

Nottingham City Council

Companies Governance Executive Committee

Minutes of the meeting held at Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG on 19 October 2021 from 3.01 pm - 5.04 pm

Membership

Present

Councillor Neghat Khan
Councillor David Mellen (Chair)
Councillor Sam Webster
Councillor Linda Woodings

Absent

Councillor Sally Longford (Vice Chair)

Colleagues, partners and others in attendance:

Nancy Barnard	- Governance and Electoral Services Manager
Beth Brown	- Head of Legal and Governance
Adrian Cheetham	- Director of Property, Nottingham City Homes
Joanne Clifford	- Director of Corporate Resources, Nottingham City Homes
Ian Edward	- Strategic Advisor for Companies

Call-in

No items on the agenda contain decisions subject to call-in.

35 Apologies for Absence

Councillor Sally Longford – On leave

36 Declarations of Interest

Councillor Woodings declared an other registerable interest in items 5 and 7 (minutes 39 and 41) as a Board member and shareholder representative of Nottingham City Homes. This did not preclude her from taking part in the discussion on those items.

37 Minutes

The Committee agreed the minutes of the meeting held on 21 September 2021 as a correct record and they were signed by the Chair.

38 Work Plan

The Committee considered the work programme, noting that since publication of the agenda it had been agreed to cancel the November meeting of the Committee and defer the scheduled business to the December meeting.

Resolved to confirm the cancellation of the November meeting of the Committee.

39 Council owned company discussion - Nottingham City Homes

This item does not contain any decisions that are eligible for call-in.

The Committee received a presentation by Adrian Cheetham, Director of Property and Joanne Clifford, Director of Corporate Resources, Nottingham City Homes (NCH). The presentation covered the following matters:

- a) NCH manages and maintains Council housing stock for Nottingham City Council, contributes to new housing stock, provides property services and manages stock on behalf of other providers in Nottingham. It also manages its own property portfolio including affordable housing, market rent housing and temporary accommodation for homeless households.
- b) The Group is structured with NCH Ltd as the Arms Length Management Organisation (ALMO) and two subsidiaries: NCH Enterprises which manages the market rent properties and NCH Registered Provider which predominantly manages the temporary accommodation. Governance is managed via an ALMO Board which also serves to represent the tenant's voice, an Audit, Risk and Compliance Committee and a Governance and Selection Committee.
- c) A three year plan was agreed last year in consultation with stakeholders and is currently in year one. A key element is the Tenants' Charter. Significant regulatory change is expected in the Social Housing White Paper and preparations are underway for this.
- d) Tenant satisfaction is good and NCH performs strongly when benchmarked against peers though performance has gone up and down during the pandemic. Gas servicing and fire risk assessments are at 100% and work is being undertaken as part of the wider high rise living programme.
- e) Covid has created challenges in relation to repairs and maintenance due to staff absence. The majority of repairs are delivered right first time but deep dives are conducted when things go wrong. Improvements are planned in communication with tenants and getting arrangements tailored to the type of job. Void properties remain a challenge but are monitored weekly. Capital investments in properties also continue as do energy efficiency works. Tenancy and estate management work is also undertaken.
- f) Demand for affordable housing is growing with waiting lists at c.8000 households. More housing is being developed.
- g) 306 homeless families are currently in temporary accommodation including 568 children. Using housing rather than bed and breakfast accommodation is better for the families and generates savings of c£10m for the Council. An increase in demand is expected.

- h) Future risks relate to building safety, covid, financial pressures and difficulties with labour and materials. In addition pay award is likely but not budgeted.

During discussion, and in response to questions, the following points were raised:

- i) Changes have been made to how damp and mould cases are managed with a specialist team established. Numbers are now down significantly.
- j) A governance review was undertaken looking at the group board structure. This created the ALMO Board to provide challenge and is the tenant's voice. Numbers of tenants on the main Board have reduced to two but the ALMO Board has taken on that role. The ALMO Board is being kept under review to ensure it is working effectively and as planned. It is important to have the right blend of skills on the Corporate Board.
- k) Take up of board member training was previously an issue and this is being addressed.
- l) Work is underway to create a culture change to take a whole organisation approach to reporting and resolving issues.

Resolved to record the thanks of the Committee to Mr Cheetham and Ms Clifford for their attendance and informative presentation.

40 Exclusion of the public

The Committee agreed to exclude the public from the meeting during consideration of the remaining items in accordance with Section 100(A) of the Local Government Act 1972 on the basis that having regard to all the circumstances, the public interest in maintaining the exemption outweighed the public interest in disclosing the information, as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act, as the sensitive nature of the business affairs under consideration could, if made public, prejudice the ability of the companies concerned to operate effectively in a competitive market.

41 Council owned company discussion - Nottingham City Homes

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Resolved to record the thanks of the Committee to Mr Cheetham and Ms Clifford for their attendance and informative presentation.

42 Council owned companies - financial update

This item does not contain any decisions that are eligible for call-in.

Companies Governance Executive Committee - 19.10.21

Ian Edward, Strategic Advisor for Companies, presented the report, updating the Committee on the latest position in respect of Council owned companies.

Resolved to note the update.

Reason for recommendation

To ensure the sub-committee understands the current financial position of the group of companies of Nottingham City Council and any risks highlighted in the report for action.

Other options considered

None.