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Nottingham City Council Housing and City Development Scrutiny Committee

Date: Monday 18 November 2024

Time: 2:00pm

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**
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- 4 Asset Rationalisation Programme - Delivery Progress** 11 - 30
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To note the responses received to the Committee's recommendations
- 7 Work Programme** 43 - 50
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 30 September 2024 from 2:00pm to 3:39pm

Membership

Present

Councillor Sarita-Marie Rehman-Wall
(Chair)
Councillor Michael Savage (Vice Chair)
Councillor Kevin Clarke
Councillor David Mellen
Councillor Samina Riaz

Absent

Councillor Sam Harris
Councillor AJ Matsiko
Councillor Adele Williams

Colleagues, partners and others in attendance:

Anne-Marie Barclay - Senior Project Manager
Chris Carter - Head of Transport Strategy
Councillor Jay Hayes - Executive Member for Housing and Planning
Nicki Jenkins - Interim Corporate Director for Growth and City Development
Councillor Neghat Khan - Leader of the Council and Executive Member for Strategic Regeneration, Transport and Communications
Mark Lowe - Head of Housing and Regeneration
Dan Lucas - Housing Strategy and Partnerships Manager
Adrian Mann - Scrutiny and Audit Support Officer
Paul Seddon - Director of Planning and Transport
Ruth Stallwood - Housing Strategy Specialist
Damon Stanton - Scrutiny and Audit Support Officer

16 Apologies for Absence

Councillor AJ Matsiko - work commitments
Councillor Adele Williams - work commitments

17 Declarations of Interests

None

18 Minutes

The Committee confirmed the Minutes of the meeting held on 15 July 2024 as a correct record and they were signed by the Chair.

19 Transforming Cities Programme

Councillor Neghat Khan, Leader of the Council and Executive Member for Strategic Regeneration, Transport and Communications; Nicki Jenkins, Interim Corporate

Director for Growth and City Development; Paul Seddon, Director of Planning and Transport; Chris Carter, Head of Transport Strategy; and Anne-Marie Barclay, Senior Project Manager, presented a report on the ongoing delivery and outcomes to date of the Transforming Cities Fund (TCF) Programme. The following points were raised:

- a) The TCF is targeted at urban areas for investment in sustainable transport and infrastructure. The wider objectives of the TCF Programme are to support regeneration, improve connectivity, support housing growth, reduce carbon emissions and improve air quality. Nottingham City and Derby City were the only Local Authorities to secure the highest amount of funding available from the TCF, in recognition of the quality of the funding bid and their delivery record on local transport projects.
- b) Nottingham and Derby submitted a joint bid with Nottinghamshire County Council where £161.7 million of funding was achieved, with Nottingham securing £92.6 million. The main elements of the bid included developing city centre connectivity, strategic connectivity between employment sites and urban growth corridors between Nottingham and Derby. To the end of August 2024, £119.1 million has been spent overall and a further £16.5 million committed. Nottingham has spent £71.1 million, with a further £3.8 million committed – and 21 out of the 33 Nottingham schemes have been completed.
- c) Projects within the city centre focussed on regeneration within the Broad Marsh area and connectivity to the train station. Improvements have been made on Carrington Street, Colin Street and Sussex Street. There is now a cross-city centre cycle route and work has been done to develop public transport infrastructure such as enhancements to the Victoria Centre bus station, a new bus lane on the Cinderhill roundabout, signal upgrades along key transport corridors and road upgrades to facilitate larger capacity buses. Upgrades have also been made to real-time public transport information and ticketing processes.
- d) Investments have been made into active travel infrastructure, including cycle route improvements and 31km of new or upgraded cycle lanes across the city, with further segregation from traffic and enhanced quiet routes in green spaces. An e-bike hire scheme has been introduced commercially since June 2023 and the TCF has been used to grow sustainable travel with 81 electric vehicle charge points installed in the Broad Marsh multi-storey car park and an additional 70 charge point sockets across the wider D2N2 Local Enterprise Partnership area. Workplace travel grants are available to employers to put in small-scale measures at their sites to encourage greener travel, such as charging points or cycle storage.
- e) A number of additional schemes are yet to be started, such as the Thane Road bus lane that is due to commence next month, and the new pedestrian and cycle bridge across the River Trent, which has secured Planning permission and is due to be completed by Spring 2026.

The Committee raised the following points in discussion:

- f) The Committee asked what progress had been made with a new park and ride development on Mansfield Road. It was explained that the planned new park and

ride was outside the City Council area. Unfortunately, the project has been withdrawn from the current TCF Programme as Nottinghamshire County Council considered the costs to be too high for delivery in the current timescales. However, the project may be returned to in future bids.

- g) The Committee asked how the ongoing maintenance of new green spaces would be funded in a sustainable way, going forward. It was reported that the Council has a fund for the maintenance of green spaces that have been developed as part of the TCF Programme. Work is being done to identify how Section 106 funding from Planning agreements with developers in relation to the Broad Marsh could be used to support the city's Green Heart.
- h) The Committee asked how the e-bike infrastructure was planned and managed to limit nuisance to residents due to inconsiderate parking. It was explained that the Council is aware of poor parking practices and is working to enforce better parking discipline, such as through fines that can be issued via the app. The Council provides and manages the infrastructure for the e-bikes, which is sufficiently flexible for facilities like parking stations to be moved (in consultation with Ward Councillors). The Council contracts the provision of the e-bike service to an independent operator, with the Council then receiving an income.
- i) The Committee asked what benefits the TCF Programme was bringing to the Nottingham economy and supporting local growth. It was reported that many of the projects delivered directly by the Council used local contractors where appropriate in the context of ensuring best value and so benefited Nottingham businesses. The investment in the transport infrastructure is designed to have economic benefits including allowing easier travel access to jobs and regenerating areas to promote private sector investment.
- j) The Committee asked how the outcomes of the TCF Programme were being monitored. It was set out that delivery of the TCF projects is still ongoing but that, once they are all concluded, the Council will be gathering extensive data to assess the outcomes and impacts as part of a required reporting process.
- k) The Committee asked how the transport network could be developed further, including through greater integration with the rail network. It was reported that the Council has a strong record in the delivery of good public transport and infrastructure projects, so the new East Midlands Combined County Authority presents further opportunities for achieving transport and infrastructure investment in Nottingham. Work is also being done to develop carbon neutrality targets across the wider area.

The Chair thanked the Leader of the Council and Executive Member for Strategic Regeneration, Transport and Communications, the Interim Corporate Director for Growth and City Development, the Director of Planning and Transport, the Head of Transport Strategy, and the Senior Project Manager 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 development of the monitoring approach that will be used to assess the impact and outcomes of the projects delivered as part of the Transforming Cities Fund (TCF) Programme on increasing the usage of public transport and active transport across the city.**
- 2) To request that further information is provided on the planning being done to ensure the long-term, sustainable maintenance of the green space delivered as part of the TCF Programme.**
- 3) To request that the traffic flow along Queen's Road (as part of the Southern Relief Route) is reviewed with Traffic colleagues to seek to alleviate as much congestion as possible caused by right-turning vehicles.**
- 4) To recommend that the Council considers how it can maximise the effectiveness of its engagement with the East Midlands Combined County Authority and associated Local Authority partners on the future development and delivery of transport infrastructure schemes across the wider area that will bring important benefits to Nottingham people.**

20 Homes Fit for the Future - Consultation and Findings

Councillor Jay Hayes, Executive Member for Housing and Planning; Nicki Jenkins, Interim Corporate Director for Growth and City Development; Paul Seddon, Director of Planning and Regeneration; Mark Lowe, Head of Housing and Regeneration; Dan Lucas, Housing Strategy and Partnerships Manager; and Ruth Stallwood, Housing Strategy Specialist, presented a report on the outcomes of the public consultation on the 'Homes Fit for the Future' draft Housing Strategy and how these have influenced the Strategy's further development. The following points were raised:

- a) A six-week consultation on the draft, all-tenures Housing Strategy was launched and 145 responses were returned, with the overall feedback being positive. Consultation processes have been at the forefront of developing the Strategy with a number of engagement events being held prior to the public consultation, including discussions with the Nottingham City Health and Wellbeing Board and the Social Housing Forum. The public consultation was launched and a broad range of stakeholders were engaged with including private landlords, social housing developers, tenants and the community and voluntary sector.
- b) Overall, 80% of respondents agreed that the Strategy had outlined the most pressing housing issues in the city. Respondents also put forward issues that they believed should be considered as one of the city's most pressing housing issues, with the top priorities being student accommodation, the suitability of housing developments, the cost of private sector rents and tenant security. There were 70% of respondents who agreed with the Strategy's vision statement, but they suggested that more engagement could be done with citizens and noted that the vision needed to be achievable. Comments from those who disagreed with the vision statement raised a need for more help for homeowners to achieve higher property standards and concerns about the density of population in the city.

- c) There are 14 key actions within the Strategy and respondents were asked which would have the most impact in achieving its vision. The top priorities were bringing empty homes back into use; preventing homelessness and rough sleeping; supporting the development of affordable homes; improving neighbourhoods, homes and services for tenants; ensuring homes within the private rented sector are high quality, sustainable and secure; and supporting regeneration and economic growth. Other key actions that would help the vision were put forward and these included influencing central Government policy and regulating and supporting the private rented sector.
- d) There were comments from a number of key stakeholders surrounding partnership opportunities, which included integrating carbon net zero goals and reviewing the Council's own systems, processes and policies to aid partnership working. There were, however, a number of challenges raised, which included housing delivery limitations and private rented sector provision.
- e) There have been a number of updates to the Strategy as a result of the consultation, which included amending the detail in some of the commitments to make them clearer, developing the section on student housing and altering the section on the private rented sector and affordable housing delivery to give more clarity on the Council's objectives. The finalised Strategy is due to go to the Executive Board for approval in October. There will be an Implementation Plan to sit alongside the Strategy and the delivery of the strategic objectives will be monitored against this across the Strategy's four-year period.

The following points were raised in discussion:

- f) The Committee asked how the consultation had been targeted to reach the people that the Council needed to hear from most. It was explained that use had been made of Council tenant distribution lists and lists of people who had expressed interest in receiving such correspondence from the Council. There was some specific engagement with housing providers, however, the majority of respondents were returned from general members of the public.
- g) The Committee asked how the Strategy approached the future needs for student housing. It was reported that students represent a large population in the city and that it is important there is adequate accommodation for them, as not providing this could affect the availability of family housing in the private rented sector. This policy approach is rooted into the Local Plan, with work taking place with local universities and developers to support purpose-built student accommodation. The growth in student numbers has been significant, though the Council has been able to keep pace with the increase, mitigating cost inflation for family houses.
- h) There has been a reduction in new student numbers in recent years due to a number of factors including Government policies, the Coronavirus Pandemic and the UK's departure from the European Union. However, this has meant that purpose-built student accommodation can house more second and third-year students, easing some of the demand on the private rented sector. The Council continues to monitor the number of students in Nottingham, including through a survey of purpose-built student accommodation to assess vacancy levels. There

is a strong potential pipeline of developments if needed, and the Council shares its monitoring data with developers.

- i) The Committee asked how suitable levels of social and affordable housing would be delivered, particularly in the context of supporting the most vulnerable – including people experiencing or at risk of homelessness. It was set out that a new Homelessness Prevention Strategy is currently in draft form, which will aim to encompass all of the measures that the Council is using to support residents into accommodation to try to prevent homelessness. Demand is outpacing supply in regards to the availability of social housing and that there has been a contraction in the delivery of new housing in the sector. There is a reliance on partner Housing Associations to help deliver more affordable housing, and the Council is doing all it can to increase its own stock – which includes both buying and building new social housing. The new Government has removed some financial constraints to enable the Council to do build more new houses and replace outgoing housing stock through the Right to Buy scheme.
- j) The Committee asked what more could be done to develop relationships with Housing Associations to achieve the delivery of more social and affordable housing. It was explained that the Council has good relationships with local Housing Associations, which provide a substantial amount of homes within the city. The Nottingham Social Housing Forum was re-launched last year to seek to build stronger connections with providers, with the draft Housing Strategy being presented to the Forum. The Council will also work closely with the Forum to seek to address the main issues that can arise for tenants with their Housing Association. However, this is currently not full consistency in the regulatory requirements across the entirety of the social housing sector, which can create some challenges.
- k) The Committee asked what outcomes of the public consultation had been least expected. It was reported that respondents had outlined private house standing empty in the city as a significant problem. There are around 1,500 private homes in the city that have been empty for 6 months or longer. The Council does take proactive steps to reduce the number of empty homes such as charging higher levels of Council Tax, with some reactive work when empty homes become a nuisance for residents such as being an area of focus for anti-social behaviour. However, the Council does not have statutory duties in this area, where activity can be time-consuming and current resources are limited. The powers that the Council has for compulsory intervention are also limited and potentially expensive. However, the Council is doing all it can to turning around empty properties within its own stock as quickly as possible, which includes significant investment in suitable contractors.

The Chair thanked the Executive Member for Housing and Planning, the Interim Corporate Director for Growth and City Development, the Director of Planning and Regeneration, the Head of Housing and Regeneration, the Housing Strategy and Partnerships Manager, and the Housing Strategy Specialist 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 current demand for and occupation of dedicated student accommodation in the city, and the work being done to project and plan for the future demand.**
- 2) To request that details are provided on the current number of Council homes that have been vacant for more than 6 months, and the work being done to bring these back into occupancy.**
- 3) To recommend that the Council works to maximise its engagement with all Registered Providers in the social housing sector active in the city, both to ensure the effective delivery of locally affordable housing and to support tenants in resolving any issues with Housing Association landlords.**
- 4) To recommend that all possible action is carried out to bring void Council-owned social housing back into use as quickly as possible, as part of the Council leading by example on returning empty housing in the city back into occupation.**
- 5) To recommend that the Council considers how it could engage effectively with its partners and with the Government on the development of a standardisation of regulation across Registered Providers in the social housing sector, to help deliver a consistency of experience for social tenants.**

21 Responses to Recommendations

The Chair presented the latest responses received from the Executive to recommendations made to it previously by the Committee.

The Committee noted the responses of the Executive to its recommendations.

22 Work Programme

The Chair presented the Committee's current Work Programme for the 2024/25 municipal year. The following points were discussed:

- a) The Committee felt that a future item for scrutiny could be to consider how the Council works in partnership with other Housing Associations in the city to ensure the provision of the right level of suitable social and affordable housing in Nottingham. The Committee also noted that work was underway to understand how the Council provides Supported Living, as part of scoping a potential future item.
- b) The Committee noted that the Regulator of Social Housing would be carrying out a formal inspection of the Council's Housing Services shortly, so the outcomes of the Regulator's report will be brought for review to the appropriate meeting of the Committee.

The Committee noted the Work Programme.

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Housing and City Development Scrutiny Committee 18 November 2024

Asset Rationalisation Programme - Delivery Progress

Report of the Statutory Scrutiny Officer

1 Purpose

- 1.1 To scrutinise the delivery progress of the Council's Asset Rationalisation Programme and the work being done to revise the current underlying Disposals Policy.

2 Action required

- 2.1 The Committee is asked:

- 1) to make any comments or recommendations in response to the Executive Member for Skills, Growth and Economic Development's report on the ongoing delivery of the Asset Rationalisation Programme and the review of the associated Disposals Policy; 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 The Council is a major owner of property assets, which are used to deliver services and Strategic Council Plan priorities. The Asset Rationalisation Programme is a process for reorganising the Council's property to improve operating efficiencies and increase value, using strategic planning and analysis to determine the best use of a property and to identify assets potentially surplus to requirement. Property assets owned by the Council are public resources, so a clear benefit to maintaining a given asset must be demonstrated. The reasons for holding an asset should contribute to the delivery of the Strategic 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.
- 3.2 The ability to deliver a strong 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 it is 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.

- 3.3 The Committee considered reports both on the policy and process elements in relation to the Asset Management Programme, and on delivery progress and future strategy, at its meetings on 18 December 2023 and 22 January 2024. The Committee encouraged the development of a formal framework for considering the balance of community benefit, wider service impact and best value when assessing the potential disposal of a property asset, alongside a Strategic Asset Plan that would give due consideration to how the Council could sustainably maintain and develop community assets going forward.
- 3.4 The Committee also recommended that there should be clear management plans and effective risk assessments in place for all void property assets, to reduce the costs incurred during the disposal process as much as possible, and that a clear, strategic vision for the development opportunities of surplus property assets was set out so that developers can be engaged with proactively to achieve the best possible returns. Finally, the Committee suggested that careful consideration was given to how the current staffing structure supporting the Asset Rationalisation Programme could be developed, and that work was done around how communities and Ward Councillors were engaged with effectively during the disposal process of a local community asset.
- 3.5 The Strategic Assets and Property team has accelerated the review and disposal of assets over the last two years. Since the Committee meeting in December 2023, the 2023/24 financial year ended with £35.517 million of capital receipts, included £11.27 million of receipts ring-fenced to repay borrowing. From 2021/22 to 2023/24, total capital receipts were £77.830 million. The emphasis going forward is on continuing to accelerate the review and disposal process in line with the Council's current financial requirements. For 2024/25, the requirement originally set out was £38 million, but has now reduced to £32.98 million. The Strategic Assets and Property team monitors the financial requirements and capital receipts through a joint tracker system and any forecast fluctuations are built into this monitoring process. The sale of an asset can be difficult due to its illiquidity and factors outside the Council's control (such as the current wider economic and financial situation), and this can impact on the capital receipts received.
- 3.6 The current forecast for 2024-28 shows a total risk adjusted pipeline of £141.4 million. For the year to date, receipts total £13 million (including a carry-over from 2023/24), with approximately £20 million of assets progressing through auctions across the remainder of 2024/25. The receipts target for this year is expected to be met, but there are still significant challenges associated with resourcing the delivery of the Programme within the Strategic Assets and Property, Legal and Finance teams.
- 3.7 To support the delivery of the Programme, the Strategic Assets and Property team is also reviewing the adopted Disposals Policy, with the proposed

changes largely focusing on ensuring that the Policy properly references other key Council policies, such as the Council Improvement Plan.

4 List of attached information

4.1 Report: Asset Rationalisation Programme - Delivery Progress

4.2 Appendix 1: Asset Review Timeline

4.3 Appendix 2: Asset Disposals Policy (September 2021)

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 Reports to, and Minutes of, the Housing and City Development Scrutiny Committee meetings held on:

- [18 December 2023](#)
- [22 January 2024](#)

6.2 [The Council Improvement Plan](#)

7 Wards affected

7.1 All

8 Contact information

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

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Housing and City Development Scrutiny Committee 18 November 2024

Asset Rationalisation Programme - Delivery Progress

1. This report follows on from the papers on the Council's Asset Rationalisation Programme presented previously to the Committee at its meetings on 18 December 2023 and 22 January 2024, which outlined the process and policy underpinning the Programme.
2. The Programme systematically reviews the Council's property assets to ensure best value is achieved in the use of those assets for the delivery of services and the generation of both revenue and capital receipts. The process also analyses assets to determine their best use and identify those that are surplus to requirements. A central aim is to generate sufficient capital receipts by selling property assets to meet the current commitments associated with Exceptional Financial Support (EFS), the capital programme and the reduction of borrowing levels.
3. Programme 6 of the Council's Improvement Plan relates specifically to Corporate Landlord and Asset Sales. The purpose of this programme stream is to "centralise property management for the Council's operational, commercial and community properties to reduce duplication, ensure safety compliance and deliver cost-efficient services, supporting a leaner, more efficient organisation. It will identify opportunities for asset disposal, which will feed into an Asset Sales Programme that is reviewing all capital assets to identify opportunities for generating capital receipts to help balance the near-term budget while maintaining acceptable income levels and ensuring the Council's property estate meets current and future needs. The asset sales programme will help close the gap between expected capital receipts and the requirement to repay Exceptional Financial Support, borrowings and reinvest in the capital programme. This involves increasing both the number and pace of property sales." As such, a main aim of the programme is to accelerate the sale of assets, increase the number of assets for disposal and provide assurance on the way in which the Council sells its assets.
4. Since reporting to the Committee in December 2023, the 2023/24 financial year ended with £35.517 million of capital receipts. This included £11.27 million of receipts ringfenced to repay borrowing. Between the period commencing 2021/22 to 2023/24, total capital receipts were £77.830 million. The Strategic Assets and Property team has accelerated the review of assets and disposal of assets over the past two years and 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 multi-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 risk adjustment is applied to the gross figure less a contribution to disposal fees. For 2024/25, the requirement set out by Finance was £38 million. This has now reduced to £32.98 million. Strategic Assets and Property monitor requirements and capital receipts through a joint tracker system and any forecast fluctuations are built into this monitoring process. The sale of assets can be difficult due to their illiquidity and factors outside the control of the Council (such as economic and financial) can impact capital receipts.

6. The current forecast for 2024-28 is as outlined below and shows a total risk adjusted pipeline of £141.4 million. This is shown across the general EFS receipts, properties with debt and ringfenced school sites.

Summary	2024/25	2025/26	2026/27	2027/28	TOTAL
EFS Receipts (General + High Value)	42,518,433	35,530,172	17,218,896	1,944,000	97,211,501
Properties with Debt	11,874,989	17,053,459	10,104,480	0	39,032,928
School Sites	0	3,888,000	1,296,000	0	5,184,000
TOTAL	54,393,422	56,471,631	28,619,376	1,944,000	141,428,429

7. To date, receipts total £13 million (including a carryover from 2023/24). There is approximately £20 million of assets progressing through auctions across the remainder of 2024/25. The remaining sales are being progressed through informal tender and private treaty routes.
8. This year's target is expected to be met, but there are significant challenges associated with resource in Strategic Assets and Property, Legal Services and Finance. Financial approval has been granted to enable additional resource in all three areas, but this is subject to the Council's Human Resources approvals and recruitment, meaning that the impact on the 2024/25 financial year may be minimal. The extra resource will put the disposals pipeline in better stead for 2025/26 onwards.
9. In January 2023, Strategic Assets and Property reported to the Committee that, to accelerate the disposal process, the following actions had been taken:
 - a) implementation of the Disposals Policy, which addressed the concerns raised with regards to assurance and provided a clear decision-making framework;
 - b) reviewing the decision-making process, with all unnecessary steps removed;
 - c) increasing the use of auctions as a quicker route to market;
 - d) recruiting additional Disposal Surveyor Capacity; and
 - e) initiating a series of review processes across the property portfolio.
10. By way of a further update, Strategic Assets and Property has completed the following actions in relation to the above:
 - a) The Disposals Policy has been fully implemented and a review/update is underway – this is covered in more detail, below.
 - b) The decision-making process has been refined with the Matrix Review, feeding into an Asset Rationalisation Panel that comprises key officers from

Strategic Assets and Property and Finance (Corporate Leadership Team / Director level). This provides key input and endorsement of recommended retains/disposals. Further refinement of the process is being considered with options around increased delegations to key officers and the possible creation of a Disposals Board being considered.

- c) The use of auctions has increased significantly for appropriate assets. It is estimated that approximately £20 million of the 2024/25 receipts will be sold using this method of sale.
 - d) The recruitment of additional resource within the Disposals team, Finance and Legal Services has been endorsed by the Section 151 Officer and approvals for formal appointments will now progress. The Disposals team operates with mostly interim staff, which presents some challenges in terms of staff retention, and there has been turnover that has impacted progress. The key position of Team Leader has now been filled on an interim basis by a permanent member of staff, which is providing much needed increased stability. Recruitment to all posts within the Strategic Assets and Property team remains a significant challenge, but this is common across many areas of the Council and in the private sector. Recruitment in the key partners of Finance and Legal Services is also key as they are an integral part of the asset review and disposal process. Additional resources in these areas are key to maintaining and increasing the disposals pipeline.
 - e) The timetable set out in Appendix 1 shows the asset review timetable. This sets out how the asset base is being reviewed. This process is open to change, depending on the performance of the property market and available resourcing.
11. Increasing the disposals pipeline and undertaking sales comes with several risks. 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 in the disposal process to prevent any abortive work being undertaken has been implemented.
12. Changes to the property market can also impact any disposal programme. Changes 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.
13. The Strategic Assets and Property team is in the final stages of reviewing its adopted Disposals Policy (attached as Appendix 2), which was implemented in September 2021. The changes largely centre on updating references in the policy to ensure coherence with other key Council policies such as the Improvement

Plan. Other updates include incorporating updated governance and asset review processes. The most significant change has been made to the approach with regards to off-market sales to Special Purchasers. The criteria that are used to identify and (more importantly) justify a sale to a Special Purchaser has been made clearer and much more robust. This will emphasise that this is an exceptional method of disposal that will only be used in unique circumstances. It is expected that the revised Policy will progress to Executive Board for approval early in 2025.

Asset Review Timeline
Updated October 2024

Tranche	Review Date	Tranche 3				Tranche 5				Comments
		Tranche 1	Tranche 2	Tranche 4	Tranche 6	Tranche 1	Tranche 2	Tranche 4	Tranche 6	
		2024/5				2025/26				
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
High Value Assets Tranche 1	Q1 2024									Complete and moving towards approval
Remaining High Value Assets	Q3 2024									Started to bring forward.
Investment Portfolio	Q4 2024/25									Review of DVP and B& Q are underway with disposals recommended
Property Trading Account Assets Tranche 1	Q3 2024									Assets progressing towards auction in Q3 &Q4.
Property Trading Account Assets Tranche 2	Q3 2024									Review to commence
Property Trading Account Assets Tranche 3	Q3 2024									Review to commence
Surplus Operational Assets	Q3 2024									First properties are progressing through the matric process.
Ground Leases Tranche 1(Reviewable ground rents)	Q3 2024/25									Review of ground leases has been completed and we have groups of retain, sell now and sell later (there may be
Ground Leases Tranche 2(Unexpired term less than 50 years)	Q1 2025									Review to commence
Ground Leases Tranche 3(long term unexpired low GR)	Q2 2025									Review to commence
Service Properties	Ongoing Q2 2024- 26									Intial scoping has started, ongoing involvement in programme development.
Surface Car Parks	Q3 2024									SAM team have commenced the review.
Operational Properties with High Voids over 20%	Q2 2025									Review to commence
Administrative Estates	Q2 2024-26									Review has commenced. No savings expected in 24/25.
Vacant land /Misc parcels	Q3 2025									
Agricultural Estate	Q1 2025									Review has commenced, several estate management actions need to be undertaken to facilitate disposals.

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Nottingham City Council – Asset Disposals Policy

September 2021

1.0 Purpose

- 1.1 Nottingham City Council is a major owner of property assets from which services are delivered and council plan priorities facilitated. The council does not have an up to date Asset Management Strategy which governs how its significant operational and non-operational buildings will be managed, prioritised for investment, or ultimately disposed of if surplus to requirements. A comprehensive Asset Management Strategy will be developed (by the end of this year). In the meantime it is necessary for the council to develop and adopt an Asset Disposals Policy to ensure that property decisions are made with clarity, transparency and integrity.
- 1.2 This work is being undertaken in the context of the need to generate significant capital receipts from surplus property holdings to finance the council's capital programme and reduce council debt, having regard to the council's voluntary Debt Management Strategy, approved as part of the council Budget for 2021/22.
- 1.3 When property assets become surplus, there will be a strong presumption for disposal, unless there is a strong business case approved for alternative use. This policy applies to all required disposals of both council freehold and leasehold interests in land and property assets.
- 1.4 All disposals of assets held within the General Fund, either by way of sale or leasing and lettings must be in a way that delivers Best Consideration. In that respect non-financial benefits, which may include additional economic/strategic/operational etc. benefits can be had regard to in determining whether disposal is Best Consideration or not providing that they can be quantified in cash terms. It is the case that separate legislative requirements exist for disposals of assets held either in the HRA or for planning purposes.
- 1.5 This policy is only intended for Council disposals, it does not apply when the Council acts on behalf of other landowners.
- 1.6 The purpose of this document is to make the Council's policies, guidance and procedures transparent and public.
- 1.7 All decisions relating to the declaration of properties as surplus or methods of disposal, will be subject to recommendations from the Head of Property, (or their deputy) to ensure best consideration.

2.0 The Process for Identifying and Declaring Assets as Surplus

2.1 Identification of Surplus Assets:

In relation to property assets held for operational purposes, once that operational use ceases service departments should declare that property surplus to requirements. Service departments may also consider identifying property as surplus if it is beyond its economic life and a better solution can be found through corporate property planning to better meet service need.

2.2 The Council is currently giving consideration to the introduction of a “corporate landlord” as the future model for the management of its land and property assets. In the event of that model being adopted it is probable that decisions regarding surplus declaration will move to the corporate centre.

2.3 In the case of the non-operational property held for income generation purposes within the council’s Property Trading Account, one or more of the following conditions may exist which lead to property being declared surplus:

- Have a risk of excessive void periods;
- No longer generate required levels of income and/or repair costs outweigh revenue;
- Have a risk of future reduction in income or capital value;
- Have significant maintenance backlog or capital cost;
- Excessive management time/cost when compared to benefits accruing
- Opportunity for capital growth in an alternative use.

2.3 The process for identifying surplus or underperforming property will arise in a number of ways as follows:-

- Ongoing review of performance/condition surveys of commercial portfolio.
- Service Plans and Service Reviews
- Regeneration schemes
- Approaches from third parties e.g. developers, adjoining owners.
- Requests from community groups or public bodies to transfer assets.
- A site by site asset rationalisation exercise using the asset register and land mapping

2.4 The identification of underperforming or surplus assets within departments will be monitored via structured annual conversations between the relevant Director and the Head of Property to review business needs and priorities.

2.5 When land and building assets become surplus there will be a presumption for disposal unless there is a strong approved business case for an alternative use or strategic hold.

2.6 Land and buildings identified as being surplus will need to follow the procedure set out below.

2.7 Declaring an Asset Surplus

For operational properties identified as surplus the Service is responsible for formally declaring that asset surplus. This is done through a formal decision in accordance with the council's formal governance arrangements. Decisions should make the case for sale, and where possible recommendations for the method of disposal. Recommendations on the method of sale should be made by the Head of Property (or their deputy).

- 2.8 In the case of non-operational property held for commercial purposes, the Head of Property is responsible for bringing forward proposals to declare the property surplus, in conjunction with the Corporate Director, Finance & Resources and Director of Legal & Governance & Monitoring Officer, and otherwise in accordance with the council's formal governance arrangements. The decision making process will consider the implications for revenue loss or gain, impact upon debt and any potential claw back of grant as a result of the disposal.
- 2.9 Recommendations for sale will be captured in an Asset Rationalisation Pro Forma and approved by the Head of Property. The Asset Rationalisation Pro Forma should capture relevant comments from the advice given by the Corporate Asset Management Group, which comprises senior officers across the council, and councillors attending the Asset Rationalisation Board (ARB). Assets being considered for disposal will be presented to the ARB in schedule format and with Asset Rationalisation Pro Forma only being submitted in relation to either high value or sensitive assets. Should the property not be progressed for sale then the reasons should be clearly recorded together with a note of the recommendations with the financial and other implications of that decision.

Decisions to dispose will be taken in line with the Council's formal governance arrangements.

- 2.10 The Head of Property will determine the disposal strategy to be adopted based on their professional expertise, taking account of external advice where necessary

3.0 Best Consideration and Disposal at an Under-Value.

3.1 Best Consideration

The disposal of General Fund land is subject to statutory provisions, in particular to the overriding duty under Section 123 of the Local Government Act 1972 to obtain "Best Consideration". Certain other provisions apply to the disposal of open space, which includes the advertising of the intention to dispose through the placing of formal notices in local newspapers for two weeks and to consider any objections raised.

- 3.2 The main consideration in any land disposal is that the Council must not dispose of assets for **"a consideration less than the best that can be**

reasonably obtained” unless it has the express consent of the Secretary of State. This is generally interpreted as being the best price achievable in the open market, however this does not necessarily require the highest offer to be accepted as certain other factors may be considered.

3.3 The Council has the power within the Local Government Act 1972 and the General Disposal Consent (England) 2003, to dispose of any asset at less than best consideration, without the requirement for approval from the Secretary of State if:

- The difference between the unrestricted or market value of the land to be disposed of and the consideration for the disposal does not exceed £2 million, and
- The purpose for which the land is to be disposed of is likely to contribute to the promotion or improvement of the economic, social or environmental wellbeing of its area.

3.4 There are other statutory provisions that relate to the disposal of assets held in the HRA or for planning purposes. There are also some areas where additional ministerial consent for sale is needed e.g. surplus school playing fields.

3.5 Disposals at an Undervalue

The default position is that the Council will always dispose of assets to ensure Best Consideration, however, if the Council wishes to dispose of land for less than best consideration then it needs to demonstrate that this is consistent with the organisation’s corporate strategic objectives and plans.

3.6 In such cases, a business case report following the Governments 5 Case Business Case Model, summarising the key facts of any such proposal should be prepared. The business case will be used as a basis for relevant approvals and to test and demonstrate that value for money will be obtained via other means.

3.7 The business case will also have a clear recommendation from the Head of Property and advice from Legal Services and Capital Finance. Any decision will be jointly agreed by the Corporate Directors for City Development & Growth and Finance & Resources, before final decision by Executive Board.

3.8 Valuation of Land and Buildings for Disposal

All necessary valuations for the disposal of land or property at less than best consideration, will be carried out by an independent Chartered Surveyor appointed by the Council and the valuation must be carried out in accordance with the RICS Valuation – Global Standards 31st January 2020.

3.9 The independent valuation will be undertaken in accordance with the technical appendix to Circular 06/03-general disposal consent. Whilst it is recognised that Section 123 of the Local Government Act does not require an independent valuation when disposing of an interest in land Circular 06/03 does provide that

“local authorities are strongly advised in all cases to ensure that they obtain a realistic valuation of that interest, following the advice provided in the Technical Appendix”. This ensures that the Council can effectively demonstrate transparency in meeting with the requirements of section 123 of the Local Government Act 1972.

- 3.10 All decisions will then be entered into a register kept by the Property Team.
- 3.11 If it is considered that an asset is used for social, community and public purposes and the benefits of that service are deemed to outweigh the value of continuing ownership by the Council on behalf of all Council Tax payers, then the Council may consider the transfer of the asset to a community group on terms to be agreed. Any such transfer should be in accordance with the Council’s Community Asset Transfer policy and will need to be agreed via the business case process as outlined above.

4.0 Disposing of the Asset

4.1 The method for the disposal of assets will be assessed and determined on a case by case basis

4.2 The Council will usually use one of the following means to dispose of land and buildings;

- a) **Open Market Disposal (preferred route of disposal)**- For freehold disposal and leasehold interests over 99 (virtual freehold), they will be widely advertised, bids invited and then considered on either a formal or informal basis or via open auction.

The Council will advertise the disposal via its own website with links to property related media and marketing agent’s websites. Bids will be invited through methods such as auction, informal and formal tender.

When appropriate independent agents will be appointed to manage the advertisement and the disposal of the land or property and report to the Council the value of the bids received and provide recommendations on which they consider to be the preferred bidder taking into account risk associated, financial benefits and statutory requirements.

Where there is more than one interested party, a ‘best and final offers’ process will be undertaken when appropriate.

Recommendations on the preferred offer will be made on the basis of price and rent, covenant strength, ability to perform, funding, speed of sale, conditionality, risk etc. to ensure the best return outcome for the Council. The highest cash offer will not be the sole determinant.

- b) **Private treaty special purchaser** - The Council might dispose of an asset to an individual or special purchaser through a private treaty sale. This can be used for both freehold and leasehold disposals.

In order to justify a special purchaser disposal, the proposal should meet one, or more of the following criteria:-

- The proposed disposal involves both Council land or buildings and an adjoining property or piece of land owned or controlled by the prospective purchaser.
- The disposal to an existing tenant.
- The disposal to a third party who, whilst not an adjoining landowner, would bring additional quantifiable social, environmental or economic benefit.
- To enable the purchase of another site, which the Council considers necessary to meet its priorities and Council Plan objectives.
- For the grant of permanent and non-permanent rights, as by definition these are normally a request from a third party.

In such cases an independent external valuation will generally be procured to advise the Council on the value of the asset.

In circumstances where an external valuation is not considered necessary the asset will be valued by the Council's Chartered Surveyors and Registered Valuers and counter signed. Exceptions to this are when:

- Specialist valuation advice is required;
- There are internal capacity issues, or
- If there is a clear conflict of interest.

Appropriate legal advice, as to the legality of the proposed arrangements, with particular reference to all relevant Local Government Act and UK Subsidy considerations will be obtained.

In all circumstances a private treaty disposal would seek to produce financial benefits, which would be at least equivalent to those obtainable through an open market disposal and should be supported via recommendation from the Head of Property. Should this not be the case then the policy for disposals at less than best consideration as outlined above should be followed.

Any decision to pursue a private treaty special purchaser disposal is entirely at the discretion of the Council and is the exception rather than the general rule.

- c) **Joint development** - where a redevelopment proposal includes Council land or property and adjoining land, the Council may choose to pursue a joint development with the adjoining landowner and/ or Developer or Registered Social Landlord (RSLs).

The details of a joint development arrangement are likely to differ from scheme to scheme but will broadly involve sharing the cost, risk and return from the project.

The benefits and risks of pursuing this method of disposal would require detailed assessment as part of the appraisal for the development.

This form of development may result in State Aid rules being relevant. Any joint development proposal should be guided by Legal Services.

5.0 Determining Value/Price

- 5.1 Best Consideration will be sought via exposure to the market and purchaser competition.
- 5.2 If a property is not exposed to the market the Council will generally seek an independent valuation to ensure that the Council can effectively demonstrate transparency in meeting the requirements of Section 123 of the Local Government Act 1972. . In other circumstances the asset will be valued by a Chartered Surveyor and Registered Valuer from within the Property Services Team.
- 5.3 In the circumstances where an internal valuation is used, valuations will be undertaken by an appropriately qualified Surveyor and countersigned by a Chartered Surveyor and Registered Valuer in order to promote standards of best practice.

6.0 Financial criteria for disposals

- 6.1 The Asset Rationalisation Disposal Proforma will provide details of the capital and revenue implications of the recommended option. It includes the impact of the current economic conditions, the VAT and insurance implications. This will be presented as part of the business case for disposal.
- 6.2 Once sites are approved as being suitable for disposal and a programme for disposal has been agreed this will be included on a disposal plan which is then used to inform the Medium Term Financial Strategy (MTFS). However, until exchange/ completion of contracts has taken place or a lease has been completed there is always be a risk that the disposal will not take place in the forecast timescale, the timescale will therefore be indicative.

7.0 External Consents

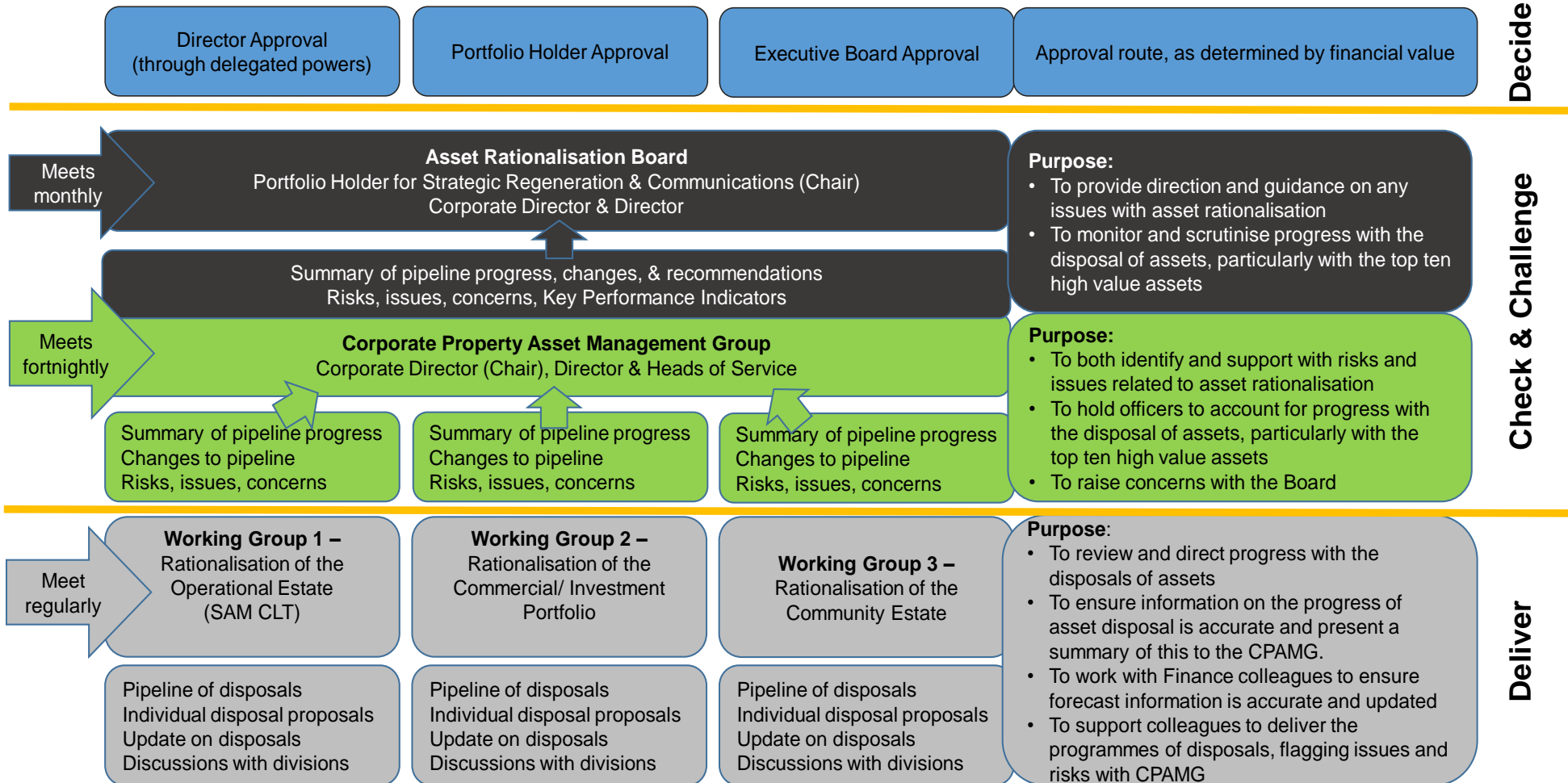
- 7.1 External consents are required to declare certain types of properties surplus i.e. playing fields where Sports England consent is required and public open space that has to be advertised. This process should be commenced at the earliest opportunity, as part of the options appraisal and this taken into consideration in forecast timescales.
- 7.2 Other constraints such as legal, planning, statutory authorities/government policy or financial constraints such as the property having been the subject of funding in the past that necessitates the repayment of grant monies will also need to be taken into consideration.

- 7.3 Checks will be made prior to disposal against the Register of Community Assets. Should the property be included, the Council will proceed in the appropriate way.

8.0 Governance and Formal Decision Making Process

- 8.1 Once a property asset is identified as surplus the Head of Property as the council's professional lead will instigate the process to dispose.
- 8.2 Properties will only be sold after rigorous option appraisal. In order to determine the options, relevant departments should be consulted with, these include all appropriate operational departments, Legal Services, Finance, Procurement and HR as appropriate..
- 8.3 Once the options appraisal has been undertaken this will be presented for decision with clear recommendation to dispose and via which method.
- 8.4 Recommendations will be developed via the relevant working group, as outlined in appendix 1, and be agreed by the Corporate Property Asset Management Group, made up of senior officer representatives, including finance and legal.
- 8.5 Final approval to dispose will be in accordance with the council's formal governance arrangements and will include advice from legal, finance and property.
- 8.6 Terms of any disposal will be as recommended by the Head of Property, in conjunction with the Corporate Director, Finance & Resources and Director of Legal & Governance & Monitoring Officer, in consultation with relevant portfolio holders.
- 8.7 The Asset Rationalisation Board will receive regular updates on progress against disposal targets in relation properties which have been declared surplus to requirements.

Governance arrangements



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Housing and City Development Scrutiny Committee 18 November 2024

Independent Living Review and Future Model

Report of the Statutory Scrutiny Officer

1 Purpose

- 1.1 To scrutinise the development and delivery planning of housing that supports older Council tenants in living an independent life.

2 Action required

- 2.1 The Committee is asked:

- 1) to make any comments or recommendations in response to the Executive Member for Housing and Planning's report on the delivery of Independent Living in Nottingham and the development of a new model of service provision; 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 The Council's Independent Living provision represents designated housing for older people. As of 2021, there were just under 38,000 residents aged 65+ in the city. Currently, the Council has 1,986 Independent Living homes across 59 individual communities, with a mixture of corridor, courtyard (consisting of ground and 1st floor maisonettes) and bungalow schemes. The majority of Independent Living homes are one-bedroom and are established around communal facilities. However, there is currently relatively low demand for this form of provision, so the existing model for Independent Living is being re-evaluated, as it has remained largely unchanged since 2010.
- 3.2 Whilst there is notionally a strong general demand for Independent Living provision, the majority of applicants have a very specific ask for bungalow and two-bedroom accommodation, often within specific geographical areas. As a result, bungalow and new-build schemes have a strong demand and shorter relet times, while upstairs maisonette properties and corridor schemes have significantly less demand. The data analysis carried out indicates that there is currently an oversupply of older persons' accommodation in the city and a lower demand for this form of provision than for 'general needs' housing.
- 3.3 As of 31 March 2024, Independent Living homes accounted for 8% of the Council's housing stock, but 23% of its voids. The average relet times for Independent Living homes currently stands at 115 days whereas it is 26 days

for general needs homes. Over the past five years, the level of Independent Living terminations has outstripped lettings, with an average of 213 terminations per year against 197 lettings. However, whilst demand for Independent Living properties has decreased, there is increasing demand for both general needs housing and temporary accommodation for people who are homeless. There are approximately 11,000 applicants on the Housing Register, with general needs lettings running at 842 per year. The Council is providing accommodation for 664 homeless families, of whom 103 are currently housed in hotels.

- 3.4 The Council commissioned the Housing Quality Network (HQN) to support the review of Independent Living, building on the data analysis and other work undertaken during 2022. The work carried out by the HQN concluded that there was a probable oversupply of Independent Living provision and that there was a sound rationale for changing the eligibility criteria for the service, but that more could be done to enhance both the lettings process and the lettable standard of properties, and that a full options appraisal taking account of stock condition factors should be undertaken to determine the best future use of the current Independent Living schemes.
- 3.5 As a result of the data analysis undertaken, the outcome of the HQN review and the high levels of demand for Council housing, a number of proposals are being considered regarding the future delivery model and extent of Independent Living, including:
- a) the selection of an additional small number of Independent Living schemes to be redesignated during 2025/26 in order to rebalance housing supply, with options appraisals to be undertaken to determine the best use of those sites selected for de-designation;
 - b) re-branding older persons' housing to become Retirement Living and changing the age-related eligibility criteria to 67 (or 60 if in receipt of a disability-related benefit);
 - c) developing a lettable standard for Independent Living homes with regard to the standard of decoration and the 'Housing our Ageing Population Panel for Innovation' principles for bathroom and kitchen fittings;
 - d) enhancing the lettings process to make it simpler for older people to apply, while also providing more support for both applicants and social care professionals; and
 - e) carrying out more active marketing of provision, linking in with other workstreams, to encourage 'right-sizing' in order to free up under-occupied family homes.

4 List of attached information

- 4.1 Report: Independent Living Review and Future Model

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 [Housing Services – Independent Living](#)

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

18 November 2024

Independent Living Review and Future Model

1. Purpose

1.1 This report provides the Committee with an update on the review of Independent Living provision, which represents designated housing for older people. It details the extent of current provision and the challenges faced, summarises the findings of the Housing Quality Network (HQN) review and provides an overview of proposals that will be taken through the Council's decision-making process to ensure the best use of its housing stock moving forward with a model for older persons' housing that is fit for the future.

2. Background

2.1 The Council currently has 1,986 Independent Living homes spread across 59 individual schemes. These represent a mixture of corridor schemes, courtyard schemes consisting of ground and 1st floor maisonettes, and bungalow schemes. Some corridor and courtyard schemes have neighbouring bungalows attached to them. The majority of homes are one-bedroom and all but three bungalow schemes have communal facilities. Over the past eight years, there has been considerable investment in upgrading the communal facilities of Independent Living stock to enhance kerb appeal and improve let-ability. Despite this, comparatively low demand for this form of provision indicates that the current model for Independent Living needs re-evaluation.

2.2 Whilst the older population of the city is growing, the rate of growth is less than originally projected. As of 2021, there were just under 38,000 citizens aged 65+ resident in the city. However, this population is not evenly spread, with older person households ranging from 5.8% in Radford to 28.7% in Clifton West. There are Independent Living schemes in each ward of the city other than Berridge and Castle, and there is one Independent Living scheme outside the city boundary in Ruddington. There is, however, a clustering of schemes in wards of the city where there are high concentrations of Council homes and tenants, including Bestwood, Bulwell and St Anns. There is an Independent Living home (Council or Registered Provider operated) for every four households with someone aged 65+ in the Basford, Bestwood, Bilborough, Meadows, Radford and St Anns Wards.

2.3 The current Independent Living model has remained largely unchanged since 2010 when Scheme Wardens were withdrawn, and the service moved to support delivery by peripatetic Independent Living Co-ordinators. All tenants receive an annual needs assessment and this determines the frequency and nature of support contact that they receive. Days that the Independent Living Co-ordinator will be regularly on site are also publicised so that staff are accessible for ad-hoc support needs. There are quarterly resident meetings at all schemes with

communal areas, which provides tenants with the opportunity to have their say as to how the service is being delivered. There are currently 24.1 full-time equivalent (FTE) Independent Living Co-ordinators and 2.5 FTE Activity Co-ordinators supporting around 2,150 Independent Living tenants. Other than Winwood Heights, no Independent Living scheme has an Independent Living Co-ordinator permanently based on site. All Independent Living tenants also have access to 'Nottingham on Call' 24 hours a day for any emergency needs that they may have.

3. Issues

- 3.1 Whilst there is notionally strong general demand for Independent Living provision, with approximately 1,600 applicants in Band D, the majority of these applicants have very specific criteria: specifically for bungalow and two-bedroom accommodation often within certain geographical areas. Whilst the number of voids becoming available at any given time will impact on the average relet times, generally, bungalow and new-build schemes have much stronger demand and subsequently quicker re-let times, with upstairs maisonette properties and corridor schemes having significantly less demand.
- 3.2 The proportion of new Independent Living tenants who are under state retirement age is increasing year on year and is currently 55% of all new tenants. This is having an impact on the balance of schemes as, in general, these 'younger' older people are not as interested in the communal life of the scheme and often require no support from the service. Many of these residents do not want to be in older persons' housing, but this was the only offer available to them. Tenants who are of working age will often be on Universal Credit (UC). Of the 261 Independent Living tenants claiming UC, 37% are in arrears compared with 14% of tenants not claiming UC. For those who are in arrears, the average for UC tenants is £471, as opposed to £314 for non-UC tenants. The reason for this differential is likely that not all service charges that are Housing Benefit eligible are eligible for UC.
- 3.3 There has been a noticeable increase in anti-social behaviour in Independent Living schemes in recent years, often associated with needs around drug and alcohol abuse, untreated mental health and the cuckooing of vulnerable tenants. Anti-social behaviour is often associated with this 'younger' cohort of tenants and has a highly detrimental impact on other residents of the scheme, particularly in corridor schemes where, due to the nature of the building layout, the anti-social behaviour impacts on larger numbers of tenants.
- 3.4 Data analysis indicates that there is an oversupply of older persons' accommodation in the city and lower demand for this form of provision than for 'general needs' accommodation. As of 31 March 2024, Independent Living homes account for 8% of the Council's housing stock, but 23% of voids. Average relet times for Independent Living homes currently stands at 115 days whereas, for general needs homes, it is 26 days. Over the past five years, the level of Independent Living terminations has outstripped lettings with an average of 213 terminations per year and 197 lettings. There were nine more lettings than

terminations in 2023/24, but this was more due to the number of terminations being 35 fewer than the then average than an increase in actual lettings.

- 3.5 Whilst demand for Independent Living properties has decreased, there is increasing demand for general needs accommodation and for temporary accommodation for people who are homeless. There are currently approximately 11,000 applicants on the Housing Register, with general needs lettings running at 842 per year. With regard to homelessness, there are around 760 households currently being accommodated due to being placed by the Council under Homelessness Reduction Act duties. This includes 664 homeless families, of whom 103 are currently housed in hotels.
- 3.6 Engagement with Independent Living tenants and staff has indicated that many older tenants struggle with the current Homelink application process, both in terms of the digital application process itself and gathering the information required. Adult Social Care services also struggle to navigate the Homelink system and make referrals into Independent Living, including the Winwood Extra Care scheme. This maybe a contributory factor to higher residential care placements for older persons, although anecdotal evidence indicates that many of these placements are for citizens whose complex needs are incompatible with being housed in an Independent Living scheme.
- 3.7 Census data indicates that 43% of households resident in the city report that one member of the household has a disability. This will be increasingly prevalent for older persons. Within the Independent Living stock, there are approximately 830 homes in courtyard schemes consisting of maisonettes with 50% of these properties being accessible only via a staircase. Stairlifts can be fitted to these properties following a referral to the Adaptations Agency, but there are currently considerable waits for assessment. Walk-in showers are also not a standard feature on Independent Living homes, although many properties now have this facility fitted through adaptations.
- 3.8 For the past 10 years, there has been an ongoing programme of modernisation of the communal areas of Independent Living schemes to provide attractive environments for tenants to socialise. This improvement is not, however, reflected in the flats themselves which, whilst they conform to Decent Homes standard, are sometimes let in a poor standard of decoration (though decorating vouchers are provided). A full stock condition survey of all Council homes and communal facilities of homes has been commissioned. This will provide accurate information on projected future spend on all stock, which will be helpful in informing decisions on the most appropriate future use of Independent Living sites.

4. Proposals for the Future Independent Living Model

- 4.1 Earlier this year, HQN was commissioned to support the review of Independent Living building on data analysis and other work undertaken during 2022. HQN reviewed data analysis, undertook site visits and carried out some engagement with both staff and tenants. The work undertaken by HQN concluded that there was a probable oversupply of Independent Living provision and that there was a

sound rationale for changing the eligibility criteria for the service, but that more could be done to enhance both the lettings process and the lettable standard of properties, and that a full options appraisal taking account of stock condition factors should be undertaken to determine the best future use of current schemes.

4.2 As a result of data analysis undertaken, the outcome of the HQN review and high levels of demand for Council housing, a number of proposals will be made with regard to both the model and extent of Independent Living, moving forward. In addition to the remodelling of the Sutton House scheme (commenced) and a further Independent Living scheme (proposed) for temporary accommodation for homeless families, the proposals are:

- The selection of an additional small number of Independent Living schemes to be redesignated during 2025/26 in order to rebalance housing supply. Options appraisals will be undertaken to determine the best use of those sites selected for de-designation.
- Changing the branding of older persons' housing, with the working assumption being that it will become Retirement Living.
- Changing the age-related eligibility criteria to 67 (or 60 and in receipt of a disability-related benefit) and not with complex care needs.
- Developing a lettable standard for Independent Living homes moving forward both with regard to the standard of decoration and with 'Housing our Ageing Population Panel for Innovation' principles being used for bathroom and kitchen fittings.
- Enhancing the lettings process, making it simpler for older people to apply and providing more support with the process for both applicants and social care professionals.
- There will also be more active marketing of provision linking in with other workstreams to encourage 'right-sizing' in order to free up under-occupied family homes.

4.3 Changes to eligibility criteria will only apply to new tenants moving into Independent Living schemes. This will also be the case with the Independent Living lettable standard, which will be applied to future properties as they become void. It is anticipated that the proposals detailed will make the older persons' housing offer more attractive to prospective tenants and help to create more cohesive communities for current residents. Once the above proposals have been implanted and the impact on supply and demand for older persons' provision has been assessed, options appraisals for re-designating further older persons' housing will be undertaken should data analysis indicate that this would be appropriate.

5. Next Steps

5.1 Benchmarking with other similar Local Authorities is being undertaken to understand how Nottingham compares with regard to the amount of dedicated older persons' housing provided for the population aged 65+. A report on proposals for the future model of older persons' housing will be tabled at the newly-formed Housing Assurance Board for consideration and comment. A report requesting permission to consult on proposed changes to older persons' housing,

including any additional schemes to be re-designated will be taken to the Council's Corporate Leadership Team. Consultation will then be undertaken with Independent Living tenants, which will inform a final decision on proposals through the appropriate process.

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Housing and City Development Scrutiny Committee: 30 September 2024

Response to Recommendations: Transforming Cities Programme

Portfolio: Strategic Regeneration, Transport and Communications

Recommendation	Response
<p>1) That the Council considers how it can maximise the effectiveness of its engagement with the East Midlands Combined County Authority (CCA) and associated Local Authority partners on the future development and delivery of transport infrastructure schemes across the wider area that will bring important benefits to Nottingham people.</p>	<p>Following the Devolution Deal, the new CCA has taken over responsibility for a number of Local Transport Authority functions. This includes responsibility for the preparation of an area-wide Local Transport Plan (LTP) and the formation and delivery of a Transport Investment Programme. Given the increased scale of transport funding expected to be available to the CCA in future years, this investment programme is a significant opportunity to improve transport across the area. Investment could cover public transport such as bus priority measures, major new infrastructure projects such as new road and rail connections, active travel measures to promote more healthy and sustainable transport, and highway maintenance to build more resilience into the existing network.</p> <p>The LTP is a statutory requirement and it is important as it lays out the transport strategy against strategic objectives and the role various measures will play in contributing to achieving delivery. The four constituent Local Authorities (including the Council) are directly supporting the CCA in the preparation of the LTP through feeding in local knowledge, developing the evidence-base and informing operational and transport strategy delivery requirements. The approval of the LTP requires the consent of each of the constituent Councils.</p> <p>Similarly, the constituent Councils are helping to identify future local transport schemes to feed into the investment programme, including undertaking early design, cost estimates, identification of risks and calculation of potential benefits. The experiences learned from the delivery of the large-scale Transforming Cities Programme demonstrates to the CCA that the Council has the capability to deliver programmes of</p>

	<p>integrated transport measures of a similar nature to those that are likely to be required in the future within our area and may be a potential example to others.</p> <p>Engagement with the CCA is taking place at different levels including representation at the CCA Board, through the Transport and Digital Connectivity Committee, regular Place Director meetings and input through various officer technical groups. Development of the LTP and Transport Investment Programme will also be informed by stakeholder consultation with local business, community groups, transport operators, national bodies, interest groups, etc.</p>
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Housing and City Development Scrutiny Committee 18 November 2024

Work Programme

Report of the Statutory Scrutiny Officer

1 Purpose

- 1.1 To review the Committee's current work programme for the 2024/25 municipal year, based on the issues identified by Committee members previously and any further suggestions arising from this meeting. Potential issues raised by Committee members are regularly scoped for scheduling in consultation with the Chair, the relevant senior officers and partners, and the Executive Members with the appropriate remit.

2 Action required

- 2.1 The Committee is asked:

- 1) to note its current work programme for the 2024/25 municipal year and make any needed amendments; and
- 2) to consider any further priority topics or issues for inclusion on the work programme.

3 Background information

- 3.1 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.
- 3.2 The Committee's formal Terms of Reference are set out under Article 9 of the Council's Constitution, with it being 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.

4 The Strategic Council Plan 2024-27 and the Council Improvement Plan

- 4.1 The vision set out in the Strategic Council Plan (SCP) is that Nottingham will be known as a healthy, aspirational and thriving city, where people feel safe to live and work whatever their age, and an exciting, clean and welcoming place to play, study and visit. Nottingham will be a city that is green and environmentally sustainable, with a strong commitment to fairness, equality and inclusivity. The SCP sets out ten high-level outcomes for Nottingham, and each outcomes has a number of priority activities and interventions to help deliver it within the four-year span of the SCP.
- 4.2 In addition, the Council Improvement Plan (CIP) establishes how the Council will respond to the significant governance and financial challenges that have led to the statutory intervention by Government Commissioners. The CIP represents the overarching framework that holds the Council's improvement activity together and is intended to address the challenges the Council faces while working towards achieving longer-term change to become an organisation that has a clear purpose and direction, is financially sustainable and is well run. Delivering the CIP is intended to provide assurance to citizens, councillors, officers, partners and the Commissioners that the Council is improving the way it operates to deliver, enable and influence better outcomes for Nottingham in the most effective, efficient and economical way. The CIP sets out three overall aims, with eleven Priority Programmes of Action.
- 4.3 As a result, when planning its work programme, the Committee should consider how an item relates to achieving both the Priority Programmes of Action within the CIP and the wider objectives of the SCP. In scrutinising topics at a meeting, the Committee should seek to investigate what Priority Programmes of Action the issue affects and how improvement is being delivered against these, as well as the progress made to date against the associated performance metrics and that there is a full understanding and effective management of risk.

5 List of attached information

- 5.1 Work Programme 2024/25

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

- 6.1 None

7 Published documents referred to in compiling this report

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

7.2 [The Strategic Council Plan 2024-27](#)

7.3 [The Council Improvement Plan](#)

8 Wards affected

8.1 All

9 Contact information

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

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Housing and City Development Scrutiny Committee Work Programme 2024/25

Meeting	Items
10 June 2024	<ul style="list-style-type: none"> <li data-bbox="517 405 1832 475"> <p>• Appointment of the Vice Chair To appoint the Committee’s Vice Chair for the 2024/25 municipal year</p> <li data-bbox="517 517 1832 624"> <p>• Committee Terms of Reference To note the Committee’s Terms of Reference, the terms of its operation and the Overview and Scrutiny Protocol</p> <li data-bbox="517 665 1832 810"> <p>• The Nottingham Local Plan - Housing Delivery To review the impacts and outcomes of the Council’s strategy for the delivery of housing across the city as part of the adopted Local Plan Executive Member: Housing and Planning</p> <li data-bbox="517 852 1832 959"> <p>• Social Housing Delivery Progress To review the progress in the delivery of the Council’s social housing targets Executive Member: Housing and Planning</p> <li data-bbox="517 1000 1832 1145"> <p>• Work Programme 2024-25 and Activity Summary 2023-24 To agree the Committee’s work programme for the 2024/25 municipal year, and to note its activity and recommendations to the Council’s Executive during the 2023/24 municipal year (and the responses received)</p> <li data-bbox="517 1187 1832 1262"> <p>• Future Meeting Dates To agree the Committee’s meeting dates for the 2024/25 municipal year</p>

Meeting	Items
<p>15 July 2024</p>	<ul style="list-style-type: none"> <p>• Homelessness and Rough Sleeping To review the implementation and outcomes of the transformation work within Housing Solutions, and the progress made towards achieving the ending of the need to use one-off night-time accommodation Executive Member: Housing and Planning</p>
<p>30 September 2024</p>	<ul style="list-style-type: none"> <p>• Transforming Cities Programme To review the impacts of the Transforming Cities Fund in enhancing sustainable transport in and around Nottingham Executive Member: Strategic Regeneration, Transport and Communications</p> <p>• Homes Fit for the Future - Consultation and Findings To review the outcomes of the public consultation on the draft Housing Strategy and how it has influenced the Strategy's further development Executive Member: Housing and Planning</p>
<p>18 November 2024</p>	<ul style="list-style-type: none"> <p>• Asset Rationalisation Programme - Delivery Progress To review the delivery progress of the Council's Asset Rationalisation Programme and the work to revise the current underlying Disposals Policy Executive Member: Skills, Growth and Economic Development</p> <p>• Independent Living Review and Future Model To consider the development and delivery of housing that supports older Council tenants in living an independent life Executive Member: Housing and Planning</p>

Meeting	Items
20 January 2025	<ul style="list-style-type: none"> <li data-bbox="517 276 2013 496"> <p>• Impacts of the Council Budget 2025-26 To consider the potential impacts of the Council’s 2025/26 budget on services delivered within Growth and City Development and the learning arising from the delivery of the 2024/25 budget Executive Members: Strategic Regeneration, Transport and Communications Skills, Growth and Economic Development Housing and Planning</p> <li data-bbox="517 539 2013 719"> <p>• Decent Neighbourhoods Programme To review how the programme is now managed and delivered as part of improving Nottingham’s estates and neighbourhoods to create homes and places in the city where people want to live Executive Member: Housing and Planning</p>
17 March 2025	<ul style="list-style-type: none"> <li data-bbox="517 798 2013 943"> <p>• Regulator of Social Housing - Inspection Outcomes To review the outcomes of the Regulator’s first inspection of the Council as a provider of social housing Executive Member: Housing and Planning</p> <li data-bbox="517 986 2013 1094"> <p>• Social Housing Repairs and Maintenance Performance To review the Council’s performance in the repair and maintenance of social housing Executive Member: Housing and Planning</p>

Potential items for scheduling to a meeting:

- **East Midlands Combined County Authority - Establishment and Progress:** To consider the initial outcomes for Nottingham of the Combined County Authority following its formal establishment in May 2024
- **Economic Plan for Growth - Implementation Progress:** To review the initial outcomes of the Council’s Economic Plan for Growth following its introduction during May 2024

- **Broadmarsh Redevelopment:** To consider the planning, timeline and progress to date for the redevelopment of the Broadmarsh area
- **Student Living Strategy:** To review the delivery progress and outcomes of the Student Living Strategy following its introduction in September 2023
- **Selective Licensing Scheme:** To review the progress and outcomes of the Council's second Selective Licensing scheme following its introduction in December 2023
- **Greater Nottingham Strategic Plan - Housing Mix:** To consider the mix of housing types and tenures that will need to be delivered within the city as part of the Council's new Local Plan
- **Housing Retrofit Scheme:** To review the delivery of the Council's programme of housing retrofitting to reduce fuel poverty and address climate impact
- **Housing Allocations Policy:** To review the impacts, outcomes and future approach of the Council's policy for the allocation of social housing
- **Registered Providers of Social Housing:** To consider how the Council works in partnership with other Housing Associations to provide social and affordable housing in Nottingham
- **Council Tenant Satisfaction and Engagement:** To consider how the Council engages with its tenants at all levels in delivering an effective service
- **Supported Accommodation:** To review how people presenting to Housing Solutions are assessed for supported living needs and referred to the appropriate service provider