

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	3640
Author:	Graham de Max
Department:	Development and Growth
Contact:	Graham de Max (Job Title: Partnership and Policy Manager, Email: graham.demax@nottinghamcity.gov.uk, Phone: 01158763538)
Subject:	Additional Payment of a Management Fee to Nottingham City Homes
Total Value:	£74,000 (Type: Revenue)
Decision Being Taken:	To provide £74,000 in 2019/20 to Nottingham City Homes (NCH), in addition to the Management Fee approved in the Medium Term Financial Plan by the full Council on 4 March 2019 (and any subsequent approvals), to meet the costs incurred in the delivery of services to the Win-Wood Extra Care scheme.
Reasons for the Decision(s)	<p>The Council has built a new Extra Care scheme at the site of Woodthorpe and Winchester Court in Sherwood, which forms part of the Council's housing stock. NCH manages the Council's housing stock and is paid a Management Fee for this function and, in order to fund the additional support required by this scheme, an adjustment in the fee is required.</p> <p>It is proposed that the additional service charge income generated from tenants at this scheme is used to fund the additional Management Fee to NCH to pay for services provided to these tenants. The services provide support to residents to increase or maintain their independence, including flexible and tailored support to enable residents to stay in their own home for longer. The cost of these services will be funded by the additional income from service charges and so is cost neutral to the Housing Revenue Account. The estimated values of the additional service charges for 2019/20 is £74,000, based on the scheme opening at the start of August 2019, and £111,000 for the full year of 2020/21 (this amount will be included for approval in the total Management Fee proposed in the 2020/21 budget).</p>
Other Options Considered:	To not fund NCH for delivery of these services: this option was rejected because this would result in reductions to service to the tenants, who are entitled to them by payment of a service charge.
Background Papers:	None

Published Works:	<p>Reports and Minutes of the Council meeting of 4 March 2019: https://committee.nottinghamcity.gov.uk/ieListDocuments.aspx?CId=155&MId=7348&Ver=4</p>
Affected Wards:	Citywide
Colleague / Councillor Interests:	None
Consultations:	<p>Date: 31/07/2019</p> <p>Other: Nottingham City Homes</p> <p>The officers at NCH that are responsible for operating the Extra Care scheme and setting service charges were consulted on the level of fees required for the new service charges created for an Extra Care service. NCH Finance were consulted on the change to the Management Fee.</p> <p>Those not consulted are not directly affected by the decision.</p>
Crime and Disorder Implications:	None
Equality:	EIA not required. Reasons: The proposal does not represent changes to a policy, service or function.
Decision Type:	Portfolio Holder
Subject to Call In:	Yes
Call In Expiry date:	24/09/2019
Advice Sought:	Legal, Finance
Legal Advice:	<p>This report does not raise any significant legal issues. The management fee is paid under the terms of the Partnership Agreement - it should be considered by the report author whether there needs to be a supplementary record for this additional spend and the services that are to be provided.</p> <p>Advice provided by Andrew James (Team Leader Contracts and Commercial) on 05/09/2019.</p>

Finance Advice:

The impact of this decision will be cost neutral to the Council and it's Housing Revenue Account (HRA). The additional Management Fee paid to Nottingham City Homes will be fully funded by additional service charges collected and received by the Council into the HRA. There is no impact on the Council's Medium Term Financial Plan.

Advice provided by Julie Dorrington (Senior Accountant (Housing Revenue Account)) on 28/08/2019.

Signatures

Linda Woodings as Portfolio Holder (PH Housing, Planning and Heritage)

SIGNED and Dated: 16/09/2019

Chris Henning (Corporate Director for Development and Growth)

SIGNED and Dated: 13/09/2019