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, Local Government, Faith and Communities*

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Dear Sir Tony,

I am writing to you as Chair of the Nottingham City Council Improvement and Assurance Board ('the Board') following the Secretary of State's decision that he is minded to intervene in Nottingham City Council.

The Secretary of State has carefully considered the findings and recommendations of the independent reports from Richard Penn and the Chartered Institute of Public Finance and Accountancy (CIPFA) regarding the unlawful Housing Revenue Account (HRA) expenditure, alongside the evidence presented in the Board's latest progress report and assessment of the Council's response to the HRA issue. He is satisfied on the basis of the evidence provided that Nottingham City Council is failing to comply with its Best Value duty. He is therefore minded to exercise his Best Value powers under the Local Government Act 1999 and appoint Commissioners. He is also minded to appoint you as Lead Commissioner, subject to representations received, given the constructive working relationship you have established with the Council and your understanding of the challenges facing the City.

I would like to take this opportunity to formally recognise the hard work of the Board who have provided a valuable source of advice, expertise and challenge to the Authority since your appointment in January 2021. Under your chairmanship, the Board has played a critical role in helping the Council to lay the foundations for its recovery. The 'minded to' decision is not a reflection on the effectiveness of the Board in helping the Authority to drive forward the necessary improvements, indeed it is clear that the progress that has been made to date would not have been achieved without your support. Despite this progress, more difficult decisions will be required moving forward and the scale of the challenges facing the Council cannot be underestimated.

All interested parties are now invited to make representations to the Secretary of State about the intervention he is proposing by 7 July. Once received, all representations will be carefully considered by the Secretary of State and I in making a decision as to whether to appoint Commissioners.

Yours sincerely

KEMI BADENOCH MP