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**Nottingham
City Council**

Nottingham City Council Overview and Scrutiny Committee

Date: Wednesday, 6 April 2022

Time: 2.00 pm

Place: Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG

Councillors are requested to attend the above meeting to transact the following business

Director for Legal and Governance

Governance Officer: Laura Wilson

Direct Dial: 0115 876 64321

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|----------|--|---------|
| 1 | Apologies for absence | |
| 2 | Declarations of interests | |
| 3 | Minutes | 3 - 6 |
| | To confirm the minutes of the meeting held on 9 March 2022 | |
| 4 | The Council's Transformation Programme | 7 - 14 |
| | Report of the Head of Legal and Governance | |
| 5 | Work Programme 2022-23 | 15 - 20 |
| | Report of the Head of Legal and Governance | |

If you need any advice on declaring an interest in any item on the agenda, please contact the Governance Officer shown above, if possible before the day of the meeting

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Nottingham City Council

Overview and Scrutiny Committee

Minutes of the meeting held at Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG on 9 March 2022 from 2.02 pm - 3.28 pm

Membership

Present

Councillor Anne Peach (Chair)
Councillor Georgia Power (Vice Chair)
Councillor Carole McCulloch (Vice Chair)
Councillor Patience Uloma Ifediora
Councillor Gul Nawaz Khan
Councillor Jane Lakey
Councillor Toby Neal
Councillor Angharad Roberts
Councillor Andrew Rule

Absent

Councillor Corall Jenkins
Councillor Sajid Mohammed
Councillor Audra Wynter

Colleagues, partners and others in attendance:

Beth Brown - Head of Legal and Governance Services -
Emma Powley - Governance Officer
Councillor Linda Woodings - Portfolio Holder for Planning, Housing and Heritage

60 Apologies for absence

Councillor Audra Wynter (Other Council Business)
Councillor Corral Jenkins
Councillor Sajid Mohammed

61 Declarations of interests

None

62 Minutes

The minutes of the meeting held on 9 February 2022, were agreed as a true record.

63 Together for Nottingham Plan - Progress update by the Leader

Due to other Council Business, the Leader and the Portfolio Holder scheduled to update the Committee on the 'Together for Nottingham Plan' were unable to attend. The Portfolio Holder for Planning, Housing and Heritage attended as their representative.

Councillor Linda Woodings, Portfolio Holder for Planning, Housing and Heritage updated the Committee on the progress of the Together for Nottingham Plan (TfNP). The following information was highlighted:

- a) The Together for Nottingham plan acknowledges that a well-managed capital programme is a critical contributor to the overall financial recovery of the City Council and recommends a review of the capital programme which will look to stabilise the current programme and put it on a sustainable footing for the longer term. Development of an effective Capital Strategy and a strengthened governance and control framework supports the Council in achieving this. Implementation of the Plan is a key priority of the Council and the Capital Strategy forms a key component part.
- b) The Medium Term Financial Plan had been constructed to align with the City Council priorities as set out in the Together for Nottingham Plan and had been approved at Council meeting as part of the budget on the 7 March 2022.
- c) A budget consultation had been undertaken, the outcome of which had led to changes in the proposed budget. This included the retention of an additional children's centre, retention of posts in the Youth and Play Services and a commitment to keep the Greyhound Street public toilets free of charge.
- d) Work continued with the Companies Governance work-stream and whilst there was not the capacity of time to review all of the companies within a 6 month period, work on the Shareholder unit had been designed to ensure that best practice is embedded into each company.
- e) The sale of assets had generated capital receipts and had contributed to the additional funding available to Nottingham City Council.
- f) As part of the Transformation Programme, business cases had been developed and approved by the Transformation Board and covered the following areas:
 - Adult Social Care
 - Children's Services
 - Procurement
 - Customer First
 - Business Support

In response to questions asked, the following information was noted:

- g) The latest report from the Improvement and Assurance Board had just been made public (on 9 March 2022) and covered the period before November 2021. Since then significant progress had been made to improve the council's financial position both in the short and longer term.
- h) In order to anticipate increased inflation rates, contingency monies had been set aside. This would also assist in covering increases in costs and labour and

emphasis would be placed on project management to ensure projects came in on budget, whilst being controlled and monitored closely and work would be carried out with procurement to ensure that the Council were getting Value for Money (VfM).

- i) An internal investigation into the mismanagement of the HRA funding would soon be completed but the timings of the recommendations from CIPFA on the erroneous transactions.
- j) Reviews of current approved schemes would not be undertaken as contracts had already been entered into; for the schemes already in place, there was some contingency money, should costs increase. However, the calculation of contingency funding would have to be future proofed.
- k) The Transformation Programme had yet to be finalised but once in place, it would be regularly monitored, and it had been based on being financially sustainable. Updates would be presented to the Transformation Board including progress reported from Corporate Directors and Portfolio Holders which would provide a level of performance monitoring. Should inflationary pressures significantly change and additional funding was requested, Capital Board would have to be informed and consideration be given.

The Chair thanked the Portfolio Holder for attending the meeting and for providing the verbal update.

64 Scrutiny Action Plan Update

Beth Brown, Head of Legal and Governance updated the Committee on the progress against the Scrutiny Action Plan, including the completion of the Scrutiny Protocol.

Subject to minor amendments to the Protocol the Committee unanimously approved adoption of the protocol.

The following information was noted:

- a) Good progress had been made against the action plan
- b) A business case for scrutiny officer support was being developed but had been delayed, due, in part, to the significant structural reviews

The Committee thanked the Head of Legal and Governance for her hard work and for the Scrutiny Training workshops that were being held.

65 2022/23 Work Programme Development

Beth Brown, Head of Legal and Governance updated the Committee on her report which outlined a proposed approach to support the Committee's discussions on their work programme for the next Municipal Year.

The following information was noted:

- a) The work programme was an indicative guide which the Committee could use for guidance purposes and should be viewed as a fluid document and change as and when priorities of scrutiny emerge.
- b) There may be a need to split the list of items and differentiate between decisions effecting policy and strategy and organisational actions and decisions.
- c) The Committee discussed their remit in scrutinising the impact that the Housing Revenue Account (HRA) having been incorrectly credited the General Fund had impacted residents. It was noted that this could only be done once the investigation had been completed and reported on to identify whether it should be considered by the Audit Committee, Scrutiny or both Committees
- d) The Committee requested bi-monthly updates from the Leader on the Together for Nottingham Plan.

The Committee agreed items listed to be included on the Committee's 2022/23 work programme and delegated to the Head of Legal and Governance the timetabling for the items identified on the list

66 Work Programme

Beth Brown, Head of Legal and Governance Services presented the Committee's work programme for the 2021/22 municipal year. The following points were discussed

- a) The Committee requested that they receive updates from the Leader on the Together for Nottingham Plan bi-monthly.
- b) Delegated to the Head of Legal and Governance Service to check time and availability to include the following on the agenda for the next Overview and Scrutiny Committee on the 6 April 2022, in a change to the items list on the work plan:
 - i) The Consultation process of the Library Service redesign proposals
 - ii) Houses of Multiple Occupation and selective licensing

**Overview and Scrutiny Committee
6 April 2022**

The Council's Transformation Programme

Report of the Head of Legal and Governance

1 Purpose

- 1.1 To update the committee on progress since the last report to the Committee on this matter in October 2021.

2 Action required

- 2.1 The Committee is asked to
- a) consider the information provided and use it to inform questioning and discussion
 - b) make recommendations if appropriate
 - c) identify any potential items for future scrutiny.

3 Background information

- 3.1 To support its ongoing recovery and improvement work the Council has established a transformation programme which will manage the major programmes required to change the way Council delivers services in line with the Council Plan and within the agreed Medium Term Financial Plan.
- 3.2 The programme was brought to the Committee in October 2021 when it was in an early stage of development. At that meeting, commitments were made to keep the Committee updated on the progress of the programme. A written update has been provided and is attached to this report.
- 3.3 The Portfolio Holder for Adults and Health, the Executive Assistant for Health, Neighbourhoods and Safety and the Transformation Programme Director, who have responsibility for the Transformation Programme, will attend the meeting to provide a presentation to the Committee on the progress the Council has made since October, followed by questioning and discussion.
- 3.4 During discussions on the Committee's work programme the following matters were identified in relation to Transformation and could form the basis for questioning:
- the impact of transformation on citizens
 - how transformation offers value for money for the Council.

4 List of attached information

- 4.1 Transformation Update.

5 Background papers, other than published works or those disclosing exempt or confidential information

5.1 None

6 Published documents referred to in compiling this report

6.1 Reports to and discussion at Overview and Scrutiny Committee meetings throughout 2021/22.

7 Wards affected

7.1 All

8 Contact information

8.1 Laura Wilson
Senior Governance Officer
0115 8764301
laura.wilson@nottinghamcity.gov.uk

Overview and Scrutiny Committee date: 6th April 2022

Item Name: Transformation update

Lead officer: Richard Grice

1. Purpose

- 1.1. To update O&S Committee Members on progress with the Transformation Programme.

2. Interdependencies

- 2.1. There are interdependencies with the Medium Term Financial Plan (MTFP), Together for Nottingham plan, Strategic Plan, Divisional plans and performance management framework.

3. Background/context:

Context and principles

- 3.1. The council's strategic plan sets out a bold agenda for Nottingham. Given the significant budget constraints within which the council has to work, this is a plan that requires a fundamental modernisation of the way the council operates in order to create a sustainable organisation that can continue to deliver against its ambitions. Transformation, therefore, means creating an exemplary modern council that creates maximum value from the resources at its disposal, to build a more equal Nottingham with accessible, responsive council services that enable residents and the city to thrive.
- 3.2. The programmes that make up the transformation portfolio must focus on preventing demand from arising, helping people find the services they need as efficiently as possible, and ensuring services are designed to both improve outcomes and minimise cost. The transformation portfolio has been designed to achieve these objectives and in so doing to make a substantial contribution to the financial sustainability of the council.
- 3.3. While the portfolio of transformation projects is constantly evolving, all proposals are assessed against a clear set of principles to ensure they both produce required savings and continue to modernise the operation of the council. These principles provide a clear set of criteria for decisions on transformation investment:
 - Deliver financial benefit
 - Join up services for residents and businesses
 - Make services more accessible
 - Simplify, standardise and automate ways of working
 - Enable early intervention and prevention
 - Support the move from traditional provision to participation.

- 3.4. The council has made good progress on establishing a transformation portfolio in line with these principles since summer 2021. In summary, the council has:
- Allocated funding to support the costs associated with transformation
 - Established a broad portfolio of transformation programmes and projects that will modernise services and contribute significant savings over the four years of the MTFP
 - Established a Transformation Office to oversee the delivery of the programme
 - Established a governance structure and processes to enable clear a timely decision-making
 - Developed business cases for modernisation and cost transformation of:
 - Adult Social Care Service
 - Children’s Social Care
 - The way the council organises it’s back-office business support
 - The way the council organises and administers procurement of goods and services
 - The way the council enables residents to access council services
 - Begun developing further business cases are for modernisation and cost transformation of:
 - The way the Council manages its property
 - The Council’s commercial services
 - The way the council manages its ICT
 - Has initiated programmes to develop the skills of the workforce and increase the change capability of the organisation

Transformation programmes

3.5. Adult Social Care

This is a change programme that addresses the challenges of increasing demand, workforce retention and financial pressures. The programme is designed to work towards delivering the outcomes from the Social Care Futures enquiry:

“We all want to live in the place we call home with the people and things that we love, in communities where we look out for one another, doing things that matter to us”.

3.6. The programme aims to empower residents to make the decisions that best suit them and help them maintain their independence. It will improve service quality, provide better outcomes for citizens and deliver financial savings for the Council.

3.7. The changes that will be delivered through this programme will be:

- Creating new tools for residents to self-assess and increase the routes through which residents can find appropriate information, advice and guidance.
- Reviewing current care packages to focus on support that enables people to maintain independence in their own homes.

- Extending the range of options to residents via a transition to greater use of Direct Payments, so that care decisions are focused on outcomes that matter to the individual
- Further development of the workforce to enable a strong focus on outcomes

3.8. The savings associated with this programme are set out in table 1 below. The investment required is £0.68m.

Table 1

	Year 1 - 22/23	Year 2 - 23/24	Year 3 - 24/25	Year 4 - 25/26	TOTAL over 4 years
Gross Transformational savings	(0.226)	(0.885)	(1.416)	(2.073)	(4.650)
<i>On going resources (staffing requirement)</i>		0.372	0.372	0.372	1.116
Net Saving	(0.226)	(0.513)	(1.044)	(1.701)	(3.534)

3.9. Customer First

The Customer First programme will work across the whole council with the aim of rapidly improving key customer services through a programme of process redesign and simplification based around customer needs. Simpler, faster processes will improve customer satisfaction and reduce costs for the council.

3.10. This rapid process-by-process improvement will be accompanied by a consolidation of contact points for customers, providing a more effective triage and support service based on whole customer need rather than specific service requirements. The implementation of effective digital channels will be a key element of this programme, providing rapid 24/7 access to council services where appropriate.

3.11. The savings associated with this programme are set out in table 2 below. The investment required is £2.25m over two years.

Table 2

	Year 1 - 22/23	Year 2 - 23/24	Year 3 - 24/25	Year 4 - 25/26	TOTAL over 4 years
Gross Transformational savings	(0.329)	(1.648)	(3.295)	(3.295)	(8.567)
<i>On going resources (staffing requirement)</i>					0
Net Saving	(0.329)	(1.648)	(3.295)	(3.295)	(8.567)

3.12. Procurement

Over 70 per cent of the council's annual revenue budget is spent with in excess of 3,500 external suppliers and third parties. This change programme will:

- Identify and implement opportunities that will enable NCC to reduce and better manage the spend with specific third parties, while staying within the council's policy criteria with regard to social value and local contracts.
- Develop and implement a new operating model for a commercial, commissioning, procurement and contract management work. This will

improve the strategic approach to, and management of, this annual revenue expenditure.

3.13. The savings associated with this programme are set out in table 3 below. The investment required is £0.87m over two years.

Table 3

	Year 1 - 22/23	Year 2 - 23/24	Year 3 - 24/25	Year 4 - 25/26	TOTAL over 4 years
Gross Transformational savings - all funding streams	(0.701)	(2.070)	(2.980)	(3.572)	(9.323)
Gross Transformational savings - revenue element	(0.331)	(0.993)	(1.407)	(1.721)	(4.452)

3.14. Business Support

An assessment of council activity in Autumn 2021 showed that over 18 per cent of council effort is spent on business support type activities (equivalent to 940 FTE in collective effort – n.b. not actually 940 staff). This is 25 per cent higher than other local authorities where similar analysis has been undertaken. The Business Support transformation programme will simplify, standardise and automate the way in which the Council delivers business support activities, thereby reducing the effort spent on business support whilst improving how effectively it is delivered.

3.15. The key areas of focus are:

- General administration
- Recording and data entry
- Closing records
- Billing and receiving payments
- Procurement transactions and paying creditors

3.16. The savings associated with this programme are set out in table 4 below. The investment required is £0.6m over two years.

Table 4

	Year 1 - 22/23	Year 2 - 23/24	Year 3 - 24/25	Year 4 - 25/26	TOTAL over 4 years
Gross Transformational savings	(0.340)	(0.680)	(1.370)	(1.370)	(3.760)
On going resources (staffing requirement)					0
Net Saving	(0.340)	(0.680)	(1.370)	(1.370)	(3.760)

3.17. Children's Social Care

The council carried out a review of Children's social care in Autumn 2021. This demonstrated that substantial improvements in service outcomes and costs were achievable if a whole service transformation took place across Early Help (EH), through Child in Need (CIN), Child Protection (CP) to Children in Care (CIC). Fundamentally the programme is designed to improve the outcomes of Nottingham's young people and families. This will be achieved through the design and implementation of a new operating model that will:

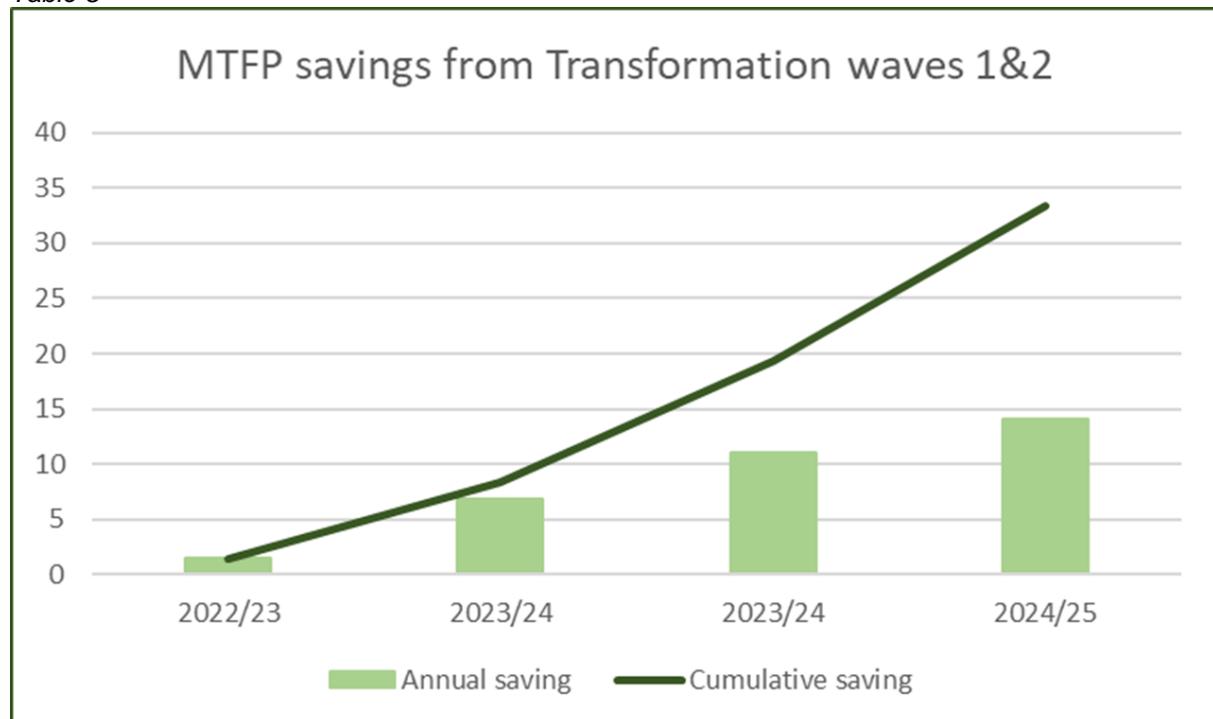
- Help families stay together more safely and with greater resilience, using effective targeted interventions. This will significantly reduce the trajectory of growth of children in care in Nottingham
- Ensure the most timely and effective support is consistently provided from EH through CiN and CP. This will be a significant driver of improved service quality and reduced risk as well as reducing future workforce growth requirements
- Reduce bottlenecks and improve processes and ways of working to help staff spend more time helping young people, and gain greater satisfaction from their roles
- Improve commissioning of residential placements and recruitment processes of residential and foster carers
- Support the council on the journey to maintain consistent good practice

3.18. The council is currently procuring a partner to support this substantial change programme, following approval at Council Executive on 22nd February 2022: <https://committee.nottinghamcity.gov.uk/mgAi.aspx?ID=42881#mgDocuments>

3.19. Alongside the service improvements, the savings expected from this programme are £11m-£16m with an investment requirement of up to £6.5m. These figures will be validated following procurement of a delivery partner.

3.20. The overall savings estimated from the programmes set out above are shown in table 5 below.

Table 5



3.21. Resources and growing council capability and capacity

The council is currently deploying a number of external staff to support and manage the delivery of the programmes outlined above. That is not a

sustainable position but is essential for the next few months as programmes become established and impetus is given to the required changes in practice.

3.22. In order to grow the council's ability to deliver change with less reliance on external support, a Change Academy has been established for existing staff. The Academy is an intense, nine-week period of accredited training in project management and business analysis for fifteen NCC staff, plus a shorter procurement training programme for five NCC staff. It is being run in partnership with our change partner, PWC, and graduates from the Academy will ultimately replace PWC staff on programmes during the course of 2022. The first five graduates have recently been deployed, with a second tranche completing their training in late May.

3.23. This has been a very popular programme, which generated a large number of applications from a diverse population of staff. Early in the 2022/23 financial year, the council will review the success of the Academy approach and look to apply lessons to future staff development.

**Overview and Scrutiny Committee
6 April 2022**

Work Programme 2022/23

Report of the Head of Legal and Governance

1 Purpose

- 1.1 To note the Committee's draft work programme for 2022/23.

2 Action required

- 2.1 The Committee is asked to note the draft work programme for 2022/23 which has been written based on discussions at the Committee's March meeting.

3 Background information

- 3.1 The purpose of the Overview and Scrutiny Committee is to ensure all statutory and other roles and responsibilities are fulfilled to the required standard, covering review and development of key strategic issues, policies and strategies relevant to Nottingham and its residents, and adding value through the examination of issues of local importance and concern.
- 3.2 The Committee is responsible for setting and managing its own work programme to fulfil this role.
- 3.3 In setting a programme for scrutiny activity, the Committee should aim for an outcome-focused work programme that has clear priorities and a clear link to its roles and responsibilities. The work programme needs to be flexible so that issues which arise as the year progresses can be considered appropriately.
- 3.4 Where there are a number of potential items that could be scrutinised in a given year, consideration of what represents the highest priority or area of risk will assist with work programme planning. Changes and/or additions to the work programme will need to take account of the resources available to the Committee.
- 3.5 At its March meeting the Committee reviewed potential items for its 2022/23 work programme. Based upon these discussions a work programme has been drafted. It will be brought to the Committee's May meeting for approval but is attached to this report as appendix 1 for information and noting.

4 List of attached information

4.1 Draft Overview and Scrutiny Committee Work Programme 2022/23 (Appendix 1).

5 Background papers, other than published works or those disclosing exempt or confidential information

5.1 None

6 Published documents referred to in compiling this report

6.1 Reports to and discussion at Overview and Scrutiny Committee meetings throughout 2021/22.

7 Wards affected

7.1 All

8 Contact information

8.1 Laura Wilson
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Overview and Scrutiny Committee Draft Work Programme 2022-23

Date	Items
11 May 2022	<ul style="list-style-type: none"> • Terms of Reference To note the terms of reference for the Committee • Establishment of Call-in Panel • Together For Nottingham Update from the Leader 10-15-minute update from the Leader on priorities in relation to Together for Nottingham • Customer Service Transformation (deferred from April meeting) To consider the effectiveness of the transformation work underway within Customer Service • 2022-23 Work Programme
8 June 2022	<ul style="list-style-type: none"> • Asset Realisation (deferred from March meeting) To consider the effectiveness of the work being undertaken in the Asset Rationalisation workstream of the recovery and improvement work • 2022-23 Work Programme
6 July 2022	<ul style="list-style-type: none"> • Selective Licensing To consider whether the scheme has met its objectives, what lessons learned have been identified from the scheme to date and how these will influence any future schemes and how the scheme represents value for money. • Together For Nottingham Update from the Leader 10-15-minute update from the Leader on priorities in relation to Together for Nottingham • 2022-23 Work Programme
7 September 2022	<ul style="list-style-type: none"> • Libraries Transformation • 2022-23 Work Programme
5 October 2022	<ul style="list-style-type: none"> • Together For Nottingham Update from the Leader 10-15-minute update from the Leader on priorities in relation to Together for Nottingham

Date	Items
	<ul style="list-style-type: none"> • 2022-23 Work Programme
9 November 2022	<ul style="list-style-type: none"> • 2022-23 Work Programme
7 December 2022	<ul style="list-style-type: none"> • Together For Nottingham Update from the Leader 10-15-minute update from the Leader on priorities in relation to Together for Nottingham • 2022-23 Work Programme
4 January 2023	<ul style="list-style-type: none"> • 2022-23 Work Programme
8 February 2023	<ul style="list-style-type: none"> • Together For Nottingham Update from the Leader 10-15-minute update from the Leader on priorities in relation to Together for Nottingham • 2022-23 Work Programme
8 March 2023	<ul style="list-style-type: none"> • Work Programme 2023-24 Development • 2022-23 Work Programme

Space has been left in the work programme to retain flexibility in order to accommodate timely scrutiny of issues in relation to recovery and improvement, ie items scheduled may need to be moved to later meeting dates to facilitate this. The items below may be scheduled if there are gaps in the work programme or if they become priorities.

Items still to be considered for work programme/ Reserve items
<ul style="list-style-type: none"> • Regulatory Services Restructure Introduction of firmstep. What impact has this had? What have been the costs? What is the Impact on Citizens? What has been the impact on Service levels? What improvements have there been? What have been the savings? Can any evidence based improvements be used across other directorates?
<ul style="list-style-type: none"> • Crime and Drugs Partnership To consider information on the current work of the Crime and Drugs Partnership (focus to be agreed; suggestion is ASB, including domestic violence and neighbourhood disputes and impact on community policing and protection) and performance against the Crime and Drugs Partnership Plan
<ul style="list-style-type: none"> • Digitalisation and Transformation How effectively the Council is implementing its plans to digitalise services? Including access for citizens without access to technology. How will this be monitored? How will the impact on residents be assessed or monitored? How are we including those without access to technology and/or without relevant skills.
<ul style="list-style-type: none"> • Nottingham's Carbon Neutral Policy How are we measuring the deliverability? Is it achievable? How can we evidence that we are working with key partners to further this significant Council priority? How will the Council evidence behavioural change amongst residents to support this aim? How is this being monitored? What the cost is of and financial impact of Carbon Neutral 20228?
<ul style="list-style-type: none"> • Leisure Centre Transformation Programme
<ul style="list-style-type: none"> • Budget Consultation responses and methodology
<ul style="list-style-type: none"> • Housing Revenue Account Investigation outcome
<ul style="list-style-type: none"> • Municipal Waste Strategy
<ul style="list-style-type: none"> • Council Plan Progress Monitoring Committee to receive quarterly updates. How is the Council Plan being monitored? How is the Council ensuring that key indicators are being managed and monitored? Is it being delivered within budget?

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