



2.4 Registered Provider



Q4 Monitoring Report

Date: 23rd May 2023

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Q4 Performance Monitoring

THE NCH Registered Provider Board oversees performance of the activities of the NCH RP. The attached report shows the current performance for the properties for which the RP has overall management responsibility.

This report shows performance for the year up to March 2023.

The report has been broken down to show performance by the three groups, permanent housing, temporary housing and NCH social rent properties.

We have included information showing how the performance compares with other organisations who benchmark through Housemark, where this is available.

Commentary is included against all areas of the report.

Data in the report includes:

Stock

Complaints

Rent Collection

Re-let and empty property data

Performance will continue to be managed robustly at a local level and managers shall implement actions to address underperformance.

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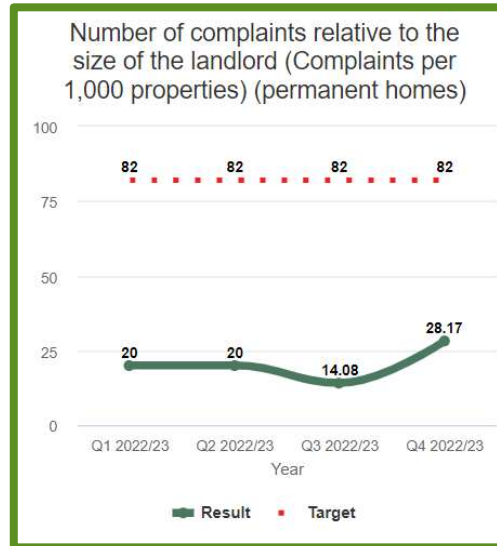
Registered Provider Board (permanent homes) Performance Dashboard Q4 2022-23



Benchmarking: No benchmarking figure



Meeting target, performance is worse than 2021/22



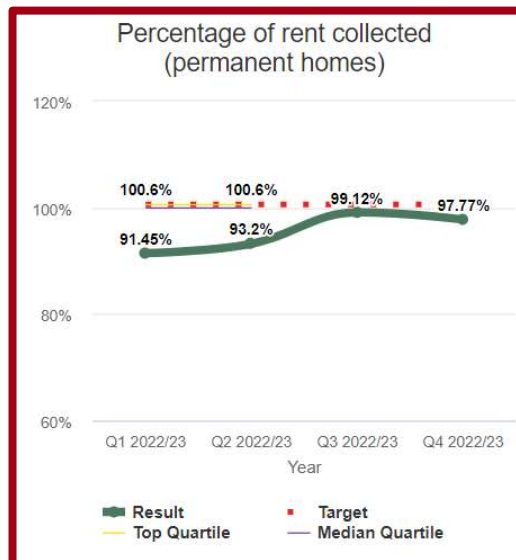
Whilst there has been a slight increase in the number of Stage 1 complaints being logged the performance against target is still well within target. The main driver in the slight increase has been around timescales and waiting times for repairs appointments. Property Services are working to improve these along with ensuring customers are kept informed and timely communication. Early intervention and contact is ensuring customer dissatisfaction and concerns are being addressed and resolved quickly.



Benchmarking: Bottom quartile performance



Not meeting target, performance is worse than 2021/22



The % of rent collected for Q4 stands at 97.77%, which is a slight reduction of 0.12% when compared to the same point last year. The operating environment continues to be challenging with a number of our residents facing financial difficulties. The well-publicised increase in the cost of living and energy costs is having a detrimental impact on our residents' finances and their ability to pay any shortfalls in rent payments.

We continue to see an increase in the number of residents claiming UC. Alongside the DWP plans to progress migrating residents with legacy benefits onto UC this number of claimant's will increase as will their financial challenges. Customers are facing increasing challenges to their finances from inflationary pressures which may have an impact on their ability to pay their rent.

The average monthly charge for these properties is over £640 per calendar month with the highest rent charge at over a £1000 Per Month. Because of the timings of the Housing Benefit cycles which pay every 4 weeks, we will

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receive 13 payments through a 12 month period.

Arrears will remain on the account until the thirteenth payment of Housing Benefit is received at the end of the financial year.

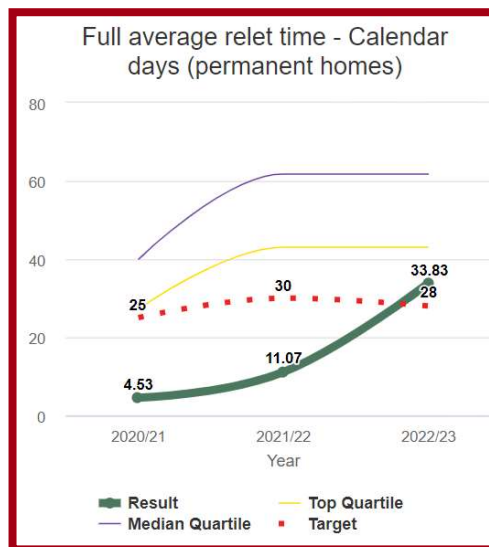
The rent would be charged at the beginning of the month and for those residents who do not receive Housing Benefit records suggest that they would be paying towards the end of the month, not in advance.



Benchmarking: Top quartile performance



Not meeting target, performance is worse than 2021/22



Our year two Corporate Plan target is to achieve an average relet time (ART) of 28 days.

Robust performance management is in place with daily dialogue between all team members to ensure homes are let as swiftly as possible.

6 RP permanent homes have been let during 2022/23 with an average turnaround of 33 days.

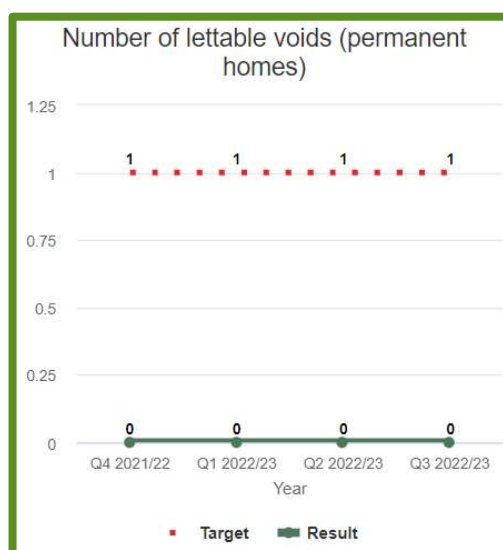
There were no lettable RP Permanent voids at the end of quarter 4.



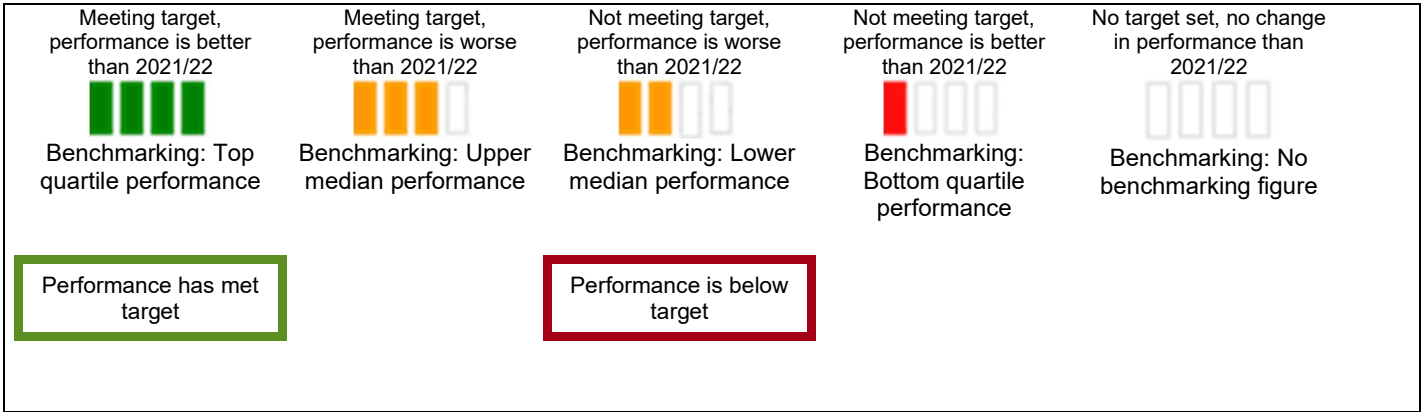
Benchmarking: No benchmarking figure



No target set, no change in performance than 2021/22



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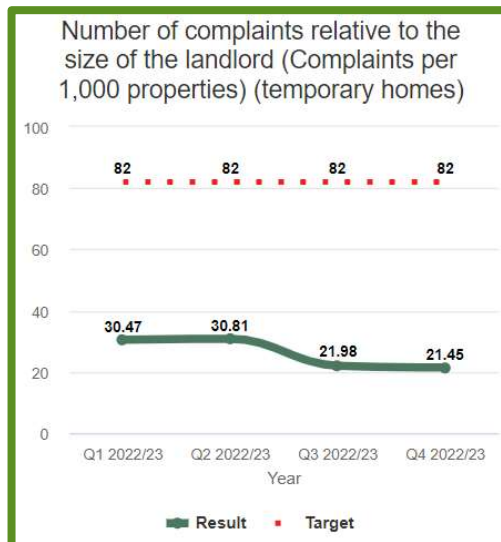
Registered Provider Board (temporary homes) Performance Dashboard Q4 2022-23



Benchmarking: No benchmarking figure



Meeting target, performance is better than 2021/22



Overall the performance is being met and well within the target set. The volume of Stage 1 complaints has reduced, much of this is due to early intervention and quick resolution in the issues and concerns being raised. Improved communication and regular contact is in place to ensure the customer is kept aware and fully informed of actions being taken to address concerns raised which has resulted in the volume of formal complaints reducing.



Benchmarking: Bottom quartile performance



Not meeting target, performance is worse than 2021/22



The percentage of rent collected in Q4 is 98.52%.

Compared to the same period last year performance is slightly lower at 98.52% compared with 98.62% last year.

Due to the nature of temporary accommodation, we have a high turnover and so have many new applicants for Housing Benefit who are waiting for payments to begin, and this does impact on rent collection. The team work hard to ensure that Housing Benefit is in payment and new claims are submitted promptly.

We have developed a good working relationship with the Senior Housing Benefit Officer so we can resolve any issues promptly.

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Benchmarking: Top quartile performance



Meeting target, performance is better than 2021/22



This calculation is for temporary accommodation across the city, including serviced leased accommodation.

371 temporary accommodation homes have been let during 2022/23, in an average of 11.46 days.

Robust performance management is in place with daily dialogue between the Temporary Accommodation Team, Housing Aid, and Voids to ensure homes are let as swiftly as possible.

Performance at the end of quarter 4 shows that we have 13 voids empty properties, slightly above the target of 12.

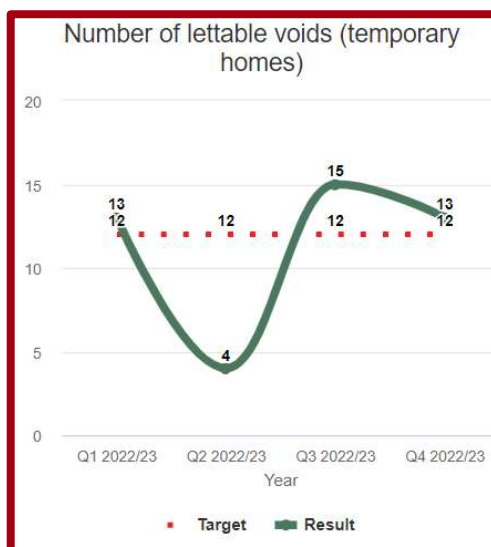
We continue to ensure that voids for Temporary Accommodation are prioritised and turned around as quickly as possible to minimise rent loss and make these available for other homeless families



Benchmarking: No benchmarking figure



Not meeting target, performance is worse than 2021/22



Meeting target, performance is better than 2021/22



Benchmarking: Top quartile performance



Meeting target, performance is worse than 2021/22



Benchmarking: Upper median performance



Not meeting target, performance is worse than 2021/22



Benchmarking: Lower median performance



Not meeting target, performance is better than 2021/22



Benchmarking: Bottom quartile performance



No target set, no change in performance than 2021/22



Benchmarking: No benchmarking figure

Performance has met target

Performance is below target

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Registered Provider Board (NCH social rent properties) Performance Dashboard Q4 2022-23



Benchmarking: No benchmarking figure



Meeting target, performance is better than 2021/22



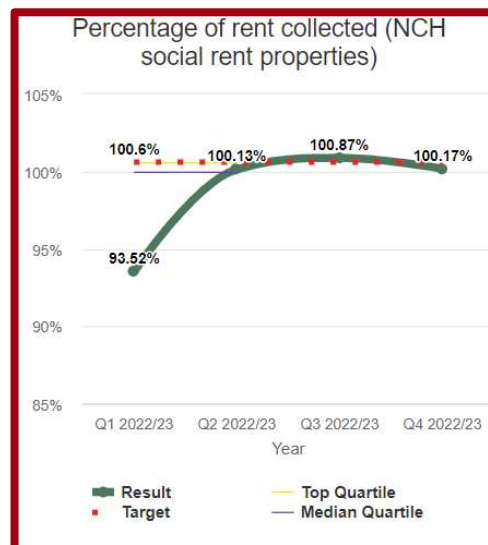
Current performance against overall target is showing a positive outcome and is well within the target set. The focus on early intervention and proactive resolution with the customer has reduced the number of formal complaints being logged. Improved communication and monitoring of the issues with the customer has ensured many of the dissatisfaction reasons are being addressed without the need for the customer to raise their issues formally. Improving engagement and learning through the process.



Benchmarking: Upper median performance



Not meeting target, performance is better than 2021/22



The team have achieved over 100% collection for this year and is showing an improvement when compared to the same period last year.

The operating environment continues to be challenging with a number of our residents facing financial difficulties. The well-publicised increase in the cost of living and energy costs is having a detrimental impact on our residents' finances and their ability to pay any shortfalls in rent payments.

We continue to see an increase in the number of residents claiming UC and have seen an increase in UC claims this year. Alongside the DWP plans to progress migrating residents with legacy benefits onto UC this number of claimant's will increase as will their financial challenges

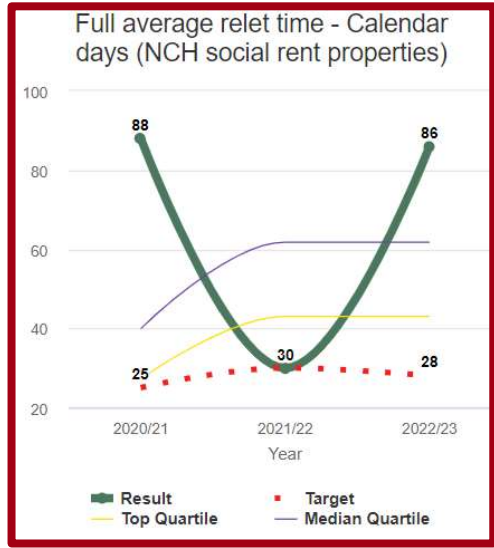
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Benchmarking: No benchmarking figure



Not meeting target, performance is worse than 2021/22



There was only 1 social rent property let during the year which was a high value void requiring significant works which was passed to a contractor for completion.

There were no lettable RP NCH Social voids at the end of quarter 4



Benchmarking: Top quartile performance



Meeting target, performance is worse than 2021/22



Meeting target, performance is better than 2021/22



Benchmarking: Top quartile performance



Meeting target, performance is worse than 2021/22



Benchmarking: Upper median performance



Not meeting target, performance is worse than 2021/22



Benchmarking: Lower median performance



Not meeting target, performance is better than 2021/22



Benchmarking: Bottom quartile performance



No target set, no change in performance than 2021/22



Benchmarking: No benchmarking figure

Performance has met target

Performance is below target

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Q4 NCH Stock Compliance Dashboard Monitoring

NCHRP has responsibility for ensuring that all of the homes and properties it owns and manages, meet current regulations. The Group Board has approved the Building Safety Compliance Policy and each constituent Board is responsible for monitoring compliance of the properties it owns or manages.

NCH is committed to establishing, implementing and maintaining a policy of continuous improvement and performance of its Compliance related duties concerning Gas Safety, Fire Safety, Control of Legionella and Water Hygiene, Asbestos, Electrical Safety and Lifting Equipment.

It is important that Boards have the appropriate controls and reporting in place to ensure effective oversight and compliance to give them assurance of compliance across the stock that NCH manages.

In light of this, a fit for purpose, robust, balanced dashboard with commentary has been developed to give the board assurance that compliance is being managed across the stock and therefore allow the appropriate challenge, at Board level.

The dashboard reports on the 'Big 6' compliance areas in line with NCH recently agreed Building Safety Compliance Policy. The dashboard includes the following:

- Total number of properties affected by each compliance checking programme
- Total number of properties complying
- Percentage of properties with a valid inspection record (level of compliance & non - compliance)
- Percentage compliance last reported
- Trend since previous report
- Servicing frequency (in line with Building Safety Compliance Policy)
- Responsible area
- Comments/narrative explaining any non-compliance, action to be taken and agreed timescales/outcomes
- Red & Green (compliant/non-compliant) indicators

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Finance Monitoring

Income and Expenditure

Nottingham City Homes Registered Provider (NCHRP) management accounts show a surplus of £627k at the end of Period 12 (P12). These figures are unaudited and subject to change. The surplus of £627k is after an estimated corporation tax charge for 22/23 of £167k. The corporation tax charge for the year is to be finalised in conjunction with the company's tax advisors in due course.

The surplus of £627k shows a positive variance of £369k against the annual budget of £257k.

A summary of the financial position at P12, together with the budgeted outturn for the financial year is shown in [Appendix 1](#).

The improved in year actual position to budget is due to the following:

1. **Rental income**

NCH RP has achieved a higher rental income (£413k) compared to budget. This is primarily due to an increase in the number of properties rented out and a lower void rent loss than originally budgeted. The improved position is also in part due to a £55k credit released to NCHRP income in the P&L, which relates to prior year rent debit accruals not required.

2. **Property Costs**

An increase in the number of rental properties has resulted in higher management SLA and property lease costs in year, which has partially offset higher income figures. Other notable changes to property costs are increases in electricity and district heating changes for Highwood House and lower council tax charges due to improved voids rates. Overall, property costs are £99k higher than budget at P12.

3. **Admin and Other Costs**

Overall, there is a positive variance against budget of £56k, with notable changes in:

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Bad Debt provision: The actual charge in year is £126k, which compares favourably to the budgeted figure of £291k, resulting in a positive variance of £165k. The provision is reviewed periodically throughout the year and covers 100% of former tenancy arrears and an assessment of recoverable current tenancy arrears on a case by case basis.

Corporation Tax: Corporation tax charge for the year is estimated to be £167k, higher than the budgeted figure of £76k due to the increase in actual profit for NCHRP.

Balance Sheet 31 March 2023

Appendix 3 shows the unaudited balance sheet for NCHRP as at 31st March 2023, which is a new addition to the board report.

Capital Assets and Leases:

Appendix 2 shows an analysis of capital and leases and a summary of outstanding loans as at 31st March 2023.

Loan Period (Yrs)	PWLB Rate	NCC Rate	Martins Reach	Church Square
30	5.02%	5.42%		
40	5.09%	5.49%		

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50	5.06%	5.46%	3.35%	3.21%
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Debtors £182k, summary breakdown below:

£69k - NCC Q4 rental income collected by NCC on behalf NCHRP

£12k - Prepayment April 2023 private leases

£101k - External rent debit debtor less loss allowance/bad debt provision (net)

Cash and Current Liabilities:

NCHRP has a positive cash balance of £1,468,000 as at 31st March 2023

The cashflow position of the NCH Group, including NCHRP, is under review with external support from Mazars Ltd.

Creditors £692k, summary breakdown below:

£192k - HMRC Corporation tax and VAT estimate 22/23

£295k - NCH P12 Property SLA and lease costs (£287k) and other miscellaneous creditors

£152k - External creditors, mainly lease costs and rent payments in advance

£ 31k - NEL Fairham Lease and housing benefit paid incorrectly to NRP

£ 22k - NCC Voids council tax costs 22/23

There are several risks to the Company's MTFP for the current year, most notably NCC's decision to bring housing services back in house.

These risks are included in the NCHRP risk register.

Appendix 1

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NCH RP

PERIOD 12 - 31st March 2023

	BUDGET	ACTUAL	VARIANCE
	Year To Date	Year To Date	Year To Date
	£'000	£'000	£'000
<u>Income</u>			
Rental Income	7,336	7,753	(417)
Other	44	40	4
Total	7,380	7,794	(413)
Less :			
<u>Expenditure</u>			
Management (SLA)	2,218	2,254	36
Lease, Repairs & Property	4,318	4,382	63
Loan Interest	128	129	1
Admin & Other Costs*	459	402	(56)
Total	7,123	7,167	44
(Surplus)	(257)	(627)	(369)

* Actual includes estimated corporation tax of £167,000

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Capital and Leases

	P12		Forecast	Financing 31/3/23
	Homes	£000	Homes	o/s Loans £000 *
NCHRP Owned				
Church Square	17	2,673	17	2,153
Martins Reach	14	1,140	14	1,088
Move on Accommodation	8	1,158	8	728
TOTAL OWNED	39	4,971	39	3,968
Managed under Lease				
NCH & NCHL	206		206	
Private Sector Landlords & Service Leasing	169		166	
NCC Highwood House	29		29	
Total Leased	404		401	
TOTAL HOMES	443		440	

* Value of grants outstanding on the balance sheet used to pay for a portion of the costs of the properties as at 31/3/23 was £787,000

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Appendix 3

NCHRP - Balance Sheet as at 31st Mar 2023

	Year to Date	Prior Year	
	Period 12	31/03/2022	Movement
	£'000	£'000	£'000
Fixed Assets			
Tangible Assets: Cost	4,971	4,971	0
Tangible Assets: Cumulative depreciation	(242)	(171)	(71)
Total Fixed Assets	4,729	4,800	(71)
Current Assets			
Debtors due within one year	182	77	105
Cash at bank and in hand	1,468	1,219	249
	1,650	1,296	354
Liabilities			
** Creditors: amounts falling due within one year	(692)	(1,013)	321
Net Current Liabilities	958	283	675
Total Assets Less Current Liabilities	5,687	5,083	604
* Creditors: Amounts falling due after more than one year	(4,754)	(4,777)	23
Net Assets	933	306	627
Capital and reserves:			
** Profit & (loss) YTD	627		627
Profit and loss account b/f	306	306	0
Total Reserves	933	306	627 YTD Profit
Check	0	0	0
* Part of the 31/3/23 amount is actually due within one year			
** 31/3/23 amount Includes esimated corporation tax charge for 22/23 of £167,000			

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