



Department for Levelling Up,
Housing & Communities

Sir Tony Redmond
Chair
Nottingham City Council Improvement and
Assurance Board

Kemi Badenoch MP
*Minister of State for Equalities and Levelling
Up Communities*

**Department for Levelling up, Housing and
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Dear Sir Tony Redmond

I am writing in response to your third report, received on 6 August, which provided an update on the Improvement and Assurance Board's assessment of Nottingham City Council's progress in implementing their three-year Recovery Plan. I am replying as this issue now falls within my Ministerial responsibilities.

I thank you and your fellow Board members for your continued efforts in supporting and challenging the Council on its recovery journey. It is encouraging that the Council has sought to address many of the challenges you highlighted in your previous report on 17 June. The reframed constitution, revised Council Plan, clear capital receipts programme and remodelled corporate management structure are key building blocks that will provide the foundation for the Council's recovery. I look forward to hearing the Board's assessment of progress as these changes embed across the Council over the coming months.

I share the Board's concern regarding the Council's overall financial resilience, and it is disappointing that the Council has yet to produce the three-year Medium-Term Financial Plan (MTFP). My expectation is that a robust and balanced MTFP will be brought before the Council's Executive Board in November. I would also welcome the Board's assessment of how the Council will seek to address the budget shortfall that has been identified in your next report. Finally, reducing the Council's indebtedness is critically important to its long-term financial sustainability. I understand that the Council's voluntary debt reduction plan is delivering the required changes in working towards an improved borrowing and debt position, and I continue to value the Board's views on this matter. Progress in these areas will inform my decisions on our involvement with the Council and my final decision later in the year on any additional capitalisation support.

It is imperative that the Council continues to engage constructively with the Board and that it makes rapid progress given the scale of the challenge. Failure to do so would be concerning and could lead to a reconsideration as to whether a more statutory approach might be appropriate to secure the improvements that are necessary.

I thank you for your continuing work with the Council and look forward to receiving your next report in November.

Yours sincerely,

KEMI BADENOCH MP

**Minister of State for Equalities
and Levelling Up Communities**