

Appendix 1

Partnership Agreement
Between
Nottingham City Council
And
Nottingham City Homes Group
Main Heads of Terms

VISION, VALUES AND ETHOS OF THE AGREEMENT

The vision of this agreement is that through Nottingham City Homes, Nottingham City Council's tenants and leaseholders will receive the best possible housing management and maintenance service, which is delivering value for money and high customer satisfaction. Furthermore, through its main company and subsidiaries, Nottingham City Homes Group is helping deliver the City Council's strategic objectives providing high quality homes and services which meet the needs of Nottingham citizens.

Nottingham City Council recognises that in Nottingham City Homes (NCH) it has the optimal delivery vehicle for the management and maintenance of its housing stock. It also recognises that NCH and its subsidiaries provide the means to achieve wider housing and community objectives for the city of Nottingham, and further acknowledges that the best way to achieve these is through a relationship based on an ethos of partnership. This agreement sets out the approach that will be taken by the partnership between NCC and NCH to deliver this vision.

In the delivery of this agreement there will be an overriding principle of listening to tenants and ensuring that their interests are at the heart of all the activity it generates. Foremost amongst these is the absolute requirement that their homes remain safe at all times. As the property owner the Council has ultimate responsibility for this, with Nottingham City Homes acting as its managing agent.

This agreement embodies the commitment for NCH and NCC to work in partnership with each other, and other agencies to make Nottingham's estates great places to live.

The Council will support Nottingham City Homes to be the exemplar of excellence in housing management to other landlords in the city in support of the Council's efforts to raise standards overall.

This agreement is designed to be flexible in order to enable new activity to be agreed and delivered according to the city's needs as they emerge or change.

In delivering this agreement, and notwithstanding the separation of responsibilities engendered by an arm's length arrangement, both parties will take a "One Council" approach to dealing with issues raised by the public, external organisations, or by legislative changes.

1. DURATION, REVIEW, BREAKS AND RENEWAL

- The length of the agreement will be thirty years
- Timing of reviews: to be aligned with Nottingham City Homes' business plan cycle
- Process for break/early termination (simplified version of current arrangements)
- Process for renewal

2. SCOPE

The agreement covers the following broad activities to be delivered by NCH Group:

Council Housing

- The management and maintenance of all Housing Revenue Account-owned housing on behalf of the Council, including rent collection, former tenants arrears, tenancy management, responsive repairs and planned maintenance, void management, adaptations to council stock, management of the housing register, allocation of homes, tenant consultation, tenant involvement
- Ensuring that all council housing standards within the Regulatory Framework for Social Housing are complied with save any which are reserved exclusively for the Council as property owner
- Providing the necessary advice and performance data to the Council to enable it to comply with the regulatory standards for which it is responsible
- Ensuring the safety and wellbeing of residents and visitors to homes and estates managed by Nottingham City Homes
- Delivery and management of the Public Sector Housing Capital Programme
- Providing advice to the City Council on rent and service charge setting
- Presentation of the management, delivery and performance reporting of the HRA capital investment programme
- Asset management intelligence, analysis and advice
- Providing strategy and policy advice on all aspects of managing and maintaining Council housing
- Ensuring effective tenant and stakeholder consultation in the development of Council housing strategy, policy and activities, such as changes to the tenancy agreement, allocations policy, tenancy policy
- Ensuring effective tenancy support exists to reduce risk of homeless and/or household indebtedness with a focus on Local Authority debt (Housing Rent, Council Tax, Sundry Debt), securing effective payment arrangements and support through the advice sector and wider agencies.
- Council Housing related non-rent HRA revenue collection, eg, Feed in Tariff, and rechargeable repairs.

- Drafting the HRA Business Plan, with NCH consulting and working with NCC officers on a draft plan for Council approval.

Leaseholder Management within HRA stock

- Providing advice to the city council on leaseholder recharges and leaseholder policies
- Collecting service charges payable by leaseholders
- Managing recharge processes, ie consultation with leaseholders, liaising with leaseholders affected by major works, billing and collection

The management and maintenance of all other HRA assets

- Amenity land, buildings, HRA-owned community centres, communal areas, play areas, overall management and maintenance of retail blocks/parades (nb commercial lettings retained by NCC Property Services)
- Overseeing the delivery of grounds maintenance, tree and community protection services provided by NCC on HRA land and property via robust service level agreement
- Making recommendations to NCC for acquisition or disposal of HRA assets as appropriate

New housing development

Within agreed approvals from Nottingham City Council for new housing development:

- Building new homes for the Council within the Housing Revenue Account
- Building new homes for social or affordable rent to be owned by the NCH Group
- Building new homes for market rent to be owned by the NCH Group
- Building homes for sale or low cost home ownership

NCH Group Owning and managing its own stock

- Owning homes for social or affordable rent to be managed by the NCH Group
- Owning homes for market rent to be managed by the NCH Group
- Owning or leasing stock for use as temporary accommodation to assist the Council's homelessness duties

Other housing and related services for NCC as determined by the Council* including,

- Support development and delivery of Council's housing strategy
- Managing homeless temporary accommodation and supporting residents within it
- Provision of accommodation and support for use by NCC Adult social care and Children's services
- Provide responsive repairs, planned maintenance and improvements, servicing and statutory works to non-HRA assets as commissioned
- Emergency assistance in the event of a major incident
- Management orders in the private rented sector
- Working with NCC to develop cross-tenure domestic energy efficiency initiatives and taking the lead on the delivery of schemes
- Disabled adaptations

- Other requirements/opportunities as they arise

Commercial Activity

- Provision of housing management and maintenance services to third parties
- Provision of NCH market rent and market sale of residential properties
- Nottingham on Call Assistive technology services
- Property, building, construction and maintenance services
- Any other commercial activity with the Council's approval

Supporting wider Council objectives including tackling crime, improving health, social care, the environment, education, employability and the local economy.

A full schedule of services to be delivered appears in the Scheme of Delegation at schedule...

3. GOVERNANCE, ACCOUNTABILITY, AND LEGAL COMPLIANCE

Business Planning and performance reporting

- Priorities for NCH agreed and set out in a three to five year delivery plan following consultation with the City Council, tenants and leaseholders and other partners.
- The delivery plan will include performance targets and commitments and be approved by both the City Council and Nottingham City Homes
 - Performance against the objectives of the delivery plan will be reported to the City Council on a quarterly basis.
 - Nottingham City Homes will produce an Annual Report for the Council and make this publicly available for tenants and leaseholders

Governance of the Partnership

- The Council will be responsible for approving any amendments to the articles of Nottingham City Homes and appoint a nominated individual as member representative
- The Council will make nominations of suitably skilled representatives to places reserved for Council representation on Nottingham City Homes' Boards and committees in line with the Articles of Association
- The Council's representatives on the Boards and committees will ensure that there is effective liaison between the City Council and Nottingham City Homes, and promote the interests of both
- Nottingham City Council recognises the legal and statutory responsibilities of NCH Board Members, and nothing in the agreement is intended to undermine this
- A 'Partnership Forum' comprising the Chair and CEO of NCH, the Portfolio Holder for Housing, the Corporate Director for Development and Growth and a senior NCC finance officer will meet on a quarterly basis to discuss matters arising from the delivery of this agreement (terms of reference to be appendix)

- Outside of formal governance requirements, the City Council and Nottingham City Homes will work closely together, with NCH representation at housing strategy meetings, Building a Better Nottingham and participation at meetings with the Council's leadership and executive councillors as required
- There will be a close working relationship between the Chair and Chief Executive of Nottingham City Homes and the Council's Executive member with responsibility for housing, but with a clear recognition of the need to keep senior NCC officers fully informed as appropriate
- Decisions will be taken in accordance with the Council's scheme of delegation
- Clear processes and contact channels for resolving problems at officer level wherever possible before resorting to the resolution process
- Resolution procedure

IT and Data Protection

- Responsibility for ensuring compliance with GDPR (see current clause 36)

Legal compliance

- Carry out functions in full compliance with the relevant legislation

Employment

- Compliance with all employment legislation and responsibilities

Insurance

- NCH will work with the Council's insurance service to ensure adequate insurance cover for the HRA stock is maintained
- NCH will maintain adequate employees and fleet insurance cover and insurance for property owned by NCH Group.

Procuring goods and services

- Principles of efficiency for both organisations by NCH using NCC first and vice-versa

Communications

- Taking a co-ordinated and consistent approach with the Council to external communication, with both parties supporting the communications objectives of the other party

4. FINANCE

Management Fee

- NCC and NCH will work collaboratively on HRA budget proposals for Councillors to consider
- NCC will formally advise NCH of the Management Fee for housing management, repairs and maintenance and management of the HRA capital programme as part of its annual budget setting and indicative medium term funding forecast

Payment for other services delivered to NCC by NCH

- NCC will agree payment for other services outside the management fee

Loans by the Council to NCH Group

- NCC will consider loan requests from NCH promptly to deliver agreed priorities subject to submission of acceptable business cases.
- NCC may consider requests from NCH for third party loan funding

NCH income generation

With the agreement of NCC, NCH has the ability to charge for any of its services to third parties, eg, other property owners in the city

Use of surpluses

- NCC and NCH will agree the allocation of any surplus generated by NCH's trading activities (excluding any surplus generated by NCH RP)

SERVICES DELIVERED BY THE COUNCIL AND RESPONSIBILITIES OF THE COUNCIL

5. Service Level Agreements

- Delivering SLAs: SLAs will be agreed for all services delivered to NCH by NCC and regularly reviewed (at least annually in line with budget setting). SLAs will set out clear costings, performance standards, and reporting mechanisms with appropriate escalation routes. The key services to be delivered by the Council are:

Direct to NCH:

- Office and depot accommodation
- IT
- Human Resources
- Finance Insurance and Treasury Support
- Garden assistance
- Marketing and Communications
- Legal services

- Internal audit
- Pensions
- Fleet maintenance
- Cleaning services
- Planning

Where there are persistent unsatisfactory levels of performance or poor value for money from the services provided to NCH and these have not been resolved through the agreed channels, then, where appropriate NCH and the Council may consider alternative service providers (where appropriate)

NCH will act on behalf of tenants, managing SLAs as “the client” for NCC Services delivered to tenants and on HRA land and properties:

- Grounds maintenance
- Street cleaning
- Tree services
- CCTV
- Repairs
- Street lighting
- Community Protection
- Nottingham Revenues & Benefits
- Welfare Rights
- Waste disposal services

This list is intended to be dynamic – it is not intended to be exhaustive or set for the duration of the partnership. All opportunities for efficiencies and effective working across the organisations will be sought.

NCH will work with the Council to resolve any unsatisfactory levels of performance of services delivered to tenants and on HRA estates. If these have not been resolved through the agreed channels, then NCH will be supported via the Partnership Forum to escalate them within the Council for resolution.

Strategic management

- NCC will make the best use of NCH’s professional expertise in housing and related areas
- Involve NCH early in key housing strategic discussions at leadership level

Corporate Asset Management Planning

The Council will engage with NCH in its wider Corporate Asset Management Planning. This includes collaboration to integrate work place strategies in order to maximise utilisation and wherever practical to rationalise its estate, as well as working with the wider public sector through the One Public Estate programme.

Supporting the delivery of NCH's work

- NCC will make timely decisions on matters affecting NCH, and will intervene to address swiftly if there are delays either in NCC decision making or the implementation of decisions made.
- Provision of Treasury support and the lending of finance for agreed projects
- Provision of Letter of Comfort to NCH Board and subsidiary for on-going financial support – and in particular the underwriting of the pensions liability.
- NCC to require the preferential use of NCH services from other companies with which NCC has a controlling interest
- NCC to assist with the marketing and promotion of NCH services to partners and third parties

Overall NCC will support NCH to provide the best possible housing management and maintenance services to its tenant, and provide an exemplar of excellence to other landlords.