Item: 1.4

NOTTINGHAM CITY HOMES ('NCH') REGISTERED PROVIDER ('RP') LIMITED ('the Company')

THE BOARD

DRAFT MINUTES of the meeting held on 11 December 2025 at 2pm at Loxley House.

Board Members

Andrew Pollard (AP) (Chair)
Heather Clarke (HC)
Gemma De Brito (GD)
Karen Ratcliffe (KR)
Kieran Timmins (KT)

Also in Attendance:

Liz Cook (LC)	Chief Operating Officer
Devan Kanthasamy (DK)	Head of Governance
Mark Lawson (ML)	Executive Assistant
Tracy Martin (TM)	Group Accountant
Tim Shirley (TS)	Head of Commercial Property and Contract Management
Madeleine Forster (MF)	Group Chair

Apologies for absence received from Andrew Berry (AB), Interim Finance Director, was noted as he is on annual leave.

1.0 WELCOME

1.1. Andrew Pollard welcomed everyone to the meeting, and apologies were noted.

1.2 APOLOGIES FOR ABSENCE

1.2.1 Kerry Kyriacou (KK)
Vicky Evans (VE)

1.3. DECLARATIONS OF INTEREST

1.3.1 DK noted MF's attendance in her capacity as the Chair of NCH Limited.

1.3.2. AP previously declared, on September 11, 2025, his interest in his position as the Chair of the Bristol Waste Company Limited, a company owned by Bristol City

Council. Since his last declaration, AP stated that the Company and Bristol Waste Company Limited share the same external auditors and the same audit partner.

In his capacity as Chair of Bristol Waste, AP is aware that Bristol City Council is looking at establishing structures and entities in a similar if not identical form to NCH Limited and the Company. AP referenced this matter during the Company's recent workshop and now formalises this notation for future reference.

1.3.4. No other declarations were made by the Board Members or attendees.

1.4 CONFIRMATION OF MINUTES OF THE MEETING HELD 11 SEPTEMBER 2025

1.4.1. Noted that previous references in the minutes to NCC's IT system and the DMC meeting with NCC ought to be included in the action log. AP enquired if the team has any additional updates regarding these actions.

ML noted that the repairs are progressing satisfactorily; however, the work related to C365 and DMC has not advanced sufficiently, necessitating further work.

Action Items: Maintain entries of the outcomes from the C365 and DMC meetings with NCC in the action log.

Subject to the above corrections and observations, the minutes of the meeting held on 11 September 2025 were agreed as a true and accurate record.

1.5 MATTERS ARISING FROM THE 11TH SEPTEMBER MEETING MINUTES

There are no additional items for discussion.

1.6 ACTION LOG

All actions are progressing / complete, except of two action items for which NCH is dependent on NCC to complete.

Action Items: DK will update the action log with the required changes discussed above (re: 1.4.1)

2. AMENDEMENTS TO THE TEMPORARY ACCOMMODATION POLICY

2.1. Mark presented the amendments to the temporary accommodation policy. The requirements of the tender for the new NCC Temporary Accommodation Services Framework necessitated certain revisions to the existing policy, including visitors, the right to stay and evictions.

The Board Members noted that the amendments are both practical and beneficial.
Decision: Board approved the revisions to the policy.

3.0 Assurance Framework

3.1 DK presented the Assurance Framework for in-principal approval. This Framework is an enhancement of the prior drafts, and it aligns with the principles of the Three Lines of Defence, which correspond closely to the assurance framework established by NCC. The Framework is aligned with the NCH Corporate Risk Register and the Board's forward plans.

Due to time constraints, the Framework was not formally presented to the ARCC; however, it was proposed that the Board approve~~d~~ in-principal approval subject to a subsequent review at the next ARCC committee scheduled for February 2026 and this was agreed.

AP invited comments and observations. In discussing the assurance framework and associated risks, Board Members emphasised the need to consider the need to obtain assurances form NCC on cyber security.

Board acknowledged that the Framework is thorough, and the significant effort involved. Board requested an assurance map be developed.

The team advised Board that they are working with the Chair of the ARCC to facilitate a risk review workshop. Cyber security risk will be added for consideration at the workshop.

3.1.1 The following decisions and actions were agreed upon:

Decision: Board approved the Assurance Framework in principle, contingent upon a review by ARCC.

Actions Items:

DK will work with the ARCC to review and challenge the Assurance Framework.

Present the updated Assurance Framework and Map to the Board for approval.

Invite the staff member at NCC responsible for cyber security to a NCHRP Board meeting.

All Board Members will be invited to the risk review workshop scheduled for 19th February 2026. Cyber security to be included on the agenda.

4.0. NCHRP Future direction Workshop Report

4.1. AP summarised the workshop as a constructive and open dialogue, which resulted in the members identifying two workstreams for exploration.
LC articulated that additional work had been undertaken by the team since the workshop, on Plan A (exploring ways to sustain the RP) and Plan B (managed exit) as viable paths forward.

Discussions have taken place with the NCC to gain insight and assess the options A paper, prepared by NCC has been integrated into today's report. The report sets out the equity position of the assets owned by the Company.

The current equity position stands at a deficit of £877,530. This is because the Company's properties were acquired at market value and are utilised as social housing units. The value is impacted by the grant conditions and Section 106 agreements. All loans are with NCC.

The paper outlines key considerations that the Council believes the Company should consider when deliberating future options. It is explicitly stated that the Council has no capacity or desire to provide further funding, as they are working with Commissioners towards ensuring their own medium term financial stability objectives.

Based on discussions with NCC to date and the case study provided by the Council, there is a prospect that they may contemplate novating the loan to a new the Company to facilitate the acquisition of the property portfolio; however, it is crucial to note that this is not an official position of NCC.

Board Members acknowledged the historical competing priorities within NCC, particularly the desire to recover funds owed by NCH Limited and to ascertain an acceptable resolution regarding the provision of Temporary Accommodation (TA). LC conveyed that NCC would prefer to receive a formal written proposal to evaluate its merits.

A Board Member enquired about the potential use of proceeds from the sale of RP assets to offset the Housing Revenue Account (HRA) debt.
It was clarified that the Company is not liable for the HRA debt; its only liability is the outstanding loan in relation to its 39 freehold assets.

Board members questioned the grant conditions with the staff team affirming that, in general, the grant liability would be transferred to the registered provider acquiring the units.

The Social Housing Regulatory Oversight Act measures could substantially restrict enhanced housing benefit limiting by 2027/2028 should these measures be enacted. Members discussed the potential for developing a model to illustrate the impact on NCC and how the Company could contribute to a solution by attracting inward investment. An assessment of feasibility and resource would be required to undertake detailed modelling.

Board members discussed the application of both the subsidy and Local Housing Allowance (LHA) rate for temporary accommodation (TA). In both models, it is evident that the subsidy does not align with the LHA rate, as it fails to cover the costs incurred. Currently, all NCC commissioned temporary accommodation is part funded by enhanced housing benefit. If the anticipated changes are implemented in 2027/28, it is likely that the low level of housing support provided by the Company will fall below the defined support threshold.

Two risk factors must be considered.

1) If the Company were to consider transferring the TA business to a new provider that is not a registered provider, funding of the support service could not be covered by enhanced housing benefit.
2) Any prospective registered provider willing to undertake the TA provision may be deterred by the risks associated with potential policy changes that could affect its financial viability.

It was noted that once the Supported Housing Regulatory Oversight Act is implemented, the local authority will assume the role of regulator. In practical terms, this suggests that NCC is likely to establish thresholds that align with national guidelines, thereby increasing the apprehension among all providers regarding this risk and prompting them to reduce their involvement in this sector.

Local Government Reorganisation will likely further complicate the Council's capacity to make enduring decisions in relation to housing provision as priorities are likely to be elsewhere.

In the report regarding the Business Plan, LC indicated that the first year of the Business Plan for both the overall NCH group and the Company will conclude in March 2026, signifying that only two years remain in the current Business Plan. LC is in the process of developing a work plan for the team that will span from January 2026 to September 2026 which will include a refresh of the Business Plan

Board members deliberated on whether the Council's position might alter, particularly through the provision of sites for new housing construction as the NCC recovers from its financial position. LC assumed that NCC's sale of its assets will remain focussed on supporting the Council's financial position.

Decision: The Board agreed to pursue both options at this stage, Option A and Option B, as a twin-track approach.

Action Items:
1. Conduct further exploratory work with NCC.
2. Assess the willingness of local housing providers to acquire the Company or its owned assets and deliver temporary accommodation that aligns with NCC's requirements.
3. Investigate whether other RPs have undertaken similar initiatives and

identify lessons learned from their experiences.
4. Examine the case study referenced in the NCC's paper in detail.
Gemma will provide insights pertaining to the case study mentioned in the NCC report.
5. Consider the case study circulated by KK and any other potential options and opportunities board members may be able to bring forward.
6. Engage in informal discussions with interested local RPs concerning the sale of NCHRP assets.
7. Prepare a due diligence pack to establish a transparent process ahead of ascertaining formal potential enquiries or interest.

4.0 COO Report

The Board NOTED the update from LC that included work on stakeholder engagement including NCC's Senior Team, work on Companies Governance Executive Committee CGEC meeting due in March 2026 where the strategic review will be presented.

Board Members discussed what are key issues that we can expect to arise from the strategic review. LC commented that elected Members may decide to focus on why NCC is not acquiring the properties being sold in the open market. This was an issue that was raised by the Councillors in the last meeting,

Board Members requested to Minute the good progress made by the staff under the circumstances.

Decision: Board acknowledged the importance of reaching a clear decision on the future direction of the Company as soon as possible. Members concluded that a timeline for the decision on the future direction of the RP will be reviewed again in February 2026.

5.0 QUARTERLY GOVERNANCE REPORT

5.1 DK presented the governance report. Noted that amendments to the Standing Orders have been made to align them with modifications to the Articles of Association. The report covered the Housing Ombudsman submission report, the submission calendar, the forward plan, the ARCC Risk Review Report, and updates to Companies House detailing the new board members, as well as confirmations of statement submissions.

Decision:
Board approved the amendments to the Standing Orders and acknowledged all other items presented.

Action Items:
ARCC will conduct a review of the Committee membership and responsibilities.

All Members who have not yet completed their online personal identification verification are requested to do so at their earliest convenience to ensure that it does not prevent NCH RP's online filing in the future.

5.0. QUARTERLY FINANCE REPORT

5.1 TM presented the financial report, which included the balance sheet as of the 30th of September 2025 and the projected income and expenditures for the financial year. The Company is anticipated to achieve a post-tax profit of £276,000. The expected cash position at the end of the financial year is £1.5 million. Areas of underspend included repairs and homelessness. Noted that the team hopes NCC will settle the long-term debt in December 2025.

Board Members enquired about the reasons for the underspend and highlighted the necessity of ongoing monitoring of expenditures, noting that it is premature to accurately assess the impact of Awaab's Law. The staff team commented that underspending in homelessness and repairs is primarily due to limited repair obligations, which has resulted in minimal repair costs to date.

Board Members noted the Company’s liquidity position, the team confirmed their satisfaction with the position, noting that it has improved since the commencement of transition work.

The Board NOTED the report

6.0. QUARTERLY HEALTH & SAFETY, COMPLIANCE AND PERFORMANCE REPORT

6.1 ML presented the report for consideration, alongside the Awaab's Law policy for approval.

Compliance noted across all key categories. The performance of NCC on repairs delivery is now on an upward trajectory, which is an improvement. Noted that there continue to be some access challenges that are currently being managed by the contractors. The team is pleased to note that NCC has now introduced a priority 2 category for repairs. Income collection remains strong, and the report reflects a lower collection rate for temporary accommodation; this is primarily attributable to the timing of housing benefit schedules.

During the review of the report, committee members inquired whether any changes would occur due to the implementation of Awaab's Law and sought clarification regarding the high turnaround time for voids. ML responded that the team anticipates adjustments to the reporting process in alignment with the new policy. The long turnaround time for voids is acknowledged by both NCH and NCC, including the awareness of the new Director regarding the required improvements.

In terms of voids, the team is actively working to minimise delays and ensure that issues are addressed by contractors retained by NCH for urgent repairs.

Board Members commended the appendix as excellent and questioned the necessity of producing the front report. Additionally, they sought assurances regarding the data integrity. The ARCC Chair remarked that, based on the information reviewed at ARCC there is a robust process in place to assure data integrity.

Action Items:

ML will review the reporting process moving forward to remove duplication.

The discussions and responses from previous ARCC meeting (re: data on compliance) will be circulated to Board.

The Board NOTED the report and approved the Awaab's Law policy

7. ARCC Minutes

7.1 The Chair of ARCC commented that Risk Review has been covered in earlier discussion and NCHEL closure will be discussed at the NCHEL and NCH Group Board. Risk scores will be reviewed at the Risk Workshop scheduled for February 2026.

8. ANY OTHER BUSINESS

AP asked for clarity on the TA tender outcome deadline. LC commented that we expect to receive NCC's formal decision soon and is confident that this will lead to inclusion on their framework.

9. DATE OF NEXT MEETING

The next scheduled meeting is on 19 February 2026 at Loxley House.