mann, Scrutiny and Audit Support Officer  
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## Housing and City Development Scrutiny Committee Work Programme 2023/24

Meeting	Items
<b>18 September 2023</b>	<ul style="list-style-type: none"> <li data-bbox="517 448 1025 483">• <b>Appointment of the Vice Chair</b></li> <li data-bbox="517 523 1039 558">• <b>Committee Terms of Reference</b></li> <li data-bbox="517 598 1429 671">• <b>Economic Plan</b> To consider the development of the Council's Economic Plan</li> <li data-bbox="517 711 1850 820">• <b>Housing Maintenance and Repairs</b> To consider the current position in relation to the maintenance and repair of Council-owned housing and scrutinise the plans for improvement</li> </ul>
<b>16 October 2023</b>	<ul style="list-style-type: none"> <li data-bbox="517 898 1599 973">• <b>Homelessness and Rough Sleeping</b> To consider the approach to meeting the need for homelessness support</li> </ul>
<b>18 December 2023</b>	<ul style="list-style-type: none"> <li data-bbox="517 1050 1839 1158">• <b>Committee Terms of Reference</b> To note the update to the Committee's formal Terms of Reference following the passing of the Social Housing Regulation Act 2023</li> <li data-bbox="517 1198 1888 1307">• <b>Asset Rationalisation – Policy and Process</b> To scrutinise the policy and framework for decision-making and the process for the delivery of asset disposal</li> </ul>

Meeting	Items
	<ul style="list-style-type: none"> <li data-bbox="517 272 1861 384">• <b>Housing Strategy Development</b> To consider the development of the Council's Housing Strategy and the proposed approach to public consultation</li> </ul>
22 January 2024	<ul style="list-style-type: none"> <li data-bbox="517 464 1839 576">• <b>Asset Rationalisation – Delivery and Future Strategy</b> To scrutinise delivery against the programme for asset disposal and the strategy for future delivery</li> <li data-bbox="517 616 1861 727">• <b>Impact of the Proposed 2024/25 Budget on Growth and City Development</b> To review the 2024/25 Budget proposals and consider their potential impact on the services delivered by the Department</li> </ul>
19 February 2024	<ul style="list-style-type: none"> <li data-bbox="517 799 1877 911">• <b>Preparedness for the East Midlands Combined County Authority</b> To review the Council's preparations to maximise the outcomes for Nottingham as part of the new Combined County Authority</li> <li data-bbox="517 951 1839 1062">• <b>Council Tenant Engagement</b> To review how the Council's governance arrangements for social housing ensure effective tenant engagement in decision-making</li> </ul>
15 April 2024	<ul style="list-style-type: none"> <li data-bbox="517 1134 1823 1246">• <b>Draft Greater Nottingham Strategic Plan</b> To consider the development of the Greater Nottingham Strategic Plan and the proposed approach to the final stage of public consultation</li> </ul>

### **Potential Items to be Scheduled**

- Review of the Student Living Strategy
- Development of the Economic Plan
- Development of the Greater Broad Marsh Site
- Housing Maintenance and Repairs
- Delivery of Affordable Housing
- Citizen and Business Outcomes of Major Regeneration and Development
- Outcomes of the Selective Licensing Scheme
- Implementation of the Corporate Landlord Model

### **Other Activity**

- Reflections on the 2023/24 Work Programme (from **19 February 2024**)

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