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Nottingham City Council Housing and City Development Scrutiny Committee

Date: Monday 19 February 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
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- 4 Preparedness for the East Midlands Combined County Authority** 11 - 16
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To note the responses received to the Committee's recommendations
- 7 Work Programme** 29 - 34
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 22 January 2024 from 10:02am to 11:58am

Membership

Present

Councillor Sam Harris (Chair)
Councillor Sarita-Marie Rehman-Wall
(Vice Chair)
Councillor Kevin Clarke
Councillor Neghat Khan
Councillor Michael Savage

Absent

Councillor AJ Matsiko
Councillor Adele Williams

Colleagues, partners and others in attendance:

Nancy Barnard	-	Head of Governance
Councillor Steve Battlemuch	-	Portfolio Holder for Skills, Growth, Economic Development and Property
Beverley Gouveia	-	Head of Property
Councillor Jay Hayes	-	Portfolio Holder for Housing
Councillor Angela Kandola	-	Portfolio Holder for Highways, Transport and Planning
Kevin Lowry	-	Director of Housing
Adrian Mann	-	Scrutiny and Audit Support Officer
Kate Morris	-	Scrutiny and Audit Support Officer
Sajeeda Rose	-	Corporate Director for Growth and City Development
Paul Seddon	-	Director of Planning and Regeneration
Stephen Tough	-	Head of Transport Projects and Operations
Matthew Wheatley	-	Head of Economic Development

23 Apologies for Absence

Councillor AJ Matsiko – work commitments
Councillor Adele Williams – personal reasons

24 Declarations of Interests

In the interests of transparency in relation to item 5 (Impact of the Proposed 2024-25 Budget on Growth and City Development), Councillor Michael Savage declared that he is a Council tenant and a trustee of the One Vision Partnership, which is a charity that works to support the regeneration of the Bulwell area.

25 Minutes

The Committee confirmed the Minutes of the meeting held on 18 December 2023 as a correct record and they were signed by the Chair.

26 Asset Rationalisation - Delivery and Future Strategy

Councillor Steve Battlemuch, Portfolio Holder for Skills, Growth, Economic Development and Property; Sajeeda Rose, Corporate Director for Growth and City Development; and Beverley Gouveia, Head of Property, presented a report on the progress of the Asset Management Programme and how the future strategy would be developed to continue to deliver capital receipts. The following points were raised:

- a) The Asset Management Programme continues to work towards accelerating the sale of those assets that have been identified as surplus, with an aim of achieving capital receipts in a timely manner. To date, £64 million has been secured in capital receipts from the sale of assets and the Programme is on track to achieve the forecasted returns for 2023/24, following the upcoming auction and sale of a number of properties at the end of January and the beginning of February.
- b) A number of actions have taken place to speed up the programme, including the implementation of a Disposals Policy to set the parameters for decision-making, standardising and shortening the decision-making process, ensuring a cycle of regular sales and auctions to ensure a flow of properties through the process, and carrying out full asset reviews (including agricultural and high-value assets, as well as operational assets). Alongside these actions, additional surveyor capacity has been recruited to the team and a prioritisation review has taken place with Legal and Finance colleagues to support the refreshed decision-making process.
- c) One of the major challenges is selling properties at the right time to achieve best value for the Council, as this often relies on market forces that outside of the Council's direct control. Some properties can be sold more quickly than others, but some can take years to realise the capital receipt. Another significant challenge has been the recruitment of qualified and experienced staff to allow the Programme to progress in a timely manner. However, the team is currently fully staffed through support from interim and temporary posts.

The Committee raised the following points in discussion:

- d) The Committee asked how staffing challenges had been overcome in the short-term and what was being done to ensure staff levels would remain sufficient to allow the Programme to continue to work efficiently. It was reported that there are currently 17 permanent positions vacant within the team. These are currently filled with interim support and by the use of consultants at the more senior levels. The recruitment process has run a number of times and two posts have been successfully converted from interim to permanent staff. Competition from the private sector for qualified staff is strong, but there are plans to grow the capacity in the team from the entry level, with a 'Grow our Own' graduate programme.
- e) The Committee queried how the changing markets impacted the Programme and whether the cost of maintenance of empty and unused buildings was taken into account when considering sales that may not otherwise represent best value. It was explained that there are a number of factors that are taken into account when selling a property and the maintenance cost of upkeep of a vacant building against lower capital receipt is considered, although there are a number of other

variables reviewed before a property is assessed for disposal. Similar considerations are taken into account where a property is occupied and providing a revenue income through rent. The market has been difficult recently, so sales of larger buildings (such as the old central library on Angel Row) have been impacted when an interested developer ceased to trade. Cash buyers are considered and have bought properties in the past, however, this does not necessarily speed up the sale process as checks and due diligence must take place to satisfy the Council that legal obligations around protecting against money laundering are fulfilled.

- f) The Committee asked what precautions were taken when considering buyers for larger buildings to ensure that the sale progresses smoothly and does not fall through at the last minute. It was set out that financial checks are carried out to ensure the stability of the buyer and the affordability of the property for them, and there is regular communication between the buyer and the team to ensure any issues that may arise are dealt with quickly and efficiently. The Council does have the option to take a deposit on larger building sales.
- g) The Committee queried what more could be done to speed up the Programme to maximise the capital receipts. The asset reviews that have been taking place throughout the life of the programme are consistently identifying properties that are suitable for disposal. This ongoing review process ensures that, as properties become viable for sale, the work to progress this takes place. Properties coming to market in the next financial year are already lined up, with work taking place across the Council to ensure quick and effective collaboration to allow sales to be realised.
- h) The Committee asked how the Programme considered the Council's corporate priorities. A Strategic Asset Plan is currently being drafted, taking into account the corporate priorities. There will be one policy for operational buildings that focuses on the community and service delivery, and one policy that focuses on commercial properties. There has been a focus on the disposal of commercial properties rather than community assets, however, many community assets can be resource-intensive for the Council in terms of maintenance and repairs.
- i) The Committee queried whether consideration had been given to selling or reviewing the leaseholds of some assets where, historically, token rents were in place. It was reported that this had been considered and a number of approaches have been made to long-term renters in appropriate buildings, but there has been little interest. This element of the Programme is regularly reviewed and, where a property is identified as suitable, the leasehold options are considered.
- j) The Committee asked where properties were advertised and if enough was being done to ensure wide reaching publicity and marketing for assets being sold. It was explained that the marketing of assets is done through a number of different channels. The auction houses selling assets market properties through their usual channels, using targeted mailing and specialist websites. Larger assets are also linked through the Council's website to marketing. To date, there has been a good conversion rate through auction and properties generally achieve more than the auction value. More work is needed to link with communities and Ward

Councillors around the sale of smaller assets that may be of interest to local community groups.

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 volume of properties in the currently agreed pipeline for disposal, and what the current high-risk agreed disposals are.**
- 2) To recommend that that consideration is given to how the current staffing structure supporting the Asset Rationalisation Programme could be developed further to:**
 - a) ensure strong recruitment and retention for the sustainable delivery of the Programme;**
 - b) develop interim and graduate posts into full-time roles wherever possible and appropriate; and**
 - c) attract students from local universities into appropriate graduate roles.**
- 3) To recommend that the drafting process for the Strategic Asset Plan gives due consideration to how the Council could sustainably maintain and develop community assets going forward, where viable.**
- 4) To recommend that consideration is given to how communities and Ward Councillors can be engaged with fully and effectively during the disposal process for a local community asset, to ensure that there is opportunity for a community solution to be found for the local asset to be continued.**

27 Impact of the Proposed 2024-25 Budget on Growth and City Development

Councillor Steve Battlemuch, Portfolio Holder for Skills, Growth, Economic Development and Property; Councillor Jay Hayes, Portfolio Holder for Housing; Councillor Angela Kandola, Portfolio Holder for Highways, Transport and Planning; Sajeeda Rose, Corporate Director for Growth and City Development; Kevin Lowry, Director of Housing; Paul Seddon, Director of Planning and Regeneration; Beverley Gouveia, Head of Property; Steve Tough, Head of Transport Projects and Operations; and Matthew Wheatley, Head of Economic Development, presented a report on the potential impact on services of the proposed 2024/25 Council budget. The following points were raised:

- a) The overall 2024/25 budget proposals have been developed in the context of very challenging circumstances both locally and nationally. There are significant pressures in a number of service areas, with a £16.2 million net budget gap identified as at July 2023. However, by December 2023, growing inflationary and demand pressures indicated a requirement to make savings of £53.7 million to achieve a balanced budget for 2024/25. As a result, a strict 'Duties and Powers' approach has had to be taken to the development of the new budget, identifying potential savings of £20.5 million.

- b) The 'Duties and Powers' methodology assesses where the Council has a legal obligation to deliver a function and where it can exercise functions on a discretionary basis. It is a recognised approach in the Local Authority sector and is used to create a focus on the Council's core statutory activity and identify work areas where savings can be made. As a result, the current budget proposals have been developed on the basis of establishing all service options in the context of delivering the legal minimum as the base position. Although the current proposals have been discussed between senior officers and Executive councillors, and been subject to a formal public consultation process where required, a number have not been agreed by the Council's Executive.
- c) A request to the Government has been made for Exceptional Financial Support (EFS) and, if approved, this could amount to £65 million in support over 2023/24 and 2024/25. The outcome of this request is pending.
- d) Total savings of around £3 million have been identified in the Growth and City Development directorate using the 'Duties and Powers' methodology, with the majority of these coming from within the Highways, Transport and Planning Portfolio.

The Committee raised the following points in discussion:

- e) The Committee requested assurance that all of the proposals put forward would not contribute to the widening of existing inequalities. It was set out that all of the proposals have had Equality Impact Assessments completed, which will be fully reviewed alongside the feedback from the public consultation. These will inform the finalised proposals to be presented to the Executive Board in February.
- f) The Committee asked whether there was any indication when a decision around the Council's EFS application would be made. It was explained that, at present, there has been no indication given, although the decision would need to be taken by the Government prior to the final budget-setting process being completed. It is a complex process and officers are working closely with the Department for Levelling Up, Housing and Communities to ensure a swift response. A number of Councils across the country have made similar requests for support and the timeline for each has differed, as it is an individual process to each Local Authority.
- g) The Committee observed that the removal of non-statutory services in one area could result in an increased impact on statutory services in another – such as the proposal for introducing a charge for the use of public toilets could result in higher levels of urination in the street, which the Council would have a statutory duty to clean. It was explained that there was concern from the public in relation to the proposed new charges for the toilets in Greyhound Street. However, alternative facilities are still available across the city centre. Nevertheless, the knock-on impact of given proposals on other services in different directorates is something that officers must be conscious of throughout the budget development process.
- h) The Committee asked about the demand for car parking in the city and whether the additional income forecast in parking charges could be relied upon. It was

explained that parking demand is still recovering following the Covid-19 pandemic and can fluctuate. However, demand in the city centre is always high and the figures set out are considered to be realistic and achievable.

- i) The Committee raised concerns about the impacts of reducing the funding for public transport and removing funding for the park and ride operations, particularly on citizens who only had access to public transport, and the potential increase in emissions as people were forced to use private transport – with the associated knock-on effect on the delivery of the Council’s carbon neutral ambitions.
- j) The Committee asked what outcomes were arising from the review of concessionary fares. It was explained that the review is currently underway and, although any changes are likely to generate a saving, it is not yet clear what that saving would look like and in what year it would materialise. There is also likely to be an impact on transport as a result of the creation of the East Midlands Combined County Authority (CCA), which will be a complex process. Some concessionary fares receive central funding, but there are other discretionary fares (such as for tram travel and the Companion Travel scheme) that are non-statutory.
- k) The Committee raised concerns about the impact on citizens of the removal of the live updates and bus times on bus stops across the city, and the effects of this on citizens’ confidence in the bus services. It was reported that, on the main routes and traffic corridors, the services run fairly frequently and so the impact of the removal of live updates would be less significantly felt. However, the impact would be greater on the less frequent services, at off-peak times or when there is disruption.
- l) The Committee highlighted that delivering statutory homelessness services was a substantial pressure on the Council budget and expressed significant concern over proposed savings in the Regeneration team and how this would have a long-term impact on a wide range of statutory services across the Council. It was explained that a business case is being developed to mitigate the impacts in this area, taking into account the potential outcomes of becoming part of the CCA and maintaining the Council’s ability to successfully bid for external funding and grants.

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

Resolved:

- 1) To recommend that full account is taken of the associated Equality Impact Assessments (as updated where appropriate following the results to the public consultation) in the development of the final proposals for service delivery savings within the Growth and City Development directorate.**
- 2) To recommend that full consideration is given to how the free use of accessible toilet facilities can be provided for the most vulnerable people in the city, such as rough sleepers and people with limited mobility.**

- 3) To recommend that full consideration is given to how information on public transport times can be made easily accessible to everyone travelling in the city, particularly when there is service disruption.**
- 4) To recommend that everything possible is done to mitigate against increasing future demand for statutory services in relation to homelessness and rough sleeping, within the current context of growing service demand both locally and nationally.**
- 5) To recommend that everything possible is done to maintain capacity within the directorate to apply successfully for relevant grant funding opportunities for the support of service delivery.**

28 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 19 February 2024 will consider items on Preparedness for the East Midlands Combined County Authority and Council Tenant Engagement.

The Committee noted the Work Programme.

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Housing and City Development Scrutiny Committee 19 February 2024

Preparedness for the East Midlands Combined County Authority

Report of the Statutory Scrutiny Officer

1 Purpose

- 1.1 To review the Council's preparations to maximise the outcomes for Nottingham as part of the new East Midlands Combined County Authority (CCA).

2 Action required

- 2.1 The Committee is asked:

- 1) to review the Council's preparedness for the commencement of the East Midlands CCA and return any comments or feedback; and
- 2) to consider whether any further scrutiny of the issue is required (and, if so, to identify the focus and timescales).

3 Background information

- 3.1 This issue falls within the remits of the Portfolio Holders for Strategic Regeneration and Communications; Housing; Skills, Growth, Economic Development and Property; and Highways, Transport and Planning.
- 3.2 Following the Government's publication of the Levelling Up White Paper in February 2022, the Nottingham City, Nottinghamshire County, Derby City, and Derbyshire County Councils agreed to cooperate on the creation of a new devolution deal. This has been a longstanding ambition to seek to address the impacts of relative under-funding in the area, improve living standards and deliver better opportunities and outcomes for residents, businesses and communities. Alongside this, the establishment of the CCA will bring governance that sits at the national level currently down to the local area, so that decision-making will be much closer to the communities and businesses that it affects.
- 3.3 As a result of joint collaboration, a devolution deal was agreed between the four constituent Councils and the Government on 30 August 2022. The deal envisaged a significant uplift in the powers and funding available locally to develop the area's full economic potential, with a vision to achieve better health, greater prosperity and an increased sense of wellbeing for the 2.2 million people who live and work there. The investment package for the deal is worth more than £4 billion, including a £1.14 billion investment fund and a new City Region Sustainable Transport Settlement of £1.5 billion.

- 3.4 The inaugural Mayoral election is planned for 2 May 2024. The new Mayor will need to work in partnership with the CCA and its constituent Councils, other public service providers and the District and Borough Councils in the area to deliver on local priorities and provide greater local accountability and decision-making power. The Mayor and the CCA will be focused on the strategic issues that affect the whole region, including transport, carbon net-zero and housing. Longer-term aspirations are to seek further powers from the Government to place more decisions at local level, as devolution has done in other areas such as the West Midlands and Greater Manchester.
- 3.5 In preparation for the CCA coming into effect, the key priority areas developed by the Council relate to housing and land, skills, transport infrastructure and the carbon net zero ambition, and the work being done to realise these is set out in the attached report. An evidence base has been developed for both strategic and delivery workstreams, and there is activity underway to develop a regional investment strategy for the CCA. Successful and timely recruitment to ensure that the Council has the capacity required to carry out this work effectively is a key priority across several themes, though there are potential risks arising from the Council's current budget position that need to be considered.

4 List of attached information

- 4.1 Report: Preparedness for the East Midlands Combined County Authority

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 Extraordinary Full Council meeting held on [7 December 2023](#) (Consent to the East Midlands Combined County Authority Regulations 2023)
- 6.2 [East Midlands Devolution](#)
- 6.3 [Devolution to the East Midlands](#) (21 November 2023)
- 6.4 [East Midlands devolution deal](#) (30 August 2022)

7 Wards affected

- 7.1 All

8 Contact information

- 8.1 Adrian Mann, Scrutiny and Audit Support Officer
adrian.mann@nottinghamcity.gov.uk

Housing and City Development Scrutiny Committee

19 February 2024

Preparedness for the East Midlands Combined County Authority

1. Background

1.1 In August 2022, Derbyshire County Council, Nottinghamshire County Council, Derby City Council and Nottingham City Council signed a £1.14 billion devolution deal with the Government. A public consultation, published in March 2023, showed broad support for the deal and the establishment of a Mayoral Combined County Authority (CCA). The primary legislation enabling the deal to proceed received Royal Assent in October 2023.

1.2 On 7 December 2023, an Extraordinary meeting of the Full Council agreed to the creation of the East Midlands CCA, with the Council as a constituent member. Full Council noted the holding of the inaugural Mayoral election for the CCA on 2 May 2024, subject to the passage of relevant secondary elections legislation.

2. Case for Devolution

2.1 This is a once-in-a-generation opportunity to secure more funding and powers for the local area. It transfers power from Westminster, placing more decisions at a local level. In effect, this is not a new tier of government, but is instead about bringing existing central Government powers and decision-making about funding to the people who know the area best.

2.2 The East Midlands has suffered from years of underinvestment. Devolution will bring more money into the region, resulting in a stronger local economy and better services for residents. An elected Mayor can focus on the strategic issues affecting the whole region, leading to more jobs, more provision for training and skills, better public transport, more investment in housing and action to protect the environment.

3. Benefits

3.1 Devolution helps to address historic underinvestment in the East Midlands, with benefits being:

- a £1.14 billion devolved investment fund for the region, with at least £38 million per year over 30 years, plus a brand-new City Region Sustainable Transport Settlement of over £1.5 billion;
- devolution of the Adult Education Budget to improve local skills, worth approximately £50 million per year;
- an East Midlands Investment Zone worth up to £160 million to unlock growth and jobs; and
- significant additional funding, with £18 million early investment into the area on housing and Carbon Net Zero, £17 million for the building of new homes

on brownfield land, and new funding for capacity-building as the new CCA is established.

4. Purpose and Vision

4.1 The vision outlined in the deal, and subsequently published in the proposal for the creation of the CCA, is for the 2.2 million people who live and work in the area to enjoy better health, greater prosperity and an increased sense of wellbeing, through the opportunities available to them within an inclusive and competitive CCA area at the heart of the country. The key priority areas are:

- Our Homes
- Our Skills
- Our Transport Infrastructure
- Our Net Zero Ambition

5. Overview of Progress

5.1 The critical path to May's Mayoral election is now in place. In addition to the 7 December 2023 approval of the Full Council report by all constituent Councils, recent progress includes the laying of the CCA Establishment Order before Parliament, the acceptance of the Assurance Framework by the Department for Levelling Up, Housing and Communities plus consequent progress to the next stage of capacity funding, and the establishment of the CCA Shadow Board.

5.2 An evidence base has been developed for the strategy and delivery workstreams, and there is work underway to develop a regional investment strategy for the CCA. Successful and timely recruitment to provide the capacity required remains a key priority across several themes.

6. Housing and Land Theme

6.1 Early in 2023, as part of funding released as an element of the Devolution deal, a capital grant of £1.014 million was allocated to Nottingham to fund temporary accommodation. This is being used to buy homes to use to support families (currently four purchased and two pending).

6.2 Recruitment is underway for a Programme Manager for the Housing and Land theme for a two-year period. This post will manage the consultants and will support Council officers on the group with bids and business cases, as well as highlighting best practice from other Combined Authority areas.

6.3 A commissioning brief has been prepared to appoint a consultant to develop a pipeline list of investment sites across the CCA area, both for housing and commercial development, ready to take advantage of future funding. As a priority, this will also include identification of sites that can be put forward for the Brownfield Land Fund, which involves £16.8 million to be allocated to sites within the CCA area in 2024/25. This work is being done in partnership with Homes England, which has provided some capacity funding, alongside £459,000 of brownfield revenue funding paid from the Government to support this work.

6.4 Within the Council, officers have begun work to establish a list of priority investment sites within the city boundary. However, the tight boundaries and limited land availability leaves the Council with fewer opportunities that fit with the funding parameters. It is likely that elements of the Broadmarsh redevelopment will be put forward as priority investment projects for funding consideration from the Council.

7. Skills Theme

7.1 The current priority for the Skills theme is to achieve a regional Adult Education Budget, with a number of 'readiness conditions' to be submitted to Government in May 2024. There is one lead member from the Theme Group for each of the nine conditions. Recruitment is underway for an interim Skills Programme Manager to lead the theme.

7.2 Colleagues attend a monthly round-table with other areas in the same pre-Combined Authority position to share best practice. This is in addition to contacts with established Mayoral Combined Authorities to share best practice (the CCA's official 'buddy' is Liverpool, which has been very helpful).

7.3 Work is now starting to consider what role the CCA will play in economic development and regeneration across the area and, as part of the Council's readiness for this in Nottingham, the Nottingham Economic Plan will soon be launched. This is the product of months of workshops and discussions with partners, businesses, groups and organisations from across the city to ensure this reflects a Nottingham-wide Economic Plan. A further engagement event on business and innovation is being planned by the workstream.

8. Transport Strategy Theme

8.1 The new CCA will become the Local Transport Authority for the area. This includes preparation of a single Local Transport Plan. It will secure a multi-year funding settlement for local transport integrated transport measures, highway maintenance and potholes, plus access to a £1.5 billion City Region Sustainable Transport Settlement Fund to invest in public transport, active travel and new transport technologies. In addition to planning and funding, the CCA will be responsible for public transport, strategic transport and management of a Key Route Network.

8.2 The interim team is developing an operating modal that includes establishing a Transport Strategy Team from Day 1 of the CCA. An indicative scope and initial draft structure has been prepared and engagement with the four constituent Authorities is taking place to identify relevant resources and personnel that could potentially be transferred to the new CCA. There may be some risks to this from the Council's current 2024/25 budget proposals, which are being considered.

9. Public Transport Theme

9.1 The CCA proposal includes it taking over much of the public transport work currently undertaken by the constituent Authorities. This is a complicated task,

given the different approaches currently taken by the four constituent Authorities, and so the legislation has allowed for a two-year transition period for functions to transfer, with powers held concurrently in the meantime. There is a broad target for the transition to take place on 1 April 2025, with details firmed up over the 2024 calendar year. There may be some risks to this from the Council's current 2024/25 budget proposals, which are being considered.

10. Net Zero Ambition Theme

10.1 As part of the preparations for the CCA, £9.92 million was awarded for retrofit activities, equating to £580,000 for each lower-tier and unitary Local Authority. The programme is due to be completed in August 2024, and 16 out of 17 Local Authorities have received the 20% upfront funding. Local Authorities are in the process of getting contracts signed ahead of delivery, and 115 eligible homes have been signed up so far. The largest delivery window is anticipated to be March to June 2024.

10.2 Nottingham's scheme is in the process of awarding the contract following completion of procurement and aims to be completed by June 2024. The partnership of six Authorities is working on co-ordinating the delivery of a Local Area Energy Plan across the D2N2 geography.

10.3 Other projects being looked at under this theme:

- Waste Pilot for Recycling
- Nuclear Skills (this could compliment work funded by Midlands Net Zero Hub and delivered by Energy Research Accelerator, which is looking at this across the Midlands as a whole)
- Property Stock Review
- Climate Adaption Co-ordination (partnership with the Environment Agency)
- Group purchasing of Solar for Citizens

Housing and City Development Scrutiny Committee 19 February 2024

Council Tenant Engagement

Report of the Statutory Scrutiny Officer

1 Purpose

- 1.1 To review how the Council's new governance arrangements for social housing ensure effective tenant engagement in decision-making.

2 Action required

- 2.1 The Committee is asked:

- 1) to review the approach being developed to ensure that Council tenants and leaseholders are able to engage meaningfully with their landlord, including the consideration being given to how an appropriate tenant representative could be co-opted onto the Committee, and return any comments and feedback; and
- 2) to consider whether any further scrutiny of the issue is required (and, if so, to identify the focus and timescales).

3 Background information

- 3.1 This issue falls within the remit of the Portfolio Holder for Housing.
- 3.2 The new Social Housing (Regulation) Act 2023 has three core objectives:
- to facilitate a new, proactive consumer regulation regime;
 - to refine the existing economic regulatory regime; and
 - to strengthen the Regulator of Social Housing's (RSH's) powers to enforce the consumer and economic regimes.
- 3.3 The 2023 Act has strengthened the role and rights of tenants in regard to their influence over the services provided by their landlord. The RSH also has new powers that will enable it to inspect all landlords proactively on a four-yearly programme. The RSH will observe both how landlords makes decisions and how they take account of the tenant perspective as part of the process. The RSH will also consider how landlord services provided by Local Authorities are monitored and how assurance is carried out in relation to core delivery and compliance.
- 3.4 Since Nottingham City Homes (NCH) was brought back in-house in April 2023, the Council has had direct responsibility for housing management and maintenance services, including the tenant and leaseholder involvement function. With the Council now acting as a corporate landlord, it is essential to

establish how tenants will retain the level of empowerment that they had within NCH, and also how they will be able to have a meaningful influence on Council decision-making, within the Constitution.

- 3.5 As a result, the creation of a new Housing Assurance Board (HAB) has been proposed. It is planned for the HAB to recruit a representative cohort of ten tenants and two leaseholders. A 'fit for the future' role description is being developed to recruit residents from across the city who reflect the wider community and the diverse nature of tenants, and have the necessary skills required to participate effectively. The Council will resource training needs and, once established, the HAB will be fully supported in order to fulfil its roles and objectives.
- 3.6 In addition, to seek to meet the full extent of the empowerment requirements set out in the 2023 Act, consideration is being given to how a tenant could be co-opted onto the Committee for its consideration of housing-related matters, as this would have the benefit of providing an independent tenant's viewpoint as part of the formal Scrutiny process.
- 3.7 A report has been produced, and is attached, to outline the approach being developed to ensure that tenants and leaseholders can have meaningful engagement with the Council as landlord.

4 List of attached information

- 4.1 Report: Council Tenant Engagement

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 None

7 Wards affected

- 7.1 All

8 Contact information

- 8.1 Adrian Mann, Scrutiny and Audit Support Officer
adrian.mann@nottinghamcity.gov.uk

Housing and City Development Scrutiny Committee

19 February 2024

Council Tenant Engagement

1. Background

- 1.1 This report outlines the approach being developed to ensure that tenants and leaseholders have a meaningful engagement with the landlord and are able to link to the governance of the Council.
- 1.2 Since 2 April 2023, the Council has had direct management of the housing management and maintenance services. This included the tenant and leaseholder involvement function. The format of the engagement activities is described in Section 2, but this report focusses on governance.
- 1.3 Under the Nottingham City Homes (NCH) partnership agreement with the Council, NCH was responsible for ensuring tenants empowerment and involvement in key decisions and monitoring of the services. At a governance level, the Board of NCH Limited had tenant representation as part of its constitution and indeed had a tenant chair for nine years. In addition, an 'Arms-Length Management Organisation Board' existed that was made up exclusively of tenants and who linked directly to the formal NCH Board structure.
- 1.4 Since the service has come back under direct Council control, it has been essential to consider how tenants will retain that level of empowerment and have a meaningful influence within the Council's Constitutional structure. One action by the Council was to create a new Housing and City Development Scrutiny Committee. The Committee forms part of the reviewing and holding to account the Executive in meeting its responsibilities in regard to tenant influence, as well as service delivery. The Committee maintains the Council's Constitution, but creates a clear focus on housing and other services under the Growth and City Development directorate.
- 1.5 In order to meet the full extent of the empowerment requirements, it is being considered that a tenant could be co-opted onto the Housing and City Development Scrutiny Committee for when pertinent housing related matters are under consideration. This would have the benefit of providing an independent tenant's view, in addition to the lived experience of City Councillors who are also Council tenants.
- 1.6 For the co-optee role to be effective, the tenant would need to possess a level of skills, as well as to be able to provide a representative view of matters of policy and strategy. To that end, work is being undertaken to refresh and strengthen the approach to tenant engagement. The object is to provide all tenants and leaseholders the opportunity to become involved, the support to allow them to be able to engage, and to ensure that engaged tenants are reflective of the

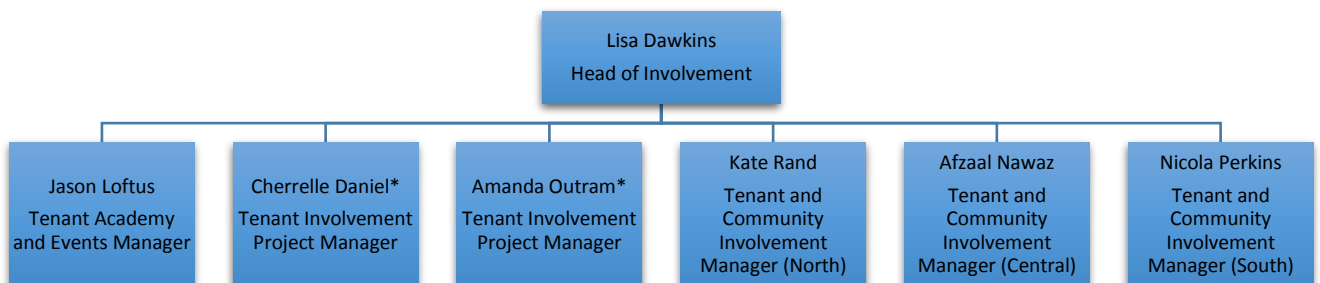
community of Nottingham and that under-represented groups are attracted to the engagement opportunities.

1.7 This report will explore how the tenant engagement structure is being developed to meet the Council's and the national regulator's statutory expectations and requirements.

1.8 It should be noted that all funding and resources utilised for tenant engagement activity comes from within the Housing Revenue Account, so this is not impacted by the current pressures in the Council's General Fund.

2. Tenant Engagement Framework and Strategy

2.1 The current structure of the Tenant and Leaseholder Involvement team (TLI) is shown at Table 1, below:



2.2 The functions and involvement opportunities in each area are:

- **Your Voice Your Choice:** A pool and database of all tenants who have opted into being contacted about involvement and engagement or consultation opportunities as and when they arise. Tenants can choose from a menu of involvement opportunities as to how and when they wish to be involved.
- **Service Improvement and Consultation:** A task-and-finish focus group approach is adopted for all service review and improvement and service consultation work. Groups are formed by recruiting tenants and leaseholders from the Your Voice Your Choice pool, inviting uninvolved tenants and/or tenants who have provided feedback or made a recent complaint.
- **Neighbourhood Champions:** Tenants and leaseholders are recruited to this role if they express an interest in wanting to make a difference and a positive contribution towards their local neighbourhood, no matter how big or small. They can focus on their street, block or estate. The recruited champions will be able to choose how they participate within the specified requirements of the role description, e.g., estate inspections, block and building safety, report issues on their street or signposting neighbours to the right services first time.

- **Tenant and Resident Associations and Local Community Groups:** These groups play an important role in fostering a sense of belonging and community amongst local residents. They provide a vehicle for tenant recruitment, communication, organisation and delivery of needs-led events and initiatives and addressing service, neighbourhood or community issues or concerns to create thriving neighbourhoods where residents can feel proud, involved and safe.
- **Tenant Academy:** A comprehensive programme of free needs-led training for tenants, providing them with valuable skills, knowledge and community engagement tools and confidence to influence decision making and/or enhance their quality of life in their home and/or neighbourhood.
- **Events and Activities:** Design and delivery of planned or bespoke events and initiatives to recognise, reward and celebrate the valuable contribution tenants and leaseholders make towards their neighbourhoods/neighbours and the wider community. Design and delivery of large-scale or pop-up consultation and engagement events to communicate and listen to tenant's views about changes to national, regional or local policy or legislation that may have a direct impact on their lives.
- **Tenant Involvement E-Newsletter:** A digital mechanism to communicate current opportunities to get involved, progress of live activity and final outcomes achieved following the valuable contribution of tenants and leaseholders. Opportunities to participate and influence are shared from services across the Housing division, the Council and local partners.

2.3 In 2023, Housing Services commissioned a review of the tenant engagement structure and impact. This review was undertaken by the Tenant Participation Advisory Service (TPAS), which is regarded as industry leaders in engagement and advocacy. Amongst their recommendations were measures to meet the new governance regime, set out below:

Consider creating a Tenant Influencing Vehicle with links into the Governance arrangements within the current housing services structure

- i. The Tenant Influencing Vehicle (TIV) should not be a consultative body but should be embedded into the Governance Structure with direct links to elected Members and EMT to ensure its role in influencing is visible and respected. The TIV should also have oversight of scrutiny and commission scrutiny when there is a need.
- ii. Create a Terms of Reference that outlines the remit for gathering formal, informal and 'noticed' tenant insight. It should also state how it will monitor and review any Tenant Influencing plans and hold NCC Housing Services to account.
- iii. Membership should be primarily tenants.

- iv. Appointments to the Panel should be made by a skills and expertise-based recruitment process, open to all tenants. Some of the skills needed might include effective challenging, analysing and interpreting data, understanding tenant influence.
- v. Training and support should be provided to ensure it is effective at detecting and implementing influencing opportunities and able to proactively gather and act on insight from formal channels, other mechanisms and the wider resident base to help it provide more evidenced-based challenge.
- vi. Utilise behavioural science techniques (see The Engagement Maximiser by TPAS) and develop an engaging communication and recruitment campaign to encourage tenants to be a part of this opportunity.
- vii. Set up a Tenant Influence Working Group (TIWG) to support the TIV. This could evolve from those who took part in this project. TPAS recommends that staff should be empowered to drive key actions on behalf of the TIV as well as provide robust challenge when needed, to ensure the TIV operates as intended. Considerations may be needed to determine whether the TIWG is timebound and in place in the initial set-up and implementation phase.
- viii. Ensure the TIV members are confident and feel they are making a difference with overt support from senior leaders to operational teams.

3. The New Regulations and Expectations

3.1 The Social Housing Regulations Act 2023 has overtly strengthened the role and rights of tenants in regard to an influence over their landlord services. The driver for this are the two tragic events at Grenfell and Rochdale. In both cases, the issues and warnings of tenants and leaseholders were disregarded and dismissed by the landlords.

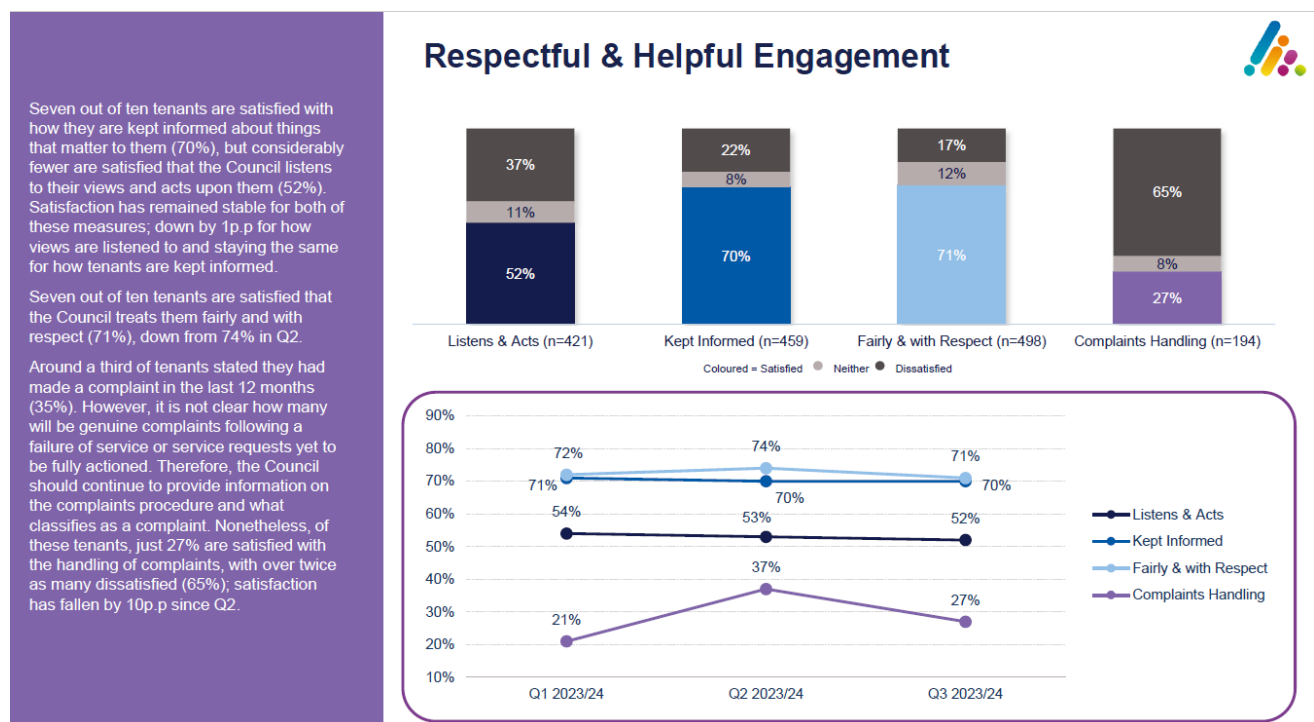
3.2 Within the Act are new powers for the Regulator of Social Housing (RSH) that include a new regime of intrusive inspections. RSH will inspect all landlords on a four-yearly programme. RSH will sit in on existing forums to observe how the landlord makes decisions and how it takes account of the tenant perspective in doing so. RSH will also observe how the service is monitored and how senior members gain assurance about core delivery and compliance.

3.3 As part of this new regime, landlords have been required to collect tenant satisfaction measures (TSMs) since April 2023. These are a standard set of 22 questions to allow proper comparison and analysis. The first annual set of reports will have to be submitted by all Social Landlords by June 2024, at which point a national benchmark analysis will be possible between landlords. RSH will use the individual outturns as one of the factors that decide the order of the first intrusive inspections.

3.4 Among the 22 standard satisfaction measures are ones related to engagement and landlord treatment, specifically:

- satisfaction that the landlord listens to tenant views and acts upon them;
- satisfaction that the landlord keeps tenants informed about things that matter to them; and
- agreement that the landlord treats tenants fairly and with respect.

3.5 The third quarter of TSMs has now been completed and the year-to-date levels of satisfaction are replicated below. Whilst the overall levels are in the lower-medium quartile, they have dropped slightly through the year. The November/December edition of the tenants' newsletter was focussed on the Quarter 2 TSMs and included an invitation for tenants to be involved. The results of this information will not be seen until Quarter 4.



3.6 It should be noted that there can be a high degree of accuracy in the satisfaction levels as an external agency (Acuity) conducts 550 randomly selected calls each quarter. This ensures confidentiality and a high response rate, giving assurance that the levels are accurate.

3.7 In addition to the 2023 Act, there is a new set of regulatory consumer standards being introduced and effective from April 2024. These expand and clarify the previous standards description. Increasingly, the intrusive inspection will be focussed on TSMs, compliance with the consumer standard and observation of how the landlord involves tenants, particularly in the decision-making process.

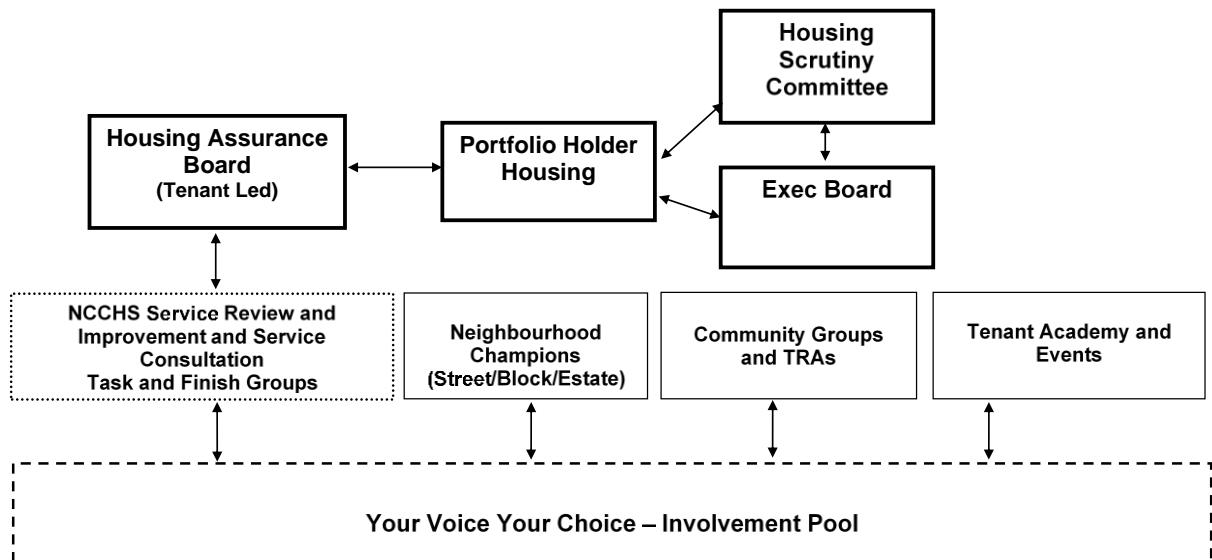
3.8 The Act is the most significant piece of legislation in a generation, in regard to giving power and influence to tenants. It reflects a view of Government, Regulator and Housing Ombudsman services that many social landlords had lost sight of their primary function. As the Council took over direct management of the

housing service on 2 April 2023 there is an opportunity to respond to the new expectations and ensure an effective structure of tenant empowerment.

4. Proposed Engagement Structures

4.1 The actions being followed are to build on existing structures, but to create a new higher level that will connect to the Council decision-making framework.

Proposed Tenant and Leaseholder Involvement Structure (subject to consultation and approval)



4.2 The significant proposal is the creation of a new Housing Assurance Board (HAB). This is the TIV recommended by TPAS. The process of recruitment to the HAB will be to recruit a representative cohort of 10 suitably skilled tenants and 2 leaseholders. The recruitment will be the most important and challenging piece of work and it will have to be ensured that the Council opens up these opportunities to all tenants and leaseholders through a variety of channels.

4.3 The Council will be developing a ‘fit for the future’ role description and a strong recruitment campaign and process. The process will involve initially inviting expressions of interest with a clear message that the Council will be seeking to recruit tenants from across the city who will reflect the community and diverse nature of tenants and have the necessary skills required. The Council will support with training those that have the interest and the potential to develop the required skills. Expressions of interest will then be considered and shortlisted candidates will be interviewed should the interest be sufficient, and the appropriate standard of candidates apply.

4.4 The Council will be advertising through a range of media and will make specific approaches to community, faith, support, voluntary and support groups to ensure that often hard-to-reach groups are aware and able to apply. The selection panel will be drawn from existing active tenant representatives, voluntary sector partners and will be supported by TPAS. Once established, the HAB will be supported at every level in order to fulfil its roles and objectives.

5. Wider activity

5.1 There is a wider package of activity to strengthen tenant engagement and empowerment in coming years and based on the TPAS review. This includes:

- **Consult early:** The essence of meaningful engagement is for early dialogue at the inception of a policy objective or initiative that affects tenant services or budgets.
- **Culture:** It is critical that all members of Housing Services, and other Council colleagues responsible for tenant service delivery (e.g., Customer Services) are aware of and committed to ongoing, open and continuous engagement.
- **Communications:** Reviewing all information material, websites and access will be critical to ensure that tenants are well-informed and aware of the opportunities to have influence.

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Housing and City Development Scrutiny Committee: 18 December 2023

Response to Recommendations: Asset Rationalisation – Policy and Process

Portfolio: Skills, Growth, Economic Development and Property

Recommendation	Response
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.	The Community Assets Policy has led to the creation of the Social Value Model (SVM), which is nearing completion. When implemented, the SVM will provide a framework to assess any bid for an asset. The model will look at the viability and likely community outputs of the bid. The SVM will quantify social and community outputs and maximise financial benefits for the providers of the greater social value outputs. The model will create a more level playing field between pure community use and quasi-commercial occupiers. Where there are multiple applications for an asset, this would lead to a selection of the preferred partner and formal notification of the unsuccessful bidders.
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.	Void properties are to be passed to the Void Management team within Building Services. Risk assessment is part of the initial review of a void property and forms the basis of the void management. There are issues with capacity in this team, which the department is seeking to address.
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.	On key development and regeneration sites, the Strategic Assets and Property team will liaise with Regeneration and Planning colleagues. This is already in place via weekly meetings between the teams. Strategic development sites are discussed as required.

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Housing and City Development Scrutiny Committee 19 February 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, and to take a forward view on the Committee's 2024/25 work programme.

2 Action required

- 2.1 The Committee is asked:

- 1) to note the work that is planned for the remainder of the 2023/24 municipal year and to make any amendments, as required; and
- 2) to consider any priority topics or issues for inclusion on the work programme for the upcoming 2024/25 municipal year.

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
adrian.mann@nottinghamcity.gov.uk

Housing and City Development Scrutiny Committee Work Programme 2023/24

Meeting	Items
<p>18 September 2023</p>	<ul style="list-style-type: none"> <li data-bbox="517 448 1861 520"> <p>• Appointment of the Vice Chair To appoint the Committee's Vice Chair for the 2023/24 municipal year</p> <li data-bbox="517 560 1861 667"> <p>• Committee Terms of Reference To note the Committee's Terms of Reference and consider a proposed minor update arising from the Social Housing Regulation Act 2023</p> <li data-bbox="517 707 1429 778"> <p>• Economic Plan To consider the development of the Council's Economic Plan</p> <li data-bbox="517 818 1850 925"> <p>• Housing Maintenance and Repairs To consider the current position in relation to the maintenance and repair of Council-owned housing and scrutinise the plans for improvement</p>
<p>16 October 2023</p>	<ul style="list-style-type: none"> <li data-bbox="517 1007 1597 1078"> <p>• Homelessness and Rough Sleeping To consider the approach to meeting the need for homelessness support</p>
<p>18 December 2023</p>	<ul style="list-style-type: none"> <li data-bbox="517 1158 1839 1265"> <p>• Committee Terms of Reference To note the update to the Committee's formal Terms of Reference following the passing of the Social Housing Regulation Act 2023</p>

Meeting	Items
	<ul style="list-style-type: none"> <li data-bbox="517 276 1890 384">• Asset Rationalisation – Policy and Process To scrutinise the policy and framework for decision-making and the process for the delivery of asset disposal <li data-bbox="517 427 1861 536">• Housing Strategy Development To consider the development of the Council’s Housing Strategy and the proposed approach to public consultation
22 January 2024	<ul style="list-style-type: none"> <li data-bbox="517 614 1839 722">• Asset Rationalisation – Delivery and Future Strategy To scrutinise delivery against the programme for asset disposal and the strategy for future delivery <li data-bbox="517 766 1861 874">• Impact of the Proposed 2024/25 Budget on Growth and City Development To review the 2024/25 Budget proposals and consider their potential impact on the services delivered by the Department
19 February 2024	<ul style="list-style-type: none"> <li data-bbox="517 951 1879 1059">• Preparedness for the East Midlands Combined County Authority To review the Council’s preparations to maximise the outcomes for Nottingham as part of the new Combined County Authority <li data-bbox="517 1102 1839 1211">• Council Tenant Engagement To review how the Council’s governance arrangements for social housing ensure effective tenant engagement in decision-making
15 April 2024	<ul style="list-style-type: none"> <li data-bbox="517 1287 1823 1396">• Draft Greater Nottingham Strategic Plan To consider the development of the Greater Nottingham Strategic Plan and the proposed approach to the final stage of public consultation

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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