

# Public Document Pack



**Nottingham  
City Council**

You are hereby summoned to attend a meeting of **City Council**  
at Council Chamber, Council House, Old Market Square, Nottingham on Monday 10  
January 2022 at 2.00pm to transact the following business

<b>Agenda</b>	<b>Pages</b>
<b>1 Apologies for absence</b>	
<b>2 Declarations of Interests</b>	
<b>3 Questions from citizens</b>	
<b>4 Petitions from councillors on behalf of citizens</b>	
<b>5 To confirm the minutes of the last ordinary meeting of Council held on 8 November 2021</b>	3 - 26
<b>6 To receive official communications and announcements from the Leader of the Council and/or the Chief Executive</b>	Verbal
<b>7 Questions from councillors - to the City Council's lead councillor on the Nottinghamshire and City of Nottingham Fire and Rescue Authority</b>	To follow
<b>8 Questions From Councillors - To A Member Of Executive Board, The Chair Of A Committee And The Chair Of Any Other City Council Body</b>	To Follow
<b>9 Refresh of the Nottingham City Council Recovery and Improvement Plan</b> Report of the Leader of the Council	27 - 120
<b>10 Decisions taken under Urgency Procedures</b> Report of the Leader of the Council	121 - 126
<b>11 Retender of External Audit for 2023/24 to 2027/28</b> Report of the Chair of Audit Committee	127 - 136
<b>12 Motion in the name of Councillor Graham Chapman</b> This Council expresses its deep disappointment at the Government's response to the social care crisis in that: <ul style="list-style-type: none"><li>• the amount of additional funding, both in the short and long term, will not 'fix the problem';</li><li>• a number of care homes risk closure and there is nothing in the recent announcement to recognise the problem;</li><li>• the Government will continue to rely on regressive council tax</li></ul>	

- increases to plug gaps;
- there is no long-term strategy for training, recruiting, sustainable wage growth, and professionalising the sector; and
- the increase in National Insurance contributions, which was introduced as a solution, will actually make the problem worse.

It calls on the Government to:

- provide a properly funded comprehensive approach, if necessary via a levy on wealth; and
- ensure that there is no further call on the council tax to fund increases in social care funding

### **13 Committee membership**

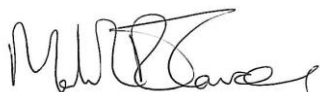
To note the following changes to committee membership:

- a) Councillor Ethan Radford has been removed as a member of the Overview and Scrutiny Committee
- b) Councillor Ethan Radford has been appointed to a vacant seat on the Children and Young People Scrutiny Committee
- c) Councillor Nayab Patel has been appointed to a vacant seat on the Children and Young People Scrutiny Committee
- d) Councillor Nayab Patel has been appointed to a vacant seat on the Health and Adult Social Care Scrutiny Committee
- e) Councillor Corall Jenkins has been appointed to a vacant seat on the Overview and Scrutiny Committee
- f) Councillor Corall Jenkins has been appointed a vacant seat on the Regulatory and Appeals Committee

**Please note that questions to Council are received after the agenda has been published. Questions will be published as a supplementary agenda by 5pm on Friday 7 January 2022.**

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

Citizens are advised that this meeting may be recorded by members of the public. Any recording or reporting on this meeting should take place in accordance with the Council's policy on recording and reporting on public meetings, which is available at [www.nottinghamcity.gov.uk](http://www.nottinghamcity.gov.uk). Individuals intending to record the meeting are asked to notify the governance officer shown above in advance.



Dated: 30 December 2021

Director for Legal and Governance

**To: All Councillors of Nottingham City Council**

## Minutes of the meeting of the City Council

held at the Council Chamber, Council House, Old Market Square, Nottingham

on 8 November 2021 from 2.45pm - 4.50pm

### Attendances:

---

✓ Councillor Dave Trimble (Lord Mayor)

---

✓ Councillor Hassan Ahmed	✓ Councillor Rebecca Langton
Councillor Leslie Ayoola	Councillor Jane Lakey
Councillor Cheryl Barnard	Councillor Dave Liversidge
Councillor Steve Battlemuch	Councillor Sally Longford
Councillor Merlita Bryan	Councillor AJ Matsiko
Councillor Eunice Campbell-Clark	Councillor Carole McCulloch
Councillor Graham Chapman	Councillor David Mellen
Councillor Azad Choudhry	Councillor Sajid Mohammed
Councillor Kevin Clarke	Councillor Salma Mumtaz
Councillor Audrey Dinnall	Councillor Toby Neal
Councillor Michael Edwards	Councillor Anne Peach
Councillor Samuel Gardiner	Councillor Georgia Power
Councillor Jay Hayes	Councillor Shuguftah Quddoos
Councillor Rosemary Healy	Councillor Ethan Radford
Councillor Nicola Heaton	Councillor Nick Raine
Councillor Patience Uloma Ifediora	Councillor Angharad Roberts
Councillor Phil Jackson	Councillor Andrew Rule
Councillor Maria Joannou	Councillor Mohammed Saghir
Councillor Sue Johnson	Councillor Wendy Smith
Councillor Kirsty Jones	Councillor Roger Steel
Councillor Angela Kandola	Councillor Maria Watson
Councillor Jawaid Khalil	Councillor Sam Webster
Councillor Gul Nawaz Khan	Councillor Adele Williams
Councillor Neghat Khan	Councillor Linda Woodings
Councillor Zafran Nawaz Khan	Councillor Cate Woodward
Councillor Pavlos Kotsonis	Councillor Audra Wynter

---

✓ Indicates present at meeting

### 43 Apologies for absence

Councillor Merlita Bryan – unwell  
Councillor Phil Jackson – unwell  
Councillor Sue Johnson - unwell  
Councillor Dave Liversidge – unwell  
Councillor Carole McCulloch - leave

### 44 Declarations of Interests

None

## **45 Questions from citizens**

### **Student safety**

EM asked the following question of the Leader of the Council:

What is the Council planning to do about the recent incidents of students being spiked via injection in clubs?

Councillor David Mellen replied as follows:

Thank you Lord Mayor and can I thank the member of the public for their question about the recent reports of spiking via injection in Nottingham clubs. These reports, I'm sure Council would agree, are alarming and I have discussed them with both the Chief Constable and the Senior Police Officer in the City, Superintendent Kathryn Craner, as the Police have the primary responsibility for dealing with these criminal acts. In addition, as key partners with the Police, the Council is doing everything possible by working closely with them and the City's hospitality venues to investigate and confirm the facts about these cases.

Councillor Neghat Khan (Portfolio Holder for Neighbourhoods, Safety and Inclusion) and colleagues in the Community Protection Licensing Service have been working to make sure that licensed venues are supporting the Police and that any criminal behaviour is identified and quickly reported. The Council encourages people to promptly report concerns to the venue and the Police if they feel that an incident has occurred, or they have just seen something suspicious. The Council supports the position that women should feel safe in any environment and especially in the night time economy settings. My colleague, Councillor Khan, will cover this area in more detail in her reply to Councillor Watson's question later in the meeting. Clearly, this is not just a Nottingham problem or indeed one which is restricted just to the UK. We here in Nottingham will play our part in seeking to stamp out this criminal and dangerous behaviour.

### **John Carroll Leisure Centre**

SH asked the following question of the Portfolio Holder for Leisure, Culture and Schools:

What plans are there for the future of the premises of the John Carroll Leisure Centre? Could you address local concerns about littering and general misuse of that area?

Councillor Eunice Campbell-Clark replied as follows:

Thank you Lord Mayor. The Council has continued discussions with community groups around the use of the leisure centre and will shortly be reviewing all of the outcomes of the discussions and will decide the future of the site shortly. We will examine the issues of littering and misuse of the local area and will raise this as a matter of urgency with officers to look for solutions to the problems. We will continue to monitor this area Lord Mayor. Thank you.

### **National Leisure Recovery Fund**

DC asked the following question of the Portfolio Holder for Leisure, Culture and Schools:

Did Nottingham City Council apply for emergency funding from the national Leisure Recovery Fund? If not, why not? This funding may have provided John Carroll Leisure Centre with a much-needed lifeline pending ongoing discussions.

Councillor Eunice Campbell-Clark replied as follows:

Thank you Lord Mayor. The Council was not eligible to apply to the national Leisure Recovery Fund as we operate our own leisure centres. The Recovery Fund was only for councils whose leisure centres that are managed by private operators or trusts. It is quite often the case where private operators can access external funding that councils cannot do so.

#### **46 Petitions from councillors on behalf of citizens**

None

#### **47 To confirm the Minutes of the last meeting of Council held on 13 September 2021**

The minutes of the meeting held on 13 September 2021 were confirmed as an accurate record and signed by the Chair.

#### **48 To receive official communications and announcements from the Leader of the Council and/or the Chief Executive**

The Chief Executive reported the following:

I would like to start by welcoming Councillor Nayab Patel and Councillor Corall Jenkins who were elected to the Sherwood and St Anns wards respectively at by-elections on 7 October 2021.

I am pleased to report a number of recent award successes for services across the Council. The Council won Clean Van Fleet Operator of the Year at the Motor Transport Awards recognising the Council's push towards an electric fleet and particularly its work in helping other public sector bodies, individuals and companies to do the same. The Fleet Management Team also won the Dr Will Murray Award for Analysis and Action at the UK Fleet Awards. The award highlighted how the Team use telematics to analyse the impact the fleet is having on the local area and take action to address adverse impacts. The Schools Catering Team has also been successful in winning a national award for championing environmental issues through school meals at the Local Authority Catering Association Awards. Finally, I would like to mention the Parks Team and their contribution to the City being awarded a total of 41 Green Flag Awards this year from Keep Britain Tidy. This brings the total in the City to 72, which is the most for any local authority area in the country, and recognises the value placed on parks and green spaces in the City.

I would also like to congratulate Councillor Maria Watson who has been shortlisted for the 2021 LGIU and CCLA Councillor Awards in the category of Community Champion.

I am sad to report to Council the tragic death of Sir David Amess on 15 October 2021. David died while doing his duty as an elected representative of this country to make himself accessible to those who elected him as their MP and serve all those in his constituency. My thoughts are with his family, friends and those in his community affected by this loss.

With Remembrance Day on this coming Sunday, I would also like to take a moment to remember the service and sacrifice of the Armed Forces, and their families, from Britain and the Commonwealth, the vital role played by the emergency services and those who have lost their lives as a result of conflict or terrorism.

A minute's silence was held.

**49 Questions from councillors - to the City Council's Lead Councillor on the Nottinghamshire and City of Nottingham Fire and Rescue Authority**

None

**50 Questions from councillors - to a member of Executive Board, the Chair of a Committee and the Chair of any other City Council Body**

**Night-time safety**

Councillor Maria Watson asked the following question of the Portfolio Holder for Neighbourhoods, Safety and Inclusion:

As I'm sure everyone here agrees, the recent reports of "spiking" in the City's bars and clubs make for terrifying reading. It is completely unacceptable that anyone should have to worry that they could become the victim of these crimes while they are enjoying Nottingham's nightlife. Can the Portfolio Holder outline the steps that we, as a Council, are undertaking to safeguard our citizens of Nottingham and to reassure parents of students that Nottingham is a safe city for them to attend?

Councillor Neghat Khan replied as follows:

Thank you Lord Mayor and can I thank Councillor Watson for her question. As this question has already been raised under 'Questions from Citizens' and answered by the Leader, I would reiterate his response and add that: yes, there has been a recent increase in the number of alleged drink spiking cases across the country and so Nottingham is not alone in tackling this very serious concern.

I can confirm that the Police are in primacy for investigating the allegations of drink spiking within Nottingham, however the City Council's Community Protection and Licensing Services are working collaboratively on this matter of serious concern. City Council officers have been attending and contributing to the inter-agency meetings led by the Assistant Chief Constable. The Police are thoroughly investigating these potential crimes and are seeking the required evidence as part of the ongoing investigations. In addition, the Police have issued advice to venues on how to record and report suspicious behaviour to obtain the best evidence possible to progress investigations. The Police are undertaking high profile patrols as well as undercover operations in order to both deter and detect such incidents. The use of CCTV to investigate allegations is also being fully used as a tool to obtain evidence. Community safety partnerships including the BID and Pub Watch have also contributed in assisting businesses to take precautionary measures to reassure customers. The City Council Licensing Services have carried out visits to nightclub premises to assess if door supervision and entry checks are reasonable and proportionate in accordance with their licensing conditions. All premises were found to be cooperative with both Council Officers and Police colleagues in promoting reasonable safety at their venues. Should the Police find any evidence in their

investigation that suggests some current licensing conditions are not being met or that additional measures should be put in place, then the City Council Licensing Service will work with the Police and other Responsible Authorities to implement appropriate changes to secure reasonable safety of citizens.

I am pleased to report Nottingham's collaborative approach by all the agencies and businesses together in addressing these ongoing concerns and commend everyone for their continued efforts to protect citizens from harm. Lord Mayor, of course, we will never be complacent and will continue to take the necessary steps within the powers prescribed to us but I hope this reassures citizens that Nottingham remains a safe place to live, work and visit. Thank you.

### **Councillor safety**

Councillor Kevin Clarke asked the following question of the Leader of the Council: I'm sure everyone in this Chamber will join me in expressing their deepest sympathy for the family of Sir David Amess, who was brutally murdered last month while serving his constituency. Like with ourselves, I'm certain this tragic event has brought the safety of elected officials to the forefront of everybody's mind. Being available to members of the public is a fundamental responsibility of elected politicians and it is vital it remains so. Can the Leader outline best practice for Councillor surgeries going forward and any extra steps to be taken to ensure Councillor safety?

Councillor David Mellen replied as follows:

Thank you Lord Mayor and can I thank Councillor Clarke for his question. The attack on Sir David Amess on the 15<sup>th</sup> October left a sense of shock and sadness across the Country. The loss of a dedicated Parliamentarian who served for almost four decades, was also the loss of a husband and a father. Lord Mayor, the thoughts and prayers of this Council have been with his loved ones, and following the awful killing of fellow Member of Parliament, Jo Cox, just five years ago the challenge and danger to the elected representatives doing their duty cannot be underestimated. Lord Mayor, the attack on Sir David was an act of contemptable violence; the fact that it took place at a constituency surgery, something which is so essential to our representative democracy, made his murder, somehow, all the more shocking. When members of this Chamber get elected as local councillors it is vital that we remain accessible to the people who elected us. The method of contacting us from constituents may have changed, in my nearly 20 years of being a councillor, from letters and telephone calls to now it is much more likely to be texts, emails, Facebook messenger messages and the like, but the principle remains: those who voted for us and those who didn't deserve to have someone in that position that they can contact to ask for help, advice or to give feedback to. Advice surgeries in person, I believe, are an important part of that.

On the weekend that followed the tragic death of Sir David, Members across all sides of the Chamber chose not to do surgeries out of respect, but we have returned to our duties since then. I'm sure Members will agree that people come to see us in different states of mind: some are upset, some are angry, some are anxious, some needing information or advice or some help to help things change. As Councillors we do our best to help, we can't always solve every problem but we do what we can, and in any case we listen and give time to those to whom we are accountable. After the awful events that transpired in Essex last month, we must of course look at security and

how best to keep these surgeries safe places to be. Additional measures may be needed but it would sadden me if this method of contact with constituents couldn't continue, indeed those who knew Sir David best would say that he wouldn't want that either. By all accounts, he did this part of his job as an MP very well. Do we as Councillors get abuse and threats? Sometimes. Have I been physically challenged? Yes, very occasionally. But these occasions for me have been outnumbered by those who are grateful for the time given, who give challenge, who complain but yet who do so with respect. Councillor surgeries take place across this City week in, week out, in a variety of community venues. We will listen carefully to security advice and take additional measures where this makes sense but my commitment, and I believe the commitment of all in this Chamber, is to stay available in as many ways as we can safely possibly do. Since the tragic event in October we have consulted with other councils, the Police and security services. At this time there is no indication that there is any enhanced risks to councillors. The Local Government Association has also published guidance on practise in relation to Councillor surgeries which includes matters such as not holding surgeries alone in an otherwise empty building, assessing safety arrangements in the room including seating arrangements, entrances and exits and councillors should also consider using Council premises during opening hours or other premises where there are other people about using spaces which are close to members of staff or other people in case assistance is needed, such as a room that is in view of a public area or a reception. There is more to do on this. Lord Mayor, we have asked the Council's Monitoring Officer to circulate the LGA guidance to all Members of the Council and we will continue to review our arrangements.

### **Christmas market**

Councillor Kirsty Jones asked the following question of the Portfolio Holder for Leisure, Culture and Schools:

We were delighted to learn about the return of the Christmas Market to Nottingham city centre and I for one can't wait to visit. However last year's event – and despite our warnings beforehand – was a disaster and the national news coverage of it was something of an embarrassment for the City. Can the Portfolio Holder outline the steps taken to ensure a safe event and provide reassurances that we won't see a repeat of last year?

Councillor Eunice Campbell-Clark replied as follows:

Thank you Lord Mayor and can I thank Councillor Jones for her question. We have given the go-ahead for a Christmas Market and festive attractions in the city centre this year. The new-look event will be a dispersed offer using spaces across the city centre rather than all attractions being sited in the Old Market Square as usual. A range of seasonal activities will therefore be spread across the Old Market Square, Smithy Row, Long Row and Trinity Square.

In planning for this Christmas we have been mindful of the issues at last year's event and we acknowledge it's important to maintain a balance of keeping people safe and urging caution but also allowing people to enjoy the seasonal festivities. Throughout the last 18 months we have always taken decisions that were within the law and applied to the prevailing local context. Planning for all events over the past 18 months has been challenging with constantly changing advice from Government.



There were specific reasons why higher than expected numbers attended the event in 2020 that are not relevant this year. Our event plans for Christmas 2021 allows for any amendments or adjustments that may be needed due to Government advice or legislation and include fewer attractions dispersed over wider parts of the City centre allowing easier circulation; relatively low expected daily visitor numbers across a longer time frame; multiple travel options and ways to enter and leave the main sites; prevailing conditions with the majority of all City centre businesses open since April, adds to the overall city centre offer; events and individual attractions can be adapted based on latest Covid advice and statistics.

I am, of course, disappointed not to be able to bring the entire Winter Wonderland experience to Nottingham this year. However, the reduced scale and dispersed offer of events and attraction across the city centre will still ensure that Nottingham remains one of the best seasonal destinations for visitors this Christmas.

### **E-scooter trial**

Councillor Kevin Clarke asked the following question of the Portfolio Holder for Highways, Transport and Cleansing:

We note that the citywide e-scooter trial has been extended for a further year. The scheme remains controversial, with a recent Nottingham Live survey suggesting as many as 75% of 3000 surveyed people were against them being made a permanent fixture of the city. In April, the previous Portfolio Holder explained the steps the Council was taking to combat anti-social use of the scooters. Now that the trial has been running for a full year can the current Portfolio Holder inform us to how successful these measures have been and whether further measures are needed to reassure citizens?

Councillor Rosemary Healy replied as follows:

Thank you Lord Mayor and thank you Councillor Clarke for your question. The Nottingham rental e-scooter trial became underway in October 2020 and was originally set to last for 12 months. In April 2021, the Department for Transport introduced an extension phase allowing trials to continue for longer until 31 March 2022. In early October the Department for Transport updated this guidance and confirmed trials would continue and last until 30 November 2022. The Department for Transport are allowing for the extensions to allow more time to gather data on the use of e-scooters, address public perception and improve safety given it is our understanding Government will be moving towards permanent legalisation on e-scooters. In October the Council took an Operational Decision to extend the trial to November 2022 under the current terms with the rental e-scooter operator contract, Wind Mobility Ltd.

Overall, the Nottingham trial has been successful in attracting high numbers of journeys. There have been over 1 million rides, almost 35,000 registered users and over 1.4 million miles travelled. On average 5,000 journeys are being carried out using e-scooters per day by more than 3,000 people. There has been consistent frequency of usage throughout the city with the mode being used in all neighbourhoods, including residential areas and areas not well served by public transport. Despite its popularity, the scheme has generated many enquiries and complaints. The issues are not unique to Nottingham as all trials are encountering issues but can be grouped into three categories:

- E-scooter parking – that includes bad parking, alleged abandonment of e-scooters and location of parking spots
- Pavement riding – this is illegal riding on pavements which creates a potential danger for pedestrians, especially those with mobility issues or visual impairments
- Rider behaviour and incorrect conduct

Since April a number of measures have been put in place to combat improper use of e-scooters while others have just been, or are about to be launched. These include:

- Introduction and expansion of e-scooter patrollers. Currently six Wind patrollers roam on hotspot routes engaging with users and enforcing correct conduct. This has resulted in approximately 25 engagements with riders a day. Patrollers also note instances of pavement riding to take disciplinary action against riders not adhering to the rules.
- Wind has introduced a three strike process introduced for incorrect riding and this comprises:
  - 1 – a warning text message sent to riders reminding them of the rules
  - 2 – a one week ban from the scheme
  - 3 – a permanent ban from the scheme.
- Additional geo-fencing measures. Following feedback, a number of areas have been made into 'go-slow areas' including the along the canal, parks, Middle Hill/college area, Carrington street, as well as specific interventions in residential areas.
- Flat fee fines introduced for poorly parked e-scooters outside the parking radius.
- Parking spots causing obstruction have either been removed or moved to appropriate places supported by physically marking the parking spots with paint.
- Joint work with the Community Protection Officers who completed a number of days of action in May at hotspots e.g. Derby Road to engage and educate riders.
- Liaison with University representatives and the Police and Community Protection Officers on the scheme. There will be future liaison with universities, law enforcement, neighbourhood representatives and councillors on the usage of e-scooters within their specific areas.
- Ongoing communications and messaging on correct usage through the Wind user smartphone App, blogs, social media content and engagement with local media.
- Regular meetings with Disability Inclusion Group representatives to enable them to provide feedback and direct improvements.

It is felt the combined package of measures are helping to improve the trial and experiences of users. As part of the extension an action plan of measures has been developed and will comprise of continued enforcement and education activities to ensure a safe and controlled trial. This includes:

- Increased education and information to the general public, and training resources for e-scooter users about safe e-scooter riding. This includes in-person safety events.
- Increased enforcement through stricter fines and penalties for users not adhering to the rules.

- Increased communications and engagement activity through different online, social media platforms and through stakeholder meetings.
- Piloting of physical docking stations at the busiest e-scooter parking locations.
- Piloting of an i-Sight App for vulnerable users and people with visual impairments to be notified of e-scooters in their vicinity.
- Improved customer service operations.

Thank you Lord Mayor.

### **Broadmarsh Centre**

Councillor Kevin Clarke asked the following question of the Leader of the Council: We were saddened to see the City miss out on the “Levelling Up” funding to demolish the remnants of the Broadmarsh Centre. Can the Leader outline the next steps the Council is taking to secure enough funding to finally remove this eyesore?

Councillor David Mellen replied as follows:

Thank you Lord Mayor and can I thank Councillor Clarke for his question. Although we were glad to receive £18 million from Government for our recent transport bid to the Levelling Up Fund, we are disappointed that our bid for the Broadmarsh site was not successful. This is one of the UK’s largest regeneration sites and can play a hugely significant role in Nottingham’s post-pandemic growth. It would seem to be an obvious candidate for Government funding that aims to level up areas which have too often been overlooked for financial support. Once we’ve received formal feedback, we will be looking towards submitting a fresh bid to the next round of Levelling Up funding in the spring as we firmly believe it is too important for the Government to ignore. Over the coming months we will be engaging with Government who have offered feedback sessions to places with unsuccessful bids to enable them to better support applications into the next round giving our bid the best possible chance of success in round 2.

It is worth reminding Council today of the work that has been going on since the Council was handed back the site following the collapse of ‘Intu’ last year. It came back to us in October, just over a year ago. Work started immediately on enabling a right of way to re-open, a bid was submitted to D2N2 (the Local Enterprise Partnership) to secure funding for a restart development on the site. This was a successful bid. The Broadmarsh ‘Big Conversation’ was carried out at the end of 2020 and received more than 3,000 responses and almost 12,000 comments. Following on from the huge success of that engagement exercise we announced the appointment of an external advisory group – a group chosen based on their expert knowledge and experience in urban redesign, architectural expertise, work on delivering major international and national projects as well as their understanding of Nottingham’s heritage and future – all giving their time for free. The group is being chaired by Greg Nugent who, amongst other roles, was the Director of Brand, Marketing and Culture for the London Olympics in 2012. He’s also a Nottingham lad. The group was asked to recommend two crucial aspects for the Broadmarsh area: a creative vision for the space as well as a recommendation on how Nottingham can deliver the project over the next few years. After consideration of the engagement responses and further conversations and hours listening to many contributors, designers and architect firm Thomas Heatherwick Studios and development advisors Stories were appointed to deliver the vision and delivery options. As I said, a successful bid to the Local Enterprise Partnership and the use of some of our

previously gained Transforming Cities funding has provided more than £11m to start the first phase of the work which is ongoing. It started earlier this year with an aim to demolish the western part of the site and once complete it will provide an area for redevelopment opening a pedestrian route from Carrington Street to Listergate, an area of high quality public realm that will complement the recently opened car park and the bus station which will open in the New Year and enhance the view up to the recently re-opened Nottingham Castle. The work on a bright and bold vision for the Broadmarsh site has been ongoing over the summer and is nearing completion which will help to inform future bids for funding and assist the Council in establishing the next stage of thinking for redevelopment of the site. We want to be able to deliver a vision that is both ambitious and imaginative but also economically advantageous to the City and achievable. It should first and foremost enhance the quality of life for local people in Nottingham but should also capture the imagination of people further afield who may want to invest in our City. The Council will need some time to consider the work of Thomas Heatherwick and Stories, but it is anticipated that the vision and next steps for the site will be made publicly available by the end of the year.

### **Taxation**

Councillor Nayab Patel asked the following question of the Portfolio Holder for Finance and Resources:

The recent budget announcements by the Chancellor will mean the biggest increase in taxes on Nottingham people for 30 years. What impact does the Portfolio Holder for Finance and Resources believe this will have on the people we all represent?

Councillor Sam Webster replied as follows:

Thank you Councillor Patel for the question and congratulations on your election success. It's really fantastic to see you here in the Council Chamber as a Nottingham Labour Councillor and I'm sure starting as you mean to go on by standing up for the good people of Sherwood. The issue you've raised is one of the top issues facing your residents right now and indeed households across Nottingham: rising taxes, the rising cost of living and the squeeze on household finances. Since the Chancellor's budget a couple of weeks ago a range of charities, associations and research groups have provided insight into the impact of the Government's policies. It seems clear from trusted sources, such as the Institute for Fiscal Studies, that households face a combination of significantly higher taxes and higher living costs over the coming months. This on top of the big Universal Credit cut that we in Nottingham Labour lobbied so hard against and that we know will have a detrimental effect on Nottingham people, particularly the poorest children in Nottingham growing up in some of Nottingham's poorest households. So, reflecting on the budget and the other economic challenges here's what we know so far: A big Universal Credit cut, over a £1000 per year, taken away from 46,000 Nottingham adults and 38,000 of Nottingham's poorest children. A big National Insurance increase from April – a low paid working person in Nottingham earning £20,000 per year will pay £130 more each year; an effective tax increase of 10% on the amount of National Insurance paid. More big Council Tax rises – the Chancellor indicated a 9% rise over the next 3 years which will include a continuation of the Government's Adult Social Care precept. The more the Government cuts its funding to local areas the more they have had to increase Council Tax. Household energy bills rising at record levels - Nottingham people on a standard tariff with typical levels of energy use saw

an increase of £139 on 1 October and many of the poorest households using pre-payment meters have just had an even bigger £153 increase. Labour called on the Chancellor to give short term relief by way of a temporary VAT cut but the Chancellor chose not to help. General inflation on food and other essentials is outpacing wage growth so people are increasingly struggling to make ends meet. The current 3.1% inflation rate is set to increase even further in the coming months. The Governor of the Bank of England recently said he was 'very sorry' for the rising cost of living that people are facing but the Chancellor did not say sorry in his budget speech and he did not act to help those with the cost of living increases for many people. The RAC also reported on 25 October that the price of petrol had increased to 143p per litre, the highest level on record to date. So, it is very clear that this combination of tax increases and other economic challenges will mean that the impact on our residents is significant and will get worse when the Chancellor's taxation changes happen in April. We know what this means for too many Nottingham families, right now this winter the choice between heating and eating is very real. The Resolution Foundation reported that, with all things considered, the tax burden on UK families will have risen by £3000 since Boris Johnson became Prime Minister. The budget did contain some big tax giveaways, however, most notably the £4billion cut to tax on bank profits, with a surge on bank profits being cut from 8 to 3%. Nottingham people are experiencing the vast chasm between the Government's rhetoric and the reality in their daily lives. Quite simply when it comes to living standards the Government is all talk and no delivery. Government is simply not delivering for ordinary people. The last decade has been the weakest decade for pay growth since the 1930s. By May 2024 real wages will have grown by just 2.4% since 2008 compared with a 38% real wage increase between 1992 and 2008. The result of this pressure on household finances means that we are seeing more food bank visits, more families presenting as homeless to the Council, more children growing up in poverty, growing numbers of people falling behind on their rent and other household bills and, to give the most extreme outcome of Conservative policies, for the first time in 40 years we have seen life expectancy falling and that was prior to the pandemic. A recent BBC article said that areas in London and the Home Counties continue on the path of living longer, but life expectancy fell in many urban parts of Leeds, Newcastle, Manchester, Liverpool and Blackpool where life expectancy was below 70 for men and 75 for women. By 2019 the researchers said there was a 20 year gap in life expectancy between a woman living in Camden versus a woman living in an area of Leeds and for men there was a 27 year gap in life expectancy between areas in Kensington and Chelsea and parts of Blackpool where life expectancy for men I just 68.3 years. I think that pretty much sums up things, showing the choices the Government continues to make, the tax burden and Conservative policies. The tax burden is being very purposefully placed on low and middle income households. Thank you Lord Mayor.

## **COP26**

Councillor Michael Edwards asked the following question of the Portfolio Holder for Energy, Environment and Waste Services:

What would the Portfolio Holder for Energy, Environment and Waste Services like to see from COP26 this week and what progress has Nottingham made on its carbon neutral ambition?

Councillor Sally Longford replied as follows:

Thank you Lord Mayor and thank you Councillor Edwards for your timely question. I am delighted to be attending COP26 next week accompanied by our Director of Carbon Reduction, Energy and Sustainability as part of the Core Cities delegation, to showcase Nottingham's trailblazing response to the climate emergency, to collaborate with other authorities from across the world and to seek a just transition to bring more green investment into Nottingham. I think we would all agree that the desired outcome of COP would be that agreement is reached to work together internationally to secure global net zero by mid-century and keep 1.5 degrees within reach; and adapt to protect communities and natural habitats and mobilise finance, particularly for communities at the greatest threat from the effects of climate change.

We know that if temperatures are allowed to grow by 1.5 degrees from pre-industrial levels that severe impacts are likely for everyone, particularly those who are already living in poverty and suffering inequality. Many of you will have been moved by speeches and interviews over the last few days from people from small-island nations who face an existential threat and many people in this City will have family and friends in countries around the world where global heating threatens their food and water supply, their livelihoods and their homes. That is why I was honoured to be given the opportunity to lead the march alongside Gillian Greenwood with a diverse group of people on Saturday to stand up for climate justice and to speak at the rally in the Old Market Square. It was great to see such a wide range of organisations, trade unions, environmental campaigners and a really good turnout of Nottingham and Nottinghamshire Labour representatives which was part of a global day of action.

As to the progress made in Nottingham, I am very proud that the monitoring of our Carbon Neutral Action Plan, with over 273 city-wide actions, demonstrates that progress is being made across the board. The annual report will be published on 12 November and will reflect the successes to date. I'd like to thank everyone in the City who has played a part, the excellent work of the Green Partnership which regularly meets to discuss activities and share good practice, the group of organisation and businesses who have signed up to support our Carbon Neutral 2028 goal and all the thousands of individuals who've made the choice to reduce their own emissions. A few highlights include:

- City CO2 emissions being reduced by 53% per capita since 2005, the most of any UK core city, that's equivalent to 1m tonnes of CO2.
- 45% of Council fleet is now Ultra Low Emission Vehicles and we were first in the world to use purpose-built electric bin wagons.
- We have 130 electric charging points for vehicles, with an additional 81 recently installed at new Broadmarsh carpark, the most for any single site in the UK so far.
- 46% of the NCT fleet is fuelled by bio-gas and plans are in place for carbon neutrality by 2028.
- Nottingham City Hospital is replacing coal fired boilers, saving 800t of CO2 each year.
- We have 60 commercial scale solar photovoltaic farms owned and operated by the City Council.
- Since 2012, over 7,000 social and private hard-to-heat homes have been insulated and over 4,000 social housing properties now have solar panels.
- In 2020, we secured over £13m of funding for domestic energy efficiency retrofits and over 1,200 homes are included in the programme.

- Traffic calming and road closure schemes have been put in place to encourage more walking and cycling, including ‘School Streets’ which will enhance air quality for children.
- Over 14,500 new trees planted since 2019/20 toward our target of 50,000 by 2023.

However, I am far from complacent. There’s still very much to do and we cannot do this on our own. We need Government, private investment and other stakeholders to support our vital work. We have already demonstrated projects in the City but they need to be scaled-up, creating jobs and achieving transitions to a lower carbon economy where more deprived communities can benefit from warmer homes, affordable energy and access to clean modes of transport. We need the Government to take action and truly commit to a net zero future, stop demanding action from other nations and halt our own opening of new coal mines in Cumbria and the Cambo oilfield. As hosts of COP it is vital that we are seen to take this seriously and stop the hypocrisy. On one day last week, when delegates from around the world were considering stopping using coal, the Secretary of State for Business, Energy and Industrial Strategy was on television talking about ‘carbon capture’ and wouldn’t commit to cancelling Cambo. I’m afraid the Tories just don’t get it but I won’t be put off trying to convince them of this and every other week.

### **Adult Social Care**

Councillor Graham Chapman asked the following question of the Portfolio Holder for Adults and Health:

What does the Portfolio Holder for Adults and Health make of the Government’s recent attempts to ‘fix’ the social care crisis?

Councillor Adele Williams replied as follows:

Thank you for your question Councillor Chapman. Sometimes in these sorts of areas people say it’s not always about money and, whilst there is much more that is needed than just money to sort out social care or to support citizens to live the lives they would hope for, money is absolutely foundational to this crisis and without it, it will not be fixed. So, General Fund support from Central Government to fund the services we need in Nottingham due to the pressures that come from deprivation and the issues that follow from that, has been cut by more than half since 2010. The Conservatives have slashed Adult Social Care budgets and then suggested that Nottingham Council tax payers pay through the nose for an inadequate sticking plaster for the injury that they have caused in form of the Adult Social Care Precept. This year, we expect that the precept will only be allowed to be at 1% so it won’t even raise what is required but it will still bring unwelcome cost to Nottingham families. It has always been a very unfair way, since it was introduced, to bridge the gap in social care and Council funding. Cities like Nottingham, whose people can least afford to fund it and have greater need for it, are asked to fund the bill as the Government have looked the other way. They are still looking the other way despite ADASS (Association of Directors of Adult Social Care) telling them that their plans will offer very little to social care with a vast majority going to the NHS, and in September warning them that the trumpeted plans will not add a minute of support or improve the lives of older people, disabled people or unpaid carers. It’s almost like the social care crisis is something they don’t want to look at. Jeremy Hunt, last year, actually admitted on Newsnight that social care cuts were “in a way the most silent but also the most devastating”. Silent because the Government were able to sweep

them under our carpet of local government and most devastating because nationally we have 300,000 people with needs or who are unassessed. A workforce crisis along with that being a cause and a hole that the Local Government Association put at £1.1 billion a year for demographic pressures, alongside the £1. billion immediate cash injection that is needed to stabilise the care market and prevent further provider failures that risks havoc in citizens lives and hit our budgets hard. £4.8 billion has been trumpeted for local government but we have yet to see what that means with no real detail of the impact of that on Nottingham yet, but critically at national level it is obvious that it isn't adequate to the task. The underfunding of the sector has contributed in large parts to the workforce crisis we are seeing. Put simply, adult social care budgets aren't funded to pay people what they deserve. The Government will talk about the minimum wage increase that is welcome but unfunded and, in any case, what I would say is that why should someone doing that absolutely critical work be at minimum wage anyway? The Government's recent attempts to fix adult social care don't seem to be looking at the pressing workforce issues which underpin the availability of care and the unhelpful pressure towards time and task care delivery. They appear really to be aimed largely at the homeowners of Surrey and funded from the pockets of supermarket workers, nurses and even the care workers themselves. National Insurance is a grossly unfair tax as it is paid at 12% by the low paid but drops down to 2% when you earn over £50,000 and for many people whose wealth just keeps rolling in, it will make no difference. The rise in National Insurance will raise some £12 billion but we expect that to be largely passed to the NHS and it is by no means clear how much of that will end up funding care budgets. I want to see a well-funded NHS, we all do which is why we're in the Labour Party, but social care is a critical piece of the jigsaw that means our citizens are able to access health care as they need it and to also ensure that our citizens are able to live well in their communities as they would want to, with the support they would need to be active and play an active part in the place that they live and in their families. This prevents and delays future adult social care needs and enables our citizens to live as they wish which is absolutely critical. I am not the Shadow Chancellor and am no expert in taxation but there are many, many ways that this Chancellor could have chosen to fund social care. When he made the choice, rather than recalibrate the tax system, to tax unearned wealth for example more effectively, to make the tax system fairer, to close loops holes, he chose to look in the pockets of low paid carers who'll be asked to pay through the National Insurance rise and the Adult Social Care Precept, giving a significant chunk of their spending power to protect the assets of people who have a lot more. This tells you, as has been mentioned, everything about this Government. But, as Councillor Webster said in response to a previous question, Nottingham already knows - you can tell by the way the people of Nottingham vote. They are not bothered, the Tories, about those who wait for care, they are not bothered about those who will struggle every month because of the National Insurance rise or the 1% social care precept. Despite the claps they are clearly not bothered about the people who care for people in this City. They are a disgrace and no, I do not think there has been an attempt to fix the social care crisis. I can't quite see where it is. Thank you.

### **Dolly Parton Imagination Library**

Councillor Georgia Power asked the following question of the Portfolio Holder for Children and Young People:

What plans does the Portfolio Holder for Children and Young People have this year to raise money for the Dolly Parton Imagination Library?



Councillor Cheryl Barnard replied as follows:

Thank you Lord Mayor and thank you Councillor Power for asking this question.

Every year we look at imaginative ways to raise funds for the Imagination Library.

2021 is the 10th anniversary of the Imagination Library. So far we have seen over

3,000 children graduate from this scheme, we currently have more than 5,600

children registered, that means we are above the 9,500 mark it covers 10 out of the

20 wards of the City and over 340,000 books are being delivered. But we want to do more.

This year, especially given the impact of Covid on children's learning and wellbeing, we want to raise even more than previous years. A recent survey about children's experiences during the 2020/21 pandemic and academic year, delivered in partnership with Nottingham City Council's Educational Psychology service, highlighted the need to focus on children's emotional health and wellbeing as well as the enjoyment of, and motivation for, life-long learning. We know that reading and literacy supports this through the development of vocabulary and a broadening of children's knowledge about the world and its opportunities. We have already begun our fundraising campaign this year by bucket shaking at the '9 to 5' musical at the Theatre Royal, raising an incredible £1,878 in 5 days and I'd like to thank councillors who assisted with that. We are now planning for the Panto season.

During week commencing 22 November, along with the Leader and other colleagues, we will be undertaking the 'Big Reading Challenge 2021', reading as many stories as possible to lots of children in one week. We will be reading to school classes, assemblies and nursery groups around the City. Incorporated into this week of fundraising, will be a business breakfast where we will invite local business leaders along to promote and raise their awareness of this Imagination Library. It's a great opportunity for us to explain how the Imagination Library links to our ambitions for Nottingham and its economy and to gain their support for this important initiative. Our goal is to raise over £5,000 during that week. We will also look at planning our next Imagination Library raffle, early in 2022.

Our next, and most important step, is around sustainability and for us to find those links with businesses, partners and individuals to encourage regular monthly giving as well as donations to ensure the future of the Imagination Library for the children of Nottingham, so they can continue to benefit from receiving these books. Councillors here today who are interested in one-off or monthly donations can do so at <http://www.dollybooksnottingham.org/> and I encourage you all to do so. Thank you Lord Mayor.

### **Broadmarsh Centre**

Councillor Andrew Rule asked the following question of the Leader of the Council:

Much has been made over recent days about the Council's unsuccessful bid to

secure funding for the future of Broadmarsh. Does the Leader accept that success in

future applications will be dependent upon a clear vision for the future of the site,

beyond merely demolishing it, and can he therefore update the Chamber on when

this may be finalised?

Councillor David Mellen replied as follows:

Thank you Lord Mayor and can I thank Councillor Rule for his question. As we have had a similar question this afternoon, he will know I have already spoken in my earlier answer of my disappointment, particularly as the Broadmarsh site is one of the UK's largest regeneration sites. It would seem to be an obvious candidate for levelling up and if Councillor Rule can help in terms of fighting for Nottingham and suggesting to his colleagues in Parliament that this would be a good site in which to bring their much needed levelling up funds, I would be grateful for his support. Earlier in this meeting I reminded the Council of progress during the past year since the site reverted to the City: the right of way re-opened, a successful bid to the D2N2 Local Enterprise Partnership to secure funding to restart development to the site, the 'Big Conversation' and the appointment of the advisory group. Significant progress in a relatively short period of time. The Advisory Group were asked to recommend two crucial aspects for the Broadmarsh area: a creative vision for the space as well as a recommendation on how Nottingham can deliver the project over the next decade. We have appointed Thomas Heatherwick Studios, who have an international reputation, and Stories, who are development advisors, to help us deliver the answers to both those questions on vision and delivery options. The first phase of work started earlier this year involving the demolition to the west of the site and that, as I mentioned earlier, will provide more open space, a link into Listergate, a better view of the Castle and will also extend the public space around the carpark and bus station. We do want to deliver a vision that is ambitious and imaginative but achievable, which first and foremost enhances the quality of life for Nottingham people but also captures the imagination of people further afield and partners who want to invest in our City. It is key to the delivery of this development. The Council will rightly need to consider the work that will be reported to us soon by Heatherwick, Stories and the Advisory Group but it is anticipated that the vision and the next steps for this site will be made publically available by the end of this year.

### **E-scooter trial**

Councillor Andrew Rule asked the following question of the Portfolio Holder for Highways, Transport and Cleansing Services:

Following the recent decision to extend the 'trial' of e-scooters within the City can the Portfolio Holder outline what extra enforcement powers will be introduced to deter the riding of e-scooters on pavements and ensure the safety of pedestrians?

Councillor Rosemary Healy replied as follows:

Thank your Lord Mayor and thank you Councillor Rule for your question. The Department of Transport has introduced e-scooter rental trials to gain understanding and build evidence of e-scooter use before taking a decision to permanently legalise them. E-scooters are permitted for use where cycles can be used on the public highway including bus/cycle lanes and shared paths.

Enforcement against illegal riding of e-scooters, just like illegal riding of cycles, rests with the Police. Since the trial launched, the Council has maintained regular contact with the Police and Community Protection colleagues to undertake stricter enforcement against users not obeying the rules. Thus far this has included:

- Introduction and expansion of e-scooter patrollers. Currently six Wind patrollers roam on hotspot routes engaging with users and enforcing correct conduct. This has resulted in approximately 25 engagements with riders a

- day. Patrollers also note instances of pavement riding and take disciplinary action against riders not adhering to the rules.
- Wind have introduced a three strike process introduced for incorrect riding and this comprises:
    - 1 – warning text message sent to riders reminding them of the rules
    - 2 – one week ban from the scheme
    - 3 – permanent ban from the scheme
  - Additional geo-fencing measures. Following feedback, a number of areas have been made into go-slow areas including along the canal, parks, Middle Hill/college area, Carrington street, as well as specific interventions in residential areas.
  - Flat fee fines introduced for poorly parked e-scooters outside the parking radius.
  - Parking spots causing obstruction have either been removed or moved to appropriate places supported by physically marking the parking spots with paint.
  - Joint work with the Community Protection Officers who completed a number of days of action in May at hotspots for example Derby Road to engage and educate riders.

Ensuring the safety of all pavement users remains a priority through the extension period of the trial and Government confirmed the basis of the trial extensions to improve safety and address public perceptions of e-scooters. An Action Plan has been developed to deliver improvements to the scheme which includes measures to tackle pavement riding. This includes:

- Introduction of in-person training and safety events, creation of online training resources and 'how to' videos informing riders of the rules, where to safely ride e-scooters using the local cycle infrastructure network, for example.
- Increased communications and engagement activity through different online, social media platforms and through stakeholder meetings.
- Increased enforcement through stricter fines and penalties for users not adhering to the rules.
- Increased engagement and enforcement of hot spots by Wind's e-scooter patrollers
- Possibility of further Community Protection Officers days of action on hotspot routes
- Technological innovations to provide better detection and GPS accuracy of e-scooters.
- Further communications on correct usage and user conduct including on social media, in-app notifications, and Council communications.

I'm afraid the answer is not totally dissimilar to the previous question. Thank you.

## 51 Decisions taken under Urgency Procedures

The Leader of the Council, Councillor David Mellen, presented the report detailing urgent decisions that the Council is required to note, which have been taken under provisions within the Overview and Scrutiny Procedure Rules and Access to Information Rules. The report was seconded by Councillor Sally Longford.

**Resolved to note:**

**(1) the following decisions taken under the Call-in and Urgency provisions of the Overview and Scrutiny Procedure Rules:**

<b>Decision Reference</b>	<b>Subject</b>	<b>Decision Taker</b>	<b>Reason for Urgency</b>
<b>DD4398</b>	<b>Allocation of Household Support Grant</b>	<b>Leader of the Council</b>	<b>October half term started on 15 October and the Council was notified of the grant on 7 October. Vouchers needed to be ordered within the week to allow time for schools to distribute them to families before the holiday.</b>

**(2) the following Key Decision taken under the Special Urgency provisions of the Access to Information Procedure Rules:**

<b>Decision reference</b>	<b>Subject</b>	<b>Decision Taker</b>	<b>Reason for Special Urgency</b>
<b>DD4398</b>	<b>Allocation of Household Support Grant</b>	<b>Leader of the Council</b>	<b>October half term started on 15 October and the Council was notified of the grant on 7 October. Vouchers needed to be ordered within the week to allow time for schools to distribute them to families before the holiday.</b>

## 52 Review of Nottingham City Council Statement of Gambling Policy

The Portfolio Holder for Neighbourhoods, Safety and Inclusion, Councillor Neghat Khan, presented the report proposing adoption of a new Statement of Gambling Policy for the City covering the period 2022-2025 and a renewal of the Council's 'no casino' resolution. The report was seconded by Councillor Toby Neal.

**Resolved to:**

- (1) renew the Council's previous 'no casino' resolution pursuant to S166 of the Gambling Act 2005 so that, with effect from 31 January 2022, no casino licences will be issued within the administrative area of the City of Nottingham;**
- (2) adopt the Statement of Gambling Policy as set out in Appendix 1 to the report; and**
- (3) authorise the Director of Community Protection to comply with the relevant statutory requirements in respect of the advertisement and publication of the Statement.**

**53 Motion in the name of Councillor Rebecca Langton**

Councillor Rebecca Langton proposed the following motion, which was seconded by Councillor Audra Wynter:

Nottingham City Council recognises:

- Childcare is a critical social infrastructure that can both tackle childhood inequality and enable mothers to work but childcare in England is in crisis and this has been compounded by Covid-19.
- England is one of the most expensive places in the world for childcare; the average cost of a full-time nursery place is £263 a week, which is over half the average wage.
- Childcare costs increased 7 times faster than wages in the East Midlands, the highest level of inflation outside of London
- 75% of families use private nurseries and 56% of parents rely on grandparents for help.

Although childcare affects all parents, this Council recognises that the impact of unaffordable childcare is disproportionately felt by women.

This Council notes a recent survey conducted by Nottingham Women's Centre, which found that:

- 75% of Nottingham women surveyed said the cost of childcare affects the amount they can work
- 53% of women reported that the pandemic has increased the negative impacts of unaffordable childcare
- 25% of women said they have been affected by redundancy/furlough because of childcare issues

This Council resolves to:

- Deliver an awareness raising campaign to increase access to support amongst job seekers and practitioners
- Ensure easy access to information relating to childcare and support available to parents, addressing the specific needs of the family

- Work in partnership with the Nottingham Women's Centre to run a joint campaign on child care and work, providing employers with a toolkit for best practice on issues relating to inclusive recruitment and childcare as a barrier to accessing work
- Review its own policies to ensure it is doing all it reasonably can to set a good example on supporting working parents
- Seek funding to develop and deliver a Women into Work initiative
- Reaffirm its commitment to Child Friendly status for Nottingham.

This Council calls on the Government to:

- Provide subsidised childcare from 6 months
- Introduce a cap on extra hours of childcare of £1/hour
- Introduce flexible furlough for all parents
- Increase child benefit and remove the two-child cap for Child Tax credits and Universal Credit
- Improve the Self Employment Income Support Scheme so that parents are supported when they are unable to work due to school and early years closures
- Encourage private companies to assess employee childcare needs and invest in solutions to meet those needs and those of the surrounding community

**Resolved to carry the motion.**

#### **54 Committee membership changes**

The following committee membership changes were noted:

- (1) Councillor Angharad Roberts had been appointed as a substitute member of the Police and Crime Panel;
- (2) Councillor Phil Jackson had been appointed to replace Councillor Jane Lakey as a member of the Children and Young People Scrutiny Committee; and
- (3) Councillor Azad Choudhry had been appointed to fill a vacant seat on the Planning Committee.

The Meeting concluded at 4.50 pm

This page is intentionally left blank



**Response to Questions from Councillors requiring a written response**

**WQ1**

**Question asked by Councillor Kirsty Jones of the Portfolio Holder for Neighbourhoods, Safety and Inclusion**

---

In January we proposed a motion regarding restrictions to the use of fireworks in Nottingham with the intention of protecting both people and animals. Unfortunately, it feels like little has changed with private use fireworks seemingly being set off earlier and earlier each year. Can the Portfolio Holder advise what powers we, as a Council, can offer to protect the people and pets of this city?

Councillor Neghat Khan replied as follows:

The Explosives Regulations 2014 allow retailers to sell fireworks from the 15th October to the 10th November at this time of the year.

Trading Standards Officers have carried out inspections before the 15<sup>th</sup> October to ensure that retailers were not stocking or selling fireworks before this date.

There is one retailer within the City who can sell fireworks all year round as they hold a special licence issued under the Fireworks Regulations 2004. This allows citizens to buy fireworks for other celebrations such as New Year, Diwali, Chinese New Year, birthdays and weddings.

Trading Standards Officers have carried out inspections to retailers to ensure they're storing fireworks safely and securely, away from possible sources of ignition and damp.

A number of other checks have been carried out to ensure retailers are behaving responsibly and complying with the law, including checks to confirm that the retailer has the required licence to legally store and sell fireworks and that the fireworks conform to relevant safety standards to ensure that the public aren't being sold dangerous fireworks.

Retailers have also been reminded of the age restrictions that apply to the sale of fireworks: those under the age of 18 are not allowed to buy fireworks or handle them in a public place.

The Trading Standards Team have issued a press release this year advising that fireworks should only be purchased from reputable suppliers and the public are advised to steer well clear of buying fireworks online or from markets, car-boot sales, street sellers etc. Fireworks bought from these sources could be defective and are unlikely to meet UK safety requirements. Fireworks that come from a trustworthy dealer, are legally required to be CE marked. Trading Standards can also provide safety advice on disposing of unused or damaged fireworks.

The Trading Standards Team have also used their social media channels to promote the fireworks good neighbour code, which includes advice on how to protect your pets during the fireworks season.

Trading Standards are not responsible for any Anti-Social Behaviour regarding fireworks, this can be reported to the Anti Social Behaviour Team or the Police.

Trading Standards are also not responsible for the safe running of events put on by Fireworks Display Operators such as those in Pub gardens etc. The Environmental Health, Health and Safety Team are responsible for enforcing safety at these events.

Any councillors with concerns that retailers are not storing fireworks appropriately, selling fireworks that do not display a CE mark, or selling to anyone under 18; can report the matter to Trading Standards. Further information is available on our website:

<https://bit.ly/3CP99CX>

## City Council - 10 January 2022

### Report of the Leader of the Council

#### Corporate Director/ Director:

Mel Barrett, Chief Executive

#### Report Author and Contact Details:

Richard Beckett, Head of Major Projects, [richard.beckett@nottinghamcity.gov.uk](mailto:richard.beckett@nottinghamcity.gov.uk)

#### Title: Refresh of the Nottingham City Council Recovery and Improvement Plan

#### Does the report form part of the Budget or Policy Framework?

Yes     No

#### Does this report contain any information that is exempt from publication?

No

#### Relevant Council Plan Key Outcome:

Clean and Connected Communities	<input type="checkbox"/>
Keeping Nottingham Working	<input type="checkbox"/>
Carbon Neutral by 2028	<input type="checkbox"/>
Safer Nottingham	<input type="checkbox"/>
Child-Friendly Nottingham	<input type="checkbox"/>
Healthy and Inclusive	<input type="checkbox"/>
Keeping Nottingham Moving	<input type="checkbox"/>
Improve the City Centre	<input type="checkbox"/>
Better Housing	<input type="checkbox"/>
Financial Stability	<input type="checkbox"/>
Serving People Well	<input checked="" type="checkbox"/>

### 1. Summary

- 1.1 The report requests that Full Council approves the refresh of the Recovery and Improvement Plan (Appendix One). In doing so it notes that the refreshed Recovery and Improvement Plan has been endorsed for approval by Executive Board on 21 December 2021.
- 1.2 The original Recovery and Improvement Plan was developed in response to the findings of a Non Statutory Review at Nottingham City Council completed in November 2020. The original Recovery and Improvement Plan was approved in January 2021.
- 1.3 The first anniversary of the Recovery and Improvement Plan, to be known going forward as the Together for Nottingham Plan, represents an appropriate point to reflect on progress to date, to broaden its scope where it is appropriate to do so and to provide further clarity on the next steps of delivery.

## **2. Recommendations**

- 2.1 To approve the refreshed Together for Nottingham Plan (formerly the Recovery and Improvement Plan), as set out at Appendix One.
- 2.2 To include the Together for Nottingham Plan as part of the Council's Policy Framework.

## **3. Reasons for recommendations**

- 3.1 The recommendation that Council approve the Together for Nottingham Plan has been made for the following reasons.
- 3.2 The original Plan was written in a short period of time in response to a Non Statutory Review carried out at the Council in November 2020 and covers a three year period. Over the past year a significant amount of progress towards the delivery of the Plan has been made. It is appropriate that this is captured in the refresh to give confidence to the Council's stakeholders that the issues outlined in the Non Statutory Review are being addressed.
- 3.3 There is, however, a lot more to do and after having done further work in the first year, the Council now has more information available to it on which to base future decisions. It is also apparent that in some areas broadening the scope of the original Plan would be beneficial.
- 3.4 The update provides the opportunity to capture these changes and also to articulate more clearly the activity that will be undertaken in years two and three of the Plan.
- 3.5 Approving the inclusion of the Together for Nottingham Plan in the Council's Policy Framework is in line with the requirements of the Council's new Constitution and will ensure that the Plan has the prominence that it requires.

## **4. Other options considered in making recommendations**

- 4.1 The other option would be not to refresh the Together for Nottingham Plan. This would have meant that the Council would not have made public the most up to date areas of improvement that it is working on. This option was discounted as it would have created a disjoint between the initial document and the version that forms the basis of the Council's ongoing discussions with the Improvement and Assurance Board.

## **5. Consideration of Risk**

- 5.1 The Together for Nottingham Plan is being managed on a programme management basis. This includes the identification and management of risk as part of the delivery plans which sit behind each theme and form the detail as to how the Plan is to be delivered.

## **6. Background (including outcomes of consultation)**

- 6.1 The Recovery and Improvement Plan was created in response to a Non Statutory Review carried out at the Council in November 2020.

- 6.2 The Review's recommendations were wide ranging and led to the formulation of the Recovery and Improvement Plan that covers a three-year period. The original Plan was approved by Full Council on 25 January 2021.
- 6.3 The Plan set out a number of actions that the Council committed to undertake in response to those recommendations across eight themes. These themes cover areas such as the Strategic Council Plan, the Council's Constitution and its Medium Term Financial Strategy.
- 6.4 In order to provide assurance of the Council's performance against the Plan the Secretary of State for the Department for Levelling Up, Housing and Communities (at the time the Ministry for Housing, Communities and Local Government) appointed an Improvement and Assurance Board.
- 6.5 The Improvement and Assurance Board meet regularly with the Council's officers and members to assure themselves as to whether sufficient progress is being made against the Plan. This is formalised in a quarterly report by the Improvement and Assurance Board to the Secretary of State.
- 6.6 Over the course of the last year the Council has undertaken a significant amount of work to deliver against the first set of milestones as set out in the Plan.
- 6.7 As the first anniversary of the Recovery and Improvement Plan's approval approaches it is appropriate that the Plan is reviewed and updated. This provides an opportunity to both reflect on what has been achieved to date and to make sure that the remainder of the Recovery and Improvement Plan continues to highlight the work that still needs to be completed over its term.
- 6.8 It also provides the opportunity to rebrand the Recovery and Improvement Plan as Together for Nottingham. This change in name does not represent a change in focus but better helps to articulate some of what the Council is trying to achieve through its Transformation Programme which has become an integral part of the Plan.
- 6.9 The approach taken to the refresh has been relatively light touch as it is important that the original reasons behind the Plan's creation are not lost and that the key areas of focus originally identified through the Non Statutory Review continue to be maintained.
- 6.10 The refresh (Appendix One) provides an update on the activity carried out over the last year, which includes the approval and implementation of a refreshed Strategic Council Plan, the adoption and implementation of a new Constitution and the creation of an Integrated Transformation Programme amongst other activity.
- 6.11 In terms of updates to the Plan, these fall into three main categories:
- Broadening the scope of the Plan – there have been instances, particularly through dialogue with the Improvement and Assurance Board where it has become clear that further items need to be added to the Plan. Examples of this would include additional work on the Council's Risk Management Policy and strengthening financial management training.
  - Further availability of information – a lot of the early activity within the Plan was focussed on conducting in depth reviews into some of our activities. The outcomes of these reviews have given us a rich picture of information from which the Council

can better plan as to how to deal with some of the issues that it faces. In some areas, for example the theme on companies, this has led to significant changes in how the Council now intends to proceed in the onward delivery of the Plan.

- Next steps – whilst the Plan covered a three year period, the detailed milestones in the original version were heavily focussed on the first six months of delivery. As the activities in each of the plan themes has developed further the refresh provides an opportunity to better articulate what the next steps will be for each theme over the remainder of the Plan's duration.

6.12 In developing the refresh of the Together for Nottingham Plan, feedback has been sought on the original Recovery and Improvement Plan and where it could be strengthened from both the Improvement and Assurance Board and the Council's Overview and Scrutiny Committee. A sub group of the Council's Audit Committee has also reviewed the updated Plan and provided feedback.

6.13 This feedback has been reviewed and incorporated into the Plan as appropriate. This has led to the Plan being strengthened in a number of areas for example external engagement and articulating how the Council's plans fit together.

6.14 Endorsement for the approval of the refreshed Plan was received from Executive Board on 21 December 2021, as recorded in the minutes of that meeting.

6.15 The second recommendation is to approve the Together for Nottingham Plan to form part of the Council's Policy Framework. The Council passed a new Constitution in September 2021 which covers its Policy Framework under Article Eight.

6.16 The criteria for inclusion of plans or strategies into the Policy Framework includes those which "are significant in terms of its effects on the Council's priorities". Given the nature of the Together for Nottingham Plan then this criteria is met and adopting it as part of the Policy Framework will give the document its appropriate prominence within the Council.

6.17 It will also mean that any further amendments to the Plan will need to go through Full Council, which is seen as the most appropriate way of managing the Together for Nottingham Plan given its importance and the current practice on managing updates to the document. This approach was also endorsed by Executive Board at its meeting on the 21 December 2021, as recorded in the minutes of that meeting.

## **7. Finance colleague comments (including implications and value for money)**

7.1 The Plan consists of eight themes, each of which has delivery resource allocated to it to cover both improvement and transformative activity. In total, £15 million of resources have been allocated to support the delivery of the Plan.

7.2 The investment in these themes will drive improved outcomes and longer-term financial stability and which, in aggregate, will exceed the investment.

7.3 Project investment and savings will be agreed on a case-by-case basis, with an overall target of £3 saved for every £1 invested.

## 8. Legal colleague comments

- 8.1 The recommendations set out in this report raise no significant legal issues and are considered to be both logical and rational in terms of what is recommended.

Comment provided by Malcolm R. Townroe – Director of Legal and Governance on 23 December 2021

## 9. Other relevant comments

- 9.1 None

## 10. Crime and Disorder Implications (If Applicable)

- 10.1 Not applicable – the Together for Nottingham Plan collates activity over a variety of themes. Actions from these themes will be brought forward separately for approval as required and any crime and disorder implications will be assessed at this level.

## 11. Social value considerations (If Applicable)

- 11.1 Not applicable – the Together for Nottingham Plan collates activity that will be brought forward separately for approval as required. Social value considerations will form part of any subsequent decisions were relevant.

## 12. Regard to the NHS Constitution (If Applicable)

- 12.1 Not applicable – approval will be sought as applicable for individual activities resulting from the implementation of the Plan. Consideration of any impact on the NHS Constitution will take place at this stage.

## 13. Equality Impact Assessment (EIA)

- 13.1 Has the equality impact of the proposals in this report been assessed?

No

An EIA is not required because the report, and attached Together for Nottingham Plan, does not in itself contain any changes to spending and/ or policy decisions. The further work that will be triggered by the Plan will require separate approvals in some instances and Equality Impact Assessments for these will be provided as necessary.

Yes

## 14. Data Protection Impact Assessment (DPIA)

- 14.1 Has the data protection impact of the proposals in this report been assessed?

No

A DPIA is not required because the Together for Nottingham Plan does not in itself require a Data Protection Impact Assessment. Instead, the work that it has led to and will continue to be developed will be assessed individually as appropriate.

Yes

**15. Carbon Impact Assessment (CIA)**

15.1 Has the carbon impact of the proposals in this report been assessed?

No

A CIA is not required because the Together for Nottingham Plan does not in itself require a Carbon Impact Assessment. There will be certain activity within it, for example around the Capital Programme, where these assessments will be required and these will be provided as part of any specific report brought forward in these areas.

Yes

**16. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)**

16.1 None

**17. Published documents referred to in this report**

17.1 Nottingham City Council Recovery and Improvement Plan, approved by Council on 25 January 2021, and minutes of that meeting.

17.2 Refresh of the Nottingham City Council Recovery and Improvement Plan, Nottingham City Council Executive Board, 21 December 2021 and minutes of that meeting.

17.3 Nottingham City Council Constitution – September 2021

**Councillor David Mellen**  
**Leader of the Council**



# Together for Nottingham



## Recovery and Improvement Plan Refresh 2022

# Contents

Foreword	2	Theme Two: Asset Management	33
Introduction	3	Theme Three: Companies	39
Strategic Context	6	Theme Four: Capital Programme	46
Governance & Assurance	9	Theme Five: Constitution (Governance and Decision Making)	53
Monitoring Progress	15	Theme Six: Organisation & Culture	60
Risk Management	17	Theme Seven: Service Design and Delivery (formerly Delivery Options)	69
Culture and Transformation	19	Theme Eight: Council Plan	73
External Engagement	22	Glossary of terms	81
Plan Structure	23	Index of High Level Deliverables	83
Theme One: MTFS	25		

## Foreword

This document builds on our original Recovery and Improvement Plan by adding an update as to the position at the end of Year One. The purpose of the original Recovery and Improvement Plan was to confirm and provide assurance to the Government that Nottingham's response to the Non-Statutory Review (NSR) of the Council was positive and being undertaken at pace.

Nottingham is a vibrant, diverse and ambitious city. We are home to the "Nottingham Declaration on Climate Change", and maintain a nationally leading position on carbon reduction with the ambition to be carbon neutral by 2028. We pioneered Early Intervention and Community Care models and maintain award winning parks, leisure and cultural facilities for the benefit of our citizens. Our support for cyclists, and our bus and tram systems are celebrated nationally and internationally.

We have recently delivered a new central car park and bus station and have seen the completion of a new city centre College Hub. We continue to build on the inward investment from those that want to be part of our success over the coming years. Notwithstanding the impact of Covid-19, the building blocks for our success are being put in place.

Nevertheless, as Leader and Chief Executive, we recognise the seriousness of the financial, governance and operational challenges we face, and it is going to take a significant collective effort from all at the Council to address them and reach a sustainable position.

However uncomfortable the findings of the review were for both the political leadership and officers, we remain determined and confident in our organisation's capacity and capability to change.

We are under no illusions about the size and scale of the challenge ahead of us, but working constructively with the Government, our partners, and the people of Nottingham, we are confident we can take the necessary actions, at the required pace, and to the desired quality, to deliver the fundamental changes needed.

Over the last year we have made significant progress through, for example, the refresh of our Strategic Council Plan and launch of an Integrated Transformation Programme.

Over the remainder of the Recovery and Improvement Plan's term, the organisation will continue to go through significant and at times disruptive change, but we will not lose sight of our ambition, values and commitment to fairness, inclusivity and equality for all.

We are committed to ensuring that we continue to deliver the quality statutory and day-to-day local services that help keep the city safe and clean, and that we work in partnership with the communities we serve to build a prosperous city that offers residents the opportunity to realise their potential.

**Cllr David Mellen**  
Leader of the Council



**Mel Barrett**  
Chief Executive



## Introduction

Nottingham City Council has taken bold decisions over the last decade to improve Nottingham's neighbourhoods and the city centre environment, through capital schemes, improving housing stock, and better public areas such as parks and neighbourhood centres. New libraries, a new leisure centre, and investment in public spaces have brought about improvement, but the level of financial risk that comes with these investments has not been considered systematically and governance of these schemes has not always been tight enough.

Following the election of a new political leadership in 2019, the Council has embarked on a series of significant changes in order to strengthen both the governance and financial stability of the Council. This has included establishing the Companies Governance Executive Sub-Committee, and launching a Strategic Review of Robin Hood Energy which resulted in a decision to transfer customers to an existing energy supplier and to progress the orderly winding up of the company.

There have also been considerable changes to the senior management of the Council following the departure of the previous Chief Executive in April 2020, including the appointment of a new Chief Executive and an Interim Chief Finance Officer to drive forward Council policy, supported by strengthened management arrangements.

The Public Interest Report (PIR) into the City Council's governance of Robin Hood Energy was published on the 11<sup>th</sup> of August 2020 and

revealed significant failures in the Council's governance of RHE, including a need to improve the council's strategic financial management, overall corporate governance and organisational culture.

The Council was subsequently approached by the Department for Levelling Up, Housing and Communities (DLUHC – formerly the Ministry for Housing, Communities and Local Government) with regards to the possibility of a Best Value Inspection being undertaken. An agreement was reached instead in October 2020 for a rapid Non-Statutory Review (NSR) to be carried out, led by Max Caller CBE.

The NSR rightly highlighted serious and significant areas of concern for the Council, and elected members and senior officers are clear that the Council cannot continue as it has in the past, and we fully accept the recommendations in the NSR.

Nottingham City Council is committed to continuing the improvement journey commenced in relation to the PIR, which will supplement the response to the NSR, for the benefit of the citizens of Nottingham who rely on the Council to provide well planned, effective, and value for money services.

The Council has adopted a spirit of partnership working and collaboration with DLUHC to date and this will continue to do so. The Council looks forward to receiving continued additional support from the Improvement and Assurance Board, and the insights on best

practice that they bring, and will continue to identify and allocate the necessary resources to deliver the required recovery and improvement.

## Year One Update

---

The Council has been working hard to deliver the Recovery and Improvement Plan for over a year, given that work was already in train prior to the original Plan's approval in January 2021.

The anniversary of that approval provides the opportunity to take stock, both to recap as to what has been achieved and also to update our key actions.

## Key Progress to Date

---

The Council has laid strong foundations over the past year through the achievement of a number of key milestones. It is recognised though that this is only the first step in our improvement journey and that over the remainder of the Plan term we have to build on this to deliver and embed the transformational change that we are striving for.

In the following pages each Theme sets out what it has achieved in the first year of the Recovery and Improvement Plan in more detail. The highlights are summarised below:

- Approval and implementation of a refreshed Strategic Council Plan, i.e. the Council's Policy Framework
- The creation of a new Performance Management Framework linking the Strategic Council Plan to Service Plans to the

Medium Term Financial Strategy and to individual performance appraisals

- Approval and implementation of a new Constitution for the Council
- A review and re-alignment of member portfolios
- A top tier officer restructure and recruitment
- An in depth review of the organisation's culture
- The creation of an Integrated Transformation Programme
- New budget oversight procedures
- A new Assets Disposals Policy
- In depth reviews of the Council's Companies
- The creation of a Shareholder Unit to manage the Council's relationship with its companies more effectively.
- A new Debt Management Strategy
- A new Capital Strategy accompanied by a revised Capital Programme
- A new capital governance and control framework introducing new project controls.
- Training programmes created and rolled out for both members and officers
- The completion of actions from the report in the Public Interest

## Key Changes to the Recovery and Improvement Plan

The initial version of the Recovery and Improvement Plan was based on the findings of a Non Statutory Review carried out in November 2020. The Plan itself is wide ranging and covers a three year period.

It was always envisaged that there would be some amendments to the Recovery and Improvement Plan over its lifetime for two main reasons.

Firstly, experience of operating the Recovery and Improvement Plan in 2021 has demonstrated the need to broaden the scope and obtain further definition in a number of areas. Put simply, we now have more information than when the original plan was drafted.

The second reason is that the actions in the initial Plan tended to focus on the first six months of delivery. As progress has been made against these actions the Council is better able to shape what the next set of activity relating to the plans outcomes will be. These updates move project activity further into the future or provide greater clarity as to the actions being taken.

The changes that are set out in more detail in the following sections generally relate to actions and milestones, sometimes with the addition of further projects.

It should be stressed that the main objectives of the Recovery and Improvement Plan and its key deliverables remain unchanged.

To summarise the key changes in the document are:

- The rebranding of the document from the Recovery and Improvement Plan to the Together for Nottingham Plan.

- A series of updates and clarification of milestones across the Themes
- An updated list of actions and milestones for the Companies Theme revising activity to reflect the findings from the in depth reviews.
- The redrafting of the Delivery Options Theme and renaming it to be called Service Delivery and Design to reflect the creation of an Integrated Transformation Programme.
- Moving the Performance Management Framework from Theme 6 (Organisation and Culture) to Theme 8 (Council Plan) to better show the linkages between that and the Council's policy direction.
- The addition of new pieces of work around risk, financial management and scrutiny.

Delivering this updated plan will lead to real and positive change, with lessons learned being applied to a new Council Plan for 2023 to 2027, in line with the council's electoral cycle.

# Strategic Context

## Introduction

---

The Together for Nottingham Plan covers a wide range of activity, from the Council's finances to its Strategic Council Plan, from its organisational culture to the updating of its Constitution and much more in between.

It is important that the documents that underpin this work are seen collectively as a whole and that we acknowledge and describe how they interlink and feed into and off one another, to demonstrate that policy, planning and activity are seamlessly delivered.

The Council is using the Together for Nottingham Plan as an opportunity to challenge itself as to the way in which it delivers its services and to strengthen the foundations from which its activity is delivered. This includes the creation of an integrated Transformation Programme, examining how we operate and ensuring that we have a culture that enables the changes set out in this Plan to happen. Further details on these areas are provided later in this document.

## Design Principles

---

The Council has reflected on the feedback it has received through the Non Statutory Review, the Improvement and Assurance Board and other organisations that have been helping us during the first year of the Plan. This has helped underline the need to deliver

transformation of both the Council and its services based on some clear and consistent principles. These are:

- Empowering communities to co-design and deliver services, with citizens taking responsibility for their own outcomes.
- Putting the customer at the heart of our thinking to provide timely, cost-effective responsive services.
- Creating a culture and an estate that support our work being done in the best possible place and time.
- Intervening as early as possible to manage demand and improve outcomes.
- Constructing strategically integrated systems and digital tools, using data to create knowledge and insight.
- Building and resourcing an environment for innovation, learning and leadership.
- Choosing the most appropriate delivery model for each service.
- Leading and collaborating with partners to deliver better outcomes and efficiencies.
- Building back a strong intelligent centre for policy, performance, insight and reform.

These principles will form the starting point for our operating model from which we look at any future changes to how the Council



operates, whether it be its structure, processes, policies and / or services.

## Core Documents

Every large organisation will have a number of plans and strategies which underpin its work and the Council is no different. Some of the key documents that drive the Council and influence how we operate include:

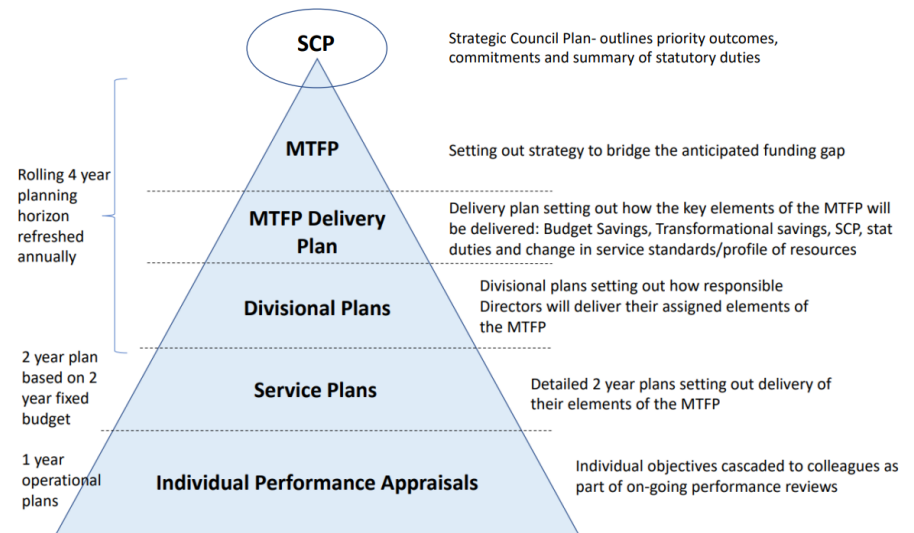
- The Medium Term Financial Plan (MTFP) (rolling 4 year plan) and subsequent MTFP Delivery Plan;
- The Together for Nottingham Plan (2021/22 to 2023/24):
- The (refreshed) Strategic Council Plan (SCP) 2021/22 to 2022/23; and,
- Divisional Plans and Service Plans (rolling 2 year plans)
- Individual Service Plans

These plans cover different time periods due to the differing purposes and origins of their development. Nonetheless they are all interconnected and integral to each other under the unifying umbrella of the MTFP.

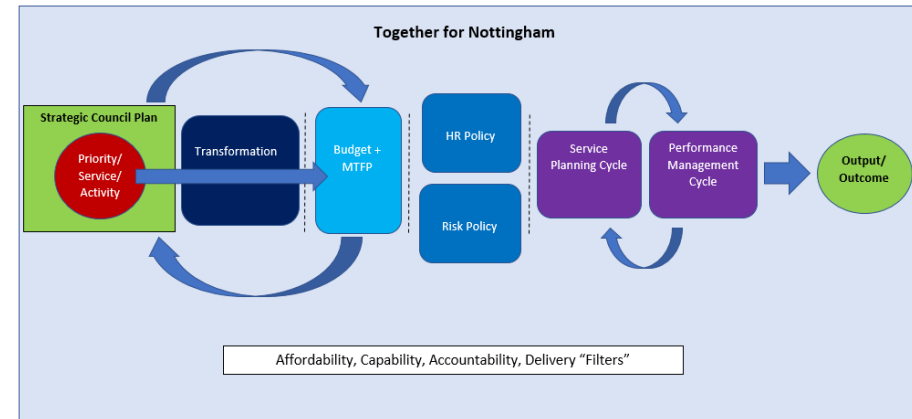
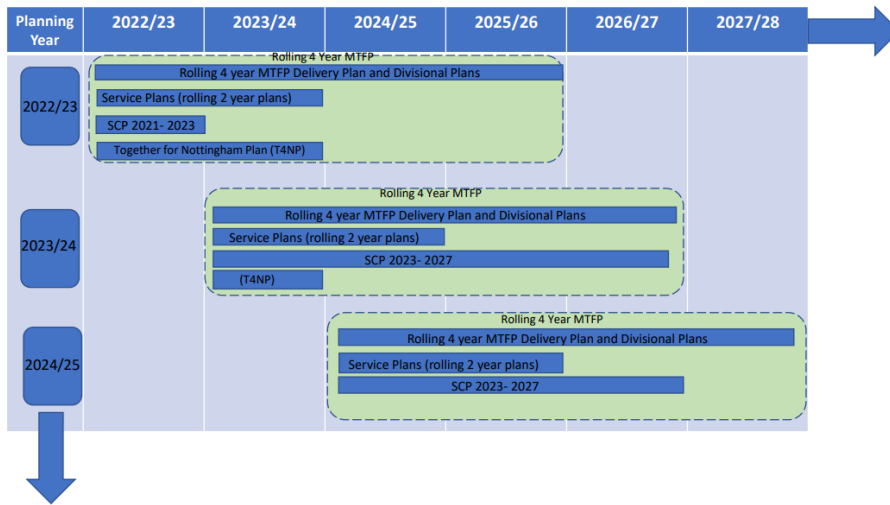
The MTFP and associated delivery plan is a four-year rolling plan outlining how we will maintain financial stability. It sets out the anticipated funding gap and how we will bridge that gap through a range of budget proposals, assumptions around income and a range of projects aimed at transforming how we operate and deliver services within a balanced budget. The Strategic Council Plan sets out the council's high level priority outcomes and commitments that must be delivered within the available resources. The MTFP delivery Together For Nottingham

plan sets out how the key components of the MTFP will be delivered including any budget savings and transformation projects. The MTFP delivery plan is based on the divisional plans, which in turn are the basis of the service plans and individual performance appraisals of colleagues providing a clear connection to the high level objectives.

The diagrams below show the key plans and how they fit within an annually refreshed four year planning horizon.







Page 41

So whilst there may be differing time frames associated with the key strategies and policies the four year rolling MTFP and budget envelope is the unifying factor and the MTFP delivery plan is refreshed annually to define what can be delivered with the available resources.

There are other key strategies and policies, some still in development (e.g. Risk Policy and HR Policy), which will be brought together under a coherent policy framework as part of theme 8.

The Council has also revised its Performance Management Framework as part of the Together for Nottingham Plan and this will provide a renewed focus on accountability for delivery.

This will include consistent approaches to performance management across the council with a focus on performance, budgets and risk. This will be the forum through which delivery and risk of the MTFP delivery plan will be managed.

## Governance & Assurance

### Aims & Principles

---

In order to place the Council on a sustainable financial footing in the medium term and to protect the delivery of essential services to residents, there is a need to make changes to how the authority operates.

This is required to keep in balance the delivery of a positive vision for the city and the regeneration and renewal required, whilst maintaining essential services to residents within the available financial envelope, and ensuring timely, transparent and accountable local decision-making.

This will mean rationalising the number of organisations delivering core council services, reducing duplication, increasing efficiency, and will involve taking difficult, but necessary decisions in the short term, in order to ensure that the Council can deliver the desired outcomes within a financially sustainable framework over the medium term.

Nottingham City Council, with targeted support from the Government and the Local Government Association (LGA), is undertaking a three year recovery plan to deliver the above, based on the following priorities and principles:

The High Level Priorities for the Recovery Plan are:

- Delivering a sustainable financial footing for the Council in the medium term and protecting delivery of essential services to residents.
- Focusing on providing the best quality core service we can afford, whilst continuing to be safe, clean, ambitious and proud for Nottingham.
- Implementing a Council wide cultural change and improvement programme, to remedy the long standing cultural issues identified by the PIR and NSR.
- Continuing to use our leadership role in Nottingham to unite residents, businesses and partners around a common purpose, and to make a clear case for a better deal for Nottingham.
- Supporting our businesses, partners and residents with the recovery from Covid-19.
- Demonstrating excellence in public administration and effective governance.

## Objectives

---

The Recovery Plan will / has deliver (ed):

- An ambitious, fully costed and deliverable refreshed Council Plan for the City and its recovery from the impact of Covid-19
- The wholesale cultural changes needed to effect meaningful progress.
- A sustainable Medium Term Financial Strategy.
- A refreshed and affordable Capital Strategy and system of Capital Governance.
- A clear plan for reducing and managing our overall levels of debt over the medium to long term.
- A revised approach to the management of the Council's assets.
- A sustainable approach to the Council's company holdings.
- A refresh of the Council's Policy Framework – to ensure it is affordable and deliverable.
- A refreshed Performance Management Framework.
- A modernised Constitution and decision-making process.
- A clear Member/Officer Protocol to support the above.
- Changes to Executive Portfolios to provide clarity of role and link clearly with senior officer structures.
- A programme to build our capacity and invest in the development of our people.

## Plan Delivery

---

We understand the need to provide the Improvement and Assurance Board with the necessary confidence that Nottingham City Council has the capacity and desire, alongside the right targeted support from the Government, to deliver on the Recovery Plan.

The successful delivery of the plan will also require us to build on the strengths of the partnership with DLUHC and develop the support already received from the Local Government sector as a whole, and engage and harness the good will and commitment of City Council staff.

To help provide that assurance, the following sections set out our proposed:

- Prioritisation
- Governance Arrangements
- Plan Management
- External Support from the LGA and others

## Prioritisation

---

Our focus will be on addressing the most pressing and urgent issues first, including a detailed savings plan, this included delivering a robust budget for 2021/22 and establishing an Improvement and Assurance Board to oversee the ongoing development and implementation of the Recovery Plan.

The prioritisation of deliverables in the Together for Nottingham Plan has been set in response to the findings of the NSR and PIR,

acknowledging their criticism of the pace and robustness of Council decision-making, and of delays in taking the appropriate action when issues have been identified previously.

A clear programme management plan, and dedicated resource to support it, will ensure Recovery Plan activity is undertaken with the appropriate pace, robustness and quality.

## Governance of the Recovery Plan

A governance structure has been developed based on the introduction of an external Improvement and Assurance Board. The Improvement and Assurance Board will be key to both monitoring the progress of the Together for Nottingham Plan, and providing assurance to DLUHC and wider stakeholders that they can have confidence that the improvements set out in the Plan are being delivered.

The Improvement and Assurance Board is chaired by Sir Tony Redmond, and membership includes the Leader of the Council alongside a number of independent external members, who have been appointed by the Secretary of State to provide oversight and confidence in the delivery of the Recovery and Improvement Programme.

A number of arrangements will be put in place to ensure the timely delivery of the Recovery and Improvement Programme. An Officer Recovery Programme Board, chaired by the Chief Executive and made up of key Corporate Directors and other officers from within the Council, will progress individual programmes and projects within the overarching Together for Nottingham Plan. This work will be

supported by a Programme Management Office (PMO), to ensure the Recovery Plan is delivered within its parameters.

Lead officers will be accountable and provide assurance of progress to lead Portfolio Holders, who are in turn accountable to the Leader of the Council, other councillors, and of course the people of Nottingham who elect them. The Lead Councillor and Lead Officer for each Theme is set out at the end of the Actions Table within each Theme. Those fulfilling these roles may change over time to reflect who is best placed to lead on a particular area at a given point in time.

The process for formal decision making will be undertaken in accordance with normal local government practice, including through the City Council's Corporate Leadership Team, Executive Board and Full Council, as appropriate, recognising that a simplified and prompt decision making process will be required to ensure delivery of the plan at the required pace. Links and updates will also be provided to Overview and Scrutiny Committee, Audit Committee and Full Council as appropriate.

The use of a PMO working closely with those officers leading work-stream themes and their underpinning projects will provide assurance that the Plan is being delivered, or if variances occur, that these are identified at the earliest opportunity and mitigation plans are developed to keep that work-stream on track.

This will be done through the creation of a rigorous monitoring process focussing on delivery against milestones, risks, financial implications, and issues that need to be escalated to ensure the programme's success.

Each of the Themes of the Together for Nottingham Plan will form programmes of work. Colleagues delivering these programmes will be responsible for delivering their projects and making sure that the appropriate project documentation, controls and performance management frameworks are in place, to ensure that the projects run effectively.

## Plan Management

---

To support delivery of the Together for Nottingham Plan, a more detailed programme management plan has been developed.

The Programme can be summarised as setting out how the Council will deliver a sustainable balanced budget, in the context of a refreshed policy framework, with transparent and efficient decision making, having regard to the resources that are available.

Given the wide range of those themes, i.e. the Council's finances and policy framework, the scope of the Programme is considerable.

To help narrow this down, the early stages of the Programme will focus on the process for delivering a balanced Medium Term Financial Plan and an ongoing policy framework which is both affordable and deliverable.

A number of programmes, projects and work packages have already been identified to help define activity and the scope of the Programme more tightly. These are summarised at a high level in the later sections of this Recovery Plan, please see the individual Themes and Actions sections.

It is likely that over time, given the extent of the Together for Nottingham Plan and its duration, that other work will be added or

Together For Nottingham

potentially sometimes removed, from the Programme. This will only be done in order to ensure that its long-term objectives continue to be met, and will take place with reference to a clearly defined change protocol.

## Links to other non-Recovery Plan Activity

---

The Recovery Plan covers the work the City Council needs to undertake to deliver on the aspirations we have set out to improve and transform the City Council over the next three years.

However, this does not reflect all of the activity the Council is involved in, such as continuing to deliver important statutory and day-to-day services, supporting our city and residents in recovering from Covid-19, and significant projects to support sustainable growth and development of the city and provide opportunities for residents to realise their full potential. These will continue to be delivered and managed in the round through the Council's standard performance management processes, but having full cognisance of the implications of the Recovery and Improvement Plan.

## Resources and Management

---

The Council recognises that over the period of this Plan the way it conducts business will change, with the shape of this work being determined by its revised budget and policy framework.

In the short term, it is also acknowledged that the scale and the pace required to successfully deliver this Together for Nottingham Plan will inevitably lead to a need to provide further resource into the Council on a short term basis. Resourcing requirements will be determined through the creation of Resource Plans for each of the

Themes within the Plan, and appropriate allowances will be made to finance this requirement in the Council's budget setting process. The Council will ensure that this resource does not become core to its ongoing functions and is capable of being quickly stepped down once the specific pieces of work required by the Plan have been carried out.

## External Support

We have taken on board feedback from DLUHC and other sources about, at times, being too internally focused, and will seek out sector appropriate support from external agencies where necessary.

We cannot successfully undertake our transformation journey without external support and a willingness to learn from the best practice of others.

We will continue to share and learn from best practice from elsewhere – including use of “off the shelf” solutions where appropriate, to support the pace of our modernisation and improvement journey.

We will also actively seek out robust “check and challenge” from external organisations such as the Chartered Institute of Public Finance and Accountancy (CIPFA), the Centre for Governance and Scrutiny (CfGS) and the LGA, to improve the credibility and transparency of the Together for Nottingham Plan and its programmes, and provide additional assurance for Government.

The LGA has already provided considerable support to the City Council to date, demonstrating the strength of the sector and the

willingness of our partners to collaborate and help us in our improvement journey.

This support has included:

- Provision of a Mentor for the Chief Executive.
- Support to the Nottingham City Council Governance Improvement Board.
- All Portfolio Holders will be offered Councillor Mentors.
- Independent challenge and review of our work on revised Committee Terms of Reference.
- Independent review of our progress on delivering the Action Plan in response to the PIR.

Additional support can provide robust check and challenge which will improve credibility and transparency, and additional assurance for Government.

### Governance:

- Support, advice and challenge on changes to NCC's Constitution.
- Support, advice and challenge on embedding a new Member/Officer Protocol.
- Training and development for the Audit Committee.
- Training and development for the Overview and Scrutiny Committees.

## Organisational Culture & Leadership:

- Advice to Leader and CEO as required.
- Dedicated mentoring advice to Leader (in place via Baroness Blake).
- Dedicated coaching, mentoring advice to CEO (in place via Dame Stella Manzie).
- Dedicated role mentoring and 1-2-1 mentoring for each Portfolio Holder.
- Facilitated team session(s) with Full Executive.
- Facilitated session(s) with elected members.
- Workforce development/cultural change (supplier potentially sourced and funded by LGA).
- Offer of a series of member development sessions and Leadership.

## Companies and Joint Ventures:

- Review of governance of external companies in the light of the PIR on RHE.
- Advice and support on bringing services back in-house, or leaving them out in an ALMO or other arrangement.

## Financial Stability:

- Challenge and advice on the financial strategy.



## Monitoring Progress

The proposed approach is to measure delivery of the plan against the identified milestones by exception in order ensure any variance from the original plan is understood and justified.

Additional metrics will be developed to measure longer term impact and progress towards key outcomes. This is likely to include staff surveys and taking views from Members in relation to organisational culture, information garnered from the annual citizen survey, and perception surveys from businesses and partners in terms of the council's openness to collaborating and the effectiveness of joint working. These are expected to be few in number and focus on the measures that provide the clearest indication of movement towards a more sustainable financial position.

Where practical, the City Council will make use of existing measures and reporting mechanisms rather than duplicate effort. In addition, it is anticipated that individual projects are likely to require additional reporting arrangements particular to them. The Improvement and Assurance Board may also have a view on metrics they would want to see reported at regular intervals. Their view will be sought as an early item of business for the Board.

### Financial Sustainability

Budget year to date (YTD) variance and Forecast Variance will be monitored using the existing period reporting process. Quarterly figures with commentary will be produced as part of the suite of KPIs

Together For Nottingham

for the Improvement and Assurance Board. A mechanism will be developed to distinguish between business as usual (BAU) resources and those consumed on a temporary basis to deliver specific action plan objectives. This will help establish the underlying budget position.

Total capital receipts from asset sales by class will be reported on a quarterly basis against predefined targets.

The quantum of principal repayments will be reported on a quarterly basis along with forecasts for annual total debt. Actual debt levels will be reported on an annual basis. These are measured against predefined targets. The cost of servicing debt will be monitored and reported on a quarterly basis to the Improvement and Assurance Board as an indicator of both affordability of debt levels and taking into account the structure of liabilities.

### Culture, Organisation and Workforce Development

Nottingham City Council already undertakes annual employee surveys in addition to the daily contact individuals have with each other and with management. These will allow progress to be measured on the effectiveness of the council's managerial leadership and staff satisfaction in undertaking their roles and provide useful insight into the wellbeing and fulfilment of our employees, as well as shedding some light on where the organisation could do more to help them achieve their full potential. The Together for Nottingham Plan also involves the roll out of a number of training activities, take up and



feedback on these will also be monitored to help inform the understanding of the level of cultural change that has happened to date and to signpost where further activity may be required.

## Risk Management

Due to the scope of the Together for Nottingham Plan, the identification and appropriate management of risk will be key to its overall success.

Risk identification and management will take place at all levels within the Recovery Programme in line with the Council's Risk Management Framework. Individual projects within each Theme will be responsible for carrying out an initial risk analysis of their area and then reviewing and updating this on at least a monthly basis.

### Risk Analysis and Recording

---

Risks will be identified and then analysed to understand their potential impact. Risks will be scored to determine their current likelihood and impact using the Council's standard risk scoring methodology. This will allow risks to be RAG rated and used as a tool for prioritising management focus and action. The means of treating each risk will also be determined on a "tolerate, terminate, treat, transfer" basis and logged on a standard template.

The risk log will be updated on at least a monthly basis by the relevant project team, who will also update the risk scores to reflect how their treatment has impacted on the risk.

### Risk Monitoring

---

The monitoring regime being introduced through the Recovery Programme will require the reporting of risk from project level up to Theme level, and then again to the Officer Recovery and Improvement Programme Board. Lead Officers will be responsible for providing assurance to Portfolio Holders. This process will be overseen by the PMO, who will ensure that risks are aggregated and that plans for the treatment of risk are appropriate and acted upon.

Programme risk reporting will be added to the forward plan for Audit Committee, having regard to that committee's important role, (and that Committee received an overview of the Together for Nottingham Plan implementation and control processes in place in March 2021). In addition performance against the Together for Nottingham Plan has been added to the forward plans for Overview & Scrutiny Committee to ensure appropriate oversight of Executive decisions and officer risk management outcomes.

The importance of risk management will be reinforced through regular risk monitoring and reporting processes, in line with the Council's Risk Management Framework. This will ensure it is reported and acted upon at senior leadership level, and assessed and mitigated appropriately throughout the organisation.

Where appropriate risks identified by the PMO will also be incorporated into directorate risk and assurance registers and if needed escalated to the Corporate Risk and Assurance Register. This will ensure that members have an oversight of the high level risks identified by the PMO and will be considered regularly by Executive Board and Audit Committee.

The establishment of this chain of reporting and the use of the PMO means that not only are risks reported in an accurate and timely manner, but that an understanding of risk across the whole Recovery Programme is created. In turn, this will allow the Recovery Programme Board to manage the combined Programme risk against its risk appetite and take action where the two are not aligned.

## Key Programme Risks

---

The following risks have been identified as the Recovery Programme's most significant high level risks:

- Loss of confidence by DLUHC leading to statutory intervention.

- Loss of confidence in the City Council by the citizens of Nottingham.
- Insufficient resourcing of transformation programmes and related projects.
- Officer and Councillor resilience, fatigue and demoralisation.
- The potential for the ongoing Covid-19 pandemic to impact on plan delivery.
- That the Council is unable to set a balanced and sustainable MTFS over a four-year period that delivers statutory services.
- The council fails to deliver the MTFP delivery plan and mitigate for unachieved savings or income and/or transformation assumptions are not realised.
- That the Council's generation of capital receipts does not reach the levels or timescales required to balance its financial needs.
- That organisational structures and culture prevents the delivery of the Recovery Programme to the required manner and timescales.

## Culture and Transformation

The Together for Nottingham Plan will lead to considerable change in how the Council operates. To successfully achieve these changes a number of the Themes set out in this Plan will need to work closely together. This applies particularly to our work on the Council Plan (Theme Eight), Service Design and Delivery (Theme Seven) and Organisation and Culture (Theme Six), underpinned by our financial resources set out in the MTFS (Theme One). This section provides an overview of some of these linkages before the detailed work of each Theme is described in subsequent sections.

### Transformation

Our vision for the city and its people remains ambitious. However, the context in which we operate has changed dramatically since 2019, not least, as a consequence of the social and economic impacts of Covid-19. It is clear that if we are to achieve our aims and live up to our aspirations for Nottingham, we must be prepared to rethink what we do and how we do it.

We must become an exemplary modern council. Our plans must be achievable and our implementation of them efficient and based on evidence. We must focus on and respond to our customers, residents and businesses. Whilst we will be smaller, we must continue to employ, inspire and cultivate an engaged and committed workforce. Fundamentally, our work must be prioritised and planned so that we maximise the value from the resources we have.

This transformation will impact on the whole of the organisation and will move at pace. At its heart will be a transformation programme that links back to the Council's MTFS and ensures that:

- all council activity is aligned to a common plan
- decision-making arrangements in the council enable rapid progress towards the delivery of that plan
- managers are empowered to make decisions within the framework of that plan
- we build the council's capacity for change and delivery at all levels
- we do the basics of performance, people and process management well
- we redesign the services we provide and build the capabilities that are necessary to execute those redesigns

The Council Transformation Plan, therefore, incorporates substantial programmes of change focussed on:

- The organisation and culture of the council
- Our service delivery options
- The Council Plan

## Culture

---

Delivery of any change programme will succeed only where the culture of the organisation supports it. This plan includes a number of organisational, structural and developmental objectives that aim to create the conditions in which a positive culture can thrive, however, cultural change is ultimately about the choices and behaviours of individuals.

The Political and Officer leadership understand and embrace their responsibilities to consistently model the behaviours they seek for the organisation as a whole. Positive cultural change will be supported by proactive communication and engagement with colleagues, recognised trade unions and partner organisations.

The PIR and NSR both identified issues with the wider organisational culture that need to be addressed:

- The organisation's pride in itself and the dedication of its employees (as evidenced by its response to the Coronavirus pandemic for example), are impressive, and are strengths that can be built on.
- Evidence-based decision-making should explicitly be part of our culture, and bringing forwards challenging/contrary evidence should not be seen as demonstrating a lack of commitment to the Council's ambitions.
- Nottingham's strong narrative of being different, whilst positive in terms of ambition and innovation, has created a blindness to learning from best practice and innovation elsewhere. As budgets have becoming tighter, this approach has proved increasingly difficult for the city.

- Setting a positive future for the city and council will be less about doing for, and more about doing with our residents and communities, with our citizens more actively engaged in determining how our services are designed and delivered.

For the Together for Nottingham Plan to be successful, we recognise that the wider culture at Nottingham City Council needs to change and that behaviour change underpins any successful transformation.

Whilst a new constitution can be written and adopted, plans can be created, process automated and systems put in place, the people at the heart of those changes will determine if real change is embedded and sustained.

With this in mind, the Organisation and Culture Theme will work collaboratively with all other themes and share many cross-theme objectives

We will assess and reset the cultural norms and expectations in Nottingham, and, working with our staff and the Local Government Association, will scope out and deliver a comprehensive workforce development and cultural change programme. The aim of this programme is to deliver positive lasting cultural and behavioural change in the organisation.

We will create a culture of inclusion, where all employees feel valued, can make a full contribution and their contributions are recognised. This will underpin our equality, diversity and inclusion ambitions.

Our people are our most valuable asset and have demonstrated extraordinary resilience and commitment to public service during the Covid 19 pandemic. In the face of the most severe health crisis since the World War Two, frontline staff have continued to deliver essential services to residents and protect our most vulnerable citizens.

Change will be disruptive, but it can also be positive if we take our people with us. This means ensuring that voice of all colleagues can be heard, embracing and celebrating the strength of diversity, and ensuring there is real equality of opportunity for all.

## External Engagement

The updated Recovery and Improvement Plan has been renamed Together for Nottingham. This builds on the commitments in the refreshed Strategic Council Plan to work with local people and our partners to deliver our strategic outcomes that will make Nottingham a world-class city that is Safe, Clean, Ambitious and Proud.

It is vital however that this is achieved through the Council maintaining a sustainable financial position. This will mean transforming the way we deliver some services and doing some things differently with the help of our communities and partners.

Through our Transformation Programme we will concentrate on how the Council's core universal services within our neighbourhoods can focus on prevention, early intervention and resilience within our communities to reduce the future demand for targeted services, such as social care.

We believe by taking this approach there is huge potential to significantly improve the lives of our residents, by tackling problems before they become issues and promoting independence and respect.

We will achieve this by carrying out an evidence led, needs analysis of our locally based services as part of our Transformation Programme, drawing in external expertise where this will add value. We will use the findings of this exercise to help shape dialogue with our residents, communities, voluntary sector and our partners to explore how we can work together, looking at different models of delivery from commissioning to co-production, to achieve these outcomes.

The council is also increasingly looking upwards and outwards in terms of identifying potential learning and collaboration opportunities, including working with Nottinghamshire County Council and Borough and District Councils. We have already started to explore the options for a devolution of powers and resources through a County Deal as part of these closer working relationships. Should a County Deal come to pass this will provide the potential to secure improved outcomes for the people of the city through greater collaboration and additional powers and resources.

## Plan Structure

### 1. MTFS

Delivering a balanced budget and Medium Term Financial Strategy (MTFS) for the period 2021/22 to 2024/25, funded by sustainable core income and stable revenue streams.

### 2. Assets

Releasing capital from the Council's fixed asset portfolio through an accelerated programme of disposal and realisation, building on the work of the Asset Rationalisation Programme.

### 3. Companies

Reaching a clear determination on the future of each Council company.

Setting a clear direction for all Council companies and commercial activity within a coherent and effectively managed commercial strategy.

### 4. Capital Programme

Ensuring the capital available to the Council is wisely invested in delivering against our core commitments, and that debt levels are sustainable in the medium and long term.

### 5. Constitution (Governance and Decision Making)

Creating a new and "fit for purpose" Constitution for the Council that provides for efficient, effective and accountable decision making, with clear roles and responsibilities for Officers and Members.

### 6. Organisation & Culture

Ensuring the Council organises itself, its resources and behaviours effectively and efficiently, and is able to deliver the required change at pace and at scale.

### 7. Service Design and Delivery (formerly Delivery Options )

Making sure the Council is using all the tools available to deliver good outcomes for the people of Nottingham, the communities they live in and the local economy.

### 8. Council Plan

A refreshed Council Plan for 2019-23 that enables the City Council to live within its means, with a longer term revised policy and performance framework that clearly articulates our priorities and purpose to citizens, businesses, partners and other stakeholders.



Sustainable Finances				How We Deliver		Council Plan	
1. MTFS	2. Assets	3. Companies	4. Capital Programme	5. Constitution (Governance and Decision Making)	6. Organisation & Culture	7. Service Design and Delivery (formerly Delivery Options)	8. Council Plan

2021/22 Budget	Asset Disposal (including commercial and operational properties)	Commercial Strategy	Capital Strategy	Updated Constitution	Setting Top-Level Goals	Business Case Approval	Refresh of the Council Plan 2019 - 2023
4 year MTFS and Transformation Programme	Corporate Landlord	Company Governance	Debt Management Strategy	Member / Officer Roles and Responsibilities	Individual Performance Appraisals	Service Design and Delivery Implementation	Performance Management Framework
Spending Controls and Oversight	Community Assets	Council Owned Company Review	Review of Capital Schemes	Member Development Programme	Simplifying the Officer Structure	Resourcing	Policy Framework
Improving Financial Management Across the Organisation			Programme Controls	Review of Portfolios	Culture & Workforce Development	Capability Building	
				Development of Scrutiny		Transformation Plan Review	

## Theme One: MTFS

The Medium Term Financial Strategy (MTFS) is critical in order to ensure that the Council operates in a sustainable manner. This Theme aims to deliver a robust process for setting a balanced budget for 2021/22 and a medium term plan over the following four year period. The Theme originally had three projects, a fourth has been added as part of the first year refresh of this Together for Nottingham Plan.

### **2021/22 Budget and Savings Proposals**

---

This work-stream started with focussing on the 2021/22 budget, where a proposed budget will be submitted to the Council's Executive Board in January 2021, to commence the formal consultation process. Once adopted, the budget was monitored through the introduction of new budget oversight procedures to ensure savings are tracked and delivered. These procedures will be approved by Executive Board, and ensure that both members and officers are clearly sighted on the budget and the key risks surrounding it and have a joint responsibility for managing these.

### **4 Year MTFS and Transformation Programme**

---

We will deliver a sustainable Medium-Term Financial Strategy (MTFS) for 2021/22 – 2023/24. This will be based on the work of Themes 2-8 which all support delivery of a sustainable MTFS.

The 2021/22 budget will also contain the rolling four year MTFS, and clearly set out the parameters against which this will be managed and delivered. In addition, this work-stream will develop a Debt Management Strategy which will aim to manage the Council's overall debt downwards over MTFS time horizons.

This work-stream will underpin the work on the MTFS and is key to ensuring that the Council has a sustainable budget going forward.

The work-stream will create an Integrated Transformation Programme (linked to Theme 7 Service Design and Delivery) which develops a long-term funding envelope for core services and reduces the reliance on commercialisation.

Having set the affordability envelope, the Integrated Transformation Programme will agree on the key areas of service reform required across the organisation, and align outcomes to budgets to ensure that Council's objectives are met within the parameters of that envelope. Projects will then be set up to deliver the agreed programme.

The PMO will assist this programme in providing oversight to the projects which sit underneath it. To ensure that this happens in an efficient and effective way, all projects will be required to develop appropriate Project Management Plans and Business Cases and be subject to the overall monitoring and governance regime set out as part of the wider Recovery Programme.

## Spending Controls and Oversight

---

This work-stream builds on the previous two work-streams to ensure that sustainable budgets continue to be delivered in the short and medium term, moving to a framework of entrenched sustainability in the long term.

It will continue to embed the processes set out earlier and in the milestones below to carry on this work, fully understanding the resources required to deliver these programmes and budgeting for these accordingly.

## Improving Financial Management across the Organisation

---

A fourth project on improving financial management and procurement compliance across the organisation has been added to the Together for Nottingham Plan as part of the Year One refresh. This project will raise financial awareness, capacity and compliance across all colleagues in the Council holding budgetary and spending responsibilities, through a training and cultural change programme. It will also promote the importance of compliance with procurement rules as part of strong governance and improve procurement practices through the embedding of new Contract Procedure Rules within the Council.

## Key Objectives

---

- A balanced budget for 2021/22 and a sustainable MTFS for the period to 2025/26.

- Reduced reliance on commercialisation to fund core services and ensure that core services are affordable in the longer term
- Provide greater budget oversight and accountability, promoting CIPFA financial management standards, with Members and Officers sighted and jointly accountable.

## Key Deliverables

---

The outputs that will be delivered through this work-stream will be:

- A balanced budget for 2021/22.
- An affordable financial envelope and a sustainable MTFS for 2022/23 to 2025/26
- A full Integrated Transformation Programme, backed with appropriate resources and project methodology and documentation.
- A new Debt Management Strategy.
- New budget oversight procedures.
- The promotion of compliant procurement processes and a more strategic approach to commercial activity and contract management.

## Key Activities

---

The key activities of this work-stream are:

- Delivery of Medium-Term Financial Strategy and balanced budget for 2022/23 – 2025/26.

- Align new corporate plan within the authority's affordability envelope.
- Significant project work across the Council on the key areas of service reform identified through the Integrated Transformation Programme.

## Key Risk

---

Key high level risks identified at this stage are:

- That the Council is unable to set a sustainable MTFS over a four year period that delivers statutory services and non-statutory services without recourse to reserves.
- That key areas of service reform do not happen at the required level / pace.
- Funding settlements and / or income drop materially, thereby further reducing the affordability envelope on which the MTFS will be founded.
- That there are unexpected / unforeseen calls on reserves

Should these risks become issues the following mitigation strategies will be considered:

- Increase in asset disposals.
- Developing contingency plans within the service reform proposals.
- Developing a list of further potential reforms that could be brought into the Integrated Transformation Programme as required.

## Key Activity Completed in Year One

---

A number of improved controls have been put in place to assist the Council to manage its finances in Year One. These linked to work in other Themes and the creation of new Debt Policy and Capital Strategy have helped set the foundations for the Council to be able to put its financial planning onto a more strategic basis.

## Key amendments to the refreshed Recovery and Improvement Plan

---

There have been three key additions to this theme since the original Together for Nottingham Plan was adopted. The first is the inclusion of a review of the Council's Risk Policy, appetite, tolerance and procedures. This work is scheduled to take place in Quarter Four of 2021/22.

The second is the inclusion of a new project on improving financial management across the organisation.

The third is the development of a perpetual rolling 4 year MTFP delivery plan that will articulate how the assumptions in the MTFP (savings, transformation etc) will be delivered and managed. The rolling MTFP will clearly set out the financial context of the future strategic council plan. The MTFP delivery plan will be based on divisional plans that in turn will inform service plans and individual performance appraisal objectives of colleagues. Performance and risk management in terms of delivery will be part of the performance management arrangements under the performance management framework (PMF) under theme 8.

## Actions

Work-Stream	Actions/Milestones	Timescale
2021/22 Budget and Savings Proposals	Agreement of Executive on 19 <sup>th</sup> January to budget proposals for consultations – balanced for 2021/22 – expected gap close to zero.	Jan-2021 Complete
	Evaluation of Finance Settlement implications.	Jan-2021 Complete
	Review of consultation responses and endorsement at Executive Board 16th February 2021.	Feb-2021 Complete
	Individual savings implementation plans and EIA/HIAs in place.	Feb-2021 Complete
	Full Council budget discussion and approval at 8th March meeting.	Mar-2021 Complete
	Monthly and quarterly monitoring of budget and tracking of savings. Members and Officers jointly accountable via Budget Oversight arrangements.	Q1 2021/22 Complete
	Tracking of saving through a member/officer forum with corrective action and mitigations where necessary to keep on track.	Q1 2021/22 Complete
	Confirm organisation-wide approach for reviewing and prioritising non-statutory activities identified in service plans and ensure that this is reflected in the funding envelope for future years, taking into consideration any transformation activity implications	Dec - 2021
Four Year MTFS and Transformation Programme	Develop long-term affordable envelope for core services, reducing reliance on commercialisation - establish as new spend base.	Jan-2021
	PMO established with operating protocols and ToRs to assure transformation.	Jan-2021 Complete
	Invest to Save approach developed and funding identified.	Jan-2021 Complete

Work-Stream	Actions/Milestones	Timescale
	Work continues to establish programme of work and business cases / PIDs.	Feb-2021 Complete (initial phase)
	Investment / Resourcing needs identified.	Feb-2021 Complete
	Agree on key service reform areas and align outcomes to budgets to ensure that the plan both meets the Council's objectives and is within an affordable envelope (C Tax, Bus Rates, RSG and specific grants, core fees & charges).	Mar-2021
	Develop long-term plan for reducing Council debt levels to mitigate the likelihood and subsequent impact of any DLUHC imposed borrowing cap.	Mar-2021 Complete
	Programme established and business cases / PIDs developed for approval.	Mar-2021 Complete (initial phase)
	Develop Business cases / PID / Implementation Plans.	Q1 2021/22 Complete (initial phase)
	Launch and run consultations on areas impacting service users and staff.	Q1 2021/22
	Programme delivery through monthly Board with agreed implementation and resources plans.	Q1 2021/22 Complete (set up – then ongoing)
	Monitoring of spend and savings proposals.	Q1 2021/22 Complete (set up – then ongoing)
	Project launches (see integrated transformation programme below in Theme 7).	Q2 2021/22 Complete (initial phase)

Work-Stream	Actions/Milestones	Timescale
	Project milestones, deliverables, risks, accountabilities, interdependencies etc determined.	Q2 2021/22
	Project milestones monitored and necessary corrective actions taken via PMO (ITP).	Q3 2021/22 Complete (set up – then ongoing)
Spending Controls and Oversight	Member oversight panel established to oversee progress on transformation through dashboard / exceptions reporting.	Feb-2021 Complete
	Review of overall resourcing plan.	Feb-2021 Complete
	Approval of Business Cases and PIDs – Alignment of programme with resource needs.	Mar-2021 Complete (set up – then ongoing)
	Early identification of likely resources and expenditure pressures and impacts of transformation programmes.	Mar-2021 Complete
	Monthly monitoring of progress. Officers held to account for delivery. Mitigations agreed for Amber and Red items.	Q1 2021/22 Complete
	Early member workshops on priorities and pressures from April 2022.	Q1 2021/22 Complete
	Early draft budgets agreed identifying further work to establish a fully funded 4-year programme.	Q2 2021/22
	Draft budget agreed for 8week consultation period to end Christmas 2021.	Q3 2021/22 Complete
	MTFS approvals cycle – outcome-based budgets on a 2-year firm/2-year indicative basis.	Q4 2021/22
	Review of the Council risk policy, risk appetite and risk tolerance, leading to robust procedures for risk management and accountability.	Q4 2021/022

Work-Stream	Actions/Milestones	Timescale
	Plan the approach to sharing the revised risk position across the organisation to ensure this is widely understood and embedded	Q4 2021/2022
	Review how risk is integrated into systems and procedures across the organisation, identify what changes are required and implement them	Q4 2021/2022
Improving Financial Management Across the Organisation	Introduction of new Oracle ERP system covering Financial, HR and Procurement processes and a move to self-service management	Q1 2021/2022 (Finance) Complete
		Q2 2021/22 (HR) Complete
	Comprehensive Training package for Directors, Manager and budget holders on the new system	In line with Finance and HR rollout above. Complete
	Introduction of Budget Review and Oversight Groups (BROGs) to provide grip on budget management and hold both Directors and Portfolio Holders to account for budget spend and mitigations	Q1 2021/2022 Complete
	Introduction of Capital Board and a range of systemic process to prioritise spend and centralise resources with a clear capital strategy	Q1 2021/2022 Complete
	CIPFA training for all senior officers (mandated) and members on the new CIPFA Financial Management code	Q2 2021/2022. Complete



Work-Stream	Actions/Milestones	Timescale
MTFP Delivery Plan	First draft of Divisional Plans returned and used to begin drafting of Delivery Plan	Feb 2022
	Delivery Plan finalised, agreed with CLT and shared with IAB (alongside MTFP)	Feb 2022
	Second draft of Divisional Plans returned to Directors with financial envelopes included	Mar 2022
	Directors return final Divisional and Service Plans - used to redraft Delivery plan (if necessary)	Mar 2022
	Divisional and Service Plans go live	Apr 2022

## Accountability

<b>Lead Councillor</b>	Porfolio Holder for Finance and Resources.
<b>Lead Officer</b>	Corporate Director Finance and Resources.

## Theme Two: Asset Management

Our Asset Management Strategy aims to generate sufficient capital receipts using asset rationalisation and disposal to meet both the current commitments within the capital programme, and provide additional cash flow into the Council to mitigate budget pressures and fund a transformation programme. The Theme will be overseen by an Asset Rationalisation Board who will monitor progress and delivery against the Theme's aims.

These assets will include:

- Commercial property assets.
- Land.
- Operational assets.
- Community assets.
- Companies (as identified through Theme Three).

### Asset Disposal Strategy

---

Key to the delivery of the Together for Nottingham Plan is the acceleration of the Council's asset rationalisation programme and the generation of capital receipts.

This work-stream will incorporate a review of potential receipts across a number of property holdings (operational properties, the investment portfolio and the trading account). The review will consider the implications of each potential disposal, including

Together For Nottingham

issues such as revenue loss, maintenance liabilities, and upcoming legislative requirements which may affect valuations.

As part of an earlier phase of this programme a pipeline of c£100 million of sites that could be disposed of has already been identified, and a number of disposals made over the past 18 months.

This work-stream will accelerate and put forward further recommendations for sites to dispose of, and then carry out disposal in the manner which will leverage the greatest value within the timescales set out in Theme One.

### Operational Assets

---

As the Council moves through the budget setting process, the decision taken on changes to service delivery will make a number of operational assets redundant.

In order to minimise the ongoing revenue costs of maintaining underused or unused operational assets, and to maximise capital receipts, the disposal of these assets will also be managed within the Asset Management Theme.

### Community Asset Review

---

The Council has a number of properties that are let to community groups for minimal rents, often where this is the case without the

renting organisation being responsible for either building liabilities or associated community outputs.

We will develop and implement a new Community Asset Policy and change our approach to community asset leases, to ensure asset values are maintained, community assets are fully utilised and that underutilised facilities are made available for asset disposal. This will include:

- Consideration of transition to Full Repairing and Insuring (FRI) leases as standard.
- Consideration of applying fair market rates to community asset leases, supported by grants to meet rental costs consistent with an agreed basis of occupation.

## Key Objectives

---

- Deliver a flow of capital receipts at the level and within the time parameters as required by Theme One.
- To manage the revenue impacts of any disposals as far as possible.
- To deliver and implement a new framework to maximise the value of community assets.

## Key Deliverables

---

The outputs that will be delivered through this work-stream will be:

- Generation of an agreed level of capital receipts over a set time period.

- Reduce current and future property related liabilities through the disposal process.
- Framework for how community assets will be delivered in future.

## Key Activities

---

The key activities of this work-stream are:

- Development of approach to investment and operational property and community based assets.
- Accelerated assets disposal planning.
- Developing policy and changes to leasing arrangements for community assets.
- Review and rationalisation of the Council's operational properties, taking into account budget proposals, future service requirements and maintenance / running cost / liabilities to the Council.

## Key Risk

---

- That the Council's generation of capital receipts does not reach the levels or timescales required to balance its financial needs.
- That in generating receipts the Council creates larger long term revenue pressures on its base budget.

Should these risks become issues the following mitigation strategies will be considered:

- Expanding the pool receipts are generated from. The initial pipeline of c£100 million of potential receipts are former operational properties and land which can be disposed of with little revenue consequence. Additional lists of properties will be drawn up and brought forward as required by the acceleration process to ensure receipt targets can be met.
- A system of adjusting forecast receipt value by time in order to ensure realistic expectations of what can be achieved with certain properties is already in place.
- In order to manage revenue consequences the existing performance of property holdings will be reviewed to ensure that their efficiency is maximised (for example around voids, debt collection, rent reviews etc.), to ascertain how far any loss can be contained. If further mitigation is required after this, it will be picked up in realistic income assessments within the MTFS.

## Key Activity Completed in Year One

---

Following a review of the asset pipeline to ensure a more robust forecast, we are now on track to deliver the revised forecast position for capital receipts by the end of the financial year 2021/22.

New governance arrangements have been implemented, alongside the development and implementation of a Property Asset Disposal Policy to ensure transparency and robust decision-making.

A draft of a Community Asset Policy has been produced, alongside a review of community properties, and a full review of the investment portfolio has been commissioned. A full review of the commercial portfolio has also been initiated.

Together For Nottingham

A review of how effectively Council manages its property, has been commissioned and is expected to recommend the implementation of a corporate landlord model. If this is the case this will be implemented in 2022.

## Key amendments to the refreshed Recovery and Improvement Plan

---

The first quarter review of the action plan with input from the Improvement and Assurance Board, led to the expansion of the plan to not just focus on asset rationalisation, but also governance and assurance relating to decision-making and recognition that the Council needed to make improvements in the way in which property assets were managed.

While much of the focus in the first year has been ensuring that adequate capital receipts are realised, and that robust decision-making processes are in place, this next 12-18 months needs to build upon this work to ensure that all council property assets are managed effectively to maximise the benefits to the Council.

Throughout the course of the year, what has become clear is that there is a need to review the structure and process underpinning property management and work to implement a Corporate Landlord model, which is a recognised model of good practice.

In the first year we commissioned an independent review of how the Council manages its property assets and makes related decisions, the recommendations from which will help to form proposals for future delivery models.

Now most of the actions from the original Together for Nottingham Plan are implemented and the capital receipts being delivered are meeting the forecast levels, the next step is a revision to the original plan. This will focus on increasing the numbers of assets coming forward for disposal, while minimising potential revenue loss to the Council; and the implementation of a new model (Corporate Landlord) for the management of property assets across the council.

Consequently, the action plan has been revised to focus on three core projects going forward.

- 1) Asset Disposal (including commercial and operational properties)
- 2) Corporate Landlord
- 3) Community Assets

## Actions

Work-Stream	Actions/Milestones	Timescale
Asset Disposal	Review of 2021/22 budget savings to identify assets that will become surplus and timescales, agree with service areas to move these into the asset disposal programme once declared surplus.	May-2021 Complete
	Recruitment of Interim Head of Property to oversee programme.	Jan-2021 Complete
	Review of disposal process, identifying options for accelerating and generating greater financial returns.	Apr-2021 Complete
	Review of disposals programme forecast for risk.	Apr-2021 Complete
	Implementation of monitoring and review processes to ensure forecast is robust and barriers to disposals are removed.	Apr-2021 Complete
	Ensure disposal targets related to capital programme gap are agreed and the relationship with pipeline (risk-adjusted) are understood and monitoring is in place	July-2021 Complete
	Bring forward assets identified for disposal	July -2021 Complete
	Development of disposals policy to ensure the transparency of decision-making.	Apr-2021 Complete
	Identification of initial list of assets for disposals from the property trading account.	May -2021 Complete
	Ongoing engagement with service areas to identify further assets that are identified as surplus as a result of transformation programme and budget savings.	Sept-2023
As a holding position, prior to the implementation of the Corporate Landlord model, to review the process for services to declare properties surplus, ensuring the current process being used is efficient and transparent.	Jan 2022	

Work-Stream	Actions/Milestones	Timescale
	Deliver full asset review of the commercial portfolio to develop pipeline for future years.	June 2022
	Undertake a review and develop recommendations for the disposal of investment properties	Jan 2022
	Procure and implement specialist expertise to support the sale of investment assets	Feb 2022
Corporate Landlord	Agree with CLT that the Corporate Landlord model is the desired approach for the Council and undertake an independent review to provide detailed proposals for taking the model forward	Sept-2021 Complete
	Following the independent review to develop recommendations and implementation plan for approval	Feb 2022
	To establish project group and transformation team to deliver the change programme	Feb 2022
	Following the review to develop recommendations and implementation plan for approval.	Feb 2022
	To commence implementation of phase one of the new arrangements	May 2022
Community Assets Review	Review community assets to identify potential properties for disposal or a change in terms.	Jun-2021 Complete
	Develop and adopt a community asset property policy.	March 2022
	Ensuring appropriate arrangements are in place for existing community tenants	April 2022

Page 71

## Accountability

<b>Lead Councillor</b>	Leader of the Council, advised by Asset Rationalisation Board.
<b>Lead Officer</b>	Corporate Director Growth and City Development.

## Theme Three: Companies

Nottingham City Council has commenced a review of the structures, management and governance arrangements for its companies in response to the Public Interest Report (PIR).

The report from the Non Statutory Review (NSR) builds on the findings and recommendations of the PIR, further emphasising the need for the Council to consider the future direction for all its company interests.

### Council Owned Company Review

Nottingham City Council has commissioned CIPFA to provide independent analysis of company information, performance, financials, strengths and weaknesses, and the Council's exposure to risk.

This work will inform individual decisions on whether to maintain, revise focus, in-house or divest from Council companies.

Once CIPFA have completed their analysis, it will be presented, alongside the initial review completed by the Council to a private session of the Audit Committee for recommendations.

Given the relatively large portfolio of company interests, a risk based approach has been taken to prioritise the sequencing of this activity based on the following factors:

- Type of ownership (subsidiaries, associates, joint ventures and minority interests).

- Companies showing early signs of financial distress.
- Levels of debt to NCC and requirements for comfort from the parent (NCC)

Where there are relatively straightforward and self-apparent opportunities to in-house functions with minimal risk of destabilisation, these will be fast tracked to a delivery stage.

Enviroenergy has been established as the immediate priority. Given the complexity and inherent links to waste management, the district heating scheme and capital programme, the majority of the activity in relation to this company is contained within Theme Four: Capital Programme.

A decision to bring Enviroenergy in-house subject to satisfactory due diligence was approved in June 2021 and the transfer of functions back to the Council happened on the 1<sup>st</sup> December 2021.

Companies currently under consideration for in-housing are:

- Nottingham Revenue and Benefits (NRB)
- Nottingham City Homes (NCH)

### Company Governance

The work already undertaken to review and revise the arrangements for the governance of Council owned companies will



continue, and be split between Theme Five: Constitution (Governance and Decision Making) and this theme.

The Companies Theme will focus on the development of Council policy with regard to executive and non-executive directors, establishing a clear role for senior officers through a Shareholder Executive function, ensuring all forms of parental support to companies within the group are subject to effective controls and clear decision making, and supporting the Companies Governance Committee and the Council more generally.

## Commercial Strategy

Where Council companies offer reasonable levels of assurance of future financial returns, the City Council will seek to maximise this benefit through the development and application of an overarching commercial strategy. This will include an assessment of directly delivered charging activity and the treatment of surpluses generated by services that are able to compete in mature markets.

## Key Objectives

- Provide greater visibility of company performance and risk profile of the wider City Council group.
- To reduce overall complexity and simplify the management and oversight of all core Council activities by reducing the number or alternative delivery vehicles.
- To strip out duplication of overhead and management costs by bringing core functions in house where there is no imperative to maintain externalised delivery vehicles.

- To identify opportunities to generate capital receipts to the Capital Programme through divestment of interests in profitable activities that are outside the City Council's core competence.
- To establish robust shareholder controls and assurance mechanisms for those companies Nottingham City Council maintains.

## Key Deliverables

The outputs that will be delivered through this work-stream will be:

- Companies Guiding Principles developed with CIPFA
- Reinstatement of company analytics.
- Decisions on the direction for each subsidiary and associate.
- Completion of decision making process and in-sourcing of NRB if appropriate.
- Executive and Non-Executive Director Policy Statement.
- Establishment of Officer Shareholder Executive function which can also act as Company Loans Board.

## Key Activities

The key activities of this work-stream are:

- Review of companies (supported by CIPFA).
- Management of in-housing process for selected companies.
- Evaluation of divestment and disposal options.

- Strategy and policy development.

## Key Risk

---

- Devaluation of subsidiaries.
- Destabilisation of companies who may have legitimate short-term needs for comfort or support arising from the current pandemic.
- Loss of opportunity for financial returns as a result of decision making delays.
- Risk profile of subsidiaries diverges from Council risk appetite.

## Key Activity Completed in Year One

---

There has been a lot of activity within this Theme over the first year. The Council has brought in additional capacity to help manage the relationship and interdependencies between its companies and itself. As part of this it has created a corporate shareholder unit and standardised company reporting to create greater clarity within these relationships. Although established it is yet to be fully embedded into Council governance, further work and resources will be required in early 2022 to finalise this activity.

New commercial principles have been agreed as part of the refresh of the Council's constitution. The Council has also benefited from the support of CIPFA in carrying out in depth reviews on its companies and this has led to decisions being taken at Executive Board on the future of Enviroenergy and awarding of a contract to Nottingham Revenues and Benefits. Further decisions based on these reviews will be forthcoming shortly.

## Key amendments to the refreshed Recovery and Improvement Plan

---

The Non Statutory Review was carried out over a short period of time in November 2020 and the Together for Nottingham Plan based on its findings. The Council has done a significant amount of work to further understand the position of its companies over this period and this has resulted in significant changes and additions to the milestones that this Theme is now working to. The updated milestones are set out in the Actions Table below, noting that in some cases the Council is dependent on third parties to resolve matters, which may inform revised dates as appropriate. Equally the Plan will flex to address any emergent matters identified during ongoing work with the companies.

## Actions

Work-Stream	Actions/Milestones	Timescale
Commercial Strategy	Issue interim commercial principles for companies to guide and assure tactical decisions.	May-2021 Complete
	Scoping operational boundaries of a commercial strategy, confirming what activities are included/excluded, prior to a Due Diligence review taking place	Q3 21/22 Complete
	Review of internally delivered fees and charges income including profitability levels (pre and post Covid) growth options and options to withdraw from non-surplus generating activity.	Q1 2022/23
	Draft Commercial Principles	Apr-21 Complete
	Finalise and approve Commercial Principles	May-2021 Complete
Company Governance	Critical monthly quantitative analysis – prepare company and summary reporting for management and CGESC.	Feb-2021 Complete
	Establish resourcing plan and recruit internally / externally	Feb-2021 and Apr-2021 Complete
	Identify and implement corporate assurance measures for each of the decisions required	Apr – Sept 2021 Complete
	Resolve immediate resourcing issues with the Shareholder Representative team	May 2021 Complete
	Design and formalise a Shareholder Unit with clear roles, reporting and escalation processes, ensuring engagement with appropriate departments and Boards	May -2021 Complete
	Formalise any outstanding approvals in relation to Companies	Jun-2021 Complete

Work-Stream	Actions/Milestones	Timescale
	Approval for Shareholder Unit proposals (with CGESC)	Jun – 2021 Complete
	Engagement with Financial and Managing Directors to develop understanding of operations, management and controls	Jul - 2021 ongoing
	External review of Company Board skill requirements with the relevant Company Boards	Aug – 2021 ongoing
	Implement codified roles and responsibilities between Boards and Shareholder Unit to support implementation of revised policies	Sept – 2021 ongoing
	Post-launch review of success	TBC
Council Owned Companies Review	<u>Enviroenergy</u>	
	Develop immediate options analysis for Enviroenergy.	Jan-2021 Complete
	Letter of Comfort issued	Mar -2021 Complete
	Undertake Due Diligence and prepare recommendation and submit for decision	May-2021 Complete
	Implement business transfer	Formal transfer Dec 2021 Complete
	<u>Nottingham Revenues and Benefits Ltd</u>	
	Prepare recommendation for contract award to TECKAL company and submit for decision	May – 2021 Complete

Work-Stream	Actions/Milestones	Timescale
	Support Business Change	May – 2021 Complete
	Undertake review of longer term ownership options and scope of activities to maximise value	Q4 2021-22
	<u>Nottingham Ice Centre</u>	
	Stabilise short term solvency with credit facility and formalise loan arrangement	Apr-2021 Complete
	Establish dialogue with Sport England regarding options to augment usage. Explore longer term options for funding	Jun-2021 In progress
	Enhanced monitoring of cash flow and order book	Jul – 2021 Complete
	Prepare recommendation for longer term options and submit for decision	Q2 2022/23
	<u>Thomas Bow Ltd</u>	
	Review options for retention/ option for disposal through sale of NCC interests and undertake third party valuation	Apr -2021 Complete
	Close outstanding Shareholder agreements/ articles subject to preferred option	Jan 2022
	Identify preferred option, prepare recommendation and submit for decision	Jan 2022
	Implement business changes	Feb 2022

Work-Stream	Actions/Milestones	Timescale
	<u>Nottingham City Transport Ltd</u>	
	Awaiting findings from CIPFA review	April 2021 Complete
	Work with company to resolve pension schemes and understand cost mitigation strategies for NCT company scheme and Local Government Pension Scheme	May 2021 – NCT scheme complete / LGPS in progress
	Review findings of CIPFA review	July 2021 Complete
	Confirm Council conclusions for each CIPFA recommended area of consideration	April 2022
	<u>NCH</u>	
	NCH Governance Review & confirmation of changes to achieve best practice	Q4 2021/22
	Review of long term options with CIPFA	Q1 2022/23
	Confirm long term option to be pursued	June 2022

## Accountability

<b>Lead Councillors</b>	Portfolio Holder for Neighbourhoods Safety and Inclusion and Portfolio Holder for Housing, Planning and Heritage.
<b>Lead Officer</b>	Corporate Director Finance and Resources.

## Theme Four: Capital Programme

A sustainable capital programme, and the strategy and controls to shape and manage it, is a critical contributor to the overall financial recovery of the City Council. A review of our capital programme will look to stabilise the current programme and put it on a sustainable footing for the longer term. We have developed an effective Capital Strategy and a strengthened system of governance and control, headed by a Capital Programme Board, to allow the Council to achieve this.

### Capital Strategy

---

A revised capital strategy will enable the organisation to understand why and how it allocates capital resources, and ensure effective decision making, governance and controls of the programme are in place to enable a sustainable programme going forward.

The revised strategy will include a clear prioritisation process and associated governance framework.

The review will also consider how the programme can be financed in the short, medium and long term, taking into account changes to the Public Work Loans Board regulations and other relevant issues.

### Debt Management Strategy

---

Nottingham City Council recognises the need to reduce its current level of external debt to a more sustainable level. In addition to

establishing clear priorities for the Capital Programme and raising the funds to reduce the risk of critical service failures, the Council will use capital raised through the Asset Disposal programme to pay down existing debt over time.

### Review of Capital Schemes

---

There was an immediate review of the current Capital Programme, to create headroom and ensure its sustainability through reprioritising, reviewing and reducing the projects in it.

It also ensured that all liabilities and future commitments to the Council are fully reflected and accounted for. In particular this review will ensure that the likely commitments arising from the urgent investment required in Enviroenergy and the District Heating Scheme are fully understood.

We also recognise the importance of finding a long term solution for the former Broadmarsh Shopping Centre. Given the current uncertainty about the future shape of city centres, the Council will continue to explore all available options to work with others in the context of a rapidly evolving operating environment.

The review will include both the General Fund and Housing Revenue Account capital programmes, but primarily focus on the General Fund as the area for significant change.

## Strengthened Programme Controls

---

We will implement a strengthened Governance and Control Framework. This will ensure that projects only commence once they have gone through the new prioritisation process, and are then subject to a support, monitoring and assurance package to improve delivery.

Controls will also extend to the management of benefits post-delivery to help inform ongoing performance and future investment decisions.

## Key Objectives

---

- To create a fully funded capital programme delivering a revised list of projects.
- To fully understand and make allowance for known potential liabilities within the capital programme (for example District Heating and the former Broadmarsh Shopping Centre).
- To create a revised capital strategy which ensures the effective prioritisation of projects and funding supplemented by strengthened programme controls.
- To ensure effective ongoing monitoring of approved capital schemes to highlight and manage unforeseen circumstances in relation to them.

## Key Deliverables

---

The outputs that will be delivered through this work-stream will be:

- A clear and agreed prioritisation process for the current programme.
- A funded and sustainable capital programme, fully reflecting known liabilities, over the medium to long term.
- Revised Capital Strategy.
- Strengthened Governance and Control Framework.
- Establishment of Capital Board to approve all new capital schemes and monitor ongoing schemes.

## Key Activities

---

The key activities of this work-stream are:

- A full review of the capital programme to remove de-prioritised schemes and add in future liabilities (for example around Enviro Energy and the former Broadmarsh Shopping Centre).
- Creating a revised Capital Strategy incorporating a prioritisation process.
- Delivering a strengthened Governance and Control Framework and ensuring that this is put into practice across the Council.

## Key Risk

---

- That known commitments and future liabilities outweigh the available level of funding for the capital programme.
- District Heating Scheme infrastructure failure.



- That either the new prioritisation process and/or the strengthened Governance and Control Framework are not adopted consistently across the Council.

Should these risks become issues the following mitigation strategies will be considered:

- Further de-prioritisation and/or re-phasing of the capital programme.
- Increasing the level of capital receipts that need to be generated or amending their profile.
- Work with HR, Organisational Development and Internal Audit to ensure that appropriate control mechanisms and cultural change are embedded in the roll out of the prioritisation process and strengthened Governance and Control Frameworks.

Work on the Broadmarsh is ongoing with demolition started on part of the site following the receipt of funding from the LEP

## Key amendments to the refreshed Recovery and Improvement Plan

There have been no significant amendments to this Theme as the work in the first four projects was front loaded to create new policies and processes to govern the Capital Programme. The amendments that have been made relate to the Broadmarsh and District Heating, where further additions have been made to provide more detail on the process being undertaken.

## Key Activity Completed in Year One

The Council has made considerable progress on the management of the Capital Programme. Debt Management and Capital Strategies have been approved and implemented along with a refresh of the Treasury Management Strategy which underlines the links between these pieces of work. A new system of governance is in place through the implementation and operation of Capital Board, which in turn has introduced greater rigour into the monitoring of projects and a new prioritisation process for schemes to go through in order to enter the Capital Programme.

## Actions

Work-Stream	Actions/Milestones	Timescale
Debt Management Strategy	Debt Management Strategy to be approved at Executive Board.	Feb 21 Complete
	Debt Management Strategy to be approved at Full Council.	Mar 21 Complete
Capital Strategy	Establish prioritisation approach to selection of schemes.	Jan-2021 Complete
	Update and link treasury management strategy to emerging asset strategy including asset disposals and rationalisation.	Jan-2021 Complete
	Capital and revenue linkages developed through work on corporate plan.	Feb-2021 Complete
	Asset Management strategy and revised TPS by approval at Executive Panel 16th February (including accelerated list of disposals).	Feb-2021 Complete
	Draft Capital Strategy (in line with MTFP).	Mar-2021 Complete
	Final Capital Strategy agreed at Full Council (in line with MTFP).	Mar-2021 Complete
	Regular quarterly review points.	Q3 2021/22 Commenced
Programme Controls	Establish Capital Board to oversee capital programme and scheme approvals as well as funding - ToR's agreed.	Feb-2021 Complete
	Capital Board meets monthly to provide steer and oversight of the programme.	Feb-2021 Complete
	Capital Board to provide quarterly report to the Audit Committee detailing any material impacts on the capital programme. Materiality to be defined in the Capital Board's Terms of Reference.	Q3 2021/22

Work-Stream	Actions/Milestones	Timescale
	Capital Board meeting monthly to review overall programme and funding as well as individual scheme scrutiny prior to Executive Board.	Mar-2021 Complete
	Priorities kept under review within overall affordable and approved resource envelope.	Mar-2021 Complete
	Targets set - monitoring of asset disposals and contribution to capital funding pot.	Mar-2021 Complete
	Regular quarterly review points.	Q3 2021/22 Complete
	Draft revised programme controls (presented to first meeting of Capital Programme Board).	Feb-2021 Complete
	Revised programme controls agreed and implemented.	Feb-2021 Complete
	Regular quarterly review points.	Q3 2021/22 Complete
Review of Capital Schemes	Identify potential alternative sources of funding / methods of removing projects from balance sheet.	Feb-2021 Complete
	Draft Capital Programme (in line with MTFS).	Jan-2021 Complete
	Final Capital Programme agreed at Full Council (in line with MTFS).	Mar-2021 Complete
Review of Capital Schemes (Broadmarsh)	Complete Big Conversation.	Jan-2021 Complete
	Submit Business Case for LEP funding.	Feb-2021 Complete
	Conclude review of strategic options and timeframe for decision making.	Mar-2021 Complete

Work-Stream	Actions/Milestones	Timescale
	Based on the outcome of the review of strategic options for the site the following indicative milestones may be subject to alteration or refinement.	
	Establish budget projections and associated financial risks on holding costs for the Council with mitigation planned.	Q1 2021/22 Complete
	Initial advice from Broadmarsh Advisory Group on design principles and commercial strategy.	Q1 2021/22 Complete
	Contractor demobilisation.	Q1 2021/22 Complete
	Outcome of LEP funding.	Q1 2021/22 Complete
	Full advice from Broadmarsh Advisory Group on creative vision and commercial approach.	Q3 2021/22 Complete
	Outcome of Levelling Up Fund bid	November 2021 Complete
	Phase 1 Demolition Complete.	Q4 2021/22
	Consider delivery options	March 2022
	Re-submit Levelling Up Fund Round Two Bid	Spring 2022
	Complete due diligence and move towards clean title of the Broadmarsh site	During 2022
	Development of Masterplan and Supplementary Planning Document	Dec 2022
	Complete first stage of Public Realm	Mar 2023
Review of Capital Schemes (District Heating Scheme)	Strategic Options Appraisal completed; investment appraisal finalised and NCC financial implications agreed.	Jan-2022
	Corporate assurance process completed	Jan 2022

Work-Stream	Actions/Milestones	Timescale
	Commission a new draft Municipal Waste Strategy and undertake public consultation on emerging policies and objectives	Feb 2022
	FCC Heads of Terms approved in principle	Q4 2021/2022
	FCC negotiations: commercial deal reached (subject to contract)	Q1 2022/23
	Contractual Close (3rd Line)	Q1 2022/23
	Investment plan drawn up	Q1 2022/23
	EE 'business' rapid operational review and implementation.	Q1 2022/23
	Executive Board decision to approve investment plan.	Q1 2022/23
	Market testing for 3rd party investment.	Q2 2022/23
	Formally adopt a final refreshed Municipal Waste Strategy	June 2023

## Accountability

<b>Lead Councillor</b>	Leader of the Council, in conjunction with Portfolio Holder for Finance and Resources, advised by Capital Board.
<b>Lead Officer</b>	Corporate Director of Finance and Resources, in conjunction with Corporate Director for Growth and City Development.

## Theme Five: Constitution (Governance and Decision Making)

Taking on board the recommendations of the External Auditor's recent PIR on Robin Hood Energy, and the recommendations of the NSR, Nottingham City Council will institute a new constitution to improve transparency, governance and accountability for council decision making.

We have delivered a new constitution, including improved Audit and Overview & Scrutiny functions that hold the City Council to account, with a focused work programme that monitors key council projects, and tracks performance against corporate metrics that give a "whole council" view of our activities, including the Council's finances.

### **Governance Improvement Programme**

---

Nottingham City Council has already started the process of reviewing and improving its system of governance and internal control, through our ongoing Governance Improvement Programme and the Governance Improvement Board (which met for the first time in December 2020). Our response to the PIR details the actions the Council is taking and will take up to June 2021.

The subsequent report of the NSR team builds on the findings and recommendations of the external auditor, and as a result there is significant overlap in the actions and activities required by both. In order to streamline management and reporting arrangements, and maximise the efficient use of limited resources, the Governance Improvement Programme has been rolled into the overall Recovery and Improvement Programme.

The actions contained within the PIR Action Plan are included within Themes Five and Three.

### **Updated Constitution**

---

Nottingham City Council's Constitution has been the subject of review since October 2020, following the adoption by Full Council of the Action Plan in response to the PIR.

This work focuses primarily on the Committee structure and functions, and on their Terms of Reference. This work will now continue alongside a comprehensive rewriting of the whole Constitution, with the aim of simplifying it and enabling the Council

# Theme Five: Constitution (Governance and Decision Making)

/54

to make effective decisions, and implement the broader change programme at the rate required.

This work will emphasise the separation and independence required between the Executive and Non-Executive roles within the Constitution, and strengthen the roles of the Overview & Scrutiny Committee and Audit Committee.

In addition, all Members and Officers will need to undertake mandatory company director training to reinforce their roles and responsibilities, before acting as a company director of a council owned company.

## Member / Officer Roles & Responsibilities

---

The NSR has highlighted the need to bring greater clarity to the different roles of Councillors and Officers, and their responsibilities to the organisation as a whole. A new Member/Officer Protocol has been adopted establishing a shared set of expectations for Officers and Councillors and will be embedded throughout the Constitution as a whole.

## Review of Portfolios

---

A refreshed portfolio structure that reduces overlap.

The review will support the Leader of the Council in the delegation of executive roles and responsibilities, giving clarity of purpose, avoiding cross over of duties where possible, and avoiding gaps in responsibility.

Together For Nottingham

## Member Development Programme

---

The elected members of the City Council have a unique and central role. They are individuals elected by citizens to set the policy agenda for the Council, are the ultimate decision makers, and in turn are accountable to the public.

The Council is committed to investing in ongoing support to the role of Councillors, building on their existing knowledge, community links and skills base.

The additional support offered by the LGA and other authorities, and the opportunity to discuss the experience of Members in similar authorities with members of the Improvement and Assurance Board, will create an opportunity for Councillors to examine how they apply their experience and local knowledge to the policies and services benefitting local people, in the new Nottingham context.

## Development of Scrutiny

---

As part of the early phases of this Theme a report into the Council's scrutiny activity was commissioned by the Council and undertaken by the Centre for Governance and Scrutiny. The report set out a number of recommendations around the Council's scrutiny function and these have been accepted and developed into an action plan. This project will oversee the delivery of this action plan which includes the creation of a Scrutiny Protocol, job descriptions for key scrutiny roles and the provision of further coaching, mentoring and training opportunities.

# Theme Five: Constitution (Governance and Decision Making)

/55

## Key Objectives

---

- To establish and embed best practice principles of corporate governance throughout our decision-making processes and Constitution.
- To provide clarity of the complementary roles of Officers and Councillors, and establish clear lines of accountability including the adoption of a new Member/Officer Protocol.
- To establish clear and well understood boundaries between the responsibilities of Officers and of Councillors.
- To ensure Executive and Non-Executive committees are able to fulfil their respective roles through clarification of their terms of reference.
- To simplify the current Portfolio groupings to reduce overlap.
- To simplify decision making during the delivery of this plan.

## Key Deliverables

---

The outputs that will be delivered through this work-stream will be:

- A new Member / Officer protocol.
- Revised terms of reference for Council Committees.
- A modernised Constitution.
- Committee development programme.
- Review of Portfolios.

## Key Activities

---

The key activities of this work-stream are:

- Consultation with the Executive and Committee Chairs.
- Sourcing external specialist support.
- Producing documentation.
- Formal approval/adoption processes.
- Communication/training on changes to processes and procedures.
- Scheduling and delivery of training packages.

## Key Risk

---

- Availability of specialist support within the required timescale.
- Remote delivery of training and DPIA requirements.
- Lack of clarity/awareness of new roles or procedures among Councillors or Officers.
- Unintentional delays to decision-making, or the creation of bottle necks because of constitutional changes.

## Key Activity Completed in Year One

---

The Council has introduced a Member / Officer Protocol and approved an updated Constitution, which incorporates updated Financial Regulations and Contract Procedure Rules. These are all



# Theme Five: Constitution (Governance and Decision Making)

/56

designed to provide greater clarity over roles and responsibilities and to provide the tools for improved decision making. Now that these documents are approved there will be a period of intensive training and cultural change work undertaken to ensure that their aims become embedded within the business as usual of the Council. There has been a review of portfolios which has seen them become better aligned to the Council's operational structure.

## Public Interest Report Sign Off

---

The Constitutional recommendations of the Public Interest Report were incorporated into the review of the Constitution including creating clarity in the roles of Overview and Scrutiny and Audit Committees and the review of the Scheme of Delegation and clarity of officer and Councillor roles.

## Key amendments to the refreshed Recovery and Improvement Plan

---

The one significant amendment to the original Together for Nottingham Plan is the addition of a new project to deliver the recommendations made by the Centre for Governance and Scrutiny on the Council's scrutiny activity.

Further milestones have also been added on the existing projects which set out how some of the change secured through the Theme will become embedded within the Council.

# Theme Five: Constitution (Governance and Decision Making)

/57

## Actions

Work-Stream	Actions/Milestones	Timescale
Member / Officer Roles and Responsibilities	Adoption of new Member Officer Protocol.	Jan-2021 Complete
	Full Council Approval of new Constitution including Councillor and Officer Articles	September 2021 Complete
	Delivery of mandatory officer training on working in a political environment	Q3 / Q4 2021/2022
	Delivery of councillor training on officer/councillor working relationships	Q3 /Q4 2021/2022
Member Development Programme	Committee Development Programme established.	Q2 2021/22 Complete
	Development and delivery of Overview and Scrutiny Development Programme with CfGS (further outlined in the Development of Scrutiny Project)	Q3 / Q4 2021/22
	Development and delivery of detailed Councillor role descriptions/ skills required and training to support the development of these skills	Q3 / Q4 2021/22
	Completion of Year 1 Committee Development Programme Delivery.	Q4 2021/22
Review of Portfolios	Completion of Portfolio Review.	Mar-2021 Complete
Updated Constitution	Adoption of revised Overview & Scrutiny Terms of Reference.	Jan-2021 Complete
	Adoption of revised Companies Governance Executive Sub-Committee (Shareholder Panel) Terms of Reference.	Mar-2021

# Theme Five: Constitution (Governance and Decision Making)

/58

Work-Stream	Actions/Milestones	Timescale
	Adoption of revised Audit Committee Terms of Reference.	Mar-2021 Complete
	Adoption of standardised ToRs for all Committees.	Q1 2021/22 Complete
	Review of Scheme of Delegation.	Q1 2021/22 Complete
	Review of Financial Regulations.	Q1 2021/22 Complete
	Update of Management Structure (to follow Officer restructure).	Q2 2021/22 Complete
	Review Procedures and Standing Orders.	Q1 2021/22 Complete
	Redraft of New Constitution.	Q1 2021/22 Complete
	Formal adoption of Constitution.	Q2 2021/22 Complete
	Revisions to existing delegated decisions system to account for revised decision making arrangements	Q3 2021/2022 Complete
	Development and delivery of guidance and training on new decision making process.	Q3 / Q4 2021/2022
	Development of a new electronic delegated decisions system	TBC
	Review of new Constitution including Executive Delegations	April 2022
	Development of new Scrutiny Protocol	Jan 2022

# Theme Five: Constitution (Governance and Decision Making)

/59

Work-Stream	Actions/Milestones	Timescale
Development of Scrutiny	Renaming of Health and Adult Social Care Scrutiny Committee	October 2021 Complete
	Scheduling of regular meetings between Committee Chairs and Portfolio Holders to ensure awareness of priorities and where Overview and Scrutiny can add value.	October 2021
	Job descriptions prepared for the roles of Chair, Vice Chair and Committee Members of the scrutiny committees.	December 2021
	Coaching, mentoring and training programmes to be introduced for scrutiny committee members.	January 2022
	Opportunities for re-establishing joint health scrutiny arrangements with Nottinghamshire County Council to share and make best use of available resource to be explored.	May 2022

## Accountability

Lead Councillor	Deputy Leader of the Council, supported by cross party member working group.
Lead Officer	Director of Legal & Governance.

## Theme Six: Organisation & Culture

The Council recognises that in order to drive change at the pace and scale required, we must first ensure that we are able to establish clear organisational goals and individual accountabilities, and have effective mechanisms of monitoring and control.

It is equally important that we recognise the strengths of our workforce, and put in place the support to help our people build on their existing skills and experience. This includes celebrating and embracing our diversity and using different perspectives to inform better decision making.

### Setting Top Level Goals

---

The City Council will adopt the procedure outlined in the Joint Negotiating Committee (JNC) for Chief Executives, in order to ensure that the targets set by the Leader for the Chief Executive can effectively flow through the senior officer structure, which in turn will allow the Chief Executive to hold senior officers to account for the delivery of the Council's priorities.

This will support the delivery of the organisation's goals by identifying and clarifying the key objectives, priorities and targets of the Council, and appropriate timescales for their achievement over the period of this plan and in each year.

A clear appraisal process for the Chief Executive will enable a clear cascade of responsibility through the Chief Executive to the rest of the officer structure, which will underpin performance management

Together For Nottingham

of the whole organisation. The Chief Executive will set the example and role model the expected behaviours for all leaders / managers in the organisation.

### Simplifying the Officer Structure

---

To ensure these objectives have clear ownership and can be cascaded effectively, the senior officer structure will be simplified. The Chief Executive will bring forward proposals for a high level restructure of the organisation to provide greater clarity and focus to the responsibilities of the Corporate Leadership Team.

### Individual Performance Management Appraisals

---

An effective Performance Management Framework (PMF) is integral to the effective delivery of the plan and priorities, as well as clear accountability and good governance.

The development of the Council's new PMF is covered in Theme 8, however in order to work effectively links from the Council Plan have to be made through to both service areas and individual colleagues. This project looks at the development and roll out of a new individual performance appraisal system, which will drive cultural change, service transformation and delivery of the Council's objectives. Good quality, regular performance and development conversations will ensure that expectations are clear and that support and development required to succeed are provided.

## Culture & Workforce Development

---

We recognise that changes to structures and performance management arrangements will not in themselves lead to organisational change without the right culture and individual behaviours in place.

For this reason, the Together for Nottingham Plan will prioritise the delivery of a far reaching and meaningful cultural transformation programme, supported by the Local Government Association, taking full account of the Council's absolute commitment to equality, diversity and inclusion. This programme will focus initially on leadership and management behaviours and councillor behaviour through structured development activity, before involving all colleagues across the Council.

This will clearly articulate both the current prevailing culture and the desired culture, as well as providing sharp focus to the individual behaviours and competencies that need to change or be developed. The programme will have a clear focus on customer and citizen need and how the council works with partners and local communities into the future. The theme of 'collaboration' runs through our programme and specific behavioural expectations around collaboration and partnership working feature in our new approach to Individual Performance.

Our approach to city wide partnerships and working with our local communities will be the focus of a programme in design with Nottingham Trent University and will launch in 2022.

Nottingham City Council also recognises that the scale and pace of change required will place a significant draw on capacity while the organisation seeks to reduce the overall size of the workforce.

Together For Nottingham

The external support available through sector partners including the LGA, CIPFA and other local authorities, and the external members of the Improvement and Assurance Board, will help develop and shape our approach, however there will also be a need to develop or acquire the additional skills and resource levels required in the short term.

The Together for Nottingham Plan should also be seen as an opportunity for officers and councillors to develop new skills and experiences which can benefit the organisation in the longer term and where possible, we will use the workforce development programme to support this process.

## Improving Equality, Diversity and Inclusion

---

Through our extensive culture change work we will drive significant improvements in relation to equality, diversity and inclusion (EDI) within the council and across the city. New behavioural expectations with a specific set around EDI form part of our new approach to Individual Performance and the accompanying development programme aims to create inclusive leaders representative of the city we serve.

A specific Accelerated Development Programme (ADP) for colleagues from under-represented groups and those with protected characteristics will be delivered from January 2022 to support our work in ensuring that all colleagues can thrive, achieve and progress at work. In addition, recruitment is underway for a group of 'Change Accelerators' who will support our council wide Transformation Programme with diversity of applicants a priority.

## Key objectives

---

- Establish a clear set of organisational objectives and the mechanisms to hold the Chief Executive to account, and through the Chief Executive to hold senior officers to account for their delivery.
- Ensuring that these objectives can be embedded within the activities of the organisation as a whole through clear and effective lines of accountability.
- Provide officers with clarity of focus and easily understood remits which deliver for the citizens of Nottingham.
- Create a sharper focus on performance for everyone in the Council and set clear expectations for colleagues.
- Celebrate and build on the local knowledge and passion of councillors in advocating for their communities as part of a culture that champions Nottingham and its people.
- Set a new standard for personal responsibility and behaviour, and recast the cultural norms of the whole organisation, including greater clarity on councillor and officer roles and responsibilities.

## Key activity

---

- Revising and simplifying high level officer structure.
- Scoping and commissioning an Officer Development Programme with an initial focus on leading and managing well.

- Accelerated Development Programme targeted at colleagues from under-represented groups and those with protected characteristics.
- Councillor development with a focus on councillor and officer roles and responsibilities.

## Key deliverables

---

- Top tier officer restructure.
- CEX performance appraisal procedure.
- New approach to Individual Performance Reviews.
- Officer Development Programme and specific Accelerated Development Programme.
- Recruitment of a diverse group of 'Change Accelerators' and a collaborative programme with Nottingham Trent University.
- Councillor Development Programme.

## Key Risks

---

- Skills retention during transformation.
- Adverse impact on colleague morale.
- Change resistance.
- Lack of engagement and buy in from senior officers and executive councillors, meaning performance management is not taken seriously enough.

## Key Activity Completed in Year One

---

The Council has revised its top-level officer structure and implemented a new performance regime for both its services and senior colleagues involved in delivering these services. This includes a new approach to reviewing the individual performance of the Chief Executive.

Work has also been completed to gain a deep understanding of the organisation's current culture as a precursor to defining what desired culture the Council requires in order to deliver its improvement ambitions and deliver organisational transformation.

A new Leading and Managing Development Programme has been launched to complement and support the new approach to Individual Performance Reviews now being utilised by senior officers. Councillor development activity has increased, including input from the LGA on Councillor-Officer roles and financial decision making by industry experts at The Chartered Institute of Public Finance and Accountancy.

## Key amendments to the refreshed Recovery and Improvement Plan

---

This Theme previously contained work on the updating of the Council's Performance Management Framework. This has now been moved to Theme 8 in order to emphasise the links between policy and service planning.

The key to successfully delivering the wider outcomes of the Together for Nottingham Plan requires significant activity to embed new practices and behaviours to secure longer term sustainable change.

The changes made to this Theme reflect that requirement and set out in more detail how this will be achieved over the course of the Together for Nottingham Plan.



## Actions

Work-Stream	Actions/Milestones	Timescale
Setting Top-Level Goals	Final draft of proposed top level goals to CEX for review and approval	End of February 2021 Complete
	Identify and agree CEX appraisal mechanism	End of February 2021 Complete
	External partner identified and secured to assist in facilitation of PA process.	April 2021 Complete
	Adoption of the Chief Executive Performance Appraisal Procedure to commence April 2021	April 2021 Complete
	Start of Year conversation – setting of objectives	April/May 2021 Complete
	Mid-Year Review conversation	October /November 2021 Complete
	End-Year Review conversation	April/ May 2022
Simplifying the Officer Structure	ACOS report 1 on Corporate Director structure.	Feb-2021 Complete
	Complete outstanding Corporate Director appointments.	Q1 2021/22 Complete
	Develop principles on which to review phase 2 of the structure	Q1 2021/22 Complete

Work-Stream	Actions/Milestones	Timescale
	Engagement with CLT and Cllrs on principles and approach of working with LGA.	Q1 2021/22 Complete
	Engagement with CLT and LGA (subject to approval) on desk top exercise of areas to begin service reviews.	Q1 2021/22 Complete
	Train colleagues to support the Decision Making Accountability process	Q2 2021/22 Complete
	Undertake structured DMA interviews and conversations with 17 Divisions across the Council	Q1 to Q4 2021/22
	Provide structured DMA report, including themes and recommendations for each area	Q2 to Q4 2021/22
	Informal and formal consultation on phase 2 of senior structure of the Council restructure. To take place across whole Council.	Q3 to Q4 2021/22 and Q1 2022/23
	ACOS report 2 on Director HOS structure .	Q4 2021/22
	Provide structured DMA report, including themes and recommendations for each area. Proposed recommendations to go to CLT, ACOS and/or collective consultation as appropriate.	Q2 to Q4 2021/22
Individual Performance Management Appraisals	Cascade CEX targets to Corporate Directors.	Q2 2021/22 Complete
	Design and deliver new approach to Individual Performance Reviews.	Q2 2021/22 Complete
	Design guidance and toolkit to support the embedding of the new individual performance appraisals for SLMG colleagues	Q1 2021/22 Complete
	Embed the new approach to Individual Performance Reviews (IPR) with SLMG colleagues	Q2- Q4 2021/22
	Measure and report on IPR completions and quality for SLMG colleagues - refine process as required	Q1 2021/22

Work-Stream	Actions/Milestones	Timescale
	Design approach to IPR and roll out plan for non-SLMG colleagues, including engagement/consultation with all stakeholders	Q2/Q3 2021/22 Complete
	Design guidance and toolkit to support the embedding of the new individual performance appraisals for non-SLMG colleagues	Q3 /Q4 2021/2022
	Engage with all leaders/managers on new approach to IPR and set expectations	Q3 / Q4 2021/2022
	Engage with all colleagues (comms/engagement plan) re: new approach to IPR – briefings, support, training	Q4 2021/2022
	Deliver/launch new approach to IPR for non SLMG roles	Q1 2022/2023
	Embed the new approach to IPR with non-SLMG colleagues	Q2 / Q4 2022/2023
	Measure and report on IPR completions and quality for non-SLMG colleagues - refine process as required	Q1 2023/2024
Culture & Workforce Development	Develop and agree Leadership Capability Framework (LCF).	Feb-2021 Complete
	Culture mapping - Senior Leadership.	Feb-2021 Complete
	Attend CLT – Re: Initial findings from Culture Mapping (SLMG and Exec)	Feb -2021 Complete
	Undertake Culture Mapping exercise (survey and focus groups) with non-SLMG colleagues	Mar-2021 Complete
	Attend Senior Leadership Forum – update on culture-mapping and share new behavioural expectations	Mar -2021 Complete
	Design/create comms and engagement plan for RIP, including creation of Team Brief cascade process and dynamic forward plan of messaging	Q1 to Q4 2021/2022

Work-Stream	Actions/Milestones	Timescale
	CLT session to agree, values and future culture message map and vision.	Mar-2021 Complete
	Design and deliver comms and engagement activities to share findings of culture mapping (current state), change narrative and future desired state	Q1 to Q4 2021/22 Complete
	Create long change narrative, short narrative and strapline to be woven through all comms/engagement activity, including new branding for RIP (in partnership with Transformation Office)	Q3 to Q4 2021/2022 Complete
	Seek LGA resources to fund a coaching (coaching for performance) programme for Corporate Directors / CLT. CEX to determine the remit and use to support cascading of targets.	Q1 to Q4 2021/22
	Develop Leadership Capability framework including competencies and new behavioural expectations for Directors and SLMG roles.	Q2 2021/22 Complete
	Design and commence delivery of leadership development programme to help embed leadership framework and new behavioural expectations (SLMG and T4 Managers)	Q3 – Q4 2021/2022
	Design and deliver and/or commission a range of development activity for councillors	Q1 – Q4 2022/2023
	Further develop Leadership Capability Framework including competencies and new behavioural expectations for non-SLMG colleagues, including consultation/engagement with all stakeholders	Q2 – Q3 2022/2023
	Seek LGA resources to procure and fund an Accelerated Development Programme (ADP) for people with protected characteristics, to support NCC EDI ambitions.	Q3 2021/22
	Evaluate, refine and deliver more cohorts for ADP as appropriate (Non SLMG)	Q1 / Q2 2022/2023
	LGA to facilitate an external review of HR practice re EDI focussed on recruitment/selection/progression	Q3 2021/2022
	Specification for commissioned elements of the EDI programme refined/complete and put out to potential providers.	Q3 2021/2022 Complete

Work-Stream	Actions/Milestones	Timescale
	Develop branding, communications and application process ready for launch.	Q3 2021/2022 Complete
	Begin ADP identification and recruitment process (in-house)	Q3 2021/2022
	ADP - first cohort to be begin – delivery of interventions	Q4 2021/2022
	Evaluate, refine and deliver more ADP cohorts as appropriate	Q1 to Q2 2022/2023

## Accountability

<b>Lead Councillors</b>	Portfolio Holder for Leisure, Culture and Schools and Portfolio Holder for Children and Young People.
<b>Lead Officer</b>	Chief Executive, with Director for HR, Equality, Diversity and Inclusion

## Theme Seven: Service Design and Delivery (formerly **Delivery Options**)

In March 2020 we began to operate in the context of a global pandemic. The impact this has had on the way the council operates has given a new impetus to rethinking the way services are designed and delivered. However, our aspirations across delivery options are not new. We will review services in order to effectively prioritise, personalise, simplify and rationalise delivery. This process will be overseen by a Transformation Board.

### **Prioritisation and personalisation**

---

We must help communities become more resilient by targeting our support where we can make the biggest difference and helping people help themselves where their needs are less. This means making it easier to access support using web-based information and advice; understanding a person's wider needs; joining up our support; and starting from a position of looking at what people can do rather than what they can't.

We want to create a route for people where everything is addressed together. A place where we have the right things in place to allow those that can to self-serve so we can focus on those that can't - to

Together For Nottingham

ensure we can target our support to our most vulnerable residents and those that are the most in need.

### **Simplification and rationalisation**

---

We want our residents to have a positive relationship with the council; one that is simple, informative and intuitive. Our residents expect modern, efficient, accessible services and a timely response to every interaction with the council, and we want to match the expectations of our community and the way of doing business that our residents already have when dealing with other organisations.

We must reduce the variation in how we do things inside the council by starting from a principle of simplifying processes and automating wherever feasible. To free up resource to do the highest value-adding work, we must start from a principle of rationalising onto a few core systems.

The outcome will be an empowered, energised and enabled resident community engaging with us through increased digital channels that quickly direct them to the right resources at the right time. We will however continue to support those people who are

# Theme Seven: Service Design and Delivery (formerly Delivery Options)

170

unable to access digital services to help them get the access they require.

**This work will inevitably change the way the council looks, feels and works – it will mean:**

- We design our services with residents and communities, rather than holding the power ourselves.
- We act in ways which build on individual, family and community strengths rather than starting with what needs a council service can fill.
- We take a whole family approach, seeing and understanding people in the round rather than through a particular service's view.
- We join up our interactions to streamline them and to provide early support and intervention.
- We reduce the variation in how we do things, rationalising our systems and standardising and simplifying and automating our processes wherever appropriate.
- We will be a smaller and more streamlined organisation.

## Key Objectives

- To maximise our ability to achieve our priority outcomes by increasing the efficiency of service delivery.
- To rationalise and simplify our modes of delivery and influence under a coherent strategy.

- To build on existing core capacity and capabilities in those areas where we excel.
- To reduce the administrative overheads associated with complex and inconsistent delivery methods.
- To make the most of the digital tools at our disposal to make it easier for citizens to transact with the Council, promote a viable self-serve model and reduce duplication.
- To maximise residents' capacity to support themselves and their communities.

## Key Deliverables

The outputs that will be delivered through this work-stream will be:

- First wave of business cases for service transformation in November 2021.
- Second wave of business cases for service transformation in January 2022.
- Third wave of business cases for service transformation in March 2022.
- Execution of new delivery plans.

---

## Key Activities

---

The key activities of this work-stream are:

- Review of current service designs and performance against service design principles.
- Cost/benefit analysis of existing services delivery methods.
- Mapping of customer contact points and restructuring of existing contact centre (and similar) teams.
- Redesign of transactional processes.
- Creation of clear service transformation plans in the key areas of People Services, Resident Services, Growth and City Development and Corporate Services

---

## Key Risk

---

- Data availability and quality for comparative analysis.
- Availability of sufficient resources for the client role and contract management.
- Provider failures/financial distress associated with the current pandemic.
- Change resistance.



## Actions

Work-Stream	Actions/Milestones	Timescale
Business Case Approval	Wave One Project Business Cases approved	November 2021
	Wave Two Project Business Cases approved	February 2022
	Wave Three Project Business Cases approved	April 2022
Implementation	Wave One Projects initiated	January 2022
	Wave Two Projects initiated	March 2022
	Wave Three Projects initiated	May 2022
Resourcing	Transformation resourcing plan approved	November 2021
Capability Building	Workforce transformation development plans in place	February 2022
Transformation Plan Review	Review of Transformation Plan	March 2022

## Accountability

<b>Lead Councillors</b>	Portfolio Holder for Skills, Growth and Economic Development, and Portfolio Holder for Adults and Health.
<b>Lead Officer</b>	Chief Executive in conjunction with Director for Strategy, Performance, Marketing and Comms

## Theme Eight: Council Plan

The Council Plan 2019-23 set out the vision for improving our great city while keeping citizens at the heart of everything we do. It is about the future of our city for all who live, work, study, invest and visit here, and is rooted in straightforward values of fairness, inclusivity and equality.

This vision and ambition for the city and its people is unchanged, however the context in which we operate has changed dramatically since 2019, not least, as a consequence of the social and economic impacts of Covid-19. It is clear that if we are to achieve our aims and live up to our aspirations for Nottingham, we must be prepared to rethink what we do and how we do it.

Nottingham City Council has developed a refreshed policy framework, the Council Plan, reaffirming our vision for the next three years, taking full account of the council's absolute commitment to equality, diversity and inclusion, while also ensuring it is deliverable within a reduced funding envelope.

This includes:

- A clear vision for the City and Council and our strategic priorities for the next three years.
- A robust policy framework to deliver against our priorities within the available resources.
- Effective internal controls and management arrangements to ensure we remain able to fulfil our statutory duties.

Together For Nottingham

### Refresh of Council Plan 2019-23

---

The 2019-23 Council Plan is made up of a range of activity and commitments. It is a mix of high-level indicators, performance measures and actions. We have therefore developed a revised Council Plan for 2021-23 that reflects the City Council's budgetary position over the short and medium term.

We will review the commitments in the current plan against the funding and resources available, confirm our high-level outcomes for the refreshed plan, and include the council's statutory and transformation activity that supports those outcomes. The refreshed Council Plan provides greater focus on the core and statutory services and activities the Council needs to provide to support our local people, places and partners.

### Performance Management Framework

---

An effective Performance Management Framework (PMF) is integral to the effective delivery of the Strategic Council Plan and priorities, as well as clear accountability and good governance.

The Performance Management Framework has been agreed and we are now populating targets, commitments and indicators into our corporate performance management system, Pentana. In future, performance will be reported regularly to members and officers throughout the year. Performance management sessions will

include updates to DLTs each month, and to CLT and the Executive at least quarterly so that performance is managed in a timely and effective manner.

A refreshed Strategic Council Plan, a new policy framework, and an associated PMF are substantial contributors to the ability of Nottingham City Council to deliver good governance and accountability from top to bottom of the organisation.

## Policy Framework

A clear, up to date and well communicated policy framework will allow the City Council to make better decisions with greater pace.

The current policy framework is disparate and there is no central repository. Some areas of the policy framework have also become out of date and these plans and strategies require our attention.

The Council's Corporate Leadership Team are reviewing the policy framework and where any gaps exist, are leading on framing a discussion with members.

The new policy framework will set out how the Council will prioritise its efforts and resources and how we would wish to see our partners do likewise. It will enable clearer decisions to be made with less hesitation.

The development of clear guidance on producing policy and strategies is underway. A working definition of policy, strategy and action plans is being developed to help embed the Councillor/Officer Protocol. This work will also explain which strategic documents should sit within the Council's overall policy framework.

Together For Nottingham

We will establish a new policy framework by the end of quarter 1 of 2022/23.

## Key Objectives:

- The refreshed Council Plan sets out the operating context for the Council, the high-level needs in the city, and our vision for Nottingham, clearly articulating our role in delivering on that.
- The new Policy Framework and refreshed Council Plan 2021-23 includes all of the Council's activities to ensure that our whole organisation's performance is visible and managed through the governance and accountability frameworks.
- We will establish high-level outcomes using outcome-based accountability, with a series of detailed measures under each outcome, so that service activity/outputs are clear, and services are accountable for their contribution to our overall strategic goals.
- We will enable performance management at all levels through a "golden thread" that runs from the overall strategic aims and objectives at the top of the organisation, and the outcomes of the refreshed Council Plan, down to service plans and individual colleague appraisal objectives. This will ensure that operational performance and risk has a line of sight to the overall reporting of the Council Plan performance, as well as clear accountability for the delivery of activities in the plan.
- A strong link will be established to financial performance, corporate risk and our workforce and corporate health. In this way the PMF can enable us to look at performance in association with financial, risk and workforce plans.

- We will be clear to citizens, businesses and stakeholders about what our priorities are and where our resources are directed.
- We will explain the governance and accountability mechanisms to ensure the delivery of the plan and to enable citizens to hold us to account.

## Key activity

---

- Develop an agreed methodology and scope for re-prioritising the commitments in the current Council Plan to 2023.
- Review the current organisational aims and establish an agreed set of priorities for the next three years.
- Develop a Performance Management Framework using outcome-based accountability.
- Establish dedicated resource to support effective corporate management of performance.
- Develop a core set of outcomes, each with a range of priorities, indicators and clear accountability for delivery.
- Develop a refreshed Council Plan that includes:
  - The vision and operating context of the Council.
  - Current Council Plan commitments (revised).
  - All statutory responsibilities (organised around key outcomes).
  - New areas of responsibility and action resulting from Covid19 (organised around outcomes).

- Details of the transformation activities to put the Council onto a sustainable footing.
- Details of the governance and accountability framework.
- A statement about our current financial position and how it impacts the above.
- Ensuring all key policy and strategic plans are current.
- Creating clear guidance on producing policies and strategies.
- Defining policy, strategy, and action plans to better embed the Councillor/Officer Protocol and set out what strategic documents sit within the policy framework.
- Bringing together all the City Council's strategic documents in a central repository.

## Key Deliverables

---

- A refreshed 2021-23 Council Plan.
- A new policy framework for the City Council.
- A new Performance Management Framework

## Key Risks

---

- The revised Council Plan and new policy framework failing to sufficiently take account of both the needs of citizens and businesses in Nottingham, and the views of the Improvement and Assurance Board.

- Concerns raised in the context of any departure from the existing policy framework.
- Failure to use the PMF and the Council Plan effectively within the decision-making framework – in other words introduction of new activities without consideration of what needs to change in the PMF and Council Plan.
- Failure to agree a refreshed Council Plan means the new PMF does not capture / reflect core Council activity, leading to a lack of oversight and accountability.
- Failure to provide the resources specified within this plan to ensure the PMF can be successfully delivered, resulting in incomplete, inaccurate and failing performance management.
- The ongoing impact of Covid-19 and other changes and impacts deriving from the national policy context.

## Key Activity Completed in Year One

Theme 8 has delivered a refreshed corporate plan for the City Council: the Strategic Council Plan.

As part of the Together for Nottingham Plan, the City Council was required to review its wider policy framework in light of the new operating context in which it finds itself, including a refreshed corporate plan for the organisation that takes into account the funding and resources available to it.

The Strategic Council Plan sets out our vision, high level outcomes and priorities over the next two years. It has a greater focus on the key statutory services the City Council is required to provide and that local people expect.

Together For Nottingham

It clearly articulates a set of high level outcomes and interventions that we think will significantly improve the lives of local people and improve the city overall, with a series of strategic priorities and detailed, measurable activities underneath that support each outcome, so that Council services can be better held to account for their contribution to the Council's overall strategic goals.

A comprehensive Performance Management Framework is being put in place that will underpin delivery of the plan, and provide the Improvement & Assurance Board, Corporate Leadership Team, Leadership Group, the public, partners and stakeholders with the necessary assurance that performance management is being undertaken by the authority in a rigorous and transparent way. This includes appropriate oversight and reporting of the performance of the organisation being in place.

The Strategic Council Plan was formally adopted as Council policy at Full Council on 13<sup>th</sup> September 2021.

The Council consulted widely on the draft Strategic Council Plan, actively seeking the views of local people, employees and key partners, to inform and improve the Strategic Council Plan and help ensure the policy framework we operate within is robust and focused on the right outcomes for the city and local people.

The refreshed plan supports a more medium-term financial planning horizon and the achievement of a sustainable, balanced budget in the context of a refreshed policy framework and direction for the Council.

## Key amendments to the refreshed Recovery and Improvement Plan

The management of the Performance Management Framework has been moved into this Theme from Theme 6.

More detail has been set out on what the Policy Framework work stream will achieve.

The Strategic Council Plan covers the period from 13<sup>th</sup> September 2021 up to 31<sup>st</sup> March 2023.

Local elections are expected to take place in Nottingham in May 2023, and a new corporate plan for the organisation will need to be created following the election of a ruling group for the City Council. Any new corporate plan will need to have regard to the Together for Nottingham Plan that runs until 2024. The new corporate plan will also have to meet the continuing need to ensure that the City Council achieves a sustainable, balanced budget in the context of a refreshed policy framework and direction for the Council. This will be aligned with transparent, effective and efficient decision-making and having regard to the resources that are available to us to deliver this on behalf of the people of Nottingham.

An indicative high-level timeline for a new Corporate Plan from 2023 is:

- May 2023 – Local election held and ruling group manifesto adopted as Council policy in principle.
- June – September 2023 – a new corporate plan and performance framework developed, including consultation and agreement/sign off with Corporate Leadership Team, elected political leadership.
- October 2023 – Consultation with employees, public and key partners/stakeholders
- November 2023 – new corporate plan endorsed at Executive Board.
- November 2023 – new corporate plan formally adopted as Council policy at Full Council.

## Actions

Work-Stream	Actions/Milestones	Timescale
Review and refine existing policy framework and Council Plan	Develop an agreed methodology and approach with political leadership for refreshing the Council Plan in the context of a revised funding envelope, the Together for Nottingham Plan and the unprecedented challenges of Covid-19 to 2023.	Jan-2021 Complete
	DLUHC Improvement and Assurance Board comment on proposals.	Feb-2021 Complete
	Seek input and best practice from the LGA and other Core Cities to ensure that our plans take account of learning from elsewhere.	Feb-2021 Complete
	Based on agreed list of statutory departmental indicators and the retained Council Plan 19-23 priorities - Set out 20-30 outcomes, as part of an Outcome Based Accountability approach, each with a range of performance indicators, priorities, and outputs, with clear accountability for delivery.	Mar-2021 Complete
	Using the outcomes developed as a basis, map a proportionate and indicative set of measures from NCC's statutory duties as further priorities, indicators and performance measures to provide a clear high-level view of the Council's performance against statutory requirements.	Mar-2021 Complete
	Bring the agreed outcomes, priorities, statutory indicators and performance measures together so that a whole organisation approach is firmly developed in the first draft of the refreshed Council Plan.	Mar-2021 Complete
	A public consultation on the draft plan could be conducted to allow Nottingham's people, businesses and other key stakeholders to set out their view on what NCC should prioritise.	Mar/Apr 21 Complete
	The new recovery Council Plan is formally adopted at Full Council along with the Performance Management Framework (PMF covered in Theme 6)	Sept 2021 Complete
	Defining policy, strategy, and action plans to better embed the officer / member protocol and set out what strategic documents sit within the policy framework	Nov-21
	Creating clear guidance on producing policies and strategies	Jan -2022

Work-Stream	Actions/Milestones	Timescale
	Service planning process to be carried out for 2022/23 to ensure deliverability of the final year of the plan and linked to the budget/MTFP process (and MTFP delivery plan (Theme One))	Feb-2022
	Development of the Policy Framework bringing together all the City Council's strategic documents in to a central repository and identifying any that are out of date	Q1 2022/23
Performance Management Framework	Internal review of approach to creating new Performance Management Framework.	Jan-2021 Complete
	Core Group comments on and agrees work stream's recommended approach to creating a new PMF and Council Plan.	Jan-2021 Complete
	Engagement: <ul style="list-style-type: none"> <li>• Agree methodology at CLT and nomination of lead officer(s) for each department.</li> <li>• Agree methodology with Leadership.</li> <li>• Agree methodology with Executive Councillors.</li> <li>• DLUHC Improvement and Assurance Board comment on proposals.</li> </ul>	Feb-2021 Complete
	Departments (through agreed Departmental Lead) to establish representative sample of statutory indicators.	Feb-2021 Complete
	Departmental leads to seek sign-off/approval of indicators via PFHs.	Feb-2021 Complete
	Draft Performance Management Framework developed on Statutory Indicators, plus retained elements of the existing CP.	Mar-2021 Complete
	Engagement: <ul style="list-style-type: none"> <li>• CLT comment on and agree draft PMF.</li> <li>• Leadership comment on and agree draft PMF.</li> </ul>	Mar-2021 Complete



Work-Stream	Actions/Milestones	Timescale
	Portfolio Holders sign-off the PMF (outcomes, priorities and outputs) that directorates have developed and will target for delivery. Portfolio Holders review and comment on the new Plan and agree the impact on their portfolio.	Apr-2021 Complete
	Consult Improvement and Assurance Board on PMF.	Apr-2021 Complete
	Performance Management Framework and Strategic Council Plan formally adopted at Full Council.	Sept- 2021 Complete
	Operationalise the PMF (with initial focus on SCP and Critical Indicators) including: <ul style="list-style-type: none"> <li>Defining baselines, targets (where applicable), accountable officers, frequency of data availability, source etc</li> <li>Build new structure in Pentana</li> <li>Establish data feeds (automated where possible)</li> <li>Develop reporting dashboards</li> <li>Initiate corporate quarterly reporting to CLT, Leadership, Portfolio Holders and Executive Panel</li> </ul>	January 2022  (Q3 Reporting Cycle)
	Establish consistent approach to monthly Directorate Performance Clinics including: <ul style="list-style-type: none"> <li>Terms of reference and other monthly documentation</li> <li>Standard agendas and other monthly documentation</li> <li>A focus on performance, risk and budget</li> <li>Performance and risk management of the MTFP Delivery Plan</li> </ul>	April 2022

## Accountability

<b>Lead Councillors</b>	Deputy Leader in partnership with whole Executive.
<b>Lead Officer</b>	Chief Executive in conjunction with Director for Strategy, Performance, Marketing and Comms

## Glossary of terms

- ACOS - Appointments and Conditions of Service
- ADP – Accelerated Development Programme
- ALMO – Arm’s Length Management Organisation
- CEX – Chief Executive
- CGESC – Companies Governance Executive Sub-Committee
- CfGS – Centre for Governance and Scrutiny
- CIPFA – Chartered Institute of Public Finance and Accountancy
- CLT – Corporate Leadership Team
- C Tax – Council Tax
- DLT – Departmental Leadership Team
- DLUHC – Department for Levelling Up, Housing and Communities (formerly Ministry for Housing, Communities and Local Government MHCLG))
- DPIA – Data Protection Impact Assessment
- EDI – Equality, Diversity and Inclusion
- EE – Enviroenergy
- EIA – Equalities Impact Assessment
- FRI – Full Repair and Insuring Lease
- GDPR – General Data Protection Regulation
- HIA – Health Impact Assessment
- HOS – Heads of Service
- HR – Human Resources
- IT – Information Technology
- IPR – Individual Performance Framework
- ITP – Integrated Transformation Programme – this links to the work undertaken in Theme 7 Service Design and Delivery
- LCF – Leadership Capability Framework
- LEP – Local Economic Partnership
- LGA – Local Government Association
- MTFP – Medium Term Financial Plan (see also MTFS below)
- MTFS – Medium Term Financial Strategy
- NCC – Nottingham City Council
- NCH – Nottingham City Homes
- NHS – National Health Service
- NRB – Nottingham Revenue & Benefits
- NSR – Non-Statutory Review of Nottingham City Council, led by Max Caller CBE, on behalf of DLUHC.

- PID – Project Initiation Document
- PIR – Public Interest Report on Robin Hood Energy (see RHE)
- PMF – Performance Management Framework
- PMO – Programme Management Office – a support function to the Officers accountable for delivering elements of the plan
- Q1, Q2, Q3, Q4 – Quarter 1 (April to June), Quarter 2 (July to September), Quarter 3 (October to December), Quarter 4 (January to March).
- R&IP – Recovery & Improvement Plan
- RAG – Red, Amber, Green performance management ratings
- RHE – Robin Hood Energy
- RSG – Revenue Support Grant
- Senior Leadership Forum – an officer forum comprising of SLMG
- SLMG – Senior Leadership Management Group
- TBC – To Be Confirmed
- TOR – Terms of Reference for a Committee or Board.
- VfM – Value for Money

## Index of High Level Deliverables

DLUHC Theme	Product / Outcome	Timescale	Plan Theme / Section	Location
Assurance	<b>Improvement Board established</b> The Board will be in place to challenge, support and improve performance, with the first meeting in January, to agree a commentary on the Council's recovery plan when it is submitted to the Secretary of State, and a forward plan of work to support quarterly evidenced based progress reports.	December 2020		10
Assurance	<b>A three-year recovery plan submitted to the Secretary of State</b> With actions, milestones and accountabilities to restore the financial viability of the Council's capital programme and revenue budget.	January 2021		
Finance	<b>A robust three-year medium-term financial plan</b> With actions to end the reliance on annual budget setting and a plan to restore financial resilience, including through long term cost reduction and building reserves (targets should be included for capital receipts).	January 2021	MTFS	25
Finance	<b>A robust draft budget for 2021/22</b> With a clearly identified funding gap/ask and evidence of significant measures already included to close that gap, including asset disposals.	February 2021	MTFS	25
Finance	<b>A detailed savings plan</b> Including a schedule of who is responsible for each identified saving, an implementation plan, and a description of the process the council will put in place for generating further savings (star chamber model).	January 2021	MTFS	25

DLUHC Theme	Product / Outcome	Timescale	Plan Theme / Section	Location
Finance	<p><b>Updated Council Plan</b> To update the council's policy framework and revise its operating model to show clearly that the council can meet its statutory requirements; and that delivery plans have regard to its medium-term financial strategy.</p>	June 2021	Council Plan	72
Finance	<p><b>A detailed asset disposal strategy</b> Including a review of capital assets and a disposal plan. This will include a detailed plan to deliver a very significant increase in capital receipts, for both General Fund and Housing purposes, to fund existing schemes and to fund or co-fund a capitalisation Direction. It will also detail assets or commercial ventures which should be exited, owing to a lack of expertise or rationale for remaining involved. In both cases, the plans will need a clear timetable.</p>	April 2021	Assets	33
Finance	<p><b>Debt Management Strategy</b> This should reflect an annual step down in external borrowing and include a commitment to quarterly returns on asset disposals.</p>		Capital Programme	46
Governance	<p><b>Council adopts an updated constitution</b> To clearly define roles and responsibilities of members and officers, the framework within which they operate, decision-making processes, performance management and procedures within the Council.</p>	June 2021	Constitution (Governance and Decision Making)	53
	<p>Reducing or eliminating overlap in Cabinet portfolios, with one Member with specific responsibility for performance and citizen experience.</p>	June 2021	Constitution (Governance and Decision Making)	54
	<p>Identifying specific skill requirements, training and development needs, as well as potential conflict of interest issues, for Councillors appointed to statutory Committees including Planning, Licensing, Appeals and Audit and Scrutiny, and also to Company Boards, including appointments to Non-Executive Company Chair roles.</p>	June 2021	Constitution (Governance and Decision Making)	54

DLUHC Theme	Product / Outcome	Timescale	Plan Theme / Section	Location
	A revised Member Officer protocol clarifying roles and responsibilities as between members and officers.	June 2021	Constitution (Governance and Decision Making)	54
	A simplified officer structure incorporating a new senior leadership structure with sufficient seniority for strategic financial management (the S151 officer and the Monitoring Officer to report directly to the CE). This structure must ensure that Statutory Officers have effective control and/or oversight of the professional functions that provide advice to the Council. The Chief Executive to ensure sufficient permanent and interim management capacity in place to drive recovery plan at pace	June 2021	Organisation and Culture	60
	Implementing the procedure outlined in the Joint Negotiating Committee for Chief Executives, publishing the targets and performance measures agreed and cascading these into the direct reports and to the bottom of the officer structure, with appropriate mechanisms for the Chief Executive to hold officers to account	June 2021	Organisation and Culture	60
	Identify and initiate workforce development and cultural change programme for senior officers	June 2021	Organisation and Culture	61
	Adopting a standard model of delivery or using the benefits of corporate purchasing.	June 2021	Service Design and Delivery (formerly Delivery Options)	69 (Accelerated Wave 1 Business Case)

DLUHC Theme	Product / Outcome	Timescale	Plan Theme / Section	Location
	Clarity on the role of the Audit Committee and adopting relevant Redmond recommendations	June 2021	Constitution (Governance and Decision Making)	54
	Reforming the working practices of the Overview and Scrutiny Committee so it aligns with best practice.	June 2021	Constitution (Governance and Decision Making)	54
<b>Commercial</b>	<b>Assessment of the Council's group of companies</b> Include an assessment of which would be unlawful to bring back in-house, and a VfM assessment of current company ownership arrangements vs managed exits, with the aim of reducing risk, cost and avoiding unnecessary duplication. The conclusions should be integrated within the medium-term financial planning.	January 2021	Companies	39
<b>Commercial</b>	<b>Decisions on each company</b> Decisions on the future status of each company within the Council's group of companies, including careful sequencing and prioritisation of these decisions.	Outline Jan 2021, final plan June 2021	Companies	39
<b>Commercial</b>	<b>Decisions relating to Enviroenergy</b> Council to urgently review and determine the future of their district heating scheme, linked to the incinerator investment. Further to this, the Council must develop and implement an investment plan to ensure that residents have heating now and in the future in line with government commitments on climate change and carbon emissions.	June 2021	Companies	39
<b>Commercial</b>	<b>Policy statement on roles and responsibilities of nominated non-executive directors and shareholder representatives</b> This statement will also be reflected in the updated constitution. It should establish a common core element for the shareholder agreement together with the company specific elements and	June 2021	Companies	39

DLUHC Theme	Product / Outcome	Timescale	Plan Theme / Section	Location
	effectively impose it onto the companies they retain. It should also commit the Council to increasing its' capacity and capability for managing their commercial operation.			
<b>Commercial</b>	<p><b>Council to develop new officer shareholder executive function to support and challenge the Companies Governance Executive Sub-Committee</b></p> <p>The officer group's functions should include: reviewing financial and operational performance; acting as the loan committee for the council; identifying ways to drive down costs and increase dividends or reduce losses held on balance sheets.</p>	January 2022	Companies	40



## City Council – 10 January 2022

### Report of the Leader of the Council

**Corporate Director/ Director:**

Director of Legal and Governance

**Report Author:**

Jane Garrard, Senior Governance Officer

[jane.garrard@nottinghamcity.gov.uk](mailto:jane.garrard@nottinghamcity.gov.uk)

0115 8764315

**Title: Decisions taken under Urgency Procedures**

**Does the report form part of the Budget or Policy Framework?**

Yes     No

**Does this report contain any information that is exempt from publication?**

No

**Relevant Council Plan Key Outcome:**

Clean and Connected Communities	<input type="checkbox"/>
Keeping Nottingham Working	<input type="checkbox"/>
Carbon Neutral by 2028	<input type="checkbox"/>
Safer Nottingham	<input type="checkbox"/>
Child-Friendly Nottingham	<input type="checkbox"/>
Healthy and Inclusive	<input type="checkbox"/>
Keeping Nottingham Moving	<input type="checkbox"/>
Improve the City Centre	<input type="checkbox"/>
Better Housing	<input type="checkbox"/>
Financial Stability	<input type="checkbox"/>
Serving People Well	<input checked="" type="checkbox"/>

**1. Summary**

1.1 As required by the Council's Constitution, this report informs Council of urgent decisions taken under provisions within the Overview and Scrutiny Procedure Rules (Article 11) and Access to Information Procedure Rules (Article 13).

**2. Recommendations**

2.1 To note the urgent decisions taken in accordance with requirements of the Council's Constitution, as detailed in the appendices.

**3. Reasons for recommendations**

3.1 To ensure compliance with requirements of the Council's Constitution.

#### **4. Other options considered in making recommendations**

- 4.1 None. It is a Constitutional requirement that Council is informed of urgent decisions taken under provisions within the Overview and Scrutiny Procedure Rules (Article 11) and Access to Information Procedure Rules (Article 13).

#### **5. Consideration of Risk**

- 5.1 Consideration of the risks associated with the decisions referred to in this report were published as part of each of those decisions.

#### **6. Background (including outcomes of consultation)**

- 6.1 Decisions taken under the Call-in and Urgency provisions of the Overview and Scrutiny Procedure Rules

The Call-in procedure set out in Article 11 of the Council's Constitution does not apply where the decision taken is urgent. A decision is urgent if any delay likely to be caused by the Call-in process would seriously prejudice the Council's or the public's interests. The urgency provisions require the Chair of the Overview and Scrutiny Committee (or in the absence of the Chair, one of the Vice-Chairs; or in the absence of all three, the Chief Executive) to agree that the decision proposed is reasonable in all the circumstances and that the reasons for urgency are valid. The Constitution requires that decisions taken under these urgency provisions are reported to the next meeting of the Standards and Governance Committee and Full Council.

- 6.2 Decisions taken under the Special Urgency provisions of the Access to Information Procedure Rules

Where it is impracticable to give at least five clear working days notice that a Key Decision is going to be made, a Key Decision may only be made in accordance with the Special Urgency provisions set out in the Access to Information Procedure Rules (Article 13 of the Council's Constitution). The Special Urgency provisions require agreement from the Chair of the Overview and Scrutiny Committee (or in the absence of the Chair, the Lord Mayor as Chair of Council; or in the absence of both, the Sheriff as Vice Chair of Council) that the decision is urgent and cannot reasonably be deferred. The Constitution requires that decisions taken under these urgency provisions are reported to the Standards and Governance Committee and Full Council.

#### **7. Finance colleague comments (including implications and value for money)**

- 7.1 Comments from Finance colleagues in relation to the decisions referred to in this report were published as part of each of those decisions.

#### **8. Legal colleague comments**

- 8.1 Comments from Legal colleagues in relation to the decisions referred to in this report were published as part of each of those decisions.

#### **9. Other relevant comments**

- 9.1 None

**10. Crime and Disorder Implications (If Applicable)**

10.1 Where applicable, details of the crime and disorder implications of the decisions referred to in this report were published as part of each of those decisions.

**11. Social value considerations (If Applicable)**

11.1 Where applicable, details of the social value considerations of the decisions referred to in this report were published as part of each of those decisions.

**12. Regard to the NHS Constitution (If Applicable)**

12.1 Where applicable, details of the social value considerations of the decisions referred to in this report were published as part of each of those decisions.

**13. Equality Impact Assessment (EIA)**

13.1 Where required, Equality Impact Assessments were published alongside each decision referred to in the report.

**14. Data Protection Impact Assessment (DPIA)**

14.1 Where required, the data protection impact of the decisions referred to in this report was assessed and, where appropriate, details published as part of each of those decisions.

**15. Carbon Impact Assessment (CIA)**

15.1 Where required, the carbon impact of the decisions referred to in this report was assessed and, where appropriate, details published as part of each of those decisions.

**16. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)**

16.1 None

**17. Published documents referred to in this report**

17.1 Nottingham City Council Constitution

17.2 The committee reports and minutes, and delegated decisions referred to in this report, as published on the Nottingham City Council website.

**Councillor David Mellen  
Leader of the Council**

**Appendix 1 - Decisions taken under the Call-in and Urgency provisions of the Overview and Scrutiny Procedure Rules**

<b>Decision Reference</b>	<b>Date of Decision</b>	<b>Subject</b>	<b>Decision Taker</b>	<b>Value of Decision</b>	<b>Consultee on Urgency</b>	<b>Reason for Urgency</b>
DD4428	5 November 2021	Disposal of Sneinton Hermitage Community Centre	Portfolio Holder for Neighbourhoods, Safety and Inclusion	Exempt	Chair of Overview and Scrutiny Committee	To enable market preparations to be completed in time to enter the property into the December 2021 auction, rather than be delayed until the next auction in February 2022. A delay would have incurred additional costs for maintenance and security and the property would have remained unoccupied with potential risks from anti-social behaviour or vandalism, which could give rise to additional costs for repairs and/or affect the sale price.
Minute Ref: 69	16 November 2021	Medium Term Financial Plan 2022/23 to 2025/26	Executive Board	Nil	Chair of Overview and Scrutiny Committee	To enable public consultation to commence immediately and enable as long a consultation period as possible.

## **Appendix 2 – Key Decisions taken under the Special Urgency provisions of the Access to Information Procedure Rules**

There are no decisions to report.

This page is intentionally left blank

## City Council - 10 January 2022

### Report of the Chair of Audit Committee

#### Corporate Director/ Director:

Clive Heaphy, Interim Corporate Director of Finance and Resources

#### Report Author and Contact Details:

Shail Shah, Head of Audit and Risk [Shail.Shah@nottinghamcity.gov.uk](mailto:Shail.Shah@nottinghamcity.gov.uk)

#### Title: Retender of External Audit for 2023/24 to 2027/28

#### Does the report form part of the Budget or Policy Framework?

Yes  No

#### Does this report contain any information that is exempt from publication?

No

#### Relevant Council Plan Key Outcome:

Clean and Connected Communities	<input type="checkbox"/>
Keeping Nottingham Working	<input type="checkbox"/>
Carbon Neutral by 2028	<input type="checkbox"/>
Safer Nottingham	<input type="checkbox"/>
Child-Friendly Nottingham	<input type="checkbox"/>
Healthy and Inclusive	<input type="checkbox"/>
Keeping Nottingham Moving	<input type="checkbox"/>
Improve the City Centre	<input type="checkbox"/>
Better Housing	<input type="checkbox"/>
Financial Stability	<input checked="" type="checkbox"/>
Serving People Well	<input checked="" type="checkbox"/>

### 1. Summary

- 1.1 This report sets out proposals for appointing the external auditor to the Council for the accounts for the five-year period from 2023/24. The proposals were endorsed by Audit Committee on 26<sup>th</sup> November 2021.

### 2. Recommendations

- 2.1 To accept Public Sector Audit Appointments' (PSAA) invitation to opt into the sector-led option for the appointment of external auditors to principal local government and police bodies for five financial years from 1 April 2023.

### 3. Reasons for recommendations

- 3.1 Under the Local Government Audit and Accountability Act 2014 ("the Act"), the Council is required to appoint an auditor to audit its accounts for each financial year. The Council has three options:
- to opt in to the national auditor appointment scheme administered by a body designated by the Secretary of State as the 'appointing person'. The body currently designated for this role is Public Sector Audit Appointments Limited (PSAA);

- b) to appoint its own auditor, which requires it to follow the procedure set out in the Act; or
- c) to act jointly with other authorities to procure an auditor following the procedures in the Act.

3.2 Regulation 19 of the Local Audit (Appointing Person) Regulations 2015 requires that a decision to opt in must be made by a meeting of the Council (meeting as a whole), except where the authority is a corporation sole.

### **The national auditor appointment scheme**

3.3 PSAA is specified as the 'appointing person' for principal local government under the provisions of the Act and the Local Audit (Appointing Person) Regulations 2015. PSAA let five-year audit services contracts in 2017 for the first appointing period, covering audits of the accounts from 2018/19 to 2022/23. PSAA is now preparing to undertake a procurement for the next appointing period, covering audits for 2023/24 to 2027/28, and it has invited eligible bodies to opt in. Based on the level of opt-ins it will enter into contracts with appropriately qualified audit firms and appoint a suitable firm to be the Council's auditor. PSAA is a not-for-profit organisation whose costs are around 4% of the scheme with any surplus distributed back to scheme members.

3.4 In summary the national opt-in scheme provides the following:

- the appointment of a suitably qualified audit firm to conduct audits for each of the five financial years commencing 1 April 2023;
- appointing the same auditor to other opted-in bodies that are involved in formal collaboration or joint working initiatives to the extent this is possible with other constraints;
- managing the procurement process to ensure both quality and price criteria are satisfied. PSAA has sought views from the sector to help inform its detailed procurement strategy;
- ensuring suitable independence of the auditors from the bodies they audit and managing any potential conflicts as they arise during the appointment period;
- minimising the scheme management costs and returning any surpluses to scheme members;
- consulting with authorities on auditor appointments, giving the Council the opportunity to influence which auditor is appointed;
- consulting with authorities on the scale of audit fees and ensuring these reflect scale, complexity, and audit risk;
- ongoing contract and performance management of the contracts once these have been let; and
- supporting the sector-led body offers the best way of to ensuring there is a continuing and sustainable public audit market into the medium and long term.

3.5 If the Council wishes to take advantage of the national auditor appointment arrangements, it is required under the Local Audit Regulations to make the decision at full Council. The opt-in period starts on 22 September 2021 and closes on 11 March 2022. To opt into the national scheme from 2023/24, the Council needs to return completed opt-in documents to PSAA by 11 March 2022.

### **The next audit procurement by PSAA**

3.6 The prices submitted by bidders through the procurement will be the key determinant of the value of audit fees paid by opted-in bodies. PSAA will:

- seek to encourage realistic fee levels and to benefit from the economies of scale associated with procuring on behalf of a significant number of bodies;



- continue to pool scheme costs and charge fees to opted-in bodies in accordance with the published fee scale as amended following consultations with scheme members and other interested parties (pooling means that everyone within the scheme will benefit from the prices secured via a competitive procurement process – a key tenet of the national collective scheme);
- continue to minimise its own costs, around 4% of scheme costs, and as a not-for-profit company will return any surplus funds to scheme members. In 2019 it returned a total £3.5million to relevant bodies and in 2021 a further £5.6million was returned.

3.7 PSAA will seek to encourage market sustainability in its procurement. Firms will be able to bid for a variety of differently sized contracts so that they can match their available resources and risk appetite to the contract for which they bid. They will be required to meet appropriate quality standards and to reflect realistic market prices in their tenders, informed by the scale fees and the supporting information provided about each audit. Where regulatory changes are in train which affect the amount of audit work suppliers must undertake, firms will be informed as to which developments should be priced into their bids.

3.8 The scope of a local audit is determined by the Code of Audit Practice (currently published by the National Audit Office - MHCLG's Spring statement proposes that overarching responsibility for Code will in due course transfer to the system leader, ARGA, the new regulator being established to replace the FRC), the format of the financial statements (specified by CIPFA/LASAAC) and the application of auditing standards regulated by the FRC. These factors apply to all local audits irrespective of whether an eligible body decides to opt in to PSAA's national scheme or chooses to make its own separate arrangements. The requirements are mandatory; they shape the work auditors undertake and have a bearing on the actual fees required.

#### 4. **Other options considered in making recommendations**

##### **Appointment by the Council itself or jointly**

4.1 The Council may elect to appoint its own external auditor under the Act, which would require the Council to:

- establish an independent auditor panel to make a stand-alone appointment. The auditor panel would need to be set up by the Council itself, and the members of the panel must be wholly or a majority of independent members as defined by the Act. Independent members for this purpose are independent appointees, excluding current and former elected members (or officers) and their close families and friends. This means that elected members will not have a majority input to assessing bids and choosing to which audit firm to award a contract for the Council's external audit.
- manage the contract for its duration, overseen by the auditor panel.

4.2 Alternatively, the Act enables the Council to join with other authorities to establish a joint auditor panel. Again, this will need to be constituted of wholly or a majority of independent appointees. Further legal advice would be required on the exact constitution of such a panel having regard to the obligations of each body under the Act and the Council would need to liaise with other local authorities to assess the appetite for such an arrangement.

4.3 Initial discussions with Heads of Audit at Core Cities indicates that only local partnering is being considered with this option, with these councils retaining existing

arrangements where the course is known. Leicestershire County Council, which partners with the Council for transactional HR and Finance, proposes to opt in. For other councils in Nottinghamshire, the proposed course of action, where known, is to opt in.

#### **Pressures in the current local audit market and delays in issuing opinions**

- 4.4 There are currently nine audit providers eligible to audit local authorities and other relevant bodies under local audit legislation. This means that a local procurement exercise would seek tenders from the same firms as the national procurement exercise, subject to the need to manage any local independence issues. Local firms cannot be invited to bid. Local procurements must deliver the same audit scope and requirements as a national procurement, reflecting the auditor's statutory responsibilities.
- 4.5 Much has changed in the local audit market since audit contracts were last awarded in 2017. At that time the audit market was relatively stable, there had been few changes in audit requirements, and local audit fees had been reducing over a long period. 98% of those bodies eligible opted into the national scheme and attracted very competitive bids from audit firms. The resulting audit contracts took effect from 1 April 2018.
- 4.6 During 2018 a series of financial crises and failures in the private sector year led to questioning about the role of auditors and the focus and value of their work. Four independent reviews were commissioned by Government: Sir John Kingman's review of the Financial Reporting Council (FRC), the audit regulator; the Competition and Markets Authority review of the audit market; Sir Donald Brydon's review of the quality and effectiveness of audit; and Sir Tony Redmond's review of local authority financial reporting and external audit. The recommendations are now under consideration by Government, with the clear implication that significant reforms will follow. A new audit regulator (ARGA) is to be established, and arrangements for system leadership in local audit are to be introduced. Further change will follow as other recommendations are implemented.
- 4.7 The Kingman review has led to an urgent drive for the FRC to deliver rapid, measurable improvements in audit quality. This has created a major pressure for audit firms to ensure full compliance with regulatory requirements and expectations in every audit they undertake. By the time firms were conducting 2018/19 local audits during 2019, the measures they were putting in place to respond to a more focused regulator were clearly visible. To deliver the necessary improvements in audit quality, firms were requiring their audit teams to undertake additional work to gain deeper levels of assurance. However, additional work requires more time, posing a threat to the firms' ability to complete all their audits by the target date for publication of audited accounts. Delayed opinions are not the only consequence of the FRC's drive to improve audit quality. Additional audit work must also be paid for. As a result, across the sector, many more fee variation claims have been needed than in prior years.
- 4.8 This situation has been accentuated by growing auditor recruitment and retention challenges, the complexity of local government financial statements and increasing levels of technical challenges as bodies explore innovative ways of developing new or enhanced income streams to help fund services for local people. These challenges have increased in subsequent audit years, with Covid-19 creating further significant pressure for finance and audit teams.

4.9 None of these problems is unique to local government audit. Similar challenges have played out in other sectors, where increased fees and disappointing responses to tender invitations have been experienced during the past two years.

## 5. Consideration of Risk

### Risk Management

5.1 The principal risks are that the Council:

- fails to appoint an auditor in accordance with the requirements and timing specified in local audit legislation; or
- does not achieve value for money in the appointment process.

5.2 These risks are considered best mitigated by opting into the sector-led approach through PSAA as set out in the assessment of options section below.

### Options

5.3 The Council has three options:

- to opt in to the national auditor appointment scheme administered by a body designated by the Secretary of State as the 'appointing person'. The body currently designated for this role is Public Sector Audit Appointments Limited (PSAA).
- to appoint its own auditor, which requires it to follow the procedure set out in the Act.
- to act jointly with other authorities to procure an auditor following the procedures in the Act.

5.4 Whilst every option carries some risk, it can be seen that opting in to the national auditor appointment scheme minimises risks for the following reasons:

5.5 If the Council did not opt in there would be a need to establish an independent auditor panel to make a stand-alone appointment. The auditor panel would need to be set up by the Council itself, and the members of the panel must be wholly or a majority of independent members as defined by the Act. Independent members for this purpose are independent appointees, excluding current and former elected members (or officers) and their close families and friends. Neither elected members nor officers would have a majority input to assessing bids and choosing which audit firm to award a contract for the Council's external audit.

5.6 Alternatively, if the Council were to join with other authorities to establish a joint auditor panel, this would need to be constituted of wholly or a majority of independent appointees. Further legal advice would be required on the exact constitution of such a panel having regard to the obligations of each Council under the Act and the Council would need to liaise with other local authorities to assess the appetite for such an arrangement.

5.7 There is little enthusiasm at other councils contacted for establishing joint procurement of external audit.

5.8 Both these options would be:

- at risk of not being able to procure an auditor in good time and not meeting deadlines set out in legislation;
- at risk of not being able to source these independent panel members. Opting in to the national scheme removes this risk;

- subject to early costs in respect of Auditor Panel and procurement process, which are incorporated into the auditor fee when opting in to the national scheme;
- subject to the cost of ongoing oversight of the contract, which is incorporated into the auditor fee when opting in to the national scheme;
- more resource-intensive processes to implement for the Council, including an additional body (the auditor panel) to service, and ongoing oversight of the contract;
- likely to result in a more costly service, without the bulk buying power of the sector-led procurement;
- more difficult to manage quality and independence requirements.

5.9 Nor would they enable the Council to influence the scope or quality of the audit, as it is fixed by the regulatory regime.

5.10 The national offer provides the appointment of an independent auditor with:

- guaranteed compliance with legislative framework;
- the best opportunity to secure the appointment of a qualified, registered auditor - there are only nine accredited local audit firms, and a local procurement would be drawing from the same limited supply of auditor resources as PSAA's national procurement;
- no early costs;
- significantly less administrative cost to the Council;
- the opportunity to influence the market that a national procurement provides by acting with other councils;
- reduced procurement costs compared to local procurement due to economies of scale such as shared costs; and
- management of quality and independence requirements through PSAA's existing policy and administrative arrangements.

5.11 In addition, organisations opted in to the PSAA scheme are given free access to the Local Audit Quality Forum and webinar events on key topics. These resources have been useful to Internal Audit.

### **Next steps**

5.12 The Council needs to respond formally to PSAA's invitation in the form specified by PSAA by the close of the opt-in period (11 March 2022).

5.13 PSAA will commence the formal procurement process in early February 2022. It expects to award contracts in August 2022 and will then consult with authorities on the appointment of auditors so that it can make appointments by the statutory deadline of 31 December 2022.

5.14 The Council must publish details of the appointment within the period of 28 days beginning with the day on which the appointment is made (in January 2023).

## **6. Background (including outcomes of consultation)**

6.1 During 2021/22 all local government bodies need to make important decisions about their external audit arrangements from 2023/24. At Nottingham City Council the decision must be made by Full Council by 10<sup>th</sup> January in order to be able to respond to PSAA by the deadline of 11<sup>th</sup> March 2022.

### **The Role of the Appointed Auditor**

- 6.2 The auditor appointed at the end of the procurement process will undertake the statutory audit of accounts and Best Value assessment of the Council in each financial year, in accordance with all relevant codes of practice and guidance. The appointed auditor is also responsible for investigating questions raised by electors and has powers and responsibilities in relation to Public Interest Reports and statutory recommendations.
- 6.3 The auditor must act independently of the Council and the main purpose of the procurement legislation is to ensure that the appointed auditor is sufficiently qualified and independent.
- 6.4 The auditor must be registered to undertake local audits by the Financial Reporting Council (FRC) and employ authorised Key Audit Partners to oversee the work. As the report below sets out there is a currently a shortage of registered firms and Key Audit Partners.
- 6.5 Auditors are regulated by the FRC, which will be replaced by a new body with wider powers, the Audit, Reporting and Governance Authority (ARGA) during the course of the next audit contract.
- 6.6 Councils therefore have very limited influence over the nature of the audit services they are procuring, the nature and quality of which are determined or overseen by third parties.

### **Current Arrangements**

- 6.7 The current auditor appointment arrangements cover the period up to and including the audit of the 2022/23 accounts. The Council opted into the 'appointing person' national auditor appointment arrangements established by Public Sector Audit Appointments (PSAA) for the period covering the accounts for 2018/19 to 2022/23. Following a national procurement exercise PSAA appointed Grant Thornton to audit the accounts for these periods. Should the Council choose to opt in to national arrangements PSAA would select the Council's auditor following a procurement exercise. PSAA's current policy on rotation of key staff would preclude the selection of the current Key Audit Partner from 2023 and in practice PSAA prefers shorter terms for audit firm appointments too.
- 6.8 For administrative convenience, PSAA requires audit firms to bill opted-in bodies on its behalf and to act as its agents to collect fees. PSAA invoices firms at the scale fee adjusted for the firm's agreed remuneration. Firms are required to update quarterly work in progress returns with the amount of work they have completed in the quarter to establish the percentage complete. The revenue received by PSAA is to cover directly the costs of the auditors and the operating expenses of PSAA. If at the end of the period there is a remaining surplus or a shortfall, as a result of expenses being over or under-estimated, revenue is adjusted to the actual amount receivable from the opted-in bodies and payable by PSAA in total. Surpluses have been paid out to opted-in bodies in recent years.

## **7. Finance colleague comments (including implications and value for money)**

- 7.1 The PSAA fees are incorporated in external audit charges.
- 7.2 There is a risk that current external audit fee levels could increase when the current contracts end. It is clear that the scope of audit has increased, requiring more audit

work. An additional £15 million has been promised by the Government for councils to help them deliver the recommendations of Sir Tony Redmond's review. Our share of this sum is not yet known and other areas of recommendations within the review may also give rise to additional costs.

- 7.3 There are also concerns about capacity and sustainability in the local audit market.
- 7.4 Opting into a national scheme provides maximum opportunity to ensure fees are as realistic as possible, while ensuring the quality of audit is maintained, by entering into a large scale collective procurement arrangement.
- 7.5 If the national scheme is not used some additional resource may be needed to establish an auditor panel and conduct a local procurement. Until a procurement exercise is completed it is not possible to state what, if any, additional resource may be required for audit fees from 2023/24.

## 8. **Legal colleague comments**

- 8.1 Section 7 of the Local Audit and Accountability Act 2014 requires a relevant Council to appoint a local auditor to audit its accounts for a financial year not later than 31 December in the preceding year.
- 8.2 Section 8 governs the procedure for appointment including that the Council must consult and take account of the advice of its auditor panel on the selection and appointment of a local auditor. Section 8 provides that where a relevant council is a local council operating executive arrangements, the function of appointing a local auditor to audit its accounts is not the responsibility of an executive of the Council under those arrangements. A notice detailing the appointment and length of the appointment must be published on the Council's website within 28 days of the appointment being made.
- 8.3 Section 12 makes provision for the failure to appoint a local auditor. The Council must immediately inform the Secretary of State, who may direct the Council to appoint the auditor named in the direction or appoint a local auditor on behalf of the Council.
- 8.4 Section 17 gives the Secretary of State the power to make regulations in relation to an 'appointing person' specified by the Secretary of State. This power has been exercised in the Local Audit (Appointing Person) Regulations 2015 (SI 192) and this gives the Secretary of State the ability to enable a sector-led body to become the appointing person. In July 2016 the Secretary of State specified PSAA as the appointing person.

Beth Brown, Head of Legal and Governance  
22 October 2021

## 9. **Other relevant comments**

### 9.1 **Procurement**

Procurement colleagues will support the tendering exercise and work to ensure that a fully compliant contract is entered into.  
Paul Ritchie, Lead Procurement Officer 13/12/2021

10. **Crime and Disorder Implications**

Not Applicable

11. **Social value considerations**

Not Applicable

12. **Regard to the NHS Constitution**

Not Applicable

13. **Equality Impact Assessment (EIA)**

13.1 Has the equality impact of the proposals in this report been assessed?

No

An EIA is not required because no equalities or diversity issues arise from the report. The Council does not have discretion in relation to how the service will be provided as it is fully determined by statute and statutory guidance.

Yes

14. **Data Protection Impact Assessment (DPIA)**

14.1 Has the data protection impact of the proposals in this report been assessed?

No

A DPIA is not required because DPIA will be completed as part of engagement of the firm appointed by PSAA. The PSAA Statement of Responsibilities of Auditors and Audited Bodies: Principal Local Authorities and Police Bodies which is the formal terms of engagement between appointed auditors and audited bodies includes at Section 51: *Auditors protect the integrity of data relating to audited bodies and individuals either received or obtained during the audit. They ensure that data are held securely and that all reasonable steps are taken to ensure compliance with statutory and other requirements relating to the collection, holding and disclosure of information.*

Yes

15. **Carbon Impact Assessment (CIA)**

15.1 Has the carbon impact of the proposals in this report been assessed?

No

A CIA is not required because the Council does not have control over the service that will be provided and so cannot control its carbon impact.

Yes

16. **List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)**

16.1 None

17. **Published documents referred to in this report**

17.1 [Retender of External Audit for 2023/24 to 2027/28 – Audit Committee 26<sup>th</sup> November 2021](#)

17.2 [PSAA website - Appointing period 2023/24 - 2027/28](#)

**Councillor Audra Wynter  
Chair of Audit Committee**